

East Bay Municipal  
Utility District

EMPLOYEES'  
RETIREMENT SYSTEM  
ORDINANCE

(As Amended Effective July 1, 2017)

**ORDINANCE COVERING  
EAST BAY MUNICIPAL UTILITY DISTRICT  
EMPLOYEES' RETIREMENT SYSTEM**

Original	Ordinance No. 40, Effective October 1, 1937
Amended by	Ordinance No. 45, Effective February 9, 1938
	Ordinance No. 47, Effective December 15, 1939
	Ordinance No. 50, Effective October 9, 1940
	Ordinance No. 53, Effective July 1, 1942
	Ordinance No. 57, Effective January 17, 1945
	Ordinance No. 59, Effective May 29, 1945
	Ordinance No. 62, Effective June 26, 1946
	Ordinance No. 83, Effective March 3, 1950
	Ordinance No. 115, Effective April 1, 1952
	Ordinance No. 149, Effective December 11, 1953
	Ordinance No. 172, Effective January 1, 1955
	Ordinance No. 185, Effective July 1, 1957
	Ordinance No. 204, Effective May 22, 1959
	Ordinance No. 226, Effective May 25, 1962
	Ordinance No. 229, Effective November 9, 1962
	Ordinance No. 237, Effective November 1, 1963
	Ordinance No. 255, Effective April 30, 1965
	Ordinance No. 260, Effective March 1, 1968
	Ordinance No. 262, Effective May 27, 1969
	Ordinance No. 263, Effective December 23, 1969
	Ordinance No. 266, Effective February 1, 1971
	Ordinance No. 268, Effective October 26, 1971
	Ordinance No. 271, Effective July 1, 1973
	Ordinance No. 272, Effective July 24, 1973
	Ordinance No. 273, Effective February 18, 1974
	Ordinance No. 276, Effective September 24, 1974
	Ordinance No. 277, Effective September 1, 1975
	Ordinance No. 280, Effective July 1, 1978
	Ordinance No. 282, Effective August 8, 1978
	Ordinance No. 283, Effective January 1, 1979
	Ordinance No. 286, Effective December 11, 1979
	Ordinance No. 287, Effective April 22, 1980
	Ordinance No. 288, Effective May 13, 1980
	Ordinance No. 290, Effective December 8, 1981
	Ordinance No. 291, Effective April 27, 1982
	Ordinance No. 294, Effective October 26, 1982
	Ordinance No. 295, Effective December 26, 1982

Ordinance No. 297, Effective November 25, 1983  
Ordinance No. 298, Effective April 16, 1984  
Ordinance No. 303, Effective January 1, 1987  
Ordinance No. 304, Effective July 1, 1987  
Ordinance No. 305, Effective January 1, 1988 and July 1, 1988  
Ordinance No. 307, Effective July 1, 1988  
Ordinance No. 308, Effective January 10, 1989  
Ordinance No. 309, Effective July 1, 1989  
Ordinance No. 310, Effective January 1, 1990  
Ordinance No. 313, Effective January 1, 1991  
Ordinance No. 314, Effective September 10, 1991  
Ordinance No. 315, Effective January 1, 1992  
Ordinance No. 318, Effective October 12, 1993  
Ordinance No. 320, Effective October 13, 1994  
Ordinance No. 321, Effective July 27, 1995  
Ordinance No. 322, Effective December 29, 1995  
Ordinance No. 323, Effective March 29, 1996  
Ordinance No. 325, Effective June 28, 1996  
Ordinance No. 327, Effective July 1, 1997  
Ordinance No. 328, Effective April 23, 1998  
Ordinance No. 329, Effective April 23, 1998  
Ordinance No. 330, Effective May 28, 1998  
Ordinance No. 331, Effective July 9, 1998  
Ordinance No. 333, Effective July 23, 1998  
Ordinance No. 335, Effective January 7, 1999  
Ordinance No. 336, Effective June 24, 1999  
Ordinance No. 337, Effective July 23, 1999  
Ordinance No. 339, Effective October 29, 2000  
Ordinance No. 340, Effective June 27, 2001  
Ordinance No. 342, Effective February 8, 2002  
Ordinance No. 343, Effective February 8, 2002  
Ordinance No. 344, Effective July 1, 2002  
Ordinance No. 345, Effective July 1, 2003  
Ordinance No. 346, Effective September 12, 2003  
Ordinance No. 347, Effective January 1, 2004  
Ordinance No. 348, Effective July 1, 2004  
Ordinance No. 349, Effective November 26, 2004  
Ordinance No. 350, Effective December 24, 2004  
Ordinance No. 351, Effective August 25, 2006  
Ordinance No. 354, Effective April 9, 2010  
Ordinance No. 356-12, Effective January 1, 2013  
Ordinance No. 357-13, Effective July 1, 2013  
Ordinance No. 360-13, Effective September 13, 2013  
Ordinance No. 361-14, Effective June 13, 2014  
Ordinance No. 363-15, Effective July 1, 2015  
Ordinance No. 366-15, Effective, January 8, 2016  
Ordinance No. 367-17, Effective, July 1, 2017

AN ORDINANCE ESTABLISHING A RETIREMENT SYSTEM FOR EMPLOYEES OF EAST BAY MUNICIPAL UTILITY DISTRICT, PROVIDING FOR THE PAYMENT OF RETIREMENT ALLOWANCES TO MEMBERS OF THE RETIREMENT SYSTEM, FOR THE PAYMENT OF DEATH BENEFITS AND SURVIVORSHIP BENEFITS, AND FOR COST OF LIVING ADJUSTMENT BENEFIT, HEALTH INSURANCE BENEFIT, AND LOW INCOME BENEFIT PRESCRIBING THE CONDITIONS UNDER WHICH SAID ALLOWANCES AND BENEFITS SHALL BE PAID, DETERMINING RATES OF CONTRIBUTION AND THE AMOUNTS OF RETIREMENT ALLOWANCES, DEATH BENEFITS AND SURVIVORSHIP BENEFITS, AND THE PERCENTAGE OF COST OF LIVING ADJUSTMENT, AND PROVIDING FOR THE ADMINISTRATION OF SAID RETIREMENT SYSTEM.

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Section 1  
PURPOSE

The purpose of this Ordinance is to establish a retirement system for the officers and employees of the District and provide for the payment of annuities, pensions, retirement allowances, disability payments, and death benefits.

Section 2  
DEFINITIONS

The following words and phrases used in this Ordinance, unless a different meaning is plainly indicated in the context, shall have the following meanings:

(a) "Retirement System" shall mean "East Bay Municipal Utility District Employees' Retirement System" provided for in Section 3 of this Ordinance.

(b) "Employee" shall mean any person, including persons generally classed as officers or officials, in the employ of the East Bay Municipal Utility District whose Compensation in such employment is paid wholly by the District. For purposes of this Ordinance, "Employee" shall also include persons holding an elective office as Director of the District.

(c) "Member" shall mean any person included in the membership of the Retirement System as provided for in this Ordinance.

(d) "District" shall mean "East Bay Municipal Utility District."

(e) "Board" shall mean "Retirement Board" as created in Section 4 of this Ordinance.

(f) "Retirement Fund" shall mean "East Bay Municipal Utility District Employees' Retirement Fund" as created in Section 8 of this Ordinance.

(g) "District Service" shall mean service rendered to the District as an Employee for Compensation, and for the purposes of this Ordinance, a Member shall be considered as being in the District Service only while he or she is receiving Compensation from the District for such service or is on uncompensated sick leave or job injury leave subsequent to October 1, 1937, or has been granted Service Extension Credit as of April 30, 1965 or subsequent thereto; provided, however, that with respect to any Member hired (or rehired in the case of former Employees) as an Employee on or after January 21, 2004, District Service credited to such Member for any continuous uninterrupted period of uncompensated sick leave and/or uncompensated job injury leave commencing on or after January 21, 2004 shall be limited to a maximum of 18 months. The period during which an Employee is absent from District Service by reason of unpaid Military Leave shall also be included in his or her District Service if the Member elects and makes payment of the amount equal to the contributions which the Employee would have made had there been no absence from District Service, as provided in Section 7(b).

For purposes of this Ordinance, a Director shall be considered as being in the District Service at all times during which the office of Director is held.

(h) "Prior Service" shall mean the District Service of a Member rendered before October 1, 1937, and allowable as provided in Section 7(a) of this Ordinance. "Prior Service" of a Director shall mean all periods of time during which the office of Director was held prior to January 1, 1987, but shall not include any periods of time served as an employee of the District.

(i) "Current Service" shall mean all District Service rendered by an Employee on or after the date he or she first becomes a Member, and if the Member elects and makes payments of the amount of retroactive contributions as provided for in Sections 5(d), 5(k), 5(j), 5(l), 5(m) and 5(n), such additional service shall be included as therein provided, provided however that "Current Service" shall mean one-half of all District Service rendered in a Job Sharing Position or the proportionate share of District Service rendered in an Intermittent Position.

(j) "Continuous Service" as applied to Prior Service shall mean all Prior Service regardless of interruptions in such service, and as applied to Current Service of a Member shall mean uninterrupted employment by the District except that when a Member discontinues District employment but subsequently reenters such employment and requalifies in accordance with the provisions of Section 13 of this Ordinance such interruption shall not be deemed to break the continuity of service.

(k) "Compensation" shall mean the salary paid by the District for services rendered by Members exclusive of paid overtime and of lump sum payments for unused vacation made after October 4, 1971. For persons holding the office of Director of the District, Compensation shall mean all compensation paid by the District for services rendered. For individuals who first became Members in the Retirement System before January 1, 1996, there shall be no limit on the Compensation taken into account in determining his or her benefits. Notwithstanding any other provision of this Ordinance, for individuals who first became Members in the Retirement System on or after January 1, 1996, the annual compensation of each Member taken into account under the Retirement System for any year shall not exceed the maximum amount provided in Internal Revenue Code Section 401(a)(17). In applying this rule for individuals who first became Members on or after January 1, 1996, the following special rules shall apply:

(1) For the Fiscal Years commencing on or after July 1, 1996, the maximum amount of annual Compensation of each Member that may be taken into account under the Retirement System is \$150,000, as adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Internal Revenue Code.

(2) For the Fiscal Years commencing on or after July 1, 2002, the maximum amount of annual Compensation of each Member that may be taken into account under the Retirement System is \$200,000, as adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Internal Revenue Code.



(3) Annual Compensation means Compensation during the Fiscal Year or such other 12 consecutive month period over which Compensation is otherwise determined under the Ordinance (“Determination Period”).

(4) For purposes of determining benefit accruals in a Fiscal Year beginning on or after July 1, 2002, the annual Compensation limit for Determination Periods beginning before July 1, 2002, shall be \$200,000, if the Member has at least one hour of Service after June 30, 2002.

(5) The cost-of-living adjustment in effect for a calendar year applies to any Determination Period beginning with or within such calendar year.

(6) If a Determination Period consists of fewer than 12 months, the annual Compensation limit is equal to the otherwise applicable annual Compensation limit multiplied by a fraction, the numerator of which is the number of months in the Determination Period, and the denominator of which is 12.

(l) “Compensation Earnable” shall mean the salary earnable by the Member exclusive of paid overtime, or the Compensation payable as Director of the District. For Members in Intermittent Positions, Compensation Earnable shall mean the compensation that would have been earnable if the employment had been on a full-time basis and the Member had worked full-time.

(m) "Terminal Compensation" for all Members, except those electing to remain Members pursuant to Section 12(b)(2) prior to March 1, 1973, shall mean the average monthly Compensation Earnable by a Member during the period of the two consecutive years of highest Compensation, but such Terminal Compensation shall not exceed four hundred sixteen and 66/100 dollars per month for the period of Prior Service, and of Current Service from October 1, 1937 to and including March 31, 1952, unless the Member shall elect to pay into the Retirement Fund such additional amount as he or she would have contributed during the period October 1, 1937 to and including March 31, 1952, assuming the entire Compensation Earnable by him or her during such period was subject to contributions. The entire Compensation Earnable by a Member shall be included in any computation of his or her Terminal Compensation applicable to the period commencing on and subsequent to April 1, 1952, and if a Member makes the election and payment as provided in this Subsection, his or her entire Compensation Earnable shall be included in any computation of Terminal Compensation applicable to the entire period of Prior Service and of his or her Current Service. For purposes of determining the “Terminal Compensation” of members in Job Sharing Positions, “Compensation Earnable” shall be the full base salary rate for the position.

If a Member has not received any Compensation from the District for more than one consecutive year during such two-year period, the computation of the Terminal Compensation shall be determined in accordance with rules established by the Retirement Board.

Terminal compensation for all Members electing to remain Members pursuant to Section 12(b)(2) prior to March 1, 1973, shall be determined as hereinabove provided except that the period of the three consecutive years of highest Compensation shall be used in lieu of two years.

(n) "Retirement Contributions" shall mean the amounts deducted from the Compensation of a Member at the rate or rates as required by Section 6 and Section 42 and in the manner provided for by the Board of Directors of the District from time to time. Except as provided below, the rate or rates of contribution of each Member who entered the Retirement System on and before December 31, 1979, shall be those percentages of Compensation fixed by the tables adopted by the Board of Directors, according to age at the nearest birthday at the time of entry into the Retirement System. Effective January 1, 1990, the rate of contributions for Members who entered the Retirement System on and before December 31, 1979 shall be a level percentage of Compensation as provided in Section 6(b). The rate of contributions for Members entering the Retirement System on and after January 1, 1980, and those Members making the election provided in Section 15(g) or in Section 15(h), shall be a level percentage of Compensation as provided in Section 6(d). The rate of contributions for Directors entering the Retirement System on or after January 1, 1987, shall be a level percentage of Compensation as provided in Section 6(d).

(o) "Survivorship Contributions" shall mean the amounts deducted from the Compensation of a Member at the rate or rates as required by Section 6(c) and in the manner provided for by the Board of Directors of the District from time to time.

(p) "Accumulated Retirement Contributions" shall mean the sum of all Retirement Contributions together with interest accumulated thereon at the rate or rates declared by the Retirement Board.

(q) "Accumulated Survivorship Contributions" shall mean the sum of all Survivorship Contributions deducted from the Compensation of a Member together with interest accumulated thereon at the rate or rates declared by the Retirement Board.

(r) "Accumulated Contributions" shall mean the sum of the Accumulated Retirement Contributions plus the Accumulated Survivorship Contributions made prior to February 18, 1974, plus the Accumulated Cost of Living Contributions, including the portion thereof attributable to survivorship contributed prior to February 18, 1974.

(s) "Retired Member" shall mean a former Member who is in receipt of a Retirement Allowance.

(t) "Beneficiary" shall mean any person or persons nominated by a Member or Retired Member to receive any benefit provided in this Ordinance, such nomination to be by written designation duly executed and filed with the Retirement Board.

(u) "Pension" shall mean payments for life derived from contributions made by the District as provided for in this Ordinance. Current Service Pension shall mean the pension that is

applicable to the Current Service of the Member. Prior Service Pension shall mean the pension that is applicable to the Prior Service of the Member.

(v) "Annuity" shall mean payments for life derived from a Member's Accumulated Retirement Contributions as provided for in this Ordinance.

(w) "Retirement Allowance" shall mean the Pension plus the Annuity. Current Service Retirement Allowance shall mean the Current Service Pension plus the Annuity.

(x) "Fiscal Year" shall mean any year commencing with July 1 and ending with June 30 next following.

(y) "Military Service" shall mean voluntary or involuntary service with the Armed Forces (and the Reserves for each of the Armed Forces) or the Merchant Marine of the United States or of the State of California, or the commissioned corps of the Public Health Service and any other category or persons designated by the President in time of war or emergency, or pursuant to an Act of Congress providing for peacetime induction or conscription, including service in the National Guard, active or inactive duty training, examination to perform any such duty, and funeral honors duty.

(z) "Military Leave" shall mean leave from District Service granted to render Military Service and shall include time required to go to and return from said Military Service.

(aa) "Service Extension Credit" shall apply only to Section 15 and shall mean the number of work days credited to a Member at the time of his or her retirement under rules adopted by the Board of Directors governing sick leave accumulation converted on a 260-day-per-year basis. A Member, other than a Member who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) prior to July 1, 1988, who retires on or after July 1, 1988 shall be given two work days of credit for each day of accumulated sick leave and/or Service Extension Credit available to them at the time of their retirement.

(bb) "Cost of Living Contributions" shall mean the amounts deducted from the Compensation of a Member at the rate or rates as required by Section 33 and in the manner provided for by the Board of Directors of the District from time to time. On and after February 18, 1974, said rates shall not include a contribution for survivorship.

(cc) "Accumulated Cost of Living Contributions" shall mean the sum of all the Cost of Living Contributions deducted from the Compensation of a Member together with interest accumulated thereon at the rate or rates declared by the Retirement Board.

(dd) "Normal Retirement Age" shall mean the age of sixty-five (65) years. Rates of contribution, service Retirement Allowances and disability Retirement Allowances are predicated upon Normal Retirement Age. In addition, a Member's right to his or her Service Retirement is non-forfeitable on attainment of Normal Retirement Age. For purposes of determining whether a Member has a non-forfeitable benefit, Normal Retirement Age is the

earlier of attaining age 65 or the fifth anniversary of the time the Member commenced membership in the Retirement System.

(ee) "Benefits Payable Under the Federal Social Security System" shall mean the amount of Primary Insurance payable under provisions of the Federal Social Security Act as amended. In the event that the Member retires or dies prior to attaining the federal retirement age or makes the election provided in Section 12(b)(2), the Retirement Board shall estimate the federal benefit upon the basis of information then available to it. The Retirement Board will also estimate the federal benefit if the amount of Primary Insurance payable is not known, for any reason, at the date of retirement. The estimate of federal benefit shall be used to compute the service Retirement Allowance regardless of actual benefit paid. For Employees who retire on or after July 1, 1989, except for those who elected to remain Members pursuant to Section 12(b)(2) prior to July 1, 1989, the retirement benefits provided in this Ordinance shall not be reduced in any manner due to inclusion of Retirement System Members under the insurance system established by Title 2 of the Federal Social Security Act as amended.

(ff) "Reciprocal Benefits" shall mean those benefits extended by agreement between the District and the Board of Administration of the Public Employees' Retirement System as provided by Sections 20042, 20043, 31840.2, 45310.5, and 53222 of the Government Code. The Reciprocal Benefits provided in Section 34 shall prevail over provisions of this Ordinance concerning vesting.

(gg) "Health Insurance Benefit" shall mean the amount paid to or on behalf of a Retired Member or a Surviving Spouse eligible for benefits under Section 20, for health insurance purposes pursuant to Section 36. Any Health Insurance Benefit shall be specifically provided for and shall be considered separate from Retirement Allowances, survivorship benefits, and amounts payable as a result of optional modification of Retirement Allowances, provided, however, that the Board of Directors of the District expressly reserves its rights under Section 6(d) to adjust the rates of Retirement Contributions to fund the Health Insurance Benefit.

(hh) "Job Sharing Position" shall mean a voluntary work arrangement in which two Employees equally share the work responsibilities of one full-time position pursuant to a Job Sharing Program authorized by the General Manager. Such a Job Sharing Program was authorized by the General Manager for a trial period to commence January 1, 1992 and to end January 1, 1994 unless authorized by the General Manager to continue beyond that date. There is no guarantee such a program will continue beyond January 1, 1994.

(ii) "Intermittent Position" shall mean a position to which an Employee has been appointed through formal District action and which requires work that on the average is less than a regular full-time position, but more than a half-time position or at least 1041 or more aggregate hours in a calendar year. Employees appointed to Intermittent Positions and serving in such positions on or after September 22, 2003 shall be Members of the Retirement System for the duration of their appointment beginning on or after September 22, 2003.

(jj) "Continuous Employment" shall mean the period of time that a Member maintains continuous and unbroken employment with the District, uninterrupted by voluntary or

involuntary separation of employment, calculated on the basis of anniversary date to anniversary date. For example, a Member who is employed by the District for five continuous years will have five years of Continuous Employment for purposes of vesting under Section 14 and Section 16 of this Ordinance, regardless of whether the Member worked during that period in a full-time status, or in a Job Share or Intermittent Position, or a combination thereof, provided, however, that District Service rendered by an Employee on a part-time basis shall not be included as Continuous Employment, and further provided that District Service rendered by an Employee in a temporary, intermittent, limited term or temporary construction position prior to the date upon which he or she first became a Member shall not be included as Continuous Employment. However, the repurchase of service credit for prior District Service in a temporary, intermittent, limited term or temporary construction position as provided in this Ordinance, reciprocal service under Section 34(d), and leaves of absence are included as Continuous Employment and are not intended to be a separation of employment.

Section 3  
ESTABLISHMENT OF A RETIREMENT SYSTEM

A Retirement System is hereby created and established to become effective October 1, 1937, and to be known as the "East Bay Municipal Utility District Employees' Retirement System."

Section 4  
RETIREMENT BOARD

(a) There is hereby created and established a Retirement Board which shall, under the provisions of this Ordinance, administer the Retirement System and the Retirement Fund.

The Retirement Board shall consist of three members appointed by the Board of Directors of the District and two members elected by and from the membership of the Retirement System; provided however that a non-voting Retired Member chosen by an election process held among Retired Members shall be a representative to the Retirement Board and shall serve a period of two years. The two members so elected by and from the membership shall serve a period of two years, and the remaining three members shall serve until their successors are appointed. Vacancies in the case of the elected members shall be filled by special election. Other vacancies shall be filled by appointment of the Board of Directors of the District.

(b) The Retirement Board shall have power to adopt such rules and regulations, mortality, service, and other tables as are necessary and proper in the administration of the provisions of this Ordinance, and shall maintain all accounts, books and records necessary for the maintenance of the Retirement System. The Retirement Board shall elect from its members a President and Vice-President, and appoint from the regular employees or officers of the District a Secretary and an Assistant Secretary, who shall serve without additional compensation. The Vice-President or Assistant Secretary shall act in the absence of the President or Secretary, respectively, or when so authorized by the Retirement Board. The members of the Retirement Board shall serve without compensation for their services thereon.

(c) The Retirement Board shall determine all questions relative to the eligibility of Members and their Compensation in accordance with the provisions of this Ordinance and shall be the sole authority and judge under such ordinances as may be adopted by the Board of Directors of the District as to the conditions under which persons may be admitted to and continue to receive benefits of any sort under the Retirement System, and may modify allowances for service and disability, and the determination of said Retirement Board shall be final and conclusive and shall not be modified or set aside except for fraud or abuse of discretion.

