



WATER and POWER
EMPLOYEES'
RETIREMENT, DISABILITY,
and DEATH BENEFIT
INSURANCE PLAN

JANUARY 1, 2014

**WATER AND POWER EMPLOYEES'
RETIREMENT, DISABILITY AND DEATH BENEFIT
INSURANCE PLAN**

The Water and Power Employees' Retirement Plan was adopted by resolution of the Board of Water and Power Commissioners of the City of Los Angeles, becoming effective October 1, 1938.

January 1, 2014

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WATER AND POWER EMPLOYEES' RETIREMENT PLAN

SECTION I

GENERAL PROVISIONS

ESTABLISHMENT OF PLAN

Pursuant to Sections 1100 through 1120 and 1180 through 1190 of the Charter of The City of Los Angeles, a general plan and system of retirement, disability and death benefits is hereby created and established, subject to the conditions herein contained, for the employees of the Department of Water and Power, which shall be known as "Water and Power Employees' Retirement, Disability and Death Benefit Insurance Plan" and for the sake of brevity and administration may be referred to as the "Water and Power Employees' Retirement Plan".

This Plan and System became effective on the first day of October, 1938 after eighty percent (80%) of the employees eligible to benefits subscribed to the Plan, and after adoption by resolution of the Board of Water and Power Commissioners of The City of Los Angeles.

WATER AND POWER EMPLOYEES' RETIREMENT PLAN

SECTION II

GENERAL PROVISIONS

A. LIABILITY FOR BENEFITS

The liability of the Department of Water and Power or its successors is a general obligation as provided in Section 1188(c) of the Charter of The City of Los Angeles. The contributions and benefits of this Plan and System shall be subject to modification and adjustment, as provided in Section 1186 of the Charter of The City of Los Angeles to meet changed conditions, or as in the light of experience may be considered necessary.

B. AMENDMENT OF PLAN

As required by Section 1190 of the Charter of The City of Los Angeles, the Board as defined in Section II C (6) hereof shall, at regular intervals each not exceeding a period of five years, secure a general survey and actuarial report of this Plan; and the Board, subject to the approval of the Board of Water and Power Commissioners, shall from time to time amend this Plan in such manner as may be found to be advisable to meet changed conditions, or, as in the light of experience may be considered necessary. No amendment to said Plan shall be made without the prior approval of the Board of Water and Power Commissioners.

C. DEFINITIONS

The following words and phrases as used in this Plan, unless a different meaning is plainly required by the context, shall have the following meanings:

- (1) "*Retirement Plan*" shall mean the General Plan and System of Retirement, Disability and Death Benefits for the Department of Water and Power as created in and by the terms of this instrument as authorized by the provisions of Section 1102(b) of the Charter of The City of Los Angeles.
- (2) "*Employee*" shall mean any person, certified by the Controller to the Board as being an employee of the Department of Water and Power for the period of employment as fixed in said certification.
- (3) "*Member*" shall mean any person included in the membership of the Retirement Plan pursuant to the provisions of the Plan relating to membership. Tier 1 member shall refer to a person whose retirement rights are set forth in Section IV. Tier 2 member shall refer to a person whose retirement rights are set forth in Section VII.
- (4) "*Department*" shall mean the "Department of Water and Power of The City of Los Angeles."

- (5) "*Board of Commissioners*" shall mean "Board of Water and Power Commissioners of The City of Los Angeles" and their successors.
- (6) "*Board*" shall mean the "Board of Administration" created by Section 1102 of the Charter of The City of Los Angeles and as established in Section III hereof.
- (7) "*Retirement Fund*", "*Disability Fund*" and "*Death Benefit Fund*" shall mean, respectively, the "Water and Power Employees Retirement Fund", the "Water and Power Employees Disability Fund", and the "Water and Power Employees Death Benefit Fund" as created and established in and by Section 1188(a) of the Charter of The City of Los Angeles and are "Special Funds" under Section 1110 of said Charter.
- (8) "*Fiscal Year*" shall mean any year commencing with July first and ending with June thirtieth next following.
- (9) "*Controller*" shall mean the Auditor of the Department, by whatever title he may be designated, or any person authorized by the Board of Commissioners to act in his place.
- (10) "*Gender*". Wherever used in the Plan, the masculine pronoun shall include both masculine and feminine genders.
- (11) "*Department Service*" shall mean service rendered as an employee, as hereinbefore defined, of the Department. Such service shall include "City Service" acquired by any such employee pursuant to Section IV G or Section IV J of this Plan and Other Governmental Service purchased in accordance with Section IV L of this Plan.¹
- (12) "*Treasurer*" shall mean the Treasurer of The City of Los Angeles.
- (13) "*Beneficiary*" shall mean any person(s) and/or legal entity(ies) designated by a member, in accordance with the provisions of this Plan, to receive any lump sum distribution provided under this Plan. With respect to any distribution other than a lump sum, "Beneficiary" shall mean one person designated by a member, in accordance with the provisions of this Plan, to receive any benefit provided under this Plan.
- (14) "*Compensation*" means a member's biweekly salary or the biweekly equivalent of the daily wage (exclusive of pay differentials, overtime pay, and premium allowances), earnable from the Department as a full-time employee. The monthly equivalent of Compensation is the biweekly salary multiplied by 2.175. The daily wage earnable by a member shall be converted to the corresponding biweekly equivalent by multiplying ten (10) times the applicable daily wage; the monthly equivalent of the daily wage is derived by multiplying the daily wage by 21.75. For purposes of computing disability benefits provided for in Section V of this Plan, Compensation as defined herein shall be that which was earnable at the Inception of Disability. To determine "Highest Average One Year's Salary"

in accordance with Section IV E (4)(e) of this Plan, Compensation shall include the biweekly salary for payroll periods designated by the member for periods of City Service acquired pursuant to Section IV G or IV J of this Plan.²

- (15) "*Date of Membership*" shall mean the date upon which membership in the Plan actually becomes effective.
- (16) "*Payroll Period*" shall mean each successive period of two weeks commencing August 1, 1977, and shall correspond with the payroll periods used by the Department in its payroll system.
- (17) "*Mandatory Retirement Date*" shall mean the first day of the calendar month which next follows the date of notification to the Board of Administration by the General Manager of the Department of Water and Power that an employee is not physically or mentally fit to continue his or her duties as an employee of the Department as provided in Section II E of the Plan.

D. MEMBERSHIP

Membership in the Retirement Plan shall be subject to the following rules:

(1) Ineligibility

The following employees shall be ineligible to membership in the Retirement Plan:

- (a) Elective officers and officers appointed by the Mayor; provided, however, that assistants, deputies and employees of any such officers, who may be assigned to Department service, as herein defined, and whose compensation is paid out of funds of the Department of Water and Power, shall not be deemed ineligible to membership.
- (b) Persons employed under contract for a definite period or for the performance of specific duties requiring professional, or a high degree of technical skill.
- (c) Employees rendering services of an intermittent or occasional character.
- (d) Employees who are workmen, mechanics or craftsmen (including foremen) employed exclusively as such on the construction of Department works, improvements or buildings, who occupy a position exempt from the provisions of Article X of the Charter of the City pursuant to Section 1001(d)(2) thereof, and on account of whom the Department makes contributions to any person, corporation, partnership, association, union, trustee or board of trustees, trust fund or entity, other than the Retirement Fund, the

Disability Fund, or the Death Benefit Fund, for retirement, disability or death benefits. Employees whose normal daily service in the Department amounts to less than twenty hours per week.

- (e) The following employees hired after April 16, 2003: Daily-Rated, Civil Service classifications specified in Employee Relations Board (ERB) No. 27, Appendix B, and ERB No. 34, Appendix G.
- (f) This ineligible group does not cover any employee in a position or classification represented by the International Brotherhood of Electrical workers.
- (g) Employees who occupy a position exempt from the provisions of Article X of the Charter of the City pursuant to Section 1001(d)(1) thereof, and on account of whom the Department makes contributions to any person, corporation, partnership, association, union, trustee or board of trustees, trust fund or entity, other than the Retirement Fund, the Disability Fund, or the Death Benefit Fund, for retirement, disability or death benefits.

(2) Eligibility

All employees of the Department not declared to be ineligible to membership in the Retirement Plan shall be eligible to membership at the time herein specified and subject to the following conditions:

- (a) Each eligible employee who has completed six months of continuous Department service on or before the effective date of the Retirement Plan, shall be eligible to membership on said effective date.
- (b) Each person becoming an employee subsequent to the effective date of the Retirement Plan by reason of his status as an employee of a private utility, the works and property of which may be subsequently acquired by the Department, shall be eligible to membership the first day of the payroll period succeeding the last day of the twenty-sixth week subsequent to date of entry into Department service.
- (c) Each other eligible employee in the Department service on said effective date, shall be eligible to membership upon the first day of the month following the completion of six months' continuous Department service.
- (d) New eligible employees entering the Department service subsequent to the effective date of said Plan shall be eligible to membership upon the first day of the month following the completion of six months' continuous Department service; provided, however, that such employees entering the Department service on or after June 2, 1980, shall be eligible to membership upon the first

day of the payroll period following the completion of twenty-six weeks of continuous Department service; provided, further, that new eligible employees entering Department service on or after July 1, 1991 shall be eligible to membership on the first day of the payroll period following entry into Department service.

- (e) Every employee, who is otherwise eligible to membership, and who shall reenter Department service after the effective date of this Plan, and every employee whose employment status changes from an ineligible to an eligible class of employment in Department service, shall be eligible to membership upon the first day of the month following such reentry or change of employment status or the first day of the month following the completion of six months' continuous Department service, whichever shall be the later; provided, however, that such an employee who shall reenter Department service or whose employment status changes from an ineligible to an eligible status on or after October 27, 1980, and who has previously completed six months' continuous Department service shall be eligible to membership upon the first day of the payroll period next following such reentry or change; provided further that such an employee who has not previously completed said six months' continuous Department service and who has reentered Department service or whose employment status has changed from an ineligible to an eligible status on or after June 2, 1980, shall be eligible to membership upon the first day of the payroll period following the completion of twenty-six weeks' continuous Department service; provided further that such an employee who reenters Department service or whose employment status changes from an ineligible to an eligible status on or after July 1, 1991 shall be eligible to membership on the first day of the payroll period following such reentry or change in employment status.
- (f) Employees electing to become members of the Retirement Plan and enumerated in Subsection D (2) (a) of this Section shall make written application for membership to the Board within six months subsequent to the effective date of said Retirement Plan.

Employees electing to become members of the Retirement Plan and enumerated in Subsection D (2) (b) of this Section shall make written application for membership to the Board within twenty-six weeks subsequent to the date of their employment.

Employees electing to become members of the Retirement Plan and enumerated in Subsection D (2) (c) of this Section shall make written application for membership on or before the completion of six months of Department service.

Employees enumerated in Subdivisions D (2) (d) and (g) of this Section shall execute and deliver to the Board at or prior to entrance into Department service a verified statement of such facts

material to the determination of the member's rights and obligations under the Retirement Plan as may be required by the Board.

Employees enumerated in Subsection D (2) (e) of this Section shall execute and deliver to the Board on or before the date of reemployment or change in employment status as certified to the Board by the Controller, a verified statement of such facts material to the determination of the member's rights and obligations under the Plan as may be required by the Board.

All applications for membership and said statements of facts shall be in such form and signed and executed in such manner as required by the Board. Said applications and statements shall include all facts necessary to the determination, to the satisfaction of the Board, of the right to membership in said Plan or the right to or amount of benefits under said Plan. Said applicant shall also agree to be bound by the provisions of the Plan in force on the date of application for membership and amendments thereto and the rules and regulations then in force and later adopted by the Board.

- (g) New eligible employees who enter Department service after June 1, 1971 from other departments or offices of The City of Los Angeles without any separation in service to said City and who were members of either the City Employees' Retirement System, or any of the City's Fire and Police Pension Systems, shall be eligible to membership upon the first day of the month following the completion of six months' continuous service to said City, provided, however, that no such employee shall be eligible to membership until the first day of the month following entry into Department service and in no event prior to the effective date of this subdivision (g). For purposes of this subdivision (g), service to The City of Los Angeles shall include service to any of the departments or offices of said City.³

Notwithstanding the provisions of the preceding paragraph, persons who enter Department service on and after February 1, 1980, to whom the provisions of Section IV J apply, and who have completed six months of continuous service or more with The City of Los Angeles, during which time they were members of the City Employees' Retirement System, shall be eligible for membership on the date of entry into Department service.

Notwithstanding the provisions of the preceding paragraphs of this subdivision (g), new eligible employees as described in the first paragraph hereof, and who enter Department service on or after June 2, 1980, shall be eligible for membership on the first day of the payroll period following the completion of twenty-six weeks' continuous service to said City; provided, however, that no such employee to whom the provisions of Section IV J do not apply, shall be eligible for membership until the first day of the payroll period following entry into Department service. And notwithstanding the

provisions of the preceding paragraphs of this subdivision, persons as are enumerated in the second paragraph hereof, and who enter Department service on or after June 2, 1980, and who have completed twenty-six weeks of continuous service to said City in lieu of such six months, shall be eligible for membership on the date of entry into Department service. Further notwithstanding the provisions of this and previous paragraphs of this subdivision (g), new eligible employees, regardless of whether they have completed 26 weeks of continuous service to said City, who enter Department service on or after July 1, 1991 shall be eligible for membership on the date of such entry into Department service except that persons to whom the provisions of Section IV J do not apply shall be eligible for membership on the first day of the payroll period following entry into Department service.

- (h) Notwithstanding anything in this Plan to the contrary, any member active in Department service on or after July 1, 1974, or any member on authorized leave of absence therefrom on said date who entered Department service on the first working day of any calendar month subsequent to October 1, 1938 from another department or office of The City of Los Angeles without any separation in service to said City, and who was employed in said department or office on the last working day of the immediately preceding calendar month and who was a member of either the City Employees' Retirement System, or the Fire and Police Pension System, or the New Pension System, on said last working day, may deposit a contribution for said calendar month in which such Department service commenced, unless a contribution has been previously deposited for such period of service.

In order to receive retirement credit for said calendar month in which Department service commenced, said member must deposit an amount equal to the first normal contribution which was due and payable by such member upon his subsequent membership in said Plan, plus interest thereon at the regular interest rate compounded annually that would have applied in accordance with Section IV A (4) from the date of said membership to the date of deposit, provided that such deposit is made within one year from the effective date of this subdivision or within one year from the date of membership in this Plan, whichever is later; provided, however, that any member who on or after July 1, 1974 is on a leave of absence exceeding 30 days may make such deposit within the period set forth herein extended by a time period equivalent to said leave of absence, but in no event shall said extension exceed 12 consecutive months from the date of his return to active Department service; provided further, however, that on or after December 1, 1980, any such member who failed to deposit said contribution and interest within the time limits set forth hereinabove, may deposit such contribution plus interest at the "Regular Interest" rate, compounded annually, which is in effect at the time such

deposit is made, plus additional interest at the rate of one percent compounded annually.

Subject to all the terms and conditions contained in this subdivision (h), said subdivision shall apply to the surviving spouse of a member who dies on or after July 1, 1974 while eligible to retire or after having been employed in Department service for at least 25 years, provided that such member, the day before his death, would have been a person described in this subdivision (h) and the time limits applying to such member as specified in said subdivision would not have expired, provided further that such surviving spouse is eligible to receive an allowance pursuant to Section IV D (15) or Section IV E (9) or a Survivor's Optional Death Benefit Allowance pursuant to the provisions of Section VI D (7) and elects to receive such allowance. Upon the deposit of the contribution and interest required by this subdivision (h), such surviving spouse's allowance shall be computed as of the day next preceding the day on which such member died, and commenced as of the day next following the day on which such member died.

- (i) Each new eligible employee who is in Department service on July 1, 1991 and who is not a member of the Plan on that date shall be eligible to membership on July 1, 1991.

(3) Membership Status

Membership in the Retirement Plan shall be determined as follows:

- (a) Applicants for membership in said Plan, complying with the requirements of Subsection D (2) of Section II, relating to time and method of filing of written application for membership in the Retirement Plan, shall be granted membership subject to the provisions of this Plan and effective as follows: The effective date of membership in said Plan for said employees enumerated in Section II D (2) (a), shall be the effective date of said Plan or the first day of the month following the date of application for membership whichever is the later; for those employees enumerated in Section II D (2) (b) and Section II D (2) (c), membership shall date from the date of eligibility to membership. Employees enumerated in Sections II D (2) (d), II D (2) (e), and II D (2) (g), and bound by the provisions of the Plan, shall become members on the date of eligibility to membership in the Plan.
- (b) Employees who fail to make application for membership or who refuse to furnish the Board with the required certified statement of facts pursuant to Section II D (2) (f) hereof, shall be deemed to have waived all rights to membership in and all rights to participate in the benefits of said Retirement Plan.
- (c) The Board shall notify the Controller of all applications for membership in the Retirement Plan and all new employees having

furnished certified statements of fact as required in Section II D (2) (f) hereof as soon as practical subsequent to the receipt of said applications and statements. Upon receipt of said advices, the Controller shall promptly certify and deliver to the Board the necessary record of employment of each of said applicants and new employees. Said record, unless and until revised by the Department as herein provided, shall, so far as applicable, govern the Board in the determination of employee status by which all rights to membership in said Plan and to the benefits thereof shall be determined. In addition thereto, every applicant, new employee or member shall file with the Board all supplemental information in such form and manner as the Board may require, in order to fully determine his status, right to membership and to benefits under said Plan. Proof of date of birth, satisfactory to the Board and Department, may be required of any applicant or member at any time before date of retirement.

- (d) In the event that any fact, affecting the right to membership or benefits, stated in the application for membership or material supplemental thereto or any certified statement of facts filed with the Board are found to be in conflict with the employment records furnished the Board by the Controller, after notice to the applicant the entire record shall be referred to the Board of Commissioners for review. Upon proper showing, the Board of Commissioners may review its employment record and certify its findings, through the Controller, to the Board, which determination shall thereafter be binding on both the Board and the applicant or employee.
- (e) If it shall be impracticable for the Board to determine from the records the length of service, the Compensation or the age of any member, the Board of Commissioners may estimate such length of service, Compensation or age of all the purposes of this Plan. Said findings shall be binding on the Board, all applicants and members.
- (f) Changes in employment status of all members which affect membership or the right to benefits or amount of benefits will be certified by the Controller to the Board, which shall thereafter be bound thereby.
- (g) This Plan shall not be construed as giving to any member the right to be retained in Department Service, or any right or claim to any benefit under this Plan after termination of such service, unless the right to such benefit has accrued under the terms hereof prior to such termination or unless the right to such benefit subsequent to the termination of Department service is expressly granted to said member under the provisions of Sections IV, V or VI of this Plan. The right of each member to receive each and every benefit provided under the terms of this Plan is subject to the provisions of the Plan in its entirety relating to each specific benefit.

(h) No contributions to any one of the three Funds will be required or permitted from a member while absent from Department service without pay, or on disability leave, or while entitled to receive compensation benefits pursuant to any workers' compensation plan or law or other statute of similar nature now or hereafter in effect, except as may be specifically permitted or required in Sections IV, V, VI hereof; provided, however, that if any member is granted a leave of absence with pay he or she shall continue his or her regular contributions; and provided further, that within any periods during which no contributions are made no additional benefits shall accrue to said member except as specifically provided in Section IV, V or VI hereof.

(i) **Physical Standards, Examination, and Limitation of Membership Rights**

The Board shall establish from time to time the physical and mental standards and the examination to be required of all persons as a condition precedent to membership in the Retirement Plan, subject, however, to the right of the Board to revise said standards and examination requirements as it may deem desirable. The standards and examination requirements, as so established, shall be uniformly applied to all applicants. All such examinations shall be made by such physicians and surgeons as the Board may designate, and the cost thereof shall be borne jointly by the Disability Fund and by the Death Benefit Fund.

Notwithstanding any contrary provisions of the Retirement Plan, the Board shall have the power and duty to grant membership therein with rights to limited benefits only, subject to the following rules:

Every eligible employee entering or reentering Department service and every employee whose employment changes from an ineligible to an eligible class of employment in such service, on or after April 1, 1977, shall, prior to such entry or reentry, or upon such change in eligibility, submit to a physical and mental examination; provided that every former member who is separated from Department service involuntarily for lack of work or lack of funds and who is thereafter reemployed in said service within six months after the date of separation shall be entitled, without submitting thereto, to the same membership rights which he would have, had he not been separated. Every such employee who passes such examination shall be granted full membership in the Retirement Plan as of the date determined in accordance with the provisions of Section II D (2) hereof, provided that if any such employee is absent from duty without pay on such date, he shall not be eligible for any benefits under the Retirement Plan until his return to duty in Department service at full time and full pay and payment of the required contributions.

Nothing contained in this subdivision (i) shall be construed to prohibit the Board from permitting a member whose right to benefits with respect to disability or death benefits is limited to be reexamined at any time and from approving his eligibility for full membership based upon such reexamination.

The provisions of this subdivision (i) shall not limit in any way the authority of the Board under the provisions of Section II D (5) hereof, and all action taken pursuant to such authority shall continue in effect until rescinded or modified by the Board.

Based upon the physical and mental condition of a person, as determined by said examination, the Board shall have the right to withhold from any person or applicant qualifying for membership, for a period of not more than five years, all rights to benefits under the various provisions of the Retirement Plan, excepting only the right to retirement benefits payable from the Retirement Fund or grant membership in the Retirement Plan which shall entitle said person or applicant to such other limited benefits under said Plan as the Board may prescribe; provided that such employees shall not make contributions to the Disability Fund or the Death Benefit Fund during any period in which they are withheld from benefits paid from said funds. If the Board provides for less than full participation in the benefits of the Disability or Death Benefit Fund, it shall establish a reduced contribution schedule proportional to such reduced benefits.

At the completion of five years of Department service while on limited membership, if the Board of Administration finds that such employee has no condition which would disqualify him either physically or mentally from Plan membership and his condition is not such as to have a greater effect on the rates, benefits or actuarial computations of said Plan that it would otherwise have had if the employee had been admitted to regular membership at the time of his or her admission to limited membership, then the employee shall become a regular member of the Plan entitled to participate in benefits from all of the Funds administered under the Water and Power Employees Retirement Plan. If the Board continues such employee on limited membership, it shall cause such person to be reevaluated at least once annually thereafter to determine whether he or she has subsequently become eligible for regular membership under the same standards.

(j) Status of Eligible Employees Absent on Disability Leave on Effective Date of Plan

Any employee of the Department otherwise eligible to membership on the effective date of the Retirement Plan who is under normal retirement age upon said date, and who is absent from duty on "disability leave" on said date, and who receives from the Department, for September 30, 1938, a payment pursuant to that

portion of the Working Rules of the Department adopted November 5, 1935, providing for the grant, under conditions there prescribed, of "leaves of absence with pay on account of illness", or a payment pursuant to a resolution adopted by the Board of Water and Power Commissioners in accordance with the provisions of said Working Rules, and who applies for membership on or before the thirtieth (30th) day subsequent to the effective date of the Retirement Plan, shall be granted, upon application for membership, a limited membership, which shall entitle said employee to participate in the Retirement Plan to the following extent:

- (1) Said employee upon the termination by the Department of said "Disability Leave" shall be required to contribute to and shall receive such benefits as he may be entitled to receive as a member with full membership rights from the Retirement Fund either upon said date or subsequent thereto, subject to all of the definitions, terms, limitations, conditions and requirements of Section IV hereof then applicable to contributing members. Contributions to said Fund shall be due and payable by said employee from the first day of the calendar month preceding the date of termination of said disability leave.
- (2) Said employee shall be entitled to receive from the Disability Fund such disability benefits as are provided in Section V D (4) hereof, and shall not be permitted or required to make contributions to said Disability Fund during the continuation of said "Disability Leave". The right to receive said disability benefits shall be subject to all of the definitions, terms, limitations, conditions and requirements relating thereto of the provisions of Section V hereof in addition to the provisions of Section V D (4) hereinbefore referred to. In the event of the termination of the disability for which said disability leave was granted, the termination of said disability leaves and return to duty at full time and full pay, said member shall be required to contribute to the Disability Fund and entitled to receive thereafter the full benefits provided in Section V hereof for contributing members subject to all the definitions, terms, limitations, conditions and requirements of the Retirement Plan applicable to contributing members.
- (3) Said employee shall not be entitled to contribute to or receive benefits from the Death Benefit Fund prior to the termination of the disability for which said leave was granted. Upon the termination of said disability, said "Disability Leave" and return to duty at full time and full pay, said member shall be required to contribute to the Death Benefit Fund and upon the death thereafter of said member there shall be paid, from said Death Benefit Fund, the Death Benefit provided in Section VI D (1) (b), subject to all the

definitions, terms, limitations, conditions and requirements of the Retirement Plan applicable to contributing members.

- (k) Except as herein provided, every new employee, including reemployed persons eligible to membership in this Plan, who enters or reenters Department service subsequent to the effective date of said Plan, shall become a member of said Plan upon his date of eligibility to membership, subject, however, to all of the terms, conditions and limitations of the Plan affecting the rights or obligations of members under said Plan.

Employees of any private utility, otherwise eligible to membership, who shall enter the service of the Department through acquisition of the works and property of the utility and subsequent to the effective date of said Plan, shall be given a period of twenty-six weeks after entering the service in which they may elect to accept and subscribe to said Plan. All such employees electing to become members of said Plan shall become members as provided in Section II D (2) (f) hereof. All such employees failing to apply for membership as provided in Section II D (2) (f) hereof within said period of twenty-six weeks shall be deemed to have waived all rights to participate in the benefits of said Plan.

- (l) No member who has been terminated from Department service shall be entitled to be repaid any portion of compulsory or optional contributions which he may have made to the Disability Fund or Death Benefit Fund for the calendar month in which such termination shall have occurred.

(4) Termination of Membership

Membership in the Retirement Plan once acquired shall continue until terminated in accordance with the provisions hereof. Membership and the rights thereto shall terminate:

- (a) On the termination of employment of a member in Department service, unless the right to extended membership is expressly granted such member under the provisions of Section IV, V or VI hereof, except that a former member, whose total accumulated contributions remain on deposit in the Retirement Fund and who is also a current or retired member of LACERS, shall be considered for retirement eligibility purposes only, to be a member of the Plan at the time he or she applies for retirement from the Plan and shall be entitled to have his or her service and/or service credit with LACERS combined with his or her service and/or service credit with the Plan as provided elsewhere in Section II and IV;
- (b) On the retirement of a member from Department active service and the granting of an annuity, pension or retirement allowance to said member;

- (c) By reason of change in the employment status in Department service of a member which renders said member ineligible to membership under the terms of Section II D (1) relating to ineligibility to membership;
- (d) By repeal or annulment of the Retirement Plan;
- (e) In the event of a suspension of a member's right to benefit pursuant to the provisions of Section II D (5) hereof.

(5) Annulment or Curtailment of Rights

The Board may terminate, cancel or annul the right of any member and the right of his beneficiary to receive any retirement allowance, disability allowance or death benefit under the terms of the Retirement Plan, or may limit the right of any member to participation in retirement benefits only, whenever the Board finds that such member, intentionally or unintentionally, has concealed or failed to disclose material information or has submitted false or incorrect data which tend to affect the rates, benefits or actuarial computations of said Plan.

In the event of any such termination, cancellation or annulment, or any such limitation of right, the Board may order that there shall be paid to the member or his beneficiary an amount equal to the total accumulated contributions of such member, less the sum of all benefits theretofore received by him under the terms of said Plan; or the Board may make such other order or effect such compromise and settlement with the member or his beneficiary as in its opinion the circumstances of the particular case may warrant.

(6) Certification of Termination of Membership

In the event of the termination of membership in the Retirement Plan as provided in subsection II D (4) hereof, or the suspension of right to benefit as provided in subsection II D (5) hereof, the Board shall certify such action and the information upon which said action was taken to the Controller.

(7) Delayed Membership Rights

Any present employee, whether active in Department service or on leave of absence therefrom, who shall have been excluded from the Retirement Plan due to his failure to subscribe thereto within the limit of time heretofore fixed by charter provision, may hereafter be granted membership therein at his election, subject to the terms and conditions hereinafter set forth.

On or before January 1, 1948, said employee, regardless of the nature of his employment, shall file with the Board a written application for such membership. Failure of said employee to file such application shall be

construed as a waiver of his rights to participate in the benefits of the Retirement Plan.

If the applicant is in an eligible class of employment, his membership shall date from the first day of the calendar month which next follows the filing of his application. If the applicant is in an ineligible class of employment, his membership shall date from the first day of the calendar month which next follows his transfer to an eligible class of employment. In either case, his right to retirement benefits shall commence on the date of membership.

After his date of membership is determined, the applicant shall submit to the physical examination which the terms of the Retirement Plan prescribe for new members. If a regularly licensed physician or surgeon, previously designated by the Administrator, certifies the applicant for full membership upon the findings of said examination, he shall be eligible for death and disability benefits from and after the first day of the calendar month which next follows approval by the Board of such certification; provided, however, that absence of the applicant on said day from duty in Department service without pay shall defer his eligibility to said benefits until his return to such duty at full time. If the applicant is not so certified for full membership, he shall nevertheless be eligible to the limited benefits specified in subdivision D (3) (i) of Section II hereof to the same extent as a member who fulfills the conditions mentioned in the last paragraph of said subdivisions.

The applicant shall be credited with his Department service and shall be entitled to all benefits under the Retirement Plan which are based on such service, except in the following instances: (1) in computing supplemental disability benefits, his Department service shall be deemed to have commenced six months prior to his date of membership; and (2) in computing any minimum pension, his Department service between the effective date of the Retirement Plan and his date of membership shall be excluded, except as required by the provisions of Section IV G.

The applicant shall make contributions to the Retirement Fund, Disability Fund and Death Benefit Fund, respectively, at the rates prescribed by the provisions of the Retirement Plan.

No contributions shall be made by the Department (except as may be required for supplemental disability benefits) or by the applicant on account of any Department service rendered by him between the effective date of the Retirement Plan and his date of membership, except as required by the provisions of Section IV G.

Any former employee hereafter reentering Department service, who shall have been excluded from the Retirement Plan due to his failure to subscribe thereto within the limit of time heretofore fixed by charter provisions, may be granted membership therein pursuant to the foregoing terms and conditions, except that his written application for such

membership must be filed with the Board within six months after his reentering said service.

(8) Membership Rights of Employees Rendering Services of a Temporary Character

Any present employee, whether active in Department service or on leave of absence therefrom, or whether employed, pursuant to a regular or an emergency appointment, on a monthly salary or a daily wage, who shall have been excluded from membership in the Retirement Plan on account of his having been employed by the Department to render services of temporary character, may hereafter be granted such membership at his election, subject to the terms and conditions set forth in this subdivision.

Every such employee who desires to become a member of the Retirement Plan shall, on or before December 15, 1952, file with the Board a written application for such membership. Failure of any such employee to file such application within the aforesaid time shall be construed as a waiver of his rights to participate in the benefits of said Plan; provided, however, that any employee who was on leave of absence continuously from September 1, 1952, to December 15, 1952, shall have a period of thirty days following the adoption of this amendment or his return to duty from such leave, whichever is later, within which to file such application.

The membership of any such applicant shall commence on the first day of the calendar month which next follows the filing of his application, or which next follows his completion of six months of continuous Department service, whichever is the later.

The right of any such applicant to retirement benefits shall commence on his date of membership. After such date is determined, the applicant shall submit to the physical examination which the terms of the Retirement Plan prescribe for new members. Such examination shall be made by a regularly licensed physician or surgeon who shall have been previously designated by the Administrator of the Retirement Plan. Based upon the findings of such examination, said physician or surgeon shall certify the applicant for full or limited membership. If such certification is for full membership, the applicant shall be eligible for death and disability benefits from and after the first day of the calendar month which next follows approval by the Board of such certification; provided, that absence of the applicant on said day from duty in Department service without pay shall defer his eligibility for said benefits until his return to such duty at full time; and provided, further, that no applicant, regardless of physical fitness or certification, shall be eligible for any supplemental disability benefits, other than those specified in this subdivision, so long as he is employed in the Department on a daily wage.

Except as otherwise provided in this subdivision, each applicant, who acquires full or limited rights hereunder, shall be credited with his Department service and shall be entitled to receive such benefits as may

accrue to him by reason of the terms of the Retirement Plan and of his particular membership therein.

To the extent that he is eligible for retirement, disability and death benefits, each applicant acquiring membership under this subdivision shall make contributions to the Retirement Fund, Disability Fund and Death Benefit Fund, respectively, at the rates prescribed by the provisions of the Retirement Plan.

The Department shall contribute monthly to the Retirement Fund, Disability Fund and Death Benefit Fund such amounts as may be required to defray the total cost of all pensions for prior service, minimum pensions, supplemental disability benefits, and death benefits specified in subdivisions D (2) (a) and D (3) of Section VI hereof, to which employees acquiring membership under this subdivision may be entitled; but no contributions shall be made by the Department for any pension for current service and no contributions shall be made by any such member for any annuity, on account of Department service rendered by him between the effective date of the Retirement Plan and his date of membership therein, except as required by the provisions of Section IV G.

Membership in the Retirement Plan shall be compulsory for every eligible employee who hereafter enters or reenters the employ of the Department to render services of a temporary character, whether employed, pursuant to a regular or an emergency appointment, on a monthly salary or a daily wage. The membership of such an employee shall commence on the first day of the calendar month which next follows his completion of six months of continuous Department service, or which next follows his reentry into such service, whichever is the later.

Any employee acquiring membership in the Retirement Plan under this subdivision, who withdraws or has withdrawn his total accumulated contributions, shall be deemed to have waived all credit for Department service and all benefits to which he might otherwise have been entitled under said Plan for the period covered by such waiver, notwithstanding any later reentry by him into Department service; provided, that in the event of such reentry, he shall be eligible to recommence membership in said Plan on the first day of the calendar month which next follows the date of such reentry, and he may reacquire pursuant to Section IV G all credit for Department service previously waived.

Except as herein otherwise provided, the rights and obligations pertaining to any membership acquired under this subdivision shall be governed by the provisions of the Retirement Plan which apply to new members.

This subdivision shall control over the provisions of the Retirement Plan in conflict herewith.

- (9)** Membership rights of members whose disability and death benefit rights are limited based on physical condition. (Rescinded by Res. No. 738, dated 6-25-59)

- (10) Each employee who was granted the right by subsections D (7) or D (8) of this Section II to apply for membership in the Retirement Plan or who was granted the right by subsection D (9) thereof to apply for eligibility for supplemental and temporary disability benefits, but failed to do so within the respective times required thereby, may file such application for membership, or for eligibility for such disability benefits if he is already a member, not later than January 15, 1959. All of the terms, conditions, and restrictions of said subsections (except those relating to the time of making application) which would have applied had timely application been made thereunder shall govern with respect to each such applicant; provided, however, that if the application is for membership and membership is limited, based upon the applicant's physical condition, the provisions of said subsection D (9) shall apply the same as though the applicant were an employee entering or reentering the employ of the Department.

Failure to file such application on or before January 15, 1959, shall be construed as a waiver of the right granted by this subdivision (10).

- (11) Each employee who was granted the right, by Subsection D (7) of this Section II, to apply for membership in the Retirement Plan but failed to do so within the time required thereby or as such time has been extended from time to time, may file such an application for membership not later than June 30, 1964. All of the terms, conditions, and restrictions of said Subsection (except those relating to the time of making application) shall govern with respect to each such applicant; and the provisions of Subsection D (3) (i) of this Section II shall apply to each such applicant the same as though he were an employee entering or reentering Department service.

Failure to file such application on or before June 30, 1964, shall be construed as a waiver of any right granted by this subdivision (11).

E. SERVICE RETIREMENT

(1) Normal Retirement

Normal retirement date for each person eligible to participate in the benefits of the Retirement Plan shall be the first day of the calendar month which next follows such person's sixtieth birthday anniversary; and such person shall be retired from the service of said Department on his or her normal retirement date or on the first day of any calendar month thereafter, upon the written application of such person filed with the Board of Administration not less than thirty days prior to the date of retirement.

(2) Withdrawal of Application for Normal Retirement

After an application for retirement has been filed with the Board of Administration but before the effective date of retirement a member or the representative of a member may make a written request to withdraw his or her application. The Board of Administration may approve such a request provided the written request is received by the Retirement Plan Office

seven (7) calendar days prior to the effective date of retirement. Requests for withdrawal of application for retirement cannot be approved after the effective date of retirement.

(3) Early Retirement

- (a)** Any person eligible to participate in the benefits of the Retirement Plan may be retired from the service of said Department prior to normal retirement date upon the written application of such person; provided, that the member's written application is received in the Retirement Plan Office thirty days prior to the effective retirement date and that such retirement is recommended by the General Manager of said Department and approved by the Board of Water and Power Commissioners prior to the effective retirement date, and provided further that such person is fifty-five years of age or over and shall have been employed in said Department for at least ten years in the twelve years immediately preceding retirement or at least ten years in the twelve years immediately preceding termination from Department employment, or, in lieu of said ten years of Department employment, shall have rendered a total of ten years of Department service and "City Service" (as defined in, and which is eligible for purchase under, the terms of Section IV G or Section IV J) and "Other Governmental Service" purchased in accordance with Section IV L in twelve years immediately prior to said retirement or termination; or such persons, regardless of age, shall have been employed in said Department for at least thirty years, or shall have rendered a total of thirty years of Department service and "City Service" (as defined in, and which is eligible for purchase under, the terms of Section IV G or Section IV J) and "Other Governmental Service" purchased in accordance with Section IV L; or such person, regardless of age, or duration of service, is receiving benefits under said Plan and system for Permanent Total Disability, and elects to accept a retirement allowance in lieu of such benefits.

Effective January 1, 2014, a person's service with the Los Angeles City Employees' Retirement System (LACERS) shall be combined with Department Service, as applicable, solely for the purpose of determining eligibility for retirement pursuant to this provision.

- (b)** Notwithstanding the provisions of the paragraph above, any person who has signed a Focused Separation Employee Agreement prior to July 1, 1995 and who has been employed in said Department or rendered "City service" in seven of the ten years immediately preceding retirement shall be eligible to be retired from the service of the Department prior to normal retirement date, subject to the remainder of the eligibility requirements.

(4) Withdrawal of Application for Early Retirement

After an application for early retirement has been approved by the Board of Water and Power Commissioners but before it becomes effective, a member or the representative of a member may make a written request to such Commission to withdraw his or her application. The Commission may approve such a request, provided the written request is received by the Commission Office seven (7) calendar days prior to the effective date of retirement and the General Manager recommends approval of the request. Requests for withdrawal of early retirement applications cannot be approved after the effective date of retirement.

(5) Receipt of Request for Withdrawal

A request for withdrawal shall not be deemed received by the Retirement Plan office or by the Commission Office until it has been stamped with the date of receipt.

(6) Staff Reduction Program of 1998

(a) Notwithstanding the provisions of subsection (3)(a) above, any person who has signed a Staff Reduction Program Agreement, and has not rescinded such Agreement and who has been employed in said Department or rendered "City Service" in eight of the ten years as of the person's last day as a contributing member of the Plan, shall be eligible to be retired from the service of the Department prior to his or her normal retirement date, subject to the remainder of the eligibility requirements.

Notwithstanding the provisions of Plan Section IV E (4)(c), a member who has signed a Staff Reduction Program Agreement, and has not rescinded such Agreement, shall be qualified for a Minimum Pension C if such member made Normal Contributions for three (3) of the five (5) years immediately preceding eligibility to retire or while eligible to retire, or in lieu of all or any of said three (3) years, shall have received either a Disability Allowance under the Plan or disability payments from the Department of Water and Power under any workers' compensation law.

(b) A member who has signed a Staff Reduction Program Agreement, and has not rescinded such Agreement, shall be eligible for the "Five Prime" specified in (i) below or the "Three Enhancement" specified in (ii) below upon the submission of an application that is approved by the General Manager. The member shall select either the "Five Prime" ([i] below) or the "Three Enhancement" ([ii] below) prior to his or her retirement date.

(i) Five Prime

- a. Up to 60 whole months added to the “Age at Retirement” specified in Plan Section IV E (4)(b), subject to the limit in (c)(2) below.
- b. Up to 60 whole months added to “Department Service” as defined in Plan Section II C (11) for qualifying to retire and “Years of Service” as defined in Plan Section IV E (4)(d) for inclusion in the Minimum C formula pension, subject to the limit in (c) below.
- c. **Limitations**
 - 1. No month of service shall be added to an employee’s “Years of Service” that would increase said “Years of Service” to a total of more than 30.0832 years
 - 2. In no case shall the sum of the whole months added in accordance with items (i)a. and (i)b. above exceed sixty (60).
- d. The employee will elect the number of whole months to be applied to age and/or service credit subject to the limits specified in (c) above.
- e. Each month of “Department Service” or “Years of Service” added above shall be counted as 0.0833 of a year.

(ii) Three Enhancement

Three years added to “Department Service” as defined in Plan Section II C (11) for qualifying to retire and “Years of Service” as defined in Plan Section IV E (4)(d) for inclusion in the Minimum C formula pension.

(iii) Other Governmental Service

The employee shall elect to add the service specified in (i) or (ii) above either before or after service purchased under the “Other Governmental Service” provisions of Plan Section IV L is added to the employee’s “Department Service” and “Years of Service”. If the employee does not make such election, the service shall be added to maximize the employee’s “Department Service” and “Years of Service”.

(c) Retention Service Credit

- (i) In addition to the “Age at Retirement” specified in Plan Section IV E (4)(b) and “Department Service” specified in Plan Section II C (11) and the “Years of Service” specified in Plan Section IV E (4)(d), each employee who is eligible for the Five Prime/Three Enhancement specified above, but who occupied a position in a certain classification in Department service as specified in the Staff Reduction Program Agreement between the Department and Local 18, IBEW, shall be credited with one additional month of age or one additional month of “Department Service”/“Years of Service” for each full month a position was occupied in such classification to a combined maximum of sixty (60) months of age and/or “Department Service”/“Years of Service” in addition to service credited in the normal course of Department employment and Plan membership. The Controller shall certify that the member is eligible for such retention service_credit and the number of additional months of age or “Department Service”/“Years of Service” to be so credited at the time such member retires.

In addition to the “Age at Retirement” specified in Plan Section IV E (4)(b) and “Department Service” specified in Plan Section II C (11) and the “Years of Service” specified in Plan Section IV E (4)(d), each employee who is eligible for the Five Prime/Three Enhancement specified above, but who occupied a position in a certain classification in Department service as specified in the Staff Reduction Program Agreement between the Department and the Department of Water and Power Dispatchers Association, shall be credited with one additional month of age or one additional month of “Department Service”/“Years of Service” for each full month a position was occupied in such classification to a combined maximum of thirty-six (36) months of age and/or “Department Service”/“Years of Service” in addition to service credited in the normal course of Department employment and Plan membership, provided, however, that each above-specified employee who remains a member of the Plan on December 1, 2001, shall be eligible for a combined maximum of forty-eight (48) months, rather than thirty-six (36) months. The Controller shall certify that the member is eligible for such retention service credit and the number of additional months of age or “Department Service”/“Years of Service” to be so credited at the time such member retires.”

(d) Purchase of Service Credit

- (i) Notwithstanding the provisions of Plan Sections IV G (2)(b) and IV G (2)(e), a member who has entered into an

“Irrevocable Agreement” to purchase service credit in accordance with Plan Section IV G (1)(d) and (f) and who has signed and not rescinded a Staff Reduction Program Agreement may, during the 45-day Staff Reduction Program consideration period, revoke his or her “Irrevocable Agreement” and enter into a new “Revocable Agreement” as provided in (ii) below to purchase the balance of the service credit in the revoked Agreement in accordance with Plan Section IV G (3) and (4). The new “Revocable Agreement” shall use the same rate of interest on the declining balance and terminate on the same date or earlier but with a final deposit scheduled no later than September 1, 2001.

- (ii) A contributing member who has signed and not rescinded a Staff Reduction Program Agreement and who, during the 45-day Staff Reduction Program consideration period, elects to purchase service credit as provided in Plan Sections IV G and IV L may enter into a “Revocable Agreement” to purchase such service credit.
- a. The term of the “Revocable Agreement” may be no longer than the earlier of September 1, 2001 or three years after the last day of the 45-day Staff Reduction Program consideration period. Plan Section IV G (7)(b) shall not apply and retirement from Department service shall not terminate such “Revocable Agreement”. The payment schedule of any “Revocable Agreement” that was begun prior to the member’s retirement shall be amended to provide for monthly deposits, to be made by deduction from the retiree’s monthly retirement allowance.
- b. A retiree or member who has left Department Service with a “Revocable Agreement” may revoke his or her agreement at any time by serving written notice on the Retirement Board of such revocation on a form specified by the Board for such revocation. Such revocation shall be binding on the Board on the first day of the month after it is time-stamped in the Retirement Plan Office.
1. Upon revocation, the retiree shall be granted pro-rata service credit, counted counter-calendarwise, for the completed portion of the revoked Agreement. The retiree’s allowance payable under Plan Section IV E shall be adjusted by the additional “Years of Service” in the month which the revocation becomes binding on the Board.

2. Upon revocation, the member who has left Department Service shall be credited pro-rata service credit, counted counter-calendarwise, for the completed portion of the revoked Agreement.
 3. If the Board has not received a payment and more than thirty (30) days has passed since such payment was due, the Board shall take an action to deem the “Revocable Agreement” revoked as though the member or retiree had served written notice on the Board. The Board may permit the continuation of the “Revocable Agreement” if the member or retiree pays all amounts owed prior to the Board’s action.
 4. Upon the death of a retiree or member who has entered into a “Revocable Agreement”, the Eligible Spouse or Domestic Partner of the retiree as defined in Plan Section IV E (9) or the spouse or Domestic Partner who is eligible to receive a Survivor’s Optional Death Benefit Allowance pursuant to Plan Section VI D (7) may deposit in a single lump-sum payment the remaining balance of the “Revocable Agreement” and receive the benefit specified in the Plan based on the total “Years of Service” covered by the “Revocable Agreement”. Absent such lump-sum deposit, the portion of the total “Years of Service” to be purchased shall be granted pro-rata service credit, counted counter-calendarwise, for the completed portion of the revoked Agreement.
- (iii) Members eligible for Retention Service Credit or “deferred departure” in accordance with the Letters of Agreement between the Department and the certified unions shall be eligible to purchase service credit in accordance with this subsection (e) within three (3) years of their last day of work.

Notwithstanding the provisions of Plan Sections IV G (1) and IV L (1), a non-contributing member who is receiving Temporary Disability or Permanent Total Disability benefits from the Plan or Workers’ Compensation benefits from the Department of Water and Power and who has signed and not rescinded a Staff Reduction Program Agreement may, during the 45-day Staff Reduction Program consideration period, purchase service credit as though he or she were a contributing member of the Plan and may enter into a “Revocable Agreement” as specified in subsection (ii) above.

- (iv)** Notwithstanding the requirements of Plan Section III E, every member who has a “Revocable Agreement” at the time of his or her retirement and elects to continue said Agreement shall contribute the amount provided in such Agreement to the Retirement Fund which shall be deducted from his or her monthly retirement allowance. This requirement shall also apply to a retiree who enters into a “Revocable Agreement” after his or her retirement.

 - a.** The retiree’s monthly retirement allowance shall be adjusted for the additional “Years of Service” purchased on a completed or revoked “Revocable Agreement” at the beginning of the month following the month that the last deposit is made.
 - b.** A pro rata credit in whole months will be made to the retirement allowance of each retiree making deposits in accordance with this subsection on September 1, 1998 and each September 1 thereafter until each retiree’s purchase is completed, or September 1, 2001, whichever comes first.
 - c.** All adjustments to service credit and monthly retirement allowances shall be prospective only.
- (v)** Amounts deposited, either by lump-sum payment or by “Revocable Agreement” as provided by this Section II E (6)(e) by contributing members of the Plan plus interest credited in accordance with Plan Section III C (9) shall be included in each member’s Total Accumulated Contributions. Upon receipt of a lump-sum deposit or payment in full of a “Revocable Agreement” prior to the member’s retirement, the Department shall pay into the Retirement Fund current service contributions in the amount of one-hundred-ten percent (110%) of the Normal Contributions received including interest. Deposits received on an incomplete “Revocable Agreement” shall be transferred with the member’s Total Accumulated Contributions to the Retirement Allowance Reserve as provided in Plan Section III D (1)(c).
- (vi)** Amounts deposited by members subsequent to retirement by “Revocable Agreement” as provided by this Section II E (6)(e) shall be deposited directly to the Retirement Allowance Reserve.

F. LIMITATIONS IMPOSED BY FEDERAL LAW**(1) Retirement Benefit Limits**

- (a)** Notwithstanding any other provisions of Section IV of this Plan, the maximum limitations of benefits and contributions described in Section 415 of the Internal Revenue Code of 1986 (Code), as amended, including Section 415 (b) (10), are hereby incorporated by reference in this Plan. The calculation of such benefit limits shall be based on an interest rate of 5% (five percent). Such benefit limitations shall not apply to any person who first became a member of the Plan prior to July 1, 1990 or any person who first became a member of the City Employees' Retirement System prior to July 1, 1990 and later became a member of the Plan in accordance with Section IV J of this Plan.
- (b)** To the extent that any Plan member's Retirement Allowance is limited by Code Section 415, the amount of the Retirement Allowance that exceeds such Code benefit limit shall be paid by means of a Qualified Governmental Excess Benefit Arrangement established in accordance with Section 415 (m) of the Code. The Department shall make contributions to such Qualified Governmental Excess Benefit Arrangement in accordance with Section IV C (2)(j) of this Plan.
- (c)** The election made in accordance with Code Section 415 (b) (10) by the adoption of this Plan Section includes the election to have Code Section 415 (b) apply without regard to paragraph (2) (F).
- (d)** If the government of the United States or a final court of competent jurisdiction determines that the benefit or contribution limits enumerated in this Section of the Plan no longer apply to the Plan or its members, the provisions of this Plan Section shall be null and void.
- (e) Participation in Other Qualified Plans: Aggregation of Limits.**
 - (i)** The 415(b) limit with respect to any member who at any time has been a member in any other defined benefit plan as defined in section 414(j) of the Internal Revenue Code maintained by the member's employer in this plan shall apply as if the total benefits payable under all such defined benefit plans in which the member has been a member were payable from one (1) plan.
 - (ii)** The 415(c) limit with respect to any member who at any time has been a member in any other defined contribution plan as defined in section 414(i) of the Internal Revenue Code maintained by the member's employer in this plan shall apply as if the total annual additions under all such defined

contribution plans in which the member has been a member were payable from one (1) plan.

(f) Basic 415(b) Limitation.

(i) Before January 1, 1995, a member may not receive an annual benefit that exceeds the limits specified in section 415(b) of the Internal Revenue Code, subject to the applicable adjustments in that section. On and after January 1, 1995, a member may not receive an annual benefit that exceeds the dollar amount specified in section 415(b)(1)(A) of the Internal Revenue Code, subject to the applicable adjustments in section 415(b) of the Internal Revenue Code and subject to any additional limits that may be specified in the retirement system. In no event shall a member's benefit payable under the plan in any limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to section 415(d) of the Internal Revenue Code and the regulations thereunder.

(ii) For purposes of section 415(b) of the Internal Revenue Code, the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to section 415(n) of the Internal Revenue Code) and to rollover contributions (as defined in section 415(b)(2)(A) of the Internal Revenue Code). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

(g) Adjustments to Basic 415(b) Limitation for Form of Benefit.

If the benefit under the plan is other than the form specified in subsection (c)(2), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations.

(i) If the form of benefit without regard to the automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the section 415(b) of the Internal Revenue Code limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount [determined using the assumptions specified in Treasury Regulation section 1.415(b)-1(c)(2)(ii)] that takes into account the additional benefits under the form of benefit as follows:

(ii) For a benefit paid in a form to which section 417(e)(3) of the Internal Revenue Code does not apply [a monthly benefit], the actuarially equivalent straight life annuity benefit that is the greater of (or the reduced Limit applicable at the annuity

starting date which is the "lesser of" when adjusted in accordance with the following assumptions):

- a. The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5% interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation section 1.417(e)-1(d)(2)(Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in Internal Revenue Code section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Internal Revenue Code section 417(e)(3)(B)); or

- (iii) For a benefit paid in a form to which section 417(e)(3) of the Internal Revenue Code applies [a lump sum benefit], the actuarially equivalent straight life annuity benefit that is the greatest of (or the reduced section 415(b) of the Internal Revenue Code limit applicable at the annuity starting date which is the "least of" when adjusted in accordance with the following assumptions:

- a. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after

December 31, 2008, the applicable mortality tables described in Internal Revenue Code section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Internal Revenue Code section 417(e)(3)(B)); or

b. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation section 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate the in effect for the first day of the plan year with a one-year stabilization period) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in Internal Revenue Code section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Internal Revenue Code section 417(e)(3)(B)), divided by 1.05.

- (h)** Benefits Not Taken into Account for 415(b) Limitation.
For purposes of this section, the following benefits shall not be taken into account in applying these limits:
- (i)** Any ancillary benefit which is not directly related to retirement income benefits;
 - (ii)** That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity;
 - (iii)** Any other benefit not required under section 415(b)(2) of the Internal Revenue Code and Treasury Regulations thereunder to be taken into account for purposes of the limitation of section 415(b)(1) of the Internal Revenue Code.
- (i)** Other Adjustments in 415(b) Limitation.
- (i)** In the event the member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with Treasury Regulations pursuant to the provisions of section 415(b) of the Internal Revenue Code, so that such limit (as so

reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar (\$160,000) (as adjusted) annual benefit beginning at age sixty-two (62).

- (ii) In the event the member's benefit is based on at least fifteen (15) years of service as a full-time employee of any police or fire department or on fifteen (15) years of military service, the adjustments provided for in (1) above shall not apply.
- (iii) The reductions provided for in (1) above shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

(j) Less than Ten (10) Years of Service Adjustment for 415(b) Limitations.

The maximum retirement benefits payable to any member who has completed less than ten (10) years of service shall be the amount determined under subsection (c) multiplied by a fraction, the numerator of which is the number of the member's years of service and the denominator of which is ten (10). The reduction provided by this subsection cannot reduce the maximum benefit below 10%. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

(k) Ten Thousand Dollar (\$10,000) Limit.

Notwithstanding the foregoing, the retirement benefit payable with respect to a member shall be deemed not to exceed the 415 limit if the benefits payable, with respect to such member under this plan and under all other qualified defined benefit pension plans to which the member's employer contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year and for any prior limitation year and the employer has not any time maintained a qualified defined contribution plan in which the member participated.

(l) Effect of COLA without a Lump Sum Component on 415(b) Testing. Effective on and after January 1, 2009, for purposes of applying the limits under section 415(b) of the Internal Revenue Code (the "Limit") to a member with no lump sum benefit, the following will apply:

a member's applicable Limit will be applied to the member's annual benefit in the member's first limitation year without regard to any cost of living adjustments under Plan Section IV D (16) or IV E (10);

- (i) to the extent that the member's annual benefit equals or exceeds the Limit, the member will no longer be eligible for cost of living increases until such time as the benefit plus the accumulated increases are less than the Limit; and

- (ii) thereafter, in any subsequent limitation year, a member's annual benefit, including any cost of living increases under Plan Section IV D (16) or IV E (10), shall be tested under the then applicable benefit Limit including any adjustment to the section 415(b)(1)(A) of the Internal Revenue Code dollar limit under section 415(d) of the Internal Revenue Code, and the regulations thereunder.
- (m) Effect of COLA with a Lump Sum Component on 415(b) Testing. On and after January 1, 2009, with respect to a member who receives a portion of the member's annual benefit in a lump sum, a member's applicable Limit will be applied taking into consideration cost of living increases as required by section 415(b) of the Internal Revenue Code and applicable Treasury Regulations.
- (n) Section 415(c) limitations on contributions and other additions. After-tax member contributions or other annual additions with respect to a member may not exceed the lesser of \$40,000 (as adjusted pursuant to section 415(d) of the Internal Revenue Code) or 100% of the member's compensation.

 - (i) Annual additions are defined to mean the sum (for any year) of employer contributions to a defined contribution plan, member contributions, and forfeitures credited to a member's individual account. Member contributions are determined without regard to rollover contributions and to picked-up employee contributions that are paid to a defined benefit plan.
 - (ii) For purposes of applying section 415(c) of the Internal Revenue Code and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulation section 1.415(c)-2, or successor regulation; provided, however, that member contributions picked up under section 414(h) of the Internal Revenue Code shall not be treated as compensation.

Compensation will be defined as wages within the meaning of section 3401(a) of the Internal Revenue Code and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under sections 6041(d), 6051(a)(3) and 6052 of the Internal Revenue Code and will be determined without regard to any rules under section 3401(a) of the Internal Revenue Code that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in section 3401(a)(2) of the Internal Revenue Code).

- a.** However, for limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under section 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b) of the Internal Revenue Code. For limitation years beginning after December 31, 2000, compensation shall also include any elective amounts that are not includible in the gross income of the member by reason of section 132(f)(4) of the Internal Revenue Code.
- b.** For limitation years beginning on and after January 1, 2008, compensation for the limitation year shall also include compensation paid by the later of 2½ months after a member's severance from employment or the end of the limitation year that includes the date of the member's severance from employment if:

 - 1.** the payment is regular compensation for services during the member's regular working hours, or compensation for services outside the member's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the member while the member continued in employment with the employer; or
 - 2.** the payment is for unused accrued bona fide sick, vacation or other leave that the member would have been able to use if employment had continued; or
 - 3.** payments pursuant to a nonqualified unfunded deferred compensation plan, but only if the payments would have been paid to the member at the same time if the member had continued employment with the employer and only to the extent that the payment is includible in the member's gross income.

Any payments not described in paragraph (B) above are not considered compensation if paid after severance from employment, even if they are paid within 2½ months following severance from employment, except for payments to the individual who does not currently perform services for the employer by reason of qualified military service (within the meaning of section 414(u)(1) of the Internal Revenue Code) to the extent these payments do not exceed the amounts the individual would have received if the individual

had continued to perform services for the employer rather than entering qualified military service.

An employee who is in qualified military service (within the meaning of section 414(u)(1) of the Internal Revenue Code) shall be treated as receiving compensation from the employer during such period of qualified military service equal to (i) the compensation the employee would have received during such period if the employee were not in qualified military service, determined based on the rate of pay the employee would have received from the employer but for the absence during the period of qualified military service, or (ii) if the compensation the employee would have received during such period was not reasonably certain, the employee's average compensation from the employer during the twelve month period immediately preceding the qualified military service (or, if shorter, the period of employment immediately preceding the qualified military service).

c. Back pay, within the meaning of Treasury Regulation section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(iii) For limitation years beginning on or after January 1, 2008, a member's compensation for purposes of subsection (k) shall not exceed the annual limit under section 401(a)(17) of the Internal Revenue Code.

(o) Service Purchases under Section 415(n).

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of section 415(n) of the Internal Revenue Code will be treated as met only if:

the requirements of section 415(b) of the Internal Revenue Code are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of section 415(b) of the Internal Revenue Code, or

(i) the requirements of section 415(c) of the Internal Revenue Code are met, determined by treating all such contributions as annual additions for purposes of section 415(c) of the Internal Revenue Code.

(ii) For purposes of applying this section, the system will not fail to meet the reduced limit under section 415(b)(2)(C) of the

Internal Revenue Code solely by reason of this subparagraph and will not fail to meet the percentage limitation under section 415(c)(1)(B) of the Internal Revenue Code solely by reason of this section.

- (iii)** For purposes of this section the term "permissive service credit" means service credit—
- a.** recognized by the system for purposes of calculating a member's benefit under the system,
 - b.** which such member has not received under the system, and
 - c.** which such member may receive only by making a voluntary additional contribution, in an amount determined under the system, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may include service credit for periods for which there is no performance of service, and, notwithstanding clause (B), may include service credited in order to provide an increased benefit for service credit which a member is receiving under the system.

- (iv)** The system will fail to meet the requirements of this section if—
- a.** more than five years of nonqualified service credit are taken into account for purposes of this subparagraph, or
 - b.** any nonqualified service credit is taken into account under this paragraph before the member has at least five years of participation under the system.

For purposes of Plan Section II F (1)(o)(v), effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, the term "nonqualified service credit" means permissive service credit other than that allowed with respect to—

- a.** service (including parental, medical, sabbatical, and similar leave) as an employee of the Government of the United States, any State or political subdivision thereof, or any agency or instrumentality of any of the foregoing (other than military service or service for credit which was obtained as a result of a repayment

described in section 415(k)(3) of the Internal Revenue Code),

- b.** service (including parental, medical, sabbatical, and similar leave) as an employee (other than as an employee described in clause (A)) of an education organization described in section 170(b)(1)(A)(ii) of the Internal Revenue Code which is a public, private, or sectarian school which provides elementary or secondary education (through grade 12), or a comparable level of education, as determined under the applicable law of the jurisdiction in which the service was performed,
 - c.** service as an employee of an association of employees who are described in Section II F (1)(o)(vi)a., or
 - d.** military service (other than qualified military service under section 414(u) of the Internal Revenue Code) recognized by the system. In the case of service described in Section II F (1)(o)(vi)a., II F (1)(o)(vi)b., or II F (1)(o)(vi)c., such service will be nonqualified service if recognition of such service would cause a member to receive a retirement benefit for the same service under more than one plan.
- (v)** In the case of a trustee-to-trustee transfer after December 31, 2001, to which section 403(b)(13)(A) of the Internal Revenue Code or section 457(e)(17)(A) of the Internal Revenue Code applies (without regard to whether the transfer is made between plans maintained by the same employer)—
 - a.** the limitations of Section II F(1)(o)(v) will not apply in determining whether the transfer is for the purchase of permissive service credit, and
 - b.** the distribution rules applicable under federal law to the system will apply to such amounts and any benefits attributable to such amounts.
- (vi)** For an eligible member, the limitation of section 415(c)(1) of the Internal Revenue Code shall not be applied to reduce the amount of permissive service credit which may be purchased to an amount less than the amount which was allowed to be purchased under the terms of a Plan as in effect on August 5, 1997. For purposes of this paragraph an eligible member is an individual who first became a member in the system before January 1, 1998.

- (p)** Modification of Contributions for 415(c) and 415(n) Purposes. Notwithstanding any other provision of law to the contrary, the system may modify a request by a member to make a contribution to the system if the amount of the contribution would exceed the limits provided in section 415 of the Internal Revenue Code by using the following methods:
- (i)** If the law requires a lump sum payment for the purchase of service credit, the system may establish a periodic payment plan for the member to avoid a contribution in excess of the limits under section 415(c) or 415(n) of the Internal Revenue Code.
 - (ii)** If payment pursuant to subparagraph (1) will not avoid a contribution in excess of the limits imposed by section 415(c) or 415(n) of the Internal Revenue Code, the system may either reduce the member's contribution to an amount within the limits of those sections or refuse the member's contribution.

(q) Repayments of Cashouts.

Any repayment of contributions (including interest thereon) to the plan with respect to an amount previously refunded upon a forfeiture of service credit under the plan or another governmental plan maintained by the retirement system shall not be taken into account for purposes of section 415 of the Internal Revenue Code, in accordance with applicable Treasury Regulations.

(r) Reduction of Benefits Priority.

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be determined by the plan and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which the member most recently accrued benefits and thereafter in such priority as shall be established by the plan and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the plan and the plan administrator of all other plans covering such member.

(2) Covered Compensation Limit

- (a)** Compensation as defined in Plan Section II C (14) shall be limited by the amount set and adjusted in accordance with Section 401 (a)

(17) of the Internal Revenue Code of 1986, as amended, and shall apply to each person who first becomes a member of the Plan on or after July 1, 1996. Such covered compensation limit shall not apply to any person who first became a member of the Plan prior to July 1, 1996 or any person who first became a member of the City Employees' Retirement System prior to July 1, 1996 and later became a member of this Plan in accordance with Section IV J of this Plan.

- (b) If the government of the United States or a final court of competent jurisdiction determines that the covered compensation limit enumerated in this Section of the Plan no longer applies to the Plan or any of its members, the provisions of this Section shall be null and void.
- (c) Effective with respect to plan years beginning on and after July 1, 1996, and before July 1, 2002, the annual compensation of a plan member which exceeds \$150,000 (as adjusted for cost-of-living increases under section 401(a)(17)(B) of the Internal Revenue Code) shall be disregarded for purposes of computing employee and employer contributions to or benefits due from the Plan. Effective only for the 1996 plan year, in determining the compensation of an employee eligible for consideration under this provision, the rules of section 414(g)(6) of the Internal Revenue Code shall apply, except that in applying such rules, the term "family" shall include only the spouse of the member and any lineal descendants of the employee who have not attained age 19 before the close of the year.

Effective with respect to plan years beginning on and after July 1, 2002, the annual compensation of a plan member which exceeds \$200,000 (as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Internal Revenue Code) may not be taken into account in determining benefits or contributions due for any plan year. Annual compensation means compensation during the plan year or such other consecutive 12-month period over which compensation is otherwise determined under the plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year. If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a plan member's contributions or benefits for the current plan year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period.

- (d) As used in this section, the term “eligible member” means a person who first became a member of the Plan prior to the plan year beginning after December 31, 1995. Pursuant to section 13212(d)(3)(A) of OBRA ‘93, and the regulations issued under that section, eligible members are not subject to the limits of section 401(a)(17) of the Internal Revenue Code, and the maximum compensation used in computing employee and employer contributions to or benefits due from the Plan for eligible members shall be the maximum amount allowed by the Plan to be so used on July 1, 1993. The limits referenced in subsections (a) and (b) above apply only to years beginning after December 31, 1995, and only to individuals who first become plan members in plan years beginning on and after July 1, 1996.

(3) Minimum Distributions

The Board will pay all benefits in accordance with a good faith interpretation of the requirements of section 401(a)(9) of the Internal Revenue Code and the regulations in effect under that section, as applicable to a governmental plan within the meaning of section 414(d) of the Internal Revenue Code. The Board is subject to the following provisions:

- (a) Distribution of a member's benefit must begin by the required beginning date, which is the later of the April 1 following the calendar year in which the member attains age 70 1/2 or April 1 of the year following the calendar year in which the member terminates. If a member fails to apply for retirement benefits by the later of either of those dates, the board shall begin distribution of the monthly benefit as required by this rule in the form provided in Plan Sections IV D or IV E.
- (b) The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
- (c) The Board pursuant to a qualified domestic relations order may establish separate benefits for a member and nonmember.

If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death.

- (d) If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be either:
- (i) distributed (in accordance with federal regulations) over the life or life expectancy of the designated beneficiary, with the distributions beginning no later than December 31 of the

calendar year following the calendar year of the member's death, or

- (ii) distributed within five years of the member's death.
- (e) The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of section 401(a)(9)(G) of the Internal Revenue Code, and the minimum distribution incidental benefit rule under Treasury Regulation Section 1.401(a)(9)-6, Q&A-2.
- (f) The death and disability benefits provided by the Board are limited by the incidental benefit rule set forth in section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed 25% of the cost for all of the members' benefits received from the Board.
- (g) Notwithstanding the other provisions of this rule or the provisions of the Treasury Regulations, benefit options may continue so long as the option satisfies section 401(a)(9) of the Internal Revenue Code based on a reasonable and good faith interpretation of that section.

G. DIRECT ROLLOVERS

- (1) This section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Water and Power Employees' Retirement Plan (Plan) to the contrary that would otherwise limit a distributee's election under this part, the "distributee" of an "eligible rollover distribution" may elect to have any portion of an eligible rollover distribution that is equal to at least \$200 paid directly to an "eligible retirement plan" specified by the distributee in a "direct rollover."
- (2) Definitions.

"Eligible rollover distribution":

An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal period payments made for the life of the distributee or the joint lives of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; and the portion of any distribution that is not includable in gross income; and any other distribution(s) that is reasonably expected to total less than \$200 during a year. On or after January 1, 2002, a portion of a distribution that is not includable in gross income, but that otherwise qualifies as an eligible rollover distribution, is (i) an eligible distribution provided that the eligible retirement plan designated to receive such portion of a distribution is an individual retirement account described in Section 408(a) of the Internal Revenue Code, an individual retirement

annuity described in Section 408(b) of the Internal Revenue Code or a qualified defined contribution plan described in Section 401(a) or 403(a) of the Internal Revenue Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includable in gross income and the portion of such distribution which is not so includable: (ii) on or after January 1, 2007, a qualified defined benefit plan described in section 401(a) of the Internal Revenue Code or to an annuity contract described in section 403(b) of the Internal Revenue Code; or (iii) on or after January 1, 2008, to a Roth IRA described in section 408A of the Internal Revenue Code. Effective January 1, 2002, the definition of eligible rollover distribution also includes a distribution to a surviving spouse, or to a spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Internal Revenue Code.

“Eligible retirement plan”:

An eligible retirement plan is an individual retirement account described in Section 408(a) of the Internal Revenue Code, an individual retirement annuity described in Section 408(b) of the Internal Revenue Code, an annuity plan described in Section 403(a) of the Internal Revenue Code or a qualified plan described in Section 401(a) of the Internal Revenue Code that accepts a distributee’s eligible rollover distribution. On or after January 1, 2002, an eligible deferred compensation plan described in Section 457(b) of the Internal Revenue Code, maintained by an employer described in Section 457(e)(1)(A) of the Internal Revenue Code, and an annuity contract described in Section 403(b) of the Internal Revenue Code are also eligible retirement plans. On or after January 1, 2008, a Roth IRA described in section 408A of the Internal Revenue Code is also an eligible retirement plan.

“Distributee”:

A distributee means an employee, former employee, spouse or former spouse of an employee or former employee eligible for a rollover distribution. Effective January 1, 2007, a distributee further includes a nonspouse beneficiary who is a designated beneficiary as defined by section 401(a)(9)(E) of the Internal Revenue Code. However, a nonspouse beneficiary may rollover the distribution only to an individual retirement account or individual retirement annuity established for the purpose of receiving the distribution, and the account or annuity will be treated as an "inherited" individual retirement account or annuity.

“Direct rollover”:

A direct rollover is a payment by the plan to the eligible retirement plan specified by the distributee.

- (3)** The Board of Administration may make any rules necessary for the Plan to comply with the provisions of this section and with the Internal Revenue Code provisions governing rollover distributions.

