



**NOTICE OF CANCELLATION OF THE
REGULAR MEETING OF THE CASA JPA
OCTOBER 2, 2023**

Notice is hereby given that the Regular Meeting of the CASA JPA that was scheduled to be held on October 2, 2023 at 8:00 a.m. has been cancelled.

A Special Meeting will be scheduled on October 2, 2023 at 7:30 a.m.. Meeting notice to follow.

**NOTICE AND CALL OF SPECIAL MEETING
OF THE COASTAL ANIMAL SERVICES AUTHORITY
JPA BOARD OF DIRECTORS**

TO MEMBERS OF THE COASTAL ANIMAL SERVICES AUTHORITY:

NOTICE IS HEREBY GIVEN that a Special Meeting of the Coastal Animal Services Authority is hereby called to be held on Monday, October 2, 2023 at 7:30 AM at the City of San Clemente City Hall, 910 Calle Negocio, Community Conference Room (First Floor), San Clemente, CA 92673.

Said Special Meeting shall be held to consider the following agenda items:

1. See attached list.

Jamey Federico
Chairperson

**Agenda for Coastal Animal Services Authority
Special Board Meeting
October 2, 2023
7:30 a.m.**

Location:

City of San Clemente, City Hall, Community Conference Room
910 Calle Negocio
San Clemente, CA 92672

AGENDA ITEMS

1. CALL TO ORDER

- Pledge of Allegiance

2. APPROVAL OF MINUTES

- August 7, 2023

3. ITEMS FROM THE STAFF

- Resolution 23-01: Adoption of Board Meeting Time
- Shelter Operations Update and Statistics
- Animal Control Report
- Staff Report: ACO 800mHz Radios

4. ITEMS FROM THE BOARD

5. ITEMS FROM THE CITY

- CalPers Update

6. ITEMS FROM PPF

- Update from PPF Chairperson

7. ORAL COMMUNICATIONS

- Members of the audience who wish to address the JPA Board on matters within the jurisdiction of the Coastal Animal Services Authority, but not separately listed on the agenda, may do so during the Oral Communications portion of the meeting.

8. CLOSED SESSION

- PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Government Code Section 54957
Title: General Manager

9. ADJOURNMENT

Next Regular JPA Meeting at the San Clemente City Hall, 910 Calle Negocio, Community Conference Room, San Clemente, CA, December 4, 2023 at 7:30 a.m..

Jamey Federico, Chairperson, CASA Board

COASTAL ANIMAL SERVICES AUTHORITY (CASA)

Regular Meeting Minutes

August 7, 2023

These minutes reflect the order in which items appeared on the meeting agenda and do not necessarily reflect the order in which items were actually considered.

A Regular Meeting of the Coastal Animal Services Authority was called to order by Chair Federico on August 7, 2023 at 8:05 a.m.. at San Clemente City Hall, located at 910 Calle Negocio, San Clemente, in Conference Room A.

PRESENT

Chair Jamey Federico
Board Member Mark Enmeier (via video conference call)
Stephanie Cocumelli, Pet Project Foundation
Jake Rahn, City of San Clemente
Johanne Thordahl, City of San Clemente.
Jeff Rosaler, City of Dana Point
Jennifer Stinett, CASA

* * *

PLEDGE OF ALLEGIANCE

1. **CALL TO ORDER**

The CASA Meeting was called to order at 8:05 a.m. with all members present.

2. **Approval of CASA Meeting Minutes**

MOTION BY Federico SECOND by Enmeier CARRIED 2-0, to approve the minutes of the CASA Board Meeting of

- June 5, 2023

3. **BUDGET – Consideration to approve the Payroll Warrants and Registers for the period of 5/15/23-7/14/23**

MOTION BY Federico SECOND by Enmeier to approve the Payroll Warrants and Registers

4. **ITEMS FROM THE STAFF**

Staff Report: Security Camera Bid

Staff presented three bids for security camera installation at CASA; with staff recommending the bid from Plus Home Technologies, a local Dana Point vendor at \$17,010.

Federico stated that the cameras in that quote are lower quality. He would prefer we go back to them and get a quote for higher quality cameras.

Enmeier agreed.

MOTION by Federico SECOND by Enmeier to give the General Manager the authority to negotiate with the vendor, Plus Home Technologies, to complete the project for less than \$17,500 with higher quality cameras.

Staff Report: Policy and Procedure #33 ATV Use

Staff presented a Policy and Procedure regarding CASA ACO use of the ATV on the beach for patrols. OCSD is sending one of their Officers to training, and he will then train our officers.

Enmeier asked if the purposes of the patrols are for loose dogs without owners, or dog owners bringing their dogs on the beach?

Stinett confirmed that these are owners bringing their dogs to the beach. We have received requests from Marine Safety to assist with additional patrols.

Federico asked if the ACO's also sign a document before they are allowed use of the ATV? Stinett confirmed that they do sign a waiver and that is already in place for all Officers.

MOTION by Federico SECOND by Enmeier to approve Policy and Procedure #33.

Staff Report: Shelter Statistics CASA vs. San Juan Capistrano

Staff presented a statistics comparison between CASA and the OC Animal Care stats for the City of San Juan Capistrano, as they are our closest city with comparable population numbers. Calls for service are comparable, while impound and owner surrender numbers for San Juan Capistrano are lower than CASA numbers. Staff assumes that is a result of the facility location not being convenient for San Juan Capistrano residents, as well as the stigma of them being a "Kill" Shelter. OC Animal Care has also not been offering an owner surrender program for its customers due to pet overpopulation at the facility.

Staff was unable to locate current information regarding the fees that San Juan Capistrano pays for OC Animal Care services, or how long their agreement is in place.

Federico provided background to Enmeier, regarding CASA's ability to expand and take on other members into the JPA, providing animal control services to other local cities. Based on these numbers, staff could begin to think about if CASA had the ability to take on another city, and what we need, staffing wise to do that? Do we have the kennel space?

Stinett said kennel space would likely not be a problem, as we are already pulling animals from other facilities to fill our kennels. San Juan Capistrano does have horses in their animal population, however, the city does have a volunteer team that deals with their large animals, so we would need to look further into that to see what assistance they offer. We would require an additional ACO truck and another full-time and part-time Officer.

Enmeier asked what the benefits would be of expanding?

Federico said that the cities would share the overhead costs, potentially lowering each member city's total cost. Federico pointed out that the license numbers in San Juan Capistrano are double that of Dana Point, with a similar population.

Stinett said our license numbers, depending on the formula used to calculate, are well behind OC Animal Care. They do have a license canvassing program to help boost their numbers.

Enmeier asked if San Juan Capistrano has ever contacted us, or have we reached out to them?

Federico said that years ago there were discussions, but nothing has occurred recently.

Cocumelli added that we also receive a lot of calls for service from San Juan Capistrano residents, as they assume due to our close proximity, that we service their area.

Shelter Operations Update

Training

One staff person will be attending an upcoming Chameleon Software training.

Recruitments

We filled one part-time kennel attendant position six weeks ago, and that person is going through their training. We have our second part-time kennel attendant starting in two weeks.

Our customer service representative left the position at the beginning of July. While we await the recruitment to fill that full-time position, we have a former employee coming in on an interim part-time basis.

The Animal Control Supervisor has completed their onboarding and will start on 8/21/23. She comes to us from San Diego Humane Society.

Fee Schedule

The new fee schedule was implemented on July 1, 2023, and we have received some complaints about the rise in fees for licensing. Most of the complaints are from our senior residents, that no longer receive a discount on their licensing.

Enmeier asked what the discount was for the seniors?

Stinett said that it was a 50% discount, however, the fee study indicated that the costs to administer a license far exceeded what were charging, even at our regular license rate. Although we have received some complaints, most residents don't mention anything, or understand that everything is going up.

Cocumelli asked about the complaints received over the phone, as she heard that there had been quite a bit of calls about the costs increasing.

Stinett said she has been tracking the complaints from those residents who have requested their complaint rise to the level of those at the City Manager or Council level.

Federico said we are free to provide his email and he will reach out. He explained that the cost to process a license exceeded our fees. If there was any mistake it was that we didn't update them a long time ago. If you go too long without updating fees, the jump is more than people are comfortable with.

Stinett said that is what we explain to the residents.

Even with a rise in the adoption fees we adopted more animals in July 2023 than we did in July 2022.

Landscape Maintenance

Our landscape maintenance company notified us that our costs will be going up. We had utilized the same company since 2007 with no adjustment to our costs over that time, at a rate of \$600 per month. In March 2023 the owner retired and sold his company to our new vendor, Nature Care. We have been happy with their services so far, however, just before the new fiscal year we were notified that our fee would go up to \$909 per month. I asked them what the justification was for the increase. They responded that it was due to inflation and rising staff costs. Staff reached out to three companies that were recommended by the City of San Clemente, and only one would come out and bid for the job. Their bid was \$1275 per month. We also reached out to the Dana Point staff for recommendations as well. We will continue services with Nature Care at this time. The fiscal impact is an additional \$2500 than was in the budget, but we do have other funds set aside for landscape maintenance, so it should still come in under the total fund.