(d) The Retirement Board shall semi-annually declare the rate of interest for the preceding six (6) months to be credited on Accumulated Contributions of Members, which rate shall be based upon criteria to be established by the Retirement Board.

(e) The Retirement Board shall annually, within ninety (90) days after the close of the Fiscal Year, transmit to the Board of Directors of the District a report showing the financial condition of the Retirement Fund at the close of the preceding Fiscal Year.

(f) The Attorney for the District shall act as the attorney for the Retirement Board.

(g) The Manager of Finance shall act as the accountant for the Retirement Board.

## Section 5 MEMBERSHIP IN RETIREMENT SYSTEM

Except as herein expressly excluded from membership, all Employees shall become Members of the Retirement System as herein provided.

(a) Every Employee in District Service who is eligible for membership on October 1, 1937, and who has been in District Service for one year shall become a Member of the Retirement System on that date.

(b) Every Employee who shall re-enter District Service after October 1, 1937, and who prior to such re-entry has been a Member of the Retirement System, shall become a Member of the Retirement System upon such re-entry; provided, however, that former Members re-entering District Service on a temporary basis shall not become Members of the Retirement System during such period of temporary service. A Member who elected to remain a Member under provisions of Section 12(b)(2), upon his return to District Service shall be considered a new Member with reference to his District Service after such re-entry.

(c) Every Employee who shall enter District Service after October 1, 1937, or who on said date had not completed one year of service, and prior to June 1, 1961, shall become a Member of the Retirement System upon the completion of one (1) year of District Service, as defined by the Retirement Board, uninterrupted by a break of more than one (1) month; provided, however, that the period of time during which an Employee of the District is granted leave of absence shall be excluded in determining the period of interruption of service; every Employee entering District Service between June 1, 1961 and December 1, 1961, inclusive, provided he or she had at least six (6) months of District Service and has permanent status, shall

become a Member on June 1, 1962, and every other Employee entering District Service between December 1, 1961 and September 24, 1974, or who did not become a Member on June 1, 1962, shall become a Member after six (6) months of full-time District employment, provided he or she has permanent or probationary or exempt status. Every Employee who became a Member on or prior to June 1, 1962, except those Employees referred to in Subsection (a) shall be granted an additional period of membership, not to exceed six (6) months, which when added to the total period of Current Service credited to him or her shall equal his or her Current Service computed as if he or she had become a Member after six (6) months of District Service.

Every Employee who shall enter District Service on or subsequent to September 24, 1974, shall become a Member on the first day he or she is physically on the job, provided he or she has probationary or exempt status. Every Member who entered District Service prior to September 24, 1974, except those Employees referred to in Subsection (a) and those Members who elected to remain Members pursuant to Section 12(b)(2), shall be granted an additional period of membership, not to exceed six (6) months which, when added to the total period of Current Service credited to him or her, shall equal his or her Current Service computed as if he or she became a Member on the first day of entry into District Service as a probationary or exempt Employee, or emergency Employee who made the contributions provided for in Section 5(i), if he or she elects to pay into the Retirement Fund the amount he or she would have contributed as provided in Section 5(j). Emergency Employees who did not make the contributions provided for in Section 5(i) may make the contributions provided for in Section 5(j) for an additional period of membership not exceeding six (6) months of District employment.

(d) The following Employees shall not become Members of the Retirement System:

Employees serving on a part-time basis, provided, however, that Employees in Job Sharing Positions, and in Intermittent Positions on or after September 22, 2003, shall be Members of the Retirement System;

Persons employed under contract for a definite period and for the performance of specific duties;

Temporary construction, limited term and temporary employees; provided, however, that Members of the Retirement System shall retain such membership while serving as temporary construction, limited term and temporary employees; and provided further that every temporary construction employee who entered District Service prior to April 24, 1959, and whose District Service has been continuous from such date of entry, shall become a Member of the Retirement System on December 1, 1962, or if such employee elects to pay into the Retirement Fund the amount he or she would have contributed had he or she become a Member upon the completion of one year of District Service as a temporary construction employee, as provided in Section 5(i), he or she shall be deemed to have become a Member upon the completion of one year of District Service as a temporary construction employee;

An appointee to the office of General Manager pursuant to Public Utilities Code Section 11926 who is not a member of the Retirement System at the time of appointment to said office.

(e) It shall be the duty of the Personnel Officer of the District to furnish such information concerning the status of any Member as the Retirement Board may require.

(f) Each Member shall be subject to all the provisions of this Ordinance and to all of the rules and regulations adopted by the Retirement Board.

(g) Each Member shall file with the Retirement Board such information affecting his or her status as a Member of the Retirement System as the Retirement Board may require.

(h) Should the District Service of any Member terminate or should he or she die or be retired, he or she shall thereupon cease to be a Member; provided, however, any Member whose service is terminated by Military Leave shall be deemed to be a Member to the extent and subject to the provisions of Section 7(b) and provided further that any Member whose service is terminated and who elects, under the provisions of Section 12, to have his or her contributions remain in the Retirement Fund until he or she requests a service Retirement Allowance, shall be deemed to be a Member to the extent and subject to the provisions of Section 12, and provided further that any Member whose District Service is interrupted by a leave of absence shall be deemed to be a Member during such absence.

(i) Any Employee who held an emergency appointment on April 1, 1952, or prior, and on becoming a Member of the Retirement System, may elect to pay into the Retirement Fund the amount he or she would have contributed had he or she become a Member upon the completion of one year of District Service as an emergency appointee. Such election shall be made within sixty days after such person becomes a Member of the Retirement System and payment of the amount above referred to shall be completed within three years after the date of said election. In the event such election and payment are made, his or her rate of contribution shall be based upon his or her age at the time of completion of one year of service as an emergency employee and he or she shall be credited with his or her full period of employment as an emergency appointee less one year.

(j) Pursuant to Section 5(c), any Member who entered District Service prior to September 24, 1974, except those Employees referred to in Subsection (a) and those Members who elected to remain Members pursuant to Section 12(b)(2), may elect to pay into the Retirement Fund the amount he or she would have contributed had he or she become a Member six (6) months prior to the commencement of the period of Current Service presently credited to him or her, plus interest to the date of payment, in the amount and the manner determined by the Retirement Board, and he or she shall thereupon be granted an additional period of membership as provided in Section 5(c). Such election shall be made within six (6) months of September 24, 1974, for all Employees who were Members prior to said date, or within six (6) months after the date Employees become Members who entered District Service but had not become Members prior to September 24, 1974. Payment of the amount above referred to shall be completed within two years after the date of said election. The aforesaid payments, and all contributions to be made pursuant to Section 6, shall be based on the respective ages of the Members at the date of becoming Members prior to the exercise of the election herein provided for. The aforesaid



election and payments shall be made and completed prior to the date of retirement or September 24, 1974, whichever is later.

(k) Every Director in office on January 1, 1987 shall become a Member of the Retirement System on that date. All persons thereafter assuming the office of Director shall become Members on the date of assumption of office.

(1) (1) Notwithstanding Section 5(d) of this Ordinance, any Employee who began service with the District in a full-time temporary construction or limited term or temporary position and who thereafter, without a break in District Service, was appointed to a position with the District which is eligible for membership in the Retirement System pursuant to this Section, and who is not a Retired Member, may elect to establish service credit for the prior service in the full-time temporary construction, or limited term or temporary position by paying into the Retirement Fund an amount equal to:

(i) the amount the Employee would have contributed had the Employee become a Member upon appointment to a full-time temporary construction, limited term or temporary position, calculated at the rate of Employee contributions in effect on the date of the election; and

(ii) the amount of contributions the District would have contributed had the Employee become a Member upon appointment to a full-time temporary construction limited term or temporary position, calculated at the rate of District contributions in effect on the date of the election but exclusive of any District contributions needed to fund any unfunded past service liability; and

(iii) interest upon both of these amounts until fully paid, calculated at the actuarial assumed interest rate in effect on the date of the election, compounded semi-annually.

(2) In order to be eligible to purchase service credit pursuant to this section, the Member shall (a) request a cost estimate of the service credit and (b) file an election agreement. With respect to Employees who were Members prior to August 24, 1999 and who wish to purchase service credit for prior full-time employment in a temporary position pursuant to this section, the Member shall request a cost estimate of the service credit on or before August 24, 1999. With respect to Employees who become Members after August 24, 1999 and who wish to purchase service credit for prior full-time employment in a temporary construction, limited term or temporary position, the Member shall request a cost estimate of the service credit within ninety (90) days after becoming a Member. All election agreements shall be filed within thirty (30) days of the date of the cost estimate provided by the Retirement System. The request for the cost estimate and the election agreement shall be made on forms provided by the Retirement System and in accord with rules and procedures adopted by the Retirement Board.

(3) The payment made into the Retirement Fund must be completed within eight (8) years of the date of the Member's election.

(4) Said contributions shall be deducted from the Member's salary and credited to the individual Member's account, and required as a condition of obtaining service credit for the period employed as full-time temporary construction, limited term or temporary employees.

(5) A Member otherwise eligible to make an election under this Section shall be allowed to elect to make the required payment for all or only a portion of the time employed in a full-time temporary construction, limited term, and/or temporary position(s), so long as (a) there is no break in District Service during the period employed in a full-time temporary construction, limited term, and/or temporary position(s), and (b) the Member is thereafter, without a break in District Service, appointed to a position with the District which is eligible for membership in the Retirement System pursuant to this Section.

(6) In the event the election and payment are made, the Member shall be credited with all or a portion of the period of service as a temporary construction, or limited term employee as elected by the Member, provided that a Member whose employment with the District is terminated prior to repaying the full amount of the earlier service as a temporary construction or limited term employee shall be credited for the earlier service on a pro rata basis according to that portion of the payment made by the Member at the time of the Member's termination of employment. For example, if the Member served ten years as a temporary construction employee and then, without a break in service, was appointed to a position which is eligible for membership in the Retirement System, and if the Member elects to establish prior service credit for all ten years, but has paid into the Retirement Fund the amounts required under this Section for five years of service at such time that the Member's employment is terminated, the Member shall be credited with five years of service. As another example, if the Member served ten years as a temporary construction employee and then, without a break in service, was appointed to a position which is eligible for membership in the Retirement System, and if the Member elects to establish service credit for only four years, but has paid into the Retirement Fund the amounts required under this Section for two years of service at such time that the Member's employment is terminated, the Member shall be credited with two years of service.

(m) Any member whose District Service was terminated involuntarily and who is reinstated, without back pay or retroactive benefits, to a regular full-time position with the District that is eligible for membership in the Retirement System as a result of an arbitrator's award, court order or settlement agreement with the District, and who is not a Retired Member and who did not withdraw the amount of his or her Accumulated Contributions upon termination, may elect to establish service credit for the period following his or her termination to the date of his or her reinstatement by making payments into the Retirement Fund, in accordance with Retirement Board rules and regulations.

(n) Any Member who is not a Retired Member may establish service credit for prior District Service in an Intermittent Position provided that a Member shall be eligible to make

such an election only if (a) the Member's prior District Service in an Intermittent Position was rendered on or after January 1, 1999 and before September 22, 2003, and (b) there is no break in District Service during the period of time that the Member was employed in the Intermittent Position(s) for which the Member seeks to establish service credit and (c) thereafter, without a break in District Service, the Member was appointed to a position with the District which is eligible for membership in the Retirement System pursuant to this Section or was serving in an Intermittent Position on September 22, 2003 and therefore became a Member of the Retirement System effective September 22, 2003.

(1) An eligible Member who wishes to establish service credit for prior District Service in an Intermittent Position rendered on or after January 1, 1999 and before September 22, 2003 pursuant to Section 5(n) of the Retirement Ordinance may elect to do so by paying into the Retirement Fund an amount equal to:

(i) The amount the Member would have contributed had the Member been eligible for membership in the Retirement System during the prior District Service in the Intermittent Position, calculated at the rate of Employee contributions in effect on the date of the election; and

(ii) The amount of contributions the District would have contributed had the Member been eligible for membership in the Retirement System during the prior District Service in the Intermittent Position, calculated at the rate of District contributions in effect on the date of the election but exclusive of any District contributions needed to fund any unfunded past service liability; and

(iii) Interest upon both of these amounts until fully paid, calculated at the actuarial assumed interest rate in effect on the date of the election, compounded semi-annually.

(2) In order to be eligible to purchase service credit pursuant to this Section, the Member shall (a) request a cost estimate of the service credit on or before December 11, 2003, and (b) file an election agreement within thirty (30) days of the date of the cost estimate provided by the Retirement System. The request for the cost estimate and the election agreement shall be made on forms provided by the Retirement System.

(3) A Member otherwise eligible to make an election under Section 5(n) of the Retirement Ordinance shall be allowed to elect to make the required payment for all or only a portion of the prior District Service in an Intermittent Position rendered on or after January 1, 1999 and before September 22, 2003, so long as (a) there is no break in District Service during the period of time that the Member was employed in the Intermittent Position(s) for which the Member seeks to establish service credit and (b) thereafter, without a break in District Service, the Member was appointed to a position with the District which was eligible for membership in the Retirement System or was serving in an Intermittent Position on September 22, 2003 and therefore became a Member of the Retirement System effective September 22, 2003.

(4) The payment made into the Retirement Fund must be completed within eight (8) years of the date of the Member's election.

(5) Said contributions shall be deducted from the Member's salary and credited to the individual Member's account, and required as a condition of obtaining service credit for the prior District Service in an Intermittent Position rendered on or after January 1, 1999 and before September 22, 2003.

(6) In the event the election and payment are made and upon completion of full payment, the Member will be credited with all or a portion of the period of prior District Service in an Intermittent Position rendered on or after January 1, 1999 and before September 22, 2003 as elected by the Member. However, if the Member's employment with the District is terminated prior to repaying the full amount, the Member shall be credited for the period of prior District Service rendered in an Intermittent Position on a pro rata basis according to that portion of the payment made by the Member at the time of the Member's subsequent termination of employment.

(o) Effective April 1, 2010, any amounts due from eligible Members under this Section 5, including any contributions due under the terms of Section 7(b), to establish eligible service credit under the Retirement System may be made by a trustee-to-trustee transfer described in Code section 457(e)(17) from the District's eligible Code section 457(b) deferred compensation plan on behalf of a Member, provided such transfer is made in accordance with the provisions of Section 13(i).

## Section 6 CONTRIBUTIONS

(a) Except as provided in Subsection (b), the rates of Retirement Contributions for those Employees who became Members on and before December 31, 1979, shall be determined by the Board of Directors of the District, and effective as of July 1, 1973, shall be based on their respective ages at the date of becoming Members and shall be so fixed as to provide, with accumulated interest, a single life Annuity at age sixty-five (65) substantially equal to six hundred and sixty-five thousandths percent (0.665%) of the first four hundred dollars (\$400) of Terminal Compensation, and one and twenty-one hundredths percent (1.21%) of Terminal Compensation in excess of four hundred dollars (\$400) for each year of Current Service rendered based on tables and assumptions adopted by the Retirement Board. The rates of contribution established for age sixty-four (64) shall be the rates for any Member who has attained a greater age at entrance into the Retirement System. In like manner, the rates of contribution established for age twenty (20) shall be the rates for any Member who enters the Retirement System at a lesser age.

(b) The rates of Retirement Contributions for those Employees who became Members on and before December 31, 1979, except those Members making the election provided in Section 15(g) or in Section 15(h), shall be determined by the Board of Directors of the District and, effective January 1, 1990, the rates of Retirement Contributions for all such Members shall be 6.0% of Compensation. The Board of Directors reserves the right to increase or otherwise

adjust the rates of contribution prescribed in this subsection in such amounts and in such manner as it may from time to time find appropriate, provided that such increase or adjustment shall not exceed the rates of contribution that would have been in effect pursuant to Subsection (a).

(c) The rates of Survivorship Contributions for new Members shall be determined by the Board of Directors of the District and, effective as of June 1, 1962, shall be so fixed as to provide, with accumulated interest, substantially one-half the value of survivorship benefits as provided for in Section 20; provided, however, that on and after February 18, 1974, no Survivorship Contributions shall be deducted from the Compensation of Members.

(d) The rates of Retirement Contributions for Members, hired on or before January 1, 2013 and for those who are not otherwise subject to Section 42 of this Ordinance, and those Members making the election provided in Sections 15(g) and 15(h), shall be applied to Members' Compensation at the rates set forth below commencing on the designated effective dates:

Effective Date	Rate of Member Retirement Contributions
April 22, 2013	7.33%
April 21, 2014	7.83%
April 20, 2015	8.33%
April 18, 2016	8.75%

The Board of Directors reserves the right to increase or otherwise adjust the rates of contribution prescribed in this Subsection in such amounts and in such manner as it may from time to time find appropriate; provided, however, that the rates in effect on and after December 15, 2003 shall not be increased or adjusted except pursuant to the terms of a negotiated collective bargaining agreement or memorandum of understanding with employee bargaining units.

(e) On each and every payroll, the Manager of Finance shall apply the rates of contributions in the manner provided for by the Board of Directors of the District to the Compensation of each Member and deduct each of said amounts. Contributions of Members of the Retirement System shall be by deductions from Compensation commencing with the first payroll period in which the Employee becomes a Member. All Member contributions shall be credited to the Retirement Fund and to the individual account of each Member with the amount deducted from his or her Compensation.

(f) Each Member shall be deemed to consent and agree to the contribution made and provided for by the Board of Directors of the District.

(g) At the end of each payroll period, the proper officers of the District shall pay to the Retirement Fund from funds of the District an amount equal to the percentages of the

aggregate amount of Members' contributions or the aggregate amount of Members' Compensation for such payroll period, as established by the Board of Directors from time to time by resolution to meet District obligations under Section 11.

(h) The election of a Member within the period specified to make or not to make contributions as provided in Section 2(n), Section 5(d), Section 5(i), Section 5(j), Section 5(l), Section 7(b), or Section 13(a) shall thereafter be irrevocable by the Member.

(i) District Pick-Up of Member Contributions.

(i) Contributions otherwise due from a Member to the Retirement System are designated as District contributions solely for purposes of income taxation pursuant to Section 414 (h) (2) of the Internal Revenue Code and Section 17501 of the California Revenue and Taxation Code.

(ii) Nothing herein shall be construed to permit a Member to receive directly the contributions made by the District to the Retirement System pursuant to this Section.

(iii) Nothing herein shall be construed to mean that any contributions so designated are to be treated as District contributions for any purpose other than the sole and limited purpose specified herein.

(iv) Subject to applicable laws relating to meet and confer requirements, the District shall retain the authority to increase, reduce, or eliminate the designation by the District of all or a portion of the contributions otherwise required to be paid by a Member.

## Section 7 ALLOWANCE FOR SERVICE

(a) Credit for Prior Service shall be granted to each person who has rendered such service as defined in this Ordinance, and who became a Member of the Retirement System on October 1, 1937, or within one year after October 1, 1937. No Prior Service credit shall be used as a basis for a Retirement Allowance or other benefit unless the membership continues unbroken until retirement on a Retirement Allowance or until the granting of such other benefit.

(b) Notwithstanding Section 13(c) of this Ordinance and provided that the Member re-enters District Service within the applicable time period entitling the Member to reinstatement to the District Service under the state Military & Veterans Code or the federal Uniform Service Employment and Re-Employment Rights Act of 1994 ("USERRA"), any Member who is absent from District Service by reason of unpaid Military Leave shall have the right to contribute to the Retirement System upon his or her return to District Service at times and in a manner fixed by the Retirement Board in an amount equal to the contribution which would have been made by him or her had he

or she not been absent from District Service. If he or she does so contribute, he or she shall receive credit for District Service for such time and in the same manner as if he or she had not been absent from District Service. Notwithstanding any other provisions of the Ordinance to the contrary, and pursuant to the requirements of the Heroes Earnings Assistance and Relief Tax Act of 2008 (“HEART Act”), if a Member dies on or after January 1, 2007, while performing qualified military service (as defined in section 414(u) of the Internal Revenue Code), his or her Beneficiaries shall receive benefits (other than benefit accruals related to the period of qualified military services) that would have been provided had the Member resumed employment and then terminated on account of death.

The provisions of the Retirement Ordinance with reference to disability retirement and the payment of death benefits shall not be available to any Member during the period of his or her absence hereinabove referred to, but in the event of his or her death during such absence there shall be paid to his or her beneficiary or to his or her estate the amount of his Accumulated Contributions.

(c) Credit for Prior Service shall be granted to each Director whose service with the District as a Director commenced prior to January 1, 1987, and who becomes a Member of the Retirement System on January 1, 1987.

## Section 8 CREATION AND ESTABLISHMENT OF FUND

A fund is hereby created and established to be known as the "East Bay Municipal Utility District Employees' Retirement Fund." It shall consist of all money paid into it in accordance with the provisions of this Ordinance, whether such money shall take the form of cash, securities, or other assets. All Retirement Allowances and other payments provided herein to Members, Retired Members, or Beneficiaries shall be payable from the Retirement Fund.

## Section 9 MANAGEMENT OF RETIREMENT FUND

(a) The Retirement Board shall have exclusive control of the administration, investment and disbursement of said fund. Investment of the fund shall be subject to the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, and the laws of the State of California upon the investment of said fund. The Retirement Board may contract with one or more qualified investment managers in connection with the investment program of the Retirement Board.

(b) The Retirement Board may deposit cash belonging to the Retirement Fund in any licensed national bank or banks in this State, or in any bank, banks or corporations authorized or licensed to do a banking business and organized under the laws of this State. The Retirement Board may authorize a trust company or a trust department of any state or national bank

authorized to conduct the business of a trust company in this State, or the Federal Reserve Bank of San Francisco or any branch thereof within this State, to act as custodian of any securities invested in by the Retirement Board. Any such bank or trust company may be authorized to collect the income from such securities or the proceeds of the sale thereof for the Retirement Board, and deposit said income or funds in the account of the Retirement System. Securities of the Retirement Fund held by the Custodian Bank or trust company may be registered in the nominee name of the custodian or of the Retirement System. The Custodian Bank or trust company shall make such disposition of the securities as the Retirement Board shall authorize. All such securities shall be at all times subject to the order of the Retirement Board.

(c) The Manager of Finance, or his designee, shall be the custodian of the Retirement Fund subject to the exclusive control of the Retirement Board as to the administration, deposit, investment and disbursement of said Fund. All payments from said Fund shall be made by checks signed by the proper officers of the District by written authorization from the Manager of Finance to the Custodian Bank or by such other method as may be authorized by resolution of the Retirement Board. Signatures on checks may be made by the use of a plate bearing a facsimile of the signature. The Manager of Finance and such other employees as may be designated by the Retirement Board, shall give such bonds and in such amounts as the Retirement Board may require, and the premiums thereon shall be paid for by the District.