H. VETERANS' RIGHTS

- (1) Effective December 12, 1994, notwithstanding any other provision of the retirement system law, contributions, benefits and service credit with respect to qualified military service are governed by section 414(u) of the Internal Revenue Code and the Uniformed Services Employment and Reemployment Rights Act of 1994.
- (2) Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in chapter 43 of title 38, United State Code), to the extent required by section 401(a)(37) of the Internal Revenue Code, survivors of a member, are entitled to any additional benefits that the Plan would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's death while employed.
- (3) Beginning January 1, 2009, to the extent required by sections 3401(h) and 414(u)(2) of the Internal Revenue Code, an individual receiving differential wage payments (while the individual is performing qualified military service (as defined in chapter 43 of title 38, United State Code)) from an employer shall be treated as employed by that employer and the differential wage payment shall be treated as earned compensation, but contributions attributable to such differential wage payments shall not be made unless and until the member returns to active employment and makes up the missed contributions. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

- ¹ **II C (11)** Eligibility for Plan Membership (nearly obsolete) [SEE ADMIN INTERPRETATION DATED 10-30-85]
- ² **II C (14)** Military Service (Desert Storm) [SEE ADMIN INTERPRETATION DATED 04-10-92]
- ³ **II D (2)(g)** Eligibility for Plan Membership (nearly obsolete) [SEE ADMIN INTERPRETATION DATED 10-30-85]

WATER AND POWER EMPLOYEES' RETIREMENT PLAN

SECTION III

BOARD OF ADMINISTRATION

A. ORGANIZATION AND FUNCTIONS

- (1) The Board of Administration created in and by Section 1188(a) of the Charter of The City of Los Angeles, shall manage and administer this Plan in accordance with the provisions of Section 1106 of the Charter.
- (2) The Board may establish such additional rules and regulations in accordance with Section 1106(f) of the Charter of The City of Los Angeles as it may deem necessary or proper for the administration of this Plan.
- (3) The elective members (employee members) of the Board shall be elected thereto by the contributing members of this Plan, and shall hold office for a term of three years and until their successors have qualified. The rules and regulations governing the holding of such elections shall be prescribed by the Board of Commissioners. In case any vacancy occurs among said elective members less than six months before the expiration of the term for that seat, the Board may, by resolution adopted by not less than five affirmative votes, fill such vacancy for the unexpired portion of the term.
- (4) The Board shall elect from its members a president, vice-president, and other officers as required. The Board may contract with independent consultants and actuaries for the making or furnishing of such studies, valuations, surveys and reports as are required or permitted by or under the provisions of this Plan; provided that all such contracts shall be authorized by resolution adopted by not less than four affirmative votes, which must include the vote of at least one duly elected employee member of the Board.
- (5) The Board shall appoint a chief executive officer and other necessary employees and shall designate a secretary and a Chief Accounting Employee who shall be an employee other than the chief executive officer. The Board shall have the power to and shall pay, from moneys in the Retirement Fund, the Disability Fund, and the Death Benefit Fund, the compensation of all employees and any other expenses necessarily incurred in the administration of this Plan.
- (6) The Board shall have the power to hear and determine, subject to the provisions of this Plan, all questions of fact material and relevant to the operation and administration of this Plan, and the determination of said Board upon such question shall be final and conclusive.
- (7) (a) All powers conferred upon the Board of Administration shall be exercised by order or resolution recorded in the minutes with the

eyes and noses at length. Except as otherwise expressly provided herein, the affirmative vote of a majority of a quorum shall be sufficient for the adoption of any such order or resolution. Such action shall be attested to by the signature of the secretary to the Board.

- (b)** The Board of Administration may by resolution delegate authority to a Committee to make findings of fact in the administration of benefits under this Plan and to authorize payment in accordance with the Retirement, Disability and Death Benefit provisions of this Plan. The Committee shall consist of at least three (3) members of the Board of Administration who shall be appointed by the President and shall exercise its delegated authority by the affirmative vote of not less than two (2) members. Payments authorized by the Committee shall be considered as made by the Board of Administration. The Committee shall report its actions to the Board monthly.
- (c)** The Board of Administration may by resolution delegate authority to the Retirement Plan Manager to pay moneys from the Retirement Fund, the Disability Fund, and the Death Benefit Fund to persons who, in all material respects, meet the eligibility and qualification requirements set forth in this Plan. Such payments shall be reported to the Board of Administration monthly. The Board of Administration may also delegate to the Retirement Plan Manager authority to draw and authenticate payments between the Funds and the authority to draw and authenticate demands for the payment of budgeted administrative expenses from the Funds.
- (8)** Regular meetings of the Board shall be held at such time and in such place as shall be determined by resolution; provided, however, that such regular meetings shall be held at least once in each calendar month.

A special meeting may be called at any time by the president or by a majority of the members of the Board, by delivering personally or by mail written notice to each member of the Board and to each local newspaper of general circulation, radio or television station requesting notice in writing. Such notice must be delivered personally or by mail at least 24 hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meeting by the Board. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the secretary a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes. All such waivers shall be filed with the records of the Board or made a part of the minutes of the meeting.

Four members of the Board shall constitute a quorum for the transaction of business.

- (9) The secretary shall keep a record of the proceedings and transactions of the Board, specifying therein the names of the Board members at all meetings and giving the ayes and noes upon all votes, and shall perform such other duties as are herein, or may be by order of the Board, imposed on him.
- (10) The appointed retired board member shall be paid an attendance fee subject to the provision of Los Angeles Administrative Code Section 21.12, or any successor provision. The fee shall be paid beginning on May 21, 2002.

B. MANAGEMENT OF FUNDS

- (1) The Board of Administration shall have such powers and duties in connection with the administration and investment of all moneys in the Retirement Fund, the Disability Fund and the Death Benefit Fund as are granted to it by Section 1106 of the Charter of The City of Los Angeles, and by the terms and provisions hereof, provided that investments may be authorized only by resolution adopted by not less than four (4) affirmative votes, which must include the vote of at least one duly elected employee member of the Board.
- (2) Notwithstanding anything to the contrary in this subsection B of Section III, the Board may, by resolution, delegate to a committee of the Board its authority to purchase, sell and exchange securities, and vote the proxies of the stocks in its portfolio, provided that said resolution is adopted by not less than four (4) affirmative votes, including the vote of at least one duly elected member of the Board. Such committee shall be composed of three (3) Board members appointed by the President of the Board, including at least one duly elected employee member. All investments and proxy votes authorized by the committee must be approved by at least two (2) affirmative votes, including the vote of an employee member. Completed investment transactions and proxy votes authorized by such committee will be reported to the Board monthly.
- (3) The Board shall have power to take any proper acts, including the institution and maintenance of any actions at law or in equity, for the collection of the principal or any interest due upon any such bonds or securities, and for the protection or enforcement of any rights which may accrue by virtue of the owner-ship or possession thereof.

The Board shall also have power to sue and be sued in all actions arising out of any act or omission in connection with the Retirement Plan or in connection with its business or affairs.

- (4) The Board shall have power to sell, assign, convey, exchange or otherwise transfer title to any such bonds or securities, or any property of any nature whatever which may be acquired as the proceeds of any such bonds or securities; provided, however, that such sales, assignments, conveyances, exchanges or transfers may be authorized only by resolution adopted by not less than four affirmative votes, which must

include the vote of at least one duly elected employee member of said Board.

- (5) Except as herein provided, no member of the Board of Administration, and no employee thereof, shall have any interest, direct or indirect, in the making of any investment of moneys in the Retirement Fund, the Disability Fund or the Death Benefit Fund, or in the gains or profits accruing therefrom, or in any action of the Board in selling, assigning, conveying, exchanging, or other-wise transferring title to any bonds, securities or property of any nature whatever acquired with moneys coming into said funds. No member of said Board or employee thereof, directly or indirectly, for himself or as agent or partner of others, shall borrow any of the moneys coming into any one of said Funds, or in any manner use the same except to make such current and necessary payments as are authorized by said Board; nor shall any member of said Board or employee thereof become an endorser or surety, or become in any manner an obligor for moneys invested by the Board.

C. ACCOUNTING AND ADMINISTRATION

In the administration of this Plan the Board shall adhere to and be governed by the following regulations:

(1) Books and Records

Books of account and other accounting records necessary to the proper administration of the Retirement Plan shall be set up and maintained as directed and approved by the Board of Commissioners. From said books and records, such statements and reports shall be prepared as the Board may require from time to time.

The Chief Accounting Employee shall maintain a system of accounts for the several funds of the Retirement Plan, subject to periodic review by the independent auditor retained by the Board.

(2) Annual Statement

An annual statement shall be prepared by the Board covering the Retirement Plan fiscal year of operation. Said annual statement shall include a statement of assets at the beginning of the year, all income received and disbursements made during the year, and shall show the balance of assets on hand at the end of the period. Said annual statement shall also include a statement of all liabilities at the end of the year and surplus over all liabilities as of said date.

This statement shall be made in such detail as may be directed by the Board of Commissioners, and shall be filed with the Board of Commissioners not later than sixty (60) days subsequent to the end of the said year.

Said statement shall be accompanied by underwriting and investment exhibits showing the transactions during the year and the profit or loss from underwriting and investments during the year. Said statement and exhibits shall be so arranged as to clearly display the condition and operating results of each of the respective Funds under the management of the Board; namely, the Retirement Fund, the Disability Fund, and the Death Benefit Fund, respectively.

In the preparation of said statement, current insurance practice and methods shall be followed as far as applicable.

(3) Statistical Studies

Such statistical studies as are ordered by the Board of Commissioners and as are required under the terms of this Plan shall be created and maintained by the Board.

Statistical studies of disbursements and liabilities for future disbursements shall be maintained for each of the respective Funds, so as to produce a valuation of liabilities as of the close of each fiscal year. These studies shall be segregated within each Fund to show the results from the standpoint of disbursements and liabilities of each subdivision of each benefit provided in order that adjustment of contributions or benefits may be made for each of said classes of benefits.

Upon the basis of the records herein created, the Board of Commissioners shall direct the readjustments annually of contributions or benefits or both to insure the solvency of each of the respective Funds, subject to such specific provisions as are contained in Sections IV, V and VI of the Plan relating to the respective Funds.

The statistical studies, actuarial valuations, annual statements, and other statements of a general character to be prepared and maintained by the Board shall be determined as promptly as possible subsequent to the establishment of the Plan.

Said basic studies and records shall be prepared by the Board under the direction of the Board of Commissioners, and once established shall be maintained in the form approved.

The Board, from time to time, may make such other or further studies, valuations, surveys, and reports as it considers necessary or desirable for the purpose of ascertaining whether the provisions of this Plan and the administration thereof accord with sound business practices and recognized actuarial methods and what, if any, modification of said Plan is advisable in the light of experience or to meet changed conditions.

(4) Statement to Members

In addition to the aforesaid annual report of the Board of Commissioners, the Board shall cause to be published annually and made available to all

members a financial statement showing assets and liabilities of the Retirement Plan, and a statement as to the accumulated cash and securities in the Retirement Fund, the Disability Fund, and the Death Benefit Fund.

(5) Deposit of Funds

All income, including income from investments of funds, and income from contributions by members and by the Department of Water and Power, received by the Board shall be immediately deposited with the Treasurer or Master Trustee or Master Custodian to the credit of the respective Funds to which said income belongs.

(6) Disbursements

Disbursements of moneys in the respective Retirement Fund, Disability Fund, and Death Benefit Fund shall be made by the Chief Accounting Employee designated by the Board of Administration or an employee acting in his or her stead duly authorized by the Board. Said disbursements shall be made only for the purposes authorized by the terms of this Plan, upon properly authenticated demands, payable to a definite payee, and evidencing the character and amount of the expenditure or withdrawal.

(7) Salary Deductions

Each member shall authorize in writing the Department of Water and Power to deduct biweekly from the salary payable to said member and to pay into the various Funds of the Retirement Plan the amounts of all contributions which such member is required to make, and any additional contributions which such member may have elected to make pursuant to the provisions of the Retirement Plan.

Each such member shall receipt in full to the Department of Water and Power for his salary or compensation upon receiving payment less said contributions, and payment less said contributions shall be a full and complete discharge and acquitment of all claims and demands whatsoever for the service rendered by such member during the period covered by such payment, except his claim to the benefits to which he may be entitled under the provisions of this Plan.

(8) Surplus

The Board shall accumulate surplus funds within the Retirement Fund, Disability Fund and the Death Benefit Fund out of the gross income of said Funds before any excess of income, not specifically disposed of under the terms of this Plan, shall be utilized for any other purpose. The surplus funds in each such Fund shall be kept in general reserve accounts. The Board having established a special reserve account as of June 30, 1981 to be used to record the gains and losses of security transactions of the Retirement Fund shall, for fiscal years beginning after June 30, 1981,

determine the amounts to be retained in said special reserve account at the end of each year. Any excess may be placed in the Retirement Fund General Reserve Account at the end of the year.

The income of each of the respective Funds shall be so adjusted from year to year as to produce and maintain such reasonable working surplus as may be required by sound business judgement to be used by the Board for the purpose of stabilizing the operation of each of said Funds.

Surplus accounts shall be so kept as to show the surplus in each respective Fund.

Excess of surplus funds above the required surplus, when available for distribution at the end of the fiscal year, shall then be disposed of as follows:

(a) Retirement Fund Excess Surplus

- (i)** An excess of surplus in the Retirement Fund General Reserve Account shall be that amount which exceeds one percent (1%) of the Fund's assets. Any excess of surplus in the Retirement Fund may, at the option of the Board, be applied as a pro rata credit to the "Total Accumulated Contributions" accounts of all members, the "Contingent Pension Credits for Current Service" accounts, the "Contingent Pension Reserve for Minimum Pensions" account, the "Continuance to Eligible Spouse Pensions" account and the "Cost of Living Pensions" account. The pro rata credit shall be determined by the ratio of the average members' contribution rate as a percentage of payroll to the percent of payroll for Department contributions as set by the actuary for the period to be credited. The amount allocated to the members' "Total Accumulated Contributions" accounts shall be credited to a subaccount to be utilized for equalization of members' to the City Employees' Retirement System as provided under the reciprocal agreement between the Plan and the CERS in Section IV J (5).
- (ii)** Following the close of each fiscal year, the Retirement Plan Manager will determine the amount to be retained in the subaccount established pursuant to Section III C (8) (a) (i) for satisfaction of the equalization requirement. Any amount in such subaccount which is in excess of the amount to be retained, shall be distributed to members' individual accounts annually on or after January 1 of the fiscal year in which such determination is made. The distribution will be made as a pro rata credit to each member's account which had funds on deposit on December 31 prior to said distribution, provided that said account also had funds on deposit on the immediately preceding June 30 and was entitled to be credited with Regular Interest on said December 31. The pro

rata credit shall be determined by the ratio of the amount to be distributed from the subaccount of the "Total Accumulated Contributions" accounts to the "Total Accumulated Contributions", excluding the amount in the subaccount prior to distribution, on deposit as of the aforementioned June 30.

- (iii) A pro rata credit of the amount allocated to the "Contingent Pension Credits for Current Service" accounts in accordance with Section III C (8) (a) (i) will be distributed to the 'Contingent Pension Credits for Current Service' account of each member entitled to the distribution provided for in Section III C (8) (a) (ii). The pro rata credit will be determined by the ratio of the amount so allocated to the total amount in the "Contingent Pension Credits for Current Service" accounts, excluding the amount to be so distributed, on deposit as of June 30 immediately preceding the December 31, prior to such distribution.

(b) Disability Fund Excess Surplus

Any excess of surplus in the Disability Fund shall be applied to a pro rata reduction in the rate of future contributions by the members and the Department to such Fund, provided, however, that this provision shall not be construed to prevent applying such excess to reduce additional contributions necessary to fund any additional liability incurred by the Disability Fund resulting from any amendment to the Plan which has the effect of increasing benefits to occur in the future.

(c) Death Benefit Fund Excess Surplus

Any excess of surplus in the Death Benefit Fund shall be applied to a pro rata reduction in the rate of future contributions by the members and the Department to such Fund, provided, however, that this provision shall not be construed to prevent applying such excess to reduce additional contributions necessary to fund any additional liability incurred by the Death Benefit Fund resulting from any amendment to the Plan which has the effect of increasing benefits to occur in the future.

(9) Interest Rates and Maintenance of Surplus

Interest required to be credited on all contribution accounts and reserves at the end of the fiscal year 1982-1983 and at the end of each fiscal year thereafter shall be at the rate of eight percent (8%) per annum. Such rate shall be revised when and as directed by the Board of Water and Power Commissioners. Prior to fiscal year 1982-1983 such interest shall be at the regular interest set forth in Section IV A (4).

With the exception of remaining balances of amounts which the Department has heretofore prepaid or may hereafter prepay into the Retirement Fund, regular interest shall be credited on all contributions which now are, or hereafter may be deposited in said fund.

On and after July 1, 1991, every retirement allowance shall be calculated upon the "1983 Group Annuity Mortality Table" adjusted to a single rate with a setback established from time to time, and an interest rate of eight percent (8%) per annum; provided, however, that the retirement allowances of members retired prior to July 1, 1991, shall not be changed. The method of adjustment of the mortality table to a single rate and the determination of the setback shall be adopted by the Board of Administration based on the recommendation of its Actuary.

From time to time there shall be credited to reserves such additional sums as mortality adjustments may require. These additional sums and all interest commitments of the Retirement Fund shall be charged against the surplus account of said fund. Should the income and realized gains from the investment of moneys of the Retirement Fund be insufficient to pay the benefits due under the terms of this Plan, the Department shall pay into the Retirement Fund such sum or sums as may be necessary in order to pay such benefits in a timely manner.

(10) Actuarial Value of Assets – Unrealized Gains or Losses

The amount which represents the difference between the value of the investments of the Retirement Fund as carried on the books of the Fund and the Actuarial Value of Assets used by the Board's Actuary to determine the funded status of the Retirement portion of the Plan as of June 30 of the fiscal year shall be added to (or subtracted from) the amount of the General Reserve as of the end of the fiscal year beginning with the 1999 fiscal year. Such amount shall not be considered "Excess Surplus" under Plan Section III C (8)(a).

D. RESERVES FOR LIABILITIES

Reserves, within each of the respective Funds, shall be set up and maintained at all times to cover all deferred liabilities, as those liabilities accrue. A separate reserve shall be maintained and properly identified for each class of liability within each Fund. All books, records, reports and published statements shall set forth each reserve separately. Reserves shall be established and maintained, as herein provided, for each of said Funds. All reserves herein required shall be calculated and adjusted in the Books of the Fund on March 31, June 30, September 30 and December 31 of each year unless required at more frequent intervals.

(1) Liability Accounts to be Maintained Within the Retirement Fund

(a) A liability account to be known as "Members' Contributions to Retirement Fund" shall be created and maintained which shall equal the "Total Accumulated Contributions" credited to the

accounts of all members plus the amounts in the members' Annuity for Public Service Accounts. This account shall be credited with an amount equal to the "Total Accumulated Contributions" plus the amount in the Annuity for Public Service Accounts of all members and debited with an amount equal to the contributions returned to members pursuant to the provisions of the Plan. Upon the retirement of and the grant of a Retirement Allowance to a member, an amount equal to the member's total contributions together with interest accretions and surplus adjustments, if any, plus the amount in the member's Annuity for Public Service Account shall be deducted from this account and transferred to the proper subdivision of the "Retirement Allowance Reserve."

- (b) A liability account to be known as "Department Contributions to Retirement Fund" shall be created and maintained, subdivided into specific liability accounts as follows:

(1) Current Service Pensions

The balance in this subdivision of this account shall equal at all times the total of all "Contingent Pension Credits for Current Service" credited to the accounts of members, together with interest accretions less credits due the Department pursuant to the provisions of the Plan and less amounts transferred from this account to the Retirement Allowance Reserve for Current Service Pension allowances to retired members. Said transfers from this account shall be made monthly at the close of each month for each member retired during the month.

- (2) Prior Service Pensions - repealed by Res. No. 117 dated 8-12-76.**

(3) Additional (for minimum) Pensions

The balance in this subdivision of this account shall equal at all times the total of all contributions received from the Department, as provided in Section IV C (2) (b) of the Retirement Plan, plus interest credited thereon, to cover the cost of Minimum Pensions less amounts transferred therefrom to the Retirement Allowance Reserve for "Minimum Pensions." From this account there shall be transferred monthly at the close of each month to the Retirement Allowance Reserve for Minimum Pensions sufficient amounts to maintain the said reserve at an amount which shall equal at the close of each month the then estimated total remaining liability of the Retirement Fund, pursuant to the provisions of the Plan, for all Minimum Pensions, the inception dates of which occur on or before the last day of the said month. Said transfers from the Additional (for minimum) Pensions Account in excess of the

amounts in said account at the time of transfer shall be carried in the books of the Retirement Fund as a deficit in this account until such time as said deficit is liquidated by future contributions plus interest payments thereon by the Department, as provided in Section IV C (2) (b) of the Plan. When the liability of the Retirement Plan for Minimum Pensions has been completely liquidated any residue then remaining in the Additional (for minimum) Pensions account shall then be credited to the Department and the reserve discontinued.

- (c) A liability account to be known as "Retirement Allowance Reserve" shall be created. Said account shall be credited by transfer from the "Members' Contributions to Retirement Fund" liability account and the "Contingent Pension Credits for Current Service" liability account, on the actual date of retirement, an amount equal to the amount credited to the retiring member's account. Said account shall also be credited by transfer from the "Department Contributions to Retirement Fund - Additional (for minimum) Pensions", "Cost of Living Pensions", "Continuance to Eligible Spouse Pensions", and "Retirement Allowances from Additional Contributions", liability accounts with an amount equal to the present value of all retirement allowances granted to members retiring each month. This account shall be charged monthly with the total of all payments actually made to retired members and their beneficiaries.
- (d) A liability account shall be maintained for the purpose of recording all accrued and unpaid expenses at each quarterly or other periodic statement date.
- (e) Additional liability accounts where necessary shall be established as directed by the Board of Water and Power Commissioners to cover all other accrued and unpaid liabilities as of each respective statement date.

(2) Reserves to be Maintained Within the Disability Fund

- (a) A reserve to be known as the "Temporary Disability Reserve" shall be created and maintained in an amount, which shall be adjusted annually at the close of the fiscal year, equal to the product obtained by multiplying the number of claims payable and outstanding as of June 30th, under the provisions of Section V D (1), by the "average temporary disability benefit" as last determined.

The "average temporary disability benefit" shall be determined as of each June 30, and, for the purposes of this subdivision (a), shall mean the average amount per claim paid under the provisions of Section V D (1) during the 36-month period immediately preceding

such determination increased by 50 percent and then carried to the next higher multiple of \$50.

- (b) A reserve to be known as the "Permanent Total Disability Reserve for Reported Claims" shall be created and maintained which shall, at the close of the fiscal year, equal the amount necessary to carry to maturity every outstanding reported claim for "Permanent Total Disability" benefits to which members are entitled under the provisions of this Plan arising out of permanent total disability occurring prior to said statement date. "Reported Claims" as used herein shall mean claims actually presented to the Board and on which the Board has approved the payment of benefits as provided under the Plan.

Said liabilities shall be determined upon an individual case estimate basis for each outstanding claim, estimated in accord with the formula to be adopted by the Board. Each said claim shall be valued upon such tables of life expectancy and rate of interest as may be adopted by the Board with due weight given to the impaired lives to be valued. Each such claim shall be revalued upon the same method on each succeeding birthday of the claimant subsequent to the inception date of said Permanent Total Disability upon the expectancy at the then attained age. Corrections in reserves, as indicated by said reevaluations, shall then be made at the close of each month.

From said reserves shall be deducted Permanent Total Disability Benefit payments as made.

- (c) A reserve to be known as "Permanent Total Disability Unreported Loss Reserve" shall be created and maintained in the manner herein set forth.

This reserve shall be maintained in sufficient amount to cover all incurred but unreported losses for which reserves have not been set up in the reserve known as the "Permanent Total Disability Reserve for Reported Claims". Said reserve shall be an amount equal to eleven (11) times the total of Permanent and Total Disability Benefits paid during the fiscal year less the "Permanent Total Disability Reserve for Reported Claims", carried to the nearest multiple of \$1,000. Said reserve shall be adjusted at the close of each fiscal year.

- (d) Additional "Special Reserves", where necessary, shall be established to cover all accrued and unpaid liabilities as of each respective statement date.

(3) Reserves to be Maintained Within the Death Benefit Fund

- (a) A reserve to be known as "Reserve for Reported Deaths of Contributing Members" shall be created and maintained within the

"Death Benefit Fund" which shall, upon each quarterly statement date, equal the total amount of outstanding and unpaid death benefits, plus interest due beneficiaries, for which the Death Benefit Fund is then liable by reason of the death of contributing members entitled to death benefits under the provisions of the Plan, and which deaths have been reported to the Board on or before said quarterly statement date. All payments made on said liabilities shall be deducted from said reserve when and as made.

- (b) A reserve to be known as "Reserve for Reported Deaths of Noncontributing Members" shall be created and maintained within the "Death Benefit Fund" which shall, upon each quarterly statement date, equal the total amount of outstanding and unpaid death benefits, plus interest due beneficiaries, for which the Death Benefit Fund is then liable by reason of the death of Noncontributing Members entitled to death benefits under the provisions of the Plan, and which deaths have been reported to the Board on or before said quarterly statement date. All payments made on said liabilities shall be deducted from said reserve when and as made.
- (c) Additional "Special Reserves" where necessary shall be established to cover all accrued and unpaid liabilities as of each respective statement date.

E. ASSIGNMENTS PROHIBITED

No right of any member, or of the beneficiary of any member, to receive and to be paid any moneys under any of the provisions of this Plan shall be assignable or alienable in any manner whatsoever, except as may be authorized by the Board for the payment to a member's spouse or former spouse of the community property interest in the retirement allowance payable to the member where said interest in said allowance has been judicially determined as incident to, resulting from or subsequent to the dissolution of a marriage proceeding or a legal separation. This Plan is designed and maintained for the purpose of providing old-age income to members, and, in case of death or disability, a measure of security to their dependents, and every right of any such member or beneficiary to receive any payment under the terms hereof is hereby declared to be a right personal to the entitled member or beneficiary. It is the intent of this Plan that all payments hereunder shall be made directly to or for the immediate benefit of such member or beneficiary.

- (1) Notwithstanding the provisions of this section, upon execution of authorization as prescribed by the Board, a retired member or member's spouse or beneficiary may have the respective payments of his or her retirement allowance electronically transmitted or mailed for direct deposit in a checking, savings, or credit union share account, provided such account is maintained in an institution insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration. The Board may authorize payroll deductions for the following purposes:

- (a) Withholding of personal income tax under the provisions of the Internal Revenue Code of the United States of America or the Revenue and Taxation Code of the State of California.
 - (b) Payment of health and dental premiums of plans authorized by the Board of Water and Power Commissioners.
 - (c) Payment of the premium for the Supplemental Family Death Benefit Plan in accordance with Section VI D (9)(c).
 - (d) Contributions to the Donors' Welfare Plan sponsored by the Water and Power Employees' Association.
 - (e) Deposit to the retired member's spouse's or beneficiary's account in the Water and Power Employees' Credit Union.
 - (f) Payment of life, disability or long term care insurance premiums of plans authorized by the Board of Administration by Resolution.
 - (g) Dues and contributions to the Los Angeles Department of Water and Power Retired Employees' Association.
- (2) Nothing in this section shall prohibit a member who has separated from Department service and who has made application for withdrawal of his or her Total Accumulated Contributions from electing to have the taxable portion of such contributions and interest transferred to an Individual Retirement Account or a defined contribution qualified Plan pursuant to the Internal Revenue Code. Also, nothing in this section shall prohibit such a direct transfer following a withdrawal application by a separated member where a court has ordered payment of the community property portion of the separated member's contributions and interest to the separated member's spouse or former spouse. In every case, any direct transfer shall be made only to an account for the exclusive interest of the separated member or said spouse or former spouse.

F. ESTIMATED CONTRIBUTIONS BY DEPARTMENT

Not later than sixty (60) days prior to the end of the fiscal year the Board shall prepare an estimate of the aggregate current monthly contributions in dollars to be made by the Department of Water and Power during the ensuing fiscal year to cover that portion of the contributions to the Retirement Plan to be made by the Department pursuant to the provisions of this Plan. The estimate shall be segregated to show the estimated amount of current contributions by the Department to each of the respective Funds within the Retirement Plan. Said estimates shall be based on readjustments which, in the judgment of the Board, must be made during the ensuing fiscal year pursuant to the provisions of this Plan. Said estimates shall be so furnished to the Board of Water and Power Commissioners for their use in the preparation of the Budget of the Department for the ensuing year.

G. CAPITAL GAINS AND LOSSES AND INTEREST EARNINGS

Capital gains and losses and interest earned in the respective Funds within the Retirement Plan shall be disposed of as follows:

(1) Retirement Fund

(a) Capital Gains and Losses. At the end of each fiscal year, all capital gains and losses shall be credited or charged to the Surplus Account of said Fund created under the provisions of Section III C (8), of this Plan. At the end of each fiscal year, any deficit in the Surplus Account of said Fund shall be charged, pro rata to the credit balances therein, to the following accounts:

1. The "Accumulated Normal Contributions" and "Accumulated Additional Contributions" of members.
2. "Contingent Pension Credits for Current Service" of the members as provided in Section IV F (2) hereof.

(b) At the end of each fiscal year interest earned on moneys of the Retirement Fund and not otherwise distributed, shall be credited in the following manner:

First - The amount of interest necessary to maintain the "Retirement Allowance Reserve" shall be credited to said reserve.

Second - Out of the balance of interest earned, regular interest shall then be credited to the following accounts, pro rata on the credit balances therein:

1. The "Accumulated Normal Contributions" and "Accumulated Additional Contributions" account of members.
2. "Contingent Pension Credits for Current Service" of the members as provided in Section IV F (2) hereof.
3. "Department Contributions to Retirement Fund - Additional (for minimum) Pensions."
4. "Department Contributions to Retirement Fund - Continuance to Eligible Spouse Pensions."
5. "Department Contributions to Retirement Fund - Cost of Living Pensions."

Third - All interest earned in excess of said credits shall then be credited to the Surplus Account.

(2) Disability Fund

Capital gains shall be credited to, and capital losses shall be charged to, the General Reserve (sometimes elsewhere herein referred to as "Surplus Account") of the Disability Fund.

Out of interest earned on moneys of the Disability Fund there shall be first credited, annually at the close of the fiscal year, regular interest to the reserve known as the "Permanent Total Disability Reserve for Reported Claims". The balance of interest earned on said money shall then be credited to the General Reserve of the Disability Fund.

(3) Death Benefit Fund

Capital gains and interest earned on the moneys of the Death Benefit Fund shall be credited and capital losses of said Fund shall be charged to the General Reserve (sometimes elsewhere herein referred to as "Surplus Account") of the Death Benefit Fund.

H. TRUSTEES FOR INCOMPETENTS

Whenever the Board finds that any member or beneficiary is incompetent or for any other reason is incapable of giving a valid receipt and discharge for the payment of any benefit or of exercising or enforcing any option, election or right, to which he may be entitled under the terms of the Retirement Plan, the Board may, upon approval of the Commissioners, designate a trustee to act for and in behalf of such member or beneficiary.

From and after such designation and as long as such trustee-ship shall continue, said trustee shall be authorized and empowered to receive payment of all said benefits and to exercise or enforce every such option, election or right, for and in behalf of said member or beneficiary.

A trustee designated under this subdivision may be any person, group, committee, organization, or legal entity that is satisfactory to the Board. Payment to said trustee of any such benefit shall to the extent thereof be a complete discharge of the liability of the fund from which such payment is made, and the Board shall not be obligated to see to the application of any moneys so paid.

The Board may at any time, upon approval of the Commissioners, revoke and terminate the power and authority of any trustee theretofore designated hereunder.

WATER AND POWER EMPLOYEES' RETIREMENT PLAN

SECTION IV

RETIREMENT FUND

A. DEFINITIONS

The following words and phrases as used in relation to the Retirement portion of this Plan, unless a different meaning is plainly required by the context, shall have the following meanings:

- (1) "*Prior Service*" shall mean that portion of Department service rendered subsequent to the last day of the month in which completion of the initial six months of Department service occurs, and during the period subsequent to February 28, 1902, and prior to the effective date of this Plan. In crediting prior service, all leaves or absences without pay for periods of thirty consecutive days or less, shall be included as "Department Service", but for each leave or absence of more than thirty (30) consecutive days, "Department Service" shall be adjusted by deduction of one month for each thirty days or fractional part thereof after the first thirty days of each such leave or absence.
- (2) "*Current Service*" or "*Future Service*" shall mean that portion of "Department Service" actually rendered by a member subsequent to the effective date of membership in this Plan including leaves with or without pay during which the member is either required or permitted to and does actually make the normal contributions to the Retirement Fund.
- (3) "*Normal Retirement Date*" shall mean the first day of the calendar month which next follows the person's sixtieth birthday anniversary.
- (4) "*Regular Interest*" means interest at the rates shown opposite the respective periods shown in the table below:

TIME PERIOD

<u>Beginning</u>	<u>Ending</u>	<u>Rate</u>
October 1, 1938	June 30, 1962	3.0%
July 1, 1962	June 30, 1963	3.5%
July 1, 1963	June 30, 1967	3.75%
July 1, 1967	June 30, 1968	4.0%
July 1, 1968	June 30, 1972	4.25%
July 1, 1972	February 28, 1973	4.5%
March 1, 1973	June 30, 1975	5.0%
July 1, 1975	June 30, 1976	5.5%
July 1, 1976	June 30, 1977	5.75%
July 1, 1977	June 30, 1980	6.0%

TIME PERIOD

<u>Beginning</u>	<u>Ending</u>	<u>Rate</u>
July 1, 1980	June 30, 1983	7.0%
July 1, 1983	April 13, 2011	8.0%
April 13, 2011	Present	7.75%

Such interest shall accrue on the contributions to the Retirement Fund of any member from and after the first day of the calendar month which next follows the initial contribution to the Retirement Fund, and it shall be credited to the member's contribution account at the close of each fiscal year. If an unretired member dies or withdraws his or her total accumulated contributions, such interest previously credited to the member's individual account and to current service contributions made on the member's behalf, shall be subject to such withdrawal charges, as provisions of the Retirement Plan may prescribe.

- (5) "*Normal Contributions*" shall mean contributions by members to the Water and Power Employees Retirement Fund at the rates prescribed by subsection C (1) (a) of Section IV hereof.
- (6) "*Additional Contributions*" shall mean optional contributions by members to the Water and Power Employees Retirement Fund in addition to normal contributions, and in accordance with the provisions of subsection C (1) (b) of Section IV hereof.
- (7) "*Accumulated Normal Contributions*" shall mean the sum of all the normal contributions by a member deducted from the Compensation of such member and credited to the individual account of such member plus or minus the member's pro rata share of distributable surplus and capital gains or losses, if any, sustained by the Retirement Fund together with "Regular Interest" thereon.
- (8) "*Accumulated Additional Contributions*" shall mean the sum of all additional contributions by a member deducted from the Compensation of such member, and credited to the individual account of such member, plus or minus the member's pro rate share of distributable surplus and capital gains or losses, if any, sustained by the Retirement Fund together with 'Regular Interest' thereon.
- (9) "*Total Accumulated Contributions*" shall mean accumulated normal contributions plus accumulated additional contributions.
- (10) "*Contingent Pension Credits for Current Service*" shall mean that portion of the total contribution to the Retirement Fund, made by the Department to cover current service, credited as a contingent credit to the individual account of the member and the right to which accrue on the date of his retirement in accord with the provisions of this Plan, plus or minus the member's pro rata share of distributable surplus and capital gains or

losses, if any, sustained by the Retirement Fund together with "Regular Interest" thereon.

- (11) "*Annuity*" shall mean monthly allowance payments payable for life with no refund at death, derived from contributions made by a member, as provided in this Plan.
- (12) "*Pension for Prior Service*" shall mean the pension payable monthly for life to a member upon retirement in accord with the provisions of this Plan for prior service and to be paid by the Retirement Fund out of the "Contingent Pension Reserve for Minimum Pensions" created by Department contributions as provided in Section IV C (2) (b).
- (13) "*Pension for Current Service*" shall mean the pension available monthly for life to a member upon retirement in accord with the provisions of this Plan and to be paid by the Retirement Fund to cover "Contingent Pension Credits for Current Service," as herein defined.
- (14) "*Retirement Allowance*" shall mean pensions plus the annuity.

B. MEMBERSHIP STATUS

In addition to the other provisions of this Plan relating to membership, the following provisions shall specifically apply with respect to the Retirement Fund and participation in the benefits therefrom.

- (1) **Repealed by Res. No. 362, dated 12-30-53**
- (2) **Termination of Membership and Withdrawal of Contributions¹**

Upon any termination of membership in the Retirement Plan, before the member is actually retired and granted a "Retirement Allowance", and upon written demand and subject to the conditions herein set forth, there shall be returned to said member, or in the event of his death to his named beneficiary or legal representative, within six months after the date of such demand, his "Total Accumulated Contributions" as shown by the books of the Retirement Fund. No return of "Total Accumulated Contributions" shall be made to any member while he is receiving a "Disability Allowance" hereunder. Upon the written request of any such member who is leaving the service of the Department of Water and Power and who is subsequently employed in another department or office of The City of Los Angeles, and who is eligible for membership in the City Employees' Retirement System, or the Fire and Police Pension System or the New Pension System, and upon said written demand, said "Total Accumulated Contributions" may be transferred to said City Employees' Retirement System, or the Fire and Police Pension System or the New Pension System for the account of said member; provided, however, that such transfer of contributions is approved by such system. Notwithstanding the foregoing provisions of this paragraph, a member who is on a protective leave of absence under the provisions of Section 7.7 of the Civil Service Rules of The City of Los Angeles, and who received an appointment (as

cited in the foregoing Section 7.7) with another department or office of The City of Los Angeles, and who is eligible for membership in the City Employees' Retirement System, without a "break in service" (as defined in Section IV J (1) (b) of the Plan), shall have such "Total Accumulated Contributions" transferred to said System upon the demand for said contributions by said System as provided in Section IV J (5).

The acceptance of the return of "Total Accumulated Contributions" by the member or transfer of contributions to the City Employees' Retirement System, or the Fire and Police Pension System or the New Pension System for the account of and pursuant to the request of such a member shall constitute a waiver of all rights of said member to receive any pension for prior service and to the benefit of the minimum pension provisions of the Plan in the event that said member should at a later date reenter the service of the Department and reenter the Plan as a member; provided, however, that such member so withdrawing his "Total Accumulated Contributions" may reestablish his rights to receive any pension for prior service, previous current service and benefit of the minimum pension provisions of the Plan as hereinafter is subdivision G of this Section IV provided. At the time of making demand for the return or transfer of his "Total Accumulated Contributions," the member or ex-member shall execute, as a condition precedent to the return or transfer of such contributions, the necessary release to said rights for prior service and minimum pension.

The right of each and every member to be paid the greater of his "Total Accumulated Contributions" or the benefit specified in Section IV D or IV E in the event of any substantial abrogation, repeal, or annulment of the retirement allowance provisions of this Plan, either through the repeal of this Plan, the repeal of Section 1102(b) of the Charter of The City of Los Angeles, or otherwise, is hereby declared to be a vested property right of such member.

Upon the acceptance of the return of "Total Accumulated Contributions", as provided in Section II D (5) hereof, or the withdrawal or transfer of "Total Accumulated Contributions" by a member of the Retirement Plan as herein provided, the "Contingent Pension Credits for Current Service" credited on the books of the Fund to said member shall be transferred from reserve to the credit of the Department and the future payments to the Retirement Plan by the Department shall be reduced by the amount of the Department's current contributions for said member for current service and the value of the Minimum Pension which otherwise would have accrued to said member on his or her actual retirement date; provided, however; that if such member so accepting the return of his or her "Total Accumulated Contributions" shall again become a member and redeposits an amount equal to his or her total "Accumulated Normal Contributions" so withdrawn, as hereinafter in subdivision G of this Section IV provided, then the Department shall make such payments and restore such credits as in said subdivision G provided.

No member absent from Department service upon leave of any character shall be entitled to withdraw or transfer any portion of his or her "Total Accumulated Contributions" prior to termination of said leave and employment in the Department service. During the period prior to retirement date in which the "Total Accumulated Contributions" of each member remains credited to him or her on the books of the Retirement Fund, the Department shall not be entitled to credit for any portion of the Contingent Pension Credits for Current Service, or reduction in future contributions to be made by the Department to cover prior service and minimum pension liability to the Contingent Pension Reserve for Minimum Pensions.

In the event that a member at the time of termination of membership in the Retirement Plan shall refuse to accept a return of his or her "Total Accumulated Contributions", said "Total Accumulated Contributions" shall remain to the credit of said member on the books of the Retirement Fund. During the period prior to retirement date in which said "Total Accumulated Contribution" continue to the credit of the member the Department shall not be entitled to credit for any portion of the Contingent Pension Credits for Current Service or to any reduction in future contributions, to be made by the Department to cover prior service and minimum pension liability, to the Contingent Pension Reserve for Minimum Pensions.

Notwithstanding the preceding paragraph, if a former member does not withdraw his or her "Total Accumulated Contributions" within ten (10) years after termination of membership, that amount may, at the discretion of the Board, be transferred to the surplus of the Retirement Fund. Upon such transfer, the "Contingent Pension Credits for Current Service" credited on the books of the Fund to the former member shall be transferred to the credit of the Department, and the future payments to the Retirement Plan by the Department shall be reduced as though the "Total Accumulated Contributions" had been withdrawn. If the former member or any person eligible under Section VI of the Plan thereafter files a claim for a refund of the member's "Total Accumulated Contributions", the amount previously transferred and the "regular interest" that would have accrued since the date of transfer shall be paid to the claimant, and the surplus of the Retirement Fund shall be adjusted accordingly.

If a former member whose "Total Accumulated Contributions" have been transferred to the surplus of the Retirement Fund reenters Department service and again becomes a member, or if he or she is eligible for and makes application to retire, the amount previously transferred plus the "regular interest" that would have accrued since the date of transfer shall be credited to his or her "Total Accumulated Contributions". The surplus of the Retirement Fund shall be adjusted accordingly, and the Department shall thereupon pay into the Retirement Fund one hundred ten percent (110%) of the amount credited to "Total Accumulated Contributions". Eligibility for benefits provided for in the Plan shall thereafter be determined as though the "Total Accumulated Contributions" had never been transferred to the surplus.

(3) Reemployed Persons

Any former employee of the Department not previously a member, reentering Department service subsequent to date of the establishment of the Plan, who is to be entitled to prior service credits upon retirement and is eligible to membership subject to the provisions of said Plan, shall make a normal contribution to the Retirement Fund at the rate applying to the member's age attained upon the date of membership in the Retirement Plan and his right to Prior Service Credits shall be unaffected by such delayed membership.

Any ex-member subsequently reentering Department service and then eligible to membership shall make a normal contribution to the Retirement Fund at the rate applying to his or her attained age upon the latest date of reentrance into the Plan.

Said person shall reenter the Plan subject to all other provisions of said Plan relating to the waiver of rights to credit for prior service and minimum pension, and subject to the provisions of Section IV G with respect to redeposit of contributions.

(4) Repealed by Res. No. 83-514, dated 1-27-83**C. CONTRIBUTIONS TO RETIREMENT PLAN**

Contributions to the Water and Power Employees Retirement Fund, established by Section 1188 of the Charter of The City of Los Angeles, shall be made subject to the following provisions.

- (1)** Contributions to the Retirement Plan by members shall be made as required by the provisions of this Section.

(a) "Normal Contributions" by Members

- (i) Membership on and After June 1, 1984.** Each person who becomes a member of the Plan on or after June 1, 1984 and who receives Compensation for any part of a payroll period shall pay biweekly into the Retirement Fund an amount which equals six percent (6%) of his or her biweekly Compensation (as defined in Section II C (14) of this Plan) fixed for the position which the member occupied and at which he or she was paid for work, or would have been paid if he or she had worked, on the first day of the payroll period.
- (ii) Membership Prior to June 1, 1984.** On and after December 1, 1980, there shall be paid into said fund by each member prior to retirement date and in Department service during any part of the payroll period or for the account of said member, a Normal Contribution which shall be a sum equal to the member's Compensation (as defined in Section

II C (14) of this Plan) fixed for the position which the member occupied and at which he or she was paid for work on the first day of the payroll period, or would have been paid had he or she worked on said day, multiplied by the percentage in Column 2 of the Table which is included at the end of this subsection IV C (1)(a), set opposite the numeral in Column 1 corresponding to the age of the member on his or her nearest birthday on the date of his or her membership in said Plan; provided, however, that members in the Supervisory Clerical and Administrative Representation Unit shall use the percentage from Column 3; and provided, however, that for any member eligible under Section IV J (2), the age of entry in said Column 1 shall be that which is determined by applying the provisions of Section IV J (7).

Notwithstanding the above, members in the Civil Service classification of Occupational Health Nurse on October 1, 1988 will retain their contribution rate as of that date subject to the other conditions of this subsection IV C (1)(a).

TABLE
Retirement Fund Age of Entry Contribution Rates
Percentage of Biweekly "Compensation" to be Paid by Members
as a "Normal Contribution" Per Section IV C (I)(a)(ii)

<u>Age at Entry</u>	<u>Member's Normal Contribution Rate</u>	<u>Member's Normal Contribution Rate</u>
17	2.340%	1.340%
18	2.441	1.441
19	2.521	1.521
20	2.601	1.601
21	2.702	1.702
22	2.802	1.802
23	2.891	1.891
24	2.991	1.991
25	3.102	2.102
26	3.191	2.191
27	3.302	2.302
28	3.402	2.402
29	3.502	2.502
30	3.611	2.611
31	3.722	2.722
32	3.830	2.830
33	3.941	2.941
34	4.041	3.041

<u>Age at Entry</u>	<u>Member's Normal Contribution Rate</u>	<u>Member's Normal Contribution Rate</u>
35	4.161	3.161
36	4.272	3.272
37	4.392	3.392
38	4.500	3.500
39	4.622	3.622
40	4.742	3.742
41	4.872	3.872
42	4.992	3.992
43	5.122	4.122
44	5.242	4.242
45	5.381	4.381
46	5.512	4.512
47	5.642	4.642
48	5.773	4.773
49	5.901	4.901
50	6.042	5.042
51	6.182	5.182
52	6.323	5.323
53	6.473	5.473
54	6.612	5.612
55	6.762	5.762
56	6.901	5.901
57	7.043	6.043
58	7.193	6.193
59	7.332	6.332
60	7.493	6.493
61	7.643	6.643
62	7.793	6.793
63	7.943	6.943
64	8.102	7.102
65	8.263	7.263
66	8.424	7.424
67	8.583	7.583
68	8.744	7.744
69 & over	8.902	7.902

(iii) Contribution Rate on Return From Leave of Absence.

In the event of the granting of a leave of absence without pay to a member by the Department and the suspension of said member's contributions to the Retirement Fund by reason of said leave and the return to duty of said member in Department service, the rate of normal contributions by said member subsequent to return to duty shall be the rate of contribution applying to said member on the effective date of said leave.

(iv) Contribution Rate on Return to Department Service. Except as provided in Section IV J (Reciprocity) of this Plan, any person whose membership is terminated and who, within a period of three (3) years thereafter, shall again become a member, and who has not, during the period subsequent to said termination of membership, withdrawn his or her "Total Accumulated Contributions" pursuant to Section IV B (2) hereof, shall thereafter make a "Normal Contribution" at the rate applying to said member on the date of such termination.²

(v) Contributions by Members Certified "Less Than Full Time."

Notwithstanding any other provision of this Section IV C, any member who, on the first day of a payroll period, is certified by the General Manager as one who is to be employed more than 19 but less than 40 hours per week shall contribute at a rate equal to one-half of the rate provided under Subsections IV C (1)(a)(i) or (ii) above.

(vi) Contributions by "Half-Time Civil Service Employees."

Notwithstanding any other provision of this Section IV C, any member who is a "Half-Time Civil Service Employee" covered by the Agreement for such employees between the Department and the International Brotherhood of Electrical Workers (IBEW), Local 18, shall contribute at a rate equal to one-half of the rate provided under Subsections IV C (1)(a)(i) or (ii) above, as applicable.

(b) Additional Contributions by Members.

Any member may elect to contribute to the Water and Power Employees' Retirement Fund an amount in excess of the normal contribution hereinabove required, for the purpose of providing additional retirement income, as provided in Plan Sections IV D (7) and IV E (7). Such additional contributions may be made in any number of whole dollars per payroll period, not to exceed 10% of the member's Compensation (as defined in Section II C (14) of this Plan) for each payroll period, and shall be made in conjunction with the normal contribution. Additional contributions may be commenced, changed in amount, discontinued or renewed at any time upon thirty (30) days' written notice to the Board. The making of such additional contributions shall not affect the requirements to make normal contributions, as herein provided, which normal contributions must be continued the same as if no additional contributions had been made. The Board, upon application, shall furnish to any member information concerning the nature of additional benefits to be provided by such additional contributions.

On and after August 1, 1977, no member shall make additional contributions in an amount in excess of 10% of his or her Compensation (as defined in Section II C (14) of this Plan).

Any member on leave without pay, on disability leave or on leave and receiving benefits under a workers' compensation plan or law, may, at his or her option, continue to contribute as an additional contribution an amount per payroll period equal to his or her normal contributions but not exceeding 10% of the Compensation (as defined in Section II C (14) of this Plan) that applied to said member immediately preceding such leave. Said optional additional contribution may continue for the period of said leave or any part thereof.

- (c) **Repealed by Res. No. 84-305, dated 12-8-83**
- (d) **Repealed by Res. No. 84-305, dated 12-8-83**
- (e) **Repealed by Res. No. 83-514, dated 1-27-83**
- (f) **Repealed by Res. No. 577, dated 2-27-73**
- (g) **Transfer of Cost of Living Adjustment Contributions by Members**

The total amount in the individual Cost of Living Adjustment Contributions account of each member on June 30, 1969, including regular interest accrued to such date, shall, on July 1, 1969, be transferred and credited to the individual Normal Contributions account of each such member, and shall thenceforth be deemed to be Normal Contributions as defined in Section IV A (5).
- (h) **Transfer of Supplemental Normal Contribution Accounts**

The total amount in the Supplemental Normal Contribution account of each member on June 30, 1989 including interest accrued to such date, shall, on July 1, 1989, be transferred and credited to the individual Normal Contribution account of each such member but the Department shall not contribute to the Retirement Fund for Current Service Pensions 110% of the amount so transferred. After the transfer, the amount transferred shall be deemed to be Normal Contributions as defined in Section IV A (5).

The Total Accumulated Contributions of a deceased member whose surviving spouse or surviving Domestic Partner makes the election specified in Plan Section VI D (7) to receive the monthly allowance specified in Plan Sections IV D (15)(f) or IV E (9)(e) shall be transferred to the Retirement Allowance Reserve together with the Contingent Pension Credits for Current Service attributable to the deceased member.

(2) Contributions by Department

- (a)** Until otherwise ordered by the Board of Commissioners, the Department shall contribute monthly to the Retirement Fund for current service pensions an amount equal to 110% of the normal contributions of each member.

In the event any member is on leave without pay, the Department shall contribute similarly to the Retirement Fund on his behalf for the first calendar month of such leave; provided, that the member shall have paid into said fund for the same month an amount equal to his normal contributions.

The monthly contributions which the Department is required to make under this subdivision may be prepaid at such times and in such amounts as the Department may prescribe. In the event of any such prepayments, the Department shall thereafter be entitled, at its election, to draw on its credit for such prepayments in lieu of making said monthly contributions. On the remaining balances of each such prepaid amount, interest shall be allowed at the rate found by the Board to be substantially equivalent to the yield realized on the securities in which each such amount shall have been invested.

With respect to contributions paid into the Retirement Fund by the Department pursuant to the terms of this subdivision, each member shall be entitled monthly to a contingent credit for current service computed in accordance with the foregoing table.

- (b)** The Department contributions to the Retirement Fund shall be determined on the basis of the Entry Age Normal Cost Funding Method amortizing the resulting unfunded liability or surplus for each year in equal dollar amounts over the subsequent fifteen (15) year period. The Entry Age Normal Cost Funding Method is defined as that method by which a level percentage of Compensation of new members is determined which must be paid into the Retirement Fund from their respective dates of entry in order to provide the benefits payable pursuant to Section IV of this Plan, less the normal contributions made by such new members during the period of their membership. The Board of Administration may, by resolution, adopt a separate period of not more than thirty (30) years upon the recommendation of its Actuary to amortize the gain or loss resulting from an unusual event or change in assumptions or methods.

In addition to the Department monthly contributions determined by the Entry Age Normal Cost Funding Method an amount equal to the Contingent Pension Credits for Current Service which are transferred during any month from the Retirement Fund to the

credit of the Department pursuant to the provisions of Section IV B (2) shall also apply toward the amortization of the unfunded liability.

(c) Repealed by Res. No. 796, dated 5-24-73

(d) Contributions for Military Service

Subject to the conditions contained in this sub-division, the Department shall pay into the Retirement Fund in accordance with the provisions of Section IV C (2) (b) on behalf of any member who is or has been on leave of absence while in the armed forces of the United States or in the militia of the State of California, and who returns or has returned to active duty in the Department after his discharge or release from said armed forces or said militia under conditions other than dishonorable; provided, however, that if, at the time of retirement from Department service, such a member is not entitled to receive a minimum pension under Section IV D (4) or IV E (4) of the Plan, there shall be paid from the "Department Contributions to Retirement Fund-Additional for Minimum Pensions" account into such a member's "Contingent Pension Credits for Current Service" account the following sums:

1. An amount equal to the contributions (plus regular interest thereon) which the Department and the member would have paid into the Retirement Fund on account of the current service of such member had his or her active duty in the Department not been interrupted by said leave of absence; provided, that any such amount shall be calculated upon the classified monthly salary applying to the member immediately preceding the commencement of such leave; and provided further, however, that for any such member who goes on such a leave of absence from and after August 1, 1977, any such amount shall be calculated upon the Compensation (as defined in Section II C (14) of this Plan) applying to the member immediately preceding the commencement of such leave; and
2. An amount equal to the contributions which the Department would have paid into the Retirement Fund on account of the prior service of such member had his active duty in the Department not been interrupted by said leave of absence.³

The aforesaid amounts shall be paid into the Retirement Fund on account of the current and prior service of any such member only in the event that he returns or has returned to active duty in the Department

1. not later than the first day of the calendar month which next follows the completion of six months after said discharge or release; or

2. not later than the first day of the calendar month which next follows the completion of six months after any period of rehabilitation afforded by the United States Government other than a period of rehabilitation for educational purposes only; or
3. not later than the first day of the calendar month which next follows the completion of one year after said discharge or release, if the member shall have been granted a leave of absence from Department service for personal reasons, and such leave shall have begun not later than the first day which next follows the completion of six months after said discharge or release, and shall have continued uninterruptedly thereafter until his return to active duty in the Department; or
4. not later than the first day of the calendar month which next follows the completion of four years after said discharge or release, if the member shall have been granted a leave of absence from Department service for the purpose of receiving education or training under the Servicemen's Readjustment Act of 1944 (popularly known as the G. I. Bill of Rights) or the Veteran's Readjustment Assistance Act of 1952, or the Veteran's Readjustment Act of 1966, and such leave shall have begun not later than the first day which next follows the completion of six months after said discharge or release, and shall have continued uninterruptedly thereafter until his return to active duty in the Department.

As used in this subdivision, "current service" includes:

1. Any period which any such member serves or has served in said armed forces
 - (i) in time of war or national emergency as proclaimed by the President or Congress, or
 - (ii) when any of said armed forces are serving outside the United States or their territories pursuant to order or request of the United Nations, or
 - (iii) while any national conscription act is in effect; or
2. Any period which any such member who is a member of any reserve force or corps of any of said armed forces or of said militia is or was ordered to duty therewith by competent military authority and served or serves in compliance with such orders for a period in excess of 90 days; beginning with his active duty therein, or the date of his membership in the Retirement Plan, or the date of his eligibility for such

3. membership, whichever is the latest, and ending with his discharge or release from said armed forces or militia, or his return to active duty in the Department, whichever is the earlier. As used in this subdivision, "prior service" includes any period which any such member has served in said armed forces, beginning with his active duty therein, or January 1, 1917, whichever is the later, and ending with his discharge or release from said armed forces, or his return to active duty in the Department, or December 31, 1919, whichever is the earliest. Notwithstanding anything to the contrary, "current service" for the purpose of this subdivision shall also include any period that a member is entitled to receive retirement credit prior to eligibility for membership in the Retirement Plan or his actual membership date, in accordance with Sections IV G of this Plan; provided however, that such member has not previously received retirement credit for such period of time.

Any member who leaves or has left his office or position to join said armed forces and who does or did without unreasonable and unnecessary delay join said armed forces, or any member who, being a member of any reserve force or corps of any said armed forces or of said militia is or was ordered to duty therewith by a competent military authority and served or serves in compliance with such orders for a period in excess of 90 days, and who is separated or purportedly separated from Department service by reason of his termination, layoff or resignation upon or after so leaving or beginning service in compliance with such orders, shall be entitled to credit under this subdivision the same as though such separation or purported separation had not occurred.

Any such member who withdraws or has withdrawn his total accumulated contributions during any such leave of absence, and who does not or has not redeposited the amount withdrawn upon his return to active duty in the Department, shall be entitled to credit under this subdivision the same as though such withdrawal had not been made, and his future contributions to the Retirement Fund shall be computed at the rate applying to him at the commencement of said leave. If the amount so withdrawn by any such member is or has been redeposited within one year after his return to active duty in the Department or within one year subsequent to the effective date of this subdivision, whichever is the later, the Department shall thereupon pay into the Retirement Fund on behalf of such member an amount equal to the sum required by the provisions of the first paragraph of this subdivision (d) of Section IV C (2). Any such member who withdraws or has withdrawn his total accumulated contributions during any such leave of absence occurring, either in whole or in part, during a period of time which is added to the definition of "current service" by virtue of the amendment to the third paragraph of this

subdivision effective April 1, 1970, shall have the right to redeposit such contribution or enter into an irrevocable agreement for such redeposit pursuant to the provisions of the second sentence of the first paragraph and the second paragraph of Section IV G hereof within one year after his return to active duty in the Department or before April 1, 1971, whichever is the later, and upon such redeposit the Department shall thereupon pay into the Retirement Fund on behalf of such member an amount equal to the sum required by the provisions of the first paragraph of this subdivision (d) of Section IV C (2).

Any such member who withdraws or has withdrawn his total accumulated contributions subsequent to his return to active duty in the Department shall, unless and until he shall have redeposited, as in Section IV B provided, such contributions so withdrawn, be deemed to have waived all rights to credit under this subdivision, notwithstanding any later reentry by him into Department service.

Every member retired before August 27, 1953, who has not received credit for which he may qualify under this subdivision as in effect before April 1, 1970, shall have his retirement allowance increased, from and after September 1, 1953, by the amount to which such credit entitled him.

The monthly contributions to the Retirement Fund, which the Department is required to make under Section IV C (2) (b) hereof, shall include the cost of all prior service authorized by the terms of this subdivision as in effect before April 1, 1970.

Any sum or sums paid into the Retirement Fund by the Department pursuant to the provisions of this subdivision shall be made available to any such member only for the purpose of retirement.

The entitlement of any member, including any who retire before April 1, 1970, to additional credits and benefits provided by the amendment to this subdivision effective April 1, 1970, and the obligations of the Department in relation thereto, shall be subject to the following terms and conditions:

1. Notwithstanding the provisions of the second paragraph of this subdivision, in no event shall any member be entitled to any such additional credits and benefits if he shall fail to return to and reenter active duty in the Department within twelve months after the first date upon which he could terminate or cause to have terminated his active service in said armed forces or in said militia, provided, however, that any member who was an enlisted person and was involuntarily ordered to active duty (other than for training) for a stated duration shall not lose any such additional

credits and benefits if he voluntarily elects to complete the period of such duty.

2. No member shall be entitled to any such additional credits and benefits unless he shall file with the Board a written claim therefor, on forms provided by the Board, before retirement or April 1, 1971, whichever is the later.
 3. Every member who retired before April 1, 1970, who files such written claim and who qualifies for such additional credits and benefits shall have his retirement allowance increased from and after his date of retirement or the first day of the twelfth calendar month next preceding the month in which such written claim was filed, whichever is the later, by the amount to which such additional benefits and credits entitle him.
 4. On or before June 30, 1971 the Department shall make a contribution to the Retirement Fund on behalf of all members who retired before April 1, 1970 who are entitled to have their retirement allowances increased pursuant to the provisions of 3., above, in an amount equal to the additional amount required for such members by the provisions of the first paragraph of this subdivision as amended effective April 1, 1970 plus an amount which, when added to such additional amount, will equal the actuarially computed present value of all such additional credits and benefits to which such members are entitled. On June 30, 1970 and on each June 30 thereafter, the Department shall make a contribution to the Retirement Fund on behalf of all members who retired during the fiscal year then ended (except those who retired before April 1, 1970) who are entitled to such additional credits and benefits, in an amount equal to the additional amount required for such members by the provisions of the first paragraph of this subdivision as amended effective April 1, 1970 plus an amount which, when added to such additional amount, will equal the actuarially computed present value of all such additional credits and benefits to which such members are entitled.
- (e) The Department shall bear the cost of administering the Retirement Fund and in payment thereof, shall contribute monthly in advance to said fund the amount necessary to compensate said fund for administrative expenses; provided, however, that the expense of fees necessary for the Board to employ discretionary investment managers may be charged directly against income of the Retirement Fund and said fund need not be compensated for these fees by the Department.

Should it be found at the end of any fiscal year that contributions paid under this subdivision have totaled less than said cost of administration, the Department shall thereupon pay into said fund the amount of such shortage; and should it be found at the end of any fiscal year that such contributions have totaled more than said cost, the amount of such excess shall thereupon be returned or credited to the proper funds of the Department.

(f) **Limits of Department's Liability.** The provisions of this entire Section relating to contributions by the Department are made subject to the specific limitations contained in subsection A of Section II of this Plan and the Provisions of Section 220.1 of the Charter of The City of Los Angeles, limiting the Department's liability to its "Current Contributions" to the Plan.

(g) **Repealed by Res. No. 796, dated 5-24-73**

(h) The Department shall make monthly contributions for Cost of Living Adjustments upon the assumption that the cost of living will increase an average of three percent (3%) annually.

(i) **Contributions for Relocated Members**

1. **Definitions.** For the purposes of this subdivision (i) only, the following words and phrases shall have the following meanings:

"Relocated Member" means any person who was a member of the Retirement Plan on December 7, 1941, and who was absent from active service in the Department for any period commencing on or after said date as a consequence of the state of war existing between the United States and Japan, if at least a portion of such absence resulted from his evacuation, exclusion or relocation pursuant to orders issued by the Commanding Officer of the Western Defense Command for the evacuation or exclusion of persons of Japanese ancestry from such area.

"Involuntary Absence" means the period of time commencing on or after February 1, 1942 and ending on or before December 31, 1945, during which a relocated member was absent from active service in the Department as a consequence of such state of war.

2. **Department Contributions.** Subject to the conditions specified in this subdivision, the Department shall pay into the Retirement Fund for the account of any relocated member an amount equal to the contributions which the Department and such member would have paid into the Retirement Fund on account of the current service of such

3. member during such member's involuntary absence had his active service in the Department not been interrupted by such absence, plus interest which would have been credited thereon from the date of commencement of such absence to the date of payment by the Department, provided that any such amount shall be calculated upon the classified monthly salary applying to such member immediately preceding the commencement of such absence. The aforesaid amount shall be paid into the Retirement Fund on account of the current service of any such member only in the event he returned to active service in the Department on or before May 1, 1967.
4. **Member Contribution Rates.** The contributions to the Retirement Fund of any such member subsequent to the effective date hereof shall be computed at the rate applying to him at the commencement of such absence, provided that such member returned to active service in the Department on or before July 1, 1946.
5. **Separation. Withdrawal of Contributions.** Any such member who has separated or purportedly separated from Department service because of any such absence by virtue of a termination, layoff or resignation shall be entitled to the credit granted by this subdivision and the second paragraph of Section IV D (4) (b) or Section IV E (4) and the Department shall make the payments required by this subdivision, as if such separation or purported separation had not occurred.

Any such member who has withdrawn his total accumulated contributions as a result of any such separation, and who for any reason does not redeposit or has not redeposited the amount withdrawn upon his return to active service in the Department, shall be entitled to the credit granted by this subdivision and the second paragraph of Section IV D (4) (b) or Section IV E (4), and the Department shall make the payments required by this subdivision, as if such withdrawal had not been made.

Any such member who withdraws or has withdrawn his total accumulated contributions subsequent to any return to active service in the Department after an involuntary absence shall be deemed to have waived all rights to the credit granted by this subdivision and the second paragraph of Section IV D (4) (b) or Section IV E (4), and the Department shall not make the payments required by this subdivision, notwithstanding any later reentry by him into Department service unless and until he shall have redeposited such contributions so withdrawn as provided in Section IV G.

6. **Retired Members.** Every such member heretofore retired shall have his present retirement allowance increased from and after the first day of the calendar month which next follows the effective date hereof, by the amount to which the credit granted by this subdivision and the second paragraph of subdivision (b) of Section IV D (4) entitles him and the Department shall make the payments required by this subdivision on account of any such increase.
 7. **Available for Retirement Only.** Any sum or sums paid into the Retirement Fund by the Department pursuant to the provisions of this subdivision shall be made available to any such member only for the purpose of retirement.
- (j) In addition to the other contributions specified in this Section IV C, the Department shall contribute monthly the sum of the amounts by which each retired member's monthly Retirement Allowance exceeds the limits referenced in Plan Section II F (1) in accordance with the Qualified Governmental Excess Benefit Arrangement referenced in Plan Section II F (1)(b). Such monthly contribution shall be made not later than five days before the date that payment is to be made to such retired members.

D. RETIREMENT ALLOWANCE

A member, upon retirement from Department service pursuant to the provisions of Section II E hereof, shall be paid from any monies in the Retirement Fund a monthly retirement allowance which shall consist of an annuity and a pension for current service, and, if applicable, a pension for prior service or a minimum pension, or both, as hereafter provided. For the purpose of computing the annuity, the pension for current service and the pension for prior service, a member and the Department shall be deemed to have made contributions for each month of any leave-of-absence during which the member was in the armed forces of the United States or in the militia of the State of California for which the Department is required by the provisions of subsection C (2) (d) of this Section IV to make contributions to the Retirement Fund for his account.

(1) Annuity

An annuity which shall be the actuarial equivalent calculated upon such tables of life expectancy and such rate of interest as shall be adopted by the Board, of his total accumulated contributions at the time of his retirement; and

(2) Pension for Current Service

A pension for current service which shall be the actuarial equivalent, calculated upon the same table of life expectancy and the same rate of interest provided in the preceding subsection D (1) of this Section, of the "Contingent Pension Credits for Current Service", credited to the member

on the books of the Retirement Fund on the date of his retirement, as required by the Provisions of this Plan; and

(3) Pension for Prior Service

- (a) To each member retiring on or after July 1, 1976, who is at the time of retirement from Department service, not entitled to receive a minimum pension under Section IV D (4) of the Plan, a pension for prior service equal to 3.5 percent of the time-weighted average monthly salary earned by the member during the 12 months immediately preceding the effective date of the Retirement Plan, multiplied by the number of years of prior service credited to him and further multiplied by the factor shown opposite the member's "Age at Retirement" in the table included in this subdivision (a), with straight line interpolation for attained quarter years; however, that no part of such pension shall be based upon or allowed for any amount of salary in excess of the sum of \$500.00 per month:

FACTORS APPLICABLE TO PRIOR SERVICE PENSION

<u>Age at Retirement</u>	<u>Factor</u>	<u>Age at Retirement</u>	<u>Factor</u>
45	.65	53	.89
46	.68	54	.92
47	.71	55	.95
48	.74	56	.96
49	.77	57	.97
50	.80	58	.98
51	.83	59	.99
52	.86	60 and over	1.00

- (b) Any pension for prior service which constitutes all or any part of the full retirement allowance of a retired member who is living on January 1, 1954, or who is survived on January 1, 1954, by his beneficiary under Option (b) or Option (c) of subdivision D (6) of Section IV hereof, shall be increased by 36.3636 percent.

From and after January 1, 1954, every such retired member, or his surviving beneficiary under either of said options, shall be paid a monthly benefit based upon the full retirement allowance of such member as affected by the aforesaid total additional benefits and the particular option theretofore elected by such member under subdivision D (6) of said Section IV.

As used in this subdivision, "full retirement allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan with no value remaining for his estate or beneficiary at the time of death.

- (c) That portion of each monthly retirement allowance accruing on or after January 1, 1958 to a member (whether retired on or before January 1, 1958 to a member (whether retired on or before or after said date) or to his surviving beneficiary under Option (b) or Option (c) of subsection D (6) of this Section IV, which is attributable to a pension for prior service, computed as elsewhere provided in this Retirement Plan, shall be increased by the percentage shown in the table included in this subdivision opposite the applicable time-weighted average monthly salary used in computing such member's pension for prior service.

**TABLE OF PERCENTAGES FOR ADJUSTING
PENSIONS FOR PRIOR SERVICE
(January 1, 1958 Increase)**

<u>Time-Weighted Average Monthly Salary</u>	<u>Percentage of Increase</u>
\$ 62.50 and under	22.50
62.51 to \$ 87.50	21.25
87.51 to 12.50	20.00
112.51 to 137.50	18.75
137.51 to 162.50	16.25
187.51 to 212.50	15.00
212.51 to 237.50	13.75
237.51 to 262.50	12.50
262.51 to 287.50	10.00
312.51 to 337.50	8.75
337.51 to 362.50	7.50
362.51 to 387.50	6.25
387.51 to 412.50	5.00
412.51 to 437.50	3.75
437.51 to 462.50	2.50
462.51 to 487.50	1.25
487.51 and over	1.00

- (d) Any pension for prior service which constitutes all or any part of the full retirement allowance of a retired member who is living on November 1, 1959, or who is survived on November 1, 1959, by his beneficiary under Option (b) or Option (c) of subdivision D (6) of Section IV hereof, shall be increased as of said date by 16.667 percent. Such increase shall be in addition to all other increases of pensions for prior service granted prior to said date.

Every such retired member, or his surviving beneficiary under either of said options, shall be paid a monthly benefit for each month occurring after October 31, 1959, based upon the full retirement allowance of such member as affected by the aforesaid total additional benefits and the particular option theretofore elected by such member under subdivision D (6) of said Section IV.

As used in this subdivision, "full retirement allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan, with no value remaining for his estate or beneficiary at the time of death.

- (e) Any pension for prior service which constitutes all or any part of the full retirement allowance of a retired member who is living on December 1, 1966, shall be recomputed in accordance with the provisions of subdivision (a) of Section IV D (3) in effect on December 1, 1966. The result of such recomputation shall then be modified or adjusted in accordance with Option (a), (b), (c), or (d) as theretofore selected by the member pursuant to Section IV D (6) or Section IV D (15) (c) and his written election, if any, theretofore made pursuant to Section IV D (15) (d).
- (f) The provisions of this subdivision (e) shall not apply with respect to any monthly retirement allowance for any month preceding December 1, 1966. The recomputation required to be made by the provisions of this subdivision (e) shall not reduce the amount of the monthly retirement allowance which any retired member was receiving immediately prior to said date.

(4) Minimum Pension⁴

- (a) To each member retiring on or after February 1, 1985, to whom Section IV E (11) applies, who shall have been in the Department service for at least five years and shall have made normal contributions for at least four years in five years immediately preceding eligibility to retire or while eligible to retire or in lieu of all or any of said four years, shall have received either disability benefits under this Plan or disability payments under any workers' compensation law, the higher of the Minimum Pensions A or C for which he or she qualifies, shall be paid. Any member who becomes qualified to retire with a Minimum Pension A or C shall not lose such qualification for such Minimum Pension except by the withdrawal of his or her Total Accumulated Contributions.