Trainer's Hut Cleaning

I went back to the company that provided us with the bid to clean the Trainer's Hut, to ask if he would consider adjusting it to a lower amount. I also involved our Maintenance Supervisor in the discussion. Their response was that they meant to bid it at \$300 per month instead of \$200. They gave us the option of cleaning it 3 days per week for \$175 per month. Staff believes that we should go forward with the 3 days per week. It was only being cleaned once per month before.

Animal Control Operations Update

Training

Animal Control Officers took part in training with OC Animal Care and the District Attorney, for *Animal Cruelty Investigations*.

Public Education

Officer Keppler made a presentation at the San Clemente Rotary Club.

Code Updates

The San Clemente Vicious Dog and Barking Dog ordinances are being reviewed and updated. The new ACO Supervisor will take over that process.

4th of July

We staffed two officers for Fourth of July festivities, providing enforcement on the beaches and at the pier.

Public Service

Recently we had a serious car accident in the City of Dana Point, and on CCTV city staff saw that a dog got out of the vehicle after the accident. Mike Killebrew and ACO Friedman were able to locate the dog not far from the scene, and get it to a vet for a medical evaluation. The dog did not sustain any serious injuries and has gone home with family.

In July Officer Keppler identified a person driving erratically near the Ocean Ranch Plaza. He was able to follow the vehicle and detain the driver until OCSD was able to arrive. It was identified that the same person was involved in a hit-and-run accident moments before.

Federico reviewed for Enmeier that there are some disparities in the Vicious Dog and Barking ordinances between Dana Point and San Clemente. The Board decided to streamline them and try to make them as similar as possible. Dana Point Council approved the updates. San Clemente is still working through the process.

Stinett stated that several months ago, BB&K did a pass over them, and we'll need to do that again with the new City Attorney.

5. **ITEMS FROM THE BOARD**

Enmeier asked if the Board meeting time could be changed to 7:30 a.m.?

Federico asked Enmeier to send his availability to Stinett, and we will need to find out if 7:30 a.m. is appropriate for a public meeting.

6. **ITEMS FROM THE CITY**

CalPers

We have completed the first step to assess eligibility and the second step to make sure that financially they are willing to accept CASA into CalPers.

We received a proposed timeline from CalPers, which is outlined in the Staff Report. The Board will need to confirm they are OK with this timeline.

The Board does need to make an election related to Section 1959 Survivor Benefit Plan, between the two options available. Costs associated with each option are outlined in the report.

Federico asked for confirmation that the higher benefit is only \$0.75 per employee, per month?

Rahn confirmed.

Federico doesn't see how we don't go for the higher level of coverage for a difference of \$0.75 per month. Enmeier agrees.

Rahn said he will send the response to CalPers regarding the Survivor Benefit election and the timeline.

Federico asked Rahn to provide the Board with our Milliman valuation, and how much money we are looking at transferring over to CalPers.

7. **ITEMS FROM PET PROJECT FOUNDATION (PPF)**

Cocumelli provided updates from PPF.

The Board held their annual meeting and reviewed their annual budget and projects they are looking forward to in the coming year.

She presented a proposal for the remodeling of our six dog play yards. The project would address the turf and drainage issues, would add additional safety fencing at the entrances to each yard, new toy bins and water bowls, and a new mister system.

The project would include new turf/groundcover, appropriate drainage and sprinkler lines, and potentially electrical lines into the play yards.

The proposal is broken down into necessary work and add-ons. For all work in the proposal the total is \$65,800 for all six yards.

Contractors have been identified and a timeline is included in the proposal.

Enmeier asked if the funds have already been raised?

Cocumelli said PPF has brought this to the Board for discussion to see what CASA would pay for and what PPF would be contributing to it. The project is the responsibility mostly of CASA, but PPF would love to participate and would manage the project if the Board chose.

Enmeier asked what the electrical would be for?

Cocumelli said there is currently no electrical available. If down the road CASA wanted to add lighting, there is an option to add that work while the ground is open.

Federico understands the benefit to doing the work while the ground is being worked on, but is there any need for electrical in those yards?

Stinett said that some people have brought up the potential to add outdoor fans, but that would be a nice to have. The closest electrical is a light pole in the parking lot, and you either have to run it around the parking spots under the grass, or tear up asphalt to run it directly to the yards. There would be another 40 feet to run it from the pole to the yards.

Cocumelli said the PPF Board has met and would like to get the project underway. The PPF Board approved a financial split.

Enmeier asked if there is an alternative to the mister system, to get shade in the yards?

Cocumelli said there is shade in each yard, but the mister system would be a nice to have from PPF's perspective, for the comfort of the dogs and volunteers.

Federico thanked PPF for doing all the background and for putting the proposal together.

Federico asked from CASA's perspective what is the issue we are trying to solve.

Stinett stated that there is a drainage issue. The yards do get muddy, and could present slip and fall concerns. We have taken care of gopher issues in the turf and have addressed the erosion issues in the yards. We do have to water the yards daily because of how they are used, and we have asked the landscaper to manage the length of time the yards are watered to address overwatering concerns. With how hot it has been the ground shouldn't be as wet as they are. The bullpens would be nice to have, as they currently use temporary X-pens.

Federico asked what the ground cover will be?

Stinett said that we will lay new sod and we will be adding some DG walkways.

Federico asked PPF what the ask is from CASA?

Cocumelli said PPF would like a 50/50 split on this project; about \$25,000 on each side.

Stinett said there has been discussion about having some labor done by volunteers.

Cocumelli added that the significant cost is labor, but PPF has interest from volunteers interested in helping. However, the proposal takes into consideration assumed cost, assuming that we may have to pay everything.

Federico asked if we have budget for the project?

Stinett said that we have a \$50,000 capital improvement budget. We have some set aside for the cameras and exterior painting. Those two projects are estimated at \$30,000 total, leaving us with \$20,000.

Rosaler said he believes the labor cost estimate is low, and recommends we are cognitive of that.

Federico asked Enmeier if he is comfortable with CASA offering to pay \$25,000 toward the project?

Enmeier said he isn't comfortable with the electrical add-on, and would like to stay within our capital improvement budget amount.

Federico agrees the yards are in bad shape, and it is our responsibility to clean those up. However, they could be closed down on days where we get a lot of rain and its muddy? But, we are perfectly happy to pay \$25,000 for this project.

Enmeier stated that there may be cost savings within the proposal; example the toy bins, that could bring the cost down, if an alternative could be found.

Cocumelli said that historically amongst the volunteer group things like toy bins, etc. are often times donated by volunteers. But, PPF wanted to bring forward what the group feels would be the high end of the cost. Some of these costs could disappear if they end up being donated.

Rosaler said that the City of Dana Point has had some success with solar options, if we don't do the electrical work.

Board approves a CASA spend of \$25,000 for the project.

Cocumelli announced that the PPF Gala is coming up and they are excited to have both cities attend. PPF asks of the cities if there are any events coming up that could be donated as an auction item, please let her know.

8. ORAL COMMUNICATIONS

None

9. ADJOURNMENT

Meeting Adjourned at 9:20 a.m.. The next Regular JPA Meeting will be held on October 2, 2023 at a time to be determined., at San Clemente City Hall, located at 910 Calle Negocio, San Clemente, in the Community Conference Room.

CHAIR of the COASTAL
ANIMAL SERVICES AUTHORITY

CASA BOARD RESOLUTION NO. 23-01

A RESOLUTION OF THE CASA BOARD ESTABLISHING
THE DATE, TIME AND LOCATION FOR THE REGULAR
MEETINGS OF THE CASA BOARD AND RESCINDING
ANY RESOLUTION IN CONFLICT THERE WITHIN.

WHEREAS, the CASA Board desires to establish a date, time and location for the Regular Meetings of the CASA Board.

NOW, THEREFORE, BE IT RESOLVED by the CASA Board as follows:

SECTION 1. Regular Meetings of the CASA Board shall be conducted six times per year. The meetings will take place on the first Monday of the months of February, April, June, August, October, and December, at the hour of 7:30 am and shall be open to the public. Meetings may be adjourned by the presiding officer or by the Secretary if a quorum is not present.

SECTION 2. CASA Board meetings shall be conducted at the City of San Clemente City Hall, located at 910 Calle Negocio, San Clemente, California, unless otherwise noticed pursuant to the Brown Act.

SECTION 3. Regular, Adjourned Regular, and Special Meetings of the CASA Board shall be noticed pursuant to Brown Act requirements.

SECTION 4. Any resolution in conflict with this resolution is hereby rescinded.

PASSED AND ADOPTED by the CASA Board at a Special Meeting held on the 2nd day of October, 2023.

CHAIR, CASA BOARD

ATTEST:

SECRETARY, CASA BOARD

STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS
CITY OF SAN CLEMENTE)

I, Jennifer Stinett, Secretary to the CASA Board, hereby certify that the foregoing resolution was duly adopted at a Special Meeting of the CASA Board, held on the 2nd day of October, 2023.