(d) Interest on any cash and on any investments, and the income from securities or the proceeds of the sale thereof, constituting a part of the Retirement Fund, shall be paid into said Fund as received.

(e) Except as herein provided, no employee of the District or member of the Retirement Board shall have any interest direct or indirect in the making of any investment or in the gains or profits accruing therefrom. No employee of the District or member of the Retirement Board, directly or indirectly, for himself or herself or as an agent or partner of others, shall borrow any of its funds or deposits or in any manner use the same except to make such current and necessary payments as are authorized by the Retirement Board, nor shall any such employee or member become an endorser or surety or become in any manner an obligor for moneys invested by the Retirement Board.

(f) Prior to the satisfaction of all liabilities with respect to Members and their Beneficiaries, no part of either the corpus or the income of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Members or their Beneficiaries and for defraying the reasonable expenses of administering the Retirement System; provided, however, that if any contribution is made by the District due to a mistake in fact, upon demand by the District, such contribution shall be returned to the District within one year following the date of the contribution.

## Section 10 PRIOR SERVICE LIABILITY

There shall be paid into the Retirement Fund by contributions of the District the amounts necessary to pay all Pensions and all other benefits allowable under this Ordinance to Members



on account of Prior Service. Prior Service liability may be met by annual appropriations instead of by one appropriation for the total of the liabilities, and until the present value of contributions for Current Service together with assets then available shall equal the present value of all allowances and benefits granted or to be granted under the system, such appropriation for any one year when added to any unused balance of any previous appropriations for such purpose shall not be less than the amount disbursed during that year on account of Prior Service.

## Section 11 GUARANTY

(a) The payments of the District due the Retirement Fund as provided for in this Ordinance are hereby made obligations of the District, except as provided in Subsection (b). The Retirement Board shall periodically, as required, prepare and submit to the Board of Directors of the District an estimate of the amounts necessary to meet such obligations and the Board of Directors of the District shall provide for the raising of such amounts as are necessary to pay all benefits provided hereunder except the Annuities derived from Accumulated Contributions made by Members.

(b) The District may at any time change, modify, or repeal this Ordinance or any part thereof in respect to its future obligations to any Member not at that time receiving or being eligible to a Retirement Allowance hereunder. In addition, notwithstanding any other provisions of the Retirement System, the rights of each Member to his or her accrued retirement benefits under this Ordinance shall be non-forfeitable in accordance with the requirements of section 401(a) of the Internal Revenue Code of 1986 (the "Code") that are applicable to public employee plans. Including the requirement that to the extent then funded, on the date of any termination of the Retirement System, any partial termination of the Retirement System, or the complete discontinuance of contributions under the Retirement System, accrued retirement benefits shall be non-forfeitable as provided under the applicable provisions of the Code.

It is hereby specifically provided, however, and the District hereby covenants and guarantees, that the District's obligations to those Members receiving or eligible to receive a Retirement Allowance prior to such change, modification or repeal shall continue in full force and effect as provided in this Ordinance; and that the District's obligation to those Members not receiving or being eligible to receive a Retirement Allowance at the time of such change, modification or repeal, will be a Retirement Allowance at retirement age equal to the actuarial equivalent of the accumulated value of the Member's contribution standing to his credit at date of retirement, and the accumulated value of the District's contribution for Current Service to the date of such change, modification or repeal, increased further by the accumulations of said amount to date of retirement, but without further contributions from the District.

Section 12  
REFUND OF CONTRIBUTIONS

(a) When the District Service of any Member is terminated, except by death or retirement, and prior to the completion of five years of Continuous Employment, he or she shall cease to be a Member of the Retirement System and the amount of his or her Accumulated Contributions shall be paid to him or her within sixty (60) days after termination of service.

(b) When the District Service of any Member is terminated, except by death or retirement, after the Member has completed five years of Continuous Employment, at the Member's option to be signified in writing and filed with the Secretary of the Retirement Board within thirty (30) days after the date of termination of District Service:

(1) He or she may elect to cease to be a Member of the Retirement System and the amount of his or her Accumulated Contributions shall be paid within sixty (60) days after termination of service; or

(2) If he or she does not so elect, he or she shall remain a Member of the Retirement System and the Accumulated Contributions shall remain in the Retirement Fund and be credited with interest as provided in Section 4(d). After termination of District Service, such Member may not make any further contributions to the Retirement Fund. When the Member elects to retire as set forth in Section 14, the Member shall receive a service Retirement Allowance in accordance with Section 15. Optional modification of the Retirement Allowance as provided in Section 21 shall be available to such Member. Upon the Member's death prior to receiving a Retirement Allowance, death benefits or survivorship benefits shall be paid in the manner provided in Sections 19 and 20. After withdrawal from District Service, the Member shall not be entitled to a disability Retirement Allowance. At any time after the termination of District Service and prior to making request for a service Retirement Allowance, the Member may request in writing filed with the Retirement Board a refund of Accumulated Contributions which shall be paid within sixty (60) days of the request; upon the filing of such a request, membership in the Retirement System shall cease and the System shall be released from any and all liability to the individual except for a refund of Accumulated Contributions.

(c) Anything herein to the contrary notwithstanding, the Accumulated Contributions of Members whose District Service is terminated by Military Leave may be allowed to remain on deposit with the Retirement Fund, subject to such rules and regulations as the Retirement Board may prescribe with respect thereto.

(d) When the Accumulated Contributions of any Member whose District Service is terminated are refunded to him, the contributions made by the District as a result of his service, together with interest thereon, shall be available to meet the obligations of the District hereunder.

(e) When the District Service of any Member is terminated involuntarily, and an appeal of such termination is in process, the Member may elect to have his Accumulated Contributions remain in the Retirement Fund pending the final disposition of such appeal. If

such termination is finally sustained, his or her Accumulated Contributions shall be paid to him or her within sixty (60) days after such disposition, or he or she may, if eligible, exercise the option provided for in Section 12(b)(2) within thirty (30) days after such final disposition.

(f) Any Member who re-enters District Service, and who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2), shall receive credit for all service prior to the date of termination in the same manner as if he or she had never left District Service and the two periods of service shall be deemed a single period for purposes of monthly Retirement Allowance calculations.

Terminal Compensation shall be as provided in Section 2(m) and the two periods of service shall be deemed a single period for purposes of monthly Retirement Allowance calculations, provided that the Member completes five years of Continuous Employment after re-entry. Any Member who fails to complete five years of Continuous Employment after re-entry shall be considered a new Member for the second period of service.

### Section 13 REDEPOSIT AND REINSTATEMENT

Except as otherwise provided herein, any Member who withdraws the amount of his or her Accumulated Contributions and thereafter re-enters the District Service shall be considered in all respects as a new Member as of the date of his or her re-entry into service. Upon re-entering District Service, a Member's rate of contribution shall be the rate set forth in Section 6(d) for new Members on or after January 1, 1980.

(a) Redeposit and Reinstatement. An eligible Member who withdraws the amount of his or her Accumulated Contributions and thereafter re-enters the District Service shall be entitled to the rights of redeposit and reinstatement set forth in this Section.

(b) Definition of Eligible Member. An eligible Member is one who: i) is not a Retired Member, ii) was previously employed with the District and a Member of the System, (iii) terminated employment with the District and withdrew his or her Accumulated Contributions, and (iv) thereafter re-entered District Service.

(c) Requirements for Reinstatement. An eligible Member must comply with all of the following requirements to be entitled to the rights of redeposit and reinstatement set forth in this Section:

(i) The Member shall: (a) request a cost estimate of the redeposit on or before July 22, 1998 with respect to Employees who were Members prior to this date or within ninety (90) days after becoming a Member with respect to Employees who become Members after July 22, 1998, which ever date is later, and (b) file with the Retirement Board an election agreement to redeposit with the Retirement Fund within thirty (30) days of the date of the cost estimate provided by the Retirement System. The request for the cost estimate and the election agreement shall be made on forms provided by the Retirement System and in accord with rules and procedures adopted by the Retirement Board; and

(ii) The Member may elect to redeposit all or only a portion of his or her Accumulated Contributions; and

(iii) The Member must repay to the Retirement System within eight (8) years of his or her election an amount equal to: (I) such amount of the Accumulated Contributions paid to the Member when the Member terminated District Service as the Member elected to redeposit, and (II) interest at the actuarial assumed interest rate in effect on the date the Member re-enters District Service, with interest accruing from the date the Member withdrew the Accumulated Contributions, compounded semi-annually, until the date the Member completes the redeposit as the Member elected to redeposit of such amount of Accumulated Contributions and interest.

(d) Rights of Reinstatement. Upon redepositing such amount of his or her Accumulated Contributions as the Member elected to redeposit plus interest in accordance with this Section, the Member shall be credited with such years of service (or fractions thereof) as the Member elected. A Member whose employment with the District is terminated prior to redepositing the full amount of his or her Accumulated Contributions plus interest, and who elected to remain a Member, shall receive credit for years of earlier service on a pro rata basis according to that portion of the Accumulated Contributions plus interest that the Member had redeposited at the time of the Member's termination of employment. For example, if a Member elected to have eight years of service credit reinstated, terminates District service after redepositing for four years with the amounts redepositing sufficient to obtain service credit for four years, then the Member shall have four years of credit reinstated.

(e) Service Retirement Allowance. For purposes of the calculation of a service retirement allowance under Section 15, the amounts redeposited shall be attributable to the prior years of service, commencing with the earliest year of service, and the service retirement allowance shall be calculated on the basis of the applicable rate of contribution in effect for the respective period of time. For example, a Member who redeposits and reinstates the service credit which the Member previously earned under the 1955 formula before he or she left the service, and who re-enters District service in 1985 will have a Monthly Service Retirement Allowance that combines the benefit amount computed in accordance with the 1955 and 1980 formulas under Section 15 as may be applicable.

(f) A re-entering Member who does not comply with the requirements of this Section for the rights of redeposit and reinstatement shall be treated in all respects as a new Member as of the date of the Member's re-entry into District Service.

(g) Rules and Procedures. The Retirement Board is authorized to establish rules and procedures to implement this Section.

(h) East Bay Regional Park District. Any Member whose District Service is terminated by resignation, and who is subsequently employed by the East Bay Regional Park District, may upon re-entry to District Service elect to pay into the Retirement Fund the amount he or she would have contributed had he or she remained a Member, together with interest as

determined by the Retirement Board, provided the Member shall not receive credit for the same service in another public retirement system. Such election shall be made within sixty (60) days after the Member's return to District Service, and payment shall be completed within two (2) years of such election.

(i) Effective April 1, 2010, the Retirement System accepts trustee-to-trustee transfers described in Code section 457(e)(17) from the District's eligible Code section 457(b) deferred compensation plan on behalf of an eligible Member solely for the purpose of purchasing permissive service credit under the terms of the Retirement Ordinance, or repaying in accordance with this Section on or after the Member's re-entry into District Service all or a portion of the Accumulated Contributions that the Member previously withdrew from the Retirement System, plus any interest accumulated thereon.

The Retirement System will accept any such trustee-to-trustee transfer only if made in cash or such other assets permitted by the Retirement Board and in accordance with rules and procedures established by the Retirement Board from time-to-time for this purpose.

For purposes of this subsection, the term "permissive service credit" means service credit that:

- (1) may be purchased to adjust a Member's benefit in accordance with the Retirement Ordinance;
- (2) the Member has not received under the Retirement System; and
- (3) the Member may receive only by making a voluntary additional contribution that does not exceed the amount necessary to fund the benefit attributable to the period of service for which the credit is being purchased.

#### Section 14 SERVICE RETIREMENT

A Member may retire for service as follows:

(a) After attaining Normal Retirement Age, a Member may retire upon written application filed with the Secretary of the Retirement Board stating when he or she desires to be retired.

(b) Prior to attaining Normal Retirement Age, a Member may retire upon written application filed with the Secretary of the Retirement Board stating when he or she desires to be retired, provided that said Member, other than a Member who prior to November 1, 2000 elected pursuant to Section 12(b)(2) to remain a Member of the Retirement System, shall have attained the age of fifty-four (54) years and completed five (5) years of Continuous Employment. As to a Member making such an election prior to November 1, 2000, the Member may retire only upon attaining the age of fifty-five (55) and completing five (5) years of Continuous Employment.

When a written application for voluntary service retirement under the provisions of this Section 14 is filed with the Secretary of the Retirement Board, and the application requests retirement on a fixed date subsequent to the date of such filing, such retirement shall be effective on the date requested.

## Section 15 SERVICE RETIREMENT ALLOWANCE

(a) A Member who retires for service at or beyond Normal Retirement Age, other than those who elected to remain Members pursuant to Section 12(b)(2) prior to July 1, 1989 or those who became Members on or after January 1, 1980 or those making the election provided in Section 15(g) or in Section 15(h), shall receive a Retirement Allowance which shall consist of:

(1) For a Member who retires prior to July 1, 1989, a Current Service Retirement Allowance of one and nine hundred ninety-seven thousandths percent (1.997%) of his or her Terminal Compensation for each year of Current Service to and including December 31, 1954; and one and three hundred thirty-one thousandths percent (1.331%) of the first four hundred dollars (\$400) of his or her Terminal Compensation and two and forty-two hundredths percent (2.42%) of his or her Terminal Compensation in excess of four hundred dollars (\$400), for each year of Current Service subsequent to December 31, 1954.

(2) For a Member who retires on or after July 1, 1989, a Current Service Retirement Allowance of one and nine hundred ninety-seven thousandths percent (1.997%) of his or her Terminal Compensation for each year of Current Service to and including December 31, 1954; and (i) two and forty-two hundredths percent (2.42%), or (ii) if the Member is credited with District Service on or after January 1, 2004, two and eighty-two hundredths percent (2.82%), of the Member's Terminal Compensation for each year of Current Service subsequent to December 31, 1954.

(3) A Prior Service Pension. For a Member whose service with the District commenced after January 1, 1929, a Prior Service Pension equal to one and nine hundred ninety-seven thousandths percent (1.997%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her. For a Member who entered District Service on or before January 1, 1929, such Prior Service Pension shall be equal to two and forty-two hundredths percent (2.42%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her; provided, however, that for the purpose of this Subsection only, such Prior Service shall not exceed 8.825 years.

(4) A Pension based on Service Extension Credit equal to (i) two and forty-two hundredths percent (2.42%), or (ii) if the Member is credited with District Service on or after January 1, 2004, two and eighty-two hundredths percent (2.82%), of the Member's Terminal Compensation per year of Service Extension Credit.

(b) A Member who elected to remain a Member pursuant to Section 12(b)(2) prior to March 1, 1973, and who shall retire for service at or beyond Normal Retirement Age on or after March 1, 1973, shall receive a Retirement Allowance which shall consist of:

(1) A Current Service Retirement Allowance of one and eight hundred fifteen thousandths percent (1.815%) of his or her Terminal Compensation for each year of Current Service to and including December 31, 1954; and one and twenty-one hundredths percent (1.21%) of the first four hundred dollars (\$400) of his or her Terminal Compensation, and two and two-tenths percent (2.2%) of his or her Terminal Compensation in excess of four hundred dollars (\$400), for each year of Current Service subsequent to December 31, 1954;

(2) A Prior Service Pension. For a Member whose service with the District commenced after January 1, 1929, a Prior Service Pension equal to one and eight hundred fifteen thousandths percent (1.815%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her. For a Member who entered District Service on or before January 1, 1929, such Prior Service Pension shall be equal to two and two-tenths percent (2.2%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her; provided, however, that for the purpose of this Subsection only, such Prior Service shall not exceed 8.825 years; and

(3) A Pension based on Service Extension Credit equal to two and two-tenths percent (2.2%) of his or her Terminal Compensation per year of Service Extension Credit.

(c) A Member who elected to remain a Member pursuant to Section 12(b)(2) on or after March 1, 1973 and prior to July 1, 1989, other than those holding the office of Director or those who became Members on or after January 1, 1980 or those making the election provided in Section 15(g), and who shall retire for service at or beyond Normal Retirement Age shall receive a Retirement Allowance which shall consist of:

(1) A Current Service Retirement Allowance of one and nine hundred ninety-seven thousandths percent (1.997%) of his or her Terminal Compensation for each year of Current Service to and including December 31, 1954; and one and three hundred thirty-one thousandths percent (1.331%) of the first four hundred dollars (\$400) of his or her Terminal Compensation, and two and forty-two hundredths percent (2.42%) of his or her Terminal Compensation in excess of four hundred dollars (\$400), for each year of Current Service subsequent to December 31, 1954;

(2) A Prior Service Pension. For a Member whose service with the District commenced after January 1, 1929, a Prior Service Pension equal to one and nine hundred ninety-seven thousandths percent (1.997%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her. For a Member who entered District Service on or before January 1, 1929, such Prior Service Pension shall be equal to two and forty-two hundredths percent (2.42%) of his or her Terminal

Compensation multiplied by the number of years of Prior Service credited to him or her; provided, however, that for the purpose of this Subsection only, such Prior Service shall not exceed 8.825 years; and

(3) A Pension based on Service Extension Credit equal to two and forty-two hundredths percent (2.42%) of Terminal Compensation per year of Service Extension Credit.

(d) A Member, other than those holding the office of Director, who became a Member on or after January 1, 1980 and who shall retire for service at or beyond Normal Retirement Age, shall receive a Retirement Allowance which shall consist of:

(1) For a Member who retires prior to July 1, 1989, or a Member who retires on or after July 1, 1989 but who elected to remain a Member pursuant to Section 12(b)(2) prior to July 1, 1989, a Current Service Retirement Allowance of two percent (2%) of Terminal Compensation, reduced by two percent (2%) of Benefits Payable under the Federal Social Security System, for each year of Current Service, provided that said reduction shall not exceed sixty percent (60%) of the federal benefit payable.

(2) For a Member who retires on or after July 1, 1989, except for those who elected to remain Members pursuant to Section 12(b)(2) prior to July 1, 1989, a Current Service Retirement Allowance of (i) two and two-tenths percent (2.2%), or (ii) if the Member is credited with District Service on or after January 1, 2004, two and six-tenths (2.6%), of the Member's Terminal Compensation for each year of Current Service.

(3) For a Member who retires prior to July 1, 1989, or a Member who retires on or after July 1, 1989 but who elected to remain a Member pursuant to Section 12(b)(2) prior to July 1, 1989, a Pension based on Service Extension Credit equal to two percent (2%) of Terminal Compensation per year of Service Extension Credit.

(4) For a Member who retires on or after July 1, 1989, except for those who elected to remain Members pursuant to Section 12(b)(2) prior to July 1, 1989, a Pension based on Service Extension Credit equal to (i) two and two-tenths percent (2.2%), or (ii) if the Member is credited with District Service on or after January 1, 2004, two and six-tenths percent (2.6%), of the Member's Terminal Compensation per year of Service Extension Credit.

(e) (i) If a Member on or after September 1, 1975 and prior to July 1, 1988 retires or elects to remain a Member of the Retirement System pursuant to Section 12(b)(2) prior to attaining Normal Retirement Age, the Retirement Allowance provided for under Subsections (a), (b), or (c), as applicable, shall be the percentage of his or her Retirement Allowance as indicated by the following table taken to the completed quarter year of age at the time of his or her retirement. If a Member retires on or after July 1, 1987, the percentage of his or her Retirement Allowance shall be taken to the completed calendar month of his or her age at the time of retirement, and the following table shall be prorated to actual completed month of age (i.e., one-third of one percent for each month).



PERCENTAGE APPLICABLE				
AGE AT RETIREMENT	EXACT	1/4	1/2	3/4
55	68	69	70	71
56	72	73	74	75
57	76	77	78	79
58	80	81	82	83
59	84	85	86	87
60	88	89	90	91
61	92	93	94	95
62	96	97	98	99
63	100	100	100	100
64	100	100	100	100
65	100			

(ii) Except as provided in Subsection (f), if a Member, other than a Member who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) prior to July 1, 1988, but including a Member who made such election on or after July 1, 1988, and prior to July 1, 1998, retires on or after July 1, 1998, and before attaining Normal Retirement Age, the percentage of his or her Retirement Allowance provided for under Subsection (a), (d), or (i), as applicable, shall be taken to the completed calendar month of his or her age at the time of retirement and the following table shall be prorated to the actual completed month of age (i.e., one-fourth of one percent for each month).

PERCENTAGE APPLICABLE				
AGE AT RETIREMENT	EXACT	1/4	1/2	3/4
55	76	76.75	77.50	78.25
56	79	79.75	80.50	81.25
57	82	82.75	83.50	84.25
58	85	85.75	86.50	87.25
59	88	88.75	89.50	90.25
60	91	91.75	92.50	93.25
61	94	94.75	95.50	96.25
62	97	97.75	98.50	99.25
63	100	100.00	100.00	100.00
64	100	100.00	100.00	100.00
65	100			

(iii) Except as provided in Subsection (f), if a Member, other than a Member who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) prior to July 1, 1998, but including a Member who made such election on or after July 1, 1998, retires on or after July 1, 1998 and prior to attaining Normal Retirement Age, his or her Retirement Allowance provided for under Subsection (a), (d), or (i), as applicable, shall be reduced by the product of one-fourth (1/4) of one percent (1%) multiplied by the difference in completed calendar months between (I) the age set forth in Subsection (f)(1) or (f)(2), as applicable, at which the Member would first become eligible to receive a monthly Retirement Allowance as provided in Subsections (a), (d), or (i), as applicable, without regard to the provisions of this Subsection (e) and (II) the Member's age at the time of retirement.

(f) (1) A Member, other than a Member who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) prior to January 1, 1990, who on or after January 1, 1990 and prior to November 1, 2000, upon attaining the age specified in the table below, retires for service, and having the corresponding years of Continuous Service, shall receive a monthly Retirement Allowance as provided in Subsections (a), (d), or (i), as applicable, without regard to the provisions of Subsection (e). For a Member, other than a Member who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) prior to July 1, 1999, who retires on or after July 1, 1999 and prior to November 1, 2000, and who retires prior to attaining Normal Retirement Age, the Member's Continuous Service shall include not only the amount set forth in Section 2(j) but also the amount of the Member's Service Extension Credit existing at the time of the Member's retirement.

Each year of District Service in a Job Sharing Position shall count as one-half (1/2) year for purposes of completing the required number of years of Continuous Service in the following table.