1. Minimum Pension "A"

"Minimum Pension A" is the amount obtained by subtracting the sum of the member's annuity attributable to his or her accumulated normal contributions and his or her pension for current service (each computed as of the date of his or her actual retirement) from the product of \$9.50 multiplied by his or her years of service and modifying the resulting remainder by the factor shown opposite the member's "Age at Retirement" in the table at the end of this subdivision (a), with straight line interpolation for attained quarter years; provided that in computing Minimum Pension "A" for any member making normal contributions at the lower optional

rate formerly permitted females by Section IV C (1) (a) \$7.54 shall be used in lieu of said \$9.50 for any period during which contributions were made at such lower rate; and provided, further, that if said sum is greater than said product Minimum Pension "A" shall be zero.

"Years of Service", for the purpose of computing Minimum Pension "A", shall mean 1/12th of the aggregate number of

- (i) months of Department service rendered between February 28, 1902, and October 1, 1938, (reduced by 1 month for each 30 days or fractional part thereof of each leave of absence without pay in excess of the first 30 consecutive days of each such leave or absence during such period),
- (ii) months of Department service rendered between October 1, 1938 and date of membership or December 1, 1980, whichever is the later, not to exceed a period of 6 months, to be computed so as to allow calendar months for which the member would have been required to make "normal contributions" had he or she been a member, and commencing December 1, 1980, payroll periods of Department service rendered between December 1, 1980 and date of membership, not to exceed a period of 13 payroll periods to be computed so as to allow payroll periods for which the member would have been required to make "normal contributions" had he or she been a member, or a combination of such months and such payroll periods rendered immediately prior to membership which shall not exceed a total of the equivalent of 6 calendar months or 13 payroll periods, and
- (iii) months, commencing with his or her date of membership, and up to and including November 30, 1980, for which the member made normal contributions, and, commencing December 1, 1980, such "years of service" shall mean 1/26.08929 of the aggregate number of biweekly "payroll periods" for which the member made normal contributions, and
- (iv) months, commencing with his or her date of membership, and up to and including November 30, 1980, in which the member received such disability benefits under the Retirement Plan or received such disability payments under any workers' compensation law; and

- (v) biweekly payroll periods commencing December 1, 1980, (except for members receiving monthly permanent total disability benefits, who will continue receiving service for credit for such months in which they receive such monthly benefits after December 1, 1980,) in which the member received such disability benefits under the Retirement Plan or received such disability payments under any workers' compensation law; provided that the total number of payroll periods includable under (iv) shall not exceed 8.7 payroll periods for the first 10 years of Department service, plus 2.17 additional payroll periods for each 2 full years of Department service in excess of 10. For the purpose of (iv) of this paragraph, Department service, to the extent rendered by a member prior to October 1, 1938, shall mean prior service as defined in subsection A (1) of this Section IV plus his or her initial 6 months of Department service.
- (vi) years and months of Other Governmental Service purchased in accordance with Plan Section IV L.

2. Minimum Pension "B"

"Minimum Pension "B" is the amount obtained by subtracting the sum of the member's annuity attributable to his or her accumulated normal contributions and his or her pension for current service (each computed as of the date of his or her actual retirement) from the product of 1.67% of his or her highest average 3-year salary multiplied by his or her years of service, and modifying the resulting remainder by the factor shown opposite the member's "Age at Retirement" in the table at the end of this subdivision (a), with straight line interpolation for attained quarter years; provided that in computing Minimum Pension "B" for any member making normal contributions at the lower optional rate formerly permitted females by Section IV C (1) (a), 1.32% shall be used in lieu of said 1.67% for any period during which contributions were made at such lower rate; and provided, further, that if said sum is greater than said product Minimum Pension "B" shall be zero.

"Years of Service", for the purpose of computing Minimum Pension "B", shall mean 1/12th of the aggregate number of

- (i) months of Department service rendered between February 28, 1902 and October 1, 1938, (reduced by 1 month for each 30 days or fractional part thereof of each leave of absence without pay in excess of the

first 30 consecutive days of each such leave or absence during such period), and

- (ii) months and/or payroll periods rendered between October 1, 1938, and date of membership for which the member made normal contributions under Section IV G of the Plan, and
- (iii) months, commencing with his or her date of membership, and up to any including November 30, 1980, for which the member made normal contributions, and commencing December 1, 1980, such "years of service" shall mean $1/26.08929$ of the aggregate number of biweekly "payroll periods" for which the member made normal contributions, and
- (iv) months of Department service, commencing with his or her date of membership, and up to and including November 30, 1980, in which the member received such disability benefits under the Retirement Plan or received such disability payments under any workers' compensation law; provided that the total number of months includable under (iv) shall not exceed 4 months for the first 10 years of Department service, plus 1 additional month for each 2 full years of Department service in excess of 10; and provided further, however, that no such months shall be included in the "years of service" of any member who receives such disability benefits or such disability payments after such member attains age seventy (70) once such member has acquired fifteen years of Department service credit; and, commencing December 1, 1980, (except for members receiving monthly permanent total disability benefits, who will continue receiving service credits -- subject to the limitations set forth hereinabove -- for such months in which they receive such benefits after December 1, 1980) such "years of service" shall mean $1/26.08929$ of the aggregate number of biweekly "payroll periods" in which the member received such disability benefits under the Retirement Plan or received such disability payments under any workers' compensation law; provided that the total number of payroll periods includable under (iv) shall not exceed 8.7 payroll periods for the first 10 years of Department service, plus 2.17 additional payroll periods for each 2 full years of Department service in excess of 10; and provided further, however, that no payroll periods shall be included in the "years of service" of any member who receives such disability benefits or such

disability payments after such member attains age seventy (70) once such member has acquired fifteen years of Department service credit. For the purpose of (iv) of this paragraph, Department service, to the extent rendered by a member prior to October 1, 1938, shall mean prior service as defined in subsection A (1) of this Section IV plus his or her initial 6 months of Department service.

- (v) years and months of Other Governmental Service purchased in accordance with Plan Section IV

"Highest average 3-year salary", for the purposes of this subdivision, and for members who retire prior to June 1, 1981, shall mean the average monthly salary for the last 36 qualifying months immediately preceding retirement, or any 36 successive qualifying months which such member shall designate in writing. In determining said qualifying months and computing said average:

- (i) only those months shall be included for which the member made normal contributions;
- (ii) no months prior to October 1, 1938, shall be considered, and the average monthly salary for any member who so worked less than 36 qualifying months subsequent to October 1, 1938, and prior to retirement, shall be the average monthly salary for said lesser number of qualifying months;
- (iii) the salary for the month shall be the salary fixed for the position which such member occupied and at which he was paid for work on the first day of the month, or would have been paid had he worked on said day.

For members who retire on or after June 1, 1981, said "highest average 3-year salary" for the purposes of this subdivision, shall mean the average monthly salary for the last 78 qualifying payroll periods immediately preceding retirement, or any 78 successive qualifying payroll periods which such member shall designate in writing. In determining said qualifying payroll periods and computing said average:

- (i) only those payroll period shall be included for which the member made normal contributions;
- (ii) no payroll periods prior to October 1, 1938, shall be considered, and the average monthly salary for any member who so worked less than 78 qualifying

payroll periods subsequent to October 1, 1938, and prior to retirement, shall be the average monthly salary for said lesser number of qualifying payroll periods;

- (iii) the salary for the payroll period shall be the salary fixed for the position which such member occupied and at which he or she was paid for work on the first day of the payroll period or would have been paid had he or she worked on said day.

The following table shall be applicable in computing Minimum Pension "B" as provided for by subdivision (a) above:

FACTORS APPLICABLE TO MINIMUM PENSIONS

Age at Retirement	Factor
45	.65
46	.68
47	.71
48	.74
49	.77
50	.80
51	.83
52	.86
53	.89
54	.92
55	.95
56	.96
57	.97
58	.98
59	.99
60 and over	1.00

- (b) For the purpose of computing Minimum Pension "A" and Minimum Pension "B", a member shall be deemed to have made normal contributions for each month (prior to December 1, 1980) and, from and after December 1, 1980 each payroll period, of any leave of absence while in the armed forces of the United States or in the militia of the State of California for which the Department is required by the provisions of subsection C (2) (d) of this Section IV to make contributions to the Retirement Fund for his or her account; provided that, for the purpose of Minimum Pension "B", no portion of any such absence shall be counted in computing the member's highest average 3-year salary.

For the purpose of computing Minimum Pension "A" and Minimum Pension "B", a member shall be deemed to have made normal contributions for each month (prior to December 1, 1980) and, from and after December 1, 1980 each payroll period, of any absence from Department service for which the Department is required by the provisions of subdivision (i) of Section IV C (2) to make contributions to the Retirement Fund for his or her account; provided that, for the purpose of Minimum Pension "B", no portion of any such absence shall be counted in computing the member's highest average 3-year salary.

- (c) To each member who retired prior to and was living on January 1, 1958, or, if not then living, to his beneficiary under Option (b) or Option (c) of subsection D (6) of this Section IV, if living on said date, the higher of the minimum pensions described in subsection D (4) (a) of said Section, recomputed in accordance with the provisions of said subsection D (4) (a) in effect on January 1, 1958, provided such member or beneficiary was, immediately prior to January 1, 1958, receiving either of such minimum pensions or would have been qualified, immediately prior thereto, to receive Minimum Pension "A" had it then been based upon \$6.00 or \$4.75 in lieu of \$5.00 or \$3.95, respectively. The maximum monthly retirement allowance to which the member is entitled, with no value remaining for his estate or beneficiary, shall be used in making such recomputation, and the result thereof shall then be modified in accordance with Option (b) or Option (c) as theretofore selected by the member pursuant to subsection D (6).

The provisions of this subsection D (4) (c) shall not apply with respect to any monthly retirement allowance for any month preceding January 1958.

- (d) To each member who retired prior to his normal retirement date and before May 1, 1959, and who is living on May 1, 1959, or, if not then living, to his beneficiary under Option (b) or Option (c) of subsection D (6) of this Section IV, if living on said date, the higher of the minimum pensions described in subsection D (4) (a) of said Section, recomputed in accordance with provisions of said subsection D (4) (a) in effect on May 1, 1959, providing such member or beneficiary was, immediately prior to May 1, 1959, receiving either of such minimum pensions. The maximum monthly retirement allowance to which the member is entitled, with no value remaining for his estate or beneficiary, shall be used in making such recomputation, and the result thereof shall then be modified in accordance with Option (b) or Option (c) as theretofore selected by the member pursuant to subsection D (6).

The provisions of this subsection D (4) (d) shall not apply with respect to any monthly retirement allowance for any month preceding May, 1959.

- (e) To each member who retired prior to and was living on November 1, 1959, or, if not then living, to his beneficiary under Option (b) or Option (c) of subsection D (6) of this Section IV, if living on said date, the higher of the minimum pensions described in subsection D (4) (a) of said section, recomputed as of said date in accordance with the provisions of said subsection D (4) (a) and on the basis of the increased pension for prior service granted by subsection D (3) (d) of said section. The maximum monthly retirement allowance to which the member is entitled, with no value remaining for his estate or beneficiary, shall be used in making such recomputation, and the result thereof shall then be modified in accordance with Option (b) or Option (c) theretofore elected by the member, pursuant to subsection D (6). The recomputation required to be made by the provisions of this subsection D (4) (e) shall not reduce the monthly benefit which any retired member or his surviving beneficiary is receiving under the provisions of the Retirement Plan.

The provisions of this subsection D (4) (e) shall not apply with respect to any monthly retirement allowance for any month preceding November, 1959.

- (f) To each member who retired prior to and was living on June 1, 1961, or if not then living, to his beneficiary under Option (b) or Option (c) of subsection D (6) of this Section IV, if living on said date, the higher the minimum pensions described in subsection D (4) (a) of said Section recomputed in accordance with the provisions of said subsection D (4) (a) in effect on said date, provided such member was in Department service for at least 10 years prior to his actual retirement date or his normal retirement date, whichever was earlier, and either (i) made normal contributions for at least 5 years in the 10 years immediately preceding his retirement, or, in lieu of all or any of said 5 years, received either disability benefits under the Retirement Plan or disability payments under any workmen's compensation law, or (ii), if such member retired prior to January 1, 1954, made normal contributions for less than 5 years but for at least 1/2 of the interval between October 1, 1938 and the date of his actual retirement; provided further, that if such recomputation does not provide an increase of at least six per cent in the retirement allowance (excluding any portion thereof attributable to additional contributions to which a member who retired prior to July 1, 1959, or his surviving beneficiary under said options, is or may be entitled under the provisions of the Retirement Plan in effect immediately preceding June 1, 1961, then such minimum pension shall be adjusted so as to provide an increase of six percent in the respective total benefits to which each may be entitled: and provided further, that if such recomputation would provide a monthly increase in the full retirement allowance (excluding any portion thereof attributable to additional contributions) of a member, in an amount exceeding the product obtained by multiplying \$200

by the factors shown opposite the member's "Age at Retirement" in the table appearing at the end of Section IV D (4) (a), with straight line interpolation for attained quarter years, then such minimum pension as so recomputed shall be reduced by an amount sufficient to avoid such excess.

The maximum monthly retirement allowance to which the member is entitled, with no value remaining for his estate or beneficiary, shall be used in making such recomputation and the result thereof shall then be modified in accordance with Option (a), Option (b) or Option (c) as theretofore elected by the member, pursuant to said subsection D (6).

The recomputation required to be made by the provisions of this subsection D (4) (f) shall not reduce the total monthly retirement allowance which any retired member or his surviving beneficiary is receiving under the provisions of the Retirement Plan.

The provisions of this subsection D (4) (f) shall not apply with respect to any monthly retirement allowance payable for any month preceding June, 1961.

- (g) To each member who retired prior to and was living on March 1, 1963, or if not then living, to his beneficiary under Option (b) or Option (c) of Subsection D (6) of this Section IV, if living on said date, the higher of the minimum pensions described in Subsection D (4) (a) of said Section recomputed in accordance with the provisions of said Subsection D (4) (a) in effect on said date, provided such member or beneficiary was immediately prior to March 1, 1963, eligible for either of such minimum pensions.

The maximum monthly retirement allowance to which the member is entitled with no value remaining for his estate or beneficiary shall be used in making such recomputation and the result thereof shall be modified in accordance with Option (a) or (b) or (c) as theretofore selected by the member pursuant to Subsection D (6).

The provisions of this Subsection D (4) (g) shall not apply with respect to any monthly retirement allowance for any month preceding March 1, 1963. The recomputation required to be made by the provisions of this Subsection D (4) (g) shall not reduce the total monthly retirement allowance which any retired member or beneficiary is receiving under the provisions of the Retirement Plan.

- (h) To each member who retired prior to and was living on February 1, 1965, the higher of the minimum pensions described in Subsection D (4) (a) of Section IV recomputed in accordance with the provisions of said Subsection D (4) (a) in effect on said date, provided such member was immediately prior to February 1, 1965, eligible for either of such minimum pensions.

The maximum monthly retirement allowance to which the member is entitled with no value remaining for his estate or beneficiary at the time of his death shall be used in making such recomputation, and the result thereof shall then be modified or adjusted in accordance with Option (a), (b), (c) or (d) as heretofore selected by the member pursuant to Section IV D (6) or Section IV D (15)(c) and his written election, if any, theretofore made pursuant to Section IV D (15) (d).

The provisions of this subdivision (h) shall not apply with respect to any monthly retirement allowance for any month preceding February 1, 1965. The recomputation required to be made by the provisions of this subdivision (h) shall not reduce the amount of the monthly retirement allowance which any retired member was receiving immediately prior to said date.

- (i) To each member who retired prior to his normal retirement date and before August 1, 1965, and was living on August 1, 1965, the higher of the minimum pensions described in Subsection D (4) (a) of Section IV recomputed in accordance with the provisions of said Subsection D (4) (a) in effect on August 1, 1965, provided such member was, immediately prior to August 1, 1965, eligible for either of such minimum pensions.

The maximum monthly retirement allowance to which the member is entitled with no value remaining for his estate or beneficiary at the time of his death shall be used in making such computation, and the result thereof shall then be modified or adjusted in accordance with Option (a), (b), (c), or (d) as theretofore selected by the member pursuant to Section IV D (6) or Section IV D (15) (c) and his written election, if any, theretofore made pursuant to Section IV D (15) (d).

The provisions of this subdivision (i) shall not apply with respect to any monthly retirement allowance for any month preceding August 1, 1965. The recomputation required to be made by the provisions of this subdivision (i) shall not reduce the amount of the monthly retirement allowance which any retired member was receiving immediately prior to said date.

- (j) To each member who retired prior to his normal retirement date and before December 1, 1966, and was living on December 1, 1966, the higher of the minimum pensions described in Subsection D (4)(a) of Section IV recomputed in accordance with the provisions of said Subsection D (4)(a) in effect on December 1, 1966, provided such member was eligible for either of such minimum pensions immediately prior to December 1, 1966.

The maximum monthly retirement allowance to which the member is entitled with no value remaining for his estate or beneficiary at

the time of his death shall be used in making such recomputation, and the result thereof shall then be modified or adjusted in accordance with Option (a), (b), (c), or (d) as theretofore selected by the member pursuant to Section IV D (6) or Section IV D (15)(c) and his written election, if any, theretofore made pursuant to Section IV D (15)(d).

The provisions of this subdivision (j) shall not apply with respect to any monthly retirement allowance for any month preceding December 1, 1966. The recomputation required to be made by the provisions of this subdivision (j) shall not reduce the amount of the monthly retirement allowance which any retired member was receiving immediately prior to said date.

- (k) To each member who retired prior to and was living on June 1, 1969, the higher of the minimum pensions described in subsection D (4) (a) of Section IV recomputed in accordance with the provisions of said subsection D (4) (a) in effect on said date, provided such member was, immediately prior to June 1, 1969, eligible for either of such minimum pensions.

The maximum monthly retirement allowance to which the member is entitled with no value remaining for his estate or beneficiary at the time of his death shall be used in making such recomputation, and the result thereof shall then be modified or adjusted in accordance with Option (a), (b), (c), or (d) as theretofore selected by the member pursuant to Section IV D (6) or Section IV D (15) (c) and his written election, if any, theretofore made pursuant to Section IV D (15) (d).

The provisions of this subdivision (k) shall not apply with respect to any monthly retirement allowance for any month preceding June 1, 1969. The recomputation required to be made by the provisions of this subdivision (k) shall not reduce the amount of the monthly retirement allowance which any retired member was receiving immediately prior to said date.

- (l) To each member who retired prior to March 1, 1973 and was living on June 1, 1973, and to each member who retired on or after March 1, 1973 and before June 1, 1973, and was living on June 1, 1973, to whom Section IV E (11) applied, the higher of the minimum pensions described in Subsection D (4) (a) of Section IV recomputed in accordance with the provisions of said Subsection D (4) (a) in effect on June 1, 1973, provided such member was immediately prior to June 1, 1973, eligible for either of such minimum pensions.

The maximum monthly retirement allowance to which the member is entitled with no value remaining for his estate or beneficiary at the time of his death shall be used in making such recomputation,

and the result thereof shall then be modified or adjusted in accordance with Option (a), (b), (c) or (d) as theretofore selected by the member pursuant to Section IV D (6) or Section IV D (15) (c) and his written election, if any, theretofore made pursuant to Section IV D (15) (d).

The provisions of this subdivision (1) shall not apply with respect to any monthly retirement allowance for any month preceding June 1, 1973. The recomputation required to be made by the provisions of this subdivision (1) shall not reduce the amount of the monthly retirement allowance which any retired member was receiving immediately prior to said date.

(5) Interest Credits and Withdrawal Charges

Whenever any unretired member withdraws his total accumulated contributions or payment thereof is made upon his death to his beneficiary, such contributions and the contributions made by the Department on account of the current service of said member shall be credited with regular interest to the end of the calendar month which next precedes the date of death, or to the end of the calendar month which next precedes the date of the written demand of the member for the return of his total accumulated contributions, whichever is the earlier; and thereupon interest shall cease.

No withdrawal charge shall be made with respect to any such withdrawal or payment which is approved by the Board on or after April 11, 1963; provided that such a charge may be reimposed at any time when and as directed by the Board of Commissioners.

(6) Optional Retirement Allowance

In lieu of full retirement allowance for his or her life alone, a member may elect to have such retirement allowance paid in accordance with the terms of any one of the three following options:

Option (a) Retirement Allowance With Guaranty of Return of Contributions. A lesser retirement allowance to be determined by multiplying the member's full retirement allowance or the portion of the member's annuity attributable to Additional Contributions by the factor shown opposite the member's nearest age at retirement in the table at the end of this subparagraph, which shall be payable to the member for life, with a payment to said member's designated beneficiary of the amount, if any, by which the "Accumulated Normal Contributions" for the Normal Retirement Allowance or the Accumulated Additional Contributions for the portion of the Annuity attributable to the Additional Contributions of the member on his or her retirement date exceed the aggregate sum received by said member on account of the annuity specified in Section IV D (1) hereof excluding therefrom the portion attributable to Additional Contributions as reduced by the amount by which such member's full

retirement allowance exceeds the Option (a) allowance calculated as set forth hereinabove or the aggregate sum received by said member on account of the portion of the annuity specified in Section IV D (1) hereof that is attributable to Additional Contributions as calculated as set forth herein above.

<u>Nearest Age at Retirement</u>	<u>Factor</u>
52 and below	.995
53	.994
54	.993
55	.992
56	.991
57	.990
58	.988
59	.986
60	.984
61	.982
62	.980
63	.977
64	.974
65	.970
66	.965
67	.960
68	.955
69	.948
70 and over	.938

Option (b) Joint and Survivor Retirement Allowance. A lesser retirement allowance, which shall be the actuarial equivalent of the full retirement allowance, payable monthly to the member for life, with the same benefit continuing monthly thereafter to his designated beneficiary for life. The allowance payable to the beneficiary hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the beneficiary dies.

Option (c) Modified Joint and Survivor Retirement Allowance. A lesser retirement allowance, which shall be the actuarial equivalent of the full retirement allowance, payable monthly to the member for life, with a lesser benefit continuing monthly thereafter to the member's designated beneficiary for life. The member shall specify any whole percentage less than 100% as the portion of the retirement allowance to be paid as an allowance to the beneficiary. The allowance payable to the beneficiary hereunder shall commence the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the beneficiary dies.

Any member who is retired may elect one of said options at any time prior to the expiration of ten days subsequent to the effective date of his or her retirement.

Under Option (a) a member may change his designated beneficiary at will, in the manner prescribed by the provisions of Section VI C (2) hereof; and at any time prior to the expiration of his right to elect an option, but not thereafter, a member may change his designated beneficiary under Option (b) or Option (c), or he or she may revoke his or her election of any of said Options.

Notwithstanding the immediately preceding paragraph, pursuant to the order of a court of competent jurisdiction as part of the dissolution of the marriage between a retired member and his or her "Eligible Spouse", such retired member who did not elect Option (b) or Option (c) at the time of retirement may elect Option (b) or (c) prospectively if required by the court order to do so. Said retired member may only designate said "Eligible Spouse" as beneficiary to receive the monthly allowance payable after the retired member's death. Upon implementation of such court-ordered election, there shall be paid a lesser retirement allowance as defined under either Option (b) or Option (c) of this subsection, except said lesser retirement allowance shall be the actuarial equivalent of the retirement allowance payable immediately prior to the implementation of such court ordered election. The determination of the actuarially equivalent retirement allowance shall be based on the Option elected pursuant to the court order, the continuance percentage if Option (c) is elected, and the actuarially assumed interest rate and the joint life expectancy of the retired member and beneficiary as of the effective date of such court ordered election.

If a designated beneficiary under Option (b) or Option (c) dies during the lifetime of the member and after his right to revoke such an option has expired, the option theretofore elected shall nevertheless continue in effect, and the member shall be entitled to the same allowance which he would have received under said option had such death not occurred; but if such beneficiary dies before the right of the member to revoke such option has expired, and the member thereafter retires without designating another beneficiary, the option theretofore elected shall be thereby canceled, and the provisions of subdivisions (1) to (5), inclusive, of Section IV D hereof shall automatically become operative and applicable.

No election or revocation of any option, and no designation or change of beneficiary thereunder, shall be effective for any purpose whatsoever until the same shall have been executed in writing by the member, and filed with the Board.

As used in this subdivision, "full retirement allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan with no value remaining for his estate of beneficiary at the time of death.

A member may elect an option provided for in this subsection for the portion of his or her full retirement allowance which is attributable to the Accumulated Additional Contributions. Such election may be made independently of the election of an option for the portion of his or her Retirement Allowance which is not attributable to Accumulated Additional Contributions.

(7) Optional Lump Sum Settlements

The following distribution options are subject to and potentially limited by section 415(b) of the Internal Revenue Code.

(a) Distribution Options for Accumulated Additional Contributions. A member who has made additional contributions towards a larger retirement income pursuant to Plan Section IV C (1) (b) shall, at the time of retirement, make an election for the distribution of his Accumulated Additional Contributions, using one or more of the following options: an additional annuity; a rollover to any tax qualified retirement plan; or a lump sum refund. The term "Accumulated Additional Contributions" is defined in Plan Section IV A (8). This subdivision shall become effective sixty days following its adoption by the Board.

(b) Optional Lump Sum Settlements. In the event that the Normal Retirement Allowance as defined in Plan Section IV D (15) (a) or the Annuity for Public Service as defined in Plan Section IV K to which a member is entitled upon retirement amounts to a monthly payment of \$75.00 or less, the Board, with consent of the member, may at its option effect a settlement with the member for all claims against the Retirement Fund for a Normal Retirement Allowance or said Annuity for Public Service or any combination thereof by the payment to said member in one sum of the value of said monthly payments, discounted at Regular Interest.

(8) Retirement Allowance to Persons Separated from Department Service

Any person who permits his "Total Accumulated Contributions" to remain on deposit in the Retirement Fund and who either (1) becomes separated from Department service other than by discharge for cause, who has been a member for twelve consecutive months or more, or (2) becomes separated from Department service after he shall have been employed therein for ten years or more, shall be entitled to a monthly retirement allowance from and after the effective date of his retirement.

Notwithstanding any contrary provisions of the Retirement Plan, such monthly retirement allowance shall include no minimum pension but shall consist only of three factors specified in subdivisions (1), (2), and (3) of this subsection D, and shall be calculated in the same manner as therein provided; except that any person who is qualified to retire with a Minimum

Pension when he or she separates from Department service shall not lose such qualification for the Minimum Pension unless said person withdraws his or her Total Accumulated Contributions.

(9) Rescinded by Res. No. 206, dated 9-21-48

- (10)** Every member retired on or before March 11, 1947, and receiving a pension for prior service, shall be entitled, from and after October 1, 1947, to have such pension recomputed in accordance with the provisions of subdivisions B (1) and D (3) of Section IV hereof; provided, however, that no recomputation hereunder of the pension for prior service of any member shall increase the retirement allowance which he is presently receiving by more than \$70.00 per month.

Every member retired on or before March 11, 1947, who shall have been in Department service for at least ten years prior to normal retirement date, and who shall have made normal contributions to the Retirement Fund for at least one-half of the interval between the effective date of the Retirement Plan and the date of his actual retirement, shall be entitled, from and after October 1, 1947, to a minimum pension computed or recomputed in accordance with the provisions of subdivision D (4) of Section IV hereof; provided, however, that for the purpose of qualifying for said minimum pension, such member shall be deemed to have made normal contributions to the Retirement Fund during any absence from Department service without pay which shall have occurred subsequent to October 1, 1938, and for which he shall have received a disability allowance under the terms of the Retirement Plan, or shall have received disability payments pursuant to the provisions of any workmen's compensation law; and provided, further, that no computation or recomputation hereunder of the minimum pension of any member shall decrease the retirement allowance which he is presently receiving.

- (11)** If a member shall have been retired on or before March 11, 1947, and shall have died prior to October 1, 1947, and is now survived by his beneficiary under Option (b) or Option (c) of subdivision D (6) of Section IV hereof, any pension for prior service heretofore granted to such member shall be recomputed in accordance with the provisions of subdivisions B (1) and D (3) of Section IV hereof; provided, however, that said recomputation shall not increase the retirement allowance which such member was receiving at the time of his death by more than \$70.00 per month.

If such member shall have been in Department service for at least ten years prior to normal retirement date, and shall have made normal contributions to the Retirement Fund for at least one-half of the interval between the effective date of the Retirement Plan and the date of his actual retirement, his minimum pension, if any, shall be computed or recomputed in accordance with the provisions of subdivision D (4) of Section VI hereof; provided, however, that in calculating the amount of said minimum pension, such member shall be deemed to have made

normal contributions to the Retirement Fund during any absence from Department service without pay which shall have occurred subsequent to October 1, 1938, and for which he shall have received a disability allowance under the terms of the Retirement Plan, or shall have received disability payments pursuant to the provisions of any workmen's compensation law; and provided, further, that said computation or recomputation shall not decrease the retirement allowance which such member was receiving at the time of his death.

From and after February 1, 1948, the monthly benefit to which said surviving beneficiary may be entitled under either of said options shall be based upon the retirement allowance of such deceased member as computed or recomputed hereunder.

- (12) Except as otherwise provided in subdivision D (8) of this Section, every member retired prior to the effective date hereof who shall have been in Department service for at least ten years prior to normal retirement date, and who shall have made normal contributions to the Retirement Fund for at least one-half of the interval between the effective date of the Retirement Plan and the date of his actual retirement, shall be entitled, from and after the effective date of this subdivision, to a minimum pension computed or recomputed in accordance with the currently amended provisions of subdivision D (4) of Section IV hereof.

If such a retired member shall have died prior to the effective date hereof and is now survived by his beneficiary under Option (b) or Option (c) of subdivision D (6) of this Section, his minimum pension, if any, shall be computed or recomputed in accordance with the currently amended provisions of subdivision D (4) of said Section IV; and the monthly benefit to which such surviving beneficiary may be entitled shall be based, from and after the effective date of this subdivision, upon the retirement allowance of the deceased member as affected by the aforesaid computation or recomputation of his minimum pension.

For the purpose of qualifying for a minimum pension and of calculating the amount thereof under this subdivision, the member shall be deemed to have made normal contributions to the Retirement Fund during any absence from Department service without pay which shall have occurred on or after October 1, 1938, and for which he shall have received a disability allowance under the terms of the Retirement Plan, or disability payments pursuant to the provisions of any workmen's compensation law for injury arising out of such service; provided, that if the member shall have been retired on or before December 1, 1938, it shall be conclusively presumed that he received said allowance or payments during the period of any such absence.

The computation or recomputation hereunder of any minimum pension shall not decrease the monthly benefit which any retired member, or the surviving beneficiary of any retired member, is presently receiving under the terms of the Retirement Plan.

- (13)** Subject to the limitations hereinafter set forth, any pension for prior service which constitutes all or any part of the full retirement allowance of a retired member who is now living, or who is survived on December 1, 1951, by his beneficiary under Option (b) or Option (c) of subdivision D (6) of Section IV hereof, shall be increased by 31.7365 per cent; provided, however, that if such member shall have retired on or after normal retirement date, the total additional benefits, payable under the terms of subdivisions D (13) and D (14) of this Section IV, shall not increase his full retirement allowance by more than \$50.00 per month; and that if such member shall have retired prior to normal retirement date, said total additional benefits shall not increase his full retirement allowance by more than the actuarial equivalent of \$50.00 per month as determined by his age at the time of his actual retirement.

From and after December 1, 1951, every such retired member, or his surviving beneficiary under either of said options, shall be paid a monthly benefit based upon the full retirement allowance of such member as affected by the aforesaid total additional benefits and the particular option theretofore elected by such member under subdivision D (6) of said Section IV.

As used in this subdivision, "full retirement allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan with no value remaining for his estate or beneficiary at the time of death.

- (14)** Except as otherwise provided in subdivision D (8) of this Section and subject to the limitations hereinafter set forth, every retired member who is now living or who is survived on December 1, 1951, by his beneficiary under Option (b) or Option (c) of subdivision D (6) of Section IV hereof, and who shall have been in Department service for at least ten years prior to normal retirement date, and who shall have made normal contributions to the Retirement Fund for at least one-half of the interval between the effective date of the Retirement Plan and the date of his actual retirement, shall be entitled to a minimum pension computed or recomputed in accordance with the currently amended provisions of subdivision D (4) of Section IV hereof; provided, however, that if such member shall have retired on or after normal retirement date, the total additional benefits, payable under the terms of subdivisions D (13) and D (14) of this Section IV, shall not increase his full retirement allowance by more than \$50.00 per month; and that if such member shall have retired prior to normal retirement date, said total additional benefits shall not increase his full retirement allowance by more than the actuarial equivalent of \$50.00 per month as determined by his age at the time of his actual retirement.

From and after December 1, 1951, every such retired member, or his surviving beneficiary under either of said options, shall be paid a monthly benefit based upon the full retirement allowance of such member as affected by the aforesaid total additional benefits and the particular option

theretofore elected by such member under subdivision D (6) of said Section IV.

For the purpose of qualifying for a minimum pension and of calculating the amount thereof under this subdivision, the member shall be deemed to have made normal contributions to the Retirement Fund during any absence from Department service without pay which shall have occurred on or after October 1, 1938, and for which he shall have received a disability allowance under the terms of the Retirement Plan, or disability payments pursuant to the provisions of any workmen's compensation law for injury arising out of such service; provided, that if the member shall have been retired on or before December 1, 1938, it shall be conclusively presumed that he received said allowance or payment during the period of any such absence.

The computation or recomputation hereunder of the minimum pension of any retired member shall not decrease the monthly benefit which such retired member, or his surviving beneficiary, is presently receiving under the terms of the Retirement Plan.

As used in this subdivision, "full retirement allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan with no value remaining for his estate or beneficiary at the time of death.

(15) Continuance to Eligible Spouse or Domestic Partner

(a) Definitions: For the purposes of this subdivision (15), the following words and phrases shall have the following meanings:

"Eligible Spouse" means a spouse to whom a retired member shall have been married at the time of retirement and continuously for at least one year prior thereto. Upon the death of the retired member, the phrase "Eligible Spouse" shall be construed to include the additional requirement that such spouse and retired member shall have been married at the time of the member's death.

"Domestic Partner" means the person who is registered with the Board, or a person who is validly registered with the state of California, at the time of the member's retirement and continuously for at least one year prior thereto. The parties to a legal union of two persons of the same sex, other than a marriage, that was validly formed in another jurisdiction, and that is substantially equivalent to a domestic partnership as defined by the state of California, shall likewise be recognized as domestic partners, provided they are registered at the time of the member's retirement and continuously for at least one year prior thereto. Upon the death of the retired member, the term "Domestic Partner" shall be construed to include the additional requirement that such domestic partnership shall be registered with the Board and/or the state at

the time of the member's death or, in lieu of this requirement, that the parties be validly married at the time of the member's death. Registration with the Board shall be valid only if it is filed with the Board and contains the information and certifications that the Board shall establish by resolution. For a Board registered Domestic Partnership, a member may file a Notice of Termination of Domestic Partnership with the Board at any time and upon such filing, said domestic partnership registration shall be null and void. After a Domestic Partnership has been terminated, the member may not register a domestic partnership until the first day after the completion of six months following the date that the prior Domestic Partnership was terminated. Registration and termination of state domestic partnerships shall be governed by the applicable provisions of state law; the rules that apply to registrations and terminations with the Board shall not apply. When a member dies before retirement, his or her survivor shall be considered a Domestic Partner for purposes of Section VI so long as their domestic partnership has been registered as provided above on the date of the member's death.

"Full retirement allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan, or to which a member would be entitled thereunder disregarding any option elected under Subsection D (6) of this Section IV.

"Normal retirement allowance" means a full retirement allowance excluding any portion thereof that is attributable to a member's additional contributions.

- (b) Except as otherwise provided in this Subdivision (15), upon the death, on or after October 1, 1963, of any retired member, there shall be continued throughout life to his or her Eligible Spouse or, on or after April 1, 1998, his or her Domestic Partner a monthly allowance in an amount equal to the product obtained by multiplying one-half of the normal retirement allowance to which the member is entitled at the time of death, including therein any Post-Retirement Cost of Living Adjustments theretofore made, by the factor shown opposite the number of years by which the member's age exceeds that of his or her Eligible Spouse or Domestic Partner in the following table:

Years by which member's age exceeds Eligible Spouse's or Domestic Partner's Age	Factor
Less than 5 years	1.00
5 years but less than 10 years	.95
10 years but less than 15 years	.90
15 years but less than 20 years	.85
20 years but less than 25 years	.80
25 years or more	.70

Notwithstanding anything to the contrary herein, the allowance payable hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the Eligible Spouse or Domestic Partner dies.

Every member who retires on or after October 1, 1963 having an Eligible Spouse or on or after April 1, 1998, having a Domestic Partner and not having elected any of the options of Subsection D (6) of this Section IV, may, in lieu of a Full retirement allowance for his or her life alone and the continuance to his or her Eligible Spouse or Domestic Partner of the benefit specified in the next preceding paragraph, elect to have the actuarial equivalent of the combined values of such allowance and such benefit, computed as of his or her actual retirement date, paid in accordance with the terms of one of the following options:

Option (d) Joint and Survivor Retirement Allowance (Eligible Spouse or Domestic Partner only). A lesser retirement allowance payable monthly to the member for life, with the same benefit continuing monthly thereafter to his or her Eligible Spouse or Domestic Partner.

Option (e) Selected Percentage Joint and Survivor Retirement Allowance (Eligible Spouse or Domestic Partner only). A lesser retirement allowance payable monthly to the member for life, with a whole percentage specified by the member which is higher than fifty (50%) and less than one-hundred (100%) payable monthly thereafter to his or her Eligible Spouse or Domestic Partner.

The provisions of said Subsection D (6), as they relate to the time and manner of electing and revoking Option (b) and Option (c) thereof, shall govern in those respects as to Options (d) and (e).

- (c) Every member living on October 1, 1963, who retired prior thereto under either Option (b) or Option (c) of subsection D (6) of this Section IV designating his eligible spouse as beneficiary, or, if such member dies on or after October 1, 1963, his eligible spouse if so designated, may file with the Board, not later than 120 days after

said date, a written election to come under the provisions of this paragraph (d). If the member retired under Option (c), his monthly retirement allowance shall, as of the first day of the calendar month next following such filing, be increased to the amount of his full retirement allowance and his election of Option (c) shall be of no further effect; and paragraph (b) of this subdivision (15) shall thereupon become applicable to the member's eligible spouse. If the member retired under Option (b), the portion of his monthly retirement allowance and of the benefit under that option to his eligible spouse (whether living or not), which is not attributable to additional contributions, shall, as of the first day of the calendar month next following the filing of such election, be increased to the amount obtained by applying the member's normal retirement allowance, as of October 1, 1963, an actuarial equivalent factor determined on the basis of the respective ages of the member and his eligible spouse as of the date the member retired, and reflecting the actuarial equivalent of the member's normal retirement allowance and the portion thereof which would have been continued to such spouse under said option had the provisions of paragraph (b) of this subdivision (15) been in effect on said retirement date.

Failure to file such election within the time and in the manner specified in this paragraph shall constitute a waiver of any right granted hereby.

Notwithstanding anything in this paragraph (d) to the contrary, if the marriage of a retired member electing to come under the provisions of this paragraph (d) and the spouse designated by him as beneficiary under either said Option (b) or said Option (c) is thereafter dissolved or annulled by a final decree of a court of competent jurisdiction, such spouse shall nevertheless be entitled to the benefit that would have been paid to such spouse had such member not elected to come under the provisions of this paragraph (d).

- (d) Except as otherwise provided in the next preceding paragraph, the provisions of this subdivision (15) shall not apply to any member retired prior to October 1, 1963, nor to the Eligible Spouse or Domestic Partner of a member, whenever retired, who is designated as beneficiary under either Option (b) or Option (c) of subsection D (6) of this Section IV; nor shall said provisions apply to any member who is not entitled to receive a minimum pension under Subsection D (4) of this Section IV or to the Eligible Spouse or Domestic Partner of such member.

An Eligible Spouse or Domestic Partner shall not be entitled to receive more than one monthly allowance under the provisions of paragraph (b) of this Subdivision (15), for the same period. Any person who qualifies for such allowance through the deaths of two

or more retired members may elect in writing which allowance to receive.

- (e) The surviving spouse or Domestic Partner of a deceased member shall be eligible for a monthly allowance for life commencing on the day next following the day on which the member died when the requirements of Plan Section VI D (7) are met. The monthly allowance shall be that which such surviving spouse or Domestic Partner would have been entitled as the member's designated beneficiary had the member retired on the day next preceding the day of his or her death and elected Option (b) (Joint and Survivor Retirement Allowance) specified in Plan Section IV D (6). Such monthly allowance shall be calculated in accordance with the provisions of Section IV D (4) (a) or (b), whichever provides the larger monthly allowance, and shall include the actuarial factor for Option (b) (Joint and Survivor Retirement Allowance). Notwithstanding anything to the contrary herein, the allowance payable hereunder shall terminate as of the last day of the calendar month next preceding the month in which the surviving spouse or Domestic Partner dies.

(16) Post-Retirement Cost of Living Adjustment

- (a) Subject to the provisions of this subdivision (16),
- (b) every monthly retirement allowance to a retired member, or if not living, to his beneficiary under Option (b) or Option (c) of subsection D (6) of this Section IV, and
- (c) every monthly allowance to an Eligible Spouse, surviving spouse or surviving Domestic Partner, excluding therefrom any portion thereof which is attributable to a member's additional contributions, payable pursuant to this Section IV D, shall be increased or decreased as of October 1, 1967, and thereafter on the first day of July of each year, by a percentage of such allowance then being paid, which shall equal, to the nearest one-tenth of one percent (0.1%), the percentage of annual increase or decrease in the cost of living during the preceding calendar year; provided that on and after July 1, 1973, such increase or decrease shall not in any event exceed three percent (3%) of any such allowance in any year.
- (d) Determination of the percentage of annual increase or decrease in the cost of living shall be made by the Board of Administration on or before October 1, 1967, and thereafter on or before the first day of April of each year, by reference to the Consumer Price Index (Los Angeles-Riverside-Orange County, CA-- All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor for each of the two immediately preceding calendar years. The percentage by which such index for the more recent full calendar year shall have varied from such index for the full calendar year immediately prior thereto shall be the percentage used to

calculate adjustments in such allowances pursuant to paragraph (a) of this subdivision.

- (e) The percentage of increase or decrease in the cost of living in any calendar year which is in excess of the maximum amount of annual increase or decrease provided in paragraph (a) of this subdivision, shall be accumulated and carried over to the next succeeding calendar year and added to or subtracted from the percentage of increase or decrease in the cost of living for such succeeding calendar year and included in the calculation of adjustments in such allowances effective the first day of July next following such succeeding calendar year. Any portion of such excess not included in such calculation in any year as a result of the limitation in the maximum amount of annual increase or decrease provided in paragraph (a) of this subdivision, shall be similarly accumulated and carried over from year to year until exhausted and included in the calculation of subsequent adjustments in such allowances.

No such allowance shall be reduced by operation of the subdivision (16) below the amount payable on October 1, 1967, or on the effective date of retirement of the member to or on account of whom such allowance is payable, whichever is later.

- (f) The provisions of this subdivision (16) shall apply only to such allowances payable to or on account of those members who qualify for the minimum pension provided by subsection D (4) of this Section IV, at the time of retirement.
- (g) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (16), every monthly allowance payable on September 1, 1972 which is subject to adjustment pursuant to this subdivision (16) and which first became payable on or before July 1, 1972, excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased as of September 1, 1972 by an amount equal to the amount of such allowance then being paid multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
October 1, 1938 through July 1, 1968	4.9
July 2, 1968 through July 1, 1969	4.7
July 2, 1969 through July 1, 1970	3.7
July 2, 1970 through July 1, 1971	2.4
July 2, 1971 through July 1, 1972	.9

The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1972, pursuant to paragraph (c) of this subdivision (16), shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (f).

Notwithstanding anything to the contrary in paragraph (a) of this subdivision (16), effective August 1, 1973, every monthly allowance which is subject to adjustment pursuant to this subdivision (16), and which first became payable after July 1, 1973, excluding therefrom any portion thereof which is attributable to a member's additional contributions, of any member who retires after the first day of July and prior to the first day of July of the next following year, shall be increased on his date of retirement by a percentage of such allowance to which he is entitled on said date, which shall equal to, to the nearest one-tenth of one percent (0.1%), the percentage of annual increase in the cost of living granted the immediately preceding first day of July pursuant to paragraph (a) of this subdivision (16) multiplied by the factor shown opposite the month in which such member retired:

<u>Month of Retirement</u>	<u>Factor</u>
August	.9167
September	.8333
October	.7500
November	.6667
December	.5833
January	.5000
February	.4167
March	.3333

<u>Month of Retirement</u>	<u>Factor</u>
April	.2500
May	.1667
June	.0833

If no increase in the cost of living was granted on said preceding first day of July or if the annual adjustment on said preceding first day of July resulted in a decrease in the cost of living, the monthly allowance to which such member is entitled on his date of retirement shall not be adjusted in any manner whatsoever prior to the first day of July of the next following year. The percentage of increase in the cost of living on said preceding first day of July which is in excess of the maximum amount of annual increase provided in paragraph (a) of this subdivision (16) or any decrease in the cost of living on said preceding first day of July, shall not be accumulated and carried over to any succeeding calendar year for any allowance adjusted pursuant to this paragraph (g).

- (h) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (16), every monthly allowance payable on August 1, 1974, which is subject to adjustment pursuant to this subdivision (16) and which first became payable prior to March 1, 1973, excluding therefrom any portion thereof which is not attributable to adjustments made pursuant to this subdivision (16), shall be increased as of August 1, 1974 by an amount equal to the amount of such allowance then being paid multiplied by 15 percent. The increase required to be made by the provisions of this Section IV D (16)(h) shall not apply with respect to any monthly allowance payable for any month preceding August 1974.

Notwithstanding anything to the contrary in paragraph (a) of this subdivision (16), every monthly allowance payable on October 1, 1977 which is subject to adjustment pursuant to this subdivision (16) and which first became payable on or before July 1, 1976, excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased as of October 1, 1977 by an amount equal to the amount of such allowance then being paid multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
October 1, 1938 through July 1, 1970	3.75
July 2, 1970 through July 1, 1971	3.54
July 2, 1971 through July 1, 1972	3.32
July 2, 1972 through July 1, 1973	3.20
July 2, 1973 through July 1, 1974	3.17
July 2, 1974 through July 1, 1975	2.78
July 2, 1975 through July 1, 1976	1.68

The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1977, pursuant to paragraph (c) of this subdivision (16), shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (i).

- (i) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (16), every monthly allowance payable on March 1, 1981, which is subject to adjustment pursuant to this subdivision (16) and which first became payable on or before July 1, 1978, excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased as of March 1, 1981, by an amount equal to the amount of such allowance then being paid multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
October 1, 1938 through February 28, 1973	5.00
March 1, 1973 through July 1, 1973	3.41
July 2, 1973 through July 1, 1974	3.39
July 2, 1974 through July 1, 1975	3.17
July 2, 1975 through July 1, 1976	2.55
July 2, 1976 through July 1, 1977	1.96
July 2, 1977 through July 1, 1978	1.60

The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1980, pursuant to paragraph (c) of this subdivision (16), shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (j).

(j) Discretionary Post-Retirement Cost of Living Adjustments

Notwithstanding anything to the contrary in paragraph (a) of this subdivision (16), effective no later than April 1, 1984, and thereafter on or before the first day of April of not less than every third calendar year, the Board of Administration shall review the total of the percentages carried over and accumulated pursuant to the provisions of paragraph (c) of this subdivision (16), since the most recent discretionary cost of living review.

If the Board of Administration, after such review, determines that a special cost of living increase is warranted, it shall then determine by resolution the percentage by which every monthly allowance which is subject to adjustment pursuant to this subdivision (16), excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased the next following first day of July in addition to the regular annual cost of living adjustment; provided that no case shall the total cost of said discretionary cost of living adjustment exceed four percent of the

total monthly allowances being paid under Section IV D as of the first day of the immediately preceding January; and, provided further that in no case shall the monthly allowance, excluding therefrom any portion thereof which is attributable to a member's additional contributions, of any member who has retired since the most recent discretionary cost of living adjustment, be increased by more than fifty percent of the total of the percentages carried over and accumulated for such member pursuant to the provisions of paragraph (c) of this subdivision (16). The percentage of increase in the cost of living applicable to each monthly allowance which has been accumulated and carried over as of the first day of July following each such discretionary cost of living increase, pursuant to paragraph (c) of this subdivision (16), shall be reduced by the percentage by which such allowance has been multiplied as of such first day of July following such a discretionary increase pursuant to the provisions of this paragraph (k).

- (k) Each monthly allowance which is subject to adjustment in accordance with Subsection IV D (16) (a) shall be increased as of April 1, 1983 in accordance with the Table below.

TABLE

<u>Period When Allowance First Become Payable</u>	<u>Percentage of Increase</u>
Before July 1, 1968	9.5%
July 2, 1968 to July 1, 1969	9.4%
July 2, 1969 to July 1, 1970	9.3%
July 2, 1970 to July 1, 1971	9.1%
July 2, 1971 to July 1, 1972	9.0%
July 2, 1972 to March 1, 1973	8.7%
March 2, 1973 to July 1, 1973	9.0%
July 2, 1973 to July 1, 1974	9.0%
July 2, 1974 to July 1, 1975	8.6%
July 2, 1975 to July 1, 1976	7.6%
July 2, 1976 to July 1, 1977	6.6%
July 2, 1977 to July 1, 1978	6.1%
July 2, 1978 to July 1, 1979	5.7%
July 2, 1979 to July 1, 1980	4.9%
July 2, 1980 to July 1, 1981	3.5%
July 2, 1981 to July 1, 1982	1.2%

Each monthly allowance shall be adjusted by an amount equal to the product of the monthly allowance (less amounts attributable to the member's additional contributions) multiplied by the percentage shown on the Table for the period when the allowance first became payable; the product shall then be added to the monthly allowance to determine the adjusted monthly allowances payable as of April 1,

1983. Allowance first payable after July 1, 1982 shall not be adjusted.

The cost-of-living bank established in accordance with subsection IV D (16) (c) shall be reduced by the amounts shown on the table as of April 1, 1983.

- (l) Each monthly allowance which is subject to adjustment in accordance with Section IV D (16)(a) may be increased by resolution of the Board of Administration effective on or after July 1, 1990 in the same manner that it could have been increased by the Board under Section IV D (16)(k).
 - (m) The Board of Administration may, by resolution, authorize an increase in the allowances paid to surviving spouses under Plan Section VI D (7) and IV D (15)(f) once prior to July 2, 1999. Such increase shall be based on the cost of living increases provided to retirees for the same periods of time that each of the surviving spouses have received a monthly allowance under the Plan.
- (17) Every monthly allowance payable on August 1, 1974, which is subject to adjustment pursuant to Section IV D (16) and which first became payable prior to March 1, 1973, excluding therefrom any portion thereof attributable to additional contributions and adjustment made pursuant to Section IV D (16), shall be increased as of August 1, 1974 by an amount equal to the amount of such allowance then being paid multiplied by 15 percent.

The increase provided for by this subdivision (17) to every such allowance payable to a retired member or such member's beneficiary under Option (b) or Option (c) of Section IV D (6) shall be added to such member's or beneficiary's minimum pension. The increase provided for by this subdivision (17) to every such allowance payable to a surviving eligible spouse under Section IV D (15) shall be added to such spouse's continuance to eligible spouse benefit.

The increase required to be made by the provisions of this Section IV D (17) shall not apply with respect to any monthly allowance payable for any month preceding August 1974.

E. RETIREMENT ALLOWANCE EFFECTIVE MARCH 1, 1973⁵

A member, upon retirement from Department service on or after March 1, 1973 pursuant to the provisions of Section II E hereof, shall be paid from any monies in the Retirement Fund a monthly retirement allowance which shall consist of an annuity and a pension for current service, and if applicable, a pension for prior service or minimum pension "C", as hereinafter provided. However, no monthly retirement allowance paid to a member, excluding therefrom any portion thereof which is attributable to additional contributions, may exceed 95% of such member's highest average one-year salary; provided further, however, that said limit of 95% shall not apply to the monthly allowance of any eligible spouse

survivor, or any beneficiary under Option (b) or Option (c). For the purpose of computing the annuity, the pension for current service and the minimum pension, a member and the Department shall be deemed to have made contributions for each month (prior to December 1, 1980) and, from and after December 1, 1980 each payroll period, during which the member was a relocated member as defined in Section IV C (2) (i) or during which the member was in the armed forces of the United States or in the militia of the State of California, and for which the Department is required by the provisions of Section IV C (2) (d) or Section IV C (2) (i) to make contributions to the Retirement Fund for his or her account.

Notwithstanding the above, no monthly retirement allowance paid on or after October 1, 2002 to plan members who are Unrepresented Employees (currently designated as Bargaining Unit V for payroll purposes) and to plan members who are represented for benefit purposes by Local 18 of the International Brotherhood of Electrical Workers or by the Management Employees Association at retirement, excluding therefrom any portion thereof which is attributable to additional contributions, may exceed 100% of the member's highest average one year salary. As of the date of this plan amendment, DWP Management is in the process of finalizing negotiations with certain DWP bargaining units and other unrepresented employees, possibly extending this benefit to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented. This paragraph shall also apply to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented, with the same force and effect, provided the Board of Administration receives a properly certified Resolution, by the Board of Water and Power Commissioners, entitling those plan members to this benefit, conditioned upon such resolution becoming final as provided in Charter Section 245.

(1) Annuity

An annuity which shall be the actuarial equivalent calculated upon such tables of life expectancy and such rate of interest as shall be adopted by the Board, of his total accumulated contributions at the time of his retirement; and

(2) Pension for Current Service

A pension for current service which shall be the actuarial equivalent, calculated upon the same tables of life expectancy and the same rate of interest provided in the preceding subsection E (1) of this Section, of the "Contingent Pension Credits for Current Service", credited to the member on the books of the Retirement Fund on the date of his retirement, as required by the provisions of this Plan; and

(3) Pension for Prior Service

To each member retiring on or after July 1, 1976, who is, at the time of retirement from Department service, not entitled to receive a minimum

pension under Section IV E (4) of the plan, a pension for prior service equal to 3.5 percent of the time-weighted average monthly salary earned by the member during the 12 months immediately preceding the effective date of the Retirement Plan, multiplied by the number of years of prior service credited to him and further multiplied by the factor shown opposite the member's "Age at Retirement" in the table included in this subdivision (a), with straight line interpolation for attained quarter years; provided, however, that no part of such pension shall be based upon or allowed for any amount of salary in excess of the sum of \$500.00 per month:

FACTORS APPLICABLE TO PRIOR SERVICE PENSION

<u>Age at Retirement</u>	<u>Factor</u>	<u>Age at Retirement</u>	<u>Factor</u>
45	.6250	53	.8650
46	.6550	54	.8950
47	.6850	55	.9250
48	.7150	56	.9400
49	.7450	57	.9550
50	.7750	58	.9700
51	.8050	59	.9850
52	.8350	60 and over	1.00

- (a) That portion of each monthly retirement allowance accruing on or after March 1, 1973 to a member retiring on or after said date which is attributable to a pension for prior service, computed as elsewhere provided in this Retirement Plan, shall be increased by the percentage shown in the table included in this subdivision opposite the applicable time-weighted average monthly salary used in computing such member's pension for prior service.

TABLE OF PERCENTAGES FOR ADJUSTING PENSIONS FOR PRIOR SERVICE (January 1, 1958 Increase)

<u>Time-Weighted Average Monthly Salary</u>	<u>Percentage Of Increase</u>
\$ 62.50 and under	22.50
62.51 to \$87.50	21.25
87.51 to 112.50	20.00
112.51 to 137.50	18.75
137.51 to 162.50	17.50
162.51 to 187.50	16.25
187.51 to 212.50	15.00
212.51 to 237.50	13.75
237.51 to 262.50	12.50
262.51 to 287.50	11.25

<u>Time-Weighted Average Monthly Salary</u>	<u>Percentage Of Increase</u>
287.51 to 312.50	10.00
312.51 to 337.50	8.75
337.51 to 362.50	7.50
362.51 to 387.50	6.25
387.51 to 412.50	5.00
412.51 to 437.50	3.75
437.51 to 462.50	2.50
462.51 to 487.50	1.25
487.51 and over	1.00

(4) Minimum Pension C

Minimum Pension C shall be calculated by the methods shown below and shall be subject to the conditions shown below.

- (a) The Minimum Pension C shall be determined by subtracting the sum of the member's annuity attributable to his or her Accumulated Normal Contributions [Section IV E (1)] plus his or her pension for current service [Section IV E (2)] (each computed to the actual date of retirement) from the monthly Retirement Allowance determined in (b) below, provided, however, that if said sum is greater than said Retirement Allowance, Minimum Pension C shall be zero.
- (b) The monthly Retirement Allowance which includes the Minimum Pension C provided by this Section IV E shall be the product of the eligible member's Highest Average One Year's Salary multiplied by the member's Years of Service multiplied by 2.1% (two and one-tenths percent or .021) multiplied by the factor shown opposite the member's "Age at Retirement" to the last attained quarter year in the following Table:

**EARLY RETIREMENT
PERCENTAGE FACTOR TO BE APPLIED TO
FORMULA PENSION FOR MEMBERS WHO RETIRE
AT AGES EARLIER THAN NORMAL RETIREMENT AGE**

<u>Age at Retirement</u>	<u>Factors</u>			
	<u>Whole Year</u>	<u>+3 months</u>	<u>+6 months</u>	<u>+9months</u>
45	.6250	.6325	.6400	.6475
46	.6550	.6625	.6700	.6775
47	.6850	.6925	.7000	.7075
48	.7150	.7225	.7300	.7375
49	.7450	.7525	.7600	.7675

RETIREMENT

IV E (4)(b)

50	.7750	.7825	.7900	.7975
51	.8050	.8125	.8200	.8275
52	.8350	.8425	.8500	.8575
53	.8650	.8725	.8800	.8875
54	.8950	.9025	.9100	.9175
55	.9250	.92875	.9325	.93625
56	.9400	.94375	.9475	.95125
57	.9550	.95875	.9625	.96625
58	.9700	.97375	.9775	.98125
59	.9850	.98875	.9925	.99625
60 and over	1.00			

Notwithstanding the above, on and after July 1, 1983 the factor 1.00 shall be used for members who have 30 (thirty) or more Years of Service (as defined in IV E (4)(d) below) and who retire on or after their 55th (fifty-fifth) birth anniversary except that from January 1, 1998 and until September 30, 2002, the factor 1.00 shall be used for members with such 30 years of service who retire on or after their 50th (fiftieth) birth anniversary. For members who at any time were "Half-Time Civil Service Employees" as described in Section IV C (1)(a)(vi) and who retire after their 55th (fifty-fifth) birth anniversary, their service as "Half-Time Civil Service Employees" shall be considered the same as full-time service for purposes of determining whether the factor of 1.00 shall be used for such members.

Notwithstanding the above, on and after October 1, 2002 and until September 30, 2005, the factor 1.0 is to be used for plan members who are Unrepresented Employees (currently designated as Bargaining Unit V for payroll purposes) and for plan members who are represented for benefit purposes by Local 18 of the International Brotherhood of Electrical Workers or by the Management Employees Association who have 30 (thirty) or more Years of Service (as defined in IV E (4)(d) below) and who retire on or after their 50th (fiftieth) birth anniversary but before their 55th (fifty-fifth) birth anniversary. As of the date of this plan amendment, DWP Management is in the process of finalizing negotiations with certain DWP bargaining units and other unrepresented employees, possibly extending this benefit to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented. This paragraph shall also apply to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented, with the same force and effect, provided the Board of Administration receives a properly certified Resolution, by the Board of Water and Power Commissioners, entitling those plan members to this benefit, conditioned upon such resolution becoming final as provided in Charter Section 245.

Notwithstanding the above, the factor 1 is to be used for members who retire on or before January 1, 2006, provided such members have 30 (thirty) or more Years of Service (as defined in IV E 4(d) below) as of September 30, 2005 and have attained the age of 50 (fifty) years on or before September 30, 2005; and have submitted a retirement application to the Department on or before November 1, 2005.

Notwithstanding the above, on or after November 1, 2000, plan members who are Unrepresented Employees (currently designated as Bargaining Unit V for payroll purposes) and plan members who are represented for benefit purposes by Local 18 of the International Brotherhood of Electrical Workers or by the Management Employees Association who have 30 (thirty) or more Years of Service (as defined in IV E (4)(d) below) and who retire on or after their 55th (fifty-fifth) birth anniversary are entitled to a Minimum Pension C in which the factor of 1.0 is used and the multiplier shall be 2.3% (two and three-tenths percent or .023) in place of the 2.1% (two and one-tenths percent or .021) in the formula contained in the first paragraph of IV E (4)(b) above. Provided, however, that the 2.3% multiplier shall not be substituted for the 2.1% multiplier for members who retire under the terms of any early retirement option other than the one provided in this paragraph, except for members who are entitled to the retroactive application of this paragraph. As of the date of this plan amendment, DWP Management is in the process of finalizing negotiations with certain DWP bargaining units and other unrepresented employees, possibly extending this benefit to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented. This paragraph shall also apply to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented, with the same force and effect, provided the Board of Administration receives a properly certified Resolution, by the Board of Water and Power Commissioners, entitling those plan members to this benefit, conditioned upon such resolution becoming final as provided in Charter Section 245.

Effective January 1, 2014, a member's service with the Los Angeles City Employees' Retirement System (LACERS) for which the member is entitled to service credit with LACERS shall be combined with his or her Years of Service as defined in this provision solely for the purpose of determining his or her eligibility to retire with an unreduced pension as provided in this subdivision (b), based upon having at least 30 Years of Service and having reached age 55.

- (c) In order to become qualified for a Minimum Pension C, a member must have been in Department service for at least five (5) years and have made Normal Contributions for at least four (4) years in

the five (5) years immediately preceding eligibility to retire, or while eligible to retire, or in lieu of all or any of said four (4) years, shall have received either a Disability Allowance under the Plan or disability payments under any workers' compensation law. Any member who becomes qualified to retire with a minimum pension shall not lose such qualification, except by the withdrawal of his or her Total Accumulated Contributions. Service credit purchased in accordance with Plan Section IV L (or purchased in accordance with Section 4.1052.1 or Section 4.1052.2 of the Los Angeles Administrative Code and transferred in accordance with Plan Section IV J) shall not be included in the determination of Department service of at least five (5) years, or the four (4) years in the five (5) years immediately preceding eligibility to retire as required to qualify for a Minimum Pension C in this subsection (4)(c). Effective January 1, 2014, a person's eligibility to retire with a Minimum Pension C as provided herein shall be determined at the time he or she terminates Department service or at the time he or she terminates service with the City as a member of the Los Angeles City Employees' Retirement System (LACERS), whichever occurs later, and his or her service with LACERS shall be combined with Department service, for the purpose of satisfying the Department service requirement for eligibility to retire with a Minimum Pension C as provided in this paragraph.

Notwithstanding the provisions of the paragraph above, a member who signed a Focused Separation Employee Agreement prior to July 1, 1995 shall be qualified for a Minimum Pension C if such member made Normal Contributions for two (2) of the five (5) years required above and otherwise meets the remainder of such requirements.

- (d) "*Years of Service*" or "*Service Credit*" for the purpose of computing Minimum Pension C shall mean:
- (i) The aggregate number of months of Department service, divided by 12, commencing with the employee's date of membership up to and including November 30, 1980 for which the member made Normal Contributions.
 - (ii) The aggregate number of biweekly payroll periods divided by 26.089, commencing with the later date of December 1, 1980 or the employee's membership date for which the member made Normal Contributions.
 - (iii) The number of months, divided by 12, prior to November 30, 1980 or the number of biweekly payroll periods after December 1, 1980, divided by 26.089, for which service credit has been purchased in accordance with Plan Section IV G.

- (iv) The aggregate number of months prior to November 30, 1980, divided by 12, and the aggregate number of biweekly payroll periods after December 1, 1980, divided by 26.089, for which the member received a Disability Allowance from the Plan or disability payments under any workers' compensation law, except that if the member received such Disability Allowance or disability payments as a "Half-Time Civil Service Employee" as described in Section IV C (1)(a)(vi), the aggregate number of biweekly payroll periods shall be divided by 52.178, provided that the total time periods includable shall be limited as follows:

<u>Years of Department Service</u>	<u>Prior to 11-30-80 or PTD Months</u>	<u>After 12-1-80 Pay Periods</u>
Completed Ten (10)	4	8.7
Each 2 Full Years Completed Over 10	1	2.17

- (v) The aggregate number of months prior to November 30, 1980, divided by 12, and the aggregate number of biweekly payroll periods after December 1, 1980, divided by 26.089, for which the Department is required to make contributions on behalf of the member in accordance with Plan subsection IV C (2)(d) and (i) [Military service and relocated members].
- (vi) Any biweekly payroll period or month shall be counted only once when "Years of Service" is being determined.
- (vii) The aggregate months of service rendered to the Department between February 28, 1902 and October 1, 1938, divided by 12, and reduced by one month for each 30 days or fractional part thereof of each leave or absence without pay in excess of the first thirty (30) consecutive days of each such leave or absence during such period.
- (viii) The aggregate number of payroll periods for which the member was designated "Less than Full-Time" as provided by Section IV D (1)(a)(v), or was employed as a "Half-Time Civil Service Employee" as described in Section IV C (1)(a)(vi), and made a one-half rate contribution, divided by 52.178.
- (ix) The years and months of Other Governmental Service purchased in accordance with Plan Section IV L.

"Highest Average One Year's Salary" for the purposes of this subdivision shall be the average monthly equivalent of the biweekly salary determined by adding the Compensation for the 26

successive qualifying biweekly payroll periods immediately preceding retirement, dividing the sum by 26 and multiplying that quotient by 2.175. A member may designate in writing an alternate set of 26 successive qualifying biweekly payroll periods for use in this calculation. Such alternate set of 26 successive qualifying biweekly payroll periods may include periods of City Service acquired pursuant to Section IV G or IV J of this Plan. In determining the qualifying payroll periods, only those payroll periods for which the member made Normal Contributions to this Plan or to the City Employees' Retirement System shall be included. If a member has not made Normal Contributions for at least an aggregate of 26 qualifying payroll periods, the Highest Average One Year's Salary shall be the average monthly equivalent of the biweekly salary for such lesser number of qualifying payroll periods. Compensation is as defined in Section II C (14) of this Plan for the position which the member occupied and at which he or she was paid for work on the first day of the payroll period or would have been paid had he or she worked on said day.⁶

(5) Interest Credits and Withdrawal Charges

Whenever any unretired member withdraws his total accumulated contributions or payment thereof is made upon his death to his beneficiary, such contributions and the contributions made by the Department on account of the current service of said member shall be credited with regular interest to the end of the calendar month which next precedes the date of death, or to the end of the calendar month which next precedes the date of the written demand of the member for the return of his total accumulated contributions, whichever is the earlier; and thereupon interest shall cease.

No withdrawal charge shall be made with respect to any such withdrawal or payment which is approved by the Board on or after March 1, 1973, provided that such a charge may be reimposed at any time when and as directed by the Board of Commissioners.

(6) Optional Retirement Allowance

In lieu of a full retirement allowance for his or her life alone, a member may elect to have such retirement allowance paid in accordance with the terms of any one of the three following options:

Option (a) Retirement Allowance with Guaranty of Return of Contributions. A lesser retirement allowance to be determined by multiplying the member's full retirement allowance or the portion of the member's annuity attributable to Additional Contributions by the factor shown opposite the member's nearest age at retirement in the table at the end of this subparagraph, which shall be payable to the member for life, with a payment to said member's designated beneficiary of the amount, if any, by which the "Accumulated Normal Contributions" for the Normal

Retirement Allowance or the Accumulated Additional Contributions for the portion of the Annuity attributable to the Additional Contributions of the member on his or her retirement date exceed the aggregate sum received by said member on account of the annuity specified in Section IV E (1) hereof excluding therefrom the portion attributable to Additional Contributions as reduced by the amount by which such member's full retirement allowance exceeds the Option (a) allowance calculated as set forth hereinabove or the aggregate sum received by said member on account of the portion of the annuity specified in Section IV E (1) hereof that is attributable to Additional Contributions as calculated as set forth hereinabove.

<u>Nearest Age at Retirement</u>	<u>Factor</u>	<u>Nearest Age at Retirement</u>	<u>Factor</u>
52 and below	.995	62	.980
53	.994	63	.977
54	.993	64	.974
55	.992	65	.970
56	.991	66	.965
57	.990	67	.960
58	.988	68	.955
59	.986	69	.948
60	.984	70 and over	.938
61	.982		

Option (b) Joint and Survivor Retirement Allowance. A lesser retirement allowance, which shall be the actuarial equivalent of the full retirement allowance, payable monthly to the member for life, with the same benefit continuing monthly thereafter to his designated beneficiary for life. The allowance payable to the beneficiary hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the beneficiary dies.

Option (c) Modified Joint and Survivor Retirement Allowance. A lesser retirement allowance, which shall be the actuarial equivalent of the full retirement allowance, payable monthly to the member for life, with a lesser benefit continuing monthly thereafter to the member's designated beneficiary for life. The member shall specify any whole percentage less than 100% as the portion of the retirement allowance to be paid as an allowance to the beneficiary. The allowance payable to the beneficiary hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the beneficiary dies.

Any member who is retired may elect one of said options at any time prior to the expiration of ten days subsequent to the effective date of his or her retirement.

Under Option (a) a member may change his designated beneficiary at will, in the manner prescribed by the provisions of Section VI C (2) hereof; and at any time prior to the expiration of his right to elect an option but not thereafter, a member may change his designated beneficiary under Option (b) or Option (c), or he or she may revoke his or her election of any said Options.

Notwithstanding the immediately preceding paragraph, pursuant to the order of a court of competent jurisdiction as part of the dissolution of the marriage between a retired member and his or her Eligible Spouse, such retired member who did not elect Option (b) or Option (c) at the time of retirement may elect Option (b) or (c) prospectively if required by the court order to do so. Said retired member may only designate said Eligible Spouse as beneficiary to receive the monthly allowance payable after the retired member's death. Upon implementation of such court ordered election, there shall be paid a lesser retirement allowance as defined under either Option (b) or Option (c) of this subsection, except said lesser retirement allowance shall be the actuarial equivalent of the retirement allowance payable immediately prior to the implementation of such court ordered election. The determination of the actuarially equivalent retirement allowance shall be based on the Option elected pursuant to the court order, the continuance percentage if Option (c) is elected, and the actuarially assumed interest rate and the joint life expectancy of the retired member and beneficiary as of the effective date of such court ordered election.

A member who has had his or her retirement allowance reduced to provide an enhanced continuance to an Eligible Spouse or Domestic Partner and who is subsequently required, pursuant to a court ordered election required after the legal termination of their relationship, to provide a continuance to this same person shall not be required to take a further reduction of his or her allowance to provide a continuance to this same person, except to the extent, if any, that the cost of the new continuance benefit exceeds the cost of the prior continuance benefit.

If a designated beneficiary under Option (b) or Option (c) dies during the lifetime of the member and after his right to revoke such option has expired, the option theretofore elected shall nevertheless continue in effect, and the member shall be entitled to the same allowance which he would have received under said option had such death not occurred; but if such beneficiary dies before the right of the member to revoke such option has expired, and the member thereafter retires without designating another beneficiary, the option theretofore elected shall be thereby canceled, and the provisions of subdivisions (1) to (5), inclusive, of Section IV E hereof shall automatically become operative and applicable.