AYES:

NOES:

ABSENT:

SECRETARY, CASA BOARD



Shelter Operations Update
To: JPA Board
From: Jen Stinett
Date: 10/2/23

Expanding Volunteer Opportunities

The CASA insurance carrier, CJPIA, has indicated that there is no age limit for volunteers. The liability program extends coverage to “any volunteer designated by the Member to perform specific functions in the course and scope of authorized activities under the direction and control of the Member.”

CASA staff is interested in working with PPF to develop a new volunteer program for Teens.

Customer Services Representative Recruitment

The application period has closed, and the Human Resource Department will be scheduling the first panel interviews.

If the Board agrees, staff wishes to retain our part-time interim Customer Services Representative for a minimum period of two weeks to assist with training the new employee.

Play Yard Remodel Project

Contractors began work on 9/11/23. Barring any weather delays it is anticipated that this first phase, which includes 3 yards, will be completed by mid-December. The contractor’s most recent update was that they are ahead of schedule at this time.

Considering that 2 of these yards are part of our routine landscape maintenance, I requested that Nature Care consider a reduction in our monthly fee during the construction. They agreed to reduce our bill from \$909 to \$779 per month.

Chameleon Conference

A staff member attended the annual conference that was held by our software administrator Chameleon Hlp, 9/26/23-9/28/23. Various topics were presented related to licensing and animal care. We will be reviewing the staff notes and will look at what can be implemented at the Shelter to improve our operations.

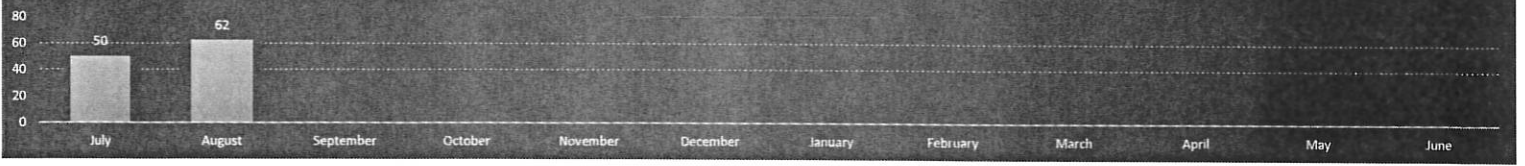
Security Camera Discussion

CASA and PPF to discuss options for installation of security cameras and policies that will need to be established regarding data retention.

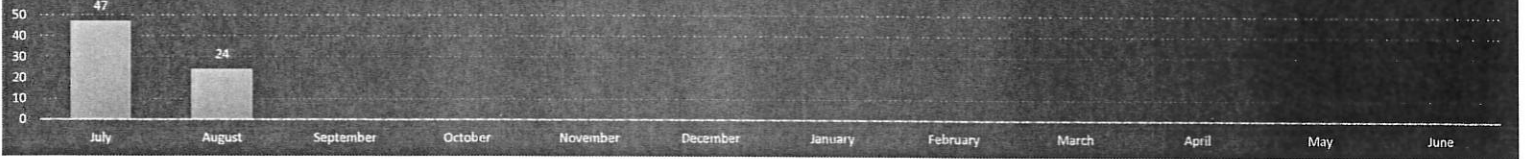
The vendor, Plus Home Technologies, has 4k camera options and a license plate reader available to us, and is willing to configure the system as we see fit within budget.

Fiscal Year 23-24

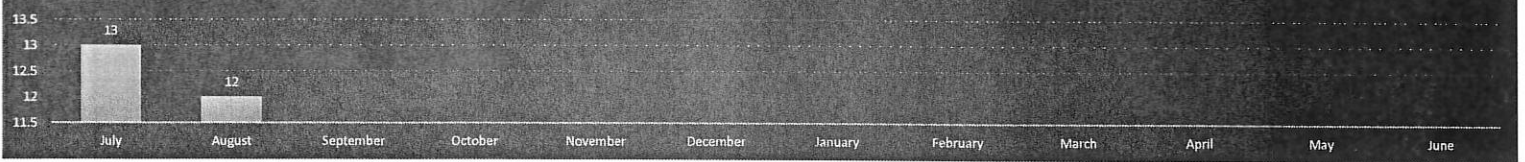
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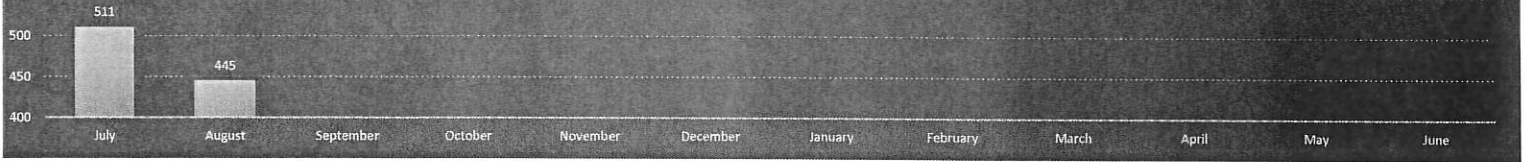
Adoptions



