WILLIAM E. PAYNE
EXECUTIVE OFFICER

LAUREN C. HAIGHT
ACTUARY

EDWARD K. COOMBS
ASSISTANT EXECUTIVE OFFICER

STATE OF CALIFORNIA
BOARD OF ADMINISTRATION
State Employees' Retirement System
1227 O STREET, P. O. BOX 1953
SACRAMENTO 9

April 27, 1962

PLEASE DIRECT YOUR REPLY TO SECTION 23

REFER TO MEMBER ACCOUNT NUMBER

Mr. James M. Fales, Jr.
City Administrator
City of Pleasanton
City Hall
Pleasanton, California

Dear Mr. Fales:

Thank you for your recent letter transmitting the executed amendment to your City's contract so that retirement benefits can be calculated on a three year, rather than a five year, salary average.

We have corrected the effective date of the amendment to show April 1, 1962 rather than the effective date of your City Council's ordinance. Such correction is necessary because this system, having had no notice of your Council's action until April 23, is physically unable to apply the three year salary average to Pleasanton employees who might have retired March 31 or earlier.

The amendment has been executed by your office. A copy of the contract as amended is enclosed for your files.

Very truly yours,

Thomas F. Crocker
mc

THOMAS F. CROCKER
ASSISTANT ACTUARY

TFC:mc
encl.

AMENDMENT TO CONTRACT BETWEEN THE
BOARD OF ADMINISTRATION
STATE EMPLOYEES' RETIREMENT SYSTEM
AND THE

CITY COUNCIL

OF THE

CITY OF PLEASANTON

The Board of Administration, State Employees' Retirement System, hereinafter referred to as Board, and the City Council of the City of Pleasanton, hereinafter referred to as Public Agency, having entered into a contract under date of May 18, 1953 effective September 1, 1953, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

A. The following phrase is added to the sentence which constitutes Paragraph Number 1 of said agreement:

"except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except such as by express provision thereof apply only on the election of contracting agencies."

B. Paragraphs 3 through 13 are hereby stricken from said contract as executed effective September 1, 1953, and are hereby replaced by the following paragraphs numbered 3 through 9 inclusive:

3. Employees of Public Agency in the following classes and groups shall become members of said Retirement System except such in each such class and group as are excluded by law or this agreement:

   a. Local Firemen (herein referred to as local safety members);

   b. Local Policemen (herein referred to as local safety members);

   c. Employees other than local safety members (herein referred to as miscellaneous members).

   In addition to the employees excluded from membership by said Retirement Law, the following employees shall not become members of the Retirement System:

NO ADDITIONAL EXCLUSIONS

4. All words and terms used herein which are defined in the State Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 60 for miscellaneous members and age 55 for local safety members.

5. Benefits on account of each year of prior service shall be 100 percent of the fraction of final compensation provided under Section 21253 of the Law and this contract for each year of current service upon retirement for service.

6. The following provisions of the State Employees' Retirement Law which apply only upon election of a contracting agency shall apply to the Public Agency and its employees:

   a. Section 21251.1 (providing for a guaranteed percentage of final compensation for each year of current service as a miscellaneous member).

   b. Section 21252.4 (providing for a guaranteed percentage of final compensation for each year of current service as a local safety member).

   c. Section 20024.01 (defining "final compensation" on the basis of a period of three consecutive years).

   d. Section 21258(b) (providing a minimum retirement allowance of $720.00 per year).

   e. Section 21367.5 (providing a $300.00 death benefit upon death after retirement).

   f. Section 20025 (providing for inclusion of compensation without limit in computations where compensation is a factor).

7. Public Agency shall contribute to said Retirement System as follows:

   a. 6.340 percent of total salaries each month for 20 years less the years elapsed between the effective date of the contract and the effective date of this amendment, on account of the liability for prior service.

   b. 5.618 percent of total salaries paid by Public Agency each month to its employees who are and hereafter become members of said Retirement System, provided that only salary earned as members of said System shall be included in said total salaries.

   c. A reasonable amount per annum, as fixed by Board to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodical investigation and valuation required by law, provided that said amount shall be determined on the basis of the number of employees of Public Agency who are members on July 1 of the respective fiscal years, or with respect to the first year of participation, on the effective date of said participation.

d. A reasonable amount as fixed by the Board, payable in one installment as the occasions arise, to cover costs of special valuations on account of employees of Public Agency, and costs of the periodical investigation and valuation required by law.

8. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the State Employees' Retirement Law, and on account of experience under the Retirement System, as determined by the periodical investigation and valuation required by said Retirement Law.

9. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within thirty days after the end of the period to which said contributions refer. If more or less than the correct amount of contribution is paid for any period, proper adjustment shall be made in connection with subsequent remittances, or adjustments on account of errors in contributions required of any employee may be made by direct cash paymennts between the employee and Board. Payments by Public Agency to Board may be made in the form of warrants, bank checks, bank drafts, certified checks, money orders, or cash.

4/1/62 JHC. C. This amendment shall be attached to said contract and shall become effective on the ~~8th~~ 1st day of ~~February~~ April 1962.

Witness our hands this 9th day of April 1962.

BOARD OF ADMINISTRATION
STATE EMPLOYEES' RETIREMENT SYSTEM

BY William E. Payne
William E. Payne, Executive Officer

CITY COUNCIL

OF THE
CITY OF PLEASANTON

Rudolph Vice Mayor
BY /s/ Warren R. Harding
Presiding Officer

Attest:

Margaret L. Conner
/s/ Margaret L. Conner
Clerk

Ret. Form 702-3