No election or revocation of any option, and no designation or change of beneficiary thereunder, shall be effective for any purpose whatsoever until the same shall have been executed in writing by the member, and filed with the Board; provided, however, that no such designation or change of

beneficiary thereunder shall be effective for any purpose whatsoever until the same shall have been approved by the Board.

As used in this subdivision, "full retirement allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan with no value remaining for his estate or beneficiary at the time of death.

A member may elect an option provided for in this subsection for the portion of his or her full retirement allowance which is attributable to the Accumulated Additional Contributions. Such election may be made independently of the election of an option for the portion of his or her Retirement Allowance which is not attributable to Accumulated Additional Contributions.

(7) Optional Lump Sum Settlements

The following distribution options are subject to and potentially limited by section 415(b) of the Internal Revenue Code.

(a) Distribution Options for Accumulated Additional Contributions. A member who has made additional contributions towards a larger retirement income pursuant to Plan Section IV C (1) (b) shall, at the time of retirement, make an election for the distribution of his Accumulated Additional Contributions, using one or more of the following options: an additional annuity; a rollover to any tax qualified retirement plan; or a lump sum refund. The term "Accumulated Additional Contributions" is defined in Plan Section IV A (8). This subdivision shall become effective sixty days following its adoption by the Board.

(b) Optional Lump Sum Settlements. In the event that the Normal Retirement Allowance as defined in Plan Section IV E (9) (a) or the Annuity for Public Service as defined in Plan Section IV K to which a member is entitled upon retirement amounts to a monthly payment of \$75.00 or less, the Board, with consent of the member, may at its option effect a settlement with the member for all claims against the Retirement Fund for a Normal Retirement Allowance or said Annuity for Public Service or any combination thereof by the payment to said member in one sum of the value of said monthly payments, discounted at Regular Interest.

(8) Retirement Allowance to Persons Separated from Department Service

Any person who permits his "Total Accumulated Contributions" to remain on deposit in the Retirement Fund and who either (1) becomes separated from Department service on or after March 11, 1973, other than by discharge for cause who has been a member for twelve consecutive months or more, or (2) becomes separated from Department service on or

after March 1, 1973, after he shall have been employed therein for ten years or more, shall be entitled to a monthly retirement allowance from and after the effective date of his retirement. Effective January 1, 2014, a person's service with the Los Angeles City Employees' Retirement System shall be combined with Department service, as applicable, solely for the purpose of determining eligibility for retirement pursuant to this provision.

The date of his retirement shall be in accordance with Section II E of this Plan.

Notwithstanding any contrary provisions of the Retirement Plan, such monthly retirement allowance shall include no minimum pension but shall consist only of the three factors specified in subdivisions (1), (2), and (3) of this subsection E, and shall be calculated in the same manner as therein provided; except that any person who is qualified to retire with a Minimum Pension when he or she separates from Department service shall not lose such qualification for the Minimum Pension unless said person withdraws his or her Total Accumulated Contributions.

(9) Continuance to Eligible Spouse or Domestic Partner

(a) Definitions: For the purpose of this subdivision (9), the following words and phrases shall have the following meanings:

"Eligible Spouse" means a spouse to whom a retired member shall have been married at the time of retirement and continuously for at least one year prior thereto. Upon the death of the retired member, the phrase "Eligible Spouse" shall be construed to include the additional requirement that such spouse and retired member shall have been married at the time of the member's death.

"Domestic Partner" means the person who is registered with the Board, or a person who is validly registered with the state of California, at the time of the member's retirement and continuously for at least one year prior thereto. The parties to a legal union of two persons of the same sex, other than a marriage, that was validly formed in another jurisdiction, and that is substantially equivalent to a domestic partnership as defined by the state of California, shall likewise be recognized as domestic partners, provided they are registered at the time of the member's retirement and continuously for at least one year prior thereto. Upon the death of the retired member, the term "Domestic Partner" shall be construed to include the additional requirement that such domestic partnership shall be registered with the Board and/or the state at the time of the member's death, or in lieu of this requirement, that the parties be validly married at the time of the member's death. Registration with the Board shall be valid only if it is filed with the Board and contains the information and certifications that the Board shall establish by resolution. For a Board registered Domestic Partnership, a member may file a Notice of Termination of

Domestic Partnership with the Board at any time and upon such filing, said domestic partnership registration shall be null and void. After a Domestic Partnership has been terminated, the member may not register a domestic partnership until the first day after the completion of six months following the date that the prior Domestic Partnership was terminated. Registration and termination of state domestic partnerships shall be governed by the applicable provisions of state law; the rules that apply to registrations and terminations with the Board shall not apply. When a member dies before retirement, his or her survivor shall be considered a Domestic Partner for purposes of Section VI so long as their domestic partnership has been registered as provided above on the date of the member's death.

"*Full retirement allowance*" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan, or to which a member would be entitled thereunder disregarding any option elected under Subsection E (6) of this Section IV.

"*Normal retirement allowance*" means a full retirement allowance excluding any portion thereof that is attributable to a member's additional contributions.

- (b) Except as otherwise provided in this Subdivision (9), upon the death, after March 1, 1973, of any member who retires on or after March 1, 1973, there shall be continued throughout life to his or her Eligible Spouse or, on or after April 1, 1998, his or her Domestic Partner a monthly allowance in an amount equal to the product obtained by multiplying one-half of the normal retirement allowance to which the member is entitled at the time of death, including therein any Post-Retirement Cost of Living Adjustments theretofore made, by the factor shown opposite the number of years by which the member's age exceeds that of his or her Eligible Spouse or Domestic Partner in the following table:

<u>Years by which member's age exceeds Eligible Spouse's or Domestic Partner's Age</u>	<u>Factor</u>
Less than 5 years	1.00
5 years but less than 10 years	.95
10 years but less than 15 years	.90
15 years but less than 20 years	.85
20 years but less than 25 years	.80
25 years or more	.70

Notwithstanding anything to the contrary herein, the allowance payable hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of

the calendar month next preceding the month in which the Eligible Spouse or Domestic Partner dies.

- (c) Every member who retires on or after March 1, 1973 having an Eligible Spouse or on or after April 1, 1998, having a Domestic Partner and not having elected any of the options of Subsection E (6) of this Section IV, may, in lieu of a Full retirement allowance for his or her life alone and the continuance to his or her Eligible Spouse or Domestic Partner of the benefit specified in the next preceding paragraph, elect to have the actuarial equivalent of the combined values of such allowance and such benefit, computed as of his or her actual retirement date, paid in accordance with the terms of one of the following options:

Option (d) Joint and Survivor Retirement Allowance (Eligible Spouse or Domestic Partner only). A lesser retirement allowance payable monthly to the member for life, with the same benefit continuing monthly thereafter to his or her Eligible Spouse or Domestic Partner.

Option (e) Selected Percentage Joint and Survivor Retirement Allowance (Eligible Spouse or Domestic Partner only). A lesser retirement allowance payable monthly to the member for life, with a whole percentage specified by the member which is higher than fifty (50%) and less than one-hundred (100%) payable monthly thereafter to his or her Eligible Spouse or Domestic Partner.

The provisions of said Subsection E (6), as they relate to the time and manner of electing and revoking Option (b) and Option (c) thereof, shall govern in those respects to Options (d) and (e).

- (d) The provisions of this subdivision (9) shall not apply to the Eligible Spouse or Domestic Partner of a member who is designated as beneficiary under either Option (b) or Option (c) of Subsection E (6) of this Section IV; nor shall said provisions apply to any member who upon retirement is not entitled to receive a minimum pension under Subsection E (4) of this Section IV or to the Eligible Spouse or Domestic Partner of such member.⁷

An Eligible Spouse or Domestic Partner shall not be entitled to receive more than one monthly allowance under the provisions of paragraph (b) of this Subdivision (9), for the same period. Any person who qualifies for such allowance through the deaths of two or more retired members may elect in writing which allowance to receive.

- (e) The surviving spouse or Domestic Partner of a deceased member shall be eligible for a monthly allowance for life commencing on the day next following the day on which the member died when the requirements of Plan Section VI D (7) are met. The monthly

allowance shall be that which such surviving spouse or Domestic Partner would have been entitled as the member's designated beneficiary had the member retired on the day next preceding the day of his or her death and elected Option (b) (Joint and Survivor Retirement Allowance) specified in Plan Section IV E (6). Such monthly allowance shall be calculated in accordance with the provisions of Section IV E (4) and shall include the actuarial factor for Option (b) (Joint and Survivor Retirement Allowance). Notwithstanding anything to the contrary herein, the allowance payable hereunder shall terminate as of the last day of the calendar month next preceding the month in which the surviving spouse or Domestic Partner dies.

Notwithstanding the above, should a plan member who is an Unrepresented Employee (currently designated as Bargaining Unit V for payroll purposes) or a plan member represented for benefit purposes by Local 18 of the International Brotherhood of Electrical Workers or by the Management Employees Association die on or after October 1, 2002, when the requirements of Plan Section VI D (7) are met the monthly allowance for the surviving spouse or Domestic Partner of this deceased member shall be that which such surviving spouse or Domestic Partner would have been entitled to as the member's designated beneficiary had the member retired on the day next preceding the day of his or her death and elected Option (d) (Joint or Survivor Retirement Allowance) specified in Plan Section IV E (9). Such monthly allowance shall be calculated in accordance with the provisions of and shall include the actuarial factor for Option (d) (Joint or Survivor Retirement Allowance). Notwithstanding anything to the contrary herein, the allowance payable hereunder shall terminate as of the last day of the calendar month next preceding the month in which the surviving spouse or Domestic Partner dies. As of the date of this plan amendment, DWP Management is in the process of finalizing negotiations with certain DWP bargaining units and other unrepresented employees, possibly extending this benefit to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented. This paragraph shall also apply to plan members who are represented for benefit purposes by such bargaining units or who are unrepresented, with the same force and effect, provided the Board of Administration receives a properly certified Resolution, by the Board of Water and Power Commissioners, entitling those plan members to this benefit, conditioned upon such resolution becoming final as provided in Charter Section 245.

(10) Post-Retirement Cost of Living Adjustment**(a) Subject to the Provisions of This Subdivision (10)**

- (i)** every monthly retirement allowance to a member who retires on or after March 1, 1973, or if not living, to his beneficiary under Option (b) or Option (c) of subsection E (6) of this Section IV, and
 - (ii)** every monthly allowance to an Eligible Spouse, surviving spouse or surviving Domestic Partner of a member who retires on or after March 1, 1973, excluding therefrom any portion thereof which is attributable to a member's additional contributions, payable pursuant to this Section IV E, shall be increased or decreased on the first day of July of each year, by a percentage of such allowance then being paid, which shall equal, to the nearest one-tenth of one percent (0.1%), the percentage of annual increase or decrease in the cost of living during the preceding calendar year; provided that such increase or decrease shall not in any event exceed three percent (3%) of any such allowance in any year.
- (b)** Determination of the percentage of annual increase or decrease in the cost of living shall be made by the Board of Administration on or before the first day of April of each year, by reference to the Consumer Price Index (Los Angeles-Riverside-Orange County, CA - All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor for each of the two immediately preceding calendar years. The percentage by which such index for the more recent full calendar year shall have varied from such index for the full calendar year immediately prior thereto shall be the percentage used to calculate adjustments in the such allowances pursuant to paragraph (a) of this subdivision.
- (c)** The percentage of increase or decrease in the cost of living in any calendar year which is in excess of the maximum amount of annual increase or decrease provided in paragraph (a) of this subdivision shall be accumulated and carried over to the next succeeding calendar year and added to or subtracted from the percentage of increase or decrease in the cost of living for such succeeding calendar year and included in the calculation of adjustments in such allowances effective the first day of July next following such succeeding calendar year. Any portion of such excess not included in such calculation in any year as a result of the limitation in the maximum amount of annual increase or decrease provided in paragraph (a) of this subdivision, shall be similarly accumulated and carried over from year to year until exhausted and included in the calculation or subsequent adjustments in such allowances.

- (d) No such allowance shall be reduced by operation of this subdivision (10) below the amount payable on March 1, 1973, or on the effective date of retirement of the member to or on account of whom such allowance is payable, whichever is later.
- (e) The provisions of this subdivision (10) shall apply only to such allowances payable to or on account of those members who qualify for the minimum pension provided by Subsection E (4) of this Section IV, at the time of retirement.
- (f) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (10), effective August 1, 1973, every monthly allowance which is subject to adjustment pursuant to this subdivision (10), and which first became payable after July 1, 1973, excluding therefrom any portion thereof which is attributable to a member's additional contributions, of any member who retires after the first day of July and prior to the first day of July of the next following year, shall be increased on this date of retirement by a percentage of such allowance to which he is entitled on said date, which shall equal, to the nearest one-tenth of one percent (0.1%), the percentage of annual increase in the cost of living granted the immediately preceding first day of July pursuant to paragraph (a) of this subdivision (10) multiplied by the factor shown opposite the month in which such member retired:

<u>Month of Retirement</u>	<u>Factor</u>
August	.9167
September	.8333
October	.7500
November	.6667
December	.5833
January	.5000
February	.4167
March	.3333
April	.2500
May	.1667
June	.0833

If no increase in the cost of living was granted on said preceding the first day of July or if the annual adjustment on said preceding first day of July resulted in a decrease in the cost of living, the monthly allowance to which such member is entitled on his date of retirement shall not be adjusted in any manner whatsoever prior to the first day of July of the next following year. The percentage of increase in the cost of living on said preceding first day of July which is in excess of the maximum amount of annual increase provided in paragraph (a) of this subdivision (10) or any decrease in the cost of living on said preceding first day of July, shall not be accumulated and carried over to any succeeding calendar year for any allowance adjusted pursuant to this paragraph (f).

- (g) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (10), every monthly allowance payable on October 1, 1977 which is subject to adjustment pursuant to this subdivision (10) and which first became payable on or before July 1, 1976, excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased as of October 1, 1977 by an amount equal to the amount of such allowance then being paid multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
March 1, 1973 through July 1, 1973	3.20
July 2, 1973 through July 1, 1974	3.17
July 2, 1974 through July 1, 1975	2.78
July 2, 1975 through July 1, 1976	1.68

The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1977, pursuant to paragraph (c) of this subdivision (10), shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (g).

- (h) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (10), every monthly allowance payable on March 1, 1981, which is subject to adjustment pursuant to this subdivision (10) and which first became payable on or before July 1, 1978, excluding therefor any portion thereof which is attributable to a member's additional contributions, shall be increased as of March 1, 1981, by an amount equal to the amount of such allowance then being paid multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
March 1, 1973 through July 1, 1973	3.40
July 2, 1973 through July 1, 1974	3.39
July 2, 1974 through July 1, 1975	3.17

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
July 2, 1975 through July 1, 1976	2.55
July 2, 1976 through July 1, 1977	1.96
July 2, 1977 through July 1, 1978	1.60

The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1980, pursuant to paragraph (c) of this subdivision (10), shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (h).

(i) Discretionary Post-Retirement Cost of Living Adjustments

Notwithstanding anything to the contrary in paragraph (a) of this subdivision (10), effective no later than April 1, 1984, and thereafter on or before the first day of April of not less than every third calendar year, the Board of Administration shall review the total of the percentages carried over and accumulated pursuant to the provisions of paragraph (c) of this subdivision (10), since the most recent discretionary cost of living review. If the Board of Administration, after such review determines that a special cost of living increase is warranted, it shall then determine by resolution the percentage by which every monthly allowance which is subject to adjustment pursuant to this subdivision (10), excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased the next following first day of July in addition to the regular annual cost of living adjustment; provided that in no case shall the total cost of said discretionary cost of living adjustment exceed four percent of the total monthly allowances being paid under Section IV E as of the first day of the immediately preceding January; and, provided further that in no case shall the monthly allowance, excluding therefrom any portion thereof which is attributable to a member's additional contributions, of any member who has retired since the most recent discretionary cost of living adjustment, to be increased by more than fifty percent of the total of the percentages carried over and accumulated for such member pursuant to the provisions of paragraph (c) of this subdivision (10). The percentage of increase in the cost of living applicable to each monthly allowance which has been accumulated and carried over as of the first day of July following each such discretionary cost of living increase, pursuant to paragraph (c) of this subdivision (10), shall be reduced by the percentage by which such allowance has been multiplied as of such first day of July following such a discretionary increase pursuant to the provisions of this paragraph (i).

- (j) Each monthly allowance which is subject to adjustment in accordance with Subsection IV E (10) (a) shall be increased as of April 1, 1983 in accordance with the provisions of Subsection IV D (16) (1) of this Plan and the cost-of- living bank established in accordance with Subsection IV E (10) (c) shall be adjusted as of April 1, 1983 as provided in Subsection IV D (16) (l).
- (k) Each monthly allowance which is subject to adjustment in accordance with Section IV E (10)(a) may be increased by resolution of the Board of Administration effective on or after July 1, 1990 in the same manner that it could have been increased by the Board under Section IV E (10)(i).
- (l) The Board of Administration may, by resolution, authorize an increase in the allowances paid to surviving spouses under Plan Section VI D (7) and IV E (9)(e) once prior to July 2, 1999. Such increase shall be based on the cost of living increases provided to retirees for the same periods of time that each of the surviving spouses have received a monthly allowance under the Plan.

(11) Savings Clause

If a member would receive a greater retirement allowance upon retirement if such allowance was calculated in accordance with provisions of Section IV D that are applicable to him than such person would receive if such allowance is calculated in accordance with the provisions of this Section IV E that are applicable to him, then such person shall be entitled to have his allowance calculated pursuant to that section which provides the greater allowance. This subdivision (11) shall apply to the surviving spouse of a member who dies before his actual retirement date while in Department service and who if he had retired the day before his death would have been a person described in the preceding sentence, provided that such surviving spouse is eligible to receive a Survivor's Optional Death Benefit Allowance pursuant to the provisions of Section VI D (7) and elects to receive such Allowance.

F. RETIREMENT FUND ACCOUNTING

Accounting procedure within the Retirement Fund shall conform to the general provisions of Section III relating to accounting and in addition thereto, shall follow the procedure indicated in this Section.

- (1) An individual account shall be set up in the books of the Fund for each member which shall show the total amount of "Accumulated Normal Contributions" and of "Accumulated Additional Contributions," as defined in Section IV A (7) and IV A (8), credited to the member at the close of each month. Said accounts shall be further segregated to show separately the credits and debits during the month and the accumulative interest including distributable surplus and capital gain or loss credits or debits, if any.

- (2) An individual account shall also be set up in like manner for each member which shall show, at the close of each month, the amount of "Contingent Pension Credits for Current Service," as defined in Section IV A (10), credited to the account of said member.
- (3) Upon the grant of a Retirement Allowance to be paid by the Retirement Fund, the individual accounts of the grantee described in Sections IV F (1) and IV F (2) shall be debited with the entire credit balance of each of said accounts on the retirement date of said member and the amount of said credit balance shall be transferred to the "Retirement Allowance Reserve" as required by Section III D (1) (d) hereof.
- (4) **Repealed by Res. No. 117, dated 8-12-76**
- (5) Interest at the rate of eight percent (8%) per annum, compounded annually, shall be used on and after July 1, 1980 in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.
- (6) Upon the retirement of a member a record shall be kept of the "Total Accumulated Contributions" credited to said member upon retirement date, to which record shall be posted the retirement allowance payments made to the retired member subsequent to the date of retirement. Said record shall be maintained for the purpose of calculating the amount of the unused portion of the member's "Total Accumulated Contributions" provided in accordance with Option (a) of Section IV D (6) or Section IV E (6) of this Plan.

G. PURCHASE OF PREVIOUS DEPARTMENT AND CITY SERVICE CREDIT (Amended January 27, 1983, Res. No. 83-514)⁸

- (1) Any contributing member or any active member age 70 or older who is not permitted to make contributions under Section IV C (1)(a) of this Plan may purchase credit for previous Department or City Service under the following conditions:
 - (a) Contributions were made to the Plan for the time period and were later withdrawn; or
 - (b) Contributions were made to CERS or any of the Fire and Police Pension Plans for the time period and were later with- drawn; or
 - (c) Contributions were made to any of the Fire and Police Pension Plans and were not withdrawn because they are non- refundable, and the member is neither eligible for nor receiving any benefits from these plans; or

- (d) Contributions were not made for the period of up to six (6) months of service immediately prior to the employee's eligibility for membership in the Plan; or
 - (e) Contributions were not made for Department service rendered between October 1, 1938 and September 1, 1952 for which the member was not eligible for Plan membership at that time due to the temporary nature of the Department service; or
 - (f) Contributions were not made for City service in which a person was employed on at least a half-time basis and which was not qualifying at the time for membership in CERS or any of the Fire and Police Pension Plans but is now eligible for purchase in CERS.
 - (g) Contributions were not made for Department service because the member was age 70 or older and had 15 or more years of Department service credit toward retirement.
 - (h) Contributions were not made for Department service or City service because the employee was ineligible to membership in the Plan or the City Employees' Retirement System except that in no case shall ineligible service during the same time period as the employee received service credit from the Plan or the City Employees' Retirement System be eligible for purchase nor shall ineligible service specified in Plan Section II D (1)(a) and (b) be eligible for purchase.
 - (i) The member was on an uncompensated maternity leave of absence during a time that the member was otherwise eligible for membership in the Plan or the City Employees' Retirement System except that in no case shall the period eligible for purchase exceed one year for each such leave.
- (2) In those cases where contributions for previous service were withdrawn (Section IV G (1)(a),(b)), the following methods of redeposit shall be used:
- (a) When the redeposit is to be made in a lump sum within the penalty-free period defined in (c) below, the member shall deposit a sum equal to the amount withdrawn plus the interest that would have been credited had the amount been on deposit in the Plan since interest was last credited prior to the withdrawal. Any "Additional Contributions" withdrawn plus interest credited thereto shall be excluded from the redeposit.
 - (b) A member may, within the penalty-free period defined in (c) below, enter into an "Irrevocable Agreement" to redeposit the lump sum as determined in (a) above in partial payments plus interests at the "Regular Interest" rate in effect on the date of the agreement compounded annually on the unpaid balance. The payments shall

be by payroll deduction, in equal biweekly amounts of at least five dollars (\$5.00) over a period not to exceed fifteen (15) years.

- (c) If the lump sum deposit or "Irrevocable Agreement" is made within twelve (12) months of the member's return to service, no additional penalty shall accrue. A Leave of Absence exceeding thirty (30) days shall extend the penalty-free time period by the length of the Leave of Absence up to a maximum of twelve (12) months. The maximum extended penalty-free time period is twenty-four (24) months.
 - (d) When a member deposits a lump sum amount after the penalty-free period defined in (c) above, the amount so deposited shall be determined as in (a) above except that the interest rate used shall be one percent (1%) plus the "Regular Interest" rate in effect at the time of the redeposit, both compounded annually, for the period time which such contributions would have been credited with "Regular Interest" had the amount been on deposit in the Plan since interest was last credited prior to the withdrawal.
 - (e) After the penalty-free time period defined in (c) above, a member may enter into an "Irrevocable Agreement" to redeposit the lump sum amount in (d) above in partial payments. The interest rate on the unpaid balance shall be two percent (2%) plus the "Regular Interest" rate at the time of the agreement, both compounded annually. The payment schedule shall be subject to the same limitations and conditions as in (b) above.
- (3) A member may purchase credit for the period of up to six months of service immediately prior to eligibility for membership in the Plan (Section IV G (1) (d)) by depositing the lesser of six-percent (6%) of his or her Compensation at the time of such purchase multiplied by thirteen (13), or thirteen (13) times his or her first biweekly retirement contribution. However, if a member elects to purchase the first six (6) months' credit for a period beginning prior to June 2, 1980, the calculation of the deposit shall be based on the lesser of six-percent (6%) of his or her monthly Compensation at the time of such purchase multiplied by six (6) or six (6) times the member's initial monthly contribution. The service credit to be purchased and the amount to be deposited shall be reduced for each full pay period or month during which:
- (a) a retirement contribution has already been made, or
 - (b) a retirement contribution would not have been permitted or required pursuant to Plan Section II D (3)(h), or
 - (c) the member was ineligible for Plan membership pursuant to Plan Section II D (1)(a) or (b). If the member's cost to purchase the qualifying period is based on the member's first monthly or biweekly retirement contribution, the deposit shall be made in accordance

with Section IV G (2) above and the interest shall not begin to be accrued until the employee became eligible for membership in the Plan.

- (4) (a)** In those cases, other than as described in (3) above, where contributions were not made during previous Department or City service (Section IV G (1)(e), (f) and (g)), a member may acquire credit for such service by depositing the following amounts:
- (i)** Contributions in an amount equal to the total contributions that would have been made if the employee had been a contributing Plan member during such periods of service. The amount that would have been contributed shall be determined by multiplying the monthly salary rate(s) for the position(s) occupied by the member during the period(s) of service to be acquired, by the Plan contribution rate(s) in effect during such period(s) of service.⁹
 - (ii)** Interest in an amount which would have accrued on the contributions calculated in accordance with (a) above had the employee been a contributing Plan member during such period(s) of service.
 - (iii)** Interest in an amount determined by applying the applicable interest compounded annually to the sum of (a) and (b) above from the last day of such period(s) of service to the date of deposit. The applicable interest shall be determined as in Section IV G (2)(a) or (d), depending on whether the deposit is made before or after the end of the penalty-free time period described in Section IV G (2)(c) above.

If the member enters into an "Irrevocable Agreement" to make such deposit in partial payments, the interest rate on the unpaid balance shall be determined as in Section IV G (2)(b) or (e), depending on whether the date of the agreement is before or after the expiration of the penalty-free time period.

- (b)** In those cases where contributions were not made during Department or City service because the employee was ineligible to Plan membership or City Employees' Retirement System membership (Section IV G (1)(h)), a member may acquire credit for all or part of such service by depositing the following amounts:
- (i)** For months of full-time service prior to December 1, 1980, six-percent (6%) multiplied by the member's monthly Compensation at the time of the deposit for each month of service credit to be purchased.
 - (ii)** For biweekly payroll periods of full-time service after November 30, 1980, six-percent (6%) multiplied by the

member's Compensation at the time of the deposit for each payroll period of service credit to be purchased.

- (iii)** For part-time service prior to December 1, 1980 for periods during which the member did not otherwise receive service credit, the total number of hours of part-time service shall be added and the sum shall be divided by 174 to determine the number of months available for purchase to the nearest one-hundredth of a month. The amount the member must deposit shall be determined in accordance with the method specified in (b)(i) above. For part-time service for periods during which the member did not otherwise receive service credit after November 30, 1980, the total number of hours of part-time service shall be added and the sum shall be divided by 80 to determine the number of payroll periods available for purchase to the nearest one-hundredth of a payroll period. The amount the member must deposit shall be determined in accordance with the method specified in (b)(ii) above.
 - (iv)** In lieu of the amount determined in (b)(i) or (ii) above, the amount to be deposited by the member may be determined by the calculation method specified in (a) above if it provides a lower amount.
 - (v)** If the member enters into an "Irrevocable Agreement" to make such deposit in partial payments within twelve (12) months of the later of June 1, 1999 or his or her next membership date after the last date of the service to be purchased, such payments shall include interest at the "Regular Interest" rate compounded annually on the unpaid balance. After such twelve (12) month period, the interest rate to be compounded on the unpaid balance shall be the "Regular Interest" rate plus two percent (2%).
- (c)** In those cases when the member was on maternity leave of absence without pay (Section IV G (1)(i)) and did not receive disability benefits pursuant to the provisions of this Plan:
- (i)** For each whole month of an uncompensated maternity leave from Department or City service that occurred prior to December 1, 1980, and for which the member has not otherwise received service credit, the member's cost to purchase such whole months shall be the amount equal to the product of the member's monthly Compensation as of the date the lump-sum deposit or Irrevocable Agreement is made multiplied by the member's Normal Contribution rate determined in accordance with Plan Section IV C (1)(a) multiplied by the number of whole months to be purchased.

- (ii) For each whole biweekly payroll period of uncompensated maternity leave from such service that occurred after November 30, 1980, and for which the member has not otherwise received service credit, the member's cost to purchase such whole biweekly payroll periods shall be the amount equal to the product of the member's Compensation as of the date the lump-sum deposit or Irrevocable Agreement is made multiplied by the member's Normal Contribution rate determined in accordance with Plan Section IV C (1)(a) multiplied by the number of whole biweekly payroll periods to be purchased.
 - (iii) If the member enters into an "Irrevocable Agreement" to make such deposit in partial payments within twelve (12) months of the later of June 1, 1999 or his or her next membership date after the last date of the service to be purchased, such payments shall include interest at the "Regular Interest" rate compounded annually on the unpaid balance. If the member enters into an "Irrevocable Agreement" after such twelve (12) month period, the interest rate to be compounded on the unpaid balance shall be the "Regular Interest" rate plus two percent (2%).
- (5) In those cases where contributions were made to any of the Fire and Police Pension Plans and were not withdrawn because they are nonrefundable, and the member is neither eligible for nor receiving any benefits from these plans (Section IV G (1)(c)), a member may acquire credit for such service in the same manner described in Section IV G (4) above.
- (6) Any member who has entered into an "Irrevocable Agreement" to make partial payments toward the purchase of previous service credit may, at any time, deposit the entire unpaid balance in a single lump sum payment. However, a member may not in any other way alter the terms of the agreement.
- (7) **Credit for Previous Service Purchased Shall be Granted as Follows:**
 - (a) Upon completion of the deposit(s) including interest and any penalties, by lump sum or partial payments, the member's eligibility for benefits shall be adjusted to the extent of the service credit so acquired. The Department shall thereafter pay into the Retirement Fund current service contributions in the amount of one-hundred-ten percent (110%) of the "Normal Contributions" deposited including interest.
 - (b) Retirement, Death or any other separation from Plan membership shall terminate an "Irrevocable Agreement" to make partial payments toward the acquisition of previous service credit, unless

the time payment contract is transferred to CERS as described in Section IV J (6) of the Plan.

- (i) Should a member be separated from Department service as a result of retirement or should a member be laid off and subsequently retire while eligible for a minimum pension pursuant to Section IV D (8) or IV E (8) of the Plan, he or she shall receive pro-rata service credit, computed counter-calendarwise, for the completed portion of the terminated "Irrevocable Agreement". Prior to such retirement, the Department shall pay into the Retirement Fund current service contributions in the amount of one-hundred-ten percent (110%) of the "Normal Contributions" deposited including interest.
 - (ii) Should a separated member resume Plan membership and commence making "Normal Contributions", the member shall receive pro-rata service credit, computed counter-calendarwise, for the completed portion of any previously terminated "Irrevocable Agreement". Upon such return to contributing Plan membership, the Department shall pay into the Retirement Fund current service contributions in the amount of one-hundred-ten percent (110%) of the "Normal Contributions" deposited including interest. The member may at any time thereafter acquire additional service credit by entering into a new "Irrevocable Agreement" or depositing the amount required in a lump sum. The limitations and conditions of the new "Irrevocable Agreement" and the amount of the deposit required shall be determined in accordance with the provisions of Section IV G (2), (3), and (4) as though there had been no previous agreement.
 - (iii) Amounts deposited as a result of such "Irrevocable Agreement" plus interest credited thereto shall be included in any refund of "Total Accumulated Contributions" to the member or, in the event of death, to the member's beneficiary. If the "Total Accumulated Contributions" are not so refunded and the member who is separated from Department service thereafter retires in accordance with the provisions of Section IV D (8) or IV E (8) of the Plan and is not entitled to a minimum pension, the amounts deposited pursuant to such "Irrevocable Agreement" and the interest credited thereto shall be considered "Additional Contributions".
- (8) The terms and conditions of this subdivision shall apply to a surviving spouse who is eligible to receive a Survivor's Optional Death Benefit Allowance pursuant to the provisions of Section VI D (7) and elects to receive such allowance. For the purposes of this subdivision, eligibility shall include that which may be acquired by the purchase of previous

service credit authorized herein. Any amounts so deposited by a surviving spouse must be in a single lump sum payment.

H. Repealed by Res. No. 83-514, dated 1-27-83

I. Repealed by Res. No. 83-514, dated 1-27-83

J. RECIPROCAL ARRANGEMENT BETWEEN THE PLAN AND THE CITY EMPLOYEES' RETIREMENT SYSTEM¹⁰

(1) Definitions:

For the purposes of this subsection J, the following words and phrases shall have the following meanings:

(a) "CERS" shall mean the City Employees' Retirement System, provided for by Section 1102(a) of the Charter of The City of Los Angeles.

(b) "Break in Service" shall mean a period of more than seven (7) calendar days between the last day a person is carried on the payroll of another department or office of The City of Los Angeles and the first day such person is employed by the Department of Water and Power, or vice versa.

"City Service" shall mean service rendered to departments or offices of The City of Los Angeles other than the Department of Water and Power during which they were a member of and made contributions to CERS.

(2) Eligibility¹¹

The following persons only shall be eligible to receive credit for City Service pursuant to this subsection J; provided, however, that such person is not receiving or is not entitled to receive for such City Service any benefit from CERS:

(a) Each contributing member in Department service on February 1, 1980, who has, as of said date, deposited contributions for City Service into the Retirement Fund under the provisions of Section IV G, or who is as of said date, making time payments for such City Service by payroll deductions in accordance with Section IV G (4) (c); provided, however, that such member was not terminated from employment by another department or office of The City of Los Angeles for a period of six months or more immediately prior to his or her subsequent current employment by the Department of Water and Power.

(b) Any contributing member in Department service on February 1, 1980, who has, as of said date, left his or her contributions on

deposit in CERS, and who files the application required by Section IV J (3) (b); provided, however, that such member was not terminated from employment by another department or office of The City of Los Angeles for a period of six months or more immediately prior to his or her subsequent current employment by the Department of Water and Power.

(c) Each person who becomes a contributing member after February 1, 1980 and before July 1, 1991, and who enters Department service from another department or office of The City of Los Angeles without a break in service and who:

(i) has six months or more of continuous service with the Department, or with another department or office of The City of Los Angeles during which he or she made contributions to CERS, and who has not made election under Section IV J (4) to not participate in the Reciprocal Arrangement under this subsection J; or

has less than six months of continuous service with any department or office of The City of Los Angeles, but who has made contributions to CERS for any period of continuous service immediately prior to his or her entry into Department service; provided, however, that such person does not, at the end of his or her completion of any remaining period of service after said entry which is necessary to complete such six continuous months of service, file the election under Section IV J (4) to not participate in the Reciprocal arrangement under this Subsection J.

On and after December 1, 1980, the period of continuous service described in the preceding paragraph of this subdivision (c) of Section IV J (2) shall be twenty-six weeks in lieu of said six months.

(d) Each person who becomes a contributing member on or after July 1, 1991 and no later than December 31, 2013 who:

(i) enters Department service from another department or office of the City of Los Angeles without a break in service, and

(ii) has made contributions to CERS, and

(iii) has not made election under Section IV J (4) to not participate in the Reciprocal Arrangement under this Subsection J.

(e) Effective January 1, 2014 and ongoing, no member of the Plan shall be eligible to participate in the reciprocal arrangement

between the Plan and CERS that is established in Divisions (1) through (9) of this Subsection.

(3) Application

Each contributing member eligible under Section IV J (2) (a) or Section IV J (2) (b) must file a written application with the Board, upon such form as the Board may prescribe, in order to be eligible for the earlier entry age as provided in Section IV J (7).

- (a)** A member who has, as of February 1, 1980, deposited contributions for City service into the Retirement Fund under the provisions of Section IV G of the Plan, and who files such application, shall have his or her future contributions to the Retirement Fund computed using said earlier entry age from and after the first day of the second payroll period following the filing of said written application with the Board.
- (b)** Any member eligible under Section IV J (2) (b) who files such written application and has directed that a transfer of his or her CERS contributions be made to the Water and Power Employees' Retirement Fund, shall have his or her future contributions to the Retirement Fund computed using said earlier entry age from and after the first day of the second payroll period following the filing of said written application with the Board. Upon the filing of such an application, the Plan shall file a demand with CERS for the transfer of such CERS contributions into the Water and Power Employees' Retirement Fund. For any period between the time that interest has ceased to be credited upon such member's CERS contributions by said System and the transfer of such contributions to the Water and Power Employees' Retirement Fund, such member shall additionally pay interest for such period at the Regular Interest rate provided in Section IV A (4).
- (c)** A member who is, as of February 1, 1980, making time payments for City Service by payroll deductions in accordance with Section IV G shall have his or her future contributions to the Retirement Fund computed using said earlier entry age from and after the first day of the second payroll period following the filing of said written application with the Board. The terms of the irrevocable agreement setting forth the time payments for the purchase of City Service shall remain unchanged even though an application has been filed with the Board for such earlier entry age.
- (d)** Notwithstanding the change in entry age for contributions made to the Retirement Fund after the filing of such application, no such change in entry age shall be effective for any reason whatsoever for contributions made or owed for months prior to the filing of such application, except as provided by (e) below:

- (e) Each member who has filed an application for a lower entry age pursuant to the provisions of paragraphs (a), (b) or (c) of this Section IV J (3) prior to June 1, 1984 or who files such application on or before May 31, 1985 shall be refunded the excess amount of Accumulated Normal Contributions credited to the account of such member which is over and above the Accumulated Normal Contributions which would have been credited to the account of such member had the lower entry age been used to determine such member's Normal Contributions from the first day of the payroll period ending March 9, 1980 to the last day of the payroll period following that in which the application was filed. Monies transferred from CERS after February 1, 1980, pursuant to Section IV J (2)(b) and the interest earned thereon shall not be included for purposes of determining said excess amount.
- (f) For each member receiving a refund pursuant to paragraph (e) above, the Contingent Pension Credits for Current Service credited to the account of the member in excess of what would have been credited had the lower entry age been used from and after February 1, 1980, shall be transferred to the Additional (for Minimum) Pensions account and shall not be used to offset future Department contributions.

(4) Election Not to Participate in the Reciprocal Arrangement Between the Plan and CERS

Any member eligible under Section IV J (2) (c) may file an election in writing with the Board, on such form as the Board may prescribe, at any time before the expiration of a seven-month period from his or her entry into Department service from another department or office of The City of Los Angeles, not to participate in the Reciprocal Arrangement under this subsection J. A member filing such an election shall have his or her contribution rate set in accordance with the provisions of Section IV C (1)(a) (i) of this Plan.

Notwithstanding the seven-month period established above, any eligible member under Section IV J (2) who entered Department service from another department or office of the City of Los Angeles on a protective leave status pursuant to Civil Service Rule 7.7 or Charter Section 1001 (e), as applicable, from a CERS position on or before December 31, 2013 and who continues to be employed by the Department on such protective leave status as of December 31, 2013, shall have until 30 days following the termination of his or her protective leave or until the expiration of a seven-month period from his or her entry into Department service, whichever occurs later, to elect not to participate in the Reciprocal Arrangement under this subsection J.

(5) Contributions

Any person eligible under Section IV J (2) (c), who has not filed the election not to participate under Section IV J (4), shall have the contributions he or she made to CERS transferred to the Retirement Fund upon the filing of such demand by the Retirement Plan as CERS shall require. At the time such contributions are transferred by CERS, the amount of "City Service" shall be certified by the Manager of CERS or a person designated by said Manager, and shall be deemed to be service rendered to the Department of Water and Power for purposes of calculating, any benefits payable pursuant to this Plan thereafter, and the Department shall thereupon pay into the Retirement Fund 110% of the total amount transferred from CERS. If additional contributions made to CERS are transferred by CERS to the Retirement Plan for any such person, such additional contributions shall be credited to such person's "Accumulated Additional Contributions" account in the Retirement Fund.

A member who is eligible under Section IV J (2)(d) and has not filed the election not to participate under Section IV J (4), whose contributions at CERS include contributions to purchase other governmental service and leaves of absence from City service in accordance with Section 4.1052.1 of the Los Angeles Administrative Code, shall have such contributions deposited into the member's Annuity for Public Service Account. Thereafter, the member shall deposit the remaining amount in accordance with his or her Agreement with CERS, except that percentage-of-pay based contributions shall be converted to an equivalent dollar amount for the remainder of the term of the agreement based upon the original deposit, the amount contributed as of the date of the member's last contribution to CERS and the remaining amount to be contributed as documented by CERS, and the member shall otherwise be bound by the provisions of Plan Section IV K for purchase of an Annuity for Public Service.

When demand is made by CERS for the contributions in the Retirement Fund of any member who enters the service of another department or office of The City of Los Angeles upon leaving the Department, without a break in service, and thereupon becomes a member of CERS, the "Accumulated Normal Contributions" of such member shall be transferred to CERS. If such a member has on deposit in the Retirement Fund any "Accumulated Additional Contributions", he or she shall have the option of either withdrawing such "Accumulated Additional Contributions" from the Retirement Fund, or having such "Accumulated Additional Contributions" transferred to CERS for such additional benefits as are provided under the terms of that system. If such a member has on deposit in the Retirement Fund any amount in the member's Annuity for Public Service Account, such amount shall be transferred to CERS with the member's Accumulated Normal Contributions, for such benefits as are provided under the terms of that system. If CERS does not accept the amount in the member's Annuity for Public Service Account, such amount shall be refunded to the member.

At the end of the each fiscal year, the Retirement Plan Manager shall determine whether the funds transferred from CERS for members eligible under Section IV J (2)(c) are at least equal to the "Accumulated Normal Contributions" that would have been on deposit if the service for which funds were transferred had been rendered under the Plan. If the funds transferred under Section IV J are less than the "Accumulated Normal Contributions" that would have been on deposit, the difference shall be billed to CERS or deducted from any amount owed to CERS.

Also, at the end of each fiscal year, CERS will compare the amounts transferred to CERS from the Retirement Fund during that fiscal year on behalf of ex-members of the Plan with the amount of contributions which would have been payable had such ex-members been CERS members during the period they were employed by the Department. If the amount which would have been contributed had such ex-members been CERS members during such Department employment is more than the amount transferred, CERS will bill the Retirement Fund, and thereupon the Retirement Plan will pay the amount owed less any amount owed to the Retirement Fund by CERS.

(6) Existing Time Payment Contracts

- (a)** Any person eligible under Section IV J (2)(c), who has a time payment contract with CERS immediately prior to his or her employment by the Department, shall have said contract transferred by CERS to the Retirement Plan along with contributions previously made to CERS by such person under said time payment contract. CERS shall certify the amount of "City Service" purchased prior to transferring such time payment contract as well as the amount of service which remains to be paid for under said time payment contract. Such a person shall continue payroll deductions to complete such time payment contract, and the amount of "City Service" already paid for shall be considered as Department service and the Department shall thereupon pay into the Retirement Fund one-hundred-ten percent (110%) of the amount transferred from CERS under this Section IV J (5). Upon the completion of the payments due under any such time payment contract, such member shall be deemed to have made "Normal Contributions" for such remaining period of service, which shall then be deemed Department service, and the Department shall thereupon pay into the Retirement Fund one-hundred-ten percent (110%) of the total amount paid under the remainder of said time payment contract.

Any member who is leaving the service of the Department for employment in another department or office of The City of Los Angeles without a break in service, for whom CERS has made a demand that his or her contributions in the Retirement Fund be transferred to CERS, and who is having payroll deductions made under a time payment contract in accordance with the provisions of

Section IV G, shall have such time payment contract transferred to CERS by the Retirement Plan. The contributions already made to the Retirement Fund under said time payment contract shall also be transferred to CERS. The Water and Power Employees Retirement Plan shall thereupon certify the CERS the amount of service purchased prior to the transfer of such time payment contract, as well as the amount of service which remains to be paid for under said time payment contract.

(7) Age at Entry

Persons who become eligible for membership in the Plan under this Section IV J on or after June 1, 1984 and made contributions to CERS based on a flat rate immediately prior to entering Department service shall make contributions to the Retirement Fund in accordance with Section IV C (1) (a) (i) of the Plan. All other persons eligible under this subsection IV J shall make Normal Contributions to the Retirement Fund based on their age at entry which shall be determined as follows:

- (a)** For a person eligible under Section IV J (2) (c), who has not filed the election not to participate as provided in Section IV J (4), such age at entry shall be whichever is the earlier entry age as determined under either (i) or (ii) hereafter:
 - (i)** the age used by CERS for the last contributions made to that System immediately prior to the date such person enters Department service from another department or office of The City of Los Angeles; or
 - (ii)** the nearest age as of the first day of the calendar month next following the completion of six months continuous City service after such person's first entry into employment with The City of Los Angeles, provided such person has not had a break in City service of six months or more; however, if such person has had a break in City service of six months or more, the entry age shall be such person's nearest age as of the first day of the calendar month next following reentry into City service provided such person had had prior thereto six months' continuous City service; provided further, that if such person did not have six months' continuous City service prior to such a break in City service of six months or more, then the entry age shall be the nearest age as of the completion of said first six months of continuous City service.

On and after December 1, 1980, the term "payroll period" shall be used in lieu of the term "calendar month", and the term "twenty-six weeks" shall be used in lieu of the term "six months" in the subparagraph (ii) hereinabove.

Any change in the age at entry of persons who entered Department service from another department or office of The City of Los Angeles prior to December 1, 1980, will be effective only for contributions due and payable from and after the first day of the second payroll period following the filing with the Board of Administration of a written application made for such change in age at entry by such person on or after December 1, 1980.

- (b) For a member eligible under Section IV J (2) (a) or Section IV J (2) (b), who files or who has filed an application under Section IV J (3), from and after December 1, 1980 such age at entry shall be determined by the provisions of subdivision (a) of this Section IV J (7) hereinabove.

(8) Contribution Rate on Return From Termination of Membership Within Three (3) Years and No Withdrawal¹²

Notwithstanding the provisions of Section IV J (7) (a) above, any person eligible under this Section IV J whose membership is terminated and who, within a period of three (3) years immediately following the date of termination, again becomes a member on or after June 1, 1984, shall thereafter make a Normal Contribution at the rate applicable to said person on the date of termination provided that the person's Total Accumulated Contributions were not withdrawn.

K. ANNUITY FOR PUBLIC SERVICE

A contributing member may purchase a monthly retirement benefit which shall be in addition to the member's retirement allowance provided under Plan Section IV D or IV E by purchasing a single life annuity based upon service with Qualified Governmental Organizations or Eligible Leaves of Absence from Department or City of Los Angeles service. The purchase does not qualify a member who is not otherwise eligible to retire, add to the member's Years of Service for purposes of computing Minimum Pensions A, B or C; add Continuous Service time for Plan Disability benefits or change the member's eligibility for Plan Death Benefits. The cost of the Annuity for Public Service shall be borne solely by the member electing to purchase it and not by the Department.

(1) Definitions:

- (a) "*Annuity for Public Service*" is a monthly amount which is the actuarial equivalent of the balance in the member's Annuity for Public Service Account at the time of the member's retirement, payable for the member's lifetime, increasing by three percent (3%) each July 1.

"*Eligible Leave of Absence*" shall be the time that the member was on a leave of absence without pay from Department service or from City of Los Angeles service, excluding disciplinary leaves,

Disciplinary Suspensions and leaves during which the member received Plan Disability or workers' compensation benefits and for which the member would be eligible to receive retirement service credit as of the Proposed Retirement Date pursuant to Plan Section IV E (4)(d). Leaves of Absence must aggregate to at least six months to be Eligible Leaves of Absence. Leaves of absence for periods of time for which the member received retirement service credit are not Eligible Leaves of Absence.

- (b) *“Eligible Service”* shall be full-time employment or military service with a Qualified Governmental Organization which did qualify or would have qualified the member for pension service credits with that Qualified Governmental Organization, but for which no retirement benefit is or will be payable to the member. To qualify as Eligible Service, the character of the member's service in the Armed Forces of the United States must have been “Honorable”.
- (c) *“Proposed Retirement Date”* shall be the first day of a future month, chosen by the member, to be used to calculate the Public Service Equivalent Benefit. As of that date, the member must be qualified to retire with a Minimum Pension C as provided in Plan Section IV E (4) assuming that there will be no break in service or termination from Department service prior to that date. Eligible Service and Eligible Leaves of Absence shall not be considered in the determination of the member's qualification to retire with a Minimum Pension C as of such date.
- (d) *“Public Service Equivalent Benefit”* is the projected additional monthly allowance calculated in accordance with Plan Section IV E (4) derived when Eligible Service and/or Eligible Leaves of Absence are added to the member's projected Years of Service and the member's salary is projected to the Proposed Retirement Date in accordance with Plan Section IV K (2)(a).
- (e) *“Qualified Governmental Organization”* shall mean the Government of the United States or a State or Territory of the United States or a political subdivision within such State or Territory which employs people who are (or were) members of a public retirement system. The Board of Administration shall determine if a governmental entity other than those enumerated in this paragraph is a Qualified Governmental Organization.

(2) Calculation of the Public Service Equivalent Benefit

- (a) The Public Service Equivalent Benefit shall be determined by:

Projecting the member's salary to the Proposed Retirement Date based upon the member's current salary using the annual salary rate of increase as was most recently used in the actuarial valuation of the Retirement Plan, with the

increases occurring on each successive October 1 and the Highest Average One Year's Salary determined in accordance with Plan Section IV E (4)(e).

- (i) Projecting the member's Years of Service to the Proposed Retirement Date with the assumption that there will be no leaves of absence without pay or breaks in service from the date of the calculation to the Proposed Retirement Date and determining the member's Years of Service in accordance with Plan Section IV E (4)(d).
- (ii) Calculating, in accordance with Plan Section IV E (4)(b), the member's projected Minimum Pension C monthly allowance as of the Proposed Retirement Date, based on the member's projected Highest One Year's Salary determined in (i) above and based on the member's projected Years of Service determined in (ii) above, not including any Eligible Service and/or Eligible Leaves of Absence.
- (iii) Calculating the member's projected Minimum Pension C monthly allowance as in (iii) above, except that the Eligible Service and Eligible Leaves of Absence designated by the member in accordance with (c), (d) and (e) of this subsection (2) shall be included in the member's projected Years of Service.
- (iv) Subtracting the result of the calculation in (iii) above from the result of the calculation in (iv) above.
- (b) The calculation of the Public Service Equivalent Benefit shall be based on the retirement benefits in effect at the time the Public Service Equivalent Benefit is calculated.
- (c) The member shall designate each full period of not less than six months of Eligible Service to be included, except that periods of less than six months with the same Qualified Governmental Organization may be added to periods of at least six months. Only full periods of employment may be included.
- (d) The total amount of Eligible Service may not exceed the amount of projected Minimum C Years of Service determined in accordance with Plan Section IV E (4)(d) that the member would otherwise have without such Eligible Service, with the assumption that there will be no leaves of absence without pay or breaks in service from the date of the calculation to the Proposed Retirement Date.

The member shall designate each full Eligible Leave of Absence to be included, provided that only full periods of leaves of absence may be included, and provided further that leaves of absence during which Plan Disability benefits or workers' compensation

benefits were paid may be designated only to the extent that the time would not be included in the calculation of Years of Service as of the Proposed Retirement Date in accordance with Plan Section IV E (4)(d)(iv).

(3) Calculation of the Amount of the Lump Sum to be Deposited

- (a)** The present value at the Proposed Retirement Date of the Public Service Equivalent Benefit determined in subsection (2) above shall be calculated for the member's expected lifetime using such tables of life expectancy and such interest rate as were most recently used in the actuarial valuation of the Retirement Plan; provided, however, that said interest rate shall be reduced to account for the value of the annual three percent (3%) increase included in the Annuity for Public Service.
- (b)** The lump-sum amount that the member must deposit toward the Annuity for Public Service shall be calculated by discounting, to the date of deposit, the present value of the Public Service Equivalent Benefit at the Proposed Retirement Date as determined in (a) above, using a discount rate equal to such interest rate as was most recently used in the actuarial valuation of the Retirement Plan.

(4) Certification of Eligible Service and Eligible Leaves of Absence

- (a)** The member shall secure certification from the Qualified Governmental Organization of the periods of Eligible Service. The Qualified Governmental Organization must also certify that the member has no rights to retirement benefits based on the certified Eligible Service. Service in the Armed Forces of the United States may be certified by an official discharge document issued by said Armed Forces showing the character of the member's service and his or her dates of service in said Armed Forces.
- (b)** The member shall secure certification from the City of Los Angeles of Eligible Leaves of Absence from City service. Eligible Leaves of Absence from Department service shall be evidenced by such certification as is required by the Board.

(5) Contributions Toward Annuity for Public Service

The contributing member shall deposit a lump sum to the Plan in an amount equal to the amount calculated in subsection (3)(b) above. Such deposit shall not be considered Normal Contributions and shall not be matched by Department contributions for current service. In accordance with the Letters of Agreement signed by the Department and its certified employee organizations, Plan members and retired members who signed an agreement under the Department's Focused Separation Program on or before June 30,

1995, and did not rescind such agreement, shall be permitted to purchase an Annuity for Public Service, provided however, that the purchase may only be made by lump-sum deposit and must be made prior to July 1, 1997. (footnote: To be removed from the Plan July 1, 1998)

- (a)** In lieu of a lump sum deposit toward an Annuity for Public Service, a contributing member may enter into a revocable agreement to contribute such deposit in partial payments plus interest at the Regular Interest rate in effect on the date of the agreement compounded annually on the unpaid balance. The contributions shall be by payroll deduction in equal biweekly amounts over a period not to exceed five (5) years; provided however, that the period shall not extend beyond the Proposed Retirement Date. The member may also make a partial payment by lump sum deposit and enter into such revocable agreement for the remaining balance. A member who has not made all of the biweekly contributions during the period specified in the agreement may complete such contributions after such period has expired, but in no case shall contributions be made after the member's retirement date. At no time shall the deposits made under such agreement be considered Normal Contributions nor shall such deposits be matched by Department contributions for current service.
- (i)** A member may, at his or her option, make contributions toward an Annuity for Public Service while on a leave without pay from Department service, on disability leave or on leave and receiving benefits under a workers' compensation plan or law, except that a member may not make contributions during leaves of absence covering periods during which the member is eligible for retirement service credit for service in another City department or office.
- (ii)** A member who has entered into an agreement to make contributions toward an Annuity for Public Service may, at any time, deposit the entire unpaid balance in a single lump sum payment. However, the member may not in any other way alter the terms of the agreement.
- (iii)** If a member revokes the agreement to contribute toward an Annuity for Public Service, the member's contributions toward the Annuity for Public Service shall terminate and the accumulated contributions and interest in the member's Annuity for Public Service Account shall be transferred to the member's Additional Contributions established in accordance with Plan Section IV C (1)(b) and shall thereafter be subject to all provisions of the Plan applicable to Additional Contributions. Such transferred contributions and interest shall not be available for any future deposit toward an Annuity for Public Service.

- (iv) If a member revokes the agreement to contribute toward an Annuity for Public Service, the terms and conditions of that agreement shall thereby be permanently waived by the member. The member may subsequently contribute toward an Annuity for Public Service for the same Eligible Service or Eligible Leaves of Absence by depositing a lump sum amount or may enter into a new agreement. Such lump-sum amount or new agreement shall be calculated in accordance with subsections (3) and (5) above, based on a new calculation of the Public Service Equivalent Benefit using the member's age, projected salary and projected Years of Service at the time the member again decides to contribute toward an Annuity for Public Service. Such new Public Service Equivalent Benefit, new lump sum amount or partial payments in a new agreement shall not be reduced by any amount previously contributed under this Plan Section IV K and transferred to the member's Additional Contributions account following revocation of a previous agreement.
- (v) If a member who has entered into an agreement to contribute toward an Annuity for Public Service terminates his or her Department service and does not participate in the reciprocal agreement with the City Employees' Retirement System in accordance with Plan Section IV J, the member's agreement to contribute toward an Annuity for Public Service shall be deemed revoked and the amount in such member's Annuity for Public Service Account shall be transferred to the member's Additional Contribution account in accordance with (iii) above.

(6) Annuity for Public Service Account

Lump-sum deposits and contributions made pursuant to subsection (5) above, and/or contributions made to CERS to purchase other governmental service and leaves of absence from City service in accordance with Section 4.1052.1 of the Los Angeles Administrative Code which are transferred to this Plan pursuant to Plan Section IV J (5) shall be maintained in a member's account to be known as Annuity for Public Service Account which shall be credited with Regular Interest in accordance with Plan Section IV A (4) and with any pro rata credit determined in accordance with Plan Section III C (8)(a)(i) and (ii). If the member withdraws his or her Total Accumulated Contributions, the total amount in the Annuity for Public Service Account shall be withdrawn under the same terms and conditions at the same time.

(7) Calculation of the Annuity for Public Service

When a member who has an amount in his or her Annuity for Public Service Account commences receiving benefits in

accordance with Plan Section IV D or IV E, such member shall commence receiving an Annuity for Public Service. Such Annuity for Public Service shall be determined based on the total of contributions and interest in the member's Annuity for Public Service Account at the time of the member's retirement using such tables of life expectancy and such interest rate as were most recently used in the actuarial valuation of the Retirement Plan; provided, however, that said interest rate shall be reduced to account for the value of the annual three percent (3%) increase included in the Annuity for Public Service. As hereinafter used in this section, "full Annuity for Public Service" shall mean the maximum monthly amount as defined in Plan Section IV K (1)(a). Such full Annuity for Public Service shall have no value remaining for the member's estate or beneficiary at the time of death and shall be calculated in accordance with this paragraph.

- (a) In lieu of the full Annuity for Public Service provided for in (a) above, the member may select one of the following options:
- (i) A lesser Annuity for Public Service and a guaranty of return of contributions after the member's death to the member's beneficiary designated in accordance with Plan Section VI C (2). Such lesser Annuity for Public Service shall be determined by multiplying the full Annuity for Public Service by the applicable factor for the member's nearest age at retirement from the table used to calculate Option (a) in Plan Section IV E (6). The return of contributions to the member's designated beneficiary shall be the amount, if any, by which the balance in the member's Annuity for Public Service Account at the time of the member's retirement exceeds the sum of said lesser Annuity for Public Service benefits paid monthly from the date of the member's retirement to the date of the member's death.
 - (ii) A lesser Annuity for Public Service, which shall be the actuarial equivalent of the full Annuity for Public Service payable monthly to the member for life with the same benefit continuing monthly thereafter to the designated beneficiary for life.
 - (iii) A lesser Annuity for Public Service, which shall be the actuarial equivalent of the full Annuity for Public Service payable monthly to the member for life with a lesser benefit continuing monthly thereafter to the designated beneficiary for life. The member shall specify any whole percentage less than 100% as the portion of the Annuity for Public Service to be paid as a monthly benefit to the beneficiary
 - (iv) The member may choose only one of the options provided for in this subsection (b).

- (b) The provisions of Plan Section IV E (6) specifying the terms and conditions for the designation of beneficiary under Option (a) shall apply to the designation of beneficiary under (b)(i) of this subsection and the provisions of Plan Section IV E (6) specifying the terms and conditions for the designation of beneficiary under Options (b) and (c) shall apply to the designation of beneficiary under (b)(ii) and (b)(iii) of this subsection; provided, however, that if a beneficiary designated to receive a continuance in accordance with (b)(ii) or (b)(iii) of this subsection dies before the right of the member to revoke such option has expired, and the member thereafter retires without designating another beneficiary, the continuance theretofore elected shall be thereby canceled and the member shall receive the full Annuity for Public Service. All other requirements, limitations, Option revocation limits and Option selection time limits in the Plan regarding retirement allowance Options (a), (b) and (c) in Plan Section IV E (6) shall govern the option elected by a member for the Annuity for Public Service except that in no case shall the provisions of Plan Sections IV E (1) through (5) be applicable to an Annuity for Public Service.

L. PURCHASE OF OTHER GOVERNMENTAL SERVICE

- (1) Under the following conditions, a contributing member may purchase credit for periods of previous Other Governmental Service rounded down to the nearest whole month:
- (a) The service was full-time paid employment with a Qualified Governmental Organization or full-time service in the Armed Forces of the United States, for which no retirement benefit is or will be payable to the member. To qualify as Eligible Service, the character of the member's service in the Armed Forces of the United States must have been "Honorable". To be eligible for purchase, the service must have been at least six continuous months.
- (b) The service was with a Qualified Governmental Organization which shall mean the Government of the United States, or the United States Postal Service, or a State or Territory of the United States or a political subdivision within such State. A non-governmental entity supported by government contracts or grants shall not be included as a Qualified Governmental Organization. The Board of Administration shall determine if a governmental entity other than those enumerated in this paragraph is a Qualified Governmental Organization.

The member must obtain certification from the Qualified Governmental Organization or its public retirement system showing the full-time paid employment periods and further certifying that the member is not eligible and will not be eligible for retirement benefits for that service. Service in the Armed Forces of the United

States may be certified by an official discharge document issued by said Armed Forces showing the character of the member's service and his or her dates of service in said Armed Forces.

- (c) Members who are Half-Time Civil Service Employees as described in Section IV C (1)(a)(vi) may purchase full time service in the Armed Forces of the United States under the conditions set forth herein but not service that was full-time paid employment with a Qualified Governmental Organization other than the Armed Forces of the United States.
- (2) The member's cost to purchase Other Governmental Service credit shall be as follows:

 - (a) If the member does not have contributions and interest on deposit in the retirement plan of the Qualified Governmental Organization, the member's cost shall be the amount equal to the product of the member's monthly Compensation as of the date the lump-sum deposit or Irrevocable Agreement is made multiplied by the member's Normal Contribution rate determined in accordance with Plan Section IV C (1)(a) multiplied by the number of years and whole months (rounded down to the nearest whole month) to be purchased.

 - (i) The member shall deposit a lump-sum amount equal to the cost calculated in this subsection (2)(a) to purchase the Other Governmental Service credit.
 - (ii) In lieu of the lump-sum amount, the member may enter into an Irrevocable Agreement to deposit the lump-sum amount calculated in this subsection (2)(a) in partial payments plus interest at the Regular Interest rate in effect at the time of the Agreement, both compounded annually, on the unpaid balance. The payments shall be by payroll deduction, in equal biweekly amounts of at least five-dollars (\$5.00) over a period not to exceed fifteen (15) years.
 - (iii) Any member who has entered into an Irrevocable Agreement to make partial payments toward the purchase of Other Governmental Service credit may, at any time, deposit the entire unpaid balance in a single lump-sum payment. However, a member may not in any other way alter the terms of the Agreement.
 - (b) If the member has contributions and interest on deposit in the retirement plan of the Qualified Governmental Organization, the member's cost to purchase Other Governmental Service credit shall equal the amount of contributions and interest on deposit in the retirement plan of the Qualified Governmental Organization immediately prior to the member's withdrawal of the amount of

such contributions and interest. The member may purchase Other Governmental Service credit for the full-time paid employment period represented by such contributions and interest under the following conditions:

- (i) The member must withdraw all retirement contributions and interest from the retirement plan of the Qualified Governmental Organization and, within sixty (60) days of the date of such withdrawal, deposit in the Retirement Fund the total amount of such contributions and interest that was on deposit immediately prior to such withdrawal. Such deposit must be made in a lump sum; partial payments may not be made.
- (ii) If the retirement plan of the Qualified Governmental Organization does not require member contributions, does not maintain records of member contributions, or does not permit withdrawal of member contributions, or if the deposit is not completed within said sixty (60) days of the date of the withdrawal, this subsection (2)(b) shall not apply and the member's cost of Other Governmental Service shall be calculated in accordance with subsection (2)(a) above.
- (iii) In lieu of the required deposit by the member of the amount withdrawn specified in this subsection (2)(b), the Board of Administration may provide for the rollover of contributions and interest from the retirement plan of the Qualified Governmental Organization in accordance with the provisions of the Federal Internal Revenue Code. If the total amount of the member's cost determined in accordance with this subsection (2)(b) is not included in such rollover, the member shall pay, in a lump sum into the Retirement Fund, the difference between the amount that was on deposit in the retirement plan of the Qualified Governmental Organization immediately prior to such rollover and the amount rolled over into the Retirement Fund. If the member fails to pay such difference within thirty (30) calendar days after the receipt by the Plan of the rollover amount, the rollover shall be considered Additional Contributions made in accordance with Plan Section IV C (1)(b), and the member shall not receive service credit. Thereafter, the member's cost of such Other Governmental Service credit shall be calculated in accordance with subsection (2)(a) above as though no previous rollover of contributions and interest from the retirement plan of the Qualified Governmental Organization had occurred.

As specified in subsection (1)(a) above, all contributions and interest must be withdrawn or rolled over from, and all rights to benefits must be annulled by the retirement plan of the Qualified

Governmental Organization for Other Governmental Service to be purchased under this subsection (2).

- (3) **Deleted May 21, 1998, Resolution No. 98-723.**
- (4) Credit for the Other Governmental Service purchased shall be granted as follows:
- (a) Upon completion of the deposit(s) including interest, by lump-sum or partial payments, the member's eligibility for benefits shall be adjusted to the extent of the Other Governmental Service credit (rounded down to the nearest whole month) so acquired. The Department shall thereafter pay into the Retirement Fund Current Service contributions in the amount of one-hundred-ten percent (110%) of the Normal Contributions deposited including interest.
- (b) Retirement, death or any other separation from Plan membership shall terminate an Irrevocable Agreement to make partial payments toward the acquisition of Other Governmental Service credit, unless the time payment contract is transferred to CERS as described in Section IV J (6) of the Plan.
- (i) Should a member be separated from Department service as a result of retirement or should a member terminate employment and subsequently retire while eligible for a minimum pension pursuant to Section IV D (8) or IV E (8) of the Plan, he or she shall receive pro-rata service credit, rounded down to the nearest whole month and computed counter-calendarwise, for the completed portion of the terminated Irrevocable Agreement for the purchase of Other Governmental Service credit. Prior to such retirement, the Department shall pay into the Retirement Fund Current Service contributions in the amount of one-hundred-ten percent (110%) of the Normal Contributions deposited including interest.

Should a separated member resume Plan membership and commence making Normal Contributions, the member shall receive pro-rata Other Governmental Service credit, rounded down to the nearest whole month and computed counter-calendarwise, for the completed portion of any previously terminated Irrevocable Agreement. Upon such return to contributing Plan membership, the Department shall pay into the Retirement Fund Current Service credit contributions in the amount of one-hundred-ten percent (110%) of the Normal Contributions deposited including interest. The member may at any time thereafter acquire the remaining Other Governmental Service credit by entering into a new Irrevocable Agreement or depositing the amount required in

a lump sum calculated in accordance with the provisions of Section IV L (2)(a).

- (ii) Amounts deposited as a result of such Irrevocable Agreement to purchase Other Governmental Service credit plus interest credited thereto shall be included in any refund of "Total Accumulated Contributions" to the member or, in the event of death, to the member's beneficiary. If the Total Accumulated Contributions are not so refunded and the member who is separated from Department service thereafter retires in accordance with the provisions of Section IV D (8) or IV E (8) of the Plan and is not entitled to a minimum pension, the amounts deposited pursuant to such Irrevocable Agreement and the interest credited thereto shall be considered Additional Contributions.
- (5) The terms and conditions of this subdivision shall apply to a surviving spouse who is eligible to receive a Survivor's Optional Death Benefit Allowance pursuant to the provisions of Section VI D (7) and elects to receive such allowance. For the purposes of this subdivision, eligibility shall include that which may be acquired by the purchase of Other Governmental Service credit authorized herein. Any amounts so deposited by a surviving spouse must be in a single lump-sum payment.

M. ADDITIONAL METHODS OF PAYMENT FOR PURCHASE BY MEMBERS

(1) Payment Via Trustee-to-Trustee Transfers to the Plan

The Board of Administration may, notwithstanding any restrictions upon the method of payment specified elsewhere, provide by rule that any member eligible to make lump sum payments pursuant to Sections IV G, IV J, IV K, IV L, or any other section pursuant to which a member can make a lump sum payment in order to receive an increased benefit, may make full or partial payment for these purposes by a direct trustee-to-trustee transfer of funds from any eligible retirement plan (as defined in Section 402(c)(8)(B) of the Internal Revenue Code) as permitted under current federal and state law or under these laws as amended in the future. In the event a trustee-to-trustee transfer is only a partial payment, the member may pay off the remaining balance owed in a lump sum payment.

Any Board rules adopted hereunder shall require, before the Plan accepts any trustee-to-trustee transfer into the member's account, that the trustee transferring such monies to the Plan shall identify whether the funds being transferred are pre-tax or post-tax monies, so that the Plan can properly account therefore.

N. RETIREE HEALTH BENEFITS FUND**(1) Creation of Retiree Health Benefits Fund**

Pursuant to relevant provisions of Sections 1110 through 1120 and 1180 through 1190 of the Charter of The City of Los Angeles (the “Charter”) and Section II B of the Water and Power Employees’ Retirement Plan, a separate trust fund, which shall be known as the “Retiree Health Benefits Fund,” is hereby created and established, subject to the provisions of this Section IV N, as part of the Water and Power Employees’ Retirement Plan.

(2) Purpose of Fund and Extent of Funding

The Retiree Health Benefits Fund shall be maintained and administered for the sole and exclusive purpose of funding the benefits provided under the Department’s Postretirement Health Care Benefit Plan (the “Retiree Health Benefits Plan”) at such rates, over such periods and through contributions made at such times and amounts as the Board of Commissioners may determine from time to time. The discretion of the Board of Commissioners to determine the rates at which, the periods over which, and the timing and amounts of the contributions to be made by the Department to the Retiree Health Benefits Fund, may be delegated to one or more officers of the Department designated by the Board of Commissioners from time to time.

(3) Status of Fund

(a) The Retiree Health Benefits Fund is a special trust fund under Section 1110 of the Charter. Pursuant to Section 1188(b) of the Charter, all revenues, contributions, expenses and liabilities of the Retiree Health Benefits Fund shall be segregated at all times from the Retirement Fund as well as the Disability and Death Benefit Funds, *provided* that the assets of the Retiree Health Benefits Fund may be commingled solely for investment purposes with the assets of one or more of those other Funds.

(b) In no event may any contributions to, or assets or earnings of, the Retiree Health Benefits Fund be used for any purpose other than to defray (i) current or future benefit liabilities and related costs incurred under the Retiree Health Benefits Plan and (ii) such portions of the overall investment and administrative costs and expenses of the Water and Power Employees’ Retirement Plan as are directly incurred by or reasonably allocable to the Retiree Health Benefits Fund. At no time shall any part of the Retiree Health Benefits Fund be used for, or diverted to, purposes other than for the exclusive benefit of participants under the Retiree Health Benefits Plan and for defraying the expenses of administering the Retiree Health Benefits Plan and Fund.

(c) Inasmuch as the Retiree Health Benefits Plan and the Retiree Health Benefits Fund are the product of the exercise by the

Department of an essential governmental function (within the meaning of U.S. Internal Revenue Code (“IRC”) Section 115(1)) (namely, providing retiree health benefits to its employees), any gross income of the Retiree Health Benefits Fund is intended to be exempt from federal income tax under IRC Section 115(1). Although it is established by this Section IV N, in no event shall the Retiree Health Benefits Fund be deemed to constitute part of either (i) any of the Retirement, Disability and Death Benefit Funds, or (ii) the pension plan and trust they collectively comprise, for purposes of determining the collective status of the Retirement, Disability and Death Benefit Funds as a tax-qualified plan under IRC Section 401(a) and a tax-exempt trust under IRC Section 501(a).