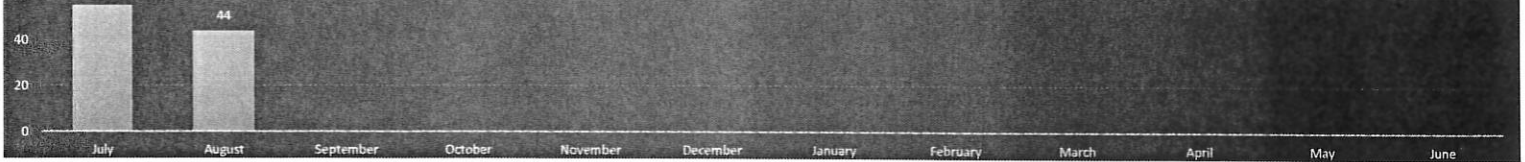
Return to Owner



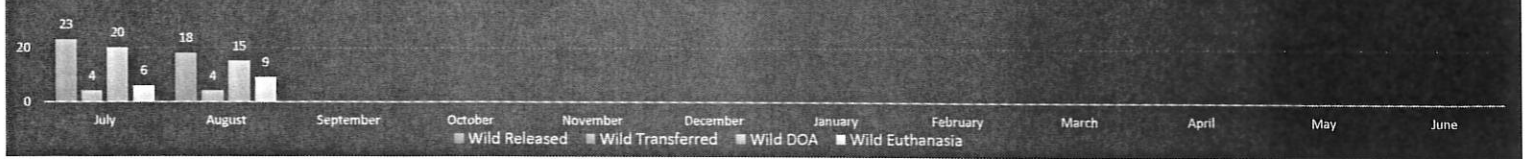
Licenses



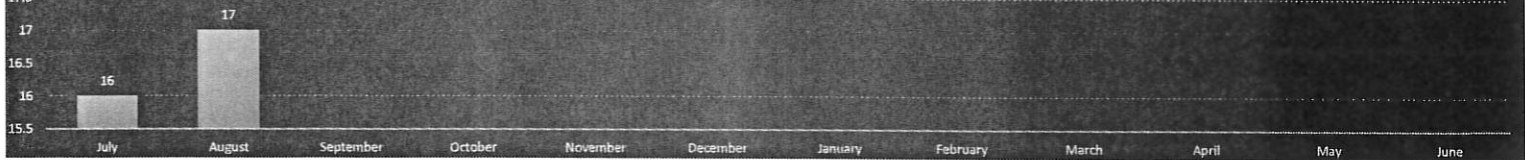
Intakes Wild



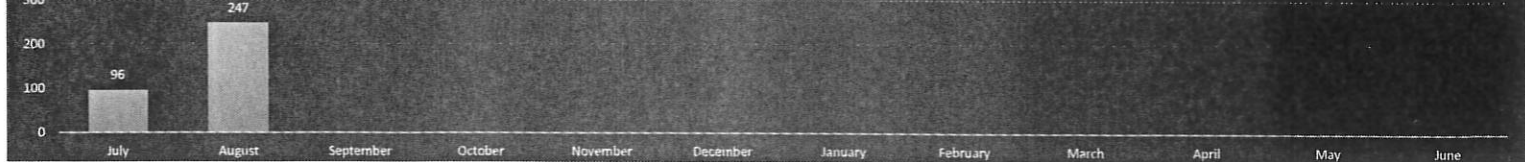
Wildlife Outcomes



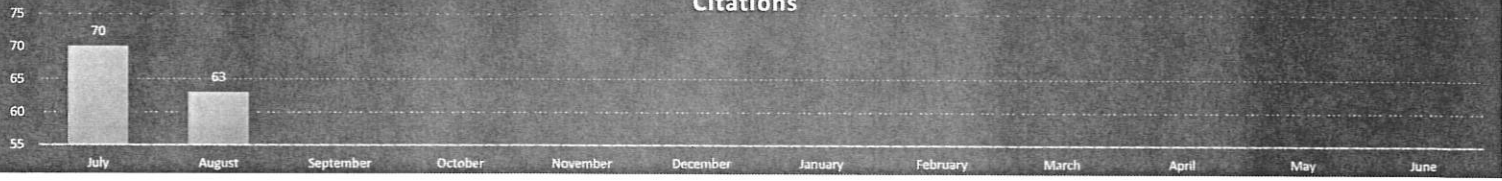
Barking Dog Calls



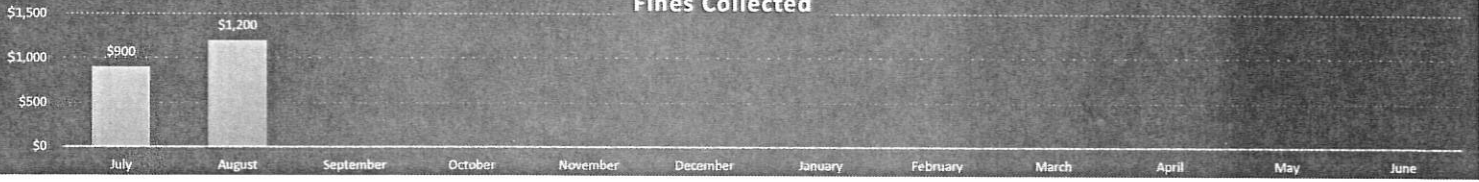
Calls for Service



Citations



Fines Collected





Animal Control Update
To: JPA Board
From: Melanie Upstone & Jen Stinett
Date: October, 2, 2023

Continued Education – The Humane Society United States Law Enforcement Training Center is providing a handful of free, online continuing education courses through November. The courses include: Community Engagement and De-Escalation with the Hawaiian Humane Society, Commercial Breeding Facility Investigations with Animal Rescue League of Boston’s Law Enforcement Division, Community Policing and Animal Protection with KC Pet Project and Human Animal Support Services, Family Violence and the Animal Cruelty Investigations with Hamilton County Sheriff’s Office, and Testifying About Animal Crimes with Hamilton County Sheriff’s Office.

CASA ACO’s have enrolled and are excited to attend.

Public Education – CASA ACO’s are looking to partner with available volunteers who have an interest in helping kids learn! Visiting local schools and educating our youth about animal safety, how to prevent dog bites, speaking about a day in the life of an ACO, a tour of our cool ACO vehicles, and bringing a small pocket pet for show and tell is a great way to build community relations and trust.

We strive to develop an age-appropriate curriculum that engages young minds in hopes of sharing animal related knowledge.



Coastal Animal Services Authority JPA Meeting Memorandum/Report

TO: JPA Board

FROM: Melanie Upstone, Animal Services Officer Supervisor; Jennifer Stinett CASA
General Manager

DATE: October 2, 2023

RE: 800MHz Portable Radios

BACKGROUND:

Historically, the Coastal Animal Services Officers receive calls for service directly from the Orange County Sheriff's Department (OCSD) by way of cellphone contact. In addition to receiving calls for service from OCSD, community members call into the CASA and concerns are relayed to Officers by way of cellphone contact.

With the implementation of radio's, the transmission of case information would be smoother and quicker, allowing for a faster response time in the community.

Officers are in the field without method to request a rapid response to their location if needed. If faced with a dangerous situation, currently an officer would need to refer to their cellphone and dial for help. This is quite an officer safety concern as it puts the officer at risk of attack. Focus on a potential threat from a person and /or animal is shifted to a phone call for assistance. Ideally, calls for help or assistance should be accessible through a radio transmission, with the push of an easy to access microphone.

Cellphone usage is not always reliable. In the event of a natural disaster, poor weather, or a service outage, cellular service ceases. The use of cellular dispatching has become outdated and alternative options that keep officer's safe are now available.

DISCUSSION:

CASA is interested in outfitting our Animal Services Officers with five (5), Motorola, 800MHz portable radios. In order to remain fiscally viable for the Agency, the use of these radios will also necessitate a partnership with our local Sheriff, in order to utilize their radio channel.

It would behoove all involved: local law enforcement, fire departments, lifeguards, park rangers, etc. to have the ability to directly connect with our department. Accuracy in relaying calls for service along with emergency management communications would be greatly increased.

Thank you for your time and consideration on this concern.

RECOMMENDED ACTION:

Direct CASA Staff to explore the options available with the Orange County Communications Bureau, and bring a report of the equipment and system requirements, and the fiscal impact back to the Board at a future meeting.

FISCAL IMPACT:

The cost to the Agency could vary greatly depending upon the availability of the radio channel, OCSD's willingness to include our radios in their system, and whether we buy new radios, or utilize any used equipment that may be available.



COASTAL ANIMAL SERVICES AUTHORITY JPA MEETING AGENDA REPORT

Meeting Date: October 2, 2023

Agency: Coastal Animal Services Authority

Prepared By: Jake Rahn, Financial Services Officer, City of San Clemente

Subject: *CASA PENSION PLAN ADMINISTRATION*

Recommended

Action(s): **STAFF RECOMMENDS THAT** the Board:

1. Direct staff to present the Resolution of Intention after correspondence is received by CalPERS.

Background: CASA completed the first phase in establishing a contract with CalPERS after an eligibility and financial review conducted by CalPERS. The financial review concluded that CASA is eligible to establish a contract with CalPERS.

CASA completed the second phase by providing a questionnaire with census data to CalPERS for review and for CalPERS to complete actuarial valuation(s). The CalPERS CASA actuarial reports were brought at the June 5, 2023 CASA meeting along with an analysis by staff. Based on the actuarial reports and staff information, actuarial rates would decrease along with the unfunded liability upon a change to CalPERS. The Board, based on the actuarial valuations and other considerations, directed staff to reach out to CalPERS and pursue the resolution of intention.

Staff reached out shortly after the last meeting and recently received Exhibit I on July 31, 2023 by e-mail to move forward with CalPERS. This involves identifying a timeline and determining the Section 1959 Benefit would be incorporated.

A package was received from CalPERS dated September 13, 2023. This included steps and information related to the Joint Powers Authority to contract with CalPERS for pension administration and retirement benefits.

Discussion: A package was received from CalPERS dated September 13, 2023. This included steps and information related to the Joint Powers Authority to contract with CalPERS for pension administration and retirement benefits. However, the initial package did not include the Resolution of Intention. Staff corresponded with CalPERS to receive the Resolution of Intention, however upon reviewing the entire package it was noted that the reallocation agreement was incorrect. Staff has currently received out to the City Attorney and CalPERS to determine the needs related to the reallocation agreement, which was part of the package.

After staff receives a determination, the Resolution of Intention will be brought back to the Board. A special meeting will be likely needed to meet the Board approved following timeline.

1. *Resolution of Intention (§ 20469)*. Declares the agency's intent to contract.
 - Next Board Meeting - October 2023
2. *Member Election by secret ballot (§20469)*.
 - Complete November 2023
3. *Publication of Costs (§ 20469)*. Requires the future annual costs of the proposed contract be made public at a public meeting at least two weeks prior to adoption of the final documents.
4. *Adoption of Final Resolution (§ 20471)*
 - February 2024
5. *Final Action (§ 20471)*. Requires adoption of the final documents (final reading of the ordinance—countries, cities or towns; final resolutions.)
 - Potential second meeting for approval of final resolution
6. *Contract effective date (§ 20474)*: must be on the 1st of a pay period following the adoption of your final resolution.
 - March 2024

Fiscal Impact: Upon a change, the anticipated annual savings would be approximately \$30,000 annually.

Attachments: Exhibit I - CalPERS Letter with supporting information and schedule



Mr. Jake Rahn
Financial Services Officer
Coastal Animal Services Authority
221 Avenida Fabricante
San Clemente, CA 92672-7531

CalPERS ID 2284618663

September 13, 2023

Subject:
Resolution of Intention for Coastal Animal Services Authority

Dear Mr. Rahn,

Thank you for contacting CalPERS regarding a contract for retirement benefits. Enclosed, you will find the Resolution of Intention and Exhibit Contract to provide:

- Section 21354 (2% @ 55 Full formula), Section 20042 (One-Year Final Compensation), Section 20938 (Limit Prior Service to Persons Employed on Contract Date) and Section 21024 (Military Service Credit as Public Service) with 100% prior service for classic local miscellaneous members.
- Section 7522.20 (2% @ 62 Full formula), Section 20938 (Limit Prior Service to Persons Employed on Contract Date) and Section 21024 (Military Service Credit as Public Service) with 100% prior service for new local miscellaneous members.