<u>Age</u>	<u>Years of Continuous Service</u>	<u>Age</u>	<u>Years of Continuous Service</u>
63 & above	5	57-1/2	25
60 thru 62	20	57	26
59-1/2	21	56-1/2	27
59	22	56	28
58-1/2	23	55-1/2	29
58	24	55	30

(2) A Member, other than a Member who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) prior to November 1, 2000, who upon attaining the age specified in the table below, retires for service on or after November 1, 2000, and having the corresponding years of Continuing Service, shall receive a monthly Retirement Allowance as provided in Subsections (a), (d), or (i), as applicable, without regard to the provisions of Subsection (e). The Member's Continuous Service shall include not only the amount set forth in

Section 2(j) but also the amount of the Member's Service Extension Credit existing at the time of the Member's retirement.

Each year of District Service in a Job Sharing Position shall count as one-half (1/2) year for purposes of completing the required number of years of Continuous Service in the following table.

<u>Age</u>	<u>Years of Continuous Service</u>	<u>Age</u>	<u>Years of Continuous Service</u>
62 & above	5	56-1/2	25
59 thru 61	20	56	26
58-1/2	21	55-1/2	27
58	22	55	28
57-1/2	23	54-1/2	29
57	24	54	30

(g) Notwithstanding the foregoing, an Employee who became a Member on or before December 31, 1979 may elect in writing, on or before July 1, 1980, subject to approval of the Retirement Board, to receive a monthly Service Retirement Allowance which will consist of:

(1) A Current Service Retirement Allowance which combines the amount computed in accordance with Section 15(a)(1) or 15(a)(2), as may be applicable and determined in accordance with the service requirements set forth in such Section, for service rendered prior to August 1, 1980 and the amount computed in accordance with Section 15(d)(1) or 15(d)(2), as may be applicable and determined in accordance with the service requirements set forth in such Section, for service rendered on or after August 1, 1980.

(i) For a Member who made the election pursuant to this Subsection prior to July 1, 1980 and who elected to remain a Member pursuant to Section 12(b)(2) prior to July 1, 1989, a Current Service Retirement Allowance which combines the amount computed in accordance with Section 15(a)(1) or 15(c)(1), as may be applicable, for service rendered prior to August 1, 1980 and the amount computed in accordance with Section 15(d)(1) or 15(d)(2), as may be applicable, for service rendered on or after August 1, 1980.

(2) A Prior Service Pension. For a Member whose service with the District commenced after January 1, 1929, a Prior Service Pension equal to one and nine hundred ninety-seven thousandths percent (1.997%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her. For a Member who entered District Service on or before January 1, 1929, such Prior Service Pension shall be equal to two and forty-two hundredths percent (2.42%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her; provided, however, that for the purpose of this Subsection only, such Prior Service shall not exceed 8.825 years.

(3) A Pension based on Service Extension Credit equal to (i) two and forty-two hundredths percent (2.42%), or (ii) if the Member is credited with District Service on or after January 1, 2004, two and eighty-two hundredths percent (2.82%), of Terminal Compensation per year of Service Extension Credit.

The election of the Member under Section 15(g) shall be irrevocable and shall not be effective until August 1, 1980.

(h) Notwithstanding the foregoing, an Employee who became a Member on or before December 31, 1979 and who did not make the election provided under Section 15(g), may elect in writing, on or before a date to be established by the District but not later than March 1, 1990, to receive a monthly service Retirement Allowance which will consist of:

(1) A Current Service Retirement Allowance which combines the amount computed in accordance with Section 15(a)(2) for District Service rendered prior to January 1, 2000, as determined in accordance with the service requirements set forth in such Section, and the amount computed in accordance with Section 15(d)(2) for service rendered on or after January 1, 2000, as determined in accordance with the service requirements set forth in such Section.

(2) A Prior Service Pension. For a Member whose service with the District commenced after January 1, 1929, a Prior Service Pension equal to one and nine hundred ninety-seven thousandths percent (1.997%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her. For a Member who entered District Service on or before January 1, 1929, such Prior Service Pension shall be equal to two and forty-two hundredths percent (2.42%) of his or her Terminal Compensation multiplied by the number of years of Prior Service credited to him or her; provided, however, that for the purpose of this Subsection only, such Prior Service shall not exceed 8.825 years.

(3) A Pension based on Service Extension Credit equal to (i) two and forty-two hundredths percent (2.42%), or (ii) if the Member is credited with District Service on or after January 1, 2004, two and eighty-two hundredths percent (2.82%), of Terminal Compensation per year of Service Extension Credit.

The election of the Member under Section 15(h) shall be irrevocable and shall not be effective until a date to be established by the District but not later than April 1, 1990.

(i) A Director who retires for service at or beyond Normal Retirement Age shall receive a monthly Retirement Allowance which shall consist of:

(1) For a Director who retires prior to July 1, 1989, and a Director who elected to remain a Member pursuant to Section 12(b)(2) prior to July 1, 1989, a Current Service Retirement Allowance of two percent (2%) of Terminal Compensation for each year of

Current Service. The Current Service Retirement Allowance shall not be reduced for Benefits Payable Under the Federal Social Security System, if any.

(2) For a Director who retires on or after July 1, 1989, except for those who elected to remain Members pursuant to Section 12(b)(2) prior to July 1, 1989, a Current Service Retirement Allowance of (i) two and two-tenths percent (2.2%), or (ii) if the Member is credited with District Service on or after January 1, 2004, two and six-tenths percent (2.6%), of Terminal Compensation for each year of Current Service. The Current Service Retirement Allowance shall not be reduced for Benefits Payable Under the Federal Social Security System, if any.

(3) A Prior Service Pension. For a Director whose service with the District as a Director commenced before January 1, 1987 and who elected to remain a Member pursuant to Section 12(b)(2) prior to July 1, 1989, a Prior Service Pension equal to two percent (2%) of Terminal Compensation multiplied by the number of years of Prior Service in office as Director of the District. For a Director whose service with the District as a Director commenced before January 1, 1987, except those who elected to remain Members pursuant to Section 12(b)(2) prior to July 1, 1989, a Prior Service Pension equal to two and two-tenths percent (2.2%) of Terminal Compensation multiplied by the number of years of Prior Service in office as Director of the District.

(j) Notwithstanding the foregoing, Members who have attained the age of sixty-five (65) years prior to January 1, 1987 shall commence to make contributions for pay periods ending after January 1, 1987 at the rates which were applied prior to age sixty-five (65) and shall thereafter be eligible for service Retirement Allowance amounts in accordance with the provisions of this Subsection.

Any Member who attained the age of sixty-five (65) years prior to January 1, 1987 and continued in District Service, and who ceased to make contributions and no longer received service credit for periods of District Service after attaining the age of sixty-five (65) (except for cost of living adjustments of the Retirement Allowance for District Service after age 65), shall have the following election:

(1) The Member may elect to pay into the Retirement Fund the amount that would have been contributed if continued service credit had been available from the date the Member attained age sixty-five (65) to January 1, 1987. The Member who agrees to make payments to the Retirement Fund, in accordance with Retirement Board rules and regulations, shall receive full credit for service rendered to the District between the date age sixty-five (65) was attained and January 1, 1987.

(2) The Member may elect to only receive the cost of living adjustment to the monthly service Retirement Allowance for periods of service between the date age sixty-five (65) was attained and January 1, 1987, as provided in Section 33(j). In the computation of the Member's monthly service Retirement Allowance, Terminal Compensation for the separate periods of service shall be determined in accordance with Section 2(m).

(k) The liability of the Retirement System to any Member on account of contributions made by such Member as provided herein shall be fully discharged by the granting of any Retirement Allowance.

#### Section 16 DISABILITY RETIREMENT

Retirement of a Member, other than those holding the office of Director, for disability prior to Normal Retirement Age shall be made by the Retirement Board upon medical examination as follows:

Any Member while in District Service or while physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from discontinuance of service, shall be examined by a District approved physician or surgeon upon application by the General Manager, or the head of the department in which said Member is employed, or upon the application of said Member or person acting in his or her behalf, stating that said Member is physically or mentally incapacitated for the performance of duty and ought to be retired, provided that said Member has had eight (8) years or more of Continuous Employment preceding his or her retirement. If such medical examination shows to the satisfaction of the Retirement Board that said Member is physically or mentally incapacitated for the performance of duty and that such incapacity will presumably be permanent and that said Member ought to be retired, the Retirement Board shall retire said Member for disability forthwith. A Member will be presumed not to be disabled in accordance with the provisions of this Section 16 if the Member has been offered a vacant position with the District, where the Member is physically and mentally capable of performing the essential functions of the vacant position with or without reasonable accommodation and the vacant position provides pay and status that are equivalent to the Member's position. The Retirement Board may adopt such rules as are necessary to carry out the provisions of this Section, including providing for payment of an interim disability allowance for a limited period, upon submission of satisfactory medical documentation, subject to Retirement Board review and ratification.

Retirement of a Member for disability shall be effective as of the date fixed by the Retirement Board in accordance with the provisions of this Section 16.

#### Section 17 ALLOWANCE ON DISABILITY RETIREMENT

(a) Disability Retirement Allowance. A Member shall receive a Retirement Allowance of one and one-half (1-1/2%) of the Member's Terminal Compensation multiplied by the Member's total number of years of Continuous Service, subject to subsection (b).

(b) Minimum Disability Benefit

(1) For Exclusory Full-Time Regular Members

Upon retirement for disability on or after February 1, 1971 for a Member who has been employed solely in a full-time regular position, the Retirement Allowance provided for in subsection (a) shall not be less than one-third of the Member's Terminal Compensation.

(2) For Exclusory Job Sharing Members

Upon retirement for disability on or after January 1, 1992 for a Member who has been employed solely in a job sharing position, the minimum disability benefit shall not be less than 50% of the disability benefit provided to a regular full-time Member in the same job class as provided in subsection (b)(1).

(3) For Exclusory Intermittent Members.

Upon retirement for disability on or after September 22, 2003 for a Member who has been employed solely in a intermittent position, the disability benefit shall not be less than a percentage of the disability benefit provided to a full time regular Member in the same job class as described in subsection (b)(1), multiplied by actual hours worked in the intermittent position divided by the amount of Continuous Employment in the intermittent position.

(4) For Members In A Combination Of Positions

Upon retirement for disability on or after September 22, 2003 for a Member who has been employed in any combination of a regular full-time position, a job sharing position, and/or an intermittent position, the disability benefit shall not be less than the greater amount resulting from one of the two following methods:

(i.) Career Blend Method

Under the Career Blend Method, the disability benefit for a Member who has been employed in a combination of a regular full-time position, a job sharing position, or an intermittent position is the combined aggregate amount of the disability benefit for each discrete period of Continuous Employment in the regular full-time position, job sharing position, or intermittent position, whereby each discrete period of Continuous Employment in the regular full-time position, job sharing position, or intermittent position is calculated as provided in subsections (b)(1), (b)(2) and/or (b)(3), respectively, and in proportion to the amount that each discrete period of Continuous Employment bears in relation to the Member's total Continuous Employment for all combined discrete periods.

(ii.) Eight-Year Look Back Method

Under the Eight-Year Look Back Method, the minimum disability benefit for Member who has been employed in any combination of a regular full-time position, a job sharing position, or an intermittent position shall be calculated by reviewing the Member’s most recent eight years of Continuous Employment. The percentage of the minimum disability benefit for a Member who has been employed solely in a full-time regular position for his or her most recent eight years of Continuous Employment shall remain 100% of the minimum disability benefit as provided in subsection (b)(1). The percentage of the minimum disability benefit for a Member who has been employed in any combination of a regular full-time position, a job sharing position, or an intermittent position during his or her most recent eight years of Continuous Employment shall be calculated according to the Career Blend Method provided in subsection (b)(4)(i).

For example, the disability benefit for a Member, who has eight years of Continuous Employment in a regular full-time position, three years of Continuous Employment in a job sharing position, and two years of Continuous Employment in an 80% intermittent position for a total of thirteen years of Continuous Employment, shall not be less than 28.45% of Terminal Compensation, calculated as follows:

Work Schedule	Years of Continuous Employment	Discrete Minimum Disability Benefit (as a percentage of Terminal Compensation)	Aggregate Minimum Disability Benefit (as a percentage of Terminal Compensation)	Ordinance Reference
Full-Time (100% of F/T schedule)	8 years	100% of 33.33% = 33.33% TC	-----	17(b)(1)
Job-Share (50% of F/T schedule)	3 years	50% of 33.33% = 16.67% TC	-----	17(b)(2)
Intermittent (80% of F/T schedule)*	2 years	80% of 33.33% = 26.66% TC	-----	17(b)(3)
Mixed	13 years	-----	$(8/13 \times 33.33\%) + (3/13 \times 16.67\%) + (2/13 \times 26.66\%) = 20.51\% + 3.85\% + 4.10\% = 28.45\% \text{ TC}$	17(b)(4)(i)  “Career Blend”
Mixed	8 years	-----	$(3/8 \times 33.33\%) + (3/8 \times 16.67\%) + (2/8 \times 26.66\%) = 12.50\% + 6.25\% + 6.67\% = 25.42\% \text{ TC}$	17(b)(4)(ii)  “8 –Year Look Back”

- Determined by dividing years of Continuous Service by years of Continuous Employment



(c) If the cause of a Member's disability is an occupational accident or disease arising out of and within the course of the Member's employment by an employer other than the District, then the Member shall be entitled to any disability Retirement Allowance otherwise provided for in this Ordinance.

## Section 18 SAFEGUARDS ON DISABILITY RETIREMENT

(a) Any Member retired for disability may be required to undergo medical examination, such examination to be made by a District approved physician or surgeon. Following such examination, the Retirement Board shall determine whether said Retired Member is still incapacitated physically or mentally for the performance of duty. If the Retirement Board shall determine that said Retired Member is not so incapacitated his or her Retirement Allowance shall be cancelled forthwith and he or she shall be reinstated in the District Service.

(b) Should a Member retired for disability re-enter the service and be eligible for membership in the Retirement System in accordance with the provisions of this Ordinance, his or her disability Retirement Allowance shall be cancelled and he or she shall immediately become a Member of the Retirement System, such Member's rate of contribution for future years being established pursuant to Section 6. Such Member's individual account shall be credited with his or her Accumulated Contributions less the disability Annuity payments made to him or her. Such Member shall receive credit for all service prior to the date of retirement for disability in the same manner as if such member had never been retired for disability. Terminal Compensation shall be as provided in Section 2(m) and the two periods of service shall be deemed a single period for purposes of monthly Retirement Allowance calculations.

(c) Should said Member retired for disability prior to attaining Normal Retirement Age engage in gainful occupation not in the District Service, or should he or she re-enter the service and be ineligible for membership in the Retirement System in accordance with the provisions of this Ordinance, the amount of his or her Retirement Allowance shall be reduced to an amount, which when added to the compensation earned by him or her in such occupation (hereafter referred to as "outside earnings"), does not exceed the "earnings safeguard," which is defined as the monthly salary compensation that said Member was paid at the time of his or her retirement as subsequently adjusted over time by general salary increases approved by the Board of Directors for current Members within the applicable represented unit or non-represented group. Should the amount of said Retired Member's outside earnings subsequently change, his or her Retirement Allowance shall be further adjusted in accordance with this subsection so that said Retired Member's outside earnings when combined with the amount of his or her Retirement Allowance shall not exceed said Retired Member's earnings safeguard.

(d) Should any Member retired for disability and under age sixty-five refuse to submit to medical examination his or her Pension may be discontinued until his or her

withdrawal of such refusal, and should such refusal continue for one year his or her entire Retirement Allowance may be cancelled.

(e) Should the Retirement Allowance of any Member retired for disability be cancelled for any cause other than death or re-entry into the District Service, he or she shall be paid his or her Accumulated Contributions less the Annuity payments made to him or her.

#### Section 19 DEATH BENEFIT

Upon the death of a Member before his or her retirement for service or disability there shall be paid to his or her Beneficiary or to his or her estate the amount of his or her Accumulated Contributions, provided that if the total amount is less than five hundred dollars (\$500) and such death has not occurred during or resulting from said Member's employment by an employer other than the District, an amount will be added from District contributions to the Retirement Fund sufficient to make the total payment equal to five hundred dollars (\$500). Upon the death of a Member and payment of the Member's Accumulated Contributions, the contributions made by the District as a result of his or her service, together with the interest thereon, shall be available to meet the obligations of the District hereunder.

#### Section 20 SURVIVORSHIP BENEFITS AND CONTRIBUTIONS

(a) Upon the death of a Member prior to January 1, 1990, or upon the death of a Member who elected to remain a Member pursuant to Section 12(b)(2) prior to January 1, 1990, who is eligible but has not retired for service as provided in Section 14(b), his or her surviving spouse, to whom the Member must have been married for at least one (1) year prior to the Member's death, may elect to receive, in lieu of the benefit otherwise payable under Section 19, a monthly allowance for life which shall be equal to one-fourth of the unmodified service Retirement Allowance to which the Member would have been entitled had he or she retired on the date of death, and in addition a lump sum payment of one-half of the Member's Accumulated Retirement Contributions. Should the allowance cease before the spouse has received in monthly payments a total amount equal to the remaining one-half of the Member's Accumulated Retirement Contributions, the balance of such Accumulated Contributions shall be refunded to the Beneficiary of said spouse or to his or her estate.

(b) Upon the death of a Member on or after January 1, 1990, except for a Member who elected to remain a Member pursuant to Section 12(b)(2) prior to January 1, 1990, who is eligible but has not retired for service as provided in Section 14(b), his or her surviving spouse, to whom the Member must have been married for at least one (1) year prior to the Member's death, shall be paid a monthly allowance for life which shall be equal to fifty percent (50%) of the unmodified service Retirement Allowance to which the Member would have been entitled had he or she retired on the date of death, and in addition a lump sum payment of the Member's Accumulated Retirement Contributions.

(c) Upon the death of a Retired Member who has retired for service on and after March 1, 1973, as provided in Section 14, or who has retired for disability on and after March 1, 1973, as provided in Section 16, but not including those who prior to March 1, 1973 elected to remain Members pursuant to Subsection 12(b)(2), the surviving spouse, to whom he or she must have been married at the date of retirement and for at least one (1) year prior to the Retired Member's death, shall receive an allowance for life which shall be equal to one-half of the Retired Member's unmodified Retirement Allowance. Upon the death of a Retired Member, who prior to March 1, 1973 elected to remain a Member pursuant to Subsection 12(b)(2), his or her surviving spouse, to whom he or she must have been married at the date of retirement and for at least one (1) year prior to his or her death, shall receive an allowance for life which shall be equal to one-fourth of the Retired Member's unmodified Retirement Allowance.

Such allowance provided for herein shall be in addition to any benefit payable by reason of the Member having elected a lesser Retirement Allowance under the provisions of Section 21.

(d) The Accumulated Survivorship Contributions made by a Member shall be refunded to the Member at the time of retirement if he or she is unmarried.

(e) In calculating the amount of the Retired Member's unmodified Retirement Allowance payable under Subsection (c), there shall be included any special adjustments and any cost of living adjustments from the date of retirement until the date of death of the Retired Member determined in accordance with the provisions of Sections 32 and 33.

(f) Upon the death of a surviving spouse receiving a monthly benefit under Subsection (c), the full amount of said benefit covering the month in which he or she died shall be paid to his or her beneficiary or, in the absence of a named Beneficiary then living, to his or her estate.

## Section 21

### OPTIONAL MODIFICATION OF RETIREMENT ALLOWANCE

(a) Within sixty (60) days prior to the date of retirement for disability, a Member may elect to receive the actuarial equivalent of his or her Retirement Allowance as of the date of retirement in the form of a lesser Retirement Allowance payable throughout life with the following option:

If he or she dies before he or she receives in Annuity payments the amount of his or her Accumulated Retirement Contributions as it stood at his or her retirement, the balance of such Accumulated Contributions shall be paid to his or her Beneficiary or, in the absence of a named Beneficiary then living, to his or her estate.

(b) Within sixty (60) days prior to the date of retirement for service, a Member may elect to receive the actuarial equivalent of his or her Retirement Allowance as of the date of retirement in the form of a lesser Retirement Allowance payable throughout life, with one of the following options:

Option 1: If he or she dies before he or she receives in Annuity payments the amount of his or her Accumulated Retirement Contributions as it stood at his or her retirement, the balance of such Accumulated Contributions shall be paid to his or her Beneficiary or, in the absence of a named Beneficiary then living, to his or her estate.

Option 2: Upon his or her death, his or her lesser Retirement Allowance shall be continued throughout the life of and paid to the person nominated by him or her, effective with the first day of the month following the date of his or her death.

Option 3: Upon his or her death, one-half of his or her lesser Retirement Allowance shall be continued throughout the life of and paid to the person nominated by him or her, effective with the first day of the month following the date of his or her death.

Option 4: Upon his or her death, one-fourth of his or her lesser Retirement Allowance shall be continued throughout the life of and paid to the person nominated by him or her, effective with the first day of the month following the date of his or her death.

(c) Election of any option must be in writing signed by the Member and filed with the Secretary of the Retirement Board within sixty (60) days prior to his or her retirement. A Member shall have no right to change the basis of his or her Retirement Allowance after the effective date of his or her retirement, except as provided in Subsections (d) and (f).

(d) If a Member has elected to receive a Retirement Allowance under this Section, and the named Beneficiary dies before the Member's first Retirement Allowance payment is due, said Member may elect to receive a Retirement Allowance computed in accordance with provisions of this Section or provisions of Section 15.

(e) Where no option is selected, a Member, upon retirement for service or disability, shall be entitled to receive a Retirement Allowance during his or her lifetime only, and all rights of said Member or of any other person or persons claiming under him or her, except the right to his or her Retirement Allowance which is payable for the month in which his or her death occurred, and the right to a survivorship benefit as provided in Section 20(c) shall cease with his or her death; provided, however, that if the Retired Member dies before his or her first Retirement Allowance is due, his or her Accumulated Contributions shall be paid to his or her Beneficiary or, in the absence of a named Beneficiary then living, to his or her estate.

(f) Upon the death of a Retired Member, or upon the death of a person receiving an allowance under Option 2, Option 3, or Option 4, the full amount of the Retirement Allowance covering the month in which he or she died shall be paid to his or her Beneficiary or, in the absence of a named Beneficiary then living, to his or her estate.