(4) Administration of Retiree Health Benefits Fund

Administration of the Retiree Health Benefits Fund shall be governed by Sections III A, III B and III C (1) through III C (6), and the Board of Administration shall be the fiduciary responsible for the determination of the amounts and the disbursement of premium and/or other cost of benefit coverage payments to insurance carriers, health maintenance organizations and/or third-party administrators or payers of the benefits provided by the Retiree Health Benefits Plan, *provided* that the Board of Administration may allocate to or among specified administrative units of the Department authority to perform any or all of those functions, subject to (i) such procedures and internal controls as the Board of Administration may establish or approve and (ii) its fiduciary oversight.

(5) Assignments Prohibited

No right of any member, or the beneficiary of any member, to receive and to be paid any money under the provisions of this Section IV N shall be assignable or alienable in any manner whatsoever.

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- ¹ **IV B (2)** The Point in Time at Which a Member May Not Rescind The Decision to Withdraw His or Her Total Accumulated Contributions [SEE ADMIN. INTERPRETATION DATED 8-1-96]
- ² **IV C (1)(a)(iv)** Restoration of Entry Age Contribution Rate [SEE ADMIN. INTERPRETATION DATED 9-6-89]
- ³ **IV C (2)(d)2.** Service Credit for Military Leave [SEE ADMIN. INTERPRETATION DATED 7-27-90]
- ⁴ **IV D 4** Qualification for Minimum Pension [SEE ADMIN. INTERPRETATION DATED 6-17-82 and 5-5-86]
- ⁵ **IV E** Allowances limited to 95% of Salary [SEE ADMIN. INTERPRETATION DATED 2-20-86] Money Purchase Allowances Greater than 95% of Highest One-Year Average Salary [SEE ADMIN. INTERPRETATION DATED 11-10-94]
- ⁶ **IV E (4)(e)** Highest Average One Year's Salary [SEE ADMIN. INTERPRETATION DATED 2-12-93]
- ⁷ **IV E (9)(d)** Limits on Retirement Continuance Benefits [SEE ADMIN. INTERPRETATION DATED 12-7-95]
- ⁸ **IV G** City Service Time Eligible For Purchase is Included in Service Time for Early Vested Right Retirement Eligibility [SEE ADMIN. INTERPRETATION DATED 5-23-96]
- ⁹ **IV G (4)(a)** Use of Biweekly Rates for Purchase of Service Credit for Which Contributions Were Not Previously Made [SEE ADMIN. INTERPRETATION DATED 1-27-93]
- ¹⁰ **IV J** City Service Time Eligible For Purchase is Included in Service Time for Early Vested Right Retirement Eligibility [SEE ADMIN. INTERPRETATION DATED 5-23-96]
- ¹¹ **IV J (2)** Eligibility for Plan Membership (nearly obsolete) [SEE ADMIN. INTERPRETATION DATED 10-30-85]
- ¹² **IV J (8)** Restoration of Entry Age Contribution Rate [SEE ADMIN. INTERPRETATION DATED 9-6-89]

WATER AND POWER EMPLOYEES' DISABILITY PLAN

SECTION V

DISABILITY FUND

A. DEFINITIONS

The following words and phrases as used in relation to the Disability portion of this Plan, unless a different meaning is plainly required by the context, shall have the following meanings:

- (1) "*Disability Allowance*" shall mean the biweekly disability allowance payments for Temporary and Extended Temporary Disability benefits, and/or the monthly disability allowance payments for Permanent Total Disability benefits, to which a member is entitled under the provisions of this Plan.
- (2) **Temporary and Extended Temporary Disability**
 - (a) "*Temporary Disability*" shall mean any impairment of mind or body, not arising out of employment and not compensable under any system of workers' compensation, which renders the member wholly and continuously unable to perform the duties of his or her position in Department service for any period subsequent to the first Ten Workdays following the Inception of Disability and not exceeding fifty (50) weeks.
 - (b) "*Extended Temporary Disability*" shall mean any impairment of mind or body, not arising out of employment and not compensable under any system of workers' compensation which renders the member wholly and continuously unable to perform the duties of his or her position in Department service for a period not exceeding fifty-two (52) weeks, and which is immediately preceded by a Temporary Disability that has existed uninterruptedly for not less than fifty weeks; provided further that said member does not qualify for Permanent Total Disability as defined in subsection A (3) of this Section V subsequent to the end of the fiftieth week of Temporary Disability.
- (3) "*Permanent Total Disability*" shall mean any impairment of mind or body, not arising out of employment and not compensable under any system of workers' compensation, which subsequent to the end of the fiftieth week of Temporary Disability, or subsequent to the end of the fifty-second week of any Extended Temporary Disability or within any period during such Extended Temporary Disability or within a period of two years subsequent to the end of the fifty-second week of such Extended Temporary Disability if the person is on a leave of absence without pay due to a disability that the Board determined was not Permanent Total Disability as defined herein, renders the member or person wholly and continuously unable to engage in any gainful occupation whatsoever, and is reasonably certain to

continue or life; provided, that total disability during its actual continuance shall raise a rebuttable presumption that it is permanent when and if it has been preceded by a Temporary Disability that has existed uninterrupted for not less than fifty weeks, or by such a Temporary Disability and any period up to but not exceeding fifty-two weeks of Extended Temporary Disability; and provided further that any such Permanent Total Disability occurring within two years subsequent to the end of the fifty-second week of Extended Temporary Disability must be caused by or be the result of the immediately preceding Temporary Disability or Extended Temporary Disability. The provisions of this paragraph shall apply to any member who is disabled and who shall be entitled to benefits for such disability on or after December 1, 1972, and to any person who, on or after May 1, 1971, is on a leave of absence without pay due to a disability that the Board determined was not Permanent Total Disability as defined in this subsection.

- (4) "*Disability Leave*" shall mean the leave without pay granted by the Department from service in the Department subsequent to the first Ten Workdays following the Inception of Disability and due to disability as defined in subdivisions (2) and (3) of this Section V A.
- (5) The phrase, "*any impairment of mind or body*", as used in subsections (2) and (3) hereof, shall be construed to include pregnancy and resulting childbirth or complications therefrom.
- (6) **Repealed by Res. No. 388, dated 11-30-72**
- (7) "*Hospital*" shall mean a lawfully operating institution for the care and treatment of sick and injured persons, with 24-hour nursing service and organized facilities for diagnosis and major surgery. In no event, however, shall such term include an institution which is primarily a rest home, nursing home, an institution primarily engaged in providing convalescent and rest care facilities, a sanitarium, a place for the aged, a place for alcoholics or a place for drug addicts.
- (8) "*Workday*" as used in this Section V shall mean a full day a disabled member would have normally performed the duties of his or her position in Department service were he or she not so disabled. A full day shall mean the number of hours in a day that the disabled member would normally be scheduled to work were he or she not so disabled.
- (9) "*Ten Workdays*" shall mean eighty continuous hours of paid temporary disability time; provided however, for Half-Time Civil Service Employees as described in Section IV C (1)(a)(vi) or Section VII E (2), as applicable, fourteen (14) calendar days shall substitute for "Ten Workdays" as used throughout Section V and references to the eleventh (11th) workday shall be deemed to refer to the fifteenth (15th) calendar day.
- (10) "*Inception of Disability*" shall mean the date Ten Workdays immediately prior to the day a disabled member is first entitled to disability benefits, for

any period he or she is absent from Department service, under Section V D (1) and Section V C (2)(a) of this Plan.

B. CONTRIBUTIONS TO DISABILITY FUND

- (1) Contributions to the Disability Fund shall be made by every member eligible to disability benefits and not prohibited from making contributions to said Fund and by the Department at the rates and according to the rules hereinafter set forth. Such contributions made by members shall be paid each payroll period at such time as the member's Normal Contributions are made, by each member who is in Department service during any part of the payroll period and who is eligible to benefits during the payroll period. The contribution for each payroll period shall constitute the contribution for the payroll period in which it is made when it is taken through payroll deduction. Said contributions by the Department shall be paid monthly from Funds of the Department as soon after the first day of the month as shall be practical for each of said members who is required to and who does make contributions for a payroll period during the month. Contribution rates shall be revised when and as directed by the Board of Commissioners. Beginning July 1, 1991, each new eligible member shall be prohibited from making contributions to the Disability Fund until the first day of the payroll period following the completion of twenty-six (26) continuous weeks of Department service.

Rates of contribution by both members and the Department shall be segregated into two rates; the first to cover the cost of Temporary Disability benefits and Extended Temporary Disability benefits, and the second to cover the cost of Permanent Total Disability benefits.

- (a) Temporary Disability benefits and Extended Temporary Disability benefits shall be funded by the following contribution rates:
- (i) **Contributions by Members.** Except as provided in Section V B (2) hereof, beginning January 9, 1984, each payroll period at such time as his or her Normal Contribution is made, every member who is eligible for Temporary Disability benefits who is in Department service, shall contribute \$1.00 (One Dollar) to the Disability fund for each biweekly payroll period in which the member earns his or her Compensation, or any part thereof.
 - (ii) **Contributions by Department.** Contributions to the Disability Fund shall be paid by the Department monthly from funds of the Department, for each member by whom contributions shall be made during the month as provided in Section V B (1)(a)(i) in an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total monthly equivalent of Compensation of members who made contributions to said Disability Fund for said month, less the amount contributed in said month by the members under

said Section V B (1)(a)(i). Said rate shall provide funds at least equal to the present value of all future Temporary Disability total payments for those members expected to become disabled during the fiscal year plus the amount required to fund prudent reserves.

(b) Permanent Total Disability benefits shall be funded by the following contribution rates:

(i) **Contributions by Members.** Except as provided in Section V B (2) hereof, beginning January 9, 1984, each payroll period at such time as his or her Normal Contribution is made, every member who is eligible for Permanent Disability benefits who is in Department service shall contribute \$1.00 (One Dollar) to the Disability Fund for each biweekly payroll period in which the member earns his or her Compensation, or any part thereof.

(ii) **Contributions by Department.** Contributions to the Disability Fund shall be paid by the Department monthly from funds of the Department, for each member by whom contributions shall be made during the month as provided in Section V B (1)(b)(i) in an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total monthly equivalent of Compensation of members who made contributions to said Disability Fund for said month, less the amount contributed in said month by the members under said Section V B (1)(b)(i). Said rate shall provide funds at least equal to the present value of all future Permanent Total Disability payments for those members expected to become permanently and totally disabled during the fiscal year plus the amount required to fund prudent reserves.

(c) **Contribution for Supplemental Payments for Industrial Disability**

At the close of each month, there shall be paid into the Disability Fund, by the Department of Water and Power from the funds of that Department, a sum equal to the total amount expended from said Disability Fund during said month in payment of claims for Supplemental Industrial Disability benefits, arising under and by virtue of Section V D (3) hereof.

Benefits paid to said members under the provisions of Section V D (3) hereof shall be kept segregated in the books of the Disability Fund from all other payments to members. Said payments shall not be included in the experience upon which combined rates of contributions to the Disability Fund by both members and the Department for the account of members and covering the benefit provided in Section V D (1) hereof are to be calculated.

(d) Deleted February 17, 2000, Resolution No. 00-43.

(e) Contributions for Contingent Disability

All Contingent Disability benefits advanced to the member under the provisions of Section V D (7) and any unreimbursed Plan lien amounts for which the Department has held the member harmless shall be paid into the Disability Fund by the Department; and all amounts received in that Fund as reimbursement of such advancements, as provided by that section, shall be repaid to the Department. Such payments by and to the Department shall be made as of the end of each month for all transactions consummated during that month.

All Contingent Disability benefits so advanced and all amounts so received in reimbursement thereof, together with all amounts so repaid, shall be segregated on the books of the Disability Fund in a single account. None of such amounts shall be included in the experience upon which combined rates of contribution to the Disability Fund by both members and the Department, for the account of members and covering the benefit provided in Section V D (1), are to be calculated.

(2) Contributions for Employees on Leave

No member absent from Department service due to disability, either Temporary, Extended Temporary, or Permanent as defined in Sections V A (2) and V A (3), or absent from said service and receiving workers' compensation benefits pursuant to any workers' compensation plan or law, or absent from said service and employed in other departments or offices of The City of Los Angeles, shall be permitted to make any contributions to the Disability Fund for any payroll period subsequent to the last day of the payroll period in which said absence commences. Any member required to contribute to the Disability Fund pursuant to the provisions of Section V B (1) hereof and absent from Department service upon any leave with pay, other than those absences recited in the preceding sentence, shall continue his or her regular contributions to the Disability Fund and during said leave the Department contribution shall be continued. Any such member on leave without pay, other than those absences recited in the first sentence hereof, may, at his or her option, continue his or her right to disability benefits for an extended period of not to exceed thirteen additional payroll periods during said leave by the payment in advance to the Disability Fund of a biweekly contribution in an amount equal to the combined rate normally payable by said employee and the Department; provided, however, that the contribution for each such payroll period is conditional upon a contribution being made for the immediately preceding payroll period. No contribution shall be permitted by such member after the expiration of thirteen payroll periods subsequent to the last day of the payroll period in which the leave commences. During any such extended thirteen payroll periods, the Department's normal rate of contribution to the Disability Fund shall cease but the right of any such

member to receive Temporary Disability benefits shall continue unabated. The provisions of the next preceding sentence hereof shall be retroactive.

- (3) The Department shall bear the cost of administering the Disability Fund and in payment thereof shall contribute monthly in advance to said Fund the amount necessary to compensate said Fund for administrative expenses.

Should it be found at the end of any fiscal year that contributions paid under this subdivision have totaled less than said cost of administration, the Department shall thereupon pay into said fund the amount of such shortage; and should it be found at the end of any fiscal year that such contributions have totaled more than said cost, the amount of such excess shall thereupon be returned or credited to the proper funds of the Department.

C. REQUIREMENTS RELATING TO RIGHTS TO BENEFITS

The right to disability benefits for Temporary, Extended Temporary, or Permanent Total Disability shall be subject to the provisions of this section.

(1) Notice of Disability

Immediate notice of absence of a member from Department service due to disability for which benefits may be claimed shall be given by said member or by any person acting in his or her behalf and in any event not later than the eleventh (11th) Workday subsequent to the date of Inception of Disability. Notice received by the Board from the Controller granting disability leave to a member within the required eleven (11) Workdays shall constitute notice to the Board on behalf of said member.

(2) Certificate of Disability

- (a) Whenever a disability continues for more than Ten Workdays, the member shall provide a certificate of Temporary Disability or Extended Temporary Disability in such form and at such times as may be required by the Board. Such certificate shall be completed by the member's treating physician and certify the disability, its cause and duration. Beginning June 1, 1978, certification by a licensed chiropractor, when made within the scope of his or her license will be deemed to be an acceptable certificate of Temporary Disability or Extended Temporary Disability; provided, however, that such certification must be verified by the Plan's medical consultant as being within the scope of the chiropractor's license for the specific disability for which the member is being treated by such chiropractor. Said certificate with respect to the disability of a member on the date upon which disability benefits begin shall be required by the Board prior to the authorization of payment of any Temporary or Extended Temporary benefit to the member for any period of disability subsequent to said eleventh Workday.

In all cases of Temporary Disability in which the period of disability is less than eleven (11) Workdays, the Board may require the certificate of Temporary Disability as aforesaid, or may accept such other certification of disability as may be satisfactory to the Board.

- (b)** Certificate of Permanent Total Disability, as defined in subsection A (3) of this Section, shall be furnished to the Board by the member's attending physician in the event that the member is or claims to be in a state of said Permanent Total Disability. Said certificate shall certify as to the condition of the member as of the end of the fifty-second week of Temporary Disability or as of the end of the fifty-second week of an Extended Temporary Disability or during any period of such Extended Temporary Disability or within a period of two (2) years subsequent to the end of the fifty-second week of such Extended Temporary Disability if the member is on a leave without pay due to a disability that the Board determined was not Permanent Total Disability. Unless otherwise ordered by unanimous vote of the Board, a similar certificate shall be secured at approximately the same time from one or more medical examiners to be selected and paid by the Board in the manner herein provided.

(3) Proof of Disability

No claim for Temporary Disability benefits under the Retirement Plan shall be valid unless proof of disability shall be submitted by the member or in his behalf, to the Board within three months from the date of termination of disability for which the Disability Fund would otherwise be liable.

(4) Medical Examinations

By acceptance of membership in and the payment of contributions to the Retirement Plan, each member, in the event of actual or alleged disability or sickness upon which claim for benefits may be made at any time, agrees to submit at all reasonable times and places during the continuation of said disability or sickness, to physical examination by one or more physicians or surgeons designated by the Board, and authorizes all attending physicians, surgeons and hospitals to exhibit all of their records and histories pertaining to any disability or sickness upon which a claim is or may be based or to furnish copies thereof to the Board on demand, all such examinations to be at the expense of the Disability Fund. Unless otherwise ordered by unanimous vote of the Board, such examination shall be made preceding the allowance of any claim for Permanent Total Disability. The Board shall also require periodic reexamination of each member while receiving Permanent Total Disability benefits whenever in its judgment such reexamination is advisable or necessary. Reports in writing in the form determined by the Board shall be made by attending physicians and surgeons when and as ordered by the Board.

(5) Action Against the Board

No suit or action against the Board under this Plan for recovery of any disability claim shall be sustainable in any court of law or equity unless commenced within twelve (12) months after the termination of the period of disability for which the Disability Fund would otherwise be liable, provided, however, that where such limitation of time is prohibited by the laws governing such question of limitation, then and in that event no such suit or action shall be sustainable unless commenced within the shortest limitation permitted by such laws.

(6) Limitation of Rights to Disability Benefits

- (a)** No disability benefits shall be paid to any member for any period of disability prior to the effective date of membership in the Retirement Plan or on and after the member's retirement date. In the event of the commencement of a disability or the continuation of an existing disability of a member at any time on and after the member's retirement date, said member shall be entitled to receive only the retirement allowance as otherwise provided in this Plan.
- (b)** No member shall be entitled to disability benefits hereunder for any period of Temporary Disability or Extended Temporary Disability subsequent to the member's eleventh Workday of such Temporary Disability during which the disabled member is not under the care of a regularly licensed physician or surgeon, or a licensed chiropractor who is treating a disability which falls within the scope of his or her license.
- (c)** **Repealed by Res. No. 939 dated 6-17-82**
- (d)** Refusal of a member to submit to physical examination or reexamination as required by Section V C (4) hereof shall suspend the rights to all disability benefits during the continuation of said refusal. Should said refusal continue for a period of three months, all right to benefits due to or arising out of the disability existing at the date of said refusal shall terminate.
- (e)** The right to disability benefits shall terminate with the termination of the member's right or obligation to contribute to the Disability Fund, provided, however, that except as required by subsection (d) hereof, this provision shall not affect the right of a member to receive continued disability benefits as provided in this Plan which accrued, prior to said date of termination of right to disability benefits, by reason of disabilities occurring prior to said date. The effective date of termination of the member's right to contribute to the Disability Fund shall terminate all right to benefits arising out of disabilities occurring subsequent to said termination date.
- (f)** The right to all disability benefits shall terminate upon the termination of disability. If at any time the Board shall find after

proper investigation that the disability for which benefits are claimed has terminated, the payment of said benefits therefor shall be discontinued.

- (g) No right to disability benefits shall accrue to any member by reason of any disability which occurs in any payroll period for which contribution has not been made or authorized in the salary deduction agreement required in subsection C (7) of Section III of this Plan, nor during any payroll period in which contributions to the Disability Fund are prohibited under the provisions of Section II D (3)(h) or V B (1) hereof.
- (h) No disabled member shall be entitled to disability benefits for any calendar day during which he shall have been gainfully employed, either on a part-time or full-time basis, unless he shall have first obtained permission from the Board to engage in such employment. Upon application of the member, the Board may grant such permission whenever it finds that such engagement by him is likely to contribute to his recovery, and that said finding is supported in writing by at least one regularly licensed physician or surgeon. If such permission is granted, the Board shall specify the period during which the member may engage in such employment.

The Board may terminate, cancel or annul benefits payable for disability whenever it finds that, without its permission, the disabled member is or has been engaged in gainful employment while receiving or claiming said benefits, or whenever it finds that he has concealed or failed to disclose material information or has submitted false or incorrect data pertaining to such disability.

In the event of any such termination, cancellation or annulment, the Board may order that there shall be paid by the member or his beneficiary an amount equal to the sum of all benefits theretofore received by him under the terms of said Plan for such disability; or the Board may make such other order or effect such compromise and settlement with the member or his beneficiary as in its opinion the circumstances of the particular case may warrant.

- (i) Except as provided in Section II D (3)(j) hereof, no person otherwise eligible to membership and who is absent from duty in the Department on the first day of the payroll period following completion of twenty-six continuous weeks of Department and/or City service shall be entitled to disability benefits for disability occurring prior to his or her return to duty at full time and at full pay.
- (j) Upon the termination of the right to disability benefits by the Board for any reason, such action shall be certified to the Controller, together with all information pertaining thereto which may be required by the Controller for action with respect to termination of disability leave or other employment matters in relation thereto.

(k) Repealed by Res. No. 567 dated 3-1-79**D. DISABILITY BENEFITS**

Disability benefits to which members are entitled under the provisions of this Plan shall be paid by the Board out of the funds of the Disability Fund as hereinafter provided to members who have made the contributions to the Disability Fund as required by subsection B of this Section.

The definitions contained in this subdivision shall govern the construction thereof.

"*Continuous Service*" means uninterrupted service in the Department immediately preceding the Inception of Disability, except that separation from the Department followed by reemployment therein shall not be considered as breaking the continuity of service whenever the period of separation does not exceed the consecutive days listed, given the amount of service prior to the separation, as indicated in the table below:

Period of Separation	Service Prior to Separation		
	<u>Consecutive Days</u>	<u>Not less than</u>	<u>Less than</u>
	30	6 months	3 Years
	60	3 Years	5 Years
	90	5 Years	10 Years
	180	10 Years	

As used in the preceding sentence, "uninterrupted service in the Department" shall include "City Service" acquired pursuant to Section II D (2) (h), Section IV G, or Section IV J of this Plan. Uninterrupted service in the Department" for members of Tier 2 shall not include any "City Service."

"*Temporary Disability*" means a disability as defined by the terms of Section V A (2) hereof.

"*Disability Leave*" means a leave as defined by the terms of Section V A (4) hereof.

"*Industrial Disability*" means any injury or disease which arises out of and in the course of employment in the Department, and which otherwise meets the definition of Temporary Disability [V A (2)(a)], Extended Temporary Disability [V A (2) (b)] or Permanent Total Disability [V A (3)].

"*Workers' Compensation*" means the weekly rate of payment or lump sum amount which a member received in cash under authority of state law for Industrial Disability.

(1) Temporary and Extended Temporary Disability

(a) Effective August 24, 1981, the Department, as the employer, will commence paying for the first Ten (10) Workdays of any temporary disability a salary continuance under the Memoranda of Understanding with the various Employee Representation Units (as

determined by the Employee Relations Board of the City of Los Angeles), and Resolution No. 66, approved by the Board of Water and Power Commissioners on August 13, 1981, for any unrepresented employees in lieu of the benefits heretofore provided by the immediately following two paragraphs.

- (b)** Members eligible to such benefits and receiving Compensation at the Inception of Temporary Disability, and no others, shall be entitled to a salary continuance for Temporary Disability, as follows:

Commencing with the third Workday of any Temporary Disability, the member shall be paid a benefit at the rate of his or her Compensation (as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan) except:

- (i)** If the member is admitted as a patient in a Hospital during any such disability, he or she shall be paid said benefit commencing with the first Workday of the disability.
- (ii)** If the member notifies his or her supervisor of such disability, he or she shall be paid said benefit for the first and second Workdays thereof up to a maximum entitlement of forty hours in any calendar year.

However, if the member who is absent because of a disability returns to work and is subsequently absent because of a disability within seven (7) calendar days after the end of the previous absence, said disability shall be considered a continuation of the previous disability rather than a new disability, provided that the member furnishes medical certification or the Department's Medical Director certifies that the disability is, in fact, caused by or is the result of the previous disability; provided further that if the member who is absent because of a disability returns to work and is subsequently absent because of a disability within eight (8) to twenty-one (21) calendar days after the end of the previous absence, said disability shall be considered a continuation of the previous disability rather than a new disability, provided that the Department's Medical Director certifies that the disability is, in fact, caused by or is the result of the previous disability. The aggregate of such continued disabilities shall be considered as a single period for the purpose of computing the benefits payable under this subsection for Temporary Disability.

Commencing with calendar year 1970, any portion of such maximum entitlement for which said benefit has not been paid shall be carried over into the next succeeding calendar year, but in no event shall more than forty hours of such maximum entitlement be carried over into any succeeding calendar year. Payment of said benefit shall be charged: first, against that portion of the member's maximum entitlement which has been carried over from the calendar year next preceding such disability, if any, and second,

against such entitlement for the calendar year in which such disability occurs.

Immediately upon his or her return to duty, the member shall certify as to the cause and inclusive days of the disability, and, failing therein, he or she shall be required to repay any benefit paid to him or her under the provisions of this subparagraph ii.

The payment of said benefit shall continue during such disability for any period not exceeding:

- (a) The first week of such disability, if the member shall have completed less than twenty-six (26) weeks of Continuous Service; or
- (b) The second week of such disability, if the member shall have completed not less than twenty-six (26) weeks of Continuous Service.

Nothing in this subsection shall be construed as prohibiting the Board from requiring certification of temporary disability as provided for in Section V C (2).

- (c) For that portion of temporary disability which continues beyond the first Ten Workdays thereof:
 - 1. Any disabled member who shall have completed less than twenty-six (26) weeks of Continuous Service shall be paid a biweekly benefit, for a maximum period at the percentage of Compensation (as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan) applying to such member on the inception date of said disability, as defined in the table below:

<u>Maximum Period Payable Subsequent to Inception</u>	<u>Percentage of Compensation</u>
Weeks 3-26	50 %
Weeks 27-52	40%

- 2. Any disabled member who shall have completed not less than twenty-six (26) weeks of Continuous Service shall be paid a biweekly benefit, for the maximum period at the percentage of Compensation (as defined in Section II C (14) or Section VII A (5) as applicable, of this Plan) applying to such member on the inception date of said disability, as defined in the table below:

Period of Continuous Service		Maximum Period Payable at Percentage of Compensation			
Not less than	Less than	85%	60%	50%	40%
6 months	3 Years	2 Weeks	1 Week	26 Weeks	21 Weeks
3 Years	5 Years	4 Weeks	2 Weeks	26 Weeks	18 Weeks
5 Years	10 Years	6 Weeks	3 Weeks	26 Weeks	15 Weeks
10 Years	15 Years	18 Weeks	10 Weeks	22 Weeks	----
15 Years	20 Years	20 Weeks	12 Weeks	18 Weeks	----
20 Years	25 Years	22 Weeks	14 Weeks	14 Weeks	----
25 Years	30 Years	24 Weeks	16 Weeks	10 Weeks	----
30 Years	35 Years	26 Weeks	18 Weeks	6 Weeks	----
35 Years		28 Weeks	20 Weeks	2 Weeks	

Any disabled member whose employment terminates as a result of resignation or discharge for cause (personal delinquency) during the existence of said disability shall be paid a biweekly benefit at the rate of forty percent of Compensation (as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan) applying to such member on the inception date of said disability except that such rate shall be increased to fifty percent for any portion thereof not exceeding twenty-six weeks.

Any disabled member whose employment is terminated by the Department as a result of lack of work or lack of funds during the existence of such disability shall continue their right to disability benefits as provided in this subsection (c)1. or (c)2.

The right to all benefits under this subdivision D (1) with respect to any temporary disability shall terminate not later than fifty-two weeks subsequent to its inception. If, following fifty-two weeks of Temporary Disability the member does not qualify for Permanent Total Disability as defined in subsection A (3) of this section, and the General Manager of the Department certifies in writing that efforts to reasonably accommodate said member in a Department position with duties the member can safely perform were unsuccessful, the member may be placed on Extended Temporary Disability and shall be paid a monthly benefit at the rate of thirty-three and one-third (33 1/3) percent of the Compensation (as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan) applying to such member on the inception date of his or her immediately preceding temporary disability.

The right to all such Extended Temporary Disability benefits shall terminate not later than fifty-two weeks subsequent to the end of the fifty-second week of Temporary Disability provided, however, that if a member qualifies for Permanent Total Disability while such member is receiving Extended Temporary Disability benefits, such benefits shall be terminated and the members shall be entitled to benefits for Permanent Total Disability as provided in Section V D (2) of the Plan.

No payments for Temporary Disability shall be made under this subdivision for any period subsequent to the Tenth Workday of such disability if the member fails to qualify for benefits pursuant to the provisions of Section V D (1) hereof.

Benefits to which any member may be entitled under this subdivision D (1) shall be paid in biweekly payroll periods on a Workday basis, by action of the Board, from money on deposit in the Disability Fund.

Whenever successive disabilities due to a common cause occur after permanent total disability has begun, such disabilities shall be counted as one period for the purposes of computing said benefits except that whenever said interval exceeds four (4) years, such disabilities shall be considered separately for the purpose of computing said benefits.

Whenever a disability exceeds Ten Workdays and a subsequent disability occurs within a period of thirty (30) calendar days following termination of such disability the aggregate of such disabilities shall be considered as a single period for the purpose of computing the benefits payable under this subsection for Temporary Disability and Extended Temporary Disability. Whenever the interval between disabilities exceeds thirty (30) calendar days, such disabilities shall be considered separately for the purpose of computing said benefits.

(2) Permanent Total Disability

During the continuance of Permanent Total Disability, any disabled member who is eligible therefor shall be paid a monthly benefit equal to forty percent of the monthly equivalent of Compensation applying to such member on the inception date of his or her immediately preceding Temporary Disability, or his or her immediately preceding Temporary Disability followed by Extended Temporary Disability. The right to such benefit shall not begin until the first day of the fifty-third week following the inception of the immediately preceding Temporary Disability and shall terminate on the first day of the calendar month which next follows the sixty-fifth birthday anniversary of the disabled member, except that, if Permanent Total Disability benefits commence after the member's sixtieth birthday anniversary, such benefit shall terminate after payments have been made for five years. The right to qualify for such benefit shall terminate two years subsequent to the end of the fifty-second week of Extended Temporary Disability; provided that where successive disability leaves due to a common cause occur after Permanent Total Disability has begun, and are separated by an interval of more than four years, benefits under this subdivision D (2) shall be computed upon the monthly equivalent of Compensation applying to the disabled member at the inception of the immediately preceding Temporary Disability leave or the immediately preceding Temporary Disability leave followed by an Extended Temporary Disability leave, or the monthly equivalent of Compensation applying to him at the first of such Temporary Disability leaves, whichever is greater.

Whenever the interval between disabilities exceeds thirty (30) calendar days, such disabilities shall be considered separately for the purpose of computing said benefits. Whenever successive disabilities due to a common cause occur after Permanent Total Disability has begun, such disabilities shall be counted as one period for the purposes of computing said benefits except that whenever said interval exceeds four (4) years, such disabilities shall be considered separately for the purpose of computing said benefits.

Benefits to which any member may be entitled under this subdivision D (2) shall be paid monthly, by action of the Board, from moneys on deposit in the Disability Fund.

(3) Supplemental Payments for Industrial Disability

The definitions contained in subdivision V D shall govern the construction thereof.

(a) Benefit

Subject to the provisions of this Section, members who make contributions to the Disability Fund shall be entitled to Supplemental Industrial Disability benefits, in addition to Workers' Compensation payable pursuant to state law, as follows:

For the first Ten (10) Workdays of any Industrial Disability, the Department shall pay the member a benefit at the rate of his or her Compensation (as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan), provided, that if the member receives Workers' Compensation at any time for said period, he or she shall only be entitled hereunder for such period to a benefit at the biweekly rate of an amount equal to the difference between such compensation and his or her Compensation (as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan); and provided, further, that if he or she shall have been paid under this Section V D a benefit in excess of the amount due under this subsection V D (3)(c) for the same period he or she shall be required to return to the Department the amount of such excess.

Commencing with the eleventh successive Workday of any Industrial Disability, the member shall be paid a benefit at the biweekly rate of an amount equal to the difference between the Workers' Compensation he or she receives and the amount that would have been received under the provisions for Temporary and Extended Temporary Disability in subsections V D (1) under the provisions for Permanent Total Disability in Section V D (2) had the disability not arisen out of and in the course of employment; and provided further that if he or she shall have been paid under this Section V D a benefit in excess of the amount due under this subsection V D (3) for the same period, he or she shall be required to return to the Disability Fund the amount of such excess, or the

payments otherwise due under this subsection V D (3) shall not be made until the amount of such excess has been recovered by the Disability Fund.

(b) Misconduct

Whenever an Industrial Disability is caused by serious and willful misconduct, either by the Department or the member, benefits therefor under this subsection shall not be increased nor decreased, but the member shall be entitled to the same payments which he or she would have received hereunder had he or she sustained such disability in the absence of any such misconduct.

(c) Successive Leaves of Absence

For purposes of computing the benefits payable under this subdivision, the determination as to whether successive leaves of absence due to disability are to be considered separately or as a single period shall be made in accordance with the provisions of Section V D (1) or V D (2) as though such leave resulted from disability that did not arise out of and in the course of employment.

(d) Proof of Disability

Whenever benefits are payable under this subdivision for Industrial Disability, the Board may order or direct at any time such medical or other examination, and may require such written reports, as it shall deem necessary to establish the existence of such disability. Should the member fail to comply with any such order, direction or request, or should the evidence in the case fail to establish such disability to the satisfaction of the Board, it shall discontinue the payment to such member of said benefits.

(e) Compromise or Award Paid as a Lump Sum

Whenever a member receives a compromise or award whereby Workers' Compensation is commuted to a lump sum payment for an Industrial Disability, the amount payable to such member under this subsection shall be determined as follows:

- (i)** During the period determined in (iii) below and while the member continues to qualify for payment under this subsection, the Supplemental Industrial Disability benefit to be paid shall be an amount equal to the difference between the disability rate provided by state law at the Inception of Disability and the amount that would be payable under Sections V D (1) or V D (2) had the disability not arisen out of and in the course of employment.
- (ii)** After the period determined in (iii) below and while the member continues to qualify under this subsection, the

Supplemental Industrial Disability benefit to be paid shall be the same amount as would be payable under Sections V D (1) or V D (2) of this Plan had the disability not arisen out of and in the course of employment.

- (iii) Beginning with the Inception of Disability, the period during which the value of said disability rate provided by state law shall be used in the computation of the Supplemental Industrial Disability benefit to be paid shall be equal to the number of weeks determined by dividing the gross amount of the compromise or award by the weekly value of said disability rate.
- (iv) Notwithstanding the provisions of (i) and (ii) above, if a member shall have been paid under this Section V D a benefit in excess of the amount due as Supplemental Industrial Disability benefit under this subsection V D (3) for the same period, payments otherwise due under this subsection V D (3) shall not be made to such member until an amount equal to such excess benefit has been recovered by the Disability Fund. Thereafter, any further Supplemental Industrial Disability benefit payments for the same Industrial Disability shall be made in accordance with the provisions of (i), (ii), and (iii) above.

(f) Benefit Limitations

No payments for Industrial Disability shall be made under this subdivision V D (3) for any period for which the member fails to qualify for Workers' Compensation, nor for any day during which such member is gainfully employed, nor for any period for which the evidence in the case fails to establish such disability to the satisfaction of the Board, nor for any period subsequent to the date of termination of employment resulting from resignation or discharge for cause (personal delinquency). Termination of employment by the Department for lack of work or lack of funds occurring during the existence of such disability shall not abate any right of the member to said payments under this subdivision V D (3). Notwithstanding the provisions of this paragraph to the contrary, the Board may authorize Supplemental Industrial Disability benefits for a member who is on a leave of absence due to an Industrial Disability for which Workers' Compensation was previously paid, but for which no additional Workers' Compensation is payable due to an earlier award or compromise or the expiration of a statute of limitations for employer payments under applicable state law.

No benefits shall be payable hereunder for Temporary or Supplemental Industrial Disability unless the inception thereof occurs on or after the effective date of this subdivision; but nothing herein shall affect the right of any member to a continuation of

Supplemental Industrial Disability benefits, computed at rates heretofore prevailing, provided he or she shall have qualified therefor prior to said effective date.

Notwithstanding any of the foregoing provisions of this subdivision (3) to the contrary, recovery from a disability or industrial disability, or a return to duty from a disability leave or a leave due to industrial disability, shall terminate the disability for which benefits are payable under (a) of this subdivision (3).

(4) Deleted February 17, 2000, Resolution No. 00-43.

(5) Leaves of Absence With Pay

Nothing in this Retirement Plan contained, shall be deemed to prohibit the exercise, by the Board of Water and Power Commissioners, of any power to grant leaves of absence with pay, or to pay to any disabled employee of the Department, his regular salary or some portion thereof.

(6) Deleted February 17, 2000, Resolution No. 00-43.

(7) Contingent Disability Benefits

The following words and phrases as used in this subdivision (7), unless a different meaning is plainly required by the context, shall have the following meaning:

"Industrial Accident Commission" means the Workers' Compensation Appeals Board or other board, officer or agency authorized by state law to determine the right of employees to be paid workers' compensation benefits.

"Industrial Disability" has the same meaning as defined in Section V D.

"Temporary Disability" has the same meaning as defined in Section V A (2)(a).

"Extended Temporary Disability" has the same meaning as defined in Section V A (2)(b).

"Permanent Total Disability" has the same meaning as defined in Section V A (3).

"Workers' Compensation" means the payments which a member is entitled to receive in cash under state law for Industrial Disability including payments for both Temporary and Permanent Disability, and in the event of his or her death as the result of such injury or disease, the payments which his or her dependents are so entitled to receive by reason thereof.

Whenever, in the opinion of the Board, a member has an enforceable right either to receive Workers' Compensation from the Department or to

receive benefits for Temporary, Extended Temporary, or Permanent Total Disability for the same period, but the Board is uncertain as to whether the injury or illness arose out of or in the course of employment, there shall be advanced biweekly to the member from the Disability Fund for such period a Contingent Disability benefit consisting of one of the following amounts determined on a day-to-day basis.

- (a)** An amount equal to the Temporary or Extended Temporary Disability benefits which the member would be entitled to receive for such disability under Subsections D (1) of this Section V if such disability were Temporary or Extended Temporary Disability;
- (b)** An amount equal to the Permanent Total Disability benefits which the member would be entitled to receive for such disability under said Subsection D (2), if such disability were Permanent Total Disability.

The advancing of such Contingent Disability benefits shall be conditioned upon the member first acknowledging in writing that he or she understands that the amount so advanced is neither payment of Workers' Compensation nor payment of disability benefits, but is for the reasonable living expenses of such member or his or her dependents, and agreeing that if it is finally determined by the Industrial Accident Commission that such disability resulted from injury or disease arising out of and in the course of employment, or if an award in favor of the member is entered by said Commission upon a compromise and release agreement covering all or any portion of such disability, the Disability Fund shall be reimbursed for the full amount of the Contingent Disability benefits so advanced, less any amount that the member would have been paid under said Subsection D (3) for Industrial Disability, through a credit or lien against any Workers' Compensation which may be awarded the member or his or her dependents as a result of such injury or disease, or by the member directly, or both, and further agreeing that if reimbursement is not so made, the amount of the benefits so advanced or any remaining balance thereof will be repaid before any monies then or thereafter owed by the City of Los Angeles, the Department or the Plan, including death benefits due a beneficiary, are paid.

If it is finally determined by the Industrial Accident Commission that such disability did not result from injury or disease arising out of and in the course of employment, the amount of the Contingent Disability benefits so advanced shall be deducted from the amount of any benefits for Temporary Disability to which the member is entitled under the provisions of the Retirement Plan for such disability.

If, within a reasonable time as determined by the Board, the member fails to file and diligently prosecute an application in the Industrial Accident Commission to be paid Workers' Compensation for such disability, or if the award of said Commission on such application is adverse to the member but does not determine whether or not such disability resulted from injury or disease arising out of and in the course of the member's employment,

the Board, for the purposes of this subdivision and of Section V B (1)(e) only, shall thereupon make such determination with the same consequences as though it had been made by the Industrial Accident Commission.

(8) Cost of Living Adjustment to Permanent Total Disability Allowances

- (a) Subject to the provisions of this subdivision (8), every disability allowance for Permanent Total Disability payable pursuant to this Section V D, shall be increased or decreased as of July 1, 1970, and thereafter as of the first day of July of each year, by a percentage of such allowance then being paid, which shall be equal, to the nearest one-tenth of one percent (0.1%), the percentage of annual increase or decrease in the cost of living during the preceding calendar year; provided that on and after July 1, 1973, such increase or decrease shall not in any event exceed three percent (3%) of any such allowance in any year for members of Tier 1 nor two percent (2%) of any such allowance in any year for members of Tier 2.
- (b) Determination of the percentage of annual increase or decrease in the cost of living shall be made by the Board of Administration on or before the first day of April of each year by reference to the Consumer Price Index (Los Angeles-Long Beach Metropolitan Area--All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor for each of the two immediately preceding calendar years. The percentage by which such index for the more recent full calendar year shall have varied from such Index for the full calendar year immediately prior thereto shall be the percentage used to calculate adjustments in such allowances pursuant to paragraph (a) of this subdivision. Commencing January 1, 1978, said Consumer Price Index shall be the Consumer Price Index (Los Angeles-Riverside-Orange County, CA -- All Items) for "All Urban Consumers (CPI-U)".
- (c) The percentage of increase or decrease in the cost of living in any calendar year which is in excess of the maximum amount of annual increase or decrease provided in paragraph (a) of this subdivision, shall be accumulated and carried over to the next succeeding calendar year and added to or subtracted from the percentage of increase or decrease in the cost of living for such succeeding calendar year and included in the calculation of adjustments in such allowances effective the first day of July next following such succeeding calendar year. Any portion of such excess not included in such calculation in any year as a result of the limitation in the maximum amount of annual increase or decrease provided in paragraph (a) of this subdivision, shall be similarly accumulated and carried over from year to year until exhausted and included in the calculation of subsequent adjustments in such allowances. The provisions of this subdivision shall not apply to members of Tier 2

except for purposes of determining their entitlement to a discretionary increase pursuant to Section V D (8)(j) herein.

- (d) No such allowance shall be reduced by operation of this subdivision below the amount payable as of June 30, 1970, or as of the date of commencement of Permanent Total Disability of the member to whom such allowance is payable, whichever is later.
- (e) Every member who, on or after July 1, 1970, becomes active in Department service subsequent to a Permanent Total Disability for which he was paid a disability allowance shall have such allowance increased or decreased as provided in this subdivision the same as though he were continuously receiving a disability allowance for Permanent Total Disability, if he again becomes disabled and such disability is construed to be a renewal of such Permanent Total Disability pursuant to the provisions of Section V D (2).
- (f) Benefits to which any member may be entitled under this subdivision shall be paid monthly, by action of the Board, from moneys on deposit in the Disability Fund.
- (g) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (8), every disability allowance for Permanent Total Disability payable on September 1, 1972 which is subject to adjustment pursuant to this subdivision (8) and which first became payable on or before July 1, 1972, shall be increased as of September 1, 1972 by an amount equal to the amount of such allowance then being paid multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
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October 1, 1938 through July 1, 1971	2.4
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July 2, 1971 through July 1, 1972	.9
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The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1972 pursuant to paragraph (c) of this subdivision (8) shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (g).

- (h) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (8), every disability allowance for Permanent Total Disability payable on March 1, 1979, which is subject to adjustment pursuant to this subdivision (8) and which first became payable on or before July 1, 1978, shall be increased as of March 1, 1979 by an amount equal to the amount of such allowance then being paid,

multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
October 1, 1938 through July 1, 1974	3.75
July 2, 1974 through July 1, 1975	3.36
July 2, 1975 through July 1, 1976	2.27
July 2, 1976 through July 1, 1977	1.13
July 2, 1977 through July 1, 1978	0.59

The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1978, pursuant to paragraph (c) of this subdivision (8), shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (h).

- (i) Notwithstanding anything to the contrary in paragraph (a) of this subdivision (8), every disability allowance for Permanent Total Disability payable on March 1, 1981, which is subject to adjustment pursuant to this subdivision (8) and which first became payable on or before July 1, 1978, shall be increased as of March 1, 1981 by an amount equal to the amount of such allowance then being paid, multiplied by the percentage that is set forth opposite the period during which such allowance first became payable in the table below:

<u>The Period During Which Such Allowance First Became Payable</u>	<u>Percentage</u>
October 1, 1938 through July 1, 1970	3.86
July 2, 1970 through July 1, 1971	3.59
July 2, 1971 through July 1, 1972	3.44
July 2, 1972 through July 1, 1973	3.36
July 2, 1973 through July 1, 1974	3.34
July 2, 1974 through July 1, 1975	3.11
July 2, 1975 through July 1, 1976	2.49
July 2, 1976 through July 1, 1977	1.85
July 2, 1977 through July 1, 1978	1.54

The percentage of increase in the cost of living applicable to each such allowance which has been accumulated and carried over as of July 1, 1980, pursuant to paragraph (c) of this subdivision (8), shall be reduced by the percentage by which such allowance has been multiplied pursuant to the provisions of this paragraph (i).

(j) Discretionary Permanent Total Disability Allowance Cost of Living Adjustments

Notwithstanding anything to the contrary in paragraph (a) of this subdivision (8), effective no later than April 1, 1984, and thereafter on or before the first day of April of not less than every third calendar year, the Board of Administration shall review the total of the percentages carried over and accumulated pursuant to the provisions of paragraph (c) of this subdivision (8), since the most recent discretionary cost of living review. If the Board of Administration, after such review, determines that a special cost of living increase is warranted, it shall then determine by resolution the percentage by which every monthly allowance which is subject to adjustment pursuant to this subdivision (8), shall be increased

the next following first day of July in addition to the regular annual cost of living adjustment; provided that in no case shall the total cost of said discretionary cost of living adjustment exceed four percent of the total monthly allowances being paid under Section V D as of the first day of the immediately preceding January; and, provided further that in no case shall the monthly allowance of any member which has first become payable since the most recent discretionary cost of living adjustment, be increased by more than fifty percent of the total of the percentages carried over and accumulated for such member pursuant to the provisions of paragraph (c) of this subdivision (8). The percentage of increase in the cost of living applicable to each monthly allowance which has been accumulated and carried over as of the first day of July following each such discretionary cost of living increase, pursuant to paragraph (c) of this subdivision (8), shall be reduced by the percentage by which such allowance has been multiplied as of such first day of July following such a discretionary increase pursuant to the provisions of this paragraph (j). The provisions of this paragraph shall apply to members of Tier 1.

Members of Tier 2 shall have a right to a special cost of living increase as provided in the preceding paragraph except that the amount of such discretionary increase to be granted, if any, shall be determined by the Board of Water and Power Commissioners based on a report and recommendation to be provided for their consideration by the Board of Administration. The Board of Water and Power Commissioners shall not be obliged to follow the recommendation of the Board of Administration, but shall make their own decision subject to the limitations specified in the prior paragraph.

- (k) Each disability allowance which is subject to adjustment in accordance with Subsection V D (8) (a) shall be increased as of April 1, 1983 in accordance with the table below:

<u>Period When Allowance First Became Payable</u>	<u>Percentage of Increase</u>
Before July 1, 1970	9.7%
July 2, 1970 to July 1, 1971	9.3%
July 2, 1971 to July 1, 1972	9.1%
July 2, 1972 to July 1, 1973	8.9%
July 2, 1973 to July 1, 1974	8.9%
July 2, 1974 to July 1, 1975	8.5%
July 2, 1975 to July 1, 1976	7.5%
July 2, 1976 to July 1, 1977	6.5%
July 2, 1977 to July 1, 1978	6.0%
July 2, 1978 to July 1, 1979	5.7%
July 2, 1979 to July 1, 1980	3.5%
July 2, 1981 to July 1, 1982	1.2%

Each monthly allowance shall be adjusted by an amount equal to the product of the monthly allowance multiplied by the percentage shown on the table for the period when the allowance first became payable; the product shall then be added to the monthly allowance to determine the adjusted monthly allowance payable as of April 1, 1983. Allowances first payable after July 1, 1982 shall not be adjusted.

The cost-of-living bank established in accordance with Subsection V D (8) (c) shall be reduced by the amounts on the Table as of April 1, 1983.

- (l) Each monthly allowance for Permanent Total Disability which is subject to adjustment in accordance with Section V D (8)(a) may be increased by resolution of the Board of Administration effective on or after July 1, 1990 in the same manner that it could have been increased by the Board under Section V D (8)(j).

E. DISABILITY BENEFITS FOR MEMBERS CERTIFIED "LESS THAN FULL TIME"

- (1) Any member who has been certified by the General Manager as a person who is employed less than full-time, as provided in Section IV C (1)(a)(v) or Section VII E (2), shall be eligible for Disability benefits in accordance with Section V D as modified by the provisions of this Section V E.
- (2) Each such member, while meeting all of the requirements of this Section V, shall be paid a Temporary Disability benefit as provided by Section V D (1) or a Supplemental Industrial Disability benefit as provided by Section V D (3) except that the total amount of benefit paid shall equal one-half of the benefit provided by those sections of the Plan.
- (3) The one-half benefits provided by this subsection shall be paid from the eleventh Workday of disability through the end of the payroll period that includes the 45th calendar day of disability. Thereafter, the member shall revert to the full benefits provided by the Plan.

F. Disability Benefits for Half-Time Civil Service Employees

- (1) Any member who is a Half-Time Civil Service Employee as described in Section IV C (1)(a)(vi) or Section VII E (2) shall be eligible for Disability benefits in accordance with Section V D as modified by this Section V F.
- (2) Each such member, while meeting all the requirements of this Section V, shall be paid all Disability benefits provided for in Section V D for the maximum periods prescribed in said Section. However, the amounts of such Disability benefits paid during the prescribed periods of disability shall be one-half the amounts that would be paid if such member were a full-time employee.

- (3) During the first fourteen (14) calendar days of Temporary Disability for such members, the Department shall pay a salary continuation for the days in the member's normal work schedule. The maximum entitlement of such salary continuation for the first two (2) workdays, the provisions for charging days or hours against the maximum entitlement, and provisions for carrying over any such maximum entitlement to succeeding calendar years shall be as prescribed in the applicable Memorandum of Understanding (MOU) and the Department's Operational Rules for Half-Time Civil Service Employees.

WATER AND POWER EMPLOYEES' DEATH BENEFIT PLAN**SECTION VI****DEATH BENEFIT FUND****A. DEFINITIONS**

The following words and phrases as used in relation to the Death Benefit portion of this Plan, unless a different meaning is plainly required by the context, shall have the following meanings:

- (1) "*Contributing Member*" shall mean every member who is either required to or permitted to make contributions to the Death Benefit Fund under the provisions of the Plan, and who does actually make said contributions or authorize the deduction therefore from his or her salary by the Department. He or she shall continue as a contributing member to and including the last day of the payroll period for which contribution is either made or deduction therefore authorized as aforesaid and during any payroll period in which contributions to said Fund are suspended pursuant to the provisions of Section VI C (3) hereof.

B. CONTRIBUTIONS TO DEATH BENEFIT FUND

Contributions to the Death Benefit Fund shall be made by every member eligible to death benefits and not prohibited from making contributions to said Fund and by the Department at the rates and in accord with the rules hereinafter set forth. On and after July 1, 1991 each new eligible member shall be prohibited from making contributions to the Death Benefit Fund until the first day of the payroll period following the completion of twenty-six (26) continuous weeks of Department and/or City service. Beginning January 1, 2014, each new eligible member of Tier 2 shall be prohibited from making contributions to the Death Benefit Fund until the first day of the payroll period following the completion of twenty-six (26) continuous weeks of Department service.

(1) Contributions by Members

Except as provided in Section VI C (3) hereof, from and after January 9, 1984, each payroll period at such time as his or her Normal Contribution is made, every such member who is in Department service shall contribute \$1.00 (One Dollar) to the Death Benefit Fund for each biweekly payroll period in which the member earns his or her Compensation, or any part thereof.

Each member in Department service on and after the first day of the payroll period which next follows his or her sixty-fifth birthday anniversary, and otherwise eligible to contribute during the payroll period, may at his or her option discontinue his or her contributions to the Death Benefit Fund during the extended period of active Department service which next follows his or her sixty-fifth birthday anniversary. Each such member who elects to discontinue his or her contributions to the Death Benefit Fund

shall be, if otherwise eligible, entitled to the Death Benefit provided by Section VI D (2) (a).

(2) Optional Contributions by Members on Leave

Any member required to contribute to the Death Benefit Fund pursuant to the provisions of Section VI B (1) who is on leave from Department service without pay, may at his or her option continue his or her right to death benefits during said leave for thirteen additional payroll periods by payment in advance to the Death Benefit Fund of a biweekly contribution equal to the combined rate prescribed in Section VI B (1) and VI B (3) for the member and the Department; provided, however, that the contribution for each such payroll period is conditional upon a contribution being made for the immediately preceding payroll period. Such a contribution shall only be permitted for each of the thirteen payroll periods subsequent to the last day of the payroll period in which such leave commences. Notwithstanding the foregoing provisions of this paragraph, no member absent from Department service and employed in other departments or offices of The City of Los Angeles shall be permitted to make any contributions to the Death Benefit Fund for any payroll period subsequent to the payroll period in which such absence commences.

(3) Contributions by Department

- (a)** Contributions to the Death Benefit Fund shall be paid by the Department monthly from funds of the Department, for each member by whom contributions shall be made during the month as provided in subdivision (1) of this Section VI B in an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total monthly equivalent of Compensation of members who made contributions to said Death Benefit Fund for said month, less the amount contributed in said month by the members under said Section VI B (1). Said rate shall provide funds at least equal to the present value of the expected Death Benefit payments for the fiscal year plus the amount required to fund prudent reserves.
- (b)** Contributions to the Death Benefit Fund shall also be paid by the Department monthly from funds of the Department for the death benefits provided for in subdivision (2) (a) and subdivision (3) of Section VI D for each noncontributing member and retired member in the event of whose death during such month such death benefit would be payable. The contributions for each month shall be in an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total monthly retirement allowances paid in accordance with Sections IV D, IV E, VII F, and VII G for the preceding month. Said rate shall provide funds at least equal to the present value of the expected Death Benefit payments for the fiscal year plus the amount required to fund prudent reserves.

(c) The Department shall bear the cost of administering the Death Benefit Fund and in payment thereof, shall contribute monthly in advance to said Fund the amount necessary to compensate said fund for administrative expenses.

(4) **Deleted December 17, 1998, Resolution No. 99-149.**

(5) **Contributions for Family Death Benefit Allowances and Supplemental Family Death Benefit Allowances**

The Department shall make monthly contributions to the Family Death Benefit Allowance account of the Death Benefit Fund for payment of the death benefit allowances provided for by Section VI D (8) and Section VI D (9). The Department's contributions to that account for any month shall be an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total number of active contributing members less the amount contributed for such month by the members and retirees who are enrolled for the Supplemental Family Benefits provided under Section VI D (9). Said rate shall provide funds at least equal to the present value of the expected Family Death Benefit payments for the fiscal year plus the amount required to fund prudent reserves.

C. REQUIREMENTS RELATING TO RIGHTS TO BENEFITS

(1) **Effective Date of Right to Benefit**

No Death Benefit shall be payable on account of the death of any person prior to the first date upon which such person is not prohibited from contributing to the Death Benefit Fund under the provisions of Section VI B hereof.

(2) **Designation and Change of Beneficiary¹**

Any member may, by instrument in writing filed with the Board, designate a beneficiary who shall receive any payments due on the death of such member, from the Water and Power Employees Retirement Fund or from the Water and Power Employees Death Benefit Fund and such designation may be changed by such member by instrument in writing filed with the Board. A written beneficiary designation shall be effective upon receipt in the Retirement Plan Office if properly executed.

If any designated beneficiary or beneficiaries predecease the member, or waives the right to benefits, the interest of such beneficiary shall vest in the surviving designated beneficiary or beneficiaries, if any, but if no designated beneficiary survives the member or if no beneficiary has been designated, the death benefit shall be payable to the first named beneficiary or class of beneficiaries of the following successive preference beneficiaries who shall survive the member and who have not waived rights hereunder: The member's **(a)** surviving spouse or Domestic Partner registered as specified in Plan Section IV E (9) or VII F (7); **(b)** issue; if all

of the descendants are in the same degree of kindred to the member, they share equally, otherwise they take by right of representation; **(c)** father and mother, equally, or to the survivor; **(d)** surviving brothers and sisters, equally; **(e)** executors or administrators. Any waiver of benefits hereunder must be in writing.

(3) Suspension of Contributions to Death Benefit Fund During Disability or Injury

Contributions to the Death Benefit Fund, which a member and the Department are required to make under the provisions of subdivisions (1) and (3) (a) of Section VI B hereof, shall be suspended for any period, prior to actual retirement date or termination of employment in Department service, during which such member is on leave of absence from said service due to disability within the meaning of subdivision (2) or (3) of Section V A of the Retirement Plan, or due to injury arising out of said employment and compensable under the terms of any workmen's compensation law. During any such suspension of contributions, the right to receive the death benefits specified in subdivisions (a) and (b) of Section I D (1) hereof shall continue unabated.

(4) No benefit shall be payable under the terms of Section VI D (1) (b) on account of the death of any person occurring after the termination of his employment in Department service.

For the purposes of this Section VI only, any contributing member whose employment in Department service is terminated on or after June 1, 1960, for lack of work, lack of funds, or abolishment of position while he is on leave of absence there from due to disability within the meaning of subdivisions (2) or (3) of Section V A or due to injury arising out of said employment and compensable under the terms of any workmen's compensation law, shall be deemed to be in the employment of the Department and on such leave until such leave would have expired had his employment not been so terminated.

D. DEATH BENEFITS

(1) Contributing Members

Upon receipt by the Board of due proof of the death of a contributing member before retirement, there shall be paid to his beneficiary:

- (a)** From the Retirement Fund, a sum equal to the "Total Accumulated Contributions" of such member; and
- (b)** From the Death Benefit Fund, a sum equal to fourteen times the monthly equivalent of Compensation (as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan) of such member and upon which such member's last contributions to said fund were computed and paid; provided that in no case shall such sum be less than \$1,000.00. Notwithstanding the above, beneficiaries of

contributing members who die while employed as "Half-Time Civil Service Employees" as described in Section IV C (1)(a)(vi) and Section VII E (2) shall receive from the Death Benefit Fund, a sum equal to seven times the full-time monthly equivalent of Compensation as defined in Section II C (14) or Section VII A (5), as applicable, of this Plan; provided that in no case shall such sum be less than \$500.

(2) Noncontributing Members on and After the First Day of the Calendar Month Which Next Follows the Member's Sixty-Fifth Birthday Anniversary

Upon receipt by the Board of due proof of the death of a member on and after the first day of the calendar month which next follows the member's sixty-fifth birthday anniversary, and who has discontinued his contributions to the Death Benefit Fund, but who has not been retired from Department service, there shall be paid to his beneficiary:

- (a)** From the Death Benefit Fund the sum of One Thousand Dollars (\$1,000.00); provided, that if such member shall have entered or reentered Department service on or after July 1, 1945, said sum shall then be so paid only in the event that said member shall have been in such service for an aggregate period of five years or more; and
- (b)** From the Retirement Fund a sum equal to the "Total Accumulated Contributions" of such member.

(3) Retired Members

Upon receipt by the Board of due proof of the death on or after November 1, 1980, of a member while receiving a retirement allowance or who received an optional lump sum settlement under Section IV D (7), Section IV E (7), Section VII N whether or not such member was a contributing member to the Death Benefit Fund at the time of his retirement, there shall be paid to his beneficiary from the Death Benefit Fund an amount equal to fourteen times the normal retirement allowance to which the member is entitled at the time of death or to which he would have been entitled at that time disregarding any such settlement, but in no case shall such amount be less than Two Thousand Dollars (\$2,000) nor more than Twenty Thousand Dollars (\$20,000); provided, that if such a member was, at the time of his death, qualified for the minimum pension provided by Section IV D (4), Section IV E (4), Section VII F (5)(a) or Section VII G (4) of the Plan, such amount shall not be less than Three Thousand Dollars (\$3,000); provided further, that if any member shall have entered or reentered Department service on or after July 1, 1945, said amount shall then be so paid only in the event that said member shall have been in such service for an aggregate period of five years or more. Said aggregate period of five years or more of Department service shall include, for Tier 1, any "City Service" acquired pursuant to Section IV G or Section IV J and,

for Tier 2, shall include Department Service purchased under Section VII H and City Service purchased under Section VII I.

"Normal Retirement Allowance" means the maximum monthly retirement allowance to which a member is entitled under the Retirement Plan, or to which the member would have been entitled thereunder disregarding any options elected under Section IV D (6), Section IV D (15), Section IV E (6), Section IV E (9), Section VII F (6), Section VII F (7), or Section VII G (5), but excluding any portion of such allowance that is attributable to additional contributions.

(4) Termination of the Right to Death Benefits¹

No death benefit shall be payable for the death of a contributing member occurring in any payroll period in which the required or permissible contribution to the Death Benefit Fund is not actually made or the deduction from salary by the Department authorized therefore by said member, excepting only the payroll periods in which contributions to the Death Benefit Fund are waived under the provisions of Section V B (2) hereof. No death benefit shall be payable for the death of a contributing member occurring during any period of time in which said member is prohibited from receiving benefits from the Disability Fund under the provisions of Section V C (6) (d) hereof, and provided, further, that the right and obligation of said member to contribute to the Death Benefit Fund shall be suspended during said period.

(5) Optional Method of Payment of Death Benefit

By written designation duly executed and filed with the Board, any member or his beneficiary may, in lieu of a lump sum payment, elect to have the death benefit, which is chargeable to the Death Benefit Fund, paid, at the option of said member or said beneficiary, in 12, 24, 36 or 48 equal monthly installments. Interest at the rate of two and one-half percent per annum on the monthly unpaid balance shall be added to each such installment.

Such election made by a member may be rescinded or changed by such member and, in the event that he shall have left no such election effective at the time of his death, his beneficiary may make such election, which last election may not thereafter be rescinded or changed.

Upon its findings that an emergency exists, the Board shall have the right to require the payment of all such death benefits in the same manner.

(6) Additional Death Benefits

In addition to other benefits which may become payable under the terms of this Plan upon the death of a member in Department service, or of a member who has been granted a retirement allowance, or of an ex-member who has not withdrawn his or her total accumulated contributions, there shall be paid to the beneficiary of such decedent:

- (a) From the Retirement Fund, any retirement allowance of said decedent, which accrued and was unpaid at the time of death, and any refund of contributions payable under Option (a) of Section IV D (6), Section IV E (6), Section VII F (6) or Section VII G (5), or any contributions in said Fund made by the decedent which were not required or permitted under the provisions of the Plan; any contributions plus interest accrued thereon, paid by the decedent in accordance with the irrevocable agreement provided for in Section IV G or Section VII H which was not completed at the date of death of the decedent; and¹
- (b) From the Disability Fund, any disability allowance of said decedent which is accrued and unpaid at the time of death, and any contributions in said Fund made by the decedent which were not required or permitted under the provisions of the Plan which have not been refunded to the decedent at the time of death; and
- (c) From the Death Benefit Fund, any contributions in said Fund made by the decedent which were not required or permitted under the provisions of the Plan which have not been refunded to the decedent at the time of death.
- (d) Notwithstanding any other provisions in the Plan prohibiting the crediting of interest after the death of a member or retired member, if after one year following the death of such member or retired member, a claim for benefits under this Section VI has not been paid, regular interest as defined in Section IV A (4) hereof shall commence to be credited on any amount payable under subdivisions (1), (2), (3), or (6) of this Section IV D. The provisions of this paragraph shall also be effective on all outstanding unpaid claims made under said Section prior to July 1, 1980, with regular interest to commence being credited from July 1, 1980.²

(e) Benefits Escheat to the Plan

In the event the beneficiary or other person entitled to benefits under this Plan cannot be found for payment of benefits, of there is no person entitled to receive benefits under the estate of a deceased member or spouse, the benefits shall be paid into or remain in the respective Fund from which payable; provided that should a beneficiary or other person entitled to such benefits subsequently prove a valid entitlement thereto to the satisfaction of the Board of Administration, the benefit amounts may be paid from the appropriate Fund accordingly.

(7) Survivors Optional Death Benefit Allowance

If a member dies before his or her actual retirement date while in Department service,

- (i) on or after his or her normal retirement date, or

- (ii) after such member is fifty-five years of age or over and shall have been employed in said Department for at least ten years in the twelve years immediately preceding his or her date of death, or
- (iii) after having been employed in Department service for at least twenty-five years, or
- (iv) is receiving benefits in accordance with the provisions of this Plan for Permanent Total Disability,

and leaves a surviving spouse or a Domestic Partner (as defined in Section IV E (9) or Section VII F (7), as applicable) who is entitled over all others to receive all of that portion of the member's death benefit specified in subdivision (1)(a) or subdivision (2)(b) of Section VI D (a sum equal to the total accumulated contributions of such member), such surviving spouse or Domestic Partner, in lieu of receiving that portion of the member's death benefit, may elect to receive from the Retirement Fund, monthly for life, commencing with the day next following the day on which the member died, a survivors benefit as specified in Plan Section IV E (9)(e) or Plan Section VII F (7)(e), as applicable.

If a member dies as a result of an accident which occurred while he or she was performing work within the scope of his or her duties while in Department service,

- (i) before his or her normal retirement date, and
- (ii) before attaining age fifty-five, but after having been employed in said Department for at least ten years in the twelve years immediately preceding his or her date of death, and
- (iii) before having been employed in Department service for twenty-five years, and
- (iv) is not receiving benefits in accordance with the provisions of this Plan for Permanent Total Disability,

and leaves a surviving spouse or a Domestic Partner (as defined in Section IV E (9) or Section VII F (7), as applicable) who is entitled over all others to receive all of that portion of the member's death benefit specified in subdivision (1)(a) or subdivision (2)(b) of Section VI D (a sum equal to the total accumulated contributions of such member), such surviving spouse or Domestic Partner, in lieu of receiving that portion of the member's death benefit, may:

- (a) elect to receive the minimum additional years, not to exceed a total of five years, added to the member's age or years of service that qualify him or her to receive from the Retirement Fund, monthly for life, a survivors benefit specified in Plan Section IV E (9)(e) commencing on the day next following the day on which the member died, provided that the survivor shall not be eligible to

make this election if benefits have been paid under subdivision (8) or subdivision (9) of Section VI D on account of the member's death, or

- (b) elect to receive from the Retirement Fund, monthly for life, commencing on or after the date that the member would have become eligible to retire had he or she not died, a survivors benefit as specified in Plan Section IV E (9)(e) based upon the member's years of service and compensation at the time of death, provided that the survivor shall not be eligible to make this election if benefits have been paid under subdivision (8) or subdivision (9) of Section VI D on account of the member's death.

A surviving spouse or Domestic Partner is entitled over all others to receive all of that portion of the member's death benefit specified in subdivision (1)(a) or subdivision (2)(b) of Section VI D (a sum equal to the total accumulated contributions of such member) if such surviving spouse or Domestic Partner is

- (i) the designated beneficiary of the member for such portion, or
- (ii) the successive preference beneficiary under Section VI C (2) of the Retirement Plan entitled to such portion, or
- (iii) the person or persons in whose favor a member's designated beneficiary has waived his right to such portion.

Such election shall be by written notice duly executed and acknowledged and filed with the Board before any portion of the member's death benefit specified in subdivision (1)(a) or subdivision (2)(b) of Section VI D shall have been paid to such surviving spouse or Domestic Partner. The notice of election, among other things, shall direct that all of that portion of the death benefit specified in said subdivisions be paid to the Retirement Allowances Reserve. Failure to give such notice in the manner and before the time provided in this paragraph shall constitute a waiver of the right to make such election. When made as provided for in this paragraph, such election shall be revoked only by the death of such surviving spouse or Domestic Partner occurring before the first payment of any allowance under this subdivision (7) and Plan Section IV D (15)(f), IV E (9)(e) or VII F (f)(e) is made, and not otherwise. For the purpose of this paragraph, payment of any benefit or allowance, or any portion thereof, mentioned herein shall be deemed to have occurred when a demand therefore shall have been cashed by the surviving spouse or Domestic Partner or when 10 days shall have elapsed after the mailing of such demand addressed to the surviving spouse or Domestic Partner at his or her last known address, whichever is earlier.

(8) Family Death Benefit Allowances

- (a) **Definitions:** For the purpose of this subdivision (8), the following words and phrases shall have the following meanings:

"*Child*" means a surviving child or adopted child of a member or retired member, who would be entitled to inherit the separate property of the member or retired member if there were no will.

"*Family death benefit allowance*" means \$416 payable monthly; provided however, upon the death of a contributing member who is a "Half-Time Civil Service Employee" as described in Section IV C (1)(a)(vi) or Section VII E (2), as applicable, "*family death benefit allowance*" means \$208 payable monthly; and provided further however, upon the death of a retired member who was such a "Half-Time Civil Service Employee" at the time of retirement, "*family death benefit allowance*" means \$208.

(b) Upon the death of a contributing member for which a benefit is payable under Section VI D (1), and upon the death on or after July 1, 1969 of a retired member for which a benefit is payable under Section VI D (3), there shall be paid from the Death Benefit Fund to the surviving unmarried children of the member or retired member who is under 18 years of age or, if over age 18, who has been so disabled since before attaining age 18 as to be wholly and continuously unable to engage in any gainful occupation whatsoever, a family death benefit allowance as hereinafter provided:

(1) If the surviving spouse or Domestic Partner has the care of one or more such children, the spouse or partner shall be paid a family death benefit allowance on his or her own account plus an additional family death benefit allowance for the benefit of each such child in his or her care. If there are such children, some of whom are in the care of the surviving spouse or Domestic Partner and others of whom are not, a family death benefit allowance shall also be paid to a trustee, designated in accordance with Section III H, or to a legally appointed guardian for the benefit of each of the latter. If there is no surviving spouse or Domestic Partner or if the surviving spouse or Domestic Partner dies or marries, a family death benefit allowance shall be paid to such trustee or guardian for the benefit of each such child.

The right of a surviving spouse or Domestic Partner to be paid a family death benefit allowance on his or her own account, or to be paid a family death benefit allowance for the benefit of any such child, shall cease upon the marriage of the surviving spouse or Domestic Partner or when any such child is no longer in his or her care, whichever first occurs. The right to have a family death benefit allowance paid with respect to any child shall cease when the child attains 18 years of age, or, if so disabled, upon the termination of such disability, whichever last occurs, and in any event, upon the marriage of such child.