Also provided are the following documents:

1. Resolution of Intention, Form CON-301.
2. Certification of Governing Body's Action, Form CON-12.
3. Certification of Compliance with Government Code Section 7507, Form CON-12A.
4. Summary of Major Provisions
5. Employee Ballot.
6. Certification of Employee Election, Form CON-15N.
7. Certification of Government Code Section 21031, Form CON-21031.
8. Indexed Level of 1959 Survivor Benefits Ballot, Form CON-24d.
9. 1959 Survivor Benefits Certification of Employee Election, Form CON-18.
10. Reallocation Agreement.
11. Pre-tax Resolution Circular Letters.

After the governing body has adopted the enclosed Resolution of Intention declaring its intention to enter into a contract, an election is required to permit the employees proposed to be included in this system to express by secret ballot their approval or disapproval of the retirement proposal, according to Government Code Section 20469. A ballot for the employees' election is enclosed. The election results must be certified on the enclosed Certification of Employee Election form, CON-15N. The contract shall not be approved if a majority of the affected members vote to disapprove of the proposed plan.

The estimated employer normal cost rates and monthly Employer Unfunded Accrued Liability (UAL) payment or annual lump sum prepayment options for local miscellaneous members are below:

	<i>Employer Rate</i>	<i>Employer UAL</i>	<i>Lump-sum UAL</i>
<i>Classic</i>	12.47%	\$14,454	\$167,834
<i>New (PEPRA)</i>	7.68%	\$79	\$914

For the Indexed Level of 1959 Survivor Benefits, the initial employer cost to join the 1959 Survivor program is the payment of the pool's annual employer normal cost, \$6.75 per covered member per month (subject to annual change), for a period of five years. Agencies will be billed annually and the normal cost will be recalculated each year. After the first five years, the employer is required to pay the net premium for the Indexed Level pool, which will vary from year to year due to investment returns and experiences by the pool. In addition, members covered by the 1959 Survivor Benefits contribute \$2.75 per month (subject to annual change).

Effective January 1, 2009, Government Code Section 7507 requires the following:

- **Future annual costs** of the proposed contract be made public at a public meeting at least two weeks prior to the adoption of the final Resolution..
- Expansion of the definition of the term "future annual costs" to include "normal cost and any change in accrued liability".
- Adoption of any retirement benefit not be placed on the consent calendar.

The agency is to certify compliance on the enclosed Certification of Compliance with Government Code Section 7507 (form CON-12A).

The local miscellaneous member contribution rates are the following percentages of reportable earnings, as of the effective date of the contract:

	<i>Member Rate</i>
<i>Classic</i>	7.0%
<i>New/PEPRA</i>	7.75%

After your governing body has adopted the Resolution of Intention, the next procedure with respect to the 1959 Survivor Benefits is to allow each current employee, proposed to be included in this system, to make an individual election. Members in employment on the effective date of the contract may elect whether to be covered. Participation is required of all future entrants into membership. The supervision of this election and the details of its conduct are under the control and direction of your agency.

A ballot, Form CON-24d, including the summary of benefits, is to be distributed to all eligible employees to complete and sign. The original ballots must be returned to this office along with a listing, in duplicate, of the employees, their Social Security numbers, and category (miscellaneous, fire, police, etc.) wherein the employees are grouped according to those: 1) who elected coverage; 2) who did not elect coverage; and 3) who did not return the ballot. Employees who do not return the ballot within the prescribed time limitation thereby elect not to be covered. The list should confirm the results of the election, which are certified on the enclosed Form CON-18, 1959 Survivor Benefits Certification of Employee Election. Any employees hired after the election or employed prior to or on the effective date of the contract must also be given the opportunity to elect coverage.

In summary, the following documents must be provided back to us before we can forward the actual contract and final documents necessary to complete the process. **DO NOT HOLD THESE DOCUMENTS PENDING ADOPTION OF THE FINAL RESOLUTION.**

1. Resolution of Intention, certified copy.
2. Certification of Governing Body's Action, Form CON-12.
3. Certification of Compliance with Government Code Section 7507, Form CON-12A.
4. Certification of Employee Election, Form CON-15N.
5. Certification of Government Code Section 21031, Form CON-21031.
6. Indexed Level of 1959 Survivor Benefits Ballot, Form CON-24d.
7. 1959 Survivor Benefits Certification of Employee Election, Form CON-18.
8. Summary listing of employees for 1959 Survivor Benefits.
9. Reallocation Agreement.

If your agency adopts the Resolution of Intention on October 2, 2023, the earliest date the final Resolution may be adopted is October 22, 2023. There must be a 20 day period between the adoption of the Resolution of Intention and the adoption of the final Resolution pursuant to Government Code Section 20471. There are no exceptions to this law.

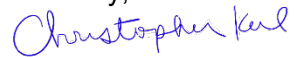
The effective date of this contract cannot be earlier than the first day of a payroll period following the effective date of the final Resolution..

Please do not retype the Contract and/or agreement documents. Only documents provided by this office will be accepted. If you have any questions regarding any documents, please contact this office prior to presenting the items to your governing body for adoption.

If you plan to submit tax-deferred contributions on behalf of your members, please have your governing board adopt an appropriate resolution authorizing such employer pick-up of employee contributions. Your governing board may want to adopt the resolution at the same time it adopts the resolution of intention to contract. We have enclosed two circular letters that explain the employer's "pick-up" federal tax reporting requirements, where to obtain sample resolutions, and the mailing address for submitting the "pick-up" resolutions.

We are here to assist you. If you have any questions or would like additional information, please visit our website www.calpers.ca.gov, or you may contact us toll-free at **888 CalPERS** or **(888-225-7377)**.

Sincerely,



Christopher Keil

Pension Contract Services Analyst

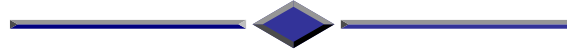
Pension Contracts & Prefunding Programs Division

Enclosures



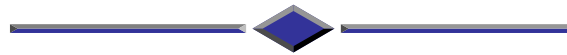
EXHIBIT

California
Public Employees' Retirement System



CONTRACT

**Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Directors
Coastal Animal Services Authority**



In consideration of the covenants and agreement hereafter contained and on the part of both parties to be kept and performed, the governing body of above public agency, hereafter referred to as "Public Agency", and the Board of Administration, Public Employees' Retirement System, hereafter referred to as "Board", hereby agree as follows:

1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members and age 62 for new local miscellaneous members.
2. Public Agency shall participate in the Public Employees' Retirement System from and after _____ making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law 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 those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:

- a. Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - b. Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
 - c. Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Employees other than local safety members (herein referred to as local miscellaneous members).
5. Any exclusion(s) shall remain in effect until such time as the Public Employees' Retirement System determines that continuing said exclusion(s) would risk a finding of non-compliance with any federal tax laws or regulations. If such a determination is contemplated, the Public Employees' Retirement System will meet with the Public Agency to discuss the matter and coordinate any required changes or amendments to the contract.

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

- a. SAFETY EMPLOYEES.**
6. Public Agency's participation in the Public Employees' Retirement System is based on the Board's reasonable, good faith interpretation of current Internal Revenue Service Guidance that Public Agency as constituted at the time of this Agreement is eligible to participate in a governmental plan within the meaning of Internal Revenue Code Section 414(d). Public Agency's continued participation shall be subject to the Board's determination of Public Agency's status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d), upon publication of final Treasury Regulations pursuant to such Section (the "Final Regulations"). If upon publication of the Final Regulations, the Board determines that Public Agency would not qualify as an agency or instrumentality of the state or political subdivision of a State, Public Agency shall take all necessary and applicable steps to comply with the Final Regulations, including making any necessary amendments to Public Agency's governing documents. If Public Agency fails to timely comply with the Final Regulations, the Board shall take any remedial corrections required under the Final Regulations, which may include the termination of Public Agency's participation in the Public Employees' Retirement System, and the cancellation of all benefits and any service credit accrued for Public Agency employees and retirees.

7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
9. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20042 (One-Year Final Compensation) for classic miscellaneous members only.
 - b. Section 20938 (Limit Prior Service to Members Employed on Contract Date).
 - c. Section 21024 (Military Service Credit as Public Service).
 - d. Section 21622 (\$600 Retired Death Benefit).
10. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.
11. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574.5 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract 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 periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
12. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

13. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS
COASTAL ANIMAL SERVICES
AUTHORITY

BY _____
MELODY BENAVIDES, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

**RESOLUTION OF INTENTION
TO APPROVE A CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies in the Public Employees' Retirement System, making their employees members of said System, and sets forth the procedure by which participation may be accomplished; and

WHEREAS, one of the steps required in the procedure is the adoption by the governing body of the public agency of a resolution giving notice of intention to approve a contract for such participation of said agency in the Public Employees' Retirement System, which resolution shall contain a summary of the major provisions of the proposed retirement plan;

NOW, THEREFORE, BE IT RESOLVED, that the governing body of the above agency gives, and it does hereby give notice of intention to approve a contract between said governing body and the Board of Administration of the Public Employees' Retirement System, providing for participation of said agency in said retirement system, a copy of said contract and a copy of the summary of the major provisions of the proposed plan being attached hereto, as an "Exhibit", and by this reference made a part hereof.