(g) For purposes of this Section, the term "actuarial equivalent" means two or more optional forms of distribution that have the same present value as determined using the actuarial assumptions approved from time to time by the Retirement Board upon the recommendation of the Retirement System's actuary for determining System liabilities and incorporated into this

section. The actuarial assumptions are the following:

- (1) Rate of Return: 7.50% effective July 1, 2015 and 7.25% effective as of July 1, 2017; and
- (2) Mortality Table:
  - (A) Service Retirement:
    - (i) Member: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional improvement scale MP-2015, set forward two years for males weighted 75% and set forward one year for females and weighted 25%; and
    - (ii) Beneficiary: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional improvement scale MP-2015, set forward two years for males and weighted 25% and set forward one year for females weighted 75%; and
  - (B) Disability Retirement:
    - (i) Member: Headcount-Weighted RP 2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional improvement scale MP-2015, set forward nine years for males and weighted 75% and set forward nine years for females and weighted 25%; and
    - (ii) Beneficiary: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Table projected 20 years with the two-dimensional improvement scale MP-2015, set forward two years for males and weighted 25% and set forward one year for females and weighted 75%.

Section 22  
ACTUARIAL REVISION

At least once in each four-year period after June 30, 1971, the Board of Directors shall cause to be made an actuarial investigation into the mortality, service and compensation experience of the Members, Retired Members and Beneficiaries; and at least once in each two-year period after June 30, 1973, shall further cause to be made an actuarial valuation of the assets and liabilities of the Retirement Fund, and on the basis of such investigations and/or valuations shall make such revision or change of the rates of contribution of Members, the

amounts of contribution of the District, the periods and conditions of service, and amounts of Retirement Allowance as may be necessary.

Section 23  
MONTHLY PAYMENTS

A Pension, an Annuity, or a Retirement Allowance granted under the provisions of this Ordinance, unless otherwise specified herein, shall be payable in monthly installments and each installment shall cover the current month and shall be due on the last day of such month.

Section 24  
EXEMPTION FROM EXECUTION

The right of a person to a Pension, an Annuity, or a Retirement Allowance, to the return of contributions, the Pension, Annuity or Retirement Allowance itself, any optional benefit, any other right accrued or accruing to a person under the provisions of this Ordinance and the monies in the Retirement Fund created under this Ordinance shall not be subject to execution, garnishment, attachment or any other process whatsoever and shall be unassignable except as in this Ordinance specifically provided.

Section 25  
ESTIMATE OF SERVICE, COMPENSATION OR AGE

If it shall be impracticable for the Retirement Board to determine from the records or otherwise the length of service, the Compensation, or the age of any Member, said Board may estimate, for the purpose of this Ordinance, such length of service, Compensation or age.

Section 26  
SERVICE AFTER RETIREMENT

No person who has been retired for service and who receives a Retirement Allowance under the Retirement System shall be paid for any services rendered by him or her after the effective date of retirement; provided, however, that the Board of Directors may adopt a policy authorizing employment of any person after the effective date of retirement when it is in the best interest of the District to do so, and payment of compensation for such services shall not prejudice the retirement rights or benefits of the person; provided further that this Section shall not prohibit payment for services rendered as a Director of the District or for services rendered as an Independent Contractor.

Section 27  
EXPENSES OF THE ADMINISTRATION OF THE FUND

All necessary expenses of the administration of the Retirement System shall be paid from the Retirement Fund unless otherwise ordered by the Board of Directors of the District. The cost of such administration expenses shall not cause or be included in any revision or change of the rates of contribution of Members.

Section 28  
CONSTITUTIONALITY

If any section, or sections, or part of any section of this Ordinance shall be found to be unconstitutional or invalid for any reason, the remainder of this Ordinance shall not thereby be invalidated but shall remain in full force and effect.

Section 29  
REPEALING CONFLICTING ORDINANCES

All ordinances and parts of ordinances insofar as they conflict with this Ordinance are hereby repealed.

Section 30  
EFFECTIVE DATE

This Ordinance shall take effect immediately.

Section 31  
NO REDUCTION DUE TO SOCIAL SECURITY

Effective July 1, 1989, except as otherwise provided herein, for any Member who retires for service on or after July 1, 1989, the Retirement Benefits provided in this Ordinance shall not be reduced in any manner due to inclusion of Retirement System Members under the insurance system established by Title 2 of the Federal Social Security Act as amended.

Section 32  
ADJUSTMENT IN RETIREMENT ALLOWANCES

(a) Every Retirement Allowance payable for time commencing on the effective date of this Section (March 1, 1968) to or on account of any Member of this System, who was retired prior to January 1, 1967, is hereby increased by a monthly amount equal to one dollar (\$1.00) for each completed year or fraction thereof since the date the Member's Retirement Allowance became effective up to and including the effective date of this Section.

(b) Every Retirement Allowance payable for time commencing on the effective date of this Subsection (January 1, 1988) to or on account of any Member of this System is hereby increased by a monthly amount equal to one percent (1%) for each year of retirement or fraction thereof prior to January 1, 1983, up to a maximum of seventeen percent (17%). Effective July 1, 1988, Retirement Allowances payable to Members who remained in District Service after attaining age 65 are hereby increased by a monthly amount necessary to bring the total adjustment under this Subsection to one percent (1%) for each year of combined retirement and service beyond age 65, or fraction thereof, prior to January 1, 1983, up to a maximum of seventeen percent (17%). The percentage increase provided by this Subsection shall be deducted from each Member's accumulation provided for under Section 33(c).

(c) Every Retirement Allowance payable for time commencing on the effective date of this Subsection (January 1, 1988) to or on account of any Beneficiary of a Member of this System is hereby increased by a monthly amount equal to one percent (1%) for each year of retirement or receipt of benefits or fraction thereof prior to January 1, 1983, up to a maximum of seventeen percent (17%). The percentage increase provided by this Subsection shall be deducted from each Member's accumulation provided for under Section 33(c).

(d) A Retirement Allowance payable as of October 1, 2000 to or on account of a retired Member who possessed as of that date an accumulation under Section 33(c) in excess of twenty percent (20%) shall be increased, effective October 1, 2000, by the percentage amount in excess of twenty percent (20%). For example, for a retired Member with an accumulation of 35% as of October 1, 2000, the Member's retirement allowance shall be increased by fifteen percent (15%), effective October 1, 2000. The percentage increase provided by this Subsection shall be deducted from the retired Member's accumulation.

### Section 33 COST OF LIVING ADJUSTMENTS AND CONTRIBUTIONS

(a) Notwithstanding any other provision of this Ordinance, and subject to the provisions of this Section, as of July 1 of each year, commencing with the year 1973, every Retirement Allowance payable under Sections 14, 16, 20 or 21, where the Member retired or died prior to July 1 of the preceding year, shall be increased or decreased by a percentage of the total allowance being received which shall approximate, to the nearest one-tenth of one percent, the percentage annual increase or decrease in the cost of living during said preceding calendar year, as determined in the manner provided in this Section; provided that such increase or decrease shall not exceed five percent (5%) of any allowance in any year, regardless of the percentage of change in such cost of living, and provided further that there shall be no increase in the cost of living adjustment above three percent (3%) unless the fixed measure of long term funding of the Retirement System, which is the ratio of the market value of the assets to the projected benefit obligation, otherwise referred to as Assets/PBO funding, is at or above eighty-five percent (85%).

Notwithstanding the first paragraph of this Subsection, as of July 1 of each year, commencing with the year 1976, every Retirement Allowance payable under Section 14, 16,



20(c) or 21(b) since July 1 of the preceding year, where the member was retired after July 1 of the preceding year shall be increased or decreased, except as provided in Subsection (d), by one-twelfth of the percentage increase or decrease for each full calendar month between the date of retirement and the July 1 when the calculation is made.

Notwithstanding the first paragraph of this Subsection, as of July 1 of each year, commencing with the year 1976, every Retirement Allowance payable under Section 20(a) or 20(b) since July 1 of the preceding year, where the Member died after July 1 of the preceding year, shall be increased or decreased, except as provided in Subsection (d), by one-twelfth of the percentage increase or decrease for each full calendar month between the date of the Member's death and the July 1 when the calculation is made.

(b) Determination of the percentage of annual increase or decrease in the cost of living shall be made on or before April 1 of each year by reference to the Consumer Price Index (San Francisco-Oakland 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 increased or decreased over or below such index for the full calendar year immediately prior thereto shall be the percentage used to calculate adjustments and Retirement Allowances pursuant to Subsection (a).

(c) (1) The amount of any cost of living increase or decrease in any year which is in excess of the maximum annual allowable adjustment as then set forth in Subsection (a) shall be accumulated from year to year and included in the computation of increases or decreases in succeeding years. The provisions of this Subsection shall be applied to the several allowances being paid by classes based upon the Fiscal Year in which the Member retired or died so that each allowance shall have applied to it only such increase or decrease as shall have accumulated during or after the Fiscal Year in which the Member retired or died. The allowances payable to or on account of any retired or deceased Member whose retirement or death shall have occurred prior to July 1, 1967, shall be grouped in the first such class. The amount of any cost of living increase or decrease to be accumulated for the Fiscal Year in which death or retirement occurs shall be one-twelfth (1/12) of the excess of the maximum annual allowance adjustment set forth in Subsection (a) for each full calendar month between death or retirement and the July 1 when the calculation is made.

(2) The accumulation recorded for or on account of a retired Member shall be recorded in percentages, rounded to the nearest one hundredth of a percent. For example, in a Fiscal Year in which the calculated adjustment exceeds by two percent (2%) the maximum annual allowable adjustment as then set forth in Subsection (a), the accumulation of a retired Member which previously had been six percent (6%) would be increased by two percent (2%) to eight percent (8%).

(3) (i) In a Fiscal Year in which the calculated adjustment under Subsection (a) is less than four percent (4%) and in which the Assets/PBO funding ratio is at or above eighty-five percent (85%), a retired Member's

Retirement Allowance shall be increased and the Member's accumulation reduced by the lesser of (I) the amount of the Member's accumulation or (II) four percent (4%).

(ii) In a Fiscal Year in which the calculated adjustment under Subsection (a) is less than four percent (4%) and in which the Assets/PBO funding ratio is less than eighty-five percent (85%), a retired Member's Retirement Allowance shall be increased and the Member's accumulation reduced by the lesser of (I) the amount of the Member's accumulation or (II) three percent (3%).

(iii) In no event shall a retired Member's accumulation be used in any single Fiscal Year to increase his or her Retirement Allowance by more than four percent (4%).

(d) No allowance shall be reduced, by operation of this Section, below the amount payable on the effective date of retirement or entitlement thereto or as the same may have been adjusted pursuant to the provisions of Section 32.

(e) The cost of providing such increases in allowances as shall be payable pursuant to this Section shall be provided by additional contributions to the Retirement Fund, at rates of contribution fixed by the Board of Directors, as it shall be determined to be necessary. On and after February 18, 1974, said Cost of Living Contributions by the Members shall not include a contribution for making cost of living adjustments to survivors. The individual Member's contributions shall be graded in proportion to the Member's contributions as determined by Section 6. Each Member shall be deemed to consent and agree to the contributions made and provided for by the Board of Directors of the District. The Cost of Living Contribution of a Member who became a Member on or after January 1, 1980, and those making the election pursuant to Section 15(g), shall be included in the total percentage of Compensation provided in Section 6(d).

(f) Cost of Living Contributions of Members shall be credited with regular interest and the accumulation of such contributions and interest shall be deemed a part of their Accumulated Contributions for purposes of refund and of re-entry into the Retirement System under Section 12 and Section 13 and for the purpose of computing the death benefit under Section 19. Cost of Living Contributions of Members shall not be refunded after retirement whether or not any cost of living increases are paid hereunder.

(g) The rates of Cost of Living Contribution of Members shall not be combined with the normal rates of contribution, but shall be separately stated. A separate accounting shall be maintained of the accumulations of such contributions and the interest thereon, and such accumulations shall not be included in the Accumulated Contributions of the Member in the computation of any Retirement Allowance.

(h) There shall be paid to the Retirement Fund, during each Fiscal Year, Cost of Living Contributions of the District in a total amount equal to the total Cost of Living

Contributions of Members contributed to the Retirement Fund during that Fiscal Year. Effective February 18, 1974, the District in addition shall pay to said Fund such amounts as determined by the Board of Directors to be necessary to provide for cost of living adjustments to survivors in accordance with the provisions of this Section.

(i) The payments of the District provided for in this Section are hereby made obligations of the District, the funds necessary therefor to be appropriated and provided in the manner specified in Section 11 for appropriating and providing other District contributions to the Retirement Fund.

(j) The Retirement Allowance of a Member over age sixty-five (65) who did not elect to "buy back" the period of District Service between the date age sixty-five (65) was attained and January 1, 1987, and who retires subsequent to attainment of Normal Retirement Age shall be adjusted in accordance with the foregoing subsections to reflect increases or decreases in the cost of living between the date of Normal Retirement Age and the actual date of retirement as if the Member had retired at Normal Retirement Age and received the cost of living adjustments provided by this Section.

#### Section 34 RECIPROCAL BENEFITS

Notwithstanding any other provisions of this Ordinance, these provisions shall extend the following rights in this system to members of other public agency retirement systems (hereinafter "reciprocal systems") which adopt similar reciprocal provisions in their retirement ordinances or plans pursuant to Sections 20042, 20043, 31840.2 and 45310.5 of the Government Code, and who by contract agree to extend the benefits thereof to the District Retirement System; provided that such member enters employment in which he or she becomes a Member of the District system or the reciprocal system within six months of terminating his or her employment with the District or the public agency maintaining a reciprocal system, or as provided in Government Code Section 20046.

(a) Notwithstanding any provisions of this Ordinance (including Section 12) or a reciprocal system plan in the matter of vesting, a Member whose movement between systems occurs as herein specified shall have the right to elect to leave his or her Accumulated Contributions on deposit irrespective of the amount of such contributions or the length of service.

(b) The age of entry for a person entering this system for purposes of fixing Member contribution rates shall be his or her age at entry into a reciprocal system.

(c) The average monthly salary during any period of service as a Member of a reciprocal system shall be considered Compensation Earnable by a Member of this system for purposes of computing Terminal Compensation for such Member, provided he or she retires concurrently under both systems and is credited with such period of service under one reciprocal system at the time of retirement.

(d) For the purpose of meeting minimum service qualifications for benefits and Retirement Allowances under this Ordinance, service shall also include service rendered as an officer or Employee of a reciprocal system if the salary for such service constitutes Compensation Earnable by a Member of this system.

(e) A Member shall be retired for disability and receive a Retirement Allowance based on the service credited to him or her at the time of retirement during any period in which he or she receives a disability Retirement Allowance under a reciprocal system; provided that such allowance shall not exceed an amount which when added to the allowance paid under the reciprocal system equals the allowance which would be paid for a non-industrial disability if all the Member's service had been credited under the reciprocal system; and provided further, that such allowance shall in no event be less than an Annuity which is the actuarial equivalent of the Member's contributions, whether or not the disability is for industrial reasons.

(f) The death benefit for a Member who dies from non-industrial causes as a member of a reciprocal system shall not exceed an amount which when added to the benefit paid for such Member under the reciprocal system equals the maximum death benefit payable under that system; provided, however, that such death benefit shall be at least the amount of the Accumulated Contributions and, provided further, that if death is caused by industrial injury or disease in the reciprocal system, the death benefit shall be the amount of the Member's Accumulated Contributions.

(g) The Retirement Board shall on the request of a reciprocal system supply information and data necessary for administration of such system as it is affected by membership and service credited under this system.

(h) These reciprocal provisions shall apply only to a Member whose termination and entry into employment resulting in a change in membership from the District system to such other system or from such other system to the District system occurred after the effective date of the agreement; provided, however, that provisions relating to computation of Terminal Compensation shall apply to any other Member if such provisions would have applied had the termination and entry into employment into reciprocal agency employment occurred after such acceptance or determination by a system's governing board.

(i) Reciprocal rights under this Ordinance shall be modified, and this Ordinance amended, as necessary to conform to amendments to the Public Employees Retirement Law or the County Employee's Retirement Law of 1937 as provided in Section 20042 of the Government Code.

#### Section 35 LOW-INCOME ADJUSTMENT

(a) Commencing July 1, 1988, the Retirement Board is authorized to grant to service and disability retirees who retired with twenty (20) or more years of service, other than as a member of the Board of Directors, a low-income adjustment sufficient to bring the total gross income of the retiree and his or her spouse to two hundred percent (200%) of the poverty level of

the State of California as of December 31 of each calendar year. The Retirement Board shall review the formula by which such low-income adjustments are calculated every three (3) years, with the first such review to occur in 1991. The Retirement Board shall adopt rules governing the administration of the program which shall (1) define "total gross income" to include the combined income of the retiree and his or her spouse from Retirement System pension benefits, federal social security benefits and other sources; and (2) require that applicants submit documentation, including federal income tax and social security data, of the combined income of the retiree and his or her spouse for the prior year. Any person who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) or who is not currently receiving federal social security benefits shall be ineligible for this low-income adjustment. Amounts payable as low-income adjustments shall not be included in calculation of benefits payable under Section 21(b) or Section 33(a).

(b) Commencing July 1, 1988, the Retirement Board is authorized to grant to Beneficiaries of service and disability retirees who retired with twenty (20) or more years of service, other than as a member of the Board of Directors, a low-income adjustment sufficient to bring the total gross income of the Beneficiary to one hundred fifty percent (150%) of the poverty level of the State of California as of December 31 of each calendar year. The Retirement Board shall adopt rules governing the administration of the program which shall (1) define "total gross income" to include income from Retirement System pension benefits, federal social security benefits and other sources; and (2) require that applicants submit documentation, including federal income tax and social security data, of their income for the prior year. Any Beneficiary of a person who elected to remain a Member of the Retirement System pursuant to Section 12(b)(2) or who is not currently receiving federal social security benefits shall be ineligible for this low-income adjustment. Amounts payable as low-income adjustments shall not be included in calculation of benefits payable under Section 33(a).

(c) The years of service used to calculate the Retirement Allowance will be used to determine eligibility for the Low Income Adjustment.

### Section 36 HEALTH INSURANCE BENEFIT

(a) The Retirement Board is authorized to administer a Health Insurance Benefit through the account described in Subsection (j) of this section.

(b) The Health Insurance Benefit may be used for the payment of sickness, accident, hospitalization, and medical expense to the extent permitted under the Internal Revenue Code ("Code") and as authorized by the Retirement Board.

(c) The following individuals are eligible to receive a Health Insurance Benefit in an amount determined pursuant to Subsection (c)(1), (c)(2), or (c)(3), as applicable:

(1) A Member is eligible to receive a Health Insurance Benefit of \$550.00 per month if the Member: (i) became a Member on or before June 30, 1996, (ii) has at least five (5) full years of Continuous Service with the District or its equivalent, (iii) retires for

service or for disability from the District, (iv) did not make an election to remain a Member pursuant to Section 12(b)(2), and (v) has a spouse, or a registered domestic partner, who is not otherwise eligible to receive a Health Insurance Benefit under Section 36.

(2) A surviving spouse of a Member described in Subsection (c)(1) is eligible to receive a Health Insurance Benefit of \$450 per month, provided that the spouse is eligible for benefits under Section 20.

(3) A Member is eligible to receive a Health Insurance Benefit of \$450.00 per month if the Member: (i) became a Member on or before June 30, 1996, (ii) has at least five (5) full years of Continuous Service with the District or its equivalent, (iii) retires for service or for disability from the District, (iv) did not make an election to remain a Member pursuant to Section 12(b)(2), and (v) is either (I) unmarried without a registered domestic partner, or (II) has a spouse, or a registered domestic partner, who is a Member eligible to receive a Health Insurance Benefit under Section 36.

(d) A Health Insurance Benefit shall be payable in an amount determined under Subsections (d)(1), (d)(2) and (d)(3) with respect to a Member who either (i) became a Member on or after July 1, 1996 and retires for service or for disability, (ii) made an election to remain a Member pursuant to Section 12(b)(2) and who retired on or before January 1, 1999; or (iii) made an election to remain a Member pursuant to Section 12(b)(2) and who retires after January 1, 1999:

(1) If such Member has a spouse, or a registered domestic partner, who is not otherwise eligible to receive a Health Insurance Benefit under Section 36:

(i) the Member is eligible to receive a Health Insurance Benefit equal to a percentage (specified in Subsection (d)(3)) of \$550.00; and

(ii) the Member's surviving spouse is eligible to receive a Health Insurance Benefit equal to a percentage (specified in Subsection (d)(3)) of \$450.00, provided that the spouse is eligible for benefits under Section 20.

(2) Such Member is eligible to receive a Health Insurance Benefit equal to a percentage (specified in Subsection (d)(3)) of \$450.00, if the Member is either (I) unmarried without a registered domestic partner, or (II) has a spouse, or a registered domestic partner, who is a Member eligible to receive a Health Insurance Benefit under Section 36.

(3) The individuals described in Subsections (d)(1) and (d)(2) shall receive the corresponding Health Insurance Benefit specified in those Subsections, multiplied by the applicable percentage below based upon the number of years of the Member's Continuous Service with the District:

<u>Number of Years of Continuous Service</u>	<u>Percent of Health Insurance Benefit</u>
Less than five (5) years	No benefit (0%)
Five (5) years to less than ten (10) years	No more than twenty-five percent (25%)
Ten (10) years to less than fifteen (15) years	No more than fifty percent (50%)
Fifteen (15) years to less than twenty (20) years	No more than seventy-five percent (75%)
Twenty (20) years or more	No more than one hundred percent (100%)

(e) As of July 1, 1999, eligible Retired Members (but not Surviving Spouses) may use the Health Insurance Benefit for the payment of health insurance premiums or similar coverage costs incurred by the Retired Member's current spouse or current registered domestic partner during the Retired Member's lifetime, provided that the provision of such benefits is permitted under the Code and is pursuant to regulations promulgated by the Retirement Board.

(f) Individuals shall receive a Health Insurance Benefit only to the extent that they incur expenses described in Subsection (b) or, in the case of eligible Retired Members, as described in Subsection (e), and only if they provide substantiation in a form satisfactory to the Retirement Board.

(g) Amounts payable as Health Insurance Benefits shall not be included in the calculation of benefits payable under Section 20 or Section 21(b) or Section 33(a), but shall be included in "total gross income" used in determining eligibility for low-income adjustments provided by Section 35.

(h) The Retirement Board shall adopt rules governing administration of the Health Insurance Benefit, including provisions for the schedule and methods of payment of the Health Insurance Benefit. The Retirement Board shall annually review the costs, funding, and administration of the Health Insurance Benefit.

(i) All Health Insurance Benefit payments shall comply with all applicable federal laws, including Section 401(h) of the Code. To the extent there is any conflict between this section and Section 401(h) of the Code or regulations issued thereunder, the Code & Regulations shall govern.