- (2) The maximum monthly amount payable under this subdivision on account of the death of one member or retired member shall not exceed \$1,170; provided however that if a contributing member was a "Half-Time Civil Service Employee" as described in Section IV C (1)(a)(vi) or Section VII E (2), as applicable, at the time of death or a retired member was such a Half-Time Civil Service Employee at the time of retirement, the maximum amount payable under this subdivision shall not exceed \$585. If the sum of the family death benefit allowances payable under this subdivision exceeds such maximum, then each allowance shall be proportionately reduced for each month for which such excess would otherwise occur.
- (3) The right to be paid a family death benefit allowance under this subdivision shall commence to accrue with the first day of the month next following the month in which the member or retired member dies. Adjustments and termination of such allowances due to the happening of any event requiring the same shall be made commencing with the first day of the month in which the event occurs.
- (4) Not more than one family death benefit allowance shall be paid under the provisions of this subdivision to or for the benefit of any one person. If such person would be otherwise entitled to more than one allowance, only the highest allowance shall be paid.
- (5) If the surviving spouse or Domestic Partner of a member is eligible for a survivor's optional death benefit allowance under the provisions of Section VI D (7) and elects to receive the same, or if the surviving spouse or Domestic Partner of a retired member is eligible for a continuance to eligible spouse or Domestic Partner allowance under the provisions of Section IV D (15), Section IV E (9) or Section VII F (7), such person shall not be paid a family death benefit allowance under this subdivision on his or her own account.
- (6) The family death benefit allowances payable under the provisions of this subdivision shall be in addition to any death benefit payable under the provisions of Section VI D (1) or VI D (3), without regard to the beneficiary designated by the member or retired member to receive the death benefit provided by either of said sections.
- (7) Every person to or for the benefit of whom a family death benefit allowance is being paid on July 1, 2001 by reason of the death of a member occurring prior to said date shall be entitled to have such allowance recomputed and thereafter paid in accordance with the provisions of subdivision (8) of Section VI D in effect on July 1, 2001. The provisions of this

subparagraph (7) shall not apply with respect to any such allowance payable for any month preceding July 1, 2001.

(9) Supplemental Family Death Benefit Allowances

- (a) Definitions:** For the purpose of this subdivision (9), the following words and phrases shall have the following meanings:

"*Qualified Member*" means a person who has completed thirty-nine (39) biweekly contributions by payroll deduction and has continued his or her authorization for payroll deduction of the contribution amount.

"*Child*" means a surviving child or adopted child of a member or retired member, who would be entitled to inherit the separate property of the member or retired member if there were no will.

"*Supplemental family death benefit allowance*" means an amount payable monthly at the rate of \$520 as provided in paragraph (f) of this subdivision in addition to the family death benefit allowance paid under the provisions of Section VI D (8).

(b) Enrollment

Members currently making contributions to the Death Benefit Fund may enroll for the supplemental family death benefit allowance by application filed with the Board at any time. Contributions as set forth in Section VI D (9) (c) shall commence being deducted from such a member's Compensation the first day of the second payroll period following such enrollment, and shall be deducted from the monthly retirement allowance of any retired Qualified Member who elects to continue his or her coverage for the benefits provided by this subdivision after his or her retirement, and shall be discontinued the first day of the second payroll period following cancellation of contribution payroll deduction authority by such member, or the first day of the second month following cancellation of contribution authority by such retired member, or upon such member's termination of employment with the Department other than by retirement, whichever shall be the earlier. A member may reenroll by a similar application filed with the Board and may become a Qualified Member by the payment thereafter of thirty-nine (39) contributions by payroll deduction, but retired members cannot reenroll following any such election to discontinue said coverage.

(c) Contributions by Enrolled Members.

Except as provided in Section II D (3)(h), Section VI B (2), Section VI C(3), Section VI D (9)(d), Section VI D (9)(e), and Section VII C (6), each payroll period at such time as his or her Normal Contribution is made, every member who is enrolled under paragraph (b) of this subdivision (9) shall contribute \$2.25 (two dollars and twenty-five cents) to the Death Benefit Fund for each

payroll period in which the member earns his or her Compensation, or any part thereof.

Contributions by Retired Qualified Members.

Every member who is a Qualified Member at the time of his or her retirement and who elects to continue coverage provided by this Section VI D (9) after retirement, shall contribute \$4.90 (Four Dollars and ninety cents) to the Death Benefit fund each month by a deduction which shall be taken from his or her monthly retirement allowance check. Until such deduction can be taken, such contribution shall be payable to the Death Benefit Fund monthly; any month for which payment is not received shall terminate coverage.

(d) Optional Contributions by Members on Leave.

Any Qualified Member who goes on leave from Department service without pay, may at his or her option continue his or her coverage for the allowance payable under this subdivision (9) during said leave for a period not to exceed thirteen additional payroll periods by payment in advance to the Death Benefit Fund of a biweekly contribution equal to the rate prescribed in Section VI D (9) (c) provided that the contribution specified in Section VI B (2) is made for the same period; provided, however, that the contribution for each such payroll period is conditional upon a contribution being made for the immediately preceding payroll period. Such a contribution shall only be permitted for each of the thirteen payroll periods subsequent to the last day of the payroll period in which such leave commences. Notwithstanding the foregoing provisions of this paragraph, no Qualified Member absent from Department service and employed in other department or offices of the City of Los Angeles shall be permitted to make any contributions to the Death Benefit Fund for any payroll period subsequent to the payroll period in which such absence commences, and upon his or her return to Department service, he or she may reenroll and thereafter make thirty-nine (39) contributions by payroll deduction to again become a Qualified Member.

(e) Suspension of Contributions to Death Benefit Fund During Disability or Injury.

Contributions to the Death Benefit Fund, which a member and the Department are required to make under the provisions of paragraph (c) of this subdivision (9) and Section VI B (5), shall be suspended for any period, prior to actual retirement date or termination of employment in Department service, during which such member is on leave of absence from said Service due to disability within the meaning of subdivision (2) or (3) of Section V A of the Retirement Plan, or due to injury or illness arising out of said employment and compensable under the terms of any workers' compensation law. During any such suspension of contributions, each Qualified Member shall retain the Supplemental Family Death Benefit coverage provided for members enrolled under this Section VI D

(9). For the purposes of this subdivision (9) only, any such Qualified Member whose employment in Department service is terminated for lack of work, lack of funds, or abolishment of position while he or she is on leave of absence there from due to disability within the meaning of subdivisions (2) or (3) of Section V A or due to injury or illness arising out of said employment and compensable under the terms of any workers' compensation law, shall be deemed to be in the employment of the Department and on such leave until such leave would have expired had his or her employment not been so terminated.

(f) Upon the death of a Qualified Member or retired Qualified Member for whom a benefit is payable under Section VI D (8), there shall be paid from the Death Benefit Fund to the surviving unmarried children of the member or retired member who is under 18 years of age or, if over age 18, who has been so disabled since before attaining age 18 as to be wholly and continuously unable to engage in any gainful occupation whatsoever, a Supplemental Family Death Benefit allowance as hereinafter provided:

(i) If the surviving spouse or Domestic Partner has the care of one or more of such children, the spouse or partner shall be paid a supplemental family death benefit allowance on his or her own account plus an additional supplemental family death benefit allowance for the benefit of each such child in his or her care. If there are such children, some of whom are in the care of the surviving spouse or Domestic Partner and others of whom are not, a supplemental family death benefit allowance shall also be paid to a trustee, designated in accordance with Section III H, or to a legally appointed guardian or conservator for the benefit of each of the latter. If there is no surviving spouse or Domestic Partner, or if the surviving spouse or Domestic Partner dies or marries, a supplemental family death benefit allowance shall be paid to such trustee, guardian, or conservator for the benefit of each such child.

(ii) The right of a surviving spouse or Domestic Partner to be paid a supplemental family death benefit allowance on his or her own account, or to be paid a supplemental family death benefit allowance for the benefit of any such child, shall cease upon the marriage of the surviving spouse or Domestic Partner or when any such child is no longer in his or her care, whichever first occurs. The right to have a supplemental family death benefit allowance paid with respect to any child shall cease when the child attains 18 years of age, or, if so disabled, upon the termination of such disability, whichever last occurs, and in any event, upon the marriage of such child.

- (iii)** The maximum monthly amount payable under this subdivision on account of the death of one member or retired member shall not exceed \$1066. If the sum of the supplemental family death benefit allowances payable under this subdivision, calculated as hereinabove provided, exceeds such maximum, then each such allowance shall be proportionately reduced for each month for which such excess would otherwise occur.
- (iv)** The right to be paid a supplemental family death benefit allowance under this subdivision shall commence to accrue with the first day of the month next following the month in which the member or retired member dies. Adjustment and termination of such allowances due to the happening of any event requiring the same shall be made commencing with the first day of the month in which the event occurs.
- (v)** Not more than one supplemental family death benefit allowance shall be paid under the provisions of this subdivision to or for the benefit of any one person. If such person would be otherwise entitled to more than one such allowance, only the highest allowance shall be paid.
- (vi)** If the surviving spouse or Domestic Partner of a member is eligible for a survivor's optional death benefit allowance under the provisions of Section VI D (7) and elects to receive the same, or if the surviving spouse or Domestic Partner of a retired member is eligible for a continuance to eligible spouse or Domestic Partner allowance under the provisions of Section IV D (15), Section IV E (9) or Section VII F (7), such person shall not be paid a supplemental family death benefit allowance under this paragraph on his or her own account.
- (vii)** The supplemental family death benefit allowances payable under the provisions of this subdivision shall be in addition to any death benefit payable under the provisions of Section VI D (1), VI D (3), or VI D (8), without regard to the beneficiary designated by the member or retired member to receive the death benefit provided by either of the first two of said sections.
- (viii)** Every person to or for the benefit of whom a supplemental family death benefit allowance is being paid on July 1, 2001 by reason of the death of a member occurring prior to said date shall be entitled to have such allowance recomputed and thereafter paid in accordance with the provisions of subdivision (9) of Section VI D in effect on July 1, 2001. The provisions of this subparagraph (viii) shall not apply with respect to any such allowance payable for any month preceding July 1, 2001.

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- ¹ **VI C (2)** Beneficiary Designation [SEE ADMIN. INTERPRETATION DATED 2-8-83]
Successive Preference Beneficiaries [SEE ADMIN. INTERPRETATION DATED 12-16-88]
Waiver by Designated Beneficiary [SEE ADMIN. INTERPRETATION DATED 3-25-91]
- ¹ **VI D (4)** Ineligibility for Death Benefits When Contributions are Not Made to the Death Benefit Fund [SEE ADMIN. INTERPRETATION DATED 6-20-88]
- ¹ **VI D (6)(a)** Accrued Allowance When Retiree Dies on Last Day of Month [SEE ADMIN. INTERPRETATION DATED 3-20-91]
- ² **VI D (6)(d)** Interest Credited to Death Benefits [SEE ADMIN. INTERPRETATION DATED 1-26-93]

WATER AND POWER EMPLOYEES' RETIREMENT PLAN

SECTION VII

TIER 2 PROVISIONS

This section establishes the benefits and conditions of entitlement for Department employees who become members of the Retirement Plan on or after January 1, 2014; these members shall be referred to as Tier 2 members of the Retirement Plan. The provisions of this section shall become operative on January 1, 2014. For reference purposes, employees whose membership rights are governed by the provisions of this Retirement Plan prior to the January 1, 2014 operative date of this section shall be referred to as Tier 1 members of the Retirement Plan.

The provisions of Sections I, III, V and VII and Subsections A, B, G, and H of Section II shall apply to members of Tier 2, as applicable, except as provided otherwise in this section. The provisions of Subsection M of Section IV shall apply to members of Tier 2. The provisions of Section II F shall apply to Section VII, in the same manner as these provisions apply to Section IV of the Plan, except that, to the extent that any Tier 2 member's retirement allowance is limited by Internal Revenue Code Section 415, Tier 2 members shall not have the right, provided in Section II E (1) (b), to receive payments from a Qualified Excess Benefit Plan. If any time periods need to be converted, such conversions shall be done in the same manner as provided in Tier 1.

The right of each and every member to be paid the greater of his total accumulated contributions or the benefits provided in Section VII in the event of any substantial abrogation, repeal, or annulment of the retirement allowance provisions of this Plan, either through the repeal of this Plan, the repeal of Section 1102(b) of the Charter of The City of Los Angeles, or otherwise, is hereby declared to be a vested property right of such member.

A. DEFINITIONS

The following words and phrases shall have the meanings set forth below for purposes of Tier 2 unless a different meaning is plainly required by the context. The definitions contained in Section II (C)(1)-(2), (4)-(10), (12)-(13), and (15)-(16) shall be applicable to Tier 2 unless the context requires otherwise. These definitions shall likewise apply to all benefits to which Tier 2 members are entitled, pursuant to the provisions of Sections V and VI of the Plan, as provided in this Section VII.

- (1) *"Accumulated Additional Contributions"* shall mean the sum of all additional contributions, as defined in division (3) below, by a member deducted from the Compensation of such member, and credited to the individual account of such member together with "Regular Interest" thereon.
- (2) *"Accumulated Normal Contributions"* shall mean the sum of all the normal contributions by a member deducted from the Compensation of such

member and credited to the individual account of such member together with "Regular Interest" thereon.

- (3) *"Additional Contributions"* shall mean optional contributions by members to the Water and Power Employees Retirement Fund in addition to normal contributions, which are paid in accordance with the provisions of Section VII E (3).
- (4) *"Annuity"* shall mean the monthly allowance payments payable for life with no refund at death, derived from contributions made by a member, as provided in this Plan.
- (5) *"Compensation"* means a member's biweekly salary or the biweekly equivalent of the daily wage (exclusive of pay differentials, overtime pay, and premium allowances), earnable from the Department as a full-time employee. The monthly equivalent of Compensation is the biweekly salary multiplied by 2.175. The daily wage earnable by a member shall be converted to the corresponding biweekly equivalent by multiplying ten (10) times the applicable daily wage; the monthly equivalent of the daily wage is derived by multiplying the daily wage by 21.75. For purposes of computing disability benefits provided for in Section V of this Plan, Compensation as defined herein shall be that which was earnable at the Inception of Disability. Salary for purposes of this provision shall include base pay inclusive of bonus pay and add-ons as identified in the applicable collective bargaining agreement.
- (6) *"Department Service"* shall mean service rendered as an employee, as defined in Section II C (2), of the Department. Such service shall also include service acquired by such employee pursuant to Section VII H (previous Department Service) and Section VII I (Other Governmental Service).
- (7) *"LACERS"* shall mean the Los Angeles City Employees' Retirement System.
- (8) *"Member of Tier 2"* or *"Tier 2 member"* shall refer to a person whose membership rights are established in Section VII of the Plan. Any reference in this section to "member" shall be understood to refer to a person who is a member of Tier 2, rather than of Tier 1, unless expressly provided otherwise.
- (9) *"Normal Contributions"* shall mean contributions by members to the Water and Power Employees' Retirement Fund at the rates prescribed by Section VII E (1) or (2), as applicable.
- (10) *"Normal Retirement Date"* shall mean the first day of the calendar month which next follows the person's sixtieth birthday anniversary.

- (11) *"Minimum D Pension"* shall mean the pension payable monthly for life to a member upon retirement in accord with the provisions of this Plan and to be paid by the Retirement Fund.
- (12) *"Plan"* shall mean the Retirement Plan as defined in Section II C (1).
- (13) *"Regular Interest"* means interest at the rates shown opposite the respective periods shown in the table in Section IV A (4). Such interest shall accrue on the contributions to the Retirement Fund of any member from and after the first day of the calendar month which next follows the initial contribution to the Retirement Fund, and it shall be credited to the member's contribution account at the close of each fiscal year. If an unretired member dies or withdraws his or her total accumulated contributions, such interest previously credited to the member's individual account and to current service contributions made on the member's behalf, shall be subject to such withdrawal charges, as provisions of the Retirement Plan may prescribe.
- (14) *"Retirement Allowance"* shall mean the annuity plus the pension.
- (15) *"Total Accumulated Contributions"* shall mean accumulated normal contributions plus accumulated additional contributions.

B. TIER 2 MEMBERSHIP

- (1) Every employee hired on or after January 1, 2014 shall become a member of Tier 2 of the Retirement Plan on the first day of the pay period following entry into Department employment unless:
 - (a) he or she is ineligible for membership pursuant to the terms of Section II D (1); or
 - (b) he or she was a contributing member of the Plan prior to January 1, 2014, and his or her prior contributions remain in the Plan; in that event, such former member shall return to membership in Tier 1 of the Retirement Plan.
- (2) An employee who is otherwise eligible for membership in Tier 2 shall not be ineligible for membership on the basis that he or she is being employed by the Department to render services of a temporary character, whether employed, pursuant to a regular or an emergency appointment, on a monthly salary or a daily wage.
- (3) Every Department employee whose employment status changes from an ineligible to an eligible class of employment in Department service on or after January 1, 2014, shall become eligible for membership in Tier 2 on the first day of the payroll period following such change in employment status, with the following exceptions:

- (a) an employee who was previously a member of Tier 1 of the Plan and whose prior Tier 1 contributions remain in the Plan shall become eligible for, and shall return to membership in, Tier 1, rather than Tier 2, on the first day of the payroll period following such change in employment status.
- (b) an employee who was ineligible for membership in the Plan on December 31, 2013 due to employment as a Utility Pre-Craft Trainee represented by the Operating, Maintenance and Service bargaining unit upon regular appointment, without a break in service, to a position that renders him or her eligible for membership in the Plan shall become a member of Tier 1, rather than Tier 2, on the first day of the payroll period following such change in employment status.
- (4) Pursuant to IRS regulations, certain employees are required to become members of the Retirement Plan on the first day of employment in a position that renders them eligible for membership in order that their wages not be subject to Social Security taxes. All such employees shall, accordingly, become members of Tier 2 on the first day in which they are employed in a position that otherwise would require them to wait until the first day of the following payroll period to become a member of Tier 2.
- (5) All new members shall provide the Board with a statement of such facts material to the determination of the member's rights and obligations under the Plan as may be required by the Board, in such form and signed and executed in such manner as required by the Board. This statement shall be submitted at the time each person enters membership or as otherwise specified by the Board. Each new member shall also agree to be bound by the provisions of the Plan in force on the date he or she entered membership and amendments thereto and the rules and regulations then in force and later adopted by the Board.

C. MEMBERSHIP STATUS

- (1) The Board shall notify the Controller of all employees who are entering membership in Tier 2 and who have provided statements, as required in Section VII B (5), as soon as practical after these statement have been received. Upon receipt of such notice, the Controller shall promptly certify and deliver to the Board the necessary record of employment of each such employee. Said record, unless and until revised by the Department, shall, so far as applicable, govern the Board in the determination of employee status by which all rights to membership in said Plan and to the benefits thereof shall be determined. In addition thereto, every member shall file with the Board all supplemental information in such form and manner as the Board may require, in order to fully determine his or her status, right to membership and to benefits under said Plan. Proof of date of birth, satisfactory to the Board and Department, may be required of any member at any time before date of retirement.

- (2) In the event that any material fact in the statement provided to the Board, as required in Section VII B (5), is found to be in conflict with the employment records furnished the Board by the Controller, after notice to the member the entire record shall be referred to the Board of Commissioners for review. Upon proper showing, the Board of Commissioners may review its employment record and certify its findings, through the Controller, to the Board, which determination shall thereafter be binding on both the Board and the member.
- (3) If it shall be impracticable for the Board to determine from the records the length of service, the Compensation or the age of any member, the Board of Commissioners may estimate such length of service, Compensation or age for all purposes of this Plan. Said findings shall be binding on the Board and on the member.
- (4) Changes in employment status of members which affect membership or the right to benefits or amount of benefits will be certified by the Controller to the Board, which shall thereafter be bound thereby.
- (5) This Plan shall not be construed as giving to any member the right to be retained in Department Service, or any right or claim to any benefit under this Plan after termination of such service, unless the right to such benefit has accrued under the terms hereof prior to such termination or unless the right to such benefit subsequent to the termination of Department service is expressly granted to said member under the provisions of this Section VII or under the provisions of Sections V or VI of this Plan that apply to members of Tier 2. The right of each member to receive each and every benefit provided under the terms of this Plan is subject to the provisions of the Plan in its entirety relating to each specific benefit.
- (6) No contributions to any one of the three Funds will be required or permitted from a member while absent from Department service without pay, or on disability leave, or while entitled to receive compensation benefits pursuant to any workers' compensation plan or law or other statute of similar nature now or hereafter in effect, except as may be specifically permitted or required in Sections V, VI, or VII; provided, however, that if any member is granted a leave of absence with pay he or she shall continue his or her regular contributions; and provided further, that within any periods during which no contributions are made no additional benefits shall accrue to said member except as specifically provided in Section V, VI, or VII.
- (7) No member who has been terminated from Department service shall be entitled to be repaid any portion of compulsory or optional contributions which he or she may have made to the Disability Fund or Death Benefit Fund for the pay period in which such termination shall have occurred.
- (8) The Board may terminate, cancel or annul the right of any member and the right of his or her beneficiary to receive any retirement allowance, disability allowance, or death benefit under the terms of the Plan or may

limit the right of any member to participation in retirement benefits only, whenever the Board finds that such member, intentionally or unintentionally, has concealed or failed to disclose material information or has submitted false or incorrect data which tend to affect the rates, benefits or actuarial computations of the Plan.

In the event of any such termination, cancellation or annulment, or any such limitation of right, the Board may order that there shall be paid to the member or his beneficiary an amount equal to the total accumulated contributions of such member, less the sum of all benefits theretofore received by him under the terms of said Plan; or the Board may make such other order or effect such compromise and settlement with the member or his beneficiary as in its opinion the circumstances of the particular case may warrant.

- (9) The Board shall terminate, cancel or annul the right of any member and the right of his or her beneficiary to receive any retirement allowance, disability allowance, or death benefit under the terms of the Plan whenever the Board finds that such member has been convicted or plead guilty or plead no contest to any felony related to his or her employment with the Department. In the event of such forfeiture of benefits, the Board shall order that there shall be paid to the member or his beneficiary an amount equal to the total accumulated contributions of such member, less the sum of all benefits theretofore received by him or her under the terms of said Plan, except that, should no benefits have been paid on his or her behalf, then the Board shall order that the member or his beneficiary be paid an amount equal to the total of the member's total accumulated contributions.

D. TERMINATION OF MEMBERSHIP

(1) Termination Provisions

Membership in the Retirement Plan once acquired shall continue until terminated in accordance with the provisions hereof. In the event membership in the Plan is terminated as provided in this subsection, the Board shall certify such action and the information upon which said action was taken to the Controller. Membership and the rights thereto shall terminate:

- (a) On the termination of employment of a member in Department service, unless the right to extended membership is expressly granted such member under the provisions of Section V, VI or VII hereof;
- (b) On the retirement of a member from Department active service and the granting of a retirement allowance to said member.
- (c) By reason of change in the employment status in Department service of a member that renders said member ineligible to

membership under the terms of Section VII B relating to ineligibility to membership.

- (d) By repeal or annulment of the Retirement Plan;
- (e) In the event of a suspension of a member's right to benefit pursuant to the provisions of Section VII C (8).
- (f) In the event of a forfeiture of a member's right to benefits pursuant to the provisions of Section VII C (9).

(2) Rights Upon Termination of Membership

(a) Return of Contributions

Upon any termination of membership in the Retirement Plan, before the member is actually retired and granted a retirement allowance, and upon written demand and subject to the conditions herein set forth, there shall be returned to the former member, or, in the event of his or her death, to his or her named beneficiary or legal representative, within six months after the date of such demand, his or her total accumulated contributions as shown by the books of the Retirement Fund. Whenever a former member withdraws his or her total accumulated contributions, or payment thereof is made upon his or her death to his or her beneficiary, such contributions shall be credited with regular interest to the end of the calendar month which next precedes the date of death or to the end of the calendar month which next precedes the date of the written demand of the former member for the return of his or her total accumulated contributions, whichever is the earlier, and thereupon interest shall cease.

Notwithstanding the foregoing, a former member whose membership has been terminated pursuant to the provisions of either subdivision (e) or (f) of Section VII D (1) shall have **his or her right to a refund of contributions governed by the** provisions in division (8) or (9) of Section VII C, as applicable.

No return of total accumulated contributions shall be made to any member while he or she is receiving a disability allowance as provided in Section V. No member absent from Department service upon leave of any character shall be entitled to withdraw or transfer any portion of his or her total accumulated contributions prior to termination of said leave and employment in the Department service. No contributions may be returned to a former member who is otherwise employed by the City of Los Angeles unless such refund is allowed under federal law.

Upon the written request of any such member who is leaving the service of the Department of Water and Power and who is subsequently employed in another department or office of the City

of Los Angeles, and who is eligible for membership in LACERS or the Fire and Police Pension Plan, and upon said written demand, said total accumulated contributions may be transferred to LACERS or the Fire and Police Pension Plan for the account of said member; provided, however, that such transfer of contributions is approved by such system.

At the time of making demand for the return or transfer of his or her total accumulated contributions, the former member shall execute, as a condition precedent to the return or transfer of such contributions, the necessary release of all rights to any benefits from the Plan. In addition, the acceptance of the return of the total accumulated contributions by the former member or transfer of contributions to LACERS or the Fire and Police Pension Plan for the account of and pursuant to the request of such member shall constitute a waiver of all rights of said member to receive any benefits from the Plan. Should said former member at a later date reenter the service of the Department and reenter the Plan as a member, however, a former member who withdrew his or her total accumulated contributions may reestablish a right to benefits provided in the tier to which he or she returns as hereinafter provided in Section VII H (1).

(b) Right to Benefits from Plan

A former member who leaves his or her total accumulated contributions on deposit in the Retirement Fund and who subsequently qualifies for a deferred retirement, may apply for retirement as provided in Section VII G.

A former member whose total accumulated contributions remain on deposit in the Retirement Fund and who is also a current or retired member of LACERS, shall be considered, for retirement eligibility purposes only, to be a member of the Plan at the time he or she applies for retirement from the Plan and shall be entitled to have his or her service and/or service credit with LACERS combined with his or her service and/or service credit with the Plan as provided elsewhere in Section VII.

(c) Failure to Claim Contributions

In the event that a former member does not request a return of his or her total accumulated contributions, then his or her total accumulated contributions shall remain to his or her credit on the books of the Retirement Fund. Notwithstanding the preceding sentence, if a former member does not withdraw his or her total accumulated contributions within ten (10) years after termination of membership, that amount may, at the discretion of the Board, be transferred to the surplus of the Retirement Fund. If the former member or any person eligible under Section VI of the Plan thereafter files a claim for a refund of the member's total

accumulated contributions, the amount previously transferred and the regular interest that would have accrued since the date of transfer shall be paid to the claimant, and the surplus of the Retirement Fund shall be adjusted accordingly.

If a former member whose total accumulated contributions have been transferred to the surplus of the Retirement Fund reenters Department service and again becomes a member, or if he or she is eligible for and makes application to retire, the amount previously transferred plus the regular interest that would have accrued since the date of transfer shall be credited to his or her total accumulated contributions and the surplus of the Retirement Fund shall be adjusted accordingly. Eligibility for benefits provided for in the Plan shall thereafter be determined as though the total accumulated contributions had never been transferred to the surplus.

Notwithstanding the foregoing, a former member whose membership has been terminated pursuant to the provisions of either subdivision (e) or (f) of Section VII D (1) shall have his or her right to a refund of contributions governed by the provisions in division (8) or (9) of Section VII C, as applicable.

E. TIER 2 CONTRIBUTIONS

(1) Normal Contributions by Members

A Tier 2 member who receives Compensation for any part of a payroll period shall contribute by salary deduction to the Retirement Fund, as a normal contribution, an amount which equals ten percent (10%) of his or her biweekly Compensation fixed for the position which the member occupied and at which he or she was paid for work, or would have been paid if her or she had worked, on the first day of the payroll period. The Department shall pick up an employee's normal contribution so long as the Department's pick up of employees' contributions continues to be excludable from the gross income of the affected employees under the provisions of Internal Revenue Code Section 414(h)(2).

(2) Normal Contributions by Members Who Are Not Full Time Employees

Any Tier 2 member who, on the first day of a payroll period, is certified by the General Manager as one who is to be employed more than 19 but less than 40 hours per week ("Less Than Full Time Employee") or any Tier 2 member who is a "Half-Time Civil Service Employee" covered by the Agreement for such employees between the Department and the International Brotherhood of Electrical Workers (IBEW), Local 18, shall contribute at a rate equal to one-half of the rate provided in Section VII E (1) above, on the same terms and conditions as otherwise provided therein.

(3) Additional Contributions by Members

Any member may elect to contribute to the Retirement Fund an amount in excess of the required normal contribution for the purpose of providing additional retirement income. Such additional contributions may be made in any amount per payroll period, not to exceed ten percent (10%) of the member's Compensation, as defined in Section VII A (5), for each payroll period, and shall be made in conjunction with the normal contribution. Additional contributions may be commenced, changed in amount, discontinued or renewed at any time upon thirty days written notice to the Board. The making of such additional contributions shall not affect the requirement to make normal contributions, which normal contributions must be continued the same as if no additional contributions had been made. The Board, upon application, shall furnish to any member information concerning the nature of additional benefits to be provided by such additional contributions.

(4) Department Contributions**(a) Contributions Based on Entry Age Normal Cost Funding Method**

The Department contributions to the Retirement Fund shall be determined on the basis of the Entry Age Normal Cost Funding Method amortizing the resulting unfunded liability or surplus for each year in equal dollar amounts over the subsequent fifteen (15) year period. The Entry Age Normal Cost Funding Method is defined as that method by which a level percentage of Compensation of new members is determined which must be paid into the Retirement Fund from their respective dates of entry in order to provide the benefits payable pursuant to Section VII of this Plan, less the normal contributions made by such new members during the period of their membership. The Board of Administration may, by resolution, adopt a separate period of not more than thirty (30) years upon the recommendation of its Actuary to amortize the gain or loss resulting from an unusual event or change in assumptions or methods.

(b) Contributions for Military Service

The Department shall contribute for military service for Tier 2 members in the same manner as required for Tier 1 members pursuant to Section IV C (2)(d), except that the Department's obligation to contribute for Tier 2 members shall be modified to take into account the fact that the Department no longer is obligated to provide a 110% match of the normal contributions made by members of Tier 2.

(c) Contributions for Costs of Administration

The Department shall bear the cost of administering the Retirement Fund and in payment thereof, shall contribute monthly in advance

to said fund the amount necessary to compensate said fund for administrative expenses; provided, however, that the expense of fees necessary for the Board to employ discretionary investment managers may be charged directly against income of the Retirement Fund and said fund need not be compensated for these fees by the Department.

Should it be found at the end of any fiscal year that contributions paid under this subdivision have totaled less than said cost of administration, the Department shall thereupon pay into said fund the amount of such shortage; and should it be found at the end of any fiscal year that such contributions have totaled more than said cost, the amount of such excess shall thereupon be returned or credited to the proper funds of the Department.

F. SERVICE RETIREMENT FOR EMPLOYEES

A member who retires from Department service shall be paid a monthly retirement allowance on the terms and conditions set forth below.

(1) Early Retirement

A person may be retired from the service of the Department prior to his or her normal retirement date upon the written application of such person; provided that the written application is received in the Retirement Plan Office thirty (30) calendar days prior to the effective date and that such retirement is recommended by the General Manager of said Department and approved by the Board of Water and Power Commissioners prior to the effective retirement date, and provided further that such person is eligible to retire under the provisions of Section VII F (4)(a).

After an application for early retirement has been approved by the Board of Water and Power Commissioners, but before it becomes effective, an applicant or the representative of an applicant may make a written request to such Commission to withdraw his or her application. The Commission may approve such a request, provided the written request is received by the Commission Office seven (7) calendar days prior to the effective date of retirement and the General Manager recommends approval of the request. Requests for withdrawal of early retirement applications cannot be approved after the effective date of retirement. A request for withdrawal shall not be deemed received by the Retirement Plan Office or the Commission Office until it has been stamped with the date of receipt.

(2) Normal Retirement

The normal retirement date shall be the first day of the calendar month which next follows the person's sixtieth birthday anniversary; and such person shall be retired from the service of the Department on his or her normal retirement date or on the first day of any calendar month thereafter, upon the written application of such person filed with the Board of Administration not less than thirty (30) calendar days prior to the date of

retirement, and provided further that such person is eligible to retire under the provisions of Section VII F (4)(b) or (c).

After an application for retirement has been filed with the Board of Administration, but before the effective date of retirement, an applicant or the representative of an applicant may make a written request to withdraw his or her application. The Board of Administration may approve such a request provided the written request is received by the Retirement Plan Office seven (7) calendar days prior to the effective date of retirement. A request for withdrawal of an application for retirement cannot be approved after the effective date of retirement. A request for withdrawal shall not be deemed received by the Board of Administration at the Retirement Plan Office until it has been stamped with the date of receipt.

(3) Definitions

For purposes of Subsections F and G of Section VII, the following terms shall mean:

(a) “*Qualifying Service*” for purposes of computing eligibility for retirement pursuant to Section VII F (4) and Section VII G (3) shall include the following:

- (i)** The aggregate number of biweekly payroll periods divided by 26.089, for which the member made Normal Contributions.
- (ii)** The number of biweekly payroll periods divided by 26.089 for which service credit has been purchased in accordance with Plan Section VII H.
- (iii)** The aggregate number of biweekly payroll periods, divided by 26.089, for which the member received disability benefits from the Plan or disability payments under any workers' compensation law, except that if the member received such disability benefits or payments as a “Half-Time Civil Service Employee” as described in Section VII E (2), the aggregate number of biweekly payroll periods shall be divided by 52.178, provided that the total time periods includable shall be limited as follows:

<u>Years of Department Service</u>	<u>Biweekly Pay Periods</u>
Completed Ten Years	8.7
Each two (2) Full Years Completed over ten (10) Years	2.17

(iv) The aggregate number of biweekly payroll periods, divided by 26.089, for which the Department is required to make contributions on behalf of the member in accordance with Plan Section VII E (4)(b).

- (v) The years and months of Other Governmental Service purchased in accordance with Plan Section VII I.
 - (vi) All periods of employment with the City reported by LACERS, but only to the extent that such periods of time have not already been counted as Qualifying Service pursuant to any other provision in this subdivision.
 - (vii) All periods of noncontributory Department Service.
 - (viii) Any biweekly payroll period or month shall be counted only once when "Qualifying Service" is being determined.
- (b) “*Service Credit*” for purposes of computing the amount of the member’s retirement allowance, as set forth in Section VII F (5) or Section VII G (4), as applicable, shall include all time included as Qualifying Service in Subdivision (a) above, except that time included based upon Subdivision (a) (vi) and Subdivision (a) (vii) shall not be included.

Further, the aggregate number of payroll periods for which the member was designated "Less than Full-Time" as provided by Section VII E (2) or was employed as a “Half-Time Civil Service Employee” as described in Section VII E (2) and made a one-half rate contribution, shall be divided by 52.178, not 26.089 as specified in Subdivision (a)(i) above.

- (c) "*Final Average Salary*" shall be the average monthly equivalent of the biweekly salary determined by adding the Compensation for the 78 successive qualifying biweekly payroll periods immediately preceding retirement, dividing the sum by 78 and multiplying that quotient by 2.175. A member may designate in writing an alternate set of 78 successive qualifying biweekly payroll periods for use in this calculation. If a member has not made Normal Contributions for at least an aggregate of 78 qualifying payroll periods, the Final Average Salary shall be the average monthly equivalent of the biweekly salary for such lesser number of qualifying payroll periods. Compensation is as defined in Section VII A (5) of this Plan for the position which the member occupied and at which he or she was paid for work on the first day of the payroll period or would have been paid had he or she worked on said day.

(4) Eligibility for Service Retirement

A person who applies for retirement, as provided in Section VII F (1) or (2), as applicable, and satisfies the requirements set forth in one of the following provisions shall be retired with a retirement allowance as provided in Section VII F (5):

(a) Early Retirement

A Tier 2 member shall be eligible to retire at any age with a retirement factor of 2%, provided he or she shall have at least thirty (30) years of Qualifying Service, of which at least five years shall have been Department service for which he or she made Normal Contributions or, in lieu of any or all of said five years, shall have received either disability payments under the Plan or disability payments under any workers' compensation law. Solely for retirement eligibility purposes, periods for which the member made Normal Contributions to LACERS shall count toward the aforementioned five year requirement.

A Tier 2 member who is receiving benefits under the Plan for Permanent Total Disability, regardless of duration of service or age, and who elects to accept a retirement allowance in lieu of such benefits, shall be eligible to retire under this provision.

A member who is younger than age 60 on the date of his or her retirement shall have his or her retirement allowance reduced by the applicable early retirement factor set forth in Section IV E (4)(b); however, if the member has thirty (30) or more years of Service Credit and has attained at least the age of 55 at the date of retirement, no reduction shall be made. Service Credit with the Plan and with LACERS may be combined for purposes of satisfying the eligibility requirements of this paragraph.

(b) Normal Retirement

A Tier 2 member shall be eligible to retire after reaching age 60 with a retirement factor of 1.5%, provided he or she shall have at least ten (10) years of Qualifying Service, of which at least five (5) years shall have been Department service for which he or she made Normal Contributions, or, in lieu of any or all of said five years, shall have received either disability payments under the Plan or disability payments under any workers' compensation law. Solely for retirement eligibility purposes, periods for which the member made Normal Contributions to LACERS shall count toward the aforementioned five year requirement.

A Tier 2 member shall be eligible to retire after reaching age 60 with a retirement factor of 2%, provided he or she shall have at least thirty (30) years of Qualifying Service, of which at least five (5) years shall have been Department service for which he or she made Normal Contributions, or, in lieu of any or all of said five (5) years, shall have received either disability payments under the Plan or disability payments under any workers' compensation law. Solely for retirement eligibility purposes, periods for which the member made Normal Contributions to LACERS shall count toward the aforementioned five year requirement.

(c) Normal Retirement with Enhanced Retirement Factors (“Enhanced Retirement”)

A Tier 2 member shall be eligible to retire after reaching age 63 with a retirement factor of 2%, provided he or she has at least ten years of Qualifying Service, of which at least five years shall have been Department service for which he or she made Normal Contributions, or in lieu of any or all of said five years, shall have received either a disability payments under the Plan or disability payments under any workers’ compensation law. Solely for retirement eligibility purposes, periods for which the member made Normal Contributions to LACERS shall count toward the aforementioned five year requirement.

A Tier 2 member shall be eligible to retire after reaching age 63 with a retirement factor of 2.1%, provided he or she has at least thirty (30) years of Qualifying Service, of which at least five (5) years shall have been Department service for which he or she made Normal Contributions, or, in lieu of any or all of said five (5) years, shall have received either disability payments under the Plan or disability payments under any workers’ compensation law. Solely for retirement eligibility purposes, periods for which the member made Normal Contributions to LACERS shall count toward the aforementioned five year requirement.

(5) Calculation of Benefits Payable at Retirement

(a) Full Retirement Allowance

The retirement allowance payable to a member who retires pursuant to Section VII F (4) shall be calculated using the following formula:

retirement factor (multiplied by) Service Credit (multiplied by) Final Average Salary (equals) retirement allowance.

The member’s retirement allowance shall be reduced by the early retirement factor as provided in Section VII F (4)(a), if applicable.

Each retirement allowance as so determined shall be allocated between the following two components:

An annuity which shall be the actuarial equivalent, calculated upon such tables of life expectancy and such rates of interest as shall be adopted by the Board, of the member’s Accumulated Normal Contributions at the time of his or her retirement; and

A Minimum Pension D, in the amount of the remaining balance.

In the event that the amount of the annuity exceeds the amount of the retirement allowance calculated pursuant to this formula, the

member shall be entitled to receive, as his or her retirement allowance, the full amount of the annuity and Minimum Pension D shall be zero.

The retirement allowance that is payable under the provisions of this subdivision shall be payable for the lifetime of the member only with no value remaining for his or her estate or beneficiary at the time of death and shall be referred to as the full retirement allowance.

(b) Full Additional Annuity

A member who has made additional contributions, as authorized in Section VII E (3) herein, at the time of retirement shall make an election for the distribution of his or her Accumulated Additional Contributions using one or more of the following options: an additional annuity; a rollover to any tax qualified retirement plan; or a lump sum refund. These distribution options are subject to, and potentially limited by, Section 415(b) of the Internal Revenue Code.

If a member elects to purchase an additional annuity, the member shall be paid an annuity which shall be the actuarial equivalent, calculated upon such tables of life expectancy and such rates of interest as shall be adopted by the Board, of the member's Accumulated Additional Contributions at the date of retirement. This annuity shall be payable for the lifetime of the member only with no value remaining for his or her estate or beneficiary at the time of death and shall be referred to as the full additional annuity.

A member may elect one of the options set forth in Section VII F (6) for the portion of his or her retirement allowance which is attributable to the Accumulated Additional Contributions (the full additional annuity payable under this subdivision). Such election may be made independently of the election of an option for the portion of his or her retirement allowance which is not attributable to Accumulated Additional Contributions (the full retirement allowance).

(c) Cap on Retirement Allowance

No full retirement allowance payable under subdivision (a) of this division (5) shall exceed 80% of the member's Final Average Salary unless the Minimum Pension D amount is equal to zero. The aforesaid 80% limitation shall apply to the member's retirement allowance prior to any adjustments that may be required as a result of the purchase of an additional annuity, the provision for a continuance to a survivor, the purchase of an additional Cost of Living Adjustment (COLA), or any other election authorized in the Plan.

(6) Retirement Allowance Payment Options**(a) Right to Elect One of Three Options**

In lieu of receiving the full retirement allowance as provided in Section VII F (5)(a) or the full additional annuity provided in Section VII F (5)(b), a member may elect to have such benefits paid in accordance with the terms of any one of the three following options.

Option (a) Retirement Allowance with Guaranty of Return of Contributions

A lesser retirement allowance to be determined by multiplying the member's full retirement allowance or full additional annuity, as applicable, by the factor shown opposite the member's nearest age at retirement in the table at the end of this subparagraph, which shall be payable to the member for life, with a payment to said member's designated beneficiary of the amount, if any, by which the Accumulated Normal Contributions for the full retirement allowance or the Accumulated Additional Contributions for the full additional annuity of the member on his or her retirement date exceed the aggregate sum received by said member on account of the annuity portion of the Option (a) retirement allowance attributable to Normal Contributions or Additional Contributions, as applicable.

<u>Nearest Age at Retirement</u>	<u>Factor</u>	<u>Nearest Age at Retirement</u>	<u>Factor</u>
52 and below	.995	62	.980
53	.994	63	.977
54	.993	64	.974
55	.992	65	.970
56	.991	66	.965
57	.990	67	.960
58	.988	68	.955
59	.986	69	.948
60	.984	70 and over	.938
61	.982		

Option (b) Joint and Survivor Retirement Allowance

A lesser retirement allowance, which shall be the actuarial equivalent of the full retirement allowance or full additional annuity, as applicable, payable monthly to the member for life, with the same benefit continuing monthly thereafter to his or her designated beneficiary for life. The allowance payable to the beneficiary hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the beneficiary dies.

Option (c) Modified Joint and Survivor Retirement Allowance

A lesser retirement allowance, which shall be the actuarial equivalent of the full retirement allowance or full additional annuity, as applicable, payable monthly to the member for life, with a lesser benefit continuing monthly thereafter to the member's designated beneficiary for life. The member shall specify any whole percentage less than 100% as the portion of the retirement allowance or additional annuity to be paid as an allowance to the beneficiary. The allowance payable to the beneficiary hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the beneficiary dies.

(b) Conditions That Apply to Options

Any member who is retired may elect one of the aforesaid options at any time prior to the expiration of ten (10) calendar days subsequent to the effective date of his or her retirement.

Under Option (a) a member may change his or her designated beneficiary at will, in the manner prescribed by the provisions of Section VI C (2) hereof; and at any time prior to the expiration of his right to elect an option but not thereafter, a member may change his or her designated beneficiary under Option (b) or Option (c), or he or she may revoke his or her election of any said Options.

Notwithstanding the immediately preceding paragraph, pursuant to the order of a court of competent jurisdiction as part of the dissolution action between a retired member and his or her Eligible Spouse or Domestic Partner, such retired member who did not elect Option (b) or Option (c) at the time of retirement may elect Option (b) or (c) prospectively if required by the court order to do so. Said retired member may only designate said Eligible Spouse or Domestic Partner as beneficiary to receive the monthly allowance payable after the retired member's death. Upon implementation of such court ordered election, there shall be paid a lesser retirement allowance as defined under either Option (b) or Option (c) of this subsection, except said lesser retirement allowance shall be the actuarial equivalent of the retirement allowance payable immediately prior to the implementation of such court ordered election. The determination of the actuarially equivalent retirement allowance shall be based on the Option elected pursuant to the court order, the continuance percentage if Option (c) is elected, and the actuarially assumed interest rate and the joint life expectancy of the retired member and beneficiary as of the effective date of such court ordered election.

A member who has had his or her retirement allowance reduced to provide an enhanced continuance to an Eligible Spouse or Domestic Partner and who is subsequently required, pursuant to a

court ordered election required after the legal termination of their relationship, to provide a continuance to this same person shall not be required to take a further reduction of his or her allowance to provide a continuance to this same person, except to the extent, if any, that the cost of the new continuance benefit exceeds the cost of the prior continuance benefit.

If a designated beneficiary under Option (b) or Option (c) dies during the lifetime of the member and after his or her right to revoke such option has expired, the option theretofore elected shall nevertheless continue in effect, and the member shall be entitled to the same allowance which he or she would have received under said option had such death not occurred; but if such beneficiary dies before the right of the member to revoke such option has expired, and the member thereafter retires without designating another beneficiary, the option theretofore elected shall be thereby canceled, and the member shall be retired as if he or she had not made an election under Section VII F (6).

No election or revocation of any option, and no designation or change of beneficiary thereunder, shall be effective for any purpose whatsoever until the same shall have been executed in writing by the member and filed with the Board.

(7) Eligible Spouse and Domestic Partners Benefits

(a) Definitions

For the purpose of this Subsection F the following words and phrases shall have the following meanings:

- (i)** *“Eligible Spouse”* means a spouse to whom a retired member shall have been married at the time of retirement and continuously for at least one year prior thereto, except that if the spouse was the Domestic Partner of the member at the time of their marriage, it shall be sufficient if their combined relationships existed for at least one year prior to retirement. Upon the death of the retired member, the phrase "Eligible Spouse" shall be construed to include the additional requirement that such spouse and retired member shall have been married at the time of the member's death. When a member dies before retirement, his or her surviving spouse shall be eligible for benefits under Section VI and subdivision (e) of this division (7) as the member's Eligible Spouse if they were married on the date of the member's death.
- (ii)** *“Domestic Partner”* means the person who is registered with the Board, or a person who is validly registered with the state of California, at the time of the member's retirement and continuously for at least one year prior thereto. The parties to a legal union of two persons of the same sex,

other than a marriage, that was validly formed in another jurisdiction, and that is substantially equivalent to a domestic partnership as defined by the state of California, shall likewise be recognized as domestic partners, provided they are registered at the time of the member's retirement and continuously for at least one year prior thereto. Upon the death of the retired member, the term "Domestic Partner" shall be construed to include the additional requirement that such domestic partnership shall be registered with the Board and/or the state at the time of the member's death or, in lieu of this requirement, that the parties be validly married at the time of the member's death. Registration with the Board shall be valid only if it is filed with the Board and contains the information and certifications that the Board shall establish by resolution. For a Board registered Domestic Partnership, a member may file a Notice of Termination of Domestic Partnership with the Board at any time and upon such filing, said domestic partnership registration shall be null and void. After a Domestic Partnership has been terminated, the member may not register a domestic partnership with the Board until the first day after the completion of six months following the date that the prior Domestic Partnership was terminated. Registration and termination of state domestic partnerships shall be governed by the applicable provisions of state law; the rules that apply to registrations and terminations with the Board shall not apply. When a member dies before retirement, his or her survivor shall be eligible for benefits under Section VI and subdivision (e) of this division (7) as the member's Domestic Partner so long as their domestic partnership was registered as provided above on the date of the member's death.

(b) Continuance Benefit (Death after Retirement)

Except as otherwise provided in this division (7), upon the death of any retired member there shall be continued throughout life to his or her Eligible Spouse or Domestic Partner a monthly allowance in an amount equal to the product obtained by multiplying one-half of the full retirement allowance to which the member is entitled at the time of death, including therein any Post-Retirement Cost of Living Adjustments theretofore made, by the factor shown opposite the number of years by which the member's age exceeds that of his or her Eligible Spouse or Domestic Partner in the following table:

<u>Years by which member's age exceeds Eligible Spouse's or Domestic Partner's Age</u>	<u>Factor</u>
Less than 5 years	1.00
5 years but less than 10 years	.95
10 years but less than 15 years	.90
15 years but less than 20 years	.85
20 years but less than 25 years	.80
25 years or more	.70

Notwithstanding anything to the contrary herein, the allowance payable hereunder shall commence as of the day next following the member's date of death, and shall terminate as of the last day of the calendar month next preceding the month in which the Eligible Spouse or Domestic Partner dies.

(c) Continuance Options

Every retired member having an Eligible Spouse or a Domestic Partner and not having elected any of the options of Subsection F (6) of this Section VII for the full retirement allowance, may, in lieu of a full retirement allowance for his or her life alone and the continuance to his or her Eligible Spouse or Domestic Partner of the benefit specified in subdivision (b) above, elect to have the actuarial equivalent of the combined values of such allowance and such benefit, computed as of his or her actual retirement date, paid in accordance with the terms of one of the following options:

Option (d) Joint and Survivor Retirement Allowance (Eligible Spouse or Domestic Partner only)

A lesser retirement allowance payable monthly to the member for life, with the same benefit continuing monthly thereafter to his or her Eligible Spouse or Domestic Partner.

Option (e) Selected Percentage Joint and Survivor Retirement Allowance (Eligible Spouse or Domestic Partner only)

A lesser retirement allowance payable monthly to the member for life, with a whole percentage specified by the member which is higher than fifty (50%) and less than one-hundred (100%) payable monthly thereafter to his or her Eligible Spouse or Domestic Partner.

The provisions of said Subsection F (6), as they relate to the time and manner of electing and revoking Option (b) and Option (c) thereof, shall govern in those respects to Options (d) and (e).

(d) Benefit Limitations

The provisions of this division (7) shall not apply to the Eligible Spouse or Domestic Partner of a member who is designated as beneficiary under either Option (b) or Option (c) of Subsection F (6) of this Section VII; nor shall said provisions apply to any member who upon retirement is not entitled to receive a minimum pension under Subsection F of this Section VII or to the Eligible Spouse or Domestic Partner of such member.

An Eligible Spouse or Domestic Partner shall not be entitled to receive more than one monthly allowance under the provisions of subdivision (b) of this division (7) for the same period. Any person who qualifies for such allowance through the deaths of two or more retired members may elect in writing which allowance to receive.

(e) Survivor Benefit (Death before Retirement)

Should a plan member die prior to retirement leaving a surviving spouse or surviving Domestic Partner who qualifies for and elects to receive the survivors optional death benefit allowance provided in Section VI D (7), the monthly allowance for the surviving spouse or surviving Domestic Partner of this deceased member shall be that which such survivor would have been entitled to as the member's designated beneficiary had the member retired on the day next preceding the day of his or her death and elected Option (d) (Joint or Survivor Retirement Allowance) specified in Section VII F (7). Such monthly allowance shall be calculated in accordance with the provisions of and shall include the actuarial factor for Option (d) (Joint or Survivor Retirement Allowance). Notwithstanding anything to the contrary herein, the allowance payable hereunder shall terminate as of the last day of the calendar month next preceding the month in which the surviving spouse or Domestic Partner dies.

(8) Post-Retirement Cost of Living Adjustment

- (a)** Subject to the provisions of this subdivision, every monthly retirement allowance to a retired member under this Section VII F, or if not living, to his or her beneficiary under Option (b) or Option (c) of Section VII F (6)(a), and every monthly allowance payable pursuant to Section VII F (7) to an Eligible Spouse, Domestic Partner, surviving spouse or surviving Domestic Partner, excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased or decreased on the first day of July of each year, by a percentage of such allowance then being paid, which shall equal, to the nearest one-tenth of one percent (0.1%), the percentage of annual increase or decrease in the cost of living during the preceding calendar year; provided that such increase or decrease shall not in any event exceed two percent (2%) of any such allowance in any year. Benefits which first

become payable after the first day of July in a given year shall be adjusted on the same terms and in the same manner as provided in Section IV E (10)(f).

- (b) Determination of the percentage of annual increase or decrease in the cost of living shall be made by the Board of Administration on or before the first day of April of each year, by reference to the Consumer Price Index (Los Angeles-Riverside-Orange County, CA - All Items) as published by the Bureau of Labor Statistics of the United States Department of Labor for each of the two immediately preceding calendar years. The percentage by which such index for the more recent full calendar year shall have varied from such index for the full calendar year immediately prior thereto shall be the percentage used to calculate adjustments in such allowances pursuant to paragraph (a) of this subdivision.
- (c) No such allowance shall be reduced by operation of this subdivision below the amount payable on the effective date of retirement of the member to or on account of whom such allowance is payable, whichever is later.
- (d) The provisions of this subdivision shall apply only to such allowances payable to or on account of those members who qualify for the Minimum Pension D pursuant to Subsection F of this Section VII at the time of retirement or survivors of Tier 2 members who receive the survivors optional death benefit allowance provided in Section VI D (7). The provisions of this subsection shall not apply to those persons who qualify for the Minimum Pension D pursuant to Subsection G of this Section VII.

(9) Purchase of Additional COLA Coverage

Members shall be allowed to purchase additional post-retirement cost of living adjustment (COLA) coverage, not to exceed an additional 1% per year, to be paid only to the extent that the Consumer Price Index used to compute the benefit provided in Section VII F (8) in any given year exceeds 2%. The member shall be required to pay the full actuarial cost for this coverage by a permanent reduction in his or her retirement allowance at the time of retirement. Adjustments provided under this division (9) shall not limit the right to receive adjustments awarded under division (10) below.

(10) Discretionary Post-Retirement Cost of Living Adjustments

(a) Purchasing Power Reserve

Once allowances become payable pursuant to Section VII F, the Board of Administration shall maintain an annual record of the percentage increase or decrease in the cost of living in each calendar year which is in excess of the maximum amount of annual increase or decrease provided in subdivision (a) of division (8) of

this subsection for each person whose benefit is subject to adjustment pursuant to division (8), which amounts shall be accumulated for consideration of a discretionary COLA adjustment pursuant to the provisions of this division.

(b) Calculation of Accumulated Percentages

Beginning no later than April 1 of the fourth year after allowances first become payable under Section VII F, and thereafter on or before the first day of April of not less than every third calendar year, the Board of Administration shall calculate the total of the percentages accumulated pursuant to subdivision (a) of this division since allowances first became payable or since the most recent discretionary cost of living review, as applicable.

(c) Report and Recommendation by Board of Administration

Taking into consideration the total of the percentages that have so accumulated as determined in subdivision (b) of this division, the Board of Administration shall prepare a report and recommendation for consideration by the Board of Water and Power Commissioners.

(d) Discretionary COLA Adjustment

If the Board of Water and Power Commissioners, after reviewing the Board of Administration's report and recommendation, determines that a special cost of living increase is warranted, it shall then determine by resolution the percentage by which every monthly allowance which is subject to adjustment pursuant to division (8), excluding therefrom any portion thereof which is attributable to a member's additional contributions, shall be increased the next following first day of July in addition to the regular annual cost of living adjustment provided in division (8); provided that in no case shall the total cost of said discretionary cost of living adjustment exceed four percent of the total monthly allowances being paid under Section VII F as of the first day of the immediately preceding January; and, provided further that in no case shall the monthly allowance, excluding therefrom any portion thereof which is attributable to a member's additional contributions, of any member who has retired since the most recent discretionary cost of living adjustment, be increased by more than fifty percent of the total of the percentages accumulated for such member since the last review.

(e) Reduction of Reserve Due to Grant of Discretionary COLA

The percentage of increase in the cost of living applicable to each monthly allowance which has been accumulated since the first day of July following each such discretionary cost of living increase, as provided in subdivision (a) of this division, shall be reduced by the percentage by which such allowance has been multiplied as of

such first day of July following any discretionary increase authorized pursuant to subdivision (c) of this division.

G. SERVICE RETIREMENT FOR FORMER MEMBERS (VESTED RIGHT RETIREMENT)

A former member may qualify to receive a monthly retirement allowance on the terms and conditions set forth below. Except that a former member who qualified to retire under Subsection F of Section VII when he or she left Department service, but who elected to wait and take a deferred retirement, shall remain eligible to retire under and to receive the benefits provided in Subsection F, rather than Subsection G, of Section VII.

(1) Normal Retirement

The normal retirement date shall be the first day of the calendar month which next follows the person's sixtieth birthday anniversary; and such person shall be retired on his or her normal retirement date or on the first day of any calendar month thereafter, upon the written application of such person filed with the Board of Administration not less than thirty days prior to the date of retirement.

After an application for retirement has been filed with the Board of Administration but before the effective date of retirement an applicant or the representative of an applicant may make a written request to withdraw his or her application. The Board of Administration may approve such a request provided the written request is received by the Retirement Plan Office seven (7) calendar days prior to the effective date of retirement. A request for withdrawal of an application for retirement cannot be approved after the effective date of retirement. A request for withdrawal shall not be deemed received by the Board of Administration at the Retirement Plan Office until it has been stamped with the date of receipt.

(2) Definitions

The definitions set forth in Section VII F (3) shall apply herein.

(3) Eligibility for Retirement

A former member who applies for retirement as provided in Section VII G (1) and satisfies the requirements set forth in one of the following provisions shall be retired with a retirement allowance as provided in Section VII G (4):

(a) Normal Retirement

A former member shall be eligible to retire after reaching age 60 with a retirement factor of 1.5%, provided he or she shall have at least fifteen years of Service Credit, of which at least ten years shall be Department Service for which the member made Normal Contributions. Service credit with the Plan and with LACERS, as

applicable, may be combined for purposes of satisfying the eligibility requirements of this paragraph.

A former member shall be eligible to retire after reaching age 60 with a retirement factor of 2.0%, provided he or she shall have at least thirty years of Service Credit, of which at least ten years shall be Department Service for which the member made Normal Contributions. Service credit with the Plan and with LACERS, as applicable, may be combined for purposes of satisfying the eligibility requirements of this paragraph.

(b) Normal Retirement with Enhanced Retirement Factor (“Enhanced Retirement”)

A former member shall be eligible to retire after reaching age 63 with a retirement factor of 2.0%, provided he or she shall have at least 15 years of Service Credit, of which at least ten years shall be Department Service for which the member made Normal Contributions. Service credit with the Plan and with LACERS, as applicable, may be combined for purposes of satisfying the eligibility requirements of this paragraph.

A former member shall be eligible to retire after reaching age 63 with a retirement factor of 2.1%, provided he or she shall have at least thirty years of Service Credit, of which at least ten years shall be Department Service for which the member made Normal Contributions. Service credit with the Plan and with LACERS, as applicable, may be combined for purposes of satisfying the eligibility requirements of this paragraph.

(4) Vested Right Retirement Allowance

The retirement allowance for a former member shall be calculated in the same manner and be subject to the same caps as provided in Section VII F (5).

(5) Retirement Options

A former member who qualifies for a retirement allowance under Subsection G of Section VII shall have the same retirement options as those provided to members in Section VII F (6), as applicable.

H. PURCHASE OF PREVIOUS DEPARTMENT SERVICE

Any contributing member may purchase credit for previous Department service under the following conditions:

(1) Redeposit of Contributions

When contributions were made to the Plan for the time period and were later withdrawn, the following methods of redeposit shall be used:

- (a) When the redeposit is to be made in a lump sum within the penalty-free period defined in (c) below, the member shall deposit a sum equal to the amount withdrawn plus the interest that would have been credited had the amount been on deposit in the Plan since interest was last credited prior to the withdrawal. Any "Additional Contributions" withdrawn plus interest credited thereto shall be excluded from the redeposit.
- (b) A member may, within the penalty-free period defined in (c) below, enter into a written agreement to redeposit the lump sum as determined in (a) above in partial payments plus interests at the "Regular Interest" rate in effect on the date of the agreement compounded annually on the unpaid balance. The payments shall be by payroll deduction, in equal biweekly amounts of at least fifty dollars (\$50.00) over a period not to exceed fifteen (15) years.
- (c) If the lump sum deposit or written agreement is made within twelve (12) months of the member's return to service, no additional penalty shall accrue. A Leave of Absence exceeding thirty (30) days shall extend the penalty-free time period by the length of the Leave of Absence up to a maximum of twelve (12) months. The maximum extended penalty-free time period is twenty-four (24) months.
- (d) When a member deposits a lump sum amount after the penalty-free period defined in (c) above, the amount so deposited shall be determined as in (a) above except that the interest rate used shall be one percent (1%) plus the "Regular Interest" rate in effect at the time of the redeposit, both compounded annually, for the period of time which such contributions would have been credited with "Regular Interest" had the amount been on deposit in the Plan since interest was last credited prior to the withdrawal.
- (e) After the penalty-free time period defined in (c) above, a member may enter into a written agreement to redeposit the lump sum amount in (d) above in partial payments. The interest rate on the unpaid balance shall be two percent (2%) plus the "Regular Interest" rate at the time of the agreement, both compounded annually. The payment schedule shall be subject to the same limitations and conditions as in (b) above.

(2) Purchase of Department Service Prior to Membership

When a member has a prior period of Department employment during which he or she was not a member of the Plan, a member may acquire credit for such service by depositing the following amounts:

- (a) Contributions in an amount equal to the total contributions that would have been made if the employee had been a contributing Tier 2 member during such periods of service. The amount that would have been contributed shall be determined by multiplying the compensation for the position(s) occupied by the member during the period(s) of service to be acquired, by the Tier 2 contribution rate.

For part-time service for periods during which the member did not otherwise receive service credit, the total number of hours of part-time service shall be added and the sum shall be divided by 80 to determine the number of payroll periods available for purchase to the nearest one-hundredth of a payroll period.

- (b) Interest in an amount which would have accrued on the contributions calculated in accordance with (a) above had the employee been a contributing member during such period(s) of service.
- (c) Interest in an amount determined by applying the applicable interest compounded annually to the sum of (a) and (b) above from the last day of such period(s) of service to the date of deposit. The applicable interest shall be determined as in Section VII H (1)(a) or (d), depending on whether the deposit is made before or after the end of the penalty-free time period described in Section VII H (1)(c) above. If the member enters into a written agreement to make such deposit in partial payments, the interest rate on the unpaid balance shall be determined as in Section VII H (1)(b) or (e), depending on whether the date of the agreement is before or after the expiration of the penalty-free time period.

(3) Cancellation of Written Agreement

A member may cancel a written agreement to make partial payments prior to completion and receive pro-rated credit, as provided in Section VII H (5) below, based upon the portion of the agreement that has been completed, but shall not be eligible to enter into a subsequent written agreement to purchase the remaining credit. Any remaining credit may only be purchased by the deposit of a lump sum amount sufficient to cover the remaining cost, with interest payable on the remaining unpaid balance from the date the contract was canceled at the rate set forth in Section VII H (1) (e) above.

(4) Right to Pay Off Balance Owed

Any member who has entered into a written agreement to make partial payments toward the purchase of previous service credit may, at any time, deposit the entire unpaid balance in a single lump sum payment.

(5) Credit for Purchased Service

Credit for purchased service shall be granted as follows:

- (a)** Upon completion of the deposit(s) including interest and any penalties, by lump sum or partial payments, the member's eligibility for benefits shall be adjusted to the extent of the service credit so acquired.
- (b)** Retirement, Death or any other separation from Plan membership shall terminate a written agreement to make partial payments toward the acquisition of previous service credit.
 - (i)** Should a member be separated from Department service as a result of retirement or should a member terminate employment and subsequently retire, he or she shall receive pro-rata service credit, computed counter-calendarwise, for the completed portion of the terminated written agreement.
 - (ii)** Should a separated member resume Plan membership and commence making "Normal Contributions", the member shall receive pro-rata service credit, computed counter-calendarwise, for the completed portion of any previously terminated written agreement. The member may at any time thereafter acquire additional service credit by entering into a new written agreement or depositing the amount required in a lump sum. The limitations and conditions of the new written agreement and the amount of the deposit required shall be determined in accordance with the provisions of Section VII H (1) and (2) as though there had been no previous agreement.
 - (iii)** Amounts deposited as a result of a written agreement plus interest credited thereto shall be included in any refund of "Total Accumulated Contributions" to the member or, in the event of death, to the member's beneficiary.

(6) Eligible Survivor and Domestic Partner Rights

The terms and conditions of this provision shall apply to a surviving spouse or a Domestic Partner who is eligible to receive a Survivor's Optional Death Benefit Allowance pursuant to the provisions of Section VI D (7) and elects to receive such allowance. For the purposes of this provision, eligibility shall include that which may be acquired by the purchase of previous service credit authorized herein. Any amounts so deposited by a surviving spouse or Domestic Partner must be in a single lump sum payment.

I. PURCHASE OF OTHER GOVERNMENTAL SERVICE (OGS)**(1) Service That May be Purchased**

Under the following conditions, a contributing member may purchase credit for periods of previous Other Governmental Service rounded down to the nearest whole month, except as otherwise provided below:

- (a)** The service was full-time paid employment with a Qualified Governmental Organization or full-time service in the Armed Forces of the United States, for which no retirement benefit is or will be payable to the member. To qualify as Eligible Service, the character of the member's service in the Armed Forces of the United States must have been "Honorable". To be eligible for purchase, the service must have been at least six continuous months. Service with the City of Los Angeles, however, may be purchased in its entirety and shall not be subject to the aforesaid six continuous months requirement nor shall such service be rounded down to the nearest whole month; further part-time periods of employment may also be purchased.

For part-time service for periods during which the member did not otherwise receive service credit, the total number of hours of part-time service shall be added and the sum shall be divided by 80 to determine the number of payroll periods available for purchase to the nearest one-hundredth of a payroll period.

- (b)** The service was with a Qualified Governmental Organization which shall mean the Government of the United States, or the United States Postal Service, or a State or Territory of the United States or a political subdivision of such State. A non-governmental entity supported by government contracts or grants shall not be included as a Qualified Governmental Organization. The Board of Administration shall determine if a governmental entity other than those enumerated in this paragraph is a Qualified Governmental Organization.
- (c)** The member must obtain certification from the Qualified Governmental Organization or its public retirement system showing the full-time paid employment periods and further certifying that the member is not eligible and will not be eligible for retirement benefits for that service. Service in the Armed Forces of the United States may be certified by an official discharge document issued by said Armed Forces showing the character of the member's service and his or her dates of service in said Armed Forces.
- (d)** Members who are Half-Time Civil Service Employees or Less than Full Time Employees, as described in Section VII E (2), may purchase full time service in the Armed Forces of the United States under the conditions set forth herein but not service that was full-

time paid employment with a Qualified Governmental Organization other than the Armed Forces of the United States.

- (e) Periods of uncompensated maternity leave from Department service for which the member did not receive disability benefits pursuant to the provisions of the Plan or otherwise receive service credit, may be purchased by the member under the provisions of this subsection. Such periods of uncompensated maternity leave shall not be subject to any continuous months requirement nor shall such periods be rounded down to the nearest whole month, but purchases may be restricted to whole biweekly payroll periods.

(2) Purchase of OGS

The member's cost to purchase Other Governmental Service credit for full time service in the Armed Forces of the United States shall be the same cost as provided in Section IV L (2) for a member of Tier 1 and these purchases shall be made on the terms and conditions set forth in Section IV L, except that a Tier 2 member shall be limited to purchasing no more than five years of such service on this basis and, where applicable, the Tier 2 member's cost shall be based upon the Tier 2 Normal Contribution rate. The member's cost to purchase Other Governmental Service credit for any full time service other than in the Armed Forces of the United States, or for purchasing full time service in excess of five years in the Armed Forces of the United States, shall be determined as provided below and these purchases shall be made on the terms and conditions that follow:

- (a) The member's cost shall be an amount equal to the present value of the benefit obligation incurred by the Plan in crediting the service based upon actuarial assumptions in effect at the time the purchase agreement is entered into and the projected retirement date contained in the written purchase agreement. The projected retirement date and the projected eligible survivor status at the time of retirement shall be selected by the member and specified in the written purchase agreement.

A true-up of the member's purchase cost shall be required at the time of retirement if any of the following factors differ from those used to determine the purchase cost:

- (i) The member retires on a different date than the selected retirement date;
- (ii) The member's eligible survivor status at the time of retirement differs from the selected eligible survivor status;
- (iii) The member's actual final compensation differs from the projected final compensation used to determine the purchase cost.

“True-up” as used herein means the requirement that the present value of the benefit obligation for the purchased service shall be recalculated as of the member’s retirement date on the basis of a change in the factors set forth above. The purpose of a true-up is to assure that the member pays for the incremental cost of the additional benefits. The actuarial assumptions used in a true-up shall be those in effect at the time the purchase was initially made.

If a true-up of the member’s purchase cost is required at the time of retirement on the basis of a change in the factors set forth above, the member purchase’s cost shall be adjusted to the amount that is required to fund the present value of the benefit obligation incurred by the Plan at the time of the member’s actual retirement. If an additional payment is required and the member does not pay this sum prior to the date of retirement, the member shall receive prorated credit as provided in Section VII I (3) below. If the member has overpaid for the purchase, the member shall be entitled to a refund of the excess amount paid.

- (b) If the member has contributions and interest on deposit in the retirement plan of the Qualified Governmental Organization, the member may purchase Other Governmental Service credit for the full-time paid employment period represented by such contributions and interest by withdrawing these contributions and interest and rolling them over to WPERP, as permitted by the Internal Revenue Code and by the Board of Administration, to be credited as a partial payment towards the cost for purchasing this service as determined pursuant to Subdivision (a) above. Partial payment may also be accomplished via a trustee-to-trustee transfer of funds in the method set forth in Section IV M. The remaining balance due under the purchase agreement shall be either deposited in a lump-sum or the member may agree, in the purchase agreement, to deposit the lump-sum amount in partial payments plus interest at the Regular Interest rate in effect at the time of the Agreement, both compounded annually, on the unpaid balance. The payments shall be made by payroll deduction on a post-tax basis, in equal biweekly amounts of at least fifty dollars (\$50.00) over a period not to exceed fifteen (15) years, provided that the payment period shall not extend beyond the member’s projected retirement date.
- (c) If the member does not have contributions and interest on deposit in the retirement plan of the Qualified Governmental Organization, the member may purchase Other Governmental Service credit either by depositing a lump-amount equal to the cost calculated in Subdivision (a) above or the member may enter into a purchase agreement to deposit the lump-sum amount in partial payments plus interest at the Regular Interest rate in effect at the time of the Agreement, both compounded annually, on the unpaid balance. The payments shall be made by payroll deduction on a post-tax basis, in equal biweekly amounts of at least fifty dollars (\$50.00) over a period not to exceed fifteen (15) years, provided that the

payment shall not extend beyond the member's projected retirement date.

- (d) Any member who has entered into a purchase agreement to make partial payments toward the purchase of Other Governmental service may, at any time, deposit the entire unpaid balance in a single lump-sum payment.
- (e) Any member who has entered into a purchase agreement to make partial payments toward the purchase of Other Governmental service may, at any time, voluntarily terminate this purchase agreement, and be relieved of his or her obligation to make further payments, by filing a written termination notice with the Retirement Office. A member who has voluntarily terminated a purchase agreement shall receive credit as provided in Section VII I (3) below, but shall not be allowed to acquire the remaining Other Governmental Service credit.
- (f) All contributions and interest must be withdrawn or rolled over from, and all rights to benefits must be annulled by, the retirement plan of the Qualified Governmental Organization for Other Governmental Service to be purchased under this Section VII I (2). If the retirement plan of the Qualified Governmental Organization does not require member contributions, does not maintain records of member contributions, or does not permit withdrawal of member contributions, a member may not purchase such service unless the member proves, to the satisfaction of the Board of Administration, that he or she has no rights to any benefits from such retirement plan.

