

ORDINANCE NO. _____

An ordinance amending Chapters 10 and 11 of Division 4 of the Los Angeles Administrative Code to transfer current members of Tier 2 of the Los Angeles City Employees' Retirement System (LACERS) to Tier 1 of LACERS, establish Tier 3 of LACERS and retiree health and welfare programs for members of Tier 3 of LACERS, change prospectively the eligibility requirements of the retiree health benefit program for part-time employee members of LACERS, and make related technical changes.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Subsection (a)(3) of Section 4.1002 of the Los Angeles Administrative Code is amended to read as follows:

(3) **Reciprocal Retirement Benefit Arrangement.** If an employee of the City's Department of Water and Power (DWP) participates in the reciprocal retirement benefit arrangement established in Section 4.1095, he or she shall become a member of Tier 1 upon becoming a member of the Retirement System, rather than Tier 2, provided that his or her employment with the DWP commenced prior to January 1, 2014, and there is no break in service of more than seven (7) calendar days, as provided in Section 4.1095(b). This exception shall not apply if the member elects not to participate in the reciprocal retirement benefits arrangement, as provided in Section 4.1095(d).

A member or former member of LACERS who, after January 1, 2014, became ineligible to participate in LACERS by reason of transfer (including promotion, displacement, reclassification, or any other employment status change) to the Department of Water and Power, whose accumulated LACERS contributions remained on deposit in the Retirement Fund, and who is also a current, former, or retired member of the Water and Power Employees' Retirement Plan (WPERP), shall be considered for retirement eligibility purposes only to be a member or former member of LACERS at the time he or she applies for retirement or deferred service retirement, as applicable, from LACERS, and shall be entitled to have his or her service and/or service credit with LACERS as provided in LACERS plan provisions governing Tier 1 or Tier 3, as applicable. As used herein, "service credit" shall have the meaning ascribed to it under Section VII.F of the plan provisions governing WPERP Tier 2.

Sec. 2. Article 1 of Chapter 10 of Division 4 of the Los Angeles Administrative Code is amended to add a new Section 4.1002.1 to read as follows:

Sec. 4.1002.1. Mandatory Transfer of Tier 2 Members to Tier 1.

(a) **Tier 2 Members.** Effective February 21, 2016, all persons who entered LACERS membership between July 1, 2013 and February 21, 2016, as members of Tier 2 of the Retirement System shall be members of Tier 1 of the Retirement System

and shall be subject to all the benefits and conditions of entitlement of that tier. The City shall contribute to the Retirement System the funds necessary, as determined by the actuary for the Retirement System, to make the Retirement Fund whole for any contributions that would have been made by the City and Tier 2 members had those members been members of Tier 1 from their respective initial dates of membership in LACERS. Such contributions will reflect the difference between the Tier 1 and Tier 2 normal cost rates calculated for the affected Tier 2 members adjusted with interest at the assumed earnings rate. Any such back contributions made by the City shall not be credited to any individual member's account but shall be contributed solely for the purpose of making the Retirement Fund whole.

(b) **Former Tier 2 Member with Contributions on Deposit.** A former Tier 2 member who returns to membership in the Retirement System on or after February 21, 2016, shall return to membership in Tier 1 if he or she has pre-February 21, 2016, contributions that remain on deposit with the Retirement Fund on the date he or she begins City service in a position in which he or she again becomes eligible for membership in the Retirement System. In the event a former member's pre-February 21, 2016, contributions have been forfeited to the Retirement Fund, he or she shall return to membership in Tier 1, provided that he or she is relieved from such forfeiture and said funds are returned to his or her individual account. Former members may not qualify to return to Tier 1 membership under this paragraph by making back contributions or redeposits of contributions after re-entry into City service. The City shall contribute the funds necessary, as determined by the actuary for the Retirement System, to make the Retirement Fund whole for any contributions that would have been made by the City and the former Tier 2 member had that former member been a member of Tier 1 from his or her initial date of membership in LACERS. Such contributions will reflect the difference between the Tier 1 and Tier 2 normal cost rates calculated for the affected Tier 2 members adjusted with interest at the assumed earnings rate. Any such back contributions made by the City shall not be credited to the former member's account, but shall be contributed solely for the purpose of making the Retirement Fund whole. A former Tier 2 member who was employed for any period of time as a part-time employee and was certified as a member pursuant to Section 4.1052(b)(8), and who leaves his or her pre-February 21, 2016, contributions on deposit in the Retirement Fund, but does not return to membership in the Retirement System, shall be entitled to apply to retire as a former Tier 1 member pursuant to Section 4.1006 of this Code.