(j) The Health Insurance Benefit shall be paid solely from a Section 401(h) account hereby established pursuant to Code Section 401(h) and any regulations issued under that section.

(1) No health benefits provided under the 401(h) account shall discriminate in favor of highly compensated employees.

(2) The 401(h) account shall be a separate account to be used solely for providing the Health Insurance Benefit and shall be established and maintained by the Board to reflect the amounts contributed for the payment of the Health Insurance Benefit. The 401(h) account shall be for record keeping purposes only. Amounts credited to the 401(h) account may be invested with other Retirement System funds set aside for retirement purposes, without identification of which investments are allocable to each account. Earnings on each account, however, shall be allocated to each in a reasonable manner.

(3) Contributions to the 401(h) account shall be made by the District solely to pay to or reimburse Retired Members or Surviving Spouses for health insurance premiums or similar coverage costs. Contributions shall be reasonable, ascertainable, necessary, and appropriate. Health Insurance Benefits provided under the Retirement System are subordinate to the retirement benefits provided under the Retirement System. The aggregate actual contributions for retiree Health Insurance Benefits, when added to the actual contributions for any life insurance provided under the Retirement System, are limited to twenty-five percent of the total actual contributions made to the Retirement System (other than contributions to fund past service credit) after the later of the adoption or effective date of the amendment first adding Health Insurance Benefits to the Retirement System in accordance with Section 401(h) of the Internal Revenue Code.

(4) The District must, at the time it makes a contribution to the 401(h) account, designate that portion of the contribution allocable to the 401(h) account to be used solely for the Health Insurance Benefit.

(5) Prior to the satisfaction of all liabilities under the Retirement System to provide for health benefits, no part of the 401(h) account shall be used for or diverted to any purpose other than providing health benefits, except that amounts credited to the 401(h) account may be used to pay for necessary and appropriate administrative expenses related to the Health Insurance Benefit.

(6) Any amounts contributed to the 401(h) account and which remain in the 401(h) account after the satisfaction of all liabilities for health benefits (including but not limited to benefits payable in the future for existing members) shall be returned to the District.

(7) This section does not require separate accounts for key employees because no member of the Retirement System is a key employee under the applicable definitions in the Code.



(8) Assets attributable to any forfeiture of benefits payable under the 401(h) account shall be used to reduce the District's contributions to pay for health benefits provided under the 401(h) account.

(k) The maximum Health Insurance Benefit provided by this section shall not be less than: (i) in the case of individuals described in Subsection (c)(1), \$550.00 per month, (ii) in the case of individuals described in Subsections (c)(2) and (c)(3), \$450.00 per month, or (iii) in the case of individuals to whom Subsection (d) applies, the applicable amount under that Subsection. The Board of Directors of the District, however, may in the exercise of its sole discretion increase or decrease the amount of the Health Insurance Benefit, provided that any decrease may not reduce the Health Insurance Benefit below the amounts set forth in the first sentence of this subsection. Other than as provided in the first sentence of this subsection, no individual, including a Member, Retired Member, spouse, domestic partner, or dependent, shall possess any vested right, contract right, or other right to the Health Insurance Benefit.

(l) The Board of Directors of the District expressly reserves its rights under Section 6(d) to adjust the rates of Retirement Contributions for those Members described in Section 6(d) to fund the Health Insurance Benefit.

### Section 37 BENEFIT LIMITATIONS

Notwithstanding any other provisions of this Ordinance, the benefit payable to any Employee who becomes a Member of the Retirement System on or after January 1, 1990, shall be subject to the limitations set forth in Section 415 of the Internal Revenue Code of 1986 (the "Code"), and no such Member shall accrue, earn, be entitled to or receive any benefit or other amount under this Ordinance which exceeds such limitations. Notwithstanding the foregoing, pursuant to the election hereby made pursuant to Section 415(b)(10)(c) of the Code, the benefit payable to any Employee who first became a Member of the Retirement System before January 1, 1990, shall be subject to the greater of the following limitations as set forth in Section 415(b)(10) of the Code:

(a) The limitations set forth in Section 415 of the Code, or

(b) The accrued benefit of the Member under the Retirement System as determined without regard to any amendment of this Ordinance made after October 14, 1987.

For purposes of applying this Section 37, Section 415 of the Code and all federal statutes and final regulations amending, supplementing or superseding Section 415 as it applies to a "governmental plan" (within the meaning of Section 414(d) of the Code) are incorporated in this Ordinance by reference. If the applicable limit under section 415(b)(1)(A) of the Code is increased to reflect a change in the cost-of-living index after the date that a Member's benefit under the Retirement System is first determined, any monthly benefit payments under the

Retirement System will be re-determined each limitation year in accordance with the regulations issued by the Internal Revenue Service under Code section 415 on a prospective basis.

Notwithstanding any other provision of the Ordinance to the contrary, effective for distributions with annuity starting dates on or after December 31, 2001, the mortality table used for purposes of adjusting any benefit or limitation under Section 415(b) of the Internal Revenue Code is the relevant table prescribed by the Internal Revenue Service applicable at such time, as set forth in Revenue Ruling 2007-67 or subsequent guidance from the Internal Revenue Service.

### Section 38 DIRECT TRANSFERS OF ELIGIBLE ROLLOVER DISTRIBUTIONS

(a) If, under the provisions of this Ordinance, a distributee becomes entitled to an eligible rollover distribution, the distributee may elect to have the distribution or any portion thereof paid directly to an eligible retirement plan specified by the distributee.

(b) The election made pursuant to this Section shall be in accordance with the terms and conditions established by the Retirement Board.

(c) Upon the exercise of the election by a distributee pursuant to this Section, the distribution from the Retirement Fund of the amount designated by the distributee shall be made in the form of a direct transfer to the eligible retirement plan so specified.

(d) For purposes of this Section, “distributee” means a Member, a Member’s surviving spouse, or a Member’s spouse or former spouse who is the alternate payee under a domestic relations order which is treated as a qualified domestic relations order to the extent provided in Internal Revenue Code Section 414(p)(11), and such other persons as come within the meaning of the term as used in Section 401(a)(31)(A) of the Internal Revenue Code. Effective for Fiscal Years beginning on or after July 1, 2010, a distributee also includes the Member’s nonspouse designated Beneficiary under Section 2(t) of the Ordinance. In the case of a nonspouse Beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in Section 408(a) or 408(b) of the Internal Revenue Code (“IRA”) that is established on behalf of the designated Beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Section 402(c)(11) of the Internal Revenue Code. Also, in this case, the determination of any required minimum distribution under Section 401(a)(9) of the Internal Revenue Code that is ineligible for rollover shall be made in accordance with Notice 2007-7, Q&A 17 and 18, 2007-5 I.R.B. 395.

(e) For purposes of this Section, “eligible rollover distribution” means a distribution from the Retirement Fund which constitutes an eligible rollover distribution within the meaning of Section 401(a)(31)(D) of the Internal Revenue Code, i.e., 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:

(i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made (I) for the life (or life expectancy) of

the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary or (II) for a specified period of ten years or more;

(ii) any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; or

(iii) the portion of any distribution that is not includible in gross income.

(f) For purposes of this Section, "eligible retirement plan" means a plan which constitutes an eligible retirement plan within the meaning of Section 401(a)(31)(E) of the Internal Revenue Code, including 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 trust described in Section 401(a) of the Internal Revenue Code that is a defined contribution plan, the terms of which permit the acceptance of rollover distributions. In the case of an eligible rollover distribution to a surviving spouse or a surviving former spouse, an eligible retirement plan means only an individual retirement account or individual retirement annuity. Effective for distributions after December 31, 2001, the definition of eligible retirement plan shall apply without regard to the preceding sentence in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order. Effective for distributions after December 31, 2001, the term "eligible retirement plan" also includes an annuity contract described in Section 403(b) of the Internal Revenue Code or an eligible plan under Section 457(b) of the Internal Revenue Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Retirement System. Effective for distributions after December 31, 2007, an eligible retirement plan also includes a Roth IRA described in Section 408A of the Internal Revenue Code.

### Section 39

#### DOMESTIC PARTNER BENEFITS

a) Effective January 1, 2005, and in compliance with AB 205, the "California Domestic Partner Rights and Responsibilities Act" (hereafter "AB 205"), domestic partner benefits shall be provided pursuant to this Ordinance according to the definitions set forth below as required by AB 205 to the extent that compliance with AB 205 does not expose the Retirement System to risk of losing its tax qualified status under federal law and subject to the continuing legal validity of AB 205. No individual, including a Member, Retired Member, domestic partner, beneficiary or dependent, shall possess any vested right, contract right, or other right to the benefits set forth in this Section 39 if the District amends or deletes this Section 39 because (a) any part of AB 205 is invalidated by a court of law or (b) compliance with any part of AB 205 exposes the Retirement System to risk of losing its tax qualified status under federal law.

b) Where ever the terms "spouse," "surviving spouse" and "married" appear in

Section 20, entitled “Survivorship Benefits and Contributions,” and in Section 35(a), entitled “Low-Income Adjustment,” the terms “domestic partner,” “surviving domestic partner” and “domestic partnership” shall be added, with the understanding that the terms “domestic partner” and “domestic partnership” for purposes of Sections 20 and 35 shall refer to a domestic partnership that has been established solely in accordance with the requirements of section 297 of the California Family Code, as amended.

(c) Where ever the terms “spouse,” and “surviving spouse” appear in subsections (c)(2), (d)(1)(ii), and j(3) of Section 36, entitled “Health Insurance Benefit,” the terms “dependent domestic partner,” and “surviving dependent domestic partner” shall be added, with the understanding that the terms “dependent domestic partner” and “surviving dependent domestic partner” for purposes of these subsections shall refer to a domestic partnership that has been established solely in accordance with the requirements of section 297 of the California Family Code, as amended, and where the domestic partner is also the Retired Member’s dependent within the meaning of Section 152 of the Internal Revenue Code.

(d) Where ever the term “registered domestic partner” appears in subsections (c)(1), (c)(3), (d)(1), (d)(2)and (e) of Section 36, entitled “Health Insurance Benefit,” the term “EBMUD domestic partner” shall be substituted for and replace the term “registered domestic partnership,” with the understanding that the term “EBMUD domestic partner” for purposes of these subsections shall refer to a domestic partnership that has been established either in accordance with an affidavit provided by EBMUD that is filed by the Retired Member with EBMUD or in accordance with the requirements of section 297 of the California Family Code, as amended, and where the domestic partner is also the Retired Member’s dependent within the meaning of Section 152 of the Internal Revenue Code. Accordingly, it is understood that as of January1, 2005, Section 36(e) of the Ordinance shall be interpreted and applied as follows:

(i) As of July 1, 1999, eligible Retired Members (but not surviving spouses or surviving domestic partners) may use the Health Insurance Benefit for the payment of health insurance premiums or similar coverage costs incurred by the Retired Member’s current spouse or current EBMUD domestic partner during the Retired Member’s lifetime, provided that the provision of such benefits is permitted under the Code and is pursuant to regulations promulgated by the Retirement Board.

(e) Where ever the term “domestic partner” appears in subsection (k) of Section 36, the term “domestic partner” shall refer to “domestic partner,” “dependent domestic partner,” and “EBMUD domestic partner” as these terms are defined in this Section 39.

#### Section 40 CORRECTIONS OF ERRORS

If an error or omission is discovered in the administration of the Retirement System, the Retirement Board shall take such equitable action as may be necessary or appropriate to correct the error, including, but not limited to, those actions discussed in this Section 40. If a Retired Member, Beneficiary, surviving spouse or other payee receives payment or benefits for any period in excess of the amount of Retirement Allowance, Accumulated Contributions, payment

of death or survivor benefits or any other benefits to which he or she was entitled under the terms of the Retirement System in effect for such period, the Retirement Board shall have the right to require such overpayment to be offset against current or future benefit payments (including survivor benefits) until such time as the overpayment is entirely recouped by the Retirement System. If any fact pertaining to eligibility for or amounts of benefits payable under the Retirement System to a Retired Member or other payee has been misstated, or in the event of a clerical error, current and/or future benefits will be adjusted on the basis of the correct facts.

Any and all corrections made pursuant to this section shall be made in the time and manner determined by the Retirement Board in its sole discretion and in accordance with rules and procedures adopted by the Retirement Board provided, however, that where the overpayment is to be repaid through deductions from monthly benefit payments, repayment to the Retirement System must be made within not more than twenty-four (24) consecutive monthly installments from benefit payments due from the Retirement System unless the Retirement Board and the Retired Member or other payee agree to extend the 24-month period by mutual agreement. Those installments may not be less than fifty dollars (\$50) per month, except for the last installment, which may be less than fifty (\$50) unless the Retirement Board and the Retired Member or other payee mutually agree to smaller installment payments.

#### Section 41

#### MINIMUM DISTRIBUTION REQUIREMENTS

(a) A Member's entire interest in the Retirement System must be distributed, or begin to be distributed, to the Member no later than the Member's Required Beginning Date. The term "Required Beginning Date" means April 1 of the calendar year following the latter of:

- (1) the calendar year in which the Participant attains age 70-1/2; or
- (2) the calendar year in which the Participant retires.

(b) Any other provision of the Plan to the contrary notwithstanding, all distributions will be made in compliance with a reasonable and good faith interpretation of Code Section 401(a)(9), including the incidental death benefit requirement in Code Section 401(a)(9)(G) and Sections 1.401(a)(9)-1 through 1.401(a)(9)-9 of the Treasury regulations, as applicable to a governmental plan within the meaning of Section 414(d) of the Code.

(c) The Retirement Board may promulgate such rules and regulations as it determines are necessary or advisable to ensure compliance with the requirements of this Section and a reasonable and good faith interpretation of Code Section 401(a)(9).

#### Section 42

#### PUBLIC EMPLOYEES' PENSION REFORM ACT

(a) Overall Effect of this Section. The provisions of this section shall apply on or after January 1, 2013, and shall take precedence over any other provisions of the Ordinance to

the extent and only to the extent, that such provisions are inconsistent with the provisions of this section. To the extent unchanged by this section, the remaining provisions of the Ordinance shall remain in full force and effect. The provisions of this section shall be interpreted and administered in accordance with the applicable provisions of Article 4 Chapter 21 of Division 7 of Title 1 of the Government Code, as added by the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), and as amended from time to time, or its successor and any regulations or other guidance issued thereunder by any State agency with competent jurisdiction.

(b) Definitions

(1) "Existing Member" means each Member who is not a New Member.

(2) "New Member" means each Employee who:

(A) First becomes a Member on or after January 1, 2013, and who was not a member of any other public retirement system (as defined in section 7522.04 of the Government Code) prior to that date; or

(B) First becomes a Member on or after January 1, 2013, and who was a member of another public retirement system prior to that date, but who was not subject to reciprocity under Section 34 with that retirement system.

(c) Provisions Applicable to All Members.

(1) Retroactive Benefit Enhancements Prohibited. Any enhancement to a Member's Retirement Allowance formula or Retirement Allowance adopted on or after January 1, 2013, shall apply only to Current Service performed on or after the operative date (as defined in section 7522.44 of the Government Code) of the enhancement, and shall not be applied to any service performed prior to the operative date of the enhancement. If a change to a Member's membership classification or employment results in an enhancement to the Member's Retirement Allowance formula or Retirement Allowance, the enhancement shall apply only to Current Service performed on or after the operative date of the change and shall not be applied to any service performed prior to the operative date of the change. For purposes of this paragraph, an increase to a Retired Member's annual cost-of-living adjustment within existing statutory limits shall not be considered an enhancement to a Retirement Allowance.

(2) Felony Convictions. If a Member who is subject to sections 7522.70, 7522.72 or 7522.74 of the Government Code is convicted of a felony described in the applicable section or sections, he or she shall forfeit his or her accrued rights and benefits, and shall not accrue further benefits, in the Retirement System to the extent provided in the applicable section or sections. This subsection shall be interpreted and administered in accordance with the requirements of Sections 7522.70, 7522.72 and 7522.74, including, but not limited to, any applicable rules governing return of Member contributions, notice, and reversal of conviction, which requirements are herein incorporated by this reference.

(3) Funding.

(A) In any Fiscal Year, the District's contribution to the Retirement System, in combination with Member Retirement Contributions to the Retirement System, shall not be less than the normal cost rate, as defined in Section 42(d)(5)(B).

(B) The Board of Retirement may suspend contributions only when all of the following apply:

(i) The Retirement System is funded by more than 120%, based on the computation by the Retirement System's actuary in accordance with the Governmental Accounting Standards Board requirements that is included in the annual valuation.

(ii) The Retirement System's actuary determines, based on the annual valuation, that continuing to accrue excess earnings could result in disqualification of the Retirement System's tax-exempt status under the Internal Revenue Code.

(iii) The Retirement Board determines that the receipt of any additional contributions required by this subsection would conflict with its fiduciary responsibility set forth in Section 17 of Article XVI of the California Constitution.

(d) Provisions Applicable Only to New Members. The provisions of this subsection (d) shall apply only to New Members and shall take effect on January 1, 2013.

(1) Compensation.

(A) For each New Member, "Compensation" means the normal monthly rate of pay or base pay of the Member paid in cash to similarly situated Members of the same group or class of employment for services rendered on a full-time basis during normal working hours, pursuant to publicly available pay schedules.

(B) Compensation that is deferred shall be deemed "Compensation" when earned rather than when paid.

(C) "Compensation" for a New Member excludes:

(i) Any compensation that the Retirement Board determines has been paid to increase the Member's Retirement Allowance;

(ii) Compensation that (a) the District had previously paid in-kind to the Member or directly to a third-party other than the Retirement System for the benefit of the Member, and (b) was converted to, and received by the Member, in cash;

(iii) Any one-time or ad hoc payments to the Member;

(iv) Severance or any other payment that is granted or awarded to the Member in connection with, or in anticipation of, a separation from employment, but is received by the Member while employed;

(v) Payments for unused vacation, annual leave, personal leave, sick leave, or compensatory time off, however denominated, whether paid in a lump sum or otherwise, regardless of when reported or paid;

(vi) Payments for additional services rendered outside of normal working hours, whether paid in a lump sum or otherwise;

(vii) Any employer-provided allowance, reimbursement, or payment, including, but not limited to, one made for housing, vehicle, or uniforms;

(viii) Compensation for overtime work, other than as defined in Section 207(k) of Title 29 of the United States Code;

(ix) Employer contributions to deferred compensation or defined contribution plans;

(x) Any bonus paid in addition to the compensation described in subparagraph (A) of this paragraph;

(xi) Any other form of compensation that the Retirement Board determines is inconsistent with the requirements of subparagraph (A) of this paragraph; and

(xii) Any other form of compensation that the Retirement Board determines should not be "Compensation."

(2) Compensation Earnable. For each New Member, "Compensation Earnable" means Compensation as defined in subsection (d)(1) of this section.

(3) Compensation Limit.

(A) In addition to the annual Compensation limit under Internal Revenue Code section 401(a)(17) described in Section 2(k), the annual Compensation and Compensation Earnable of each New Member taken into account under the Retirement System for any calendar year shall not exceed the following applicable percentage of the contribution and benefit base specified in section 430(b) of Title 42 of the United States Code:

(i) 100% for a Member whose service is included under the old age, survivors, disability and health insurance provisions of the federal Social Security Act; or



(ii) 120% for a Member whose service is not included under the old age, survivors, disability and health insurance provisions of the federal Social Security Act.

(B) The Retirement System shall adjust the annual Compensation limit described in this paragraph following each actuarial valuation of the Retirement System based on changes to the Consumer Price Index for All Urban Consumers. The adjustment shall be effective annually on the January 1 following the annual valuation.

(4) Terminal Compensation. For each New Member, "Terminal Compensation" means the annual Compensation Earnable by the Member during the 36 consecutive month period that produces the highest average.

(5) Retirement Contributions.

(A) New Members must contribute at least 50% of the normal costs of the Retirement System as set forth in this paragraph. The initial rate of Retirement Contributions for New Members shall equal at least the greater of (i) 50% of the normal cost rate of the Retirement System, rounded to the nearest quarter of 1%, or (ii) the current contribution rate of similarly situated Members. The District shall not pay any portion of this contribution on any Member's behalf. For purposes of the preceding sentence, the District's pick-up of Member contributions under Section 6(i) does not constitute a payment of Member contributions by the District on a Member's behalf.

(B) Once established, the Retirement Contribution rate for New Members will be adjusted to reflect a change in the normal cost rate, but only if the normal cost rate increases by more than 1% of payroll above or below the normal cost rate in effect on the later of: (i) the date the Retirement Contribution rate is first established, or (ii) the date of the last adjustment to the Retirement Contribution rate under this paragraph. For purposes of this paragraph, the term "normal cost rate" means the annual actuarially determined normal cost for the Retirement System Plan expressed as a percentage of payroll.

(C) Retirement Contribution rate for New Members may be more than 50% of the normal cost rate, but only if the requirements of section 7522.30(e) of the Government Code are met.

(D) To the extent that its application would otherwise impair the terms of any contract or memorandum of understanding between the District and its Employees, this paragraph (5) shall not apply to the Employees subject to that contract or memorandum of understanding until its expiration. A renewal, amendment, or any other extension of that contract shall be subject to the requirements of this paragraph.

(6) Service Retirement Allowance.

(A) Each New Member who has (i) completed at least five years of Continuous Employment, (ii) attained age 52, and (iii) filed a written application with the Retirement System stating when he or she desires to retire, may retire for service and receive a Retirement Allowance.

(B) The Retirement Allowance payable to a New Member upon retirement shall equal the percentage of the Member's Terminal Compensation, as determined in accordance with the following schedule based on the Member's age at retirement, taken to the preceding quarter year, multiplied by the Member's years of Current Service.

