

CHARTER REFORM:

**SECTION 1502 –
RETIREMENT BOARD**

Lt. Keith Jones, Chair

Pasadena Fire & Police Retirement Board

The logo is a white square with a black border, centered within a light blue circular graphic. It contains the text "PASADENA FIRE & POLICE RETIREMENT SYSTEM" in a sans-serif font. "PASADENA" is at the top, "FIRE &" is in the middle, "POLICE" is below that, and "RETIREMENT SYSTEM" is at the bottom.

PASADENA
FIRE &
POLICE
RETIREMENT
SYSTEM

RECOMMENDATION:

1. Find that the recommended action is exempt from CEQA, and
2. Direct staff to prepare and return with a resolution required to place a Charter amendment measure for Section 1502 Retirement Board, regarding the election of Fire and Police Trustees to the Retirement Board of the Pasadena Fire & Police Retirement System on the General Municipal Election of the City of Pasadena on Tuesday, November 5, 2024



FIRE & POLICE RETIREMENT SYSTEM

- Established in 1919
- Closed to new members 7/1/77
- Current plan assets \$97,000,000 and 174 retirees/beneficiaries
- As of June 30, 2023 the plan is funded at 84.1% Actuarial Value of Assets



SECTION 1502 – RETIREMENT BOARD

“... two members elected under the supervision of the Retirement Board from the active or retired members of the Retirement System. One of such two members shall be a member or retiree of the Fire Department and one a member or retiree of the Police Department, and the election of each of such two members shall be confined to the group from which the member must be chosen.”

BACKGROUND

Immediate Challenge

- Current vacancy in the Fire Trustee position resulting from the resignation of the former trustee, and two unsuccessful rounds of elections
- Fire members have no representation on the Board

Anticipated Future Challenge

- FPRS members are an aging population (average age is 81)
- Difficult to attend in-person monthly meetings
- Likely similar situation with the Police Trustee in the future
- Potential challenge with ensuring quorum

Why Charter Reform?

- Provide greater flexibility to fill the positions of Fire and Police Trustees
- Ensure continued representation of Fire and Police members on the Board
- Continued ability for the Board to maintain fiduciary and administrative duties (including serving as the hearing body for CalPERS disability retirements)

PROPOSED CHANGE

Charter Section 1502. - RETIREMENT BOARD.

The Retirement System shall be managed by a Retirement Board hereby created, which shall be the successor to, and have the powers and duties of the Fire and Police Pension Board of the City of Pasadena, heretofore created and effective and now by this Article superseded by the Retirement Board. The Retirement Board shall consist of one member of the legislative body of the city to be selected by and to serve at the pleasure of the said legislative body, two qualified electors of the City of Pasadena not connected with the government thereof, to be appointed by the legislative body, and two members elected under the supervision of the Retirement Board ~~from the active or retired members of the Retirement System. One of such two members shall be a member or retiree of the Fire Department and one a member or retiree of the Police Department, and the election of each of such two members shall be confined to the group from which the member must be chosen.~~ pursuant to the process set forth in the Trustee Election Policy, provided that such policy is approved pursuant to a resolution of the Retirement Board after a comment period of no less than 30 days to solicit input from Retirement System members.

The term of office of the four members, other than the member appointed from the legislative body of the City, shall be four years, one term expiring each year, ~~provided that immediately after the election of the two members from the Fire and Police Departments, they shall draw lots for terms of one, two, three and four years respectively.~~ The members of the Retirement Board shall serve without compensation. The Retirement Board shall appoint a secretary to hold office at its pleasure, and when necessary employ a consulting actuary.

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