By: _____
Presiding Officer

Title

Date adopted and approved



CalPERS ID: _____

Certification of Governing Body's Action

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the
_____ of the
(governing body)

_____ of the
(public agency)

on _____.
(date)

Clerk/Secretary

Title



CalPERS ID: 2284618663

Certification of Compliance with Government Code Section 7507

I hereby certify that in accordance with Government Code section 7507, the future annual costs as determined by the California Public Employees' Retirement System for the increase or change in retirement benefit(s) have been made public at a public meeting of the Board of Directors of the Coastal Animal Services Authority on _____ which is at least two weeks prior to the adoption of the Resolution. Adoption of the retirement benefit increase or change will not be placed on the consent calendar.

Clerk/Secretary

Title

Date _____



Plans New to 1959 Survivor Benefit Program **FOURTH LEVEL**

The Fourth Level 1959 Survivor Benefit provides a monthly allowance of **\$ 950**, **\$1,900**, and **\$ 2,280** for one, two, and three eligible survivors of members respectively, who were covered for this benefit program and who die before retirement. This benefit coverage is available by contract amendment for those members who are not covered by Federal Social Security with their employer. Apart from the Special Death Benefit, the 1959 Survivor Benefit allowance is payable in addition to any other pre-retirement death benefit paid by CalPERS. If the 1959 Survivor Benefit is greater than the Special Death Benefit, then the difference is paid as the 1959 Survivor Benefit. The Fourth Level assets are pooled.

The CalPERS Board of Administration has approved the Fourth Level 1959 Survivor per member, per month normal costs for the fiscal year (FY) beginning July 1, 2023, as follows:

FY	Premiums			Monthly Benefit		
	Employer	Employee	Total	1-Survivor	2-Survivors	3-Survivors
23/24	\$5.50	\$2.00	\$ 7.50	\$ 950	\$1,900	\$ 2,280

The employer cost to initially join the 1959 Survivor program is the payment of the pool's annual employer normal cost for a period of five years. For example, if your plan has 65 scheduled to work all 12 months of the first-year members who elect the 1959 Survivor Fourth Level Benefit at the time of contract and, the first-year employer cost will be:

$$\text{member count [65]} \times \text{normal cost [\$5.50]} \times \text{\# of months [12]} = \underline{\underline{\mathbf{\$ 4,290.00}}}$$

NOTE: The annual employer normal cost and member counts will be recalculated each year, thus the total employer cost will vary in subsequent years, even though the formula is the same.

After the first five years, agencies will be required to pay the net premium for the Fourth Level pool (the pool's normal cost after amortization of the pool's surplus or unfunded liability). The annual payments are due in full at the end of each fiscal year; in general, your first payment will be due at the end of the first full year after the contract date. As a result, payment cycles may not necessarily correspond with contract anniversary dates.

The 2023 FY employee cost to the 1959 Survivor program fund is \$2.00 per covered member, per month. CalPERS customarily approves new annual costs for the upcoming fiscal year at the April Finance and Administration Committee Meeting. Therefore, if your agency contracts with CalPERS and includes this provision after June 30, 2024, you must contact our office for updated cost information.

Additional information regarding the 1959 Survivor Benefit Program may be found at www.calpers.ca.gov.

Plans New to 1959 Survivor Benefit Program

INDEXED LEVEL

The Indexed Level 1959 Survivor Benefit provides a monthly benefit allowance for survivors of members who were covered for this benefit and who die before retirement. The benefit amounts for calendar year 2023/2024, respectively, are **\$ 950, \$1,546 and \$2,319** for one, two and three eligible survivors, respectively. These amounts will increase by 2% on January 1 of each following year. The increased benefit amounts compounded by 2% annually are applicable to both current and future beneficiaries. This benefit coverage is available by contract amendment for those members who are not covered by Federal Social Security with their employer. The 1959 Survivor Benefit allowance is payable in addition to any other pre-retirement death benefit paid by CalPERS, with the exception of the Special Death Benefit. If the 1959 Survivor Benefit is greater than the Special Death Benefit, then the difference is paid as the 1959 Survivor Benefit. The Indexed Level assets are pooled.

The CalPERS Board of Administration has approved the Indexed Level 1959 Survivor per member, per month normal costs for the fiscal year beginning July 1, 2023/2024, respectively, as follows:

FY	Premiums			Monthly Benefit		
	Employer	Employee	Total	1-Survivor	2-Survivors	3-Survivors
'23	\$7.20	\$2.00	\$9.20	\$789	\$1,577	\$2,365
'24	\$6.75	\$2.75	\$ 9.50	\$804*	\$1,608	\$2,413

The **employer** cost to initially join the 1959 Survivor program is the payment of the pool’s annual employer normal cost for a period of five years. For example, if your plan has 65 scheduled to work all 12 months of the first-year members who elect the 1959 Survivor Indexed Level Benefit at the time of contract, the first-year employer cost will be:

$$\text{member count [65]} \times \text{normal cost [6.75]} \times \text{\# of months [12]} = \underline{\underline{\$5,265.00}}$$

The annual employer cost, normal cost, and member counts will be recalculated each year; thus, the total employer cost will vary in subsequent years, even though the formula is the same. After the first five years, agencies will be required to pay the net premium for the Indexed Level pool (the pool’s normal cost after amortization of the pool’s surplus of unfunded liability). The annual payments are due in full at the end of each fiscal year. Typically, your first payment will be due at the end of the first full year following the effective contract date. As a result, payment cycles may not necessarily correspond with contract anniversary dates.

The **employee** cost to fund the 1959 Survivor program is presently \$2.75 per covered member, per month. In accordance with Section 21581 of the Public Employees’ Retirement Law, if the total monthly premium is equal to, or less than, \$4.00, the member contribution portion shall be \$2.00 per month. If the total monthly premium required exceeds \$4.00, the member and the employer shall evenly share the total required monthly premium. This cost will be recalculated each year.

CalPERS customarily approves new annual costs for the upcoming fiscal year at the April Finance and Administration Committee Meeting. Therefore, if your agency contracts with CalPERS and includes this provision after June 30, 2024, you must contact our office for updated cost information. Additional information regarding the 1959 Survivor Benefit Program may be found at www.calpers.ca.gov.

* These figures indicate calendar year benefit amounts for the Indexed Level in effect for the calendar year 2023. Benefit amounts will increase by two-percent each January 1.



Subject:

Summary of Major Provisions

2% @ 62 Formula (Section 7522.20) for New Local Miscellaneous Members

Service Retirement

To be eligible for service retirement, a member must be at least age 52 and have five years of CalPERS credited service. There is no compulsory retirement age.

The monthly retirement allowance is determined by age at retirement, years of service credit and final compensation. The basic benefit is 2% of final compensation for each year of credited service upon retirement at age 62. If retirement is earlier than age 62, the percentage of final compensation decreases for each quarter year of attained age to 1% at age 52. If retirement is deferred beyond age 62, the percentage of final compensation increases for each quarter year of attained age to 2.5% at age 67.

Final compensation is the average monthly pay rate during the last consecutive 36 months of employment unless the member designates a different period of 36 consecutive months when the average pay rate was higher.

Disability Retirement

Members substantially incapacitated from performing the usual duties for the position for his/her current employer, **and** from performing the usual duties of the position for other CalPERS covered employers (including State agencies, schools, and local public agencies), and where similar positions with these other employers with reasonably comparable in pay, benefits, and promotional opportunities are not available, would be eligible for disability retirement provided they have at least five years of service credit. The monthly retirement allowance is 1.8% of final compensation for each year of service. The maximum percentage for members who have between 10.000 and 18.518 years of service credit is one-third of their final compensation. If the member is eligible for service retirement the member will receive the highest allowance payable, service or disability. If provided by the employer's contract, the benefit would be a minimum of 30% of final compensation for the first five years of service credit, plus 1% for each additional year of service to a maximum benefit of 50% of final compensation.

Industrial Disability Retirement

If provided by the employer's contract, members permanently incapacitated from performing their duties, as defined above under Disability Retirement, and the disability is a result of a job-related injury or illness may receive an Industrial Disability Retirement benefit equal to 50% of their final compensation. If provided in the employer's contract and the member is totally disabled, the disability retirement allowance would equal 75% of final compensation in lieu of the disability retirement allowance otherwise provided. If the member is eligible for service retirement, the service retirement allowance is payable. The total allowance cannot exceed 90% of final compensation.

Pre-Retirement Death Benefits

Basic Death Benefit

This benefit is a refund of the member's contributions plus interest and up to six months' pay (one-month's salary rate for each year of current service to a maximum of six months).

1957 Survivor Benefit

An eligible beneficiary may elect to receive either the Basic Death Benefit or the 1957 Survivor Benefit. The 1957 Survivor Benefit provides a monthly allowance equal to one-half of the highest service retirement allowance the member would have received had he/she retired on the date of death. The 1957 Survivor Benefit is payable to the surviving spouse or registered domestic partner until death or to eligible unmarried children until age 18.