Age at Retirement	Percentage
52	1.000%
52 $\frac{1}{4}$	1.025%
52 $\frac{1}{2}$	1.050%
52 $\frac{3}{4}$	1.075%
53	1.100%
53 $\frac{1}{4}$	1.125%
53 $\frac{1}{2}$	1.150%
53 $\frac{3}{4}$	1.175%
54	1.200%
54 $\frac{1}{4}$	1.225%
54 $\frac{1}{2}$	1.250%
54 $\frac{3}{4}$	1.275%
55	1.300%
55 $\frac{1}{4}$	1.325%
55 $\frac{1}{2}$	1.350%
55 $\frac{3}{4}$	1.375%
56	1.400%
56 $\frac{1}{4}$	1.425%
56 $\frac{1}{2}$	1.450%
56 $\frac{3}{4}$	1.475%
57	1.500%
57 $\frac{1}{4}$	1.525%
57 $\frac{1}{2}$	1.550%
57 $\frac{3}{4}$	1.575%
58	1.600%
58 $\frac{1}{4}$	1.625%
58 $\frac{1}{2}$	1.650%
58 $\frac{3}{4}$	1.675%
59	1.700%
59 $\frac{1}{4}$	1.725%
59 $\frac{1}{2}$	1.750%

Age at Retirement	Percentage
59 <sup>3</sup> / <sub>4</sub>	1.775%
60	1.800%
60 <sup>1</sup> / <sub>4</sub>	1.825%
60 <sup>1</sup> / <sub>2</sub>	1.850%
60 <sup>3</sup> / <sub>4</sub>	1.875%
61	1.900%
61 <sup>1</sup> / <sub>4</sub>	1.925%
61 <sup>1</sup> / <sub>2</sub>	1.950%
61 <sup>3</sup> / <sub>4</sub>	1.975%
62	2.000%
62 <sup>1</sup> / <sub>4</sub>	2.025%
62 <sup>1</sup> / <sub>2</sub>	2.050%
62 <sup>3</sup> / <sub>4</sub>	2.075%
63	2.100%
63 <sup>1</sup> / <sub>4</sub>	2.125%
63 <sup>1</sup> / <sub>2</sub>	2.150%
63 <sup>3</sup> / <sub>4</sub>	2.175%
64	2.200%
64 <sup>1</sup> / <sub>4</sub>	2.225%
64 <sup>1</sup> / <sub>2</sub>	2.250%
64 <sup>3</sup> / <sub>4</sub>	2.275%
65	2.300%
65 <sup>1</sup> / <sub>4</sub>	2.325%
65 <sup>1</sup> / <sub>2</sub>	2.350%
65 <sup>3</sup> / <sub>4</sub>	2.375%
66	2.400%
66 <sup>1</sup> / <sub>4</sub>	2.425%
66 <sup>1</sup> / <sub>2</sub>	2.450%
66 <sup>3</sup> / <sub>4</sub>	2.475%
67	2.500%

SUMMARY OF AMENDMENTS TO  
EAST BAY MUNICIPAL UTILITY DISTRICT RETIREMENT ORDINANCE  
NO. 40

**Ordinance No. 45 – Effective February 9, 1938**

Minor changes in definitions, wording and procedure.

**Ordinance No. 47 – Effective December 15, 1939**

Maximum final compensation increased from \$250 per month to \$416.66 per month.

**Ordinance No. 50 – Effective October 9, 1940**

Provides for military leave and redeposit of contributions withdrawn on account of military leave.

**Ordinance No. 53 – Effective July 1, 1942**

1. Provides for interest credit to date of retirement or date of death.
2. Other minor changes.

**Ordinance No. 57 – Effective May 29, 1945**

Allows for payment into Retirement Fund of “Retroactive Contributions” and “Military Contributions.”

**Ordinance No. 59 – Effective May 29, 1945**

Provides for changes in membership of Retirement Board.

**Ordinance No. 62 – Effective June 26, 1946**

1. Excludes profit from sale of securities from earnings of fund distributed to members.
2. Provides for credit of military leave for the purpose of qualifying for membership.

3. Provides for compulsory retirement as follows:

Age	Date of Retirement
68 or greater	July 1, 1948
66 or greater	July 1, 1949
65 or greater	July 1, 1950

After July 1, 1950, each member shall be retired as he attains the age of 65 unless the Board of Directors, by a four-fifths vote, extends the time of retirement.

4. Increase minimum retirement allowance for members with prior service, who were heretofore or are hereafter retired at age 65 or older, from \$40 per month to \$60 per month.

**Ordinance No. 83 – Effective March 3, 1950**

Provides for employment of retired person for performance of limited and specialized service.

**Ordinance No. 115 – Effective April 1, 1952**

1. Changes in definitions and wording.
2. Provides for membership of temporary and emergency appointees.
3. Changes rates of contributions to provide an annuity of .75% instead of 1/140. Removes ceiling of \$416.66 for purposes of contribution, effective April 1, 1952.
4. Provides for vesting privileges for a member with 20 years' service and forty-five years of age.
5. Provides increase prior service benefits:
  - a. For members whose service commenced after 1/1/29, 1-1/2 % for each year of prior service;
  - b. For members whose service commenced on or before 1/1/29, from 2% to 3% for each year of prior service, depending on age on 10/1/37;
  - c. Prior service limited to 8.825 years.
6. Increases minimum service retirement allowance from \$60 to \$75 per month for members with prior service.
7. Increases disability retirement benefits by 10%.

8. Provides for payment of the full amount of retirement allowance for the month in which a retired member dies.
9. Provides for payment of all expenses by the District.

**Ordinance No. 149 – Effective December 11, 1953**

1. Re-defines District Service, Current Service, Pension, and Retirement Allowance.
2. Provides for removal of ceiling of \$416.66 for current service subsequent to April 1, 1952 and also prior to April 1, 1952 if the employee contributes what he would have contributed had there been no salary ceiling during the period 10/1/37 to 3/31/52.
3. Provides that losses from sale or call of securities shall be excluded in computing earnings.
4. Provides for rates of contribution for new members.
5. Makes election of a member to make or not to make contribution irrevocable.
6. Provides for military contributions equal to the contributions a member would have made had he not been absent from District service.
7. Provides for a current service retirement allowance for retirement at age 65 of 1½% of terminal compensation for each year of current service.
8. Disability retirement is no longer subject to the salary ceiling of \$416.66 for current service.
9. Disability retirement is no longer subject to a reduction of the amount of workmen's compensation insurance benefits paid.

**Ordinance No. 172 – Effective January 1, 1955**

Provides for reduction in contributions and service retirement allowances due to entry in Social Security.

1. Contributions are cut in half on the first \$350 compensation.
2. Current service retirement allowances are cut in half on the first \$350 of terminal compensation.

**Ordinance No. 185 – Effective July 1, 1957**

1. Re-defines Sections 2(g), (j), (o), (q), (t), and adds Section 2(u) and (v).
2. Provides for terminal compensation to be based on the five consecutive years of highest compensation and removes ceiling of \$416.66 for prior service if the member contributes what he would have contributed had there been no ceiling during the period 10/1/37 to 3/31/52.
3. Re-defines and simplifies Section 5, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 18, 19, 20 and 21.
4. Provides that the District may pay to the Retirement Fund for current service contributions, an amount equal to the percentage, as established by the Board of Directors, of the amount of members' contributions.
5. Provides for vesting privileges for a member with 10 years' membership, and no age requirement. Retirement allowance to be computed on same basis as a member retiring while in District service.
6. Provides for voluntary retirement after 10 years of membership, and after attaining the age of 60.
7. Eliminates guarantee of 30% of terminal compensation for members with prior service.

**Ordinance No. 204 – Effective May 22, 1959**

Exempts temporary and temporary construction employees from membership.

**Ordinance No. 226 – Effective May 25, 1962**

1. Re-numbers Sections 2(k), 2(p), 2(q), 2(r), 2(s), 2(u), s(v), 6(b), 6(c), 6(d), 6(e), 6(f), 17(d), 17(e), 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, and 30.
2. Re-defines the Title, Section 2(g), 2(m), 2(r), 2(v), and 2(z).
3. Defines Retirement Contributions, Survivorship Contributions, Accumulated Retirement Contributions, Accumulated Survivorship Contributions, Compensation, and Compensation Earnable.
4. Allows 90 days after close of fiscal year to submit report to Board of Directors.
5. Provides for membership after 6 months' service and permanent status, and granting of an additional period of membership not to exceed 6 months, to those

who became members on or prior to June 1, 1962, excluding those who became members on October 1, 1937.

6. Deletes credit of military leave for the purpose of qualifying for membership.
7. Changes rates of retirement contributions to provide an annuity at age 65 of .55% of the first \$400 of terminal compensation and 1.00% of the excess over \$400.
8. Provides for survivorship contributions.
9. Determines payroll period for start of deductions for new members.
10. Provides that a member who left District service prior to April 1, 1952 and who had 10 years of membership prior to withdrawing shall have the option of redepositing his withdrawn contributions plus interest. In such case he will receive credit for the years of prior and current service he possessed when he left the service.
11. Increases current service retirement allowance to 1.65% of terminal compensation for each year of current service to 1/1/55; and 1.1% of the first \$400 of terminal compensation and 2% of the excess over \$400 for each year of current service on and after 1/1/55.
12. Increases prior service retirement allowance to 1.65% of terminal compensation for each year of prior service for those whose District service commenced after 1/1/29 and from 2.2% to 2.75% for each year of prior service, depending on age on 10/1/37, for those whose District service started on or before 1/1/29.
13. Simplifies formula for calculation of disability retirement allowance.
14. Establishes survivorship benefits for surviving spouse of deceased member or retired member under the following conditions. The benefit ceases upon death or remarriage of the surviving spouse.
  - (a) Upon the death of a member eligible to retire for service, the surviving spouse to whom he must have been married at least 3 years, has the option of receiving his accumulated contributions, or a monthly allowance for life of  $\frac{1}{4}$  of the unmodified service retirement allowance the member was entitled to as of the date, plus  $\frac{1}{2}$  the accumulated retirement contributions.
  - (b) Upon the death of a retired member who retired for service on and after May 25, 1962, has surviving spouse shall receive a monthly allowance of  $\frac{1}{4}$  the member's unmodified service retirement, provided they had been married at least three years at time of retirement.
15. Establishes an additional option for a retiring member, which pays the surviving spouse monthly for life  $\frac{1}{4}$  of a lesser retirement allowance.



16. Eliminates the restriction that a retired member employed by the District must be engaged in the planning, development, and obtaining of additional water supplies.

**Ordinance No. 229 – Effective November 9, 1962**

Amends Section 5(d) and adds Section 5(I), making temporary construction employees eligible for membership or to retain existing membership under certain conditions.

**Ordinance No. 237 – Effective November 1, 1963**

Amends Section 6(e) to provide for payments from the Fund by check instead of by warrant.

**Ordinance No. 255 – Effective April 30, 1965**

Amends Section 2(g), adds Section 2(aa), adds Section 15(a)(3), providing for service extension credit for unused sick leave standing to the credit of employee at time of retirement.

**Ordinance No. 260 – Effective March 1, 1968**

1. Revise definition of terminal compensation to mean the average monthly compensation earnable by a member during the period of the consecutive years of highest compensation.
2. Changes rate of retirement contributions to provide an annuity at age 65 of .605% of the first \$400 of terminal compensation and 1.1% of the excess over \$400.
3. Reduces voluntary service retirement age from 60 to 55, and makes survivorship benefits described in Section 20(a) available age 55.
4. Increases current service retirement allowance to 1.815% of terminal compensation for each year of current service to 1/1/55; and 1.21% of the first \$400 of terminal compensation and 2.2% of the excess over \$400 for each year of current service on and after 1/1/55.
5. Increases prior service retirement allowance (for service after 1/1/29) from 1.65% to 1.815% of terminal compensation for each year of prior service.
6. Increases retirement allowance based on service extension credit from 2.0% to 2.2% of terminal compensation for each year of service.
7. Eliminates actuarial reduction for early retirement and establishes table for early retirement computations based upon a reduction of four percent for each year prior to age 65.

8. Increases allowance for all retirees of beneficiaries receiving an allowance for retirement prior to 1/1/67, by a monthly equal to one dollar for each completed year on fraction of a year since retirement, up to 3/1/68.
9. Provides cost of living increases or decreases as of July 1, of each year, beginning in 1968, in amounts not to exceed 2% per year, such increases or decreases to be to the nearest one-tenth of one percent and based upon percentage increases in the Consumer Price Index; provides for banking of excess increases or decreases for application in future years.
10. Changes the frequency of actuarial investigation in to the experience of members, retired members, and beneficiaries, and of the assets and liabilities of the Retirement Fund, from four years to a lease once in every two-year period.

**Ordinance No. 262 - Effective May 27, 1969**

1. Makes membership effective after six months' full-time employment and probationary, permanent or exempt status rather than completion of probation.
2. Clarifies vested members' eligibility for survivorship benefit.
3. Changes marriage requirement for survivorship benefit from three years to one year.
4. Reduces requirement for disability retirement from eight years of membership to eight years of full-time employment.
5. Makes survivorship benefits available to the spouse of disability retirees.
6. Allows unmarried members to name any beneficiary at retirement and to choose from among all options, rather than being restricted to Option 1.
7. Changes cost of living provisions from calculation based on amount received the previous June 30 to calculation based on amount currently received.
8. Changes eligibility for cost of living increase from those who retired before the previous July 1 to those who retired on or before July 1.
9. Changes definition of Accumulated Contributions to include accumulated cost of living contributions.
10. Substitutes the terms "separation from active military service" for previous "discharge from military service" in sections dealing with military leave.

**Ordinance No. 263 – Effective December 23, 1969**

1. Provides for the hiring of an investment counsel in implementing an equity investment program.
2. Provides for the use of a bank to act as custodian of securities and to collect income from securities; provided that securities may be registered in the name of the custodian bank.
3. Provides for payment into the retirement fund of proceeds from the sale of securities.
4. Provides a sixty-day period for a member or a member retiring on or after October 31, 1969, to redeposit contributions withdrawn for ten or more years of service prior to April 1, 1952.

**Ordinance No. 266 – Effective February 1, 1971**

1. Eliminates the unneeded section concerned with temporary construction employees, none of whom are employed any longer. Renumbers Section 5(j) to 5(l).
2. Changes from an annual to an “as necessary” basis the required time for reporting to the Board of Directors an estimate of amounts necessary to meet obligations of the retirement system.
3. Removes language originally used in calculating prior service pensions but which no longer affects any current employees.
4. Changes formula for disability retirement computation from 1-3/8% of terminal compensation per year of service with a minimum of 27½ % of terminal compensation to a formula of 1½ % of terminal compensation per year of service with a minimum of 33-1/3% of terminal compensation.

**Ordinance No. 268 – Effective October 26, 1971**

Provides that lump sum payments made after October 4, 1971 for unused vacation no be considered “compensation,” thereby eliminating retirement deductions for such payments.

**Ordinance No. 271 – Effective July 1, 1973**

1. Changes terminal compensation calculation to the average monthly compensation during two consecutive years; provides that the three-year formula remains in effect for those exercising vesting privileges prior to March 1, 1973.

2. Eliminates provision that profits or losses from the sale of securities shall not be considered earnings or deductions from earnings.
3. Provides for changing rates of retirement contributions to provide for annuity at age 65 or .665% of the first \$400 of terminal compensation and 1.21% of the excess over \$400.
4. Improves retirement allowance formulae for those retiring for service at age 65 on and after March 1, 1973, and those choosing voluntary retirement on and after July 1, 1973, except for those exercising vesting privileges prior to March 1, 1973, as follows:
  - a. Increases current service retirement allowance to 1.997% of terminal compensation of each year of current service to 1955; and 1.331% of the first \$400 of terminal compensation and 2.42% of the excess over \$400 for service on and after January 1, 1955.
  - b. Increases prior service retirement allowance (for service after January 1, 1929) from 1.815% to 1.997% of terminal compensation for each year of prior service.
  - c. Increases retirement allowance for service extension credit from 2.2% to 2.42% of terminal compensation for each year of service.
5. Adds subsection (b) to Section 15, retaining previously approved retirement allowance formulae for those exercising vesting privileges before March 1, 1973.
6. Renumbers subsections (b), (c) and (d) of Section 15 to subsections (c), (d) and (e).
7. Revises Section 15(d) as renumbered to make reference to new subsections 15(a) and 15(b).
8. Increases from one-fourth to one-half the amount of the member's unmodified retirement allowance to be continued as a survivor payment upon the death of a member who retired for service or disability on and after March 1, 1973.  
Continues the previous one-fourth-survivor payment for those exercising vesting privileges prior to March 1, 1973 and for a member whose death occurs before retirement.
9. Adds subsection (d) to Section 20 to provide for including in survivorship benefit computations any cost of living adjustments received by members from the date of retirement to the date of death. (This inclusion of cost-of-living adjustments affects all those eligible for survivor benefits on and after July 1, 1973, including those who retired prior to March 1, 1973, and those exercising vesting privileges prior to March 1, 1973.)

10. Increases from 2% to 3% the maximum cost of living adjustment payable on or after July 1, 1973, and provides for increased contributions for cost of living benefits as may be fixed by the Board of Directors.

**Ordinance No. 272 – Effective July 24, 1973**

1. Revises the schedule of actuarial studies to provide for valuation of assets and liabilities at two-year intervals and investigation of mortality, service and compensation experience at four-year intervals.

**Ordinance No. 273 – Effective February 18, 1974**

1. Provides for District payment of all costs of survivor benefits, formerly shared by the District and Retirement System members.

**Ordinance No. 276 – Effective September 24, 1974**

1. Provides for membership in the retirement system immediately upon probationary or exempt employment, eliminating the six-month waiting period effective September 24, 1974.
2. Provides for crediting of up to six months' additional service to members choosing to pay contributions plus interest equal to contributions which would have been made had they become members up to six months earlier. A six-month period is given members in which to make decisions, and a two-year payment period is provided. Service prior to 10/1/37 is excluded, as is service of those having exercised vesting rights.

**Ordinance No. 277 – Effective September 1, 1975**

1. Eliminates discount for voluntary retirement at age 63 and above, providing for continuing a four percent discount between the ages 55 and 62, inclusive.
2. Provides for proportional cost of living adjustments to be payable as of July 1, 1976, to those retired for at least one month, in addition to continuing the previously provided adjustments to those retired for one year or more.

**Ordinance No. 280 – Effective July 1, 1978**

1. Eliminates sex as a factor in determining member contributions to the Retirement System.

**Ordinance No. 282 – Effective August 8, 1978**

1. Changes from four-fifths to five-sevenths the required vote by the Board of Directors to extend beyond age 65 the time for retirement for a member.

**Ordinance No. 283 – Effective January 1, 1979**

1. Defines normal retirement age as 65 years of age, and changes mandatory retirement age from 65 to 70.
2. Provides for terminating all contributions at age 65.
3. Provides that benefits will not accrue for employees working beyond normal retirement age 65, by limiting the definitions of current service and terminal compensation.
4. For members retiring after normal retirement age, provides for immediate adjustment of allowance to include cost of living adjustments which would have accrued between normal retirement age 65 and time of retirement.
5. Provides that persons becoming employed at age 65 or older will not become members of the Retirement System.
6. Clarifies that restricting the compensation for service of persons receiving retirement benefits does not prohibit payment for services as a Director of the District.

**Ordinance No. 286 – Effective December 11, 1979**

1. Provides for lower retirement benefits and lower contributions for persons becoming new members on and after 1/1/80. Features are:
  - a. level rate of member contribution of 3.5% of compensation, including cost-of-living contribution, with members to pay for no more than 25% of future increases;
  - b. service retirement benefits, per year of service, of 2% of terminal compensation less 2% of the primary insurance amount provided by Social Security, subject to maximum reductions of 60%; service extension credit of 2% of terminal compensation per year of credit will be added;
  - c. if a member retires or dies earlier than the federal age for Social Security retirement, the Social Security benefit will be estimated;

- d. disability retirement allowance of 1% of terminal compensation per year of service, with a minimum of 20% of 1% per year of service as if extended to age 65, whichever is smaller.
2. Provides that each member entering the Retirement System on or before 12/31/79 may irrevocably elect, on or before 6/1/80, a change to the lower benefit and lower contribution formulae, effective 7/1/80. Features are:
    - a. level rate of contribution beginning 7/1/80, as above;
    - b. service retirement benefits which are a combination of the previous formulae for service to 7/1/80 and the 1980 formulae for current service on and after 7/1/80; terminal compensation for all service will be calculated at the time of retirement; prior service and service extension credit will be the same as before 1980;
    - c. estimates of Social Security benefits in the event of retirement or death before retirement age, as above;
    - d. disability retirement allowance of 1% of terminal compensation, as above, for all service, including that prior to 1980.
  1. Provides for the continuation of the pre-1980 contributions and benefits, for those members not electing the lowered benefit provisions.

**Ordinance No. 287 – Effective April 22, 1980**

1. Provides that if a terminated employee does not request a refund of contributions, vesting will be automatic rather than by election.
2. Provides that an involuntarily terminated employee may leave contributions in the Fund while an appeal is pending. If contributions are withdrawn, and the employee returns to District service, funds withdrawn can be redeposited.
3. Revises the dates involved in the voluntary change by members from the 1955 to the 1980 formula, delaying the election by members until prior to July 1, and delaying the effective date of change to August 1.
4. Revises descriptions of re-entry after layoff, changing from one year to two years the time during which re-entry can take place. The revision makes the ordinance consistent with District policies revised earlier.
5. Eliminates two parts of Section 13 dealing with redeposit rights within certain date limits, which are no longer applicable.

**Ordinance No. 288 – Effective May 13, 1981**

1. Eliminates the provisions that costs of providing cost of living increases are to be shared equally between the District and contributing members.

**Ordinance No. 290 – Effective December 8, 1981**

1. Provides that active and vested members eligible for retirement may elect to purchase an alternative survivorship benefit within 60 days after the effective date or within 60 days prior to the date of eligibility for retirement.
2. In the event of death of a member electing the alternative benefit, the surviving spouse would receive a monthly benefit of one-half the amount the member could have received as a retirement benefit on the date of death.
3. Payment for the alternative benefit was provided for by reduction in benefit at the time of member retirement, the reduction being 0.0125% for each month the member's election was in effect from ages 55 through 59, and 0.0208% for each month from ages 60 through 65.

**Ordinance No. 291 – Effective April 27, 1982**

1. Provides that District contributions may be expressed as percentages of member contributions as previously provided, or as percentages of member compensation.

**Ordinance No. 294 – Effective October 26, 1982**

1. Permits the Treasurer to make payments from the Retirement Fund by check, as previously provided, or by written authorization to the bank serving as custodian of investment securities.

**Ordinance No. 295 – Effective December 26, 1982**

1. Provides for the Retirement Board to establish the method by which semi-annual interest rates on member contributions are determined, eliminating the requirement that interest not exceed current earnings on assets.

**Ordinance No. 297 – Effective November 25, 1983**

1. Gives rights of redeposit and reinstatement to any member resigning on or before 1/1/84 who subsequently becomes a safety officer for East Bay Regional Park District, then re-enters District service within two years of the original resignation.
2. Provides that an employee returning from Park District employment may receive credit for time away from the District by contributing the amount which would have been contributed had resignation not taken place.



