

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF SEPTEMBER 23, 2026

REGULAR MEETING

TO: Bill Wilde, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: Shiva Frentzen, Executive Officer

AGENDA ITEM #2: Consideration and Approval of the Resolution of Intention to Amend
Contract with the California Public Employees' Retirement System to
Reflect the Public Employees' Pension Reform Act of 2013 as
requested by CALPERS

Recommendation

The Executive Officer recommends that the Commission consider and approve the Resolution of Intention to amend its pension contract with the California Public Employees' Retirement System (CalPERS) to incorporate the provisions of the Public Employees' Pension Reform Act of 2013 (PEPRA) as requested by CALPERS.

Background

In 2013, CalPERS implemented mandated benefit formulas to align with the changes set forth by PEPRA. These include reduced benefit formulas and increased retirement age provisions, resulting in new defined benefit formulas for all new miscellaneous (non-safety) and safety members. At the time of the implementation, no formal contract amendment was required for contracting agencies. However, since then, many agencies have amended their contracts to include the PEPRA language.

CalPERS reached out to our agency on June 29 to request that we amend our contract within the next year to ensure that the contract aligns with the changes under PEPRA.

Attachments:

Attachment A: Amendment Resolution of Intention

Attachment B: Amendment to Contract Exhibit Only

**RESOLUTION OF INTENTION
TO APPROVE AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
COMMISSION
EL DORADO LOCAL AGENCY FORMATION COMMISSION**

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To include Public Employees' Pension Reform Act language.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

By: _____
Presiding Officer

Title

Date adopted and approved



EXHIBIT

**AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
COMMISSION
EL DORADO LOCAL AGENCY FORMATION COMMISSION**

The Board of Administration, Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of above public agency, hereinafter referred to as Public Agency, having entered into a contract effective October 6, 2013, and witnessed September 25, 2013, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 12 are hereby stricken from said contract as executed effective October 6, 2013, and hereby replaced by the following paragraphs numbered 1 through 12 inclusive:
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 who were employed before January 1, 2013, including those members who return to the El Dorado Local Agency Formation Commission employment or members who became CalPERS members from other public agencies before January 1, 2013, and are employed by the El Dorado Local Agency Formation Commission after a break in service of not more than six months, and who become members of a public retirement system for the first time on or after January 1, 2013, and who was subject to reciprocity under subdivision (c) of Government Code Section 7522.02. In addition, "Normal retirement age" shall mean age 62 for new local miscellaneous employees who become members of any public retirement system for the first time on or after January 1, 2013, and was not a member of any other public retirement system prior to that date.

2. Public Agency shall participate in the Public Employees' Retirement System from and after October 6, 2013, 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 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. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member who returns to the El Dorado Local Agency Formation Commission employment or member who became CalPERS members from other public agencies before January 1, 2013, and are employed to the El Dorado Local Agency Formation Commission after a break in service of not more than six months or who becomes a member of a public retirement system for the first time on or after January 1, 2013, and who was subject to reciprocity under subdivision (c) of Government Code Section 7522.02 shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
7. The percentage of final compensation to be provided for each year of credited current service as a new local miscellaneous employee who becomes a member of any public retirement system for the first time on or after January 1, 2013, and was not a member of any other public retirement system prior to that date shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
8. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20042 (One-Year Final Compensation) for all classic local miscellaneous members who were employed before January 1, 2013, including those members who return to the El Dorado Local Agency Formation Commission employment or members who became CalPERS members from other public agencies before January 1, 2013, and are employed by the El Dorado Local Agency Formation Commission after a break in service of not more than six months or who becomes a member of a public retirement system for the first time on or after January 1, 2013, and who was subject to reciprocity under subdivision (c) of Government Code Section 7522.02.

- b. Section 20903 (Two Years Additional Service Credit).
 - c. Section 21020.5 (Public Service Credit for California Senate Fellows, Assembly, Fellowship, Executive Fellowship, or Judicial Administration Fellowship Programs).
9. 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.
10. 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 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 1959 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.
11. 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.

12. 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.

This amendment shall be effective on the 27th day of May, 2027.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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

COMMISSION
EL DORADO LOCAL AGENCY FORMATION COMMISSION

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

CalPERS ID#3940256803