



EXHIBIT 2-C

EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Directors
Monterey Peninsula Water Management District

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective January 1, 1980, and witnessed December 10, 1979, and as amended effective August 1, 1987, August 1, 1999 and July 17, 2001 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 11 are hereby stricken from said contract as executed effective July 17, 2001, and hereby replaced by the following paragraphs numbered 1 through 11 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 local miscellaneous members.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1980 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.

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3. 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).
4. 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. **ALL SAFETY EMPLOYEES.**
5. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
6. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21574 (Fourth Level of 1959 Survivor Benefits).
 - b. Section 20965 (Credit for Unused Sick Leave).
 - c. Section 20042 (One-Year Final Compensation).
7. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
8. 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.
9. 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 single account, based on term insurance rates, for survivors of all local miscellaneous members.

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- 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.
10. 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.
11. 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.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS
MONTEREY PENINSULA WATER
MANAGEMENT DISTRICT

BY _____
LORI MCGARTLAND, CHIEF
EMPLOYER SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest

Clerk

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud. The text also mentions the need for regular audits and the role of independent auditors in ensuring the reliability of the financial statements.

In addition, the document highlights the significance of transparency and accountability in financial reporting. It states that stakeholders, including investors and the public, have a right to know how their money is being managed. Therefore, organizations should strive to provide clear, concise, and timely information about their financial performance and the risks they face.

Furthermore, the text discusses the impact of financial reporting on the economy. It notes that accurate and reliable financial information is crucial for investors to make informed decisions and for the overall stability of the financial markets. Any misstatements or omissions in financial reports can lead to market volatility and loss of confidence.

The document also addresses the challenges of financial reporting, such as the complexity of financial transactions and the need for standardized accounting practices. It suggests that organizations should invest in training and technology to improve the accuracy and efficiency of their financial reporting processes.

Finally, the text concludes by reiterating the importance of ethical behavior in financial reporting. It states that honesty and integrity are the foundation of trust in the financial system, and organizations should always act in the best interests of their stakeholders.

The document also includes a section on the role of the accounting profession. It discusses the responsibilities of accountants and the need for them to adhere to high standards of professional conduct. It also mentions the importance of continuing education and the role of professional associations in promoting the interests of the accounting profession.

In conclusion, the document provides a comprehensive overview of the key issues in financial reporting. It emphasizes the need for accuracy, transparency, and ethical behavior, and offers practical suggestions for organizations to improve their financial reporting practices.

The document also includes a section on the impact of financial reporting on the environment. It discusses the need for organizations to disclose their environmental performance and the risks they face from climate change. It suggests that organizations should integrate environmental considerations into their financial reporting and risk management processes.

Finally, the document includes a section on the role of financial reporting in social responsibility. It discusses the need for organizations to disclose their social performance and the risks they face from social issues. It suggests that organizations should integrate social considerations into their financial reporting and risk management processes.