1959 Survivor Benefit¹

A surviving spouse or registered domestic partner and eligible children may receive a monthly allowance as determined by the level of coverage. This benefit is payable in addition to the Basic Death Benefit or 1957 Survivor Benefit. Children are eligible if under age 22 and unmarried.

Pre-Retirement Optional Settlement 2 Death Benefit²

The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may elect to receive the Pre-Retirement Optional Settlement 2 Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Optional Settlement 2, the highest monthly allowance a member can leave a spouse or registered domestic partner.

Cost-Of-Living Adjustments

The cost of living allowance increases are limited to a maximum of 2% compounded annually unless the employer's contract provides a 3, 4, or 5% increase.

Death After Retirement

The lump sum death benefit is \$2000 (or \$3,000, \$4,000 or \$5,000 if provided by the employer's contract) regardless of the retirement plan chosen by the member at the time of retirement.

Termination of Employment

Members who have separated from employment may elect to leave their contributions on deposit or request a refund of contributions and interest. Those who leave their contributions on deposit may apply later for a monthly retirement allowance if the minimum service and age requirements are met. Members who request a refund of their contributions terminate their membership and are not eligible for any future benefits unless they return to CalPERS membership.

Employee Contributions

Miscellaneous members covered by the 2% @ 62 formula shall share the cost of the benefit with their employer. Each will be responsible for 50% of the normal cost associated with participating in this system.

The employer bears the entire cost of prior service benefits (the period of time before the employer provided retirement coverage under CalPERS). All employer contribution rates are subject to adjustment by the CalPERS Board of Administration.

¹ If provided by the employer's contract and the member is not covered under social security.

² If provided by the employer's contract.



Summary of Major Provisions

2% @ 55 Formula (Section 21354) for Local Miscellaneous Members

Service Retirement

To be eligible for service retirement, a member must be at least age 50 and have five years of CalPERS credited service. There is no compulsory retirement age.

The monthly retirement allowance is determined by age at retirement, years of service credit and final compensation. The basic benefit is 2% of final compensation for each year of credited service upon retirement at age 55. If retirement is earlier than age 55, the percentage of final compensation decreases for each quarter year of attained age to 1.426% at age 50. If retirement is deferred beyond age 55, the percentage of final compensation increases for each quarter year of attained age to 2.418% at age 63.

Final compensation is the average monthly pay rate during the last consecutive 36 months of employment, or 12 months if provided by the employer's contract, unless the member designates a different period of 36 or 12 consecutive months when the average pay rate was higher.

Disability Retirement

Members substantially incapacitated from performing the usual duties for the position for his/her current employer, and from performing the usual duties of the position for other CalPERS covered employers (including State agencies, schools, and local public agencies), and where similar positions with these other employers with reasonably comparable in pay, benefits, and promotional opportunities are not available, would be eligible for disability retirement provided they have at least five years of service credit. The monthly retirement allowance is 1.8% of final compensation for each year of service. The maximum percentage for members who have between 10.000 and 18.518 years of service credit is one-third of their final compensation. If the member is eligible for service retirement the member will receive the highest allowance payable, service or disability. If provided by the employer's contract, the benefit would be a minimum of 30% of final compensation for the first five years of service credit, plus 1% for each additional year of service to a maximum benefit of 50% of final compensation.

Industrial Disability Retirement

If provided by the employer's contract, members permanently incapacitated from performing their duties, as defined above under Disability Retirement, and the disability is a result of a job-related injury or illness may receive an Industrial Disability Retirement benefit equal to 50% of their final compensation. If provided in the employer's contract and the member is totally disabled, the disability retirement allowance would equal 75% of final compensation in lieu of the disability retirement allowance otherwise provided. If the member is eligible for service retirement, the service retirement allowance is payable. The total allowance cannot exceed 90% of final compensation.

Pre-Retirement Death Benefits

Basic Death Benefit

This benefit is a refund of the member's contributions plus interest and up to six months' pay (one month's salary rate for each year of current service to a maximum of six months).

1957 Survivor Benefit

An eligible beneficiary may elect to receive either the Basic Death Benefit or the 1957 Survivor Benefit. The 1957 Survivor Benefit provides a monthly allowance equal to one-half of the highest service retirement allowance the member would have received had he/she retired on the date of death. The 1957 Survivor Benefit is payable to the surviving spouse or registered domestic partner until death or to eligible unmarried children until age 18.

1959 Survivor Benefit¹

(If provided by the employer's contract and the member is not covered under social security.) A surviving spouse or registered domestic partner and eligible children may receive a monthly allowance as determine by the level of coverage. This benefit is payable in addition to the Basic Death Benefit or 1957 Survivor Benefit. Children are eligible if under age 22 and unmarried.

Pre-Retirement Optional Settlement 2 Death Benefit²

(If provided by the employer's contract.) The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may to elect to receive the Pre-Retirement Optional Settlement 2 Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Optional Settlement 2, the highest monthly allowance a member can leave a spouse or registered domestic partner.

Cost-Of-Living Adjustments

The cost of living allowance increases are limited to a maximum of 2% compounded annually unless the employer's contract provides a 3, 4, or 5% increase.

Death After Retirement

The lump sum death benefit is \$2000 (or \$3,000, \$4,000 or \$5,000 if provided by the employer's contract) regardless of the retirement plan chosen by the member at the time of retirement.

Termination of Employment

Members who have separated from employment may elect to leave their contributions on deposit or request a refund of contributions and interest. Those who leave their contributions on deposit may apply at a later date for a monthly retirement allowance if the minimum service and age requirements are met. Members who request a refund of their contributions terminate their membership and are not eligible for any future benefits unless they return to CalPERS membership.

Employee Contributions

Miscellaneous members covered by the 2% @ 55 formula contribute 7% of reportable earnings. Those covered under a modified formula (coordinated with Social Security) do not contribute on the first \$133.33 earned.

The employer also contributes toward the cost of the benefits. The amount contributed by the employer for current service retirement benefits generally exceeds the cost to the employee. In addition, the employer bears the entire cost of prior service benefits (the period of time before the employer provided retirement coverage under CalPERS). All employer contribution rates are subject to adjustment by the CalPERS Board of Administration.

¹ If provided by the employer's contract and the member is not covered under social security.

² If provided by the employer's contract.



CalPERS ID 2284618663

Employee Ballot

Miscellaneous Member Group

The Board of Directors of the Coastal Animal Services Authority shall not include in the contract with the Board of Administration of the California Public Employees' Retirement System any group if a majority of its members vote to disapprove the proposed plan. (Government Code Section 20470)

The proposed plan is described in Exhibit A of the Coastal Animal Services Authority's Resolution of Intention to Contract with CalPERS and is outlined in the attached Summary of Major Provisions.

Do you approve of the proposed plan?	YES [] NO []
--------------------------------------	-----------------------



CalPERS ID: 2284618663

Certification of Employee Election

I hereby certify that the following employees of the Cpastal Animal Services Authority have expressed their approval or disapproval of said agency's participation in the California Public Employees' Retirement System on the basis described in the Resolution of Intention adopted by said agency's governing body on _____, in such manner as to permit each employee to separately and secretly express his choice and that the outcome of such election was as follows:

	Number of employees eligible to vote	Number of votes approving said participation	Number of votes disapproving said participation
Local Miscellaneous Members as defined in Govt. Code Section 20383	_____	_____	_____

Clerk or Secretary

Date



1959 Survivor Benefit Program—Indexed Level

Employee Name: _____

Social Security Number: _____ / _____ / _____

For use by members employed by _____ who are not covered by Social Security on the effective date of the enacting contract to elect to be covered by CalPERS 1959 Survivor Benefits or not to be covered by CalPERS 1959 Survivor Benefits.

Please be advised that your election to be covered by the 1959 Survivor Benefits is irrevocable and will remain in effect until you retire, change employers, terminate your membership in CalPERS, or come under Social Security coverage.

As an employee eligible to participate in this election, should you choose not to be covered by the 1959 Survivor Benefits at this time, you will be provided a second opportunity to elect the coverage within a three-month period beginning nine months following the effective date of the agency's contract for such coverage. This second election will provide an opportunity to elect the 1959 Survivor Benefits; however, it will not provide an opportunity to cancel a previous election for 1959 Survivor Benefits coverage.

BEFORE MAKING ELECTION PLEASE READ IMPORTANT INFORMATION ON PAGE 2

FAILURE TO EXECUTE AND RETURN THIS FORM TO YOUR AGENCY ON OR BEFORE _____ SHALL BE DEEMED AN ELECTION NOT TO BE COVERED BY CalPERS 1959 SURVIVOR BENEFITS.

Vote by marking only one of the spaces provided below which indicates your choice:

- I elect to be covered by CalPERS 1959 Survivor Benefits, as set forth in Section 21574.5.
- I elect not to be covered by CalPERS 1959 Survivor Benefits, as set forth in Section 21574.5.