(3) Credit for OGS

Credit for the Other Governmental Service purchased shall be granted as follows:

- (a) Upon completion of the deposit(s) including interest, by lump-sum or partial payments, the member's eligibility for benefits shall be adjusted to the extent of the Other Governmental Service credit (rounded down to the nearest whole month, if applicable) so acquired.
- (b) Retirement, death or any other separation from Plan membership shall terminate a purchase agreement to make partial payments toward the acquisition of Other Governmental Service credit. A member may also terminate a purchase agreement prior to completing payment as provided in (2) (e) above.
 - (i) A member who retires shall receive pro-rata service credit, rounded down to the nearest whole month, as applicable, and computed counter-calendarwise, for the completed

portion of the terminated purchase agreement for the purchase of Other Governmental Service credit.

- (ii) Should a separated member, whose prior purchase agreement was terminated due to his or her separation, resume Plan membership and commence making Normal Contributions, the member shall receive pro-rata Other Governmental Service credit, rounded down to the nearest whole month, as applicable, and computed counter-calendarwise, for the completed portion of the terminated purchase agreement. The member may at any time thereafter acquire the remaining Other Governmental Service credit by entering into a new purchase agreement.
 - (iii) Amounts deposited to purchase Other Governmental Service credit plus interest credited thereto shall be included in any refund of "Total Accumulated Contributions" to the member or, in the event of death, to the member's beneficiary.
- (4) The terms and conditions of this Subsection I shall apply to a surviving spouse or Domestic Partner who is eligible to receive a Survivor's Optional Death Benefit Allowance pursuant to the provisions of Section VI D (7) and elects to receive such allowance. For the purposes of this subsection, eligibility shall include that which may be acquired by the purchase of Other Governmental Service credit authorized herein. Any amounts so deposited by a surviving spouse or Domestic Partner must be in a single lump-sum payment.

J. DISABILITY

Tier 2 members shall participate in the benefits provided in the Disability Fund pursuant to the provisions of Section V of the Plan.

K. DEATH BENEFITS

Tier 2 members shall participate in the benefits provided in the Death Benefit Fund pursuant to the provisions in Section VI of the Plan.

L. RETIREMENT FUND ACCOUNTING

Accounting procedure within the Retirement Fund shall conform to the general provisions of Section III relating to accounting and in addition thereto, shall follow the procedure indicated in this Subsection.

- (1) An individual account shall be set up in the books of the Fund for each member which shall show the total amount of "Accumulated Normal Contributions" and of "Accumulated Additional Contributions," as defined in Section VII A (2) and VII A (1), credited to the member at the close of each month. Said accounts shall be further segregated to show separately

the credits and debits during the month and the accumulative interest including distributable surplus and capital gain or loss credits or debits, if any.

- (2) Upon the grant of a Retirement Allowance to be paid by the Retirement Fund, the individual accounts of the grantee described in Section VII L (1) shall be debited with the entire credit balance of each of said accounts on the retirement date of said member and the amount of said credit balance shall be transferred to the "Retirement Allowance Reserve" as required by Section III D (1)(c) thereof.
- (3) Interest at the rate of eight percent (8%) per annum, compounded annually, shall be used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.
- (4) Upon the retirement of a member a record shall be kept of the "Total Accumulated Contributions" credited to said member upon retirement date, to which record shall be posted the retirement allowance payments made to the retired member subsequent to the date of retirement. Said record shall be maintained for the purpose of calculating the amount of the unused portion of the member's "Total Accumulated Contributions" provided in accordance with Option (a) as set forth in Section VII F (6) of this Plan.

M. ANNUITY FOR PUBLIC SERVICE

A contributing member may purchase a monthly retirement benefit which shall be in addition to the member's retirement allowance provided under Plan Section VII F or VII G by purchasing a single life annuity based upon Eligible Leaves of Absence from Department or City of Los Angeles service. The purchase does not qualify a member who is not otherwise eligible to retire, add to the member's service credit for purposes of computing Minimum Pension D; add Continuous Service time for Plan Disability benefits or change the member's eligibility for Plan Death Benefits. The cost of the Annuity for Public Service shall be borne solely by the member electing to purchase it and not by the Department.

Tier 2 members may purchase this benefit on the same terms and conditions set forth in Section IV K that apply to members of Tier 1, provided that "Years of Service" as used therein shall refer to "Service Credit" as used in Section VII, that the amount that the benefit shall be increased each July 1 shall be 2% (rather than 3%), and that any references therein to provisions in Section IV shall be interpreted so as to refer instead to the equivalent provisions in Section VII.

N. OPTIONAL LUMP SUM SETTLEMENTS

In the event that the retirement allowance payable pursuant to Section VII F or G or the Annuity for Public Service payable pursuant to Section VII M to which a member is entitled upon retirement amounts to a monthly payment of \$75.00 or less, the Board, with the consent of the member, may at its option effect a

settlement with the member for all claims against the Retirement Fund for said retirement allowance or said Annuity for Public Service or any combination thereof by the payment to said member in one sum of the value of said monthly payments, discounted at Regular Interest.

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**WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AMENDMENTS**

SECTION II

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II D (3)(j)	183	10-1-38	Disability Leave on effective date of Plan.
II D (1)(c)	196	8-3-39	Employees rendering service of a temporary, intermittent, etc. See Reso. 375 - below.
II D (4)(c)	374	9-7-39	Superseded by Reso. 414 - below
II D (1)(c) II D (4)(c)	375	9-7-39	Retention of Employees in membership during period of transfers from eligible to ineligible or temporary jobs.
II D (1)(c)	414	9-14-39	Employees rendering services of a temporary, intermittent or occasional character. Rescinds Reso. 374, 9-7-39. See Reso. 375 above.
II D (2)(e)	655	11-14-39	Change of employees status from ineligible to eligible or vice versa.
II D (2)(f)	656	11-14-39	Verified Statement of Facts. Data referring to membership in Plan.
II D (3)(i)	657	11-14-39	Limitation of membership rights.
II C (14)	746	12-10-40	Compensation - changes in classified salary in excess of \$25.00 effective first of month following increase or decrease of salary.
II C (14)	408	11-12-42	Supersedes Reso. 746 - above. Provides specifically for changes in classified salary of over \$25.00 in single increases.
II D (3)(i)	766	5-31-46	Amending last paragraph of #657 providing for Death Benefit protection to limited members.
II C (14)	123	8-27-46	Supersedes Reso. 408 - Determination of classified salary changes.
II D (3)(i)	496	12-3-46	Supersedes Reso. 766 - and further provides for Supplemental Disability protection to limited members.
II E	219	9-2-47	Service Retirement.
II D (7)	222	9-2-47	Delayed membership Rights.
II C (14)	351	10-21-47	Defines compensation. (Evaluation Plan)
II C (14)	68	7-29-48	Compensation defines. (Super. 351)
II D (1)(e)	259	11-29-49	New Subdivision - Employees with service in the Department of less than 20 hours per week are ineligible to the Plan.

AMENDMENTS**SECTION II**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II C (14)	260	11-29-49	Brings this Section in line with above Reso. No. 259 - clarifies the compensation for employees with less than full time service but over 20 hours per week.
II D (3)(I)	632	5-29-51	No refund of any portion of the contribution which may have been made to the Disability or Death Benefit Fund after termination of employee.
II C (16)	693	6-28-51	Classified Salary in Appendix I. (Determination)
II D (8)	49	7-29-52	Membership for temporary employees. (New subdivision)
II D (8)	276	11-12-53	Protection for T. E. (above) if on L/A.
II D (5)	613	4-29-54	Annulment or Curtailment of Rights.
II D (9)	299	11-24-54	Rescinded by Reso. No. 738 – Dated 6-25-59.
II D (8)	774	6-21-56	Amend figure \$575 to read \$600.
II E	606	4-25-57	Change in retirement age of females from 60 to 62.
II D (8)	730	6-27-57	Payment of disability benefit to member. Eleventh paragraph of subdivision 8.
II D (10)	301	11-20-58	Delayed membership rights. Subdivision 10 added.
II C (14)	367	12-22-58	Subdivision 14 amended. Classification of wage or salary of each employee. Effective 1-1-59.
II C (14)	605	4-23-59	Clarification of language. First paragraph amended.
II C (14)	132	8-25-59	Classification of wage or salary of each employee effective 9-1-59.
II C (14)	56	7-21-60	Classification of wage or salary of each employee effective 8-1-60.
II D (8)	657	4-10-62	Provides for supplemental benefits for daily paid employees injured on the job deletion of the 10th, 11th, 12th, and 13th paragraphs.
II C (14)	24	7-12-62	Classification of wage or salary of each employee effective 8-1-62.
II C (14)	55	7-11-63	Classification of wage or salary of each employee effective 8-1-63.

AMENDMENTS**SECTION II**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II C (14)	75	7-23-64	Classification of wage or salary of each employee effective as of the first day of August, 1964.
II D (11)	774	4-30-64	Resolution permits any employee who was previously eligible to join the Plan but failed to do so within the time required to apply for membership to the Retirement Plan no later than June 30, 1964.
II C (12)	830	5-13-65	Resolution amends the retirement Plan to state that "Controller" shall mean the Auditor of the Department by whatever name he may be designated, or any person authorized by the Board of Commissioners to act in his place.
II D (2)(c)	830	5-13-65	Removes "temporary" employees from those declared by the Plan to be ineligible to membership. The Charter was amended to remove the restriction on temporary employees, but a corresponding change was not made in Section II D (1) (c) of the Plan.
II C (14)	51	7-22-65	Classification of wage or salary of each employee effective 8-1-65.
II C (14)	46	7-14-66	Classification of wage or salary of each employee effective 8-1-66.
II C (14)	58	7-27-67	Classification of wage or salary of each employee effective 8-1-67.
II C (14)	771	4-25-68	Provides for elimination of reclassification of employees' salaries on July 1, 1968, and provides for a single reclassification of salaries on August 1, each year.
II C (14)	874	5-07-70	Provides for classification of wage or salary of each employee shall become effective as of the date of his first entry into the Retirement Plan, and as of the date of any reentry by him into said Plan, and as of dates fixed not less often than once in each fiscal year by resolution of the Board. The amendment became effective 5-7-70.
II D (1)(d)	13	7-2-70	Excludes from Plan membership construction workers who are exempt from Civil Service and for whom the Department makes contributions for pensions, disability or death benefits. Effective 7-16-70.
II D (2)(e) II D (3)(i)	198	9-30-71	Deletes the provision for limited membership from the Retirement Plan.

AMENDMENTS**SECTION II**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II D (2)(g) II D (2)(f) II D (3)(a)	302	11-18-71	Provides that those individuals who enter Department service from other departments or offices of The City of Los Angeles be eligible for Plan membership upon first day of the month following six months' continuous service to said City. Effective 12-1-71.
II C (14)	608	3-30-72	Permits classification of the wage or salary of any member who, on or after January 1, 1972, receives a reduction in salary which results in a change of \$75 or more in classified monthly salary and who files a signed application for such classification upon the form prescribed by the Board. Such classification, by request, shall become effective the first of the second calendar month which next follows the date the signed application is filed with the Board. Effective 4-1-72.
II C (17) Added II D (3)(h)	444	12-27-72	Provides retirement ages of 60, normal 65 mandatory, 55 early.
II E	444	12-27-72	To retire at age 60, member must file written application not less than 30 days prior to date of retirement. Member may retire at age 55 with at least 10 years employment in the 12 years immediately preceding retirement. Regardless of age, member may retire after 30 years of service or if he or she is receiving Plan benefits for permanent total disability and elects a retirement allowance in lieu of such benefits. Effective 12-1-72.
II D (8)	297	10-25-73	Permits members to purchase credit for time worked for DWP but which is not now credited under the Plan. Service credits for intermittent or less than half time employment and construction employment exempt from civil service are not creditable. Amendment effective 5-1-73.
II D (2)(h) Added	122	8-22-74	Enables a member who entered Department service on the first working day of any calendar month from another department of the City of Los Angeles without any separation in service to acquire retirement credit for the calendar month in which Department service commenced. Effective date is July 1, 1974.
II C (11) II D (8)	440	1-9-75	Twelve technical amendments to II D (7) Plan.

AMENDMENTS

SECTION II

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II D (3)(i)	797	4-21-77	Provides for limited membership in the Plan for certain employees. Limits these employees to retirement benefits only. Provides for admitting employee to regular membership after 5 years so long as his physical and mental condition would not otherwise disqualify him, and his condition at that time creates no greater application therefor. Effective date is 4-1-77.
II C (17) II D (3) II E	11	7-7-77	Relates to removal of mandatory retirement provisions pursuant to Charter Amendment of 4-5-77. Permits continued accumulation of retirement service after age 65 in accordance with the amendment of the City Charter adopted by the voters. Permits employees to accumulate retirement credit until age 70, and beyond age 70 to the extent that employee has not completed accumulation of 15 years of such service credit. Disability benefits after age 65 are limited to Temporary Disability benefits only. Effective date is 5-1-77.
II C (14) II C (16)	56	7-28-77	Removes reference to "classified salary" from the Plan and uses actual salary for the measurement of benefits and contributions henceforth. Because of data processing, the use of classified salaries has become unnecessary, and this amendment will interface with present payroll practices and do away with payment of contributions one month in advance of the period financed. Contributions will be made during the period financed.
II E	426	1-4-79	Permits withdrawal of normal and early retirement applications upon filing with the appropriate Board a written request therefor at least seven days before the effective date. Withdrawal of <u>normal</u> retirement requires receipt of written request by Retirement Plan office at least seven days before effective date. Withdrawal of <u>early</u> retirement requires receipt of written request by Commission office at least seven days before effective date. The particular Board involved may not approve the withdrawal after the effective date of retirement. Effective date of this amendment is 12-21-78.
II E	662	3-29-79	Clarifies early retirement application requirements. Effective May 1, 1979.

ADMENDMENTS

SECTION II

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II C (11) II D (2)(h) II E	539	1-17-80	Reciprocity between CERS and the Retirement Plan. Effective February 1, 1980.
II D (2)(b) II D (2)(e) II D (2)(f) II D (2)(g) II D (2)(h) II D (3)(k)	657	2-26-81	Employee contributions to be calculated biweekly; permits members to obtain service credit for past time not credited; permits Plan to change the entry age if no break in service. Effective December 1, 1980.
II D (7) II D (8)	83-514	1-27-83	Consolidates & simplifies various provisions involving the purchase of previous service credit. Also involves granting pro-rata service credit to employees who wish to retire before their previous service is completely paid for. Effective 1-31-83.
II C (14)	84-305	12-8-83	Changes wording "monthly salary" to "biweekly salary". Eff. 1-1-84.
II E	85-165	9-27-84	Term "has been purchased" changed to "is eligible for purchase". Effective 10-1-84.
II C (14)	85-464	2-28-85	Amended to clarify the definition of compensation when computing disability benefits. (Eff. 7-1-84)
II D (3)(h)	87-425	1-29-87	Amended to conform to change in the Age Discrimination Employment Act by eliminating all the age 70 related provisions. (Effective 2-2-87)
II E	87-425	1-29-87	Paragraphs 6 and 7 deleted to conform to change in the Age Discrimination in Employment Act by eliminating all the age 70 related provisions. (Effective 2-2-87)
II F	90-480	2-8-90	Added. Adds IRC Section 401 (a)(17) and Section 415 limits to the Plan. (Effective January 1, 1990)
II D (2)(d), (e), (g) ¶3 and (i)	91-742	6-6-91	Places new employees into membership in the Retirement portion of the Plan on the first day of pay period immediately after hire. (Effective 7-1-91)
II D (2)(g)	91-743	6-6-91	Paragraph 1 - A technical amendment: recognizes service under any Los Angeles City Pension system. (Effective July 1, 1991)
II E	96-161	7-1-95	Permits early retirement for members who took a leave of absence of up to 3 years prior to retirement and participated in the Department's Focused Separation Program. Effective July 1, 1995.

ADMENDMENTS**SECTION II**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II C (14)	96-837	6-13-96	Adds compensation received while at CERS to the definition of Final Average Salary. Effective June 1, 1996.
II C (11)	98-629	4-16-98	Includes OGS in Department Service
II E	98-629	4-16-98	OGS included in eligibility to retire
II F (1)(a) (1)(b) (2)(a)	98-632	4-16-98	Implement a Qualified Excess Benefit Arrangement
II E (1),(2), (3),(4),(5)	98-721	5-21-98	Implement the Five Year Prime/Three Year Enhancement of SRP Package
II E (6)	98-721	5-21-98	Implement the Five Year Prime/Three Year Enhancement of SRP Package
II E (6)(d)	98-722	5-21-98	Implement SRP Retention Service Credit
II E (6)(e)	98-724	5-21-98	Implement SRP Purchase of Retirement Service Credit Agreement
II E (6)(d)(ii)	99-142	11-19-98	SRP Retention Service Credit for Load Dispatchers
II A	00-59	05-18-00	Clarifies that liability to fund Plan is general obligation of DWP
II B	00-59	05-18-00	Requires general survey and actuarial report at regular intervals
II C (1)	00-59	05-18-00	Defines Retirement Plan as creation of 1102(b) Of City Charter
II C (6)	00-59	05-18-00	Defines Board of Administration as creation of Section 1102 of City Charter
II C (7)	00-59	05-18-00	Defines Retirement, Disability, and Death Benefit Funds as "Special funds" under the City Charter
II E (6)(d)(ii)	02-28	12-19-01	Increases maximum SRP retention bonus for Load Dispatchers from 36 to 48 months
II G	03-20	09-18-02	Provides for "eligible rollover distributions" paid directly to "eligible retirement plans"
II D (1)(f)	04-108	04-21-04	Excludes certain daily rated employees not represented by IBEW from eligibility for membership in the Plan
II F (1)(c) (d)	10-80	04-07-10	Changed to reflect revised organization of II F

AMENDMENTS**SECTION II**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
II F (1)(e)(f) (g)(h) (i)(j) (k)(l) (m)(n) (o)(p) (q)(r)	10-80	04-07-10	Adds new subdivisions to specify IRC impact on limits including Section 415 (b)
II F (2)(b)	10-80	04-07-10	Changed to reflect revised organization of II F
II F (2)(c)(d) (e)(f) (g)(h)	10-80	04-07-10	Added to new subdivision to specify IRC impact on compensation including 401 (a)(17)(B)
II F (3)(a)(b) (c)(d) (e)(f) (g)(h)	10-80	04-07-10	Added to specify IRC minimum distribution requirements
II G (1)(2)(3)	10-80	04-07-10	Revises organizational structure of subsection
II H (1)(2)(3)	10-80	04-07-10	Adds Veteran's Rights under IRC
II C (3)	14-47	12-11-13	Amends definition of "Member" to define both Tier 1 and Tier 2 members.
II C (13)	14-47	12-11-13	Amends definition of "Beneficiary" to include legal entities as designees.
II D (1)(d)	14-47	12-11-13	Amends City Charter citation reference.
II D (1)(g) Added	14-47	12-11-13	Adds new subdivision of employees ineligible for Membership in the Plan.
II D (4)(a)	14-47	12-11-13	Adds provision for former members to be considered as current Plan members for retirement eligibility purposes only, under specific circumstances.
II E (3)(a)	14-47	12-11-13	Adds provision that LACERS service shall be combined with Department service solely for determining eligibility for retirement. Effective January 1, 2014.

INDEX BY SECTION

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>
III A	652	05-06-54
III A (1)	00-59	05-18-00
III A (2)	00-59	05-18-00
III A (3)	699 444 815 00-59	05-29-58 12-27-72 05-22-80 05-18-00
III A (4)	297	11-03-55
III A (5)	232 297 00-59	11-25-41 11-03-55 05-18-00
III A (7)	193	08-05-41
III A (7)(a)	00-59	05-18-00
III A (7)(b)	99-117	(added) 08-20-98
III A (7)(c)	99-117	(added) 08-20-98
III A (8)	193 714	08-05-41 05-24-56
III A (10)	02-43	03-19-03
III B (1)	18 00-59	07-12-73 05-18-00
III B (2)	193 333 465 18 84-216 91-746 99-132	08-05-41 11-09-67 12-28-67 07-12-73 10-27-83 06-6-91 10-08-98
III B (4)	193	08-05-41
III B (5)	830 00-59	05-13-65 05-18-00

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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>
III C (1)	511	03-05-46
	00-59	05-18-00
III C (3)	297	11-03-55
III C (5)	00-59	05-18-00
III C (6)	00-59	05-18-00
III C (7)	91-743	06-06-91
III C (8)	772	04-08-82
III C (8)(a)	117	08-12-76
	772	04-08-82
III C (8)(a)(ii)	86-705	06-12-86
III C (8)(b)	577	02-15-73
	121	08-22-74
III C (8)(c)	577	02-15-78
	907	06-01-78
III C (9)	803	03-21-39
	782	03-06-47
	70	07-29-48
	732	06-17-54
	161	08-22-63
	847	05-28-64
	855	06-15-67
	933	06-26-69
	750	06-01-72
	666	03-22-73
	173	08-28-75
	235	09-23-76
	923	06-09-77
	778	04-10-80
	875	05-22-80
	¶3	83-876
91-744		06-06-91
00-43		02-17-00

INDEX BY SECTION

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>
III C (10) Added	00-43	02-17-00
III D (1)	566 377	10-26-39 11-29-73
III D (1)(a)	96-769	05-09-96
III D (1)(b) Repealed	117	08-12-76
III D (1)(c)	117	08-12-76
III D (2)	1460	06-22-39
III D (2)(a)	618 274 440	04-29-54 10-29-59 01-09-75
III D (3)(b) deleted	86-221	10-24-85
III D (3)(c)	86-221	10-24-85
III D (3)(d) deleted	86-221	10-24-85
III D (3)(e)	86-221	10-24-85
III E	735 839 93-383	06-17-54 06-29-72 12-17-92
III E (1)	93-383	12-17-92
III E (1)(a) (Added)	93-383	12-17-92
III E (1)(b) (Added)	93-383	12-17-92
III E (1)(c) (Added)	93-383	12-17-92
III E (1)(d) (Added)	93-383	12-17-92
III E (1)(e) (Added)	93-383	12-17-92
III E (1)(f) (Added)	93-383	12-17-92

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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>
III E (1)(g) (Added)	98-815	06-25-98
III E (2) (Added)	93-383	12-17-92
III F	00-59	05-18-00
III G	567 117	10-26-39 08-12-76

**WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AMENDMENTS**

SECTION III

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III C (9)	803	03-21-39	Fixing regular interest to by 3% per annum.
III D (2)	1460	06-22-39	Reserves to be maintained within the Disability Fund.
III D (1)	566	10-26-39	Liability accounts to be maintained within the Retirement Fund.
III G	567	10-26-39	Capital Gains and Losses and Interest Earnings.
III A (7) III A (8) III B (2) III B (4)	193	08-05-41	Change of Quorum from 5 to 4.
III A (5)	232	11-25-41	To create a new and separate payroll for the Retirement Office. (See Water & Power Board File for copy of Reso.)
III C (8)	819	06-25-45	Interest credits - See Reso. No. 819 under IV D 5.
III C (1)	511	03-05-46	Books and Records - Accounting Procedure.
III C (9)	782	03-06-47	Interest Rates and Maintenance of surplus. Supersedes Reso. No. 803
III C (9)	70	07-29-48	Interest Rates and Maintenance of surplus. Supersedes Reso. No. 782
III D (2)(a)	618	04-29-54	Temporary Disability Reserves.
III H	652	05-06-54	Trustees for incompetents.
III C (9)	732	06-17-54	Interest Rates & Maintenance of surplus.
III E	735	06-17-54	Authority of Board to allow payments for life and health insurance.
III A (4)	297	11-03-55	Election of officers.
III A (5)	297	11-03-55	Board fix compensation of secretary and other employees.
III C (3)	297	11-03-55	Statistical studies; Making of studies, surveys, etc.

AMENDMENTS**SECTION III**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III A (8)	714	05-24-56	Special meeting of the Board of Administration.
III A (3)	699	05-29-58	Corrects discrepancy between the language contained in the City Charter and the language contained in the text of the Retirement Plan relative to filling any vacancy that may occur among the elective members of the Board.
III D (2)(a)	274	10-29-59	Simplifies method of maintaining Temporary Disability Reserve.
III C (9)	882	06-27-63	Conforms all sections of the Plan to reflect the change to a 3-1/2% interest rate.
III C (9)	161	08-27-63	Interest increased from 3-1/2% to 3-3/4% on contributions.
III C (9)	847	05-28-64	Resolution conforms all sections of the Plan to reflect the change to a 33/4% interest rate which was adopted August 22, 1963.
III B (5)	830	05-13-65	Enlarges the investment provisions of the Plan to include Bonds and Securities that are legal for investment by savings banks in New York and Massachusetts, and thus makes the provision correspond with the Charter.
III C (9)	855	06-15-67	Provides for an increase in the rate of interest used from 3-3/4% to 4% effective 07-01-67.
III B (2)	333 465	11-09-67 12-28-57	Provide for incorporating the provisions of the recent amendment to paragraph (e) of Subsection (1) of Section 220.1 of the Charter, broadening the investment authority of the Board, into the Retirement Plan.
III C (9)	933	06-26-69	Provides for an increase in the rate of interest used from 4% to 4-1/4% effective 07-01-68.
III C (9)	750	06-01-72	Provides an increase in interest rate creditable to Retirement Plan accounts from 4.25% to 4.50% per annum eff. 07-01-72.

AMENDMENTS**SECTION III**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III E	839	06-29-72	Provides that no right of any member, or of the beneficiary of any member, to receive and to be paid any moneys under any of the provisions of this Plan shall be assignable or alienable in any manner whatsoever. It is the intent of this Plan that all payments hereunder shall be made directly to or for the immediate benefit of such member or beneficiary. Effective 06-30-72.
III C (8)(b)&(c)	557	02-15-73	Limits additional contributions to 10% of member's classified monthly salary. Requires any excess of surplus in Disability Fund and Death Benefit Fund to be applied to a pro-rata reduction in rate of future contributions by members and the Department to such funds. Effective 03-01-73.
III C (9)	666	03-22-73	Replacing present 1/60 formula with a 1/50 pension formula; increasing member contribution rates by 20%; applying a 3% early retirement adjustment factor to the full allowance for each year member retires prior to age of 60; providing no retirement allowance shall exceed 95% of members' highest 3-year average salary; permitting active members to acquire credits for first 6 months of Department service; and providing through a savings clause that no member active on effective date of amendment shall receive a smaller retirement allowance by applying the 1/50 formula than he would receive by applying the 1/60 formula. Provides regular interest at 5%; adopts the "1951 group annuity mortality table"; increases from \$10 to \$30 the amount of monthly retirement allowances, whereby in lieu of such payment for life a member may elect to take in a lump sum the member's and Department's total contributions including interest. Effective 03-01-73.
III B (1)&(2)	18	07-12-73	Provides that the Board of Administration shall have powers and duties granted to it by the L.A. City Charter for investment of all moneys in the Retirement, Disability and Death Benefit Funds. Previously the details in the Charter pertaining to investments was

AMENDMENTS**SECTION III**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III B (1) & (2) cont'd	18	07-12-73	repeated in the Plan. This amendment removed that duplication from the Plan. Effective 07-01-73.
III D (1)(c)	377	11-29-73	"Retirement Allowance Reserve" account created, cutting out a number of individual accounts.
III E	121	08-22-74	Provides that in cases where the community property interest in a pension has been judicially determined, the community property interest of member's spouse may be assigned by the member to such spouse without the Board becoming a party to the dissolution proceedings. If the Board determines a particular court order provides for benefits which are inconsistent with provisions of the Plan, the Board is free to litigate the matter. Effective 07-01-74.
III D (2)	440	01-09-75	Twelve technical amendments to Plan.
III C (9) (1st & 4th paragraphs)	173	08-28-75	Increases interest rate to be credited to all contribution accounts as of 07-01-75, and thereafter, and the interest rate to be used in calculating benefits, to 5-1/2%. Such increase in interest rate will not affect those members who have withdrawn their contributions or retired or died on or before July 1, 1975, effective date of the amendment.
III C (8)(a) III D (1)(b) Repealed III D (1)(c) III G (1)	117	08-12-76	Sixteen technical amendments to Plan.
III C (9)	235	09-23-76	Changes the assumed interest rate from 5-1/2 to 5-3/4%. Also clarifies Section IV E regarding retirement allowance not exceeding 95% of the highest average one year salary. Effective 07-01-76.

AMENDMENTS**SECTION III**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III C (9)	923	06-09-77	Increases regular interest credited to contribution accounts to 6% per annum and provides that retirement allowances shall be calculated based upon the 1971 Group Annuity Mortality Table. Effective date of amendment is 07-01-77.
III E	907	06-01-78	Permits direct deposit of retirement checks to checking, savings or Credit Union share account of retired employee, a member's spouse or member's beneficiary. Effective 07-01-78.
III C (9)	778	04-10-80	Provides for measurement of retirement allowances, where appropriate, by a single level mortality table for men and women from the effective date of the amendment. Effective 05-01-80.
III C (9)	875	05-22-80	Increases the interest rate credited to contribution accounts to 7% and the interest rate assumed for funding purposes to 8%. Effective 07-01-80.
IV D (4)(a)	994	06-04-81	<p>Calculate all "minimum pension IV D (4)(b) formula" service credit on and IV E after December 1, 1980, using IV E (4) biweekly periods instead of IV E (11) calendar months and expressing the total of such payroll periods as decimal equivalents of years.</p> <p>Use the last 26 payroll periods (or any other 26 successive payroll periods which may be higher) in determining the "highest average 1-year salary" for calculating the Minimum Pension "C" formula. Effective 06-01-81.</p>
III C (8)	772	04-08-82	Provides for the accounting of III C (8)(a) any excess surplus which may be accumulated within the general reserve of the Retirement Fund. The amendment also clarifies the method to be used in transferring such surplus to the various contribution accounts. Effective 04-01-82

AMENDMENTS**SECTION III**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III C (9)	8372	07-22-82	Makes stronger mortality assumptions and brings the Plan into conformance with the actuarial assumptions on which the funding is based. Effective 09-01-82.
III C (8)(a) III C (9)	83-876	06-30-83	This would amend the Plan to change the interest crediting rate from 7% to 8% for all Department and member contribution accounts and to provide for the crediting of the members' pro rata portion of investment earnings over 8% to individual member's accounts. Effective 07-01-83.
III B (2)	84-216	10-27-83	This would amend the Plan to make the delegation of authority in investment matters to the Cost and Finance Committee clear. Effective 10-01-83.
III D (3)(a) (b)(c)(d)	86-221	10-24-85	Consolidation of three subfunds of the Death Benefit Fund to simplify the accounting system. Deletes subsections (b) and (d). Effective 07-01-85.
III C (8)(a) (ii)	86-705	06-12-86	Amended to clarify that special interest is to be credited only to accounts eligible for regular interest credit. Effective 06-01-86.
III B (2)	91-746	06-06-91	Allows proxies to be voted by same committee of the Board which previously could only act on purchase and sell recommendations in a week that Board does not meet. Effective 07-01-91.
III C (7)	91-743	06-06-91	A technical amendment: Provides for biweekly retirement contributions (which has been practiced since 12-1-80). Effective 07-01-91.
III C (9)	91-744	06-06-91	¶3 Amended to change Plan Group Annuity Mortality Table from 1971 to 1983 as recommended by Actuary. Effective 07-01-91.
III E	93-383	12-17-92	Amended to allow authorization for electronic deposit of benefit check and authorization for payroll deductions. Effective 12-17-92.

AMENDMENTS**SECTION III**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III E (1)	93-383	12-17-92	Amended to allow authorization for electronic deposit of benefit check and authorization for payroll deductions. Effective 12-17-92.
III E (1)(a)	93-383	12-17-92	Adds subsection designation to provision that allows for withholding of personal federal and State income taxes. Effective 12-17-92.
III E (1)(b)	93-383	12-17-92	Adds subsection designation to provision that allows for payment of health and dental premiums by deduction from benefit payment. Effective 12-17-92.
III E (1)(c)	93-383	12-17-92	Added. Allows for payment of Supplemental Family Death premiums by deduction from benefit payment. Effective 12-17-92.
III E (1)(d)	93-383	12-17-92	Added. Allows for payment of Donors' Welfare Plan contributions by deduction from benefit payment. Effective 12-17-92.
III E (1)(e)	93-383	12-17-92	Added. Allows for deposits to the Water and Power Credit Union account by deduction from benefit payment. Effective 12-17-92.
III E (1)(f)	93-383	12-17-92	Added. Allows for payment of various insurance premiums by deduction from benefit payment. Effective 12-17-92.
III E (2)	93-383	12-17-92	Added. Provides for withdrawn Total Accumulated Contributions to be rolled over directly to an Individual Retirement Account (IRA) pursuant to Internal Revenue Code. Effective 12-17-92.
III D (1)(a)	96-769	05-09-96	Adds the member's Annuity for Public Service Account to the Members' Contributions to Retirement Fund liability account. Effective 07-01-96.
III E (1)(g)	98-815	06-25-98	Permits payroll deductions for dues and Contributions to Water and Power Retired Employees Association.
III A (7)(b) and (c)	99-117	08-20-98	Allows for Board delegation of authority to Benefits Committee and Retirement Plan Manager.
III B (2)	99-132	10-08-98	Permits Investment Committee to act in same Week that Board holds Regular Meeting.

AMENDMENTS**SECTION III**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
III C (9)	00-43	2-17-00	Requires Department to fund reserves to pay Benefits if income and realized gains from Investments are insufficient.
III C (10)	00-43	2-17-00	Recognizes actuarial value of assets in the General Reserve of the Retirement Plan.
III A (1)	00-59	05-18-00	References Charter Sections 1188(a) and 1106 as creating Board of Administration and Specifying how Plan is to be administered.
III A (2)	00-59	05-18-00	References Section 1106(f) of the charter Giving Board power to adopt rules and regulations.
III A (3)	00-59	05-18-00	Requires election of employee members of Board based on rules and regulations of Commission.
III A (5)	00-59	05-18-00	Provides for appointment of Chief Executive Officer and Chief Accounting Employee.
III A (7)(a)	00-59	05-18-00	Powers of Board to be exercised by order or Resolution.
III B (1)	00-59	05-18-00	References Charter Section 1106 as giving Board power and duty to invest moneys.
III B (5)	00-59	05-18-00	Prohibits conflicts of interest of Board members.
III C (1)	00-59	05-18-00	Requires books and accounts necessary for Proper administration of Retirement Plan.
III C (5)	00-59	05-18-00	Funds to be deposited with Treasurer or Master Trustee or Master Custodian.
III C (6)	00-59	05-18-00	Disbursements from Plan to be made by Chief Accounting Employee.
III F	00-59	05-18-00	Board to estimate Department contributions to The Plan.
III A (10)	02-43	03-19-03	Provides meeting attendance fee for retired Board member.

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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>
IV	362	02-30-53
IV A (3)	221 606 444	09-02-47 04-25-57 12-27-72
IV A (4)	1525 788 69 882 855 933 750 666 173 235 923 875 83-876 11-81	06-29-39 03-06-47 07-29-48 06-27-63 06-15-67 06-26-69 06-01-72 03-22-73 08-28-75 09-23-76 06-09-77 05-22-80 06-30-83 04-13-11
IV A (7)(8)	84-305	12-08-83
IV A (7)(8)(10)	83-87	06-30-83
IV A (12)	117	08-12-76
IV B	362	12-30-53
IV B (1)	215 784 267	10-25-38 03-06-47 11-29-51
IV B (2)	495 700 183 617 444 563 117 11 539 83-798 00-59	02-17-44 06-30-53 09-24-53 04-29-54 12-27-72 02-19-76 08-12-76 07-07-77 01-17-80 05-26-83 05-18-00

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IV B (3)	700	06-30-53
	183	09-24-53
	117	08-12-76
Repealed		
IV B (4)	700	06-30-53
	183	09-24-53
	307	10-27-66
	855	06-15-67
	933	06-26-69
	750	06-01-72
	297	10-25-73
	444	12-27-72
	666	03-22-73
	297	10-25-73
	440	01-09-75
	441	01-09-75
	11	07-07-77
	657	02-26-81
	83-514	01-27-83
IV B (6)	933	06-26-69
IV C	87	08-09-51
	00-59	05-18-00
IV C (1)	713	05-24-56
	161	08-31-67
	855	05-29-69
	84-305	12-08-83
IV C (1)(a)	181	10-01-38
	1377	04-11-40
	820	06-26-45
	606	04-25-57
	568	01-29-70
	444	12-27-72
	577	02-22-73
	666	03-22-73
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	60	07-25-74
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IV C (1)(a)	97	07-31-75
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	56	07-28-77
	539	01-17-80
	657	02-26-81
	84-305	12-08-83
	93-384	12-17-92
	IV C (1)(a)(i) Added	84-305
87-425		01-29-87
IV C (1)(a)(ii) Added ¶.	84-305	12-08-83
	87-425	01-29-87
	89-739	06-01-89
IV C (1)(a)(iii)	84-305	12-08-83
IV C (1)(a)(iv)	84-305	12-08-83
IV C (1)(a)(v) (Added)	93-384	12-17-92
IV C (1) (a) (vi) (Added)	05-50	11-17-04
IV C (1)(b)	568	01-29-70
	557	02-15-73
	180	09-02-76
	56	07-28-77
	416	12-08-77
	597	02-16-78
	857	05-18-78
	122	08-16-79
	404	11-21-79
	657	02-26-81
	84-305	12-08-83
	¶ 4, 5, 6 deleted	89-739
11-45		12-01-10
IV C (1)(c) repealed	577	02-22-73
	84-305	12-08-83
IV C (1)(d) repealed	577	02-22-73
	666	03-22-73
	733	04-19-73
	413	12-23-74
	84-305	12-08-83

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IV C (1)(e)	577	02-22-73
	440	01-09-75
	441	01-09-75
	173	08-28-75
	11	06-07-77
	56	07-28-77
	657	02-26-81
	83-514	01-27-83
IV C (1)(f)	897	06-02-66
	577	02-22-73
IV C (1)(g)	161	08-31-67
	744	04-11-68
	171	08-29-68
IV C (1)(h)	89-739	06-01-89
IV C (1)(i)	99-149	(added) 12-17-98
IV C (2)	1013	06-29-43
	88	08-15-44
	233	09-26-63
	161	08-31-67
	195	09-07-67
	818	05-08-69
	84-305	12-08-83
IV C (2)(a)	181	10-01-38
	936	01-23-40
	88	08-15-44
	783	03-06-47
	614	04-29-54
	56	07-28-77
IV C (2)(b)	565	10-26-39
	1767	06-17-41
	449	12-01-42
	551	03-09-48
	392	12-19-57

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	68	07-29-65
	367	11-22-66
	796	05-24-73
	797	05-24-73
	440	01-09-75
	00-60	05-18-00
IV C (2)(c) *[Changed to "(f)"]	738	06-25-59
IV C (2)(c) [New subdivision "(c)"]	738	06-25-59
	796	05-24-73
IV C (2)(d)	218	09-02-47
	550	03-09-48
	127	08-27-53
	738	06-25-59
	569	01-29-70
	836	05-23-74
	837	05-23-74
	838	05-23-74
	117	08-12-76
	56	07-28-77
84-305	12-08-83	
IV C (2)(e)	615	04-29-54
	738	06-25-59
	440	01-09-75
	03-86	10-15-03
	838	05-31-79
IV C (2)(f) *[Changed from "(c)"]	738	06-25-59
IV C (2)(g)	233	09-26-63
	666	03-22-73
	796	05-24-73
	161	08-31-67

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IV D (3)	216	10-25-38
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	366	11-22-66
IV D (3)(a)	606	04-25-57
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	695	04-05-73
	969	04-05-73
	117	08-12-76
IV D (3)(c)	392	12-19-57
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IV D (4)	785	03-06-47
	45	07-20-50
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	474	01-24-63
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	68	07-19-65
	363	11-22-66
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IV D (4)(a) (cont'd)	696	04-05-73
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IV D (4)(a)1.(iv)	91-219	10-18-90
IV D (4)(a)1.(v)	91-219	10-18-90
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IV D (4)(a)1.(vi)	98-629	04-16-98
IV D (4)(a)1.	91-219	10-18-98
IV D (4)(a)2.	91-219	10-18-90
IV D (4)(b)	606	04-25-57
	474	01-24-63
	30	07-01-65
	195	09-07-67
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	392	12-19-57
	569	01-29-70
IV D (4)(d)	1635	05-19-42
	604	04-23-59
IV D (4)(e) Added	273	10-29-59
	275	10-29-59
IV D (4)(f) Added	669	05-04-61
IV D (4)(g)	474	01-24-63
IV D (4)(h)	522	01-14-65
IV D (4)(I)	68	07-29-65
IV D (4)(I)	797	05-24-73
IV D (5)	819	06-26-45
	220	09-02-47
	71	07-29-48
	86	08-09-51
	694	04-11-63
IV D (6)	1132	03-07-40
	561	10-31-40
	754	06-01-44
	767	06-12-45
	549	03-09-48
	694	04-11-63
	818	05-08-69
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IV D (8)	185	10-10-44
	768	06-12-45
	577	04-25-57
	604	05-07-53
	606	04-25-57
	444	12-27-72
	549	02-20-75
IV D (9)	85-378	01-10-85
	906	05-20-43
IV D (10)	206	09-21-48
	297	09-30-47
IV D (12)	46	07-20-50
IV D (13)	269	11-29-51
IV D (14)	270	11-29-51
IV D (15)	233	09-26-63
	161	08-31-67
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IV D (15)(b)	161	08-31-67
	658	03-16-67
IV D (15)(c)	96-770	05-09-96
IV D (15)(d)	810	05-07-64
IV D (15)(f)	99-149	(added) 12-17-98

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	178	09-21-77
	83-667	03-31-83
IV D (16)(a)(ii)	99-149	12-17-98
IV D (16)(b)	942	06-15-78
IV D (16)(f)	117	08-18-74
IV D (16)(h) [Changed "(g)" to "(h)"]	17	07-12-73
	123	08-22-74
IV D (16)(j)	615	02-11-81
IV D (16)(m) Added	91-23	07-12-90
IV D (16)(n)	99-149	(added) 12-17-98
IV D (17) Added	45	07-18-74
IV E	752	06-01-44
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	117	08-12-76

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	97	07-31-75
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	180	09-02-76
	765	04-14-77
	11	07-07-77
	416	12-08-77
	597	02-16-78
	857	05-18-78
	122	08-16-79
	404	11-21-79
	657	02-26-81
	575	01-28-82
	83-622	03-17-83
	83-800	05-26-83
84-305	12-08-83	
IV E (4)(b)	98-630	04-16-98
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IV E (4)(d)	14-47	12-11-13
IV E (4)(d)(iv) ¶2 (deleted)	91-219	10-18-90
	05-50	11-17-04
IV E (4)(d)(viii) (Added)	93-384	12-17-92
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IV E (4)(d)(ix)	98-629	04-16-98
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IV E (7)	96-837	06-13-96
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IV E (8)	549	02-20-75
	197	09-28-78
	85-378	01-10-85
	14-47	12-11-13
IV E (9)	98-631	04-16-98
IV E (9)(a)	14-47	12-11-13
IV E (9)(c)	96-770	05-09-96
IV E (9)(e)	99-149	(added) 12-17-98
IV E (10)	83-667	03-31-83
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	03-40	11-20-02
IV E (10)(a)	798	05-24-73
IV E (10)(a)(ii)	99-149	12-17-98
IV E (10)(b)	942	06-15-78
	17	07-12-73
	416	09-21-77
	03-100	05-21-03
IV E (10)(c)	798	05-24-73
IV E (10)(g)	733	04-19-73
	178	09-21-77
	657	02-26-81
IV E (10)(h)	615	02-26-81
IV E (10)(k) Added	91-23	07-12-90
IV E (10)(l) Added	99-149	12-17-98
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Repealed	117	08-12-76
IV F (5)	847	05-28-64
	855	06-15-67
	933	06-26-69
	750	06-01-72
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	173	08-28-75
	235	09-23-76
	923	07-09-77
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IV F (6)	666	03-22-73
IV G	732	04-19-73
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IV G (1)	85-165	09-27-84
IV G (1)(d)	91-742	06-6-91
IV G (1)(f)	83-799	05-26-83
IV G (1)(g) Added	87-425	01-29-87
IV G (1)(h) Added	98-723	05-21-98
IV G (1)(l) Added	98-723	05-21-98
IV G (3)	297	10-25-73
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	441	01-09-75
	761	05-01-75
	657	02-26-81
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	91-742	06-06-91
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IV G (3)(i) Added	91-742	06-06-91

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IV G (3)(iii)	91-742	06-06-91
IV G (4)	87-425	01-29-87
¶ 1 changed to (a)	98-723	05-21-98
IV G (4)(a)	539	01-17-80
	575	01-28-82
	87-425	01-29-87
(a) changed to (i)	98-723	05-21-98
IV G (4)(a)(i) [(a) changed to (i)]	98-723	05-21-98
IV G (4)(a)(ii) [(b) changed to (ii)]	98-723	05-21-98
IV G (4)(a)(iii) [(c) changed to (iii)]	98-723	05-21-98
IV G (4)(b)	575	01-28-82
	87-425	01-29-87
(b) changed to (ii) [New (b) Added]	98-723	05-21-98
IV G (4)(c)	173	08-28-75
	11	07-07-77
	56	07-28-77
	657	02-26-81
(c) changed to (iii) [New (c) Added]	98-723	05-21-98
IV G (4)(d)	173	08-28-75
	98-723	05-21-98
IV G (5)	898	06-28-73
	297	10-25-73
	440	01-09-75
IV H (New)	297	10-25-73
repealed	83-514	01-27-83
IV H (3)(a)	441	01-09-75
IV H (3)(b)	657	02-26-81
IV H (4)(a)	56	07-28-77

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	56	07-28-77
IV H (5)(b)	657	02-26-81
	440	01-09-75
IV I (New) repealed	297	10-25-73
	83-514	01-27-83
IV I (3)(a)	441	01-09-75
IV I (3)(b)	657	02-27-81
IV I (4)(a)	56	07-28-77
IV I (4)(b)	11	07-07-77
	56	07-28-77
	657	02-26-81
IV I (5)(b)	440	01-09-75
IV J	539	01-17-80
IV J (1)(a)	00-59	05-18-00
IV J (2)	657	02-26-81
IV J (2)(c)	91-742	06-06-91
IV J (2)(d) Added	91-742	06-06-91
	14-47	12-11-13
IV J (2)(d)(i) Added	91-742	06-06-91
IV J (2)(d)(ii) Added	91-742	06-06-91
IV J (2)(iii) Added	91-742	06-06-91
IV J (2)(e) Added	14-47	12-11-13
IV J (3)(d)	84-624	05-24-84
IV J (3)(e)	84-624	05-24-84
	85-103	08-23-84
IV J (3)(f)	84-624	05-24-84

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IV J (5)	83-514 96-769	01-27-83 05-09-96
IV J (6)(a)	83-514	01-27-83
IV J (7)	657 84-305	02-26-81 12-08-83
IV J (8)	84-305	12-08-83
IV K Added	96-769	05-09-96
IV K (5)(a)	96-837	06-13-96
IV L	98-629	04-16-98
IV L (1) (d) Added	05-50	11-17-04
IV L (3) Deleted	98-723	05-21-98
IV M	03-20	09-18-02

**WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AMENDMENTS**

SECTION IV

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (1)(a)	181	10-01-38	Omission of ages under 20 and over 64 for male and 59 for female.
IV C (2)(a)	181	10-01-38	Same as above Reso. 181.
IV B (1)	215	10-25-38	Prior Service Credits.
IV D (3)	216	10-25-38	Pension for Prior Service.
IV A (4)	1525	06-29-39	Regular interest.
IV C (2)(b)	565	10-26-39	Contributions for Prior Service and Minimum Pensions.
IV C (2)(a)	936	01-23-40	Contributions for Current Service.
IV D (6)	1132	03-07-40	Optional Allowance on Retirement. See Reso. 561 below.
IV C (1)(a)	1377	04-11-40	Normal contributions: If a terminated member returns to duty within 6 mos., the same age rate shall apply as on date of termination. Also table showing rates to apply according to age. Covers 181.
IV D (6)	561	10-31-40	Optional Allowance on Retirement. Supersedes Reso. 1132 above.
IV C (2)(b)	1767	06-17-41	Department Contributions for Prior Service and Minimum Pension. Superseded Reso. 565 - 10-26-39.
IV D (4)(d)	1635	05-19-42	Minimum Pension - Contributions Missed Account Disability.
IV C (2)(b)	449	12-01-42	Contributions for Prior Service and Minimum Pensions. Supersedes Reso. 1767.
IV D (9)	906	05-20-43	Members retained in Department service after age 65.
IV C (2)	1013	06-29-43	Contributions for Current Service, on 103% basis. Supersedes Reso. 936.
IV B (2)	495	02-17-44	Withdrawal of Contributions.
IV E	752	06-01-44	Abolishing section - prejudicial activities

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV D (6)	754	06-01-44	Option A - Election of.
IV C (2)(a)(b)	88	08-15-44	Contributions for P.S. & M.P. Advance payment by Department.
IV D (8)	185	10-10-44	Retirement allowance to member separated from Department service.
IV D (6)	767	06-12-45	Option A - Return of member's contributions based on annuity only.
IV D (8)	768	06-12-45	Retirement allowance to member separated from Department service. Supersedes Reso. 185.
IV D (5)	819	06-26-45	Interest credits.
IV C (1)(a)	820	06-26-45	Election of contribution rate by female members.
IV D (4)(c)	505	02-28-46	Members eligible to a M.P. who are retained beyond normal retirement date.
IV C (2)(a)	783	03-06-47	Department contributions for Current Service on a percentage basis and for cost of administration. Supersedes Reso. 88.
IV B (1)	784	03-06-47	Prior Service credit. Supersedes Reso. 215.
IV D (4)	785	03-06-47	Minimum Pension (Increase in Min.) Resos. included 1635 and 505.
IV A (4)	788	03-06-47	Regular Interest - Supersedes Reso. 1525.
IV C (2)(d)	218	09-02-47	Contributions for Military Service.
IV D (5)	220	09-02-47	Interest Credits - Supersedes Reso. 819.
IV A (3)	221	09-02-47	Definition clarified for Normal Retirement Date.
IV D (10)	297	09-30-47	New Subsection.
IV D (11)	501	01-27-48	Increasing P.S. & Min. Pen. for employees retired prior to March 11, 1947. Option B & C.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV D (6)	549	03-09-48	Supersedes Reso. 767 - Optional Retirement Allowances (10 days time limit to select option).
IV C (2)(d)	550	03-09-48	Contributions for Military Service. Supersedes Reso. 218.
IV C (2)(b)	551	03-09-48	Funding of P.S. & Min. Pen. Supersedes Reso. 449.
IV D (8)	577	03-16-48	Ret. allow. to member separated from service. Supersedes Reso. 768. Clarification.
IV A (4)	69	07-29-48	Regular Interest. Supersedes Reso. 788.
IV D (5)	71	07-29-48	Interest Credits & withdrawal charges.
IV D (9)	206	09-21-48	Rescinds Reso. 906 - 5-20-43. Repeals and abolishes Section IV D (9)
IV D (4)	45	07-20-50	Minimum Pension - Increase to \$100.00 for 30 years of service at age 65.
IV D (12)	46	07-20-50	Minimum Pension - Increase to \$100.00 for those already retired prior to effective date of Reso.
IV D (5)	86	08-09-51	No withdrawal charge on employees' contributions who die while in Service.
IV C (1)	87	08-09-51	Optional and normal Rate Change - Discontinues optional rate for females.
IV B (1)	267	11-29-51	Inc. P.S. to .0220%.
IV D (4)	268	11-29-51	Inc. Min. - effective 12-1-51. \$4.00 per year of Service.
IV D (13)	269	11-29-51	Inc. P.S. to approx. .0220% for Retired employees - effective 12/1/51.
IV D (14)	270	11-29-51	Inc. Min. for Retired Employees \$4.00 per year - effective 12/1/51.
IV D (8)	604	05-07-53	Retirement allowance to member separated from Department service.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV B (2)(3)(4)	700	06-30-53	Withdrawal of contributions. Restoration of Retirement rights by redeposit.
IV C (2)(d)	127	08-27-53	Contributions for Military Service.
IV B (2)(3)(4)	183	09-24-53	Termination of membership - withdrawal - redeposit - contributions (Supersedes Reso. 700) (Reduces payments).
IV (B) (C) (D)	362	12-30-53	Increase in P.S. and Min. Pen. New Min. Pen. "A" & "B". Increase in contribution.
IV C (2)(a)	614	04-29-54	Department contributions for C.S.Deletes cost of Administration.
IV C (2)(e)	615	04-29-54	Cost of Administering Ret. Fund.
IV B (2)	617	04-29-54	Transfer of Accumulated Contributions after retirement date.
IV C (1)(d)	713	05-24-56	Permits female members to adjust contributions from optional to normal rate.
IV A (3) IV C (1)(a) IV D (3)(a) IV D (4)(a) IV D (4)(b) IV D (4)(c) IV D (8)	606	04-25-57	Changes made necessary by adoption of the Charter Amendment which changes the normal retirement age of female employees from age 60 to age 62.
IV D (3)(c)	392	12-19-57	Table of percentages for adjusting pensions for prior service (1-1-58) increase).
IV D (4)(a) IV D (4)(c) IV C (2)(b)	392	12-19-57	Increase in minimum pensions.
IV C (1)(e)	301	11-20-58	Delayed membership rights.
IV D (4)(a) IV D (4)(d)	604	04-23-59	To amend factors applicable to Minimum Pensions, to increase percentage payable upon early retirement.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (2)(b) IV C (2)(c) [Changed to "(f)"] IV C (2)(c)	738	06-25-59	Simplifies procedures used in computing Department contributions to retirement fund and for prior service pensions for a more realistic method for funding minimum New subdivision "(c)"pensions and correcting certain inadequate and indefinite Plan provisions.
IV D (3)(a) IV D (3)(d) Added IV D (4)(e) Added	273	10-29-59	Prior service benefits increased to approximately half of the retirees.
IV D (4)(e) Added	275	10-29-59	Paragraph added stating that no retirement benefit will be adjusted downward.
IV D (4)(a) IV D (4)(f) Added	669	05-04-61	Credit for prior service will be on an equal footing with Current Service Minimum Pension "A" increased from \$6 to \$6.50 per month. Retired employees who retired before 7-1-59 shall have an increase of at least 6%.
IV D (4)(a)	805	06-14-62	Minimum Pension B based on highest average 3-year salary instead of old 5-year standard.
IV D (4)(c)	823	06-28-62	Department service shall be credited to members on leave while in the Armed Forces provided no portion of such absence shall be counted for Minimum Pension B purposes.
V D (4)(a) IV D (4)(b) IV D (4)(g)	474	01-24-63	Provides employee members with ten years of Department service who have been on disability and have received benefits under the Plan or under the Workmen's Compensation Law, not to exceed four months of credit toward their Minimum Pension B for such disability time. Such members will receive one additional month of credit for disability time for each additional two years of Department service in excess of ten years. The effective date of this amendment will be 3-1-63.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV D (5) IV D (6)	694	04-11-63	Resolution No. 694, which eliminates the withdrawal charges formerly imposed when contributions to the Retirement Fund were withdrawn by employees who separated from Department service. This amendment became effective 4-11-63.
IV A (4)	882	06-27-63	Interest increased from 3% to 3-1/2%.
IV A (4)	161	08-22-63	Interest increased from 3-1/2% to 3-3/4%.
IV D (15)	233	09-26-63	50% Survivorship Benefit IV C (2) increase.
IV D (15)(a) IV D (15)(d)	810	05-07-64	The resolution clarifies the phrase "eligible spouse".
IV F (5)	847	05-28-64	Resolution conforms all sections of the plan to reflect the change to a 3-3/4% interest rate which was adopted 8-22-63.
IV D (4)(a) IV D (4)(h) IV C (2)(b)	522	01-14-65	Amendment provides for an increase in Minimum A from \$6.50 per month for each year of Department service to \$7.50 per month for each year of service. The amendment is effective February 1, 1965, and applies to both active and retired employees.
IV D (4)(b)	30	07-01-65	Amendment provides that the penalty for early retirement applicable to minimum pensions, up to a maximum of five years is reduced from 3% per year to 2% per year for active employees.
IV D (4)(a)(i) IV C (2) (b)4	68	07-29-65	Amendment provides that the penalty for early retirement, up to a maximum of five years, is reduced for retired employees as in Reso. No. 30.
IV C (1)(f)	897	06-02-66	This resolution amends the Plan by Adding a new subdivision, "(f)" of Section IV C (1) permitting female employees who are contributing at the lower rate, to contribute at the higher rate in the future and to pay the difference between the lower and the higher rate, with interest, in a lump sum, for past contributions. The Department will also pay the difference between the lower and the

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (1)(f) cont'd	897	06-02-66	higher rates with interest, and the member will be entitled to have her retirement allowance computed at the higher rate.
IV B (4)	307	10-27-66	This amendment provides that for a four-month period from November 1, 1966, to February 28, 1967, reemployed members who had failed to redeposit their previously withdrawn retirement contributions be given an opportunity to redeposit and thus establish retirement rights they had surrendered when they withdrew such contributions. Also, in the future such contribution withdrawals may be redeposited within one year after reemployment instead of within ninety days as it is now.
IV D (4)(a)	363	11-22-66	This resolution reduces the discount factor applicable to minimum pensions for currently active employees who retire prior to normal retirement date.
IV D (4)	364	11-22-66	This resolution reduces the discount factors applicable to minimum pensions to presently retired employees who retired early.
IV D (3)(a)	365	11-22-66	Reduces the discount factors applicable to prior service pensions upon early retirement for employees presently in active service and entitled to a prior service pension.
IV D (3)	366	11-22-66	Reduces the discount factors applicable to prior service pensions upon early retirement for retired members who have prior service credit.
IV C (2)(b)	367	11-22-66	Provides for funding by the Department of the increased liability incurred as a result of reducing the discount factors as provided in the above four resolutions.
IV D (15) b	658	03-16-67	Provides for the termination of the surviving eligible spouse benefit and the surviving spouse benefit as of the last day of the calendar month next preceding the month in which the eligible spouse dies.

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SECTION IV

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV A (4) IV B (4) IV F (5)	855	06-15-67	Provides for an increase in the rate of interest used from 3-3/4% to 4% effective 7-1-67.
IV D (16) IV C (1) IV C (2) IV D (15)	161	08-31-67	This amendment provides for a program of cost-of-living adjustments to increase retirement allowances of present and future retirement employees not to exceed 2% in any one year. Effective on October 1, 1967.
IV C (2) IV D (4)	195	09-07-67	This amendment implements the recent Charter amendment relating to employees of Japanese ancestry who suffered a break in service by virtue of their involuntary relocation during World War II.
IV C (1)(g)	744	04-11-68	Provides for "cost of living" adjustment contributions by employees at rates corresponding to their age upon entry into the Retirement Plan. By virtue of this amendment, each employee will pay "cost of living" adjustment contributions equal to 15% of his normal retirement contributions. The amendment applies to contributions for the month of May, 1968, and thereafter.
IV C (1)(g)	171	08-29-68	This resolution amends the Plan by modifying cost-of-living contributions by members of the Retirement Plan in three categories only, i.e., males at age 38 and age 56; and females at age 61. This change is being made because it lends itself more readily to computer programming.
IV D (4) (6) & (15) IV C (2)	818	05-08-69	Provides for an increase in Minimum "A" from \$7.50 per month for each year of Department service to \$8.50 per month for each year of service. Effective date is June 1, 1969.
IV C (1)	855	05-29-69	Deletes from the Retirement Plan Cost of Living Adjustment Contributions by members and transfers accumulated contributions by employees to their individual Normal Contribution Accounts. Eff. July 1, 1969.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV A (4) B (4) IV B (6) IV F (5)	933	06-26-69	Provides for an increase in the rate of interest used from 4% to 4-1/4% effective July 1, 1968.
IV C (1)(a)	568	01-29-70	This amendment decreases contributions by female employees in amounts varying from approximately 7 to 15% depending on age at entry into the Plan. Effective 4-1-70.
IV C (2)(d) IV D (3)(a) IV D (4)(c)	569	01-29-70	This amendment provides retirement credits for employees on military leave, for military service performed in time of war or national emergency, or while serving outside the United States or its territories pursuant to order or request of the UN, or while any national conscription act is in effect, or when called to active duty for over 90 days in a reserve unit or the State militia. Eff. 4-1-70.
IV A (4) IV B (4) IV F (5)	750	06-01-72	Provides an increase in interest rate creditable to Retirement Plan account from 4.25% to 4.50% per annum eff. 7-1-72.
IV D (16)	117	08-10-72	Grants a cost of living increase to every monthly retirement allowance and every disability allowance payable on 9-1-72 which is subject to a COL adjustment, and which allowance first became payable on or before 7-1-72. COL increases for retired employees range from .9% to 4.9% & for disabled employees from .9% to 2.4%. Effective 9-1-72.
IV A (3) IV B (2) IV B (4) IV C (1)(a) IV D (4)(a) IV D (4)(b) IV D (6) IV D (6) 4th par. repealed IV D (8) IV F (4)	444	12-27-72	Effective 12-1-72; provides retirement ages of 60 normal, 65 mandatory 55 early. To retire at age 60, member must file a written application not less than 30 days prior to date of retirement. A member may retire at age 55 with at least 10 years' in the 12 years immediately preceding retirement. Regardless of age member may retire after 30 years of service or if he or she is receiving Plan benefits for PTD and elects a retirement allowance in lieu of such benefits.

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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (1)(b)	557	02-15-73	Effective 3-1-73. Limits additional contributions to 10% of member's classified monthly salary. Requires any excess of surplus in the Disability Fund and the Death Benefit Fund to be applied to a pro-rata reduction in the rate of future contributions by the members and the Department to such funds.
IV C (1)(a) IV C (1)(c) IV C (1)(d)(e)(f) Repealed IV D (3)(a) IV D (4)(a)	577	02-22-73	Effective 1-1-73; establishes contribution rates for female members at 114.84% of contribution rates applicable to male members. Difference reflects greater longevity of females. Provides that minimum pensions and pensions for prior service for both male and female members be discounted prior to normal retirement date by applying present schedule of female discount factors.
IV A (4) IV B (4) IV C (1)(a) IV C (1)(d) IV C (1)(e) IV C (2)(g)&(h) IV C (2)(1)(4) IV D (7) IV E Added IV F (5) IV G (6)	666	03-22-73	Effective March 1, 1973. (1) replaces present 1/60 formula with a 1/50 pension formula; (2) increases member contribution Added rates by 20%; (3) applies a 3% early retirement adjustment factor) to the full allowance for each year the member retires prior to age 60; (4) provides that no retirement allowance shall exceed 95% of the members' highest 3-year average salary; (5) permits active members to acquire credits for their first six months of Department service; (6) provides through a savings clause that no member active on effective date of the amendment shall receive a smaller retirement allowance by applying the 1/50 formula than he would receive by applying the 1/60 formula. Provides regular interest at 5%; adopts the "1951 Group Annuity Mortality Table"; increases from \$10 to \$30 the amount of monthly retirement allowances, whereby in lieu of such payment for life a member may elect to take in a lump sum the member's and the Department's total contributions including interest.

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SECTION IV

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (1)(a) IV D (3)(a) IV D (4)(a)	695	04-05-73	Reso. No. 695 and 696 change the effective <u>date</u> of previously approved amendment No. 577 from 1-1-73 to 4-1-72. No. 695 covers period 4-1 to 11-30-72. No. 696 covers the period 12-1 to 12-31-72.
IV C (1)(a) IV D (3)(a) IV D (4)(a)	696	04-05-73	
IV G Added	732	04-19-73	Effective 12-1-72; provides credit for service rendered to departments or offices of City of L.A. other than the Department of Water and Power.
IV C (1)(d) IV E (11)	733	04-19-73	Effective 3-1-73. Reduces from 30 to 25 years the qualifying period for death-while eligible survivor benefits. Spouse of a member who dies while in active service and who has had at least 25 years of Department service, may elect to receive a monthly benefit for life in lieu of return of member's total accumulated contribution. Also provides technical change which conform other provisions of the Plan with proposed resolution.
IV E (4)	761	05-03-73	Effective 3-1-73. Corrects an error in first paragraph of Section IV E (4); "normal retirement date" should be "actual retirement date".
IV C (2)(b) IV C (2)(c) & (g) Repealed IV C (2)(h)	796	05-24-73	Effective 7-1-73; provides a special funding method referred to as the "Entry Age Normal Cost Funding Method" Formerly, actuary used Attained Age Normal Cost Funding Method.
IV D (4)(a) IV D (4)(1) Added IV C (2)(h)	797	05-24-73	Effective 6-1-73; increased Minimum A pension factor from \$8.50 per year of service to \$9.50 per year of service.
IV D (16)(a)&(c) IV E (10)(a) & (c)	798	05-24-73	Effective 7-1-73. Increases from 2 to 3 percent the maximum increase or decrease in COLA adjustment as based on Consumer Price Index.

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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV G (5)	898	06-28-73	Effective 7-1-73; amends Plan with respect to credit for service rendered to other City departments. Change in amendment which originally established such provision and which was effective 12-1-72 is a change in date pertaining to completion of deposit of required contributions from 7-1-73 to 5-1-74.
IV D (16)(g) IV E (10)(f)	17	07-12-73	Effective 8-1-73; amends Plan to provide that retirement allowance of a member who retires after 7-1 and prior to 7-1 of the following year shall be increased by a prorated percentage of the annual COLA increase, if any, granted the previous date. Further, any increase or decrease in COLA in excess of maximum amount of annual increase preceding the first day of July shall not be accumulated by such retirees and carried over to any succeeding calendar year.
IV B (4) IV C (1)(e) IV G (3) IV G (5) IV H (New Section) IV I (New Section)	297	10-25-73	Permits members to purchase credit for time worked for the Department of W & P but which is not now credited and under the Plan. However, service credits for intermittent or less than half time employment and construction employment exempt from civil service are not creditable. Effective date of amendment is 5-1-73.
IV G (3)	702	04-04-74	Extends time to 5-1-75 in which an Assistant City Attorney or Deputy City Attorney assigned to Department of W & P must file a written application in order to apply for retirement credit for service rendered in other City departments. Effective 4-1-74.
IV C (2)(d)	836 837 838	05-23-74 05-23-74 05-23-74	Effective 12-1-72; Effective 03-01-73; Effective 05-01-73 These amendments provide that current service for the purpose of acquiring military service credit shall include any period of time that a member is entitled to receive retirement credit prior to Plan membership but subsequent to Department credited service. Plan members by acquiring credit for other Department service or LA City service should, through such acquisition, be

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SECTION IV

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (2)(d) cont'd			credited with military service which began subsequent to initial Department or City employment but prior to their most recent Department employment. These amendments are necessary to comply with provisions of Section 395.1 of the Military and Veterans Code which guarantees to every public employee returning from military leave, that he would be placed as near as possible in the same position as if he had not entered military service.
IV D (16)(g) IV D (17)	45	07-18-74	15% increase in retirement allowances Both added effective 8-1-74 for those who retired prior to 3-1-73, or are beneficiaries surviving eligible spouses of such retirees, and who are presently eligible for COLA adjustments. The 15% increase is based on basic allowance.
IV C (1)(a)	60	07-25-74	Effective 9-1-74, 1.22% reduction in contributions to Retirement Fund.
IV D (16)(h)	123	08-22-74	Changes incorrect reference (g) in paragraph 1 of IV D (16) to (h) wherever it appears.
IV C (1)(a)	124	08-22-74	Provides for a female contribution rate of 114.84% of the male rate. Effective 9-1-74.
IV C (1)(a)&(d)	413	12-23-74	Provides equalization of male and female contribution rate.
IV B (4) C (1)(e) (2)(b) (2)(e) G (5) H (5)(b) I (5)(b)	440	01-09-75	Twelve technical amendments to Plan.
IV B (4) C (1)(e) G (3) H (3)(a) I (3)(a)	441	01-09-75	Deadline for purchasing credit for first six months of Department service uncovered DWP service, and service in other City departments extended to 4-1-75. Service for intermittent or less than half time employment and construction employment from civil service not creditable. Active Retirement Plan members, including those on authorized leave of absence, may be eligible.

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SECTION IV

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV D (8)	549	02-20-75	Allows employees who are laid off for lack of work or lack of funds and who are otherwise eligible to retire at a minimum pension, up to three years in which to exercise the option to retire. Benefits will be calculated, however, based upon the age of the employee on the first day of the month following his last working day before the layoff. The effective date of the amendment is January 1, 1975.
IV G (3)	761	05-01-75	Enables attorneys of the City Attorney's office to deposit or redeposit contributions until May 1, 1976. Effective May 1, 1975.
IV D (4)(a) IV E (4)	73	07-31-75	Reduces time of service before retirement in order to qualify for a minimum retirement formula from 10 to 5 years.
IV C (1)(a) IV E (3)(a) IV E (4)	97	07-31-75	Reduces employee contribution rate by 2.75% of his or her age rate; changes salary base for retirement benefit computation from highest average 3-yr. salary to highest average 1-yr salary; reduces the factor applicable to retirement below age 60 from 3% per year to 1-1/2% from ages 59 through 55 and 3% below age 55. Plan members who hold positions in units certified by Employee Relations Board to be represented by EAA are expressly excluded from application of these amendments.*
*Resolution No. 279 - 10-23-75 deletes paragraph #4 which excepted from provisions of said resolution these members of the Plan certified by ERB to be represented by EAA.			
IV A (4) IV C (1)(e) IV F (5) IV G (4)(c) IV G (4)(d)	173	08-28-75	Increases interest rate to be credited to all contribution accounts as of 7-1-75, and thereafter, and the interest rate to be used in calculating benefits, to 5-1/2%. Such increase in interest rate will not affect those members who have withdrawn their contributions or retired or died on or before 7-1-75, effective date of the amendment.
IV B (2)	563	02-19-76	Allows transfer of member contributions directly to another L.A. City pension system.