(c) **Tier 2 Disability Retirees Returned to Employment.** A Tier 2 disability retiree who is returned to City employment on or after February 21, 2016, as provided in Section 4.1058(e) or (f), or Section 4.1008 (e) or (f), shall return to membership in Tier 1.

(d) **Service Purchase Elections of Tier 2 Members.**

(1) **Government Service Buy Back.** Tier 2 members who elected to purchase Government Service Buy Back (GSB) prior to February 21, 2016, shall

have their service purchases re-calculated using the Tier 1 cost benefits methodology and conditions of entitlement. The Tier 1 GSB cost, including the member's salary, contribution rate, and interest rate, shall be based on the date the member signed his or her agreement. If payment has been received by the Retirement System and the Tier 1 purchase cost is less than the Tier 2 purchase cost, the Retirement System shall credit the member's account with regular interest, as provided in Charter Section 1162(b), any excess funds collected in error. Excess funds originating from post-tax dollars may, at the member's option, be refunded, applied to an additional service purchase, or transferred to a Larger Annuity Account. Excess funds originating from a pre-tax rollover of funds may, at the member's option, be applied to an additional service purchase, or transferred to a Larger Annuity Account. If payment has been received by the Retirement System and the Tier 1 purchase cost is greater than the Tier 2 purchase cost, the member shall either receive prorated service based on the payment already received or enter into an agreement to purchase the difference to receive full service credit.

(2) **Purchase of Back Contributions and Redeposit.** Tier 2 members who elected to purchase Back Contributions or Redeposit prior to February 21, 2016, shall have their service purchases re-calculated using the Tier 1 cost benefits methodology and conditions of entitlement. The Tier 1 Back Contributions and Redeposit cost calculations shall include the survivor contributions for the period of purchased service and regular interest, as provided in Charter Section 1162(b), based on the date the Member signed his or her agreement. If the Tier 1 purchase cost is greater than the Tier 2 purchase cost, the Member shall either receive prorated service based on the payment already received or enter into an agreement to purchase the difference to receive full service credit.

(e) **Death Benefits for Survivors of Tier 2 Members.** Survivors of Tier 2 members, who are receiving benefits that were calculated prior to February 21, 2016, shall have their survivor benefits re-calculated based on the Tier 1 benefits and conditions of entitlement.

Sec. 3. Article 3 of Chapter 10 of Division 4 of the Los Angeles Administrative Code is renumbered as Article 4 of Chapter 10 of Division 4 of the Los Angeles Administrative Code.

Sec. 4. Article 4 of Chapter 10 of Division 4 of the Los Angeles Administrative Code is renumbered as Article 5 of Chapter 10 of Division 4 of the Los Angeles Administrative Code.

Sec. 5. Article 3 of Chapter 10 of Division 4 of the Los Angeles Administrative Code is amended to read as follows:

CHAPTER 10, ARTICLE 3

TIER 3 PROVISIONS

Sec. 4.1080. Statement of Purpose and Severability.

(a) **Statement of Purpose.** This Article sets forth the benefits and conditions of entitlement that have been established for members of Tier 3 of the Los Angeles City Employees' Retirement System and for their beneficiaries. These benefits may be modified and the conditions of entitlement changed by ordinance as authorized in Section 1168 of the City Charter.

It is also the purpose of this article to demonstrate the intent of the City of Los Angeles, through its governing bodies, to promote the improvement of personnel management and employer-employee relations by enacting, from time to time, such ordinances as may legally be adopted under the authority of Section 1168 of the Charter of the City of Los Angeles whenever Memoranda of Understanding and other agreements, duly executed by all parties thereto and approved by the City Council, require by their terms presentation to the City Council of ordinances changing retirement benefits or conditions of entitlement thereto.

The Los Angeles City Employees' Retirement System is established, as may be amended from time to time, as a qualified defined benefit plan intended to satisfy the provisions of Section 401(a) of the Internal Revenue Code as applicable under Section 414(d) of the Internal Revenue Code for a governmental plan and such other applicable provisions of the Internal Revenue Code, Treasury Regulations, or other guidance.

(b) **Severability.** Should any provision of this article be declared by a court of competent jurisdiction to be invalid, that decision shall not affect the validity of the article as a whole or any part thereof, other than the part so declared to be invalid.

Sec. 4.1080.1. Definition of Terms and Rules of Construction.

(a) For the purposes of Article 3 of Chapter 10 and Article 4 of Chapter 11 of Division 4 of the Los Angeles Administrative Code, the