Signature

Date



CalPERS ID 2284618663

1959 Survivor Benefits Certification of Employee Election

I hereby certify the following local miscellaneous employees of the Coastal Animal Services Authority were given an opportunity to elect to be subject to Government Code Section 21575.5, Indexed Level of 1959 Survivor Benefits, as described in the Resolution of Intention adopted by said Agency's governing body on _____:

Number of employees
eligible to elect coverage

Number employees
electing to be covered

Number of employees
electing not to be covered

The attached list identifies the names and Social Security numbers of the CalPERS members eligible to elect such coverage and indicates the choices made.

Clerk or Secretary

Date

REALLOCATION AGREEMENT

THIS REALLOCATION AGREEMENT (this "Agreement") is made as of _____, (the "Agreement Date") by and between the **City of San Clemente** (the "Employer A"), the **Coastal Animal Services Authority** (the "Employer B"), and the California Public Employees' Retirement System ("CalPERS") (collectively, the "Parties").

WHEREAS, Employer A currently contracts with CalPERS for retirement benefits;

WHEREAS, each of Employer A and Employer B hereby represent and warrant to CalPERS that it is an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, concurrently with the execution of this Agreement, Employer B is entering into a contract for retirement benefits with CalPERS (the "Contract") in substantially the same form as the contract between CalPERS and Employer A;

WHEREAS, Employer A and Employer B have represented to CalPERS that certain CalPERS members listed on **Exhibit A** to this Agreement (the "Members") have historically been incorrectly reported by Employer A to CalPERS as employees of Employer A, when in fact they should have been reported as employees of Employer B;

WHEREAS, Employer A and Employer B have directed CalPERS to retroactively treat such Members as employees of Employer B, and to reallocate all of the assets and liabilities associated with such Members from Employer A's contract to Employer B's contract as though such assets and liabilities had always accrued under Employer B's contract (the "Reallocation"); and

WHEREAS, this Agreement shall not become effective until and unless the Contract is made effective.

NOW, THEREFORE, in consideration of the mutual agreements contained in this Agreement, and for good and valuable consideration, it is hereby agreed:

1. The Parties agree that the aforementioned recitals ("Recitals") are incorporated into and are a part of this Agreement.

2. Subject to the terms and conditions of this Agreement and contingent upon the Contract becoming effective, Employer A and Employer B hereby consent to the Reallocation. Employer A, on behalf of itself and any third party beneficiaries, expressly disclaims any ongoing right or benefit to the assets associated with the Members, and Employer B expressly assumes all obligations, liabilities and duties associated with the Members, as a result of their CalPERS membership.

3. That the participation of the Members of Employer A and Employer B in CalPERS shall be subject to the determination of the status of Employer A and/or Employer B, as applicable, as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Code, upon publication of final Treasury Regulations pursuant to such Section (the "Final Regulations"). If it is determined that either Employer A or Employer B, or both, would not qualify as an agency or instrumentality of the state or political subdivision of a State under such Final Regulations, CalPERS will be obligated to comply with the Final Regulations and terminate Employer A's and/or Employer B's participation in CalPERS, as applicable, including cancellation of all benefits for the Members of Employer A and Employer B (the "Termination"). The Termination will comply with any remedial corrections required under the Final Regulations.

4. Notwithstanding, and in addition to, any existing or future obligation that Employer A and Employer B may have to indemnify the CalPERS Parties (as defined below), Employer A and Employer B hereby agree to jointly and severally indemnify and hold CalPERS and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund (together, the "CalPERS Parties") harmless from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, imposed on, sustained or incurred by the CalPERS Parties, to the extent they arise out of or relate to the Reallocation, compliance with the Final Regulations, or the Termination, including, without limitation, attorneys', accountants' and other investigatory fees and out-of-pocket expenses incurred by the CalPERS Parties.

5. Upon request from CalPERS from time to time, Employer A and Employer B shall execute and deliver all documents and do all other acts that may be reasonably necessary to carry out and effectuate the intent and purpose of this Agreement.

6. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its principles of conflicts of law.

7. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

8. If any provision of this Agreement is held invalid or unenforceable, such decision shall not affect the validity or enforceability of any other provision of this Agreement, all of which other provisions shall remain in full force and effect, provided that doing so does not materially alter the intent of the parties as contemplated hereby.

9. This Agreement may not be modified or amended in any respect except in a writing signed by all Parties. No waiver shall be deemed to have been granted or created by any course of conduct or acquiescence, and no waiver shall be enforceable against any party hereto unless in writing and signed by the party against which such waiver is claimed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed and delivered as of the date first above written.

CITY OF SAN CLEMENTE:

COASTAL ANIMAL SERVICES
AUTHORITY:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM:

By: _____

Name: _____

Title: _____

EXHIBIT A
EMPLOYEES



P.O. Box 942709
Sacramento, CA 94229-2709
888 CalPERS (or **888-225-7377**)
Telecommunications Device for the Deaf
No Voice (916) 795-3240
www.calpers.ca.gov

Date: April 14, 2010
Reference No.:
Circular Letter No.: 200-019-10
Distribution: VI, XII, XVI
Special:

Circular Letter

**TO: PUBLIC AGENCIES, COUNTY SUPERINTENDENT OF SCHOOLS,
SCHOOL DISTRICTS**

SUBJECT: EMPLOYER "PICK-UP" RESOLUTION UPDATE

Circular Letter 200-049-08 was sent to advise employers of Revenue Ruling 2006-43 concerning the "pick-up" of employee contributions to CalPERS and to ensure the requirements of the "pick-up" were being met. Revenue Ruling 2006-43 provides in general that an employee contribution will not be treated as "picked-up" unless: (1) the employer specifies that the contributions, although designated as employee contributions, are being paid by the employer and (2) the employer does not permit participating employees to opt out of the pick-up or to receive the contributed amounts directly instead of having them paid by the employer to the plan. The information that was provided in the previous Circular Letter on requirements for an employer "pick-up" has not changed.

Some employers "pick-up" employee contributions for employees in specified groups or classes, but not necessarily for all employees in the organization. This Circular Letter clarifies that your "pick-up" resolution should identify whether all employees of the organization or all of the employees in specific groups or classes are subject to the "pick-up". Employers who only "pick up" employee contributions for all of the employees in certain groups or classes, should specify so in their resolution.

If you need to revise your resolution, you must submit a new one to CalPERS at the address below:

CalPERS
Employer Services Division
Compensation Review Unit
P.O. Box 942709
Sacramento CA 94229-2709

You may also fax your resolution to (916) 795-3005, attention Compensation Review Unit.

The Public Agency Procedures Manual, which is located on [CalPERS On-Line](#) contains a Resolution to Tax Defer Member Paid Contributions, Sample E, for your use. If you have any questions, or if you require assistance in preparing your resolution, please call our Employer Contact Center at **888 CalPERS** (or **888-225-7377**).

Lori McGartland, Chief
Employer Services Division

[Attachment](#)

RESOLUTION FOR EMPLOYER PICK-UP

WHEREAS, the Coastal Animal Services Authority (Name of Agency) has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and
WHEREAS, the Board of Administration of the Public Employees' Retirement System adopted its resolution re section 414(h)(2) IRC on September 18, 1985; and
WHEREAS, the Internal Revenue Service has stated in December 1985, that the implementation of the provisions of section 414(h)(2) IRC pursuant to the Resolution of the Board of Administration would satisfy the legal requirements of section 414(h)(2) IRC; and
WHEREAS, the Coastal Animal Services Authority (Name of Agency) as determined that even though the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax benefit offered by section 414(h)(2) IRC should be provided to its employees who are members of the Public Employees' Retirement System:

NOW, THEREFORE, BE IT RESOLVED:

- I. That the Coastal Animal Services Authority (Name of Agency) will implement the provisions of section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code section 20691 to the Public Employees' Retirement System on behalf of its employees who are members of the Public Employees Retirement System. "Employee contributions" shall mean those contributions to the Public Employees' Retirement System which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code section 20691.
- II. That the contributions made by the Coastal Animal Services Authority (Name of Agency) to the Public Employees' Retirement System, although designated as employee contributions, are being paid by the Coastal Animal Services Authority (Name of Agency) in lieu of contributions by the employees who are members of the Public Employees' Retirement System.
- III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Coastal Animal Services Authority (Name of Agency) to the Public Employees' Retirement System.
- IV. That the Coastal Animal Services Authority (Name of Agency) shall pay to the Public Employees' Retirement System the contributions designated as employee contributions from the same source of funds as used in paying salary.
- V. That the amount of the contributions designated as employee contributions and paid by the Coastal Animal Services Authority (Name of Agency) to the Public Employees' Retirement System on behalf of an employee shall be the entire contribution required of the employee by the Public Employees' Retirement Law (California Government Code sections 20000, et seq.).
- VI. That the contributions designated as employee contributions made by Coastal Animal Services Authority (Name of Agency) to the Public Employees' Retirement System shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the Public Employees' Retirement System.

PASSED and ADOPTED by the governing body of the Coastal Animal Services Authority this day of

By: _____
Presiding Officer

Title

Date adopted and approved