

(O-99-54)

ORDINANCE NUMBER O- **18600** (NEW SERIES)

ADOPTED ON **NOV 10 1998**, 1998

AN ORDINANCE AMENDING CHAPTER II, ARTICLE 4, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING DIVISION 4 BY AMENDING THE TITLE THEREOF, AND BY AMENDING SECTION 24.0403; BY AMENDING DIVISION 9 BY AMENDING SECTION 24.0910; BY AMENDING DIVISION 10 BY AMENDING SECTION 24.1011; AND BY AMENDING DIVISION 13 BY AMENDING SECTION 24.1312; ALL PERTAINING TO THE RETIREMENT SYSTEM

WHEREAS, the Retirement Board directed its General Counsel to conduct a periodic review of the Retirement System plan document as set forth in the San Diego Municipal Code ("Municipal Code") to propose any changes necessary and desirable to ensure efficiency or compliance with changes in applicable state or federal law; and

WHEREAS, General Counsel conducted the first periodic review and found four sections of the Municipal Code in need of technical amendments; and

WHEREAS, General Counsel prepared an ordinance to amend the Municipal Code to make the technical amendments as needed and desired; and

WHEREAS, the proposed technical amendments will have no fiscal impact and will not affect any benefits to which present members are entitled; and

WHEREAS, subdivision (g) of Municipal Code section 24.0403, concerning the 90% cap limitation on retirement allowances of Safety Members, must be amended to conform to the

practical application of the 90% cap in certain Deferred Retirement Option Plan (DROP) situations, as negotiated by labor and management; and

WHEREAS, Municipal Code section 24.1011, which references California Government Code sections 20042 and 20043, must be amended because those sections have been renumbered to 20351 and 20353; and

WHEREAS, General Counsel initially recommended and the Retirement Board approved the repeal of Municipal Code section 24.0910 to reflect the fact that the Board now employs a General Counsel and an Assistant General Counsel to provide legal advice and representation related to the administration of the Retirement System; and

WHEREAS, the City Attorney opposes repeal of this Section and recommends instead an amendment to reflect the Memorandum of Understanding between the Board and the City Attorney; and

WHEREAS, the ordinance proposed by the Retirement Board has been revised to reflect the City Attorney's amendment; and

WHEREAS, Municipal Code section 24.1312 must be amended to clarify that only a member of the Retirement System may purchase service credit and further that the purchase of service credit may not be used to satisfy the ten year vesting requirement of San Diego City Charter (Charter) section 141; and

WHEREAS, it is now necessary and appropriate to amend the Municipal Code to provide for the above-stated amendments; and

WHEREAS, the sections of the Municipal Code reflecting the above-stated amendments have been reviewed and approved by the Board; and

WHEREAS, the Board now recommends approval by the City Council of the amendments contained in this ordinance; NOW, THEREFORE,

BE IT ORDAINED, by the Council of The City of San Diego, as follows:

Section 1. That Chapter II, Article 4, Division 4, of the San Diego Municipal Code be amended by amending the title thereof, to read as follows:

**DIVISION 4**

**Retirement for Service of Members**

Section 2. That Chapter II, Article 4, Division 4, of the San Diego Municipal Code be amended by amending Section 24.0403, to read as follows:

**SEC. 24.0403 Retirement Allowances — Safety Member**

a. through d. [No change in text.]

e. The unmodified service retirement allowance for a Safety Member shall not exceed 90% of Final Compensation except as provided in Sections 24.0403(f), and 24.0403(h).

f. [No change in text.]

g. If the unmodified service retirement allowance of a Safety Member exceeds 90% of Final Compensation using the Retirement Calculation Factors in effect on January 1, 1997, as shown on Table 1 of Section 24.0403 on a date after January 1, 1997, but before April 1, 1997, that Safety Member shall accrue benefits in excess of the 90% limitation stated in Section 24.0403(e), provided, however, that such accrual shall cease at the level attained on March 31, 1997.

Section 3. That Chapter II, Article 4, Division 9, of the San Diego Municipal Code be amended by amending Section 24.0910 to read as follows:

**SEC. 24.0910 Legal Advisor to Board of Administration**

Unless otherwise provided by Memorandum of Understanding between the City Attorney and the Board of Administration, the City Attorney shall designate one or more Assistant City Attorneys or Deputy City Attorneys to advise and represent the Board of Administration in the administration of the Retirement System.

Section 4. That Chapter II, Article 4, Division 10 of the San Diego Municipal Code be amended by amending Section 24.1011, to read as follows:

**SEC. 24.1011 Reciprocal Benefits with the Public Employees' Retirement System**

- (a) [No change in text.]
- (b) Uniform Reciprocal Provisions

The purpose of these reciprocal provisions is to extend to the members of other public agency retirement systems (Reciprocal Systems) which adopt similar reciprocal provisions into their retirement ordinances or plans pursuant to Sections 20351, 20353, 31840.2 and 45310.5 of the Government Code, and who by contract agree to extend the benefits thereof to this System, the following rights in this System, provided such Member enters into employment under this System or the Reciprocal System within six months of terminating his employment under such other or this System:

- (1) through (9) [No change in text.]

(10) Rights under this System shall be modified as necessary to conform to amendments to the Public Employees' Retirement Law or the County Employees' Retirement Law of 1937 as provided in Section 20351 of the Government Code.

Section 5. That Chapter II, Article 4, Division 13, of the San Diego Municipal Code be amended by amending Section 24.1312 to read as follows:

**SEC. 24.1312 General Provision for Five Year Purchase of Creditable Service**

Any Member employed by the City of San Diego on the date of December 31, 1996, may purchase up to a maximum of five (5) years of service credit in addition to any other purchase of service credit benefit for which that Member was eligible as of December 31, 1996. However, in no event shall the years purchased pursuant to this provision qualify to satisfy the ten year vesting requirement set forth in Section 141 of the City Charter.


Any Member hired by the City of San Diego on or after January 1, 1997, may purchase up to a maximum of five (5) years of service credit in addition to any other purchase of service credit benefit set forth in Chapter II, Article 4, Division 13, for which that Member was eligible on January 1, 1997.

The cost of service credit purchased pursuant to this section shall be the amount determined by the Board to be the equivalent of the employee and employer cost of that service credit.

Section 6. A full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 7. This Ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

By   
Theresa C. McAteer  
Deputy City Attorney

LEH:TCM:mrh  
10/01/98  
Or.Dept:Retirement  
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