**Ordinance No. 298 – Effective April 1, 1984**

1. Provides for reciprocal benefits by agreement between the District and the Public Employees' Retirement System under Sections 20042, 20043, 31840.2, 45310.5, and 53222 of the Government Code.
2. Provides that a member leaving employment of one reciprocal system and becoming a member of another reciprocal system within six months may leave contributions on deposit irrespective of length of service, then at retirement from both systems concurrently will be credited with the higher terminal compensation.
3. Provides that minimum service requirements for benefits, such as eight years for disability retirement eligibility, are met by combining the service in reciprocal systems.

**Ordinance No. 303 – Effective January 1, 1987**

1. Provides for Director coverage under the Retirement System with credit given for prior service on the Board of Directors and with benefits and contributions in accordance with the 1980 plan, except that disability retirement provisions do not apply and there is no reduction of benefits by reason of Social Security eligibility.
2. Eliminates all age restrictions in membership, providing for continued participation after age 65 with customary credit for service and terminal compensation, and providing that those employed and over 65 will again participate and have the option to contribute to the System amounts they would have contributed from age 65 to the present.
3. Reduces from ten years to five years the service required for terminating member to be eligible to leave contributions in the Retirement Fund in order to receive a future retirement benefit.
4. Reduces from ten years to five years the service required for a member to be eligible to retire at age 55 or after.

**Ordinance No. 304 – Effective July 1, 1987**

1. Provides for employee contributions to begin immediately upon membership in the Retirement System.
2. Incorporates rules of prudence in investments, in accordance with California law amending Section 12364 of the Municipal Utility District Act.
3. Eliminates provision that the cost of investment management, bank custodial services, and actuarial studies are borne by the District, and provides that

administrative expenses will be paid from the Retirement Fund unless otherwise ordered by the Board of Directors.

4. For members who resign and leave contributions on deposit, then re-enter the System and complete five years of continuous service, provides for combining the two periods of service and applying the higher terminal compensation in calculating benefits.
5. Provides for monthly pro-rating of the 4% per year reduction for early retirement.
6. For members who return to employment after disability retirement, provides for combining the two periods of service and applying the higher terminal compensation in calculating benefits.
7. Changes eligibility for survivorship benefits by providing benefits to a spouse of a retired member if married at the time of retirement and for one year prior to death of the member; provides benefits to a spouse of an active member eligible to retire if married for one year prior to death of the member. Provides for refund of survivorship contributions if the member is unmarried at retirement.
8. Provides that the Board of Directors may adopt a policy authorizing employment of a retired member or service as an independent contractor.

**Ordinance No. 305 – Effective Jan. 1, 1988 and July 1, 1988**

1. Effective January 1, 1988, increases benefits paid to retirees and beneficiaries by 1% for each year or fraction of a year of retirement or receipt of benefits before January 1, 1983, to a maximum of 17%, and reduces accumulated cost of living credits accordingly.
2. Effective July 1, 1988, authorizes low-income adjustments in benefits for retired members with 20 or more years' service who are in receipt of Social Security benefits, except for service as a member of the Board of Directors, and authorizes low-income adjustments for beneficiaries of those retirees, in amounts sufficient to bring total gross income of a retiree and spouse to 200% of the poverty level of the State of California as of 12/31/87 (\$8,066 per year), and in amounts sufficient to bring total gross income of a beneficiary to 150% of the poverty level.

**Ordinance No. 307 – Effective July 1, 1988**

1. Revise service extension credit for all who retire on or after July 1, 1988 by providing for two work days of additional service credit for each day of accumulated sick leave and service extension credit at the time of retirement.

2. Provides for early retirement discount of 3% per year of age below 63 for those retiring on or after July 1, 1988; continues discount of 4% for those who resigned but remained members (vested) before July 1, 1988.
3. Deletes provisions for a disability retirement benefit of 1% per year of service under the 1980 formula, resulting in a single disability retirement formula applicable to all who retire for disability on or after July 1, 1988.
4. Amends provisions for the special benefits adjustments, which were effective on January 1, 1988 for those retired before 1983 to give retirement credit to those who worked after attaining age 65. Provides credit for service after age 65, for which no retirement benefits were payable, as if retirement had occurred at 65, and adjusts benefits effective July 1, 1988.
5. Provides for low-income adjustments for beneficiaries of disability retirees as well as service retirees, correcting a previous omission.

**Ordinance No. 308 – Effective January 10, 1989**

1. Provides that low-income adjustments shall be based on comparisons with the poverty level of the State of California as of December 31 of each year rather than as of December 31, 1987.
2. Provides for Retirement Board review of the formula by which low-income adjustments are calculated every three years, beginning in 1991.

**Ordinance No. 309 – Effective July 1, 1989**

1. Provides for \$50 per month health insurance benefit to retirees or their beneficiaries, other than those retirees who resigned and left contributions on deposit, under rules for administration to be adopted by the Retirement Board.
2. Provides for annual review of costs, funding, and administration of health insurance benefit by the Retirement Board, and gives to the Board of Directors discretion to increase, decrease, or rescind the benefit or to revise its administration.

**Ordinance No. 310 – Effective January 1, 1990 except as noted**

1. Revises current retirement plan (1980 formula) by:
  - a. eliminating social security offset of 2% of terminal compensation for each year of service in the current plan;
  - b. increasing benefits from 2% to 2.2% of terminal compensation per year of service since January 1, 1980 (from August 1, 1980 for those who changed to the current plan in 1980);

- c. makes the improvement retroactive for those retired since July 1, 1989;
  - d. maintains employee contribution of 3.5% of salary.
2. Revises former retirement plan (1955 formula) by:
    - a. eliminating social security offset by providing a benefit of 2.42% of terminal compensation for all service since January 1, 1955 rather than 1.331% of the first \$400 and 2.42% of the remaining terminal compensation;
    - b. makes the improvement retroactive for those retired since July 1, 1989;
    - c. reduces employee contribution to 6% of salary beginning January 1, 1990;
    - e. provides an election for members of the former plan to change to the current plan effective January 1, 1990, with the provision that those so electing will have a contribution rate of 3.5% but with benefits of the former plan, as revised, for service through 1999.
  3. Provides unreduced early retirement benefits at age 55 with 30 years' service, age 55-1/2 with 29 years, etc., to age 60 through 63 with 20 years' service.
  4. Provides that in a death of an employee eligible to retire, the surviving spouse will receive a full refund of contributions plus a monthly benefit for life of one-half the employee's earned retirement benefit. The revised benefit replaces a survivor benefit option of either a full refund or a one-half refund coupled with a monthly benefit of one-fourth the employee's earned benefit. The Alternative Survivor Benefit, which permitted an employee to elect and fund a one-half spousal benefit, is eliminated.
  5. Excludes from all improved benefits those former employees who resigned and left their contributions on deposit for a future retirement benefit.

**Ordinance No. 313 – Effective January 1, 1991 except as noted**

1. Increases the health insurance benefit to \$100 per month effective July 1, 1991.
2. Resolves several inconsistencies that occurred when the Ordinance was revised to implement the 1990 benefits improvements.
3. Designates the District's Manager of Finance as the fiscal officer for the Retirement System.
4. Makes changes enabling the Retirement Board to delegate to the Secretary of the Retirement Board the performance of the following administrative duties: accepting

new members, approving changes in beneficiaries, authorizing contributions refunds, voluntary retirements, death and survivor benefits, and permitting terminating employees to leave their contributions with the Retirement System.

5. Authorizes the Retirement Board to adopt rules providing for interim disability retirement payments for a maximum of 120 days pending ratification of a disability retirement by the Retirement Board.
6. Permits payment to a decedent's estate for full month's benefits covering the month in which the death occurred.
7. Permits members who elect reduced allowances to make new election of beneficiaries in the event the designated beneficiaries die prior to the members receiving their first benefit payment.
8. Brings the reciprocity section into conformance with the applicable sections of the Government Code.
9. Revises the cost-of-living adjustment effective July 1, 1991, to provide an increase in retirement allowance equal to the actual rate of inflation up to five percent in a year. However, if the funding ratio of the Retirement System is less than the funding ratio of 50 percent of the comparable public sector retirement systems in California, the COLA for that year could not exceed three percent unless the Board of Directors took action to improve the funding ratio.

**Ordinance No. 314 – Effective September 10, 1991**

1. Excludes from membership in the retirement system: employees serving on a part-time basis; persons employed under contract for definite period and for the performance of specific duties; temporary construction employees, with certain exceptions; and the general manager unless the appointee was a member of the Retirement System at the time of appointment.

**Ordinance No. 315 – Effective January 1, 1992 except as noted**

1. Authorizes certain Retirement System benefits and establishes certain benefit eligibility requirements for service in a "Job Sharing Position". This shall mean a voluntary work arrangement in which two employees equally share the work responsibilities of one full-time position pursuant to a Job Sharing Program authorized by the General Manager. Such a Job Sharing Program was authorized by the General Manager for a trial period to commence January 1, 1992 and to end January 1, 1994 unless authorized by the General Manager to continue beyond that date.
2. Provides the Retirement Board shall annually declare the rate of interest for the preceding twelve (12) months to be credited on Accumulated Contributions of

Members, which shall be based upon criteria to be established by the Retirement Board.

**Ordinance No. 318 – Effective October 12, 1993**

1. Provides that the rates of retirement contributions for new members on and after January 1, 1980 and those members making the election provided in Sections 15(g) and 15(h), shall be 3.5% of compensation; provided, however, that said contributions shall be 4.09% of Compensation commencing December 27, 1993. The Board of Directors reserves the right to increase or otherwise adjust the rates of contribution prescribed in this Subsection in such amounts and in such manner as it may from time to time find appropriate, provided that such increase or adjustment shall not exceed 25% of increased Retirement System costs.

**Ordinance No. 320 – Effective October 13, 1994**

1. Amends Section 4(a) to read: The Retirement Board shall consist of three members appointed by the Board of Directors of the District and two members elected by and from the membership of the Retirement System; provided however, that a non-voting retired member chosen by an election process held among retired members shall be a representative to the Retirement Board for a one year term commencing November 1994 and terminating November 1995. The two members so elected by and from the membership shall serve a period of two years, and the remaining three members shall serve until their successors are appointed. Vacancies in the case of the elected members shall be filled by special election. Other vacancies shall be filled by appointment of the Board of Directors of the District.

**Ordinance No. 321- Effective July 27, 1995**

1. Section 38 is added to the Ordinance regarding Direct Transfers of Eligible Rollover Distributions. It applies to distributions made on or after January 1, 1993.

**Ordinance No. 322 – Effective December 29, 1995**

1. Amends Section 2(k) relating to the limitation on compensation in determining benefits under the Employees' Retirement System as required by Internal Revenue Code Section 401(a)(17).

**Ordinance No. 323 – Effective March 29, 1996**

1. Amends Section 4(a) of the Ordinance to set the term of the non-voting Retired Member to a period of two years.
2. Incumbent non-voting elected Retired Member shall continue to serve on the Retirement Board in that capacity until May 1996 at which time an election for the Retired Member shall be held.

**Ordinance No. 325 – Effective June 28, 1996**

1. Amends Section 33(a) of the Ordinance relating to Cost of Living Adjustments and Contributions.
2. Amends Section 36 of the Ordinance entitled “Health Insurance Benefit”.

**Ordinance No. 327 – Effective July 1, 1997**

1. Deletes Subsections (k)(2) and (k)(3) of Section 2 of the Ordinance, and;
2. Amends Subsection (k) of Section 2.

**Ordinance No. 328 – Effective April 23, 1998**

1. Amends Sections 6, 12 and 13 of Ordinance No. 40 amending the provisions concerning redeposit of contributions and related issues.

**Ordinance No. 329 – Effective April 23, 1998**

1. Amends Section 5 and 6 of Ordinance No. 40 amending the provisions concerning contributions under IRC Section 414(h)(2), and limited term and temporary construction employees.

**Ordinance No. 330 – Effective May 28, 1998**

1. Amends Section 2 of Retirement Ordinance No. 40 effective July 1, 1998 to include service extension credit and purchased prior service when measuring the length of continuous service for the purpose of determining whether a member will receive an unreduced pension benefit when retiring before age 63.
2. Amends Section 15 Retirement Ordinance No. 40 effective July 1, 1998 to change the method for calculating the reduction in the pension allowance for cases where the member does not meet the criteria for receiving an unreduced pension allowance.

**Ordinance No. 331 – Effective July 9, 1998**

1. Amends Section 36 of Ordinance No. 40 to ensure that it is in compliance with the Internal Revenue Code provisions under which the Retirement Health Insurance Benefit is made available to retirees on a tax-free basis.

**Ordinance No. 333 – Effective July 23, 1998**

1. Amends Section 6 of Ordinance No. 40 to increase the rate at which members contribute to the Retirement System. Beginning August 8, 1998 employee contribution rates will increase to 4.125% and to 4.150% the following July 1, 1999.

**Ordinance No. 335 – Effective January 7, 1999**

1. Amends Section 36 of Ordinance No. 40 to modify Health Insurance Benefit (HIB) eligibility rules so that separated vested members who leave the District prior to retirement receive the Health Insurance Benefit.

**Ordinance No. 336 – Effective June 24, 1999**

1. Amends Section 5 of Ordinance No. 40 permitting members to purchase retirement service credit for prior service rendered in a full-time temporary position under the conditions specified therein.

**Ordinance No. 337 – Effective July 23, 1999**

1. Amends Sections 36 and Sections 2 (gg) of the Ordinance effective July 1, 1999 to increase the maximum health insurance benefit to two hundred dollars (\$200) per month; establish a vested right for members to be eligible for up to \$200 per month of the HIB and provide for reimbursement for monthly premium expenses for spouses and domestic partners up to the individual limit of the retiree.

**Ordinance No. 339 – Effective November 1, 2000**

1. Lowers the minimum retirement age to age 54
2. Provides for unreduced retirement benefits at age 54 with 30 years of service, age 54 ½ with 29 years of service, etc., to age 59 through age 62 with 20 years of service.
3. Increases the maximum Health Insurance Benefit to \$250 per month.
4. Increases the threshold for using accumulated COLA points from 3% to 4% when the Assets/PBO funding ratio is 85% or better.
5. Provides for the immediate adjustment of retirement allowances by application of accumulated COLA points in excess of 20%.



**Ordinance No. 340 – Effective June 27, 2001**

1. Clarifies payment of death benefit to designated beneficiary
2. Clarifies application of COLA benefit to surviving annuitants.

**Ordinance No. 342 – Effective February 8, 2002**

1. Amends the Ordinance to bring definitions of military service into conformity with the Uniform Services Employment and Reemployment Rights act of 1994.

**Ordinance No. 343 – Effective February 8, 2002**

1. Provides that Members who were reinstated after involuntary termination can elect to establish retirement credit for the missed time through purchase.

**Ordinance No. 344 – Effective July 1, 2002**

1. Increases the maximum Health Insurance Benefit to \$400 per month.
2. Changes the Health Insurance Benefit vesting schedule for members who joined the retirement plan after July 31, 1996, and all members who elected to leave their contributions on deposit in accordance with Section 12(b)(2).
3. Increases the rate of Member contributions to 4.22%.

**Ordinance No. 345 – Effective July 1, 2003**

1. Increases the maximum Health Insurance Benefit to \$450 per month.
2. Increases the rate of Member contributions to 4.24%.

**Ordinance No. 346 – Effective September 12, 2003**

1. Section 5 is amended to grant membership in the Retirement System to intermittent employees in the Retirement System and to allow Members to buy back prior service in intermittent positions under certain circumstances.
2. Definitions in Section 2 of “Current Service” and “Compensation Earnable” are amended and definitions of “Intermittent Positions” and “Continuous Employment” are created to incorporate intermittent employees as Members of the Retirement System.
3. Section 12 is amended to incorporate clarified concept of “Continuous Employment” with respect to the vesting requirements in connection with refund of contributions.

4. Section 14 is amended to incorporate clarified concept of “Continuous Employment” with respect to vesting requirement for service retirement.
5. Sections 16 and 17 are amended to (a) incorporate clarified concept of “Continuous Employment” with respect to vesting period for disability retirement eligibility, (b) provide a minimum disability retirement benefit for (1) intermittent employees and (c) amend the minimum disability retirement benefit for job share and full time employees who are Members of the Retirement System.
6. Amend Section 36 to incorporate clarified concept of “Continuous Employment” with respect to vesting requirements for the HIB.
7. Member contribution rate is increased from 4.24% of Compensation to 4.61% of Compensation, effective September 12, 2003.

**Ordinance No. 347 – Effective January 1, 2004**

1. Increases the percentage multiplier for 1955 Plan service to 2.82%, and the multiplier for 1980 Plan credit to 2.60%.
2. Provides for incremental increases in the rates of employee contributions, ranging from 4.61% effective September 12, 2003, to 6.83% effective April 17, 2006.
3. The Definition of “District Service” is amended to limit accrual of leave of job injury leave to maximum of 18 months for any employee hired on or after Jan 1, 2004.

**Ordinance No. 348 – Effective July 1, 2004**

1. Increases the maximum Health Insurance Benefit for a retiree with a spouse or domestic partner to \$550 per month, provided that the spouse or domestic partner is not separately eligible for the Health Insurance Benefit under the Retirement Ordinance.

**Ordinance No. 349 – Effective November 26, 2004**

1. Amends Section 16 to clarify the evidence the Retirement Board may consider in evaluating an application for disability.
2. Adds Section 39 “Domestic Partner Benefits” to comply with Calif. AB 205, “The Domestic Partner Rights and Responsibilities Act,” providing for survivor benefits to domestic partners registered with the State of California, and clarifying eligibility of domestic partners for the Health Insurance Benefit for dependent domestic partners registered with the State of California or with the District.

**Ordinance No. 350 – Effective December 24, 2004**

1. Adds Section 40 “Correction of Errors” giving administrative procedures for recovering overpaid of benefits, regardless of how the overpayment was caused, including the establishment of minimum recovery amounts and the maximum period allowed for recovery of overpayments, except in specific cases where the Retirement Board agrees to a different overpayment recovery plan.

**Ordinance No. 351– Effective August 25, 2006**

1. Amends Section 18, “Safeguards on Disability Retirement,” to provide a mechanism for periodically increasing the maximum earnings limit that Disability Retired members can earn from non-District employment without affecting their District pension.
2. Amends Section 40, “Correction of Errors,” to clarify and preserve the Retirement Board’s rights to collect overpayments made by the Retirement System in error.

**Ordinance No. 354 —Effective April 9, 2010**

1. Amends Section 2(k) to reflect the changes to the limit on compensation to be taken into account in determining benefits under the Retirement System to reflect periodic adjustments in Internal Revenue Code section 401(a)(17).
2. Amends Section 5 to allow trustee to trustee transfers from the District’s eligible 457 plan in order to establish service credit under the retirement system
3. Amends Section 9 to add language to clarify that the Retirement System meets the requirement under Internal Revenue Code section 401(a)(2) that it be impossible for funds to be diverted for any purpose other than the exclusive benefit of Members or Beneficiaries and reasonable expenses of administering the Retirement System.
4. Amends Section 13 to allow trustee to trustee transfers from the Districts eligible 457 plan solely for the purpose of redepositing withdrawn accumulated contributions on or after a Member’s re-entry into District Service and reinstating past service.
5. Amends Section 21 to clarify that the Retirement System meets the requirement under Internal Revenue Code section 401(a)(25) that the actuarial assumptions used to determine optional forms of benefits be specified.
6. Amends Section 37 to clarify that the Retirement System benefits are appropriately limited by the requirements of Internal Revenue Code section 415 and guidance from the Internal Revenue Service under that section of the Code.
7. Amends Section 38 to reflect required changes in the Internal Revenue Code requirements applicable to rollover contributions.

8. Adds a new Section 41 to provide that distributions from the Retirement System comply with the minimum distribution requirements of Internal Revenue Code section 401(a)(9).

**Ordinance No. 356-12 —Effective January 1, 2013**

1. Sets the maximum benefit formula to 2.5% at age 67.
2. Limits the amount of pensionable compensation to the social security wage base rate set forth in 42 U.S. Code Section 430(b) to be adjusted annually.
3. Prohibits the District from making contributions on any portion of compensation that exceeds the amount specified under federal law, currently \$250,000 for 2012.
4. Requires that the highest average compensation for purposes of determining the retirement benefit be based on a period of at least thirty-six (36) consecutive months.
5. Requires new employees to pay at least 50% of the normal cost of the defined benefit plan.

The new Section 42 also contains amendments required by AB 340 that applies to all members, which would:

1. Require forfeiture of pension benefits upon conviction of a felony offense in the course of employment.
2. Prohibit retroactive pension benefit increases.
3. Require that the normal cost of the plan be funded annually.

**Ordinance No. 357-13 —Effective July 1, 2013**

1. Updates the Rate of Return in Section 21, Item 1 (g(1)) to 8% effective as of July 1, 2011 and 7.75% effective as of July 1, 2013.
2. Revises the Mortality Table formula used to determine Service Retirement and Disability Retirement for Members and Beneficiaries.

**Ordinance No. 360-13 —Effective September 13, 2013**

1. Section 2 (dd) clarifies the Normal Retirement age shall be 65 years of age, and that his or her right to the benefit is nonforfeitable on attainment of Normal Retirement Age.

2. Section 11(b) was modified to state that a Members accrued retirement benefits under the system shall be nonforefeitable in accordance with section 401(a) of the Internal Revenue Code.
3. Section 36(j)(3) clarifies that the contributions to the 401(h) shall be made by the District solely to pay for health insurance premiums or similar coverage costs and to state that Health Insurance Benefits under the Retirement System are subordinate to the retirement benefits provided under the Retirement.

**Ordinance No. 361-14 —Effective June 13, 2014**

1. Subsection 6 (d) updates the rates of Retirement Contributions for Members hired on or before January 1, 2013 and for those who are not otherwise subject to Section 42 of this Ordinance, and those Members making the election provided in Sections 15(g) and 15(h).
2. Subsection 2(n) was modified to include Section 42 in defining the “Retirement Contributions.

**Ordinance No. 363-15 —Effective July 1, 2015**

1. Section 21 modified to update the assumed rate of return.

**Ordinance No. 366-15 —Effective January 8, 2016**

1. Section 7 modified to adopt the Heroes Earnings Assistance and Relief Tax Act of 2008 (“HEART Act”) Revisions.

**Ordinance No. 367-17 —Effective July 1, 2017**

1. Section 21 modified to update the actuarially assumed rate of return (“ROR”) from 7.50 percent to 7.25 percent and update the Mortality Tables.