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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV A (12) IV B (2) IV B (3) Repealed IV C (2)(d) IV D (3)(a) IV D (4)(a) 1 & 2 IV E IV E (3)(a) IV E (4) IV F (4) Repealed	117	08-12-76	Sixteen technical amendments to Plan.
IV C (1)(b) IV E (4)	180	09-02-76	Increases Minimum Pension "C" to 2.1% for members in employee units as specified in Board of W & P Commissioners Res. No. 180 adopted 8-26-76. Effective 7-5-76.
IV A (4) IV E IV F (5)	235	09-23-76	This resolution changes the assumed interest rate from 5-1/2 to 5-3/4%. It also clarifies Section IV E regarding retirement allowance not exceeding 95% of the highest average one year salary. Effective 7-1-76.
IV E (4)	765	04-14-77	Corrects the provision of the Plan to include the date of 7-1-77 in the period the 2.1 percent formula is to be effective for those employees in those units which were to be covered for fiscal year 1976-77 Resolution No. 180, dated 9-2-76, increased Min. Pen. C to 2.1% 6-30-77.
IV A (4) IV F (5)	923	06-09-77	Increases the regular interest credited to contribution accounts to 6% per annum and provides that retirement allowances shall be calculated based upon the 1971 Group Annuity Mortality Table. Effective date is 7-1-77.
IV C (2)(h)	924	06-09-77	Increases COL adjustments assumption upon which Department of Water and Power makes monthly contributions to 3% annually. Effective date is 7-1-77.
IV B (2) IV B (4) IV C (1)(a)&(e) IV D (6) IV D (6) Deleted 6th paragraph IV E (6)	11	07-07-77	Relates to removal of mandatory retirement provisions pursuant to Charter Amendment of April 5, 1977. It permits continued accumulation of retirement service after age 65 in accordance with the amendment of the City Charter adopted by the voters. The

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SECTION IV

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV E (6) Deleted 6th paragraph IV G (4)(c) IV H (4)(b) IV I (4)(b)			amendment permits employees to accumulate retirement credit until age 70 and beyond age 70 to the extent that the employee has not completed accumulation of 15 years of such service credit. Disability benefits after age 65 are limited to TD benefits only. Effective date is May 1, 1977.
IV B (14) IV C (1)(a)&(b) IV C (1)(e) IV C (2)(a) IV C (2)(d) IV G (4)(c) IV H (4)(a)(i) IV H (4)(b) IV I (4)(a)(i) IV I (4)(b)	56	07-28-77	Removes the reference to Classified salary from the Plan and uses salary for the measurement of benefits and contributions henceforth. Formerly classified salaries were used when employees were placed in categories at least once each year which approximated the nearest \$25 round figure to their actual salary. Because of data processing, the use of classified salaries has become unnecessary, and this amendment interfaces with present payroll practices and does away with payment of contributions one month in advance of the period financed. Contributions will be made during the period financed.
IV D (16) [Paragraph "(i)" added]	178	09-21-77	Increases the cost of living allowance to be paid to all current eligible retirees except those retiring on or after 8-1-76 by 15% of the accumulated unused cost of living bank, but no more than 3.75% of the current benefit allowance. Effective 10-01-77.
IV C (1)(b) 6th and 7th paragraphs added IV E (4) - Amends 2nd paragraph deletes 3rd & 4th paragraphs	416	12-08-77	Provides authority to increase employees' level of contribution to the Retirement Plan in accordance with provisions of the Clerical; Operating, Maintenance and Service, Steam Plant and Supply; Supervisory Blue Collar Units Memoranda of Understanding. The increased level of contribution was necessary to offset the actuarially estimated liability created by raising the retirement formula from 2.0 percent to 2.1 percent effective July 4, 1977.

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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (1)(b) IV E (4)	597	02-16-78	Authority for Ret. Plan Adm. to increase employees' level of contribution to Plan in accordance with provisions of Professional, Supervisory Professional and Technical Units MOU. New employees upon entering or reentering any of these units and attaining membership in the Plan shall pay at the higher rate of contribution immediately from date of assignment or date of membership in the Plan. Also raises retirement formula for employees in Management and Nurses' Units and for unrepresented employees from 2.0 percent to 2.1 percent effective 7-4-77. Contributions for these units were not increased.
IV C (1)(b) IV E (4)	857	05-18-78	Authority for Administrator to increase employees' level of contribution to Plan in accordance with provisions of a Letter of Understanding between Department and L.A. Bldg. and Const. Trades Council. Increase necessary to offset actuarially estimated liability created by raising formula from 2.0 to 2.1 percent effective 7-1-78.
IV D (16)(b) IV E (10)(b)	942	06-15-78	Commencing 1-1-78, the consumer price index used by the Plan for measuring cost of living changes will be the All Urban Consumers' Price Index. Effective date is 1-1-78, which requires the calendar year 1978 to be the first year measured using the CPI-U Index, such measurement to be made on or before April 1, 1979.
IV D (6) IV E (6)	142	09-07-78	Provides simplified method of calculating benefits under Option "A" retirement. Provisions dealing with Options "B" and "C" were modified so that the commencement and termination dates will be the same as provided for other survivorship options. Effective date is September 1, 1978.
IV E (8) 3rd paragraph	197	09-28-78	Provides the same benefit to the eligible laid-off employee that he would have received had he retired immediately after the layoff with no break in service. In 1975 this section was amended to lengthen time to 3 years in which a person with 10 years of

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV E (8) cont'd	197	09-28-78	service, eligible to receive a minimum pension, might elect to retire and receive a minimum pension if laid off. Outside these layoff provisions, persons with a break in service prior to retirement can only retire on a vested rights pension rather than a minimum formula pension. Effective 07-01-78.
IV C (2)(e)	838	05-31-79	Permits the payment of Investment Counsel's fee from the earnings of retirement fund investments. Effective 07-01-79.
IV C (1)(b) IV E (4)	122	08-16-79	Allows deduction of contribution at the rate of .39% from earnings of those members employed in the Admin. & Clerical Supervisory Unit, beginning 7-2-79 & to provide for retirement to these members under Min. Pension C at 2.1%. Effective 07-01-78.
IV C (1)(b) IV E (4)	404	11-21-79	Allows deduction of contributions at the rate of 1.39% from earnings of those members employed in the Admin. & the Security Units beginning 7-2-79 to provide for retirement to these members under Minimum Pension "C" at 2.1%. Effective 07-01-79.
IV B (2) IV C (1)(a) IV G (4)(a) IV J	539	01-17-80	Reciprocal arrangement between Retirement Plan & the CERS. Effective 02-01-80.
IV A (4) IV F (5)	875	05-22-80	Increases the interest rate credited to contribution accounts to 7% and the interest rate assumed for funding purposes to 8%. Effective 07-01-80.
IV D (16)(j) IV E (10)(h)	615	02-11-81	Provides for a 5% increase for all those who retired prior to 3-1-73 and an increase of 10% of the cost-of-living "bank" for those who retired 3-1-73 to 7-1-78 inclusive. Similar adjustment for permanent total disability. Effective 03-01-81.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV B (4) IV C (1)(a) IV C (1)(b) IV C (1)(e) IV G (3) IV G (4)(c) IV H (3)(b) IV H (4)(b) IV I (3)(b) IV I (4)(b) IV J (2) IV J (7)	657	02-26-81	Employee contributions to be calculated; permits members to obtain service credit for past time not credited; permits Plan to change the entry age if no break in service. Effective 12-01-80
IV D (16)(k) IV E (10)(l)	255	09-17-81	Provides for an additional review no less than every 3 years, of changes in the costs of living for the purpose of providing additional cost-of-living benefits above the usual 3% annual cost of living. Effective 09-01-81
IV D (4)(a)(1) IV D (4)(a)(2) IV E (4) IV G (4)(a) IV G (4)(b)	575	01-28-82	Technical changes to previous amendments. Effective 01-01-82
IV G IV B (4) IV C (1)(e) IV H IV I IV J (5)(6)(a)	83-514	01-27-83	Amends the Plan to consolidate and simplify various Plan provisions involving granting pro rata service credit to employees who wish to retire before their previous service is completely paid for; presently they are not allowed to retire. Effective 01-31-83.
IV E (4)	83-622	03-17-83	Amends the Plan to allow affected employees to purchase salary credit for the 2% one-time only payment received on 01-27-83. Effective 03-01-83.
IV D (16) IV E (10)	83-667	03-31-83	Amends the Plan to provide an ad hoc 7% cost-of-living adjustment to retirees. Effective 04-01-83.
IV B (2)	83-798	05-26-83	Amends the Plan to provide a means of closing obsolete member accounts, which will simplify our accounting records while still preserving the rights of potential beneficiaries. Effective 05-19-83.
IV G (1)(f)	83-799	05-26-83	Amends the Plan to clarify the eligibility criteria for purchase of credit for previous City service. Effective 05-19-83.

AMENDMENTS

SECTION IV

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV E (4) IV D (4)(a)	83-800	05-26-83	Amends the Plan to prevent members who continue working after age 70 from experiencing a technical forfeiture of benefits. Effective 05-19-83.
IV A (4)(7) (8)(10) IV F (1)	83-876	06-30-83	Amends the Plan to change the interest crediting rate from 7% to 8% for all Department and member contribution accounts and to provide for the crediting of the members' pro rata portion of investment earnings over 8% to individual member's accounts. Effective 07-01-83.
IV C (1)	84-305	12-08-83	Table replaced with new Table. Effective 01-01-84.
IV C (1)(a)	84-305	12-08-83	Added section (i) on Membership on and after June 1, 1984. Gave titles to sections (ii)(iii) and (iv). In section (iv) (Contribution rate on return to Department service). Changed the period after termination from six months to three years. Revised table on Retirement Fund Age of Entry Contributions. Effective 01-01-84.
IV C (1)(b)	84-305	12-08-83	Changed wording "monthly salary" to "biweekly salary". ¶4 - changed sum of member's biweekly compensation from .639% to 1.39%. ¶5 - changed sum of member's biweekly compensation from .18% to .39%. Effective 01-01-84
IV C (1)(c)(d)	84-305	12-08-83	Deleted. Effective 01-01-84
IV E (4)	84-305	12-08-83	Replaced in its entirety to better define Minimum Pension C according to MOU's now in effect. Eff. 01-01-84. <u>(55/30 AMENDMENT)</u>
IV J (7)	84-305	12-8-83	Replaced old section to reflect eligibility for flat rate or entry age. Effective 01-01-84
IV J (8)	84-305	12-8-83	Added to Plan. Contribution Rate on Return From Termination of Membership Within 3 Years and no Withdrawal. Effective 01-01-84
IV A (7)(8) C (1)(b) C (2) C (2)(d)	84-305	12-8-83	Capitalization of word Compensation. Effective 01-01-84

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV J (3)(d)(e) (f)	84-624	5-24-84	Subsection (d) was amended to show addition of subsections (e) and (f). These refer to the refunding of excess contributions due to the wrong entry age being used. Refunding is only back to February of 1980. Eff. 6-1-84
IV G (1)	85-165	9-27-84	Amended to include members age 70 or older. Eff. 10-1-84
IV J (3)(e)	85-103	8-23-84	Technical correction to change February 1, 1980 date to March 9, 1980 date, which reflects the date of the payroll period when the entry age actually becomes effective. Effective 6-1-84.
IV J (4)	85-165	9-27-84	Amended to be in accordance with Section IV C (1)(a)(i) of the Plan. Effective 10-1-84.
IV D (4)(a)	85-378	01-10-85	Amended to reflect deletion of four years in five requirement once eligibility to retire on a formula pension has been achieved. Effective 2-1-85.
IV D (8)	85-378	01-10-85	Amended to allow any person who separates from Department service, who is qualified to retire with a Minimum Pension, to do so unless said person withdrew his or her Total Accumulated Contributions. Eff. 2-1-85.
IV E (4)(c)	85-378	01-10-85	Amended to reflect deletion of four years in five requirement once eligibility to retire on a formula pension has been achieved. Effective 2-1-85.
IV E (8)	85-378	01-10-85	Amended to allow any person who separates from Department service, who is qualified to retire with a Minimum Pension, to do so unless said person withdrew his or her Total Accumulated Contributions. Effective 2-1-85
IV E (4)(e)	86-740	6-26-86	¶2 added to allow employees represented by the Engineers & Architects Association to purchase retirement salary credit for the lump sum Engineering Registration payment made per the 1985-88 MOU's. Eff. June 15, 1986. (To be removed from Plan on 7-2-87).

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV C (1)(a)(i) (ii)	87-425	1-29-87	Amended to conform to change in the Age Discrimination in Employment Act by eliminating all the age 70 related provisions. Eff. 2-2-87.
IV G (1)	87-425	1-29-87	Addition of subsection (g) Amended to conform to change in the Age Discrimination Employment Act by eliminating all the age 70 related provisions. Eff. 2-2-87.
IV G (4)	87-425	1-29-87	Addition of "and (g)". Eff. 2-2-87.
IV G (4)(a)(b)	87-425	1-29-87	Addition of the word "contributing". Eff. 2-2-87
IV E (4)(e)			¶2 deleted. Eff. 7-2-87.
IV G (3)	89-28	7-7-88	Amended to clarify purchase of first six months' service credit. Eff. 7-7-88.
IV C (1)(a)(ii)	89-739	6-1-89	Elimination of "Supplemental Normal Contributions" from Entry age contribution rate table. Table moved from end of IV C (1)(g) to end of IV C (1)(a)(ii) to be closer to language referencing it. Exceptions for Supervisory Clerical and Administrative Unit and Occupational Health Nurse classification placed in Plan language. Added 6-19-89.
IV C (1)(b)	89-739	6-1-89	Deletion of reference to "Supplemental Normal Contributions" from Plan. Deletion of ¶ 4, 5 and 6. Eff. 6-19-89.
IV C (1)(h)	89-739	6-1-89	Addition of subsection (h). Provides for transfer of "Supplemental Normal Accounts" to member's Normal Accounts without Department matching contribution. Eff. 6-19-89.
IV D (4)(a)1. (iv) and (v) Added	91-219	10-18-90	Removes the last of the age 70 related language from the Retirement Plan. Effective July 1, 1991.
IV D (4)(a)	91-219	10-18-90	Reformatted the "Years of Service" 1. and 2 paragraphs to separate the small roman numeral clauses into subparagraphs for easier reading. Effective July 1, 1991.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV D (16)(m)	91-23	7-12-90	Added to allow for special cost-of living adjustments to retirees on or after July 1, 1990 (eliminates April 1 adoption deadline). Effective July 1, 1990.
IV E (4)(d)(iv)	91-219	10-18-90	2nd ¶ Deleted. Obsolete language limiting service credit after age 70. Effective 2-2-87.
IV E (10)(k)	91-23	7-12-90	Added to allow for special cost-of living adjustments to retirees on or after July 1, 1990 (eliminates April 1 adoption deadline). Effective July 1, 1990.
IV G (1)(d)	91-742	6-6-91	Amended to conform to new criteria for immediate membership in the Retirement Plan. Eff. July 1, 1991.
IV G (3)	91-742	6-6-91	Amended to conform to new criteria for immediate membership in Retirement Plan. Eff. July 1, 1991.
IV G (3)(i)	91-742	6-6-91	Amended to conform to new Added criteria for immediate membership in Retirement Plan. Eff. July 1, 1991.
IV G (3)(ii)	91-742	6-6-91	Amended to conform to new criteria for immediate membership in Retirement Plan. Eff. July 1, 1991.
IV G (3)(iii)	91-742	6-6-91	Amended to conform to new criteria for immediate membership in Retirement Plan. Eff. July 1, 1991.
IV J (2)(c)	91-742	6-6-91	Amended to conform to new criteria for immediate membership in Retirement Plan. Eff. July 1, 1991.
IV J (2)(d)	91-742	6-6-91	Amended to conform to new criteria Added for immediate membership in Retirement Plan. Eff. July 1, 1991.
IV C (1)(a)	93-384	12-17-92	Subsection added. Contributions (v) by members certified "Less Than Full Time". Effective 12-17-92.
IV E (4)(d) (viii)	93-384	12-17-92	Subsection added. Service credit @ 50% for members certified "Less Than Full Time". Eff. 12-17-92.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV E	96-161	9-7-95	Permits a Minimum Pension C for members who took a leave of absence of up to 3 years prior to retirement and participated in the Department's Focused Separation Program. Effective July 1, 1995.
IV J (5)	96-769	5-9-96	Conversion of a member's CERS Public Service Buyback contract upon entering Plan membership under reciprocity. Also provides for transfer of the balance in a member's Annuity for Public Service to CERS under reciprocity.
IV K (New)	96-769	5-9-96	Adds the Annuity for Public Service to the Plan.
IV D (6) IV E (6)	96-770	5-9-96	Makes Option (c) a variable percentage less than 100% and permits a post-retirement court-ordered change to Option (b) or Option (c) in connection with the retiree's divorce. Effective July 1, 1996.
IV D (15) IV E (9)(c)	96-770	5-9-96	Adds Option (e), a variable percentage for an Eligible Spouse from 51% to 99%. Effective July 1, 1996.
IV E (4)(e)	96-837	6-13-96	Adds compensation received while at CERS to the definition of Final Average Salary. Eff. June 1, 1996.
IV D (6) IV E (6)	96-837	6-13-96	Permits a retiring member to select Option (a) for either the Normal Retirement Allowance or the annuity attributable to Additional Contributions. Effective June 1, 1996.
IV D (6)	96-837	6-13-96	Permits a retiring member to select an option for the Normal Retirement Allowance and a different option for the annuity attributable to Additional Contributions. Eff. June 1, 1996.
IV D (7) IV E (7)	96-837	6-13-96	Increases the optional lump sum settlement threshold amount from \$30 to \$75 per month. Eff. June 1, 1996.
IV K (5) (a)	96-837	6-13-96	Permits members who retired under the Department's Focused Separation Plan to purchase an Annuity for Public Service prior to July 1, 1997. Eff. June 1, 1996.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV D (4)(a) 1.(v) and (vi)	98-629	04-16-98	Includes other governmental service purchased under Section IV L as “years of service”
IV E (4)(c) and (d)(ix)	98-629	04-16-98	Other governmental service does not count toward 5 years of Department Service and 4 of 5 years of contributing service needed to qualify for Minimum Pension C
IV L Added	98-629	04-16-98	Provides for purchase of other governmental service
IV E (4)(b)	98-630	04-16-98	Provides for unreduced retirement at age 50 With 30 years of service credit
IV D (15)	98-631	04-16-98	Provides for domestic partner continuance
IV E (9)	98-631	04-16-98	Provides for domestic partner continuance
IV C (2)(j)	98-632	04-16-98	Provides for Department to contribute to “Qualified Excess Benefit Arrangement”
IV G (1)(h) and (l)	98-723	05-21-98	Purchase of part-time and intermittent retirement service credit
IV G (3) and (4)	98-723	05-21-98	Purchase of part-time and intermittent retirement service credit
IV G (4)(a), (b), (c)	98-723	05-21-98	¶1 changed to (a); (a) changed to (i); (b) changed to (ii); (c) changed to (iii); (b) and (c) added
IV L (3)	98-723	05-21-98	Deleted – purchase of part-time and Intermittent retirement service credit
IV C (1)(i) Added	99-149	12-17-98	Implement Survivorship cost-of- living benefit
IV D (15)(f) Added	99-149	12-17-98	Implement survivorship cost-of-living benefit
IV D (16)(a) (ii)	99-149	12-17-98	Implement Survivorship cost-of-living benefit
IV D (16)(n)	99-149	12-17-98	Implement Survivorship cost-of-living benefit
IV E (9)(e)	99-149	12-17-98	Implement Survivorship cost-of-living Benefit

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
IV E (10)(a) (ii)	99-149	12-17-98	Implement Survivorship cost-of-living benefit
IV E (10)(l) Added	99-149	12-17-98	Implement survivorship cost-of-living benefit
IV B (2)	00-59	05-18-00	References Section 1102(b) of City Charter
IV C	00-59	05-18-00	References Section 1188 of City Charter
IV J (1)(a)	00-59	05-18-00	References Section 1102(a) of City Charter
IV C (2)(b)	00-60	05-18-00	Set funding amortization period
IV M	03-20	9-18-02	Provides for trustee to trustee transfers to the Plan
IV E	03-39 03-40	11-20-02	Makes maximum monthly allowance 100% of salary
IV E 4(b)	03-39 03-40	11-20-02	Extends 50/30 benefits to 9/30/05 establishes 2.3% formula at age 55 with 30 years of service
IV E (9)(e)	03-39 03-40	11-20-02	Makes survivorship allowance based on Option D
IV D (16)(b)	03-100	05-21-03	Changes CPI index to Los Angeles – Riverside - Orange County
IV E (10)(c)	03-100	05-21-03	Changes CPI index to Los Angeles – Riverside – Orange County
IV C (1)(a)(vi)	05-50	11-17-04	Provides that “Half-Time Civil Service Employees” contribute at half the rate of full-time members.
IV E (4)(b)	05-50	11-17-04	Half-time service is the same as full-time service for purposes of determining early retirement adjustment factor at age 55.
IV E (4)(d)(iv)	05-50	11-17-04	Service for disability add back is adjusted for Half-time.
IV E 4(d)(viii)	05-50	11-17-04	Provides for half-service credit for half-time Membership.
IV L (1)(d)	05-50	11-17-04	Permits “Half-Time Civil Service Employees to Purchase military service but not service with other qualified governmental organizations.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation</u>
IV E (4)(b)	06-07	08-17-05	Permits members who have attained age 50 and have 30 or more "Years of Service" as of September 30, 2005 to retire with an unreduced retirement allowance from October 1, 2005 through January 1, 2006.
IV C (1)(b)	11-45	12-01-10	Changes reference from retirement "annuity" to retirement "income" and adds references to retirement under Sections IV D and E.
IV D (7) IV E (7)	11-45	12-01-10	Adds lump sum withdrawals and rollovers as distribution options to the Additional Annuity Program in subdivision (a). Removes reference to Accumulated Additional Contributions in subdivision (b).
IV A (4)	11-81	04-13-11	Amends the Plan to change the interest crediting rate from 8% to 7.75% for all Department and member contribution accounts. (defacto effective date 04-01-10)
IV D (15)(a)	14-47	12-11-13	Amends definition of Domestic Partner to include option of valid registration with State or legal unions from other jurisdictions. Changes waiting period between termination and filing of new Domestic Partnerships from 12 to 6 months. Adds provision that upon member's death, their survivor shall be considered a Domestic Partner if registered or validly married.
IV E (4)(b)	14-47	12-11-13	Member's service credit with LACERS shall be combined with Years of Service, to determine eligibility to retire with an unreduced pension. Effective January 1, 2014.
IV E (4)(c)	14-47	12-11-13	Eligibility to retire with a Minimum Pension C shall be determined at time of termination of service with the Department or LACERS, whichever is later. LACERS service shall be combined with Department service to satisfy Department service requirement. Effective January 1, 2014.
IV E (4)(d)	14-47	12-11-13	Add "Service Credit" to introductory provision on computation of Minimum Pension C.

AMENDMENTS**SECTION IV**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation</u>
IV E (6)	14-47	12-11-13	After divorce or termination of Domestic Partnership, members who have already chosen an Optional Retirement Allowance will not be required to further reduce that allowance if court ordered to provide a continuance, unless the cost of new benefit exceeds the old.
IV E (8)	14-47	12-11-13	LACERS service shall be combined with Department Service when determining retirement eligibility for those separated from the Department. Effective January 1, 2014.
IV E (9)(a)	14-47	12-11-13	Amends definition of Domestic Partner to include option of valid registration with State or legal unions from other jurisdictions. Changes waiting period between termination and filing of new Domestic Partnerships from 12 to 6 months. Adds provision that upon member's death, their survivor shall be considered a Domestic Partner if registered or validly married.
IV J (2)(d)	14-47	12-11-13	Implements an ending date of December 31, 2013 to time period to be eligible for reciprocity with LACERS.
IV J (2)(e) (added)	14-47	12-11-13	Adds subdivision ending reciprocity between the Plan and LACERS. Effective January 1, 2014.
IV J (4)	14-47	12-11-13	Eligible members on protective leave from another department as of December 31, 2013, have until 30 days after their leave expires, or 7 months from entry date, whichever occurs later, to elect not to participate in the reciprocal arrangement.

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V	815	12-28-39
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V A (2)	1384 388 657 575	04-15-41 11-30-72 02-26-81 01-28-82
V A (3)	1384 388 657 575	04-15-41 11-30-72 02-26-81 01-28-82
V A (4)	575	01-28-82
V A (5)	895	05-18-43
V A (6)	753	06-01-44
repealed by	388	11-30-72
V A (7)	124	08-23-62
V A (8)	657 05-50	02-26-81 11-17-04
V A (9) addition	575	01-28-82
V A (9) addition	00-43	02-17-00
	05-50	11-17-04
	14-47	12-11-13
V A (10) [originally V A (9)]	00-43	02-17-00
V B (1)	821 524 388 859 11 56 78 657 371 91-742 14-47	05-08-69 02-24-72 11-30-72 06-14-73 07-07-77 08-02-79 04-03-80 02-26-81 12-03-87 06-06-91 12-11-13

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	549	04-16-53
	731	06-17-54
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	730	06-27-57
	603	04-23-59
	132	08-27-59
	758	06-15-61
	388	11-30-72
	859	06-14-73
	98	08-07-75
	11	06-07-77
	657	02-26-81
V B (1)(a)(1)	84-305	12-08-83
V B (1)(a)(i) [originally V B (1)(a)(1)]	00-43	02-17-00
V B (1)(a)(2)	84-305	12-08-83
	88-387	12-10-87
	93-423	01-14-93
V B (1)(a)(ii) [originally V B (1)(a)(2)]	00-43	02-17-00
V B (1) (b)	1634	05-19-42
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	786	03-06-47
	549	04-16-53
	731	06-17-54
	774	06-21-56
	730	06-27-57
	603	04-23-59
	132	08-27-59
	758	06-15-61
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V B (1)(b)(i) [originally V B (1)(b)(1)]	00-43	02-17-00
V B (1)(b)(2)	84-305	12-08-83
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V B (1)(b)(ii) [originally V B (1)(b)(2)]	00-43	2-17-00
V B (1) (c)	1463	06-22-39
V B (1) (d)	1464	06-22-39
V B (1) (e)	898	06-02-66
	90-327	12-07-89
V B (2)	1636	05-19-42
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V C (2)	657	02-26-81
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V C (6) (c)	524 939	02-24-72 06-17-82
V C (6) (d)	11 00-43	07-07-77 02-17-00
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V C (6) (g)	657 91-742	02-26-81 06-06-91
V C (6) (h)	619	04-29-54
V C (6) (i)	91-742 00-43	06-06-91 02-17-00
V C (6)(j)	00-43	02-17-00
V C (6) (k)	740 795 567	05-26-60 05-24-73 03-01-79
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	657	02-26-81
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	87-425	01-29-87
	93-383	12-17-92
	00-43	Deleted 02-17-00
	14-47	12-11-13
V D (1)(a)	00-43	02-17-00
V D (1) (b)	56	07-28-77
V D (1)(b) addition	00-43	02-17-00
V D (1)(b)(i) addition	00-43	02-17-00
V D (1)(b)(ii) addition	00-43	02-17-00
V D (1)(b)(ii)(a)	00-43	02-17-00
V D (1)(b)(ii)(b)	00-43	02-17-00
V D (1)(b)(ii)(c)	00-43	02-17-00
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	774	06-21-56
	730	06-27-57
	605	04-23-59
	524	02-24-72
	388	11-30-72
	56	07-28-77
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	994	06-18-70
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	755	04-25-74
	56	07-28-77
	539	01-17-80
	657	02-26-81
	575	01-28-82
	84-305	12-08-83
Deleted 4th full ¶ on page D-16. Deleted all from 3rd full ¶ on page D-17 up to 2nd full ¶ on page D-18. Added ¶ 2	85-464 00-43	02-28-85 02-17-00
V D (3)(a) NEW	85-464 00-43	02-28-85 Deleted 02-17-00
NEW	00-43 14-47	02-17-00 12-11-13
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[changed to D (3)(d)(i)	85-464	02-28-85

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	00-43	Deleted 02-17-00
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V D (3)(b) OLD	56	07-28-77
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[changed to D (3)(a)]	00-43	02-17-00
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[changed to D (3)(b)]	00-43	02-17-00
V D (3)(c)(iii)	85-464	02-28-85
[changed to D (3)(c)]	00-43	02-17-00
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[changed to D (3)(d)]	00-43	02-17-00
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V D (3)(c)(v)b.	85-464	02-28-85
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[changed to D (3)(e)(iii)]	00-43	02-17-00
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V D (4)	151 214 00-43	09-20-38 10-25-38 Deleted 02-17-00
V D (4)(a)(b)(c)	00-43	Deleted 02-17-00
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V D (6)	393 127 820 524 00-43	1-29-53 8-25-60 05-8-69 2-24-72 Deleted 02-17-00
V D (7)	657 85-464 00-43	02-26-81 02-28-85 Deleted 02-17-00
V D (7)(a)	90-327	12-07-89
V D (7)(b)(1)(2)(3)(4)(5)(6) deleted (b)(1),(2),(3),(4),(5),(6)	90-327 00-43	12-07-89 02-17-00
V D (8)	733 83-667	03-19-70 03-31-83
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<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>
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V E (3)	93-384 00-43	12-17-92 Deleted 02-17-00
V E (4) Changed to E (3)	93-384 00-43	12-17-92 02-17-00
V F added	05-50	11-17-04
V F (1)	14-47	12-11-13

**WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AMENDMENTS**

SECTION V

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V C (2)(a)	97-182	10-01-38	Doctor's certification of disability.
V D (4)(a)(b)	183	10-01-38	Disability leave on effective date of Plan.
V C (6)(b)	184	10-01-38	Under care of licensed physician or surgeon while on disability.
V D (4)	214	10-25-38	Disability leave on effective date of Plan.
V D (3)	408	01-03-39	Supplemental Disability Benefit payments according to length of service.
V B (1)(c)	1463	06-22-39	Contribution for Supplemental Temporary Disability.
V B (1)(d)	1464	06-22-39	Contribution for Disability existing on effective date of Plan.
V	815	12-28-39	Certain subdivisions of Section V. Change of temporary disability from 6 months to 12 months.
V D (3)	816	12-28-39	Supplemental disability benefits rates for temporary disability for the second six months or portion thereof, occurring after January 1, 1940. See Reso. 1378, below.
V D (3)		04-11-40	Supplemental Disability Benefit: Explanation for 1st six and 2nd six months of disability.
V A (2) V A (3)	1384	04-15-41	Definition of Temporary and Permanent Total Disability.
V B (1)(a) V B (1)(b)	1634	05-19-42	Reduction in Temporary and Permanent Total Disability rates effective 07-01-42.
V B (2)	1636	05-19-42	Contributions for members on leave.
V C (2)(b)	1729	06-11-42	Certificate of Permanent Total Disability.
V B (1)(a)	696	06-26-51	Temporary Disability Rates.
V B (1)(b)	697	06-28-51	Permanent Total Disability Rates.
V D (3)	698	06-28-51	Supplemental Disability Benefits.
V D (3)	22	07-03-51	Correction on above.

AMENDMENTS**SECTION V**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V C (4)	1729	06-11-42	Medical examinations
V A (5)	895	05-18-43	New subsection (Pregnancy)
V A (6)	753	06-01-44	New subsection on leave of absence for pregnancy cases.
V D (3)	612	04-11-46	Supplemental Disability Benefits.
II D (3)(i)	496	12-03-46	Allowance of Supplemental Disability Benefit and Death (See Reso. under Benefit protection to limited members. Section II)
V B (1)(a)	786	03-06-47	Increase in Temporary Disability Rates as of 04-01-47. Supersedes Reso. 1634.
V B (1)(b)	787	03-06-47	Increase in Permanent Total Disability rates as of 04-01-47. Supersedes Reso. 1634.
V D (3)	350	10-21-47	Defining "Actual monthly Salary" Supplemental Disability Benefits Supersedes Reso. 612.
V D (3)	274	11-23-48	Bringing Section in line with the Position Evaluation Plan.
V D (3)	590	06-01-50	Supplemental Disability Benefits (Difference between comp. and supp. disa. paid)
V C (6)(e)	632	05-29-51	Abolish refund of portion of contributions to term. employees
V D (1)	694	06-28-51	Temporary Disability payments
V D (2)	695	06-28-51	Permanent Total Disability payments.
V D (6)	393	01-29-53	Recomputation of certain Disability Allowances.
V B (1)(a)	549	04-16-53	Decrease T.D. rates of contribution.
V B (1)(b)	550	04-16-53	Decrease P.T.D. rates of contribution.
V C (6)(h)	619	04-29-54	Gainful employment while on disability.
V B (1)(a) V B (1)(b)	731	06-17-54	Adds one more class (\$575 max.). Maximum payment \$230.00.

AMENDMENTS**SECTION V**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V D (2)	733	06-17-54	Length of time for connecting P.T.D. Claims maximum benefit \$230.00.
V D (3)(¶ 15)	734	06-17-54	Connecting of Disability Claims.
V B (1)(a)	774	06-21-56	Reduction in Temporary Disability Contribution Rates.
V B (1)(b)	774	06-21-56	Reduction in Permanent Total Disability Rates.
V D (1) V D (2)	774	06-21-56	Amend \$230 to read \$240.
V D (3)	774	06-21-56	Amend \$575 to read \$600.
V B (1)(a)	730	06-27-57	Temporary Disability rate amended.
V B (1)(b)	730	06-27-57	P.T.D. rates amended.
V D (1)	730	06-27-57	Temporary Disability payments.
V D (2)	730	06-27-57	P.T.D payments.
V D (3)	730	06-27-57	Benefits payable with respect to a temporary or industrial disability occurring on or after July 1, 1957.
V B (1)(a)(b)	603	04-23-59	T.D. and P.T.D. rates amended.
V D (2)	605	04-23-59	Clarification of language. (New paragraph added.)
V B (1)(a)(b)	132	08-27-59	Additional salary classes for temporary and P.T.D. rates added.
V C (6)(k)	740	05-26-60	Disability benefits caused by pregnancy.
V D (6)	127	08-25-60	Increase in P.T.D. benefits.
V B (1)(a) V B (1)(b)	758	06-15-61	Amend table of Temporary Disability Rates of Contribution Mo. Pay. in Dollars for each salary class. The same for P.T.D. rates, etc.
V D (3)	657	4-10-62	Provides for supplemental benefits for daily paid employees injured on the job.

AMENDMENTS**SECTION V**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V D (3)	837	06-29-62	Temporary disability benefits shall commence with the third working day, at the rate of each employee's net salary.
V D (3)	837	06-29-62	For purposes of payable benefits, disability exceeding 14 consecutive days followed by another disability within a period of 30 days, shall be considered as a single period.
V D (3) V A (7)	124	08-23-62	Provide for payment of disability benefits to members of the Plan who are hospitalized commencing with their first working day of disability.
V D (3)	469	12-24-63	Provides for payment of disability benefits, if a member notifies his supervisor of a disability he will be paid for the first and second working days of a maximum aggregate of five days.
V D (7)	898	06-02-66	This resolution amends the Retirement Plan by adding a new subdivision, designated "(7)" of Section V D. This amendment provides for the payment of contingent disability benefits for a period not to exceed 26 weeks when it is uncertain whether a disability is the result of an injury for which an employee is entitled to receive workmen's compensation benefits or for which he is entitled to receive benefits for temporary disability under the Plan. The advancing of such contingent disability benefits is conditional on the member agreeing in writing that the amount advanced will be reimbursed when the decision relative to the type of benefit due has been reached.
V D (6)	820	05-08-69	Increases permanent total disability benefits to permanently disabled employees at rates varying from 1% to 15%. The increases are on a sliding scale of percentages of classified salaries, the percentage being dependent on the year in which the disability began, thus making an adjustment generally corresponding to the increased cost of living. Effective July 1, 1969.

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SECTION V

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V B (1)	821	05-08-69	Reduce contributions required of employees to the P.T.D. Fund. Reduction in employee contributions of over 42% for PTD. Effective July 1, 1969.
V D (8)	733	03-19-70	This amendment adds a cost of living adjustment to Permanent Total Disability Allowances. It provides an increase or decrease up to a maximum of two percent each July 1. Effective 04-01-70.
V D (3)	994	06-18-70	This amendment extends temporary disability and industrial disability supplemental benefits for employees with more than ten years of service. Effective 07-16-70.
V D (3)	60	07-23-70	This amendment provides that up to five days unused first and second days of sick time shall be carried over to the succeeding calendar year. Effective 08-01-70.
V B (1) V C (6)(a) V C (6)(d) D (2) V D (6)	524	02-24-72	Provides disability and death benefit protection for women who work after age 62; former provisions prohibited disability protection for any one who worked beyond "normal retirement date" and allowed death benefit protection on an optional basis. Effective 03-01-72.
V D (3)	749	06-01-72	Amends Plan provisions affecting the first and second working days of a subsequent disability absence as described in Management Bulletin No. 557, dated May 25, 1972. Effective 07-01-72.
V D (8)(g)	117	08-10-72	Grants a cost of living increase to every monthly retirement allowance and every disability allowance payable on 09-01-72 which is subject to a COL adjustment, and which allowance first became payable on or before 07-01-72. COL increases for retired employees range from .9% to 4.9% & for disabled employees from .9% to 2.4%. Effective 09-01-72.

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SECTION V

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V A (2)(a) & (b) V A (3) V A (6) repealed V B (1) V B (1)(a) V B (2) V C V C (2)(a) V C (2)(b) V C (3) V C (6)(b) & (c) V D (1) V D (2) V D (3)	388	11-30-72	Provides Extended Temporary Disability benefits for Plan members who exhaust their entitlement to Temporary Disability but do not qualify for PTD benefits payable at the rate of 33-1/3% of the classified monthly salary applying to the member on the inception date of his immediately preceding disability. The disabled member may qualify for PTD benefits subsequent to the end of the 12th month of any extended TD or within any period therein or within a period of 2 years subsequent to the end of the 12th month of such Extended TD if the person is on a L/A W/O Pay due to a disability that the Board determined was not a PTD. This provision applies to any member who is disabled and who shall be entitled to benefits for such disability on or after 12-1-72 and to any person who, on or after 5-1-71, is on a L/A W/O Pay due to a disability that the Board determined was not PTD. This amendment also permits a member on leave without pay to continue his regular contributions to the Disability Fund and the Death Benefit Fund for a period not to exceed 6 months. Effective 12-01-72.
V B (1) V B (1)(a) V B (1)(b)	859	06-14-73	Increases member and department rates for disability fund effective 07-01-73.
V D (3)	543	02-07-74	Accommodates four-day 40-hour work week, effective 03-01-74.
V D (3)	703	04-04-74	Changes waiting period for workmen's compensation T.D. payments. Reduces waiting period from 7 to 3 days. Effective 04-01-74; applies to injuries sustained on and after that date.
V D (3)	755	04-25-74	Amends Plan relating to first and second day disabilities, to provide that if a member who is absent because of disability returns to work and is subsequently absent because of a disability within 8 to 21 days after end of the previous absence, said disability will be considered a continuation of the previous disability if the Dept's Medical Director

AMENDMENTS

SECTION V

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V D (3) (cont'd)	755	04-25-74	certifies that the disability is caused by or is the result of the previous disability. Effective 05-01-74.
V B (1)(a) V B (1)(b)	98	08-07-75	Increases contribution rates to disability fund effective September 1, 1975. Increase necessary to maintain the fund on a sound actuarial basis.
V B (1) V C (6) V D (1)	11	07-07-77	Relates to removal of mandatory retirement provisions pursuant to Charter Amendment of 04-05-77. It permits continued accumulation of retirement service after age 65 in accordance with the amendment of the City Charter adopted by the voters. Permits employees to accumulate retirement credit until age 70, and beyond age 70 to the extent that employee has not completed accumulation of 15 years of such service credit. Disability benefits after age 65 are limited to Temporary Disability benefits only. Effective date is 05-01-77.
V B (1) V B (2) V D (1) V D (2) V D (3)	56	07-28-77	Removes reference to classified salaries. Salaries were classified, at least once each year, and employees placed in categories which approximate the nearest \$25 round figure to their actual salary. The Plan now uses actual salary for measurement of benefits and contributions henceforth. Because of data processing, the use of classified salaries has become unnecessary, and this amendment will interface with present payroll practices and do away with payment of contributions one month in advance of the period financed. Contributions will be made during the period financed.
V D (8)(b)	942	06-15-78	Commencing 01-01-78, the consumer price index used by the Plan for measuring cost of living changes will be the All Urban CPI. Effective date is 01-01-78, which requires the calendar year 1978 to be the first year measured using the CPI-U Index, such measurement to be made on or before April 1, 1979.

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SECTION V

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V C (2)(a) V C (6)(b)	943	06-15-78	Allows for certification of temporary disability and extended disability benefits under Retirement Plan by a chiropractor so long as such certification is within scope of the chiropractor's license.
V B (2)	26	07-13-78	Removes the option of Department employees to continue making contributions to the DWP disability and death benefit plan while on leaves of absence and in service with other City departments. Recently a City ordinance passed which provides up to a maximum of 10 days sick leave based on the number of 100 percent disability days that the employees had accrued at the Department.
V D (2) V D (8)(f)	515	02-08-79	Amendment to pay permanent and total disability benefits once each month instead of semimonthly. Effective date of this amendment is March 1, 1979.
V C (6)(k)	567	03-01-79	Repeal section requiring ten months employment for pregnancy benefits.
V D (8)(h)	568	03-01-79	One time cost-of-living to PTD -15% of bank w/maximum of 3.75% -effective March 1, 1979 paid to those on roll before July 1, 1978.
V D (2)	684	04-05-79	Allows payment of permanent total disability benefits to disabled members who became disabled after age 60 to the earlier of the time they reach age 70 or have received benefits for 5 yrs. Effective April 1, 1979.
V B (1) V B (1)(b)(1) V D (1)	78	08-02-79	Eliminates the prohibition against contributions for permanent total disability after age 65. Permits the payment of extended temporary disability benefits beyond the age of 65. Effective date was August 1, 1979.
V D (3)	539	01-17-80	Reciprocity between Retirement Plan and CERS. Effective date February 1, 1980.

AMENDMENTS

SECTION V

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V B (1) V B (1)(b)(1) V D (1)	758	04-03-80	Does not permit contributions for PTD after a member reaches 70. Effective March 1, 1980.
V D (8)(I)	615	02-11-81	Cost-of-living adjustment (see Section IV D & E). Effective March 1, 1981.
V A (1) V A (2) V A (3) V A (8) V B (1) V B (1)(a) V B (1)(b) V B (2) V C (1) V C (2) V C (6)(b) V C (6)(g) V D (1) V D (2) V D (3) V D (3)(a) & (b)	657	02-26-81	Employee contributions to be calculated biweekly; permits members to obtain service credit for past time not credited; permits Plan to change the entry age if no break in service. Effective 12-01-80.
V B (1)(a)(1) V B (1)(b)	200	08-27-81	Provides for reducing the total contribution rate to the Permanent & Total Disability Fund from 60¢ per \$100 of covered compensation to 55¢ per \$100 of covered compensation as recommended by TPF&C. Eff. 07-01-81
V D (8)	255	09-17-81	Provides for an additional review no less than every 3 years, of changes in the costs of living for the purpose of providing additional cost-of-living benefits above the usual 3% annual cost-of-living. Effective 09-01-81
V D (3)	256	09-17-81	Provides for payment of disability benefits measured by percentages of actual pay, and provides for the Dept. to make payment of the first 10 days of temp. disability benefits. Effective 08-24-81
V A (1) V A (2) V A (3) V A (4) V A (9) V D (3)	575	01-28-82	Technical changes to previous amendments. Effective 01-01-82

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SECTION V

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V C (6)(c)	939	06-17-82	Repealed (regarding self-inflicted wounds) Effective 06-01-82
V D (8)	83-667	03-31-83	Amends the Plan to provide an ad hoc 7% cost-of-living adjustment to retirees. Effective 04-01-83.
V B (1)(a)(1)	84-305	12-08-83	Amended to show change in member contribution for temporary disability from \$.50 to \$1. Effective 01-09-84
V B (1)(a)(2) V B (1)(b)(2) V D (2)	84-305	12-08-83	Added phrase "monthly equivalent of". Effective 01-09-84
V B (1)(b)(1)	84-305	12-08-83	Amended to show change in member contribution for permanent total disability from \$.50 to \$1. Effective 01-09-84
V D (3)	84-305	12-08-83	Deleted ¶3 defining "Actual Salary". Replaced term "actual salary" with phrase "Compensation (as defined in Section II C (14) of this Plan). ¶11 - Amended to show change from "on a monthly salary" to "receiving Compensation". Eff. 01-01-84
V D (1) (first use only) V D (2) V D (3)(a)	84-305	12-08-83	Capitalization of the word Compensation.
V B (1)(a)(2) V B (1)(b)(2) V D (1) and (2)	84-305	12-08-83	The words "monthly equivalent of" added to precede the word Compensation. Effective 01-01-84.
V D (3)(a)	85-464	02-28-85	Amended definition for "Industrial Disability" to be in accordance with Section V A (2)(a), (2)(b) and (3). Effective 07-01-84
V D (3)(b)	85-464	02-28-85	Added subsection title"(b) Supplemental Payments for Temporary Disability".
V D (3)(c)	85-464	02-28-85	Addition of subsection title "(c) Supplemental Payments for Industrial Disability".

AMENDMENTS**SECTION V**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V D (3)(c)(i) (ii)(iii)(iv)	85-464	02-28-85	Addition of subsection titles "(i) Benefit"; "(ii) Misconduct"; "(iii) Successive Leaves of Absence", "(iv) Proof of Disability".
V D (3)(c)(v)	85-464	02-28-85	Addition of subsection "(v) Compromise or Award Paid as a Lump Sum" and subsections a., b., c., and d. Effective 07-01-84
V D (3)(c)(vi)	85-464	02-28-85	Addition of subsection title "(vi) Benefit Limitations". Changes were also made to the subsections (c)(i)(ii)(iii)(iv) and (vi) to reflect the increase in Plan payments which supplement Workers' Compensation payments. 4th full ¶ on page D-16 was deleted. From 3rd full ¶ on page D-17 up to 2nd full ¶ on page D-18 deleted. Amendment to 1st ¶ on page D-19. Deleted "Medical examinations shall be made only by regularly licensed physicians or surgeons." Effective 07-01-84
V D (3)(d)	85-464	02-28-85	Addition of subsection title "(d) Supplemental Temporary Disability and Industrial Disability Benefits for Daily Wage Employees" after 3rd ¶ on page D-19.
V D (3)(i)	85-464	02-28-85	On page D-19 subsection (a) changed to (i).
V D (3)(ii)	85-464	02-28-85	On page D-20 subsection (b) changed to (ii) and subsections (1) and (2) changed to 1. and 2.
V D (7)	85-464	02-28-85	¶1 Deletion of words "but not exceeding 26 weeks" to reflect changes in Plan payments which supplement Workers' Compensation payments. Effective 07-01-84
V D (1)	87-425	01-29-87	Amended to conform to change in the Age Discrimination Employment Act by eliminating all the age 70 related provisions. Effective 01-01-87

AMENDMENTS**SECTION V**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V B (1)	88-371	12-03-87	Deletion of words "prior to mandatory retirement date", "is", and "contribution to the Disability Fund for Permanent Total Disability shall not be permitted by a member on or after the first day of the payroll period which next follows the member's sixty-ninth of "are" to conform to change in the Age Discrimination Employment Act by eliminating all age 70 related provisions. Effective 01-01-88.
V B (1)(b)(1)	88-371	12-03-87	Deletion of words "prior to the first day of the payroll period which next follows his or her sixty-ninth birthday anniversary" to conform to change in the Age Discrimination Employment Act by eliminating all age 70 related provisions. Effective 01-01-88.
V D (2)	88-371	12-03-87	Deletion of words "or when the member reaches age 70, whichever is earlier" to conform to change in the Age Discrimination Employment Act by eliminating all age 70 related provisions. Effective 01-01-88.
V B (1)(a)(2)	88-387	12-10-87	Deletion of words "June 30, 1980", and ".0075", addition of "January 1, 1988", and ".0061". Retirement Board's actuary recommended reductions in the Department's contribution rates for the Temporary Disability, Permanent Total Disability and Death Benefit Insurance Funds. Eff. 01-01-88.
V B (1)(b)(2)	88-387	12-10-87	Deletion of words "July 1, 1982", and ".0055", addition of "January 1, 1988" and ".0025". Retirement Board's actuary recommended reductions in the Department's contribution rates for the Temporary Disability, Permanent Total Disability and Death Benefit Insurance Funds. Eff. 01-01-88.
V B (3)	89-28	07-07-88	Added subsection (3). Pays the administrative expenses of the Disability Fund out of Department contributions.
V B (1)(e)	90-327	12-07-89	Provides payment for funding of contingent disability claims and reimbursed workers' compensation liens. Effective January 1, 1990.

AMENDMENTS**SECTION V**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V D (7) V D (7)(a)(b)(2)(3)(4)(5)(6)	90-327	12-07-89	Provides payment for contingent disability claims equal to non-industrial disability payment amounts. Eff. January 1, 1990.
V D (8)(l) Added	91-23	07-12-90	Would allow for special cost-of-living adjustments to PTD benefit recipient on or after July 1, 1990. (eliminates April 1 adoption deadline) Effective 07-01-90.
V B (1)	91-742	06-06-91	Amended to conform to new criteria for immediate membership in Retirement Plan (retains six month wait before contributions to Disability Plan begin). Effective 07-01-91.
V C (6)(g) and (l)	91-742	06-06-91	Amended to conform to new criteria for immediate membership in Retirement Plan (retains six month wait before contributions to Disability Plan begin). Effective 07-01-91.
V D (1)	93-383	12-17-92	Changed language allows accommodation of disabled employees in compliance with the Federal Americans With Disabilities Act. Effective 12-17-92.
V E (1), (2) (3) & (4)	93-384	12-17-92	Section Added. Disability benefits for members certified "Less Than Full Time". Effective 12-17-92.
V B (1)(a)(2)	93-423	01-14-93	Amended to standardize the method by which the actuarial rates of the Temporary Disability benefits of the Plan are set. Effective 01-01-93.
V B (1)(b)(2)	93-423	01-14-93	Amended to standardize the method by which the actuarial rates of the Permanent Total Disability benefits of the Plan are set. Effective 01-01-93.
V D (3)(d)	99-150	12-17-98	Removal of Special Temporary Disability provisions Applicable to Daily Rate Employees.
V	00-43	02-17-00	Section V rewritten and updated.
V A (8)	05-50	11-17-04	Full day means the number of hours in a day an employee is normally scheduled to work
V A (9)	05-50	11-17-04	For "Half-Time Civil Service Employees," 14 Calendar days substitutes for "Ten Workdays"

AMENDMENTS**SECTION V**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
V F added	05-50	11-17-04	Describes disability benefits for "Half-Time Civil Service Employees"
V A (9)	14-47	12-11-13	Add citation for Tier 2 members.
V B (1)	14-47	12-11-13	Amends provision to specify Department service only.
V D	14-47	12-11-13	Amends definition of "continuous service" to specify that uninterrupted service shall not include City service for Tier 2 members.
V D (1)	14-47	12-11-13	Add citations for Tier 2 members.
V D (3)(a)	14-47	12-11-13	Add citations for Tier 2 members.
V D (8)(a)	14-47	12-11-13	Cost of Living Adjustment (COLA) for Permanent Total Disability (PTD) allowances shall not exceed two percent (2%) for Tier 2 members.
V D (8)(c)	14-47	12-11-13	COLA for PTD allowances in excess of 2% will not be carried over and added/subtracted from the following year.
V D (8)(j)	14-47	12-11-13	Special COLA for PTD allowances for Tier 2 members shall be determined by decision of Board of Water & Power Commissioners based on report from Retirement Board.
V E (1)	14-47	12-11-13	Add citation for Tier 2 members.
V F (1)	14-47	12-11-13	Add citation for Tier 2 members.

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VI A	657	02-26-81
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	1768	06-17-41
	736	06-17-54
	730	06-27-57
	822	05-08-69
	524	02-24-72
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	759	04-03-80
	657	02-26-81
	84-305	12-08-83
VI B (2)	1426	06-15-39
	534	01-07-43
	388	11-30-72
	56	07-28-77
	26	07-13-78
	657	02-26-81
VI B (3)	1462	06-22-39
	1768	06-17-41
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	56	07-28-77
VI B (3)(a)	736	06-17-54
	774	06-21-56
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	657	02-26-81
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VI B (3)(b)	743	06-12-58
	738	06-25-59
	234	09-26-62
	440	01-09-75
	93-423	01-14-93
	14-47	12-11-13
VI B (3)(c) added	86-221	10-24-85

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VI B (4)	99-149	(Deleted) 12-17-98
VI B (4)(a)	670 99-149	05-04-61 (Deleted) 12-17-98
VI B (4)(b)	670 93-383 99-149	05-04-61 12-17-92 (Deleted) 12-17-98
VI B (4)(c) deleted	758 86-221	06-15-61 10-24-85
VI B (5)	470 93-423	12-24-63 01-14-93
VI C (1)	91-742	06-06-91
VI C (2)	213	09-19-68
¶2	91-745	06-06-91
¶2	98-631	04-16-98
¶1	14-47	12-11-13
¶2	14-47	12-11-13
VI C (3)	1425 658 1767 454 524	06-15-39 11-14-39 06-17-41 11-21-46 02-24-72
VI C (4)	455 741	11-21-46 05-26-60
VI D (1)	456 699 548 84-305	11-21-46 06-28-51 04-16-53 12-08-83
VI D (1)(b)	731 151 774 730 56 84-305 14-47	06-17-54 03-22-56 06-21-56 06-27-57 07-07-77 12-08-83 12-11-13

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VI D (3)	1133	03-07-40
	821	06-26-45
	209	10-09-52
	743	06-12-58
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VI D (4)	657	11-13-80
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VI D (6)(e) (Added)	93-383	12-17-92
VI D (7) (delete sub-para. iv)	670	05-04-61
	524	02-24-72
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VI D (7)(iii)	99-149	12-17-98
VI D (7)(iv)	99-149	12-17-98
VI D (8)	470 666	12-24-63 03-22-73
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VI D (8)(b)(1)	14-47	12-11-13
VI D (8)(b)(2)	89-740 01-63 14-47	06-01-89 03-19-03 12-11-13
VI D (8)(b)(5)	666 575 14-47	03-22-73 01-28-82 12-11-13
VI D (8)(b)(7)	01-63	03-19-03
VI D (9)(a)	84-625 01-64	05-24-84 03-19-03
VI D (9)(b)	84-625 91-742	05-24-84 06-06-91
VI D (9)(c)	84-305 84-62 14-47	12-08-83 05-24-84 12-11-13
VI D (9)(d)	84-625 91-218	05-24-84 10-18-90
VI D (9)(e)	84-625	05-24-84
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VI D (9)(f)(i)	14-47	12-11-13
VI D (9)(f)(ii)	14-47	12-11-13
VI D (9)(f)(iii)	01-64	03-19-03
VI D (9)(f)(vi)	14-47	12-11-13
VI D (9)(f)(viii)	01-64	03-19-03

**WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AMENDMENTS**

SECTION VI

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI C (3)	1425	06-15-39	Suspension of contributions to Death Benefit
VI B (2)	1426	06-15-39	Optional contributions by members on leave.
VI B (1)	1461	06-22-39	Increase in Death Benefit rate effective 07-01-39 -- member.
VI B (3)	1462	06-22-39	Increase in Death Benefit rate effective 07-01-39 -- Department.
VI C (3)	658	11-14-39	Suspension of contributions to Death Benefit Fund during disability and compensation leave. Supersedes Reso. 1425, above.
VI D (3)	1133	03-07-40	Retired employees \$500.00 Death Benefit.
VI C (3)	1384	04-15-41	Suspension of contributions to Death Benefit Fund during disability and compensation leave. Supersedes Reso. 658 11-14-39 above.
VI B (1)	1768	06-17-41	Decrease in rates to total of 80¢ eff. 07-01-41 (Member 48¢) Supersedes Reso. 1461.
VI B (3)	1768	06-17-41	Decrease in rates to total of 80¢ eff. 07-01-41 (Dept. 32¢) Supersedes Reso. 1462.
VI B (2)	534	01-07-43	Optional contributions by members on leave - Supersedes Reso. 1426 above.
VI D (2)(3)	821	06-26-45	Retired employees - \$500 death benefit after five years of service- Supersedes Reso. #1133.
VI C (3)	454	11-21-46	Suspension of contributions to Death Benefit Fund during disability and compensation leave. Supersedes #1384.
VI C (4)	455	11-21-46	No Death Benefit payable after termination (new subsection).
VI D (1)	456	11-21-46	Death Benefits to contribution of members - clarification.
VI D (5)	789	03-06-47	Optional method of payment of Death Benefit - Reduces interest to 2 1/2%.

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI D (6)	686	6-21-51	Additional Death Benefits.
VI D (1)	699	06-28-51	Death Benefits increased.
VI D (2) & (3)	209	10-09-51	Raising Death Benefit to \$900.00.
VI D (1)	548	04-16-53	Death Benefits increased.
VI D (5)	616	04-29-54	Optional Method of payment Increased (48 months).
VI D (1)(b)	731	06-17-54	Increases maximum Death Benefit \$6,900.00.
VI B (1) VI B (3)(a)	736	06-17-54	Clarify rate of contribution by member and Dept. without any change in substance or costs.
VI D (3)	299	11-24-54	Retired members - not members of Plan but entitled to D.B. (\$900)
VI B (1) VI B (3)(a)	774	06-21-56	Amend \$575 to read \$600.
VI D (1)(b)	774	06-21-56	Amend \$8,050 to read 8,400.
VI B (1)	730	06-27-57	Contributions by members to Death Benefit Fund (first paragraph).
VI B (3)(a)	730	06-27-57	Contributions by Department to Death Benefit Fund.
VI D (1)(b)	730	06-27-57	Payment from the Death benefit Fund to beneficiary.
VI B (3)(b) VI D (2)(a) VI D (3)	743	06-12-58	Increases the death benefit for eligible retired members from the sum of \$900 to the sum of \$1,000, and reduced the contribution rate payable by the Department on account of contributing (retired) members by 10 percent.
VI B (3)(b)	738	06-25-59	Simplifies procedures used in computing Department's contributions to the Death Benefit Fund and provides a new table of rates for new members. Provides new monthly contribution rates per \$1,000 of Death Benefits in force.

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI C (4)	741	05-26-60	Death Benefit to beneficiary of terminated employee when service is terminated due to lack of work, etc.
VI D (7)	670	05-04-61	Surviving spouses of employees who have completed 30 years of service or are otherwise eligible to retire early under present Charter provisions have option of taking monthly benefits for life instead of a lump sum return of contributions.
VI B (4)(a) VI B (4)(b)	670	05-04-61	The Department shall make monthly contributions to a survivorship contributions account of the D.B. Fund for payment of survivors optional death benefit allowances.
VI B (4)(c)	758	06-15-61	Added new subdivision to be designated (c) and reading....optional death benefit....
VI D (3)	581	03-01-62	Increases the death benefit for eligible retired members from the sum of \$1,000 to the sum of \$1,750.
VI D (3) VI B (3)(b)	234	09-26-62	Increase in death benefit to 14 times retirement allowance, minimum \$2,000, maximum \$10,000.
VI B (5) VI D (8)	470	12-24-63	Provides a family death benefit allowance, 24% of the first \$400 of classified salary; maximum of \$96 per month to surviving spouse with minor children, same amount for each child under 18 years of age, maximum \$254 per month.
VI D (7)	658	03-16-67	Provides for the termination of the surviving eligible spouse benefit and the surviving spouse benefit as of the last day of the calendar month next preceding the month in which the eligible spouse dies.

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI C (2)	213	09-19-68	This resolution amends the Plan by modifying the provision for successive preference beneficiaries in such manner that the descendants (instead of merely the children) of the deceased member will take by right of representation in preference to parents and brothers and sisters of such member. This amendment will bring the Plan into closer harmony with the state law of interstate succession in this regard.
VI B (1) VI B (3)	822	05-08-69	Reduces contributions required of employees and the Department to the Death Benefit Fund. Reduction in employee contributions of 25%. Effective 07-01-69.
VI D (8)(a) VI D (8)(b)	819	05-08-69	Provides an increase in the family death benefit allowance effective July 1, 1969. Present monthly benefit of \$96 for each eligible person in family is increased to \$120; maximum benefit per family increased from \$254 to \$340. Benefit broadened to apply to the family of an employee who dies after retirement whereas formerly it provided for family of employee who dies while in active service.
VI B (1) VI C (3) VI D (2)	524	02-24-72	Provides disability and death benefit protection for women who work after age 62; former provisions prohibited disability protection for anyone who worked beyond "normal retirement date" and allowed death benefit protection on an optional basis. Effective 03-01-72.
VI B (2)	388	11-30-72	Permits member to continue his regular contributions to the D.B. Fund for a period not to exceed six months while he is on extended PTD-see Section V for further explanation.
VI B (3)(b)	440	01-09-75	Twelve technical amendments to Plan.
VI D (3)	143	08-14-75	Amends the Plan to increase minimum death benefit payable to retirees who are entitled to a minimum pension, from \$2,000 to \$3,000. Effective 08-01-75.

AMENDMENTS

SECTION VI

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI D (7)	11	07-07-77	Removes mandatory retirement deletes sub-provisions pursuant to Charter paragraph (iv) amendment of 4-5-77. Permits from first accumulation of retirement paragraph thereof service after age 65 in accordance with the amendment of the City Charter adopted by the voters. Permits employees to accumulate retirement credit until age 70, to the extent that employee has not completed accumulation of 15 years of such service credit. Disability benefits after age 65 are limited to Temporary Disability benefits only. Eff. date is 05-01-77.
VI B (1) VI B (2) VI B (3) VI D (1) VI D (8)	56	07-28-77	Removes the reference to classified salary from the Plan and uses actual salary for the measurement of benefits and contributions henceforth. In the past, the Plan has provided for classified salaries. Salaries were classified, at least once each year, and employees placed in categories which approximated the nearest \$25 round figure to their actual salary. Because of data processing, the use of classified salaries has become unnecessary, and this amendment will interface with present payroll practices and do away with payment of contributions one month in advance of the period financed. Contributions will be made during the period financed.
VI B (2)	26	07-13-78	Elimination of disability and death benefit contributions for the employees who transferred to the CERS -- removes option of Dept. employees to continue making contributions to DWP Dis. & DB Plan while on leave of absence and in service with other city Departments.

AMENDMENTS

SECTION VI

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI D (7)	143	09-07-78	Makes it possible to grant an optional death benefit allowance to a surviving spouse who would not be eligible by reason of the member's age and/or service but who was not designated as beneficiary by the member. A condition to grant such a benefit is that the named beneficiary waive all rights to receive the member's total accumulated contributions in favor of the surviving spouse. Effective date of amendment is September 1, 1978.
VI D (6)	497	02-01-79	Resolves problems in administering small refunds of disability and death benefit contributions at date of death. Permits payment of these refunds to beneficiary instead of descendent. Effective date of amendment is January 1, 1979.
VI D (3)	539	01-17-80	Reciprocity between CERS and the Retirement Plan. Effective date was February 1, 1980.
VI B (1)	759	04-03-80	Provides for contributions to the Death Benefit Fund by members after they reach age 65, unless such members elect to discontinue making such contributions, in which event they would be entitled to a Death Benefit of \$1,000. Effective date was May 1, 1980.
VI D (6)	180	09-11-80	Pays interest on death benefit unpaid more than one year after date of death at the rate then prevailing under the Retirement Plan. Effective date was July 1, 1980.
VI D (3)	343	11-13-80	Provides for an increase in the maximum death benefit for the retired employees from the current \$10,000 to \$20,000. Effective date was November 1, 1980.
VI A VI B (1) VI B (2) VI B (3)(a) VI D (4)	657	02-26-81	Employee contributions to be calculated biweekly; permits members to obtain service credit for past time not credited; permits Plan to change the entry age if no break in service. Effective 12-01-80.

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI B (1)	200	08-27-81	Provides for reducing the total contribution rate to the Permanent & Total Disability Fund from 60¢ per \$100 of covered compensation to 55¢ per \$100 of \$100 of covered compensation as recommended by TPF&C. Effective 07-01-81.
VI B (5) VI B (9)	321	10-15-81	Provides for an optional family death benefit supplementing the present benefit which is available to all members. The amounts provided for is an additional \$200 per child and an additional maximum of \$410 for any one family. Effective 09-07-81.
VI D (8)(b)(5)	575	01-28-82	Technical changes to previous amendments. Effective 01-01-82.
VI D (6)(a)	83-514	01-27-83	Deletes references made to IV B (4), IV C (1)(e), IV H, and IV I and instead makes reference to IV G. Effective 01-31-83.
VI B (1)	84-305	12-08-83	Contributions by Members. Date changed to January 9, 1984. Contribution changed from \$.50 to \$1.00. Effective 01-01-84.
VI B (3)(a) VI D (1)(b) VI D (8)(a)	84-305	12-08-83	Capitalization of word Compensation.
VI B (3)(a) VI D (1) VI D (8)(a)	84-305	12-08-83	The words "monthly equivalent of" added to precede the word Compensation. Effective 01-01-84.
VI D (9)(c)	84-305	12-08-83	Amended to show contribution by enrolled members changed from \$3.35 to \$2.25. Replaced phrase "wage or salary" with word compensation. Effective 01-01-84.
VI D (9)(a)	84-625	05-24-84	Adds definition of Qualified Member as enrollee in the Supplemental Family Death Benefit Insurance Plan who has completed thirty-nine (39) biweekly contributions. Effective 06-01-84.

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI D (9)(b)	84-625	05-24-84	Provides that only Plan members currently making Normal Contributions to the Retirement Fund may enroll in the Supplemental Family Death Benefit Insurance Plan; provides further that only Qualified Members may continue coverage after retirement; provides finally that members who cancel coverage may reenroll but must make thirty-nine (39) contributions by payroll deduction after reenrollment to become Qualified Members. Effective 06-01-84.
VI D (9)(c)	84-625	05-24-84	Provides that retired Qualified Members of the Supplemental Family Death Benefit Insurance Plan shall make monthly contributions of \$4.90 per month by payroll deduction or direct payments and that any missed payments shall terminate coverage. Effective 06-01-84.
VI D (9)(d)	84-625	05-24-84	Provides that Qualified Members of the Supplemental Family Death Benefit Insurance Plan may continue coverage for up to thirteen (13) payroll periods while on leaves of absence by making contributions in advance equal to the combined rate of employee and Department contributions in Section VI D (9)(c) and VI B (5). Effective 06-01-84.
VI D (9)(e)	84-625	05-24-84	Provides that contributions to the Supplemental Family Death Benefit Insurance Plan are suspended while enrollees are receiving Plan disability or Workers' Compensation payments and that Qualified Members remain covered during these periods. Effective 06-01-84.
VI D (9)(f)	84-625	05-24-84	Provides that Supplemental Family Death Benefit payments shall be made upon the death of a Qualified Member to his or her eligible beneficiaries. Effective 06-01-84.
VI B (3)(c)	86-221	10-24-85	Subsection added concerning consolidation of three subfunds in Death Benefit Fund to simplify accounting system. Effective 07-01-85.

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI B (4)(c)	86-221	10-24-85	Deletion of subsection containing obsolete provision of the Plan concerning accounting procedures within the Death Benefit Fund. Effective 07-01-85.
VI B (3)(a)	88-387	12-10-87	Deletion of words "June 30, 1980", and ".006", addition of "January 1, 1988" and ".005". Retirement Board's actuary recommended reductions in the department's contribution rates for the Temporary Disability, Permanent Total Disability and Death Benefit Insurance Funds. Effective 01-01-88.
VI D (8)(a)	89-740	06-01-89	Family Death Benefit increased to \$160 per month per person. Effective 07-01-89.
VI D (8)(b)(2)	89-740	06-01-89	Family Death Benefit maximum increased to \$450 per month per family. Effective 07-01-89.
VI D (9)(d)	91-218	10-18-90	A technical change which reduces the cost of Supplemental Family Death benefit coverage purchased by a person going on a leave of absence by \$2.50 per month.
VI B ¶1	91-742	06-06-91	Amended to conform to new criteria for immediate membership in Retirement Plan (retains six month wait before contributions to Death Benefit Plan begins). Effective 07-01-91.
VI C (1)	91-742	06-06-91	Amended to conform to new criteria for immediate membership in Retirement Plan (retains six month wait before eligibility for Death Benefits). Effective 07-01-91.
VI C (2)¶2	91-745	06-06-91	Places language in the Plan which allows a beneficiary to waive rights to Plan Death Benefits. Effective 07-01-91.
VI D (9)(b)	91-742	06-06-91	Amends Supplemental Family Death Benefit provision to conform to new criteria for immediate membership in Retirement Plan (retains six month wait before contributions to Death Benefit Plan begins). Effective 07-01-91.

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI D (6)(e)	93-383	12-17-92	Subsection added. Unclaimed benefits escheat to the Plan. Effective 12-17-92.
VI B (4)(b)	93-383	12-17-92	Amended to establish that the Retirement Board shall set the Death Benefit actuarial rates by resolution. Effective 01-01-93.
VI B (3)(a)	93-423	01-14-93	Amended to establish that the Retirement Board shall set the Death Benefit actuarial rates by resolution. Effective 01-01-93.
VI B (3)(b)	93-423	01-14-93	Amended to establish that the Retirement Board shall set the Death Benefit actuarial rates by resolution. Effective 01-01-93.
VI B (5)	93-423	01-14-93	Amended to establish that the Retirement Board shall set the Death Benefit actuarial rates by resolution. Effective 01-01-93.
VI B (4)	99-149	12-17-98	Deleted reference to survivorship reserve account
VI D (7)(i) thru (iv)	99-149	12-17-98	Makes survivorship allowance payable from Retirement Fund
VI D (8)(a)	01-63	03-19-03	Increased individual FDB allowance from \$160 To \$416 per month
VI D (8)(b)(2)	01-63	03-19-03	Increased family maximum for FDB from \$450 To \$1170 per month
VI D (8)(b)(7)	01-63	03-19-03	Made FDB increase retroactive to July 1, 2001
VI D (9)(a)	01-64	03-19-03	Increased individual SFDB amount from \$200 To \$520 per month
VI D (9)(f)(iii)	01-64	03-19-03	Increased family SFDB maximum from \$410 to \$1066 per month
VI D (9)(f)(viii)	01-64	03-19-03	Made SFDB increase retroactive to July 1, 2001
VI D (1)(b)	05-50	11-17-04	Provided for Death Benefit of seven (7) times the full-time monthly equivalent salary for beneficiaries of Half-Time Civil Service Employees
VI D (8)(a)	05-50	11-17-04	Provided for individual FDB Allowance of \$208 per month for Half-Time Civil Service Employees

AMENDMENTS**SECTION VI**

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VI D (8)(b)(2)	05-50	11-17-04	Provided for family maximum FDB Allowance of \$585 for Half-Time Civil Service Employees
VI D (7)	09-26	10-01-08	Adds special eligibility criteria for survivors of members killed while performing work within the scope of their duties.
VI B	14-47	12-11-13	Tier 2 members prohibited from contributing to Death Benefit fund until pay period after twenty-six (26) continuous weeks of Department service. Effective January 1, 2014.
VI B (3)(b) VI C (2) VI D (1)(b) VI D (3) VI D (6)(a) VI D (7) VI D (8)(a) VI D (8)(b)(2) VI D (8)(b)(5) VI D (9)(c) VI D (9)(f)(vi)	14-47	12-11-13	Adds reference citations for Tier 2 members.
VI C (2)	14-47	12-11-13	Written beneficiary designations shall be effective upon receipt in the Retirement Plan Office if properly executed, without waiting for Board approval. Replaces "widow or widower" with "surviving spouse."
VI D (3)	14-47	12-11-13	For Tier 2 retired members to receive death benefits, an aggregate of five years or more Dept. service are needed, which include Department Service purchased and City Service purchased.
VI D (4)	14-47	12-11-13	Reference citation for Termination of Right to Death Benefits changed.
VI D (8)(b)(1) VI D (8)(b)(5) VI D (9)(f)(i) VI D (9)(f)(ii) VI D (9)(f)(vi)	14-47	12-11-13	Adds "Domestic Partner" as equivalent term to "spouse."

INDEX BY SECTION

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>
VII	14-47	12-11-13

**WATER AND POWER EMPLOYEES' RETIREMENT PLAN
AMENDMENTS**

SECTION VII

<u>Reference</u>	<u>Resolution Number</u>	<u>Approval Date</u>	<u>Explanation:</u>
VII	14-47	12-11-13	Added Tier 2 member retirement benefits.

WATER AND POWER EMPLOYEES' RETIREMENT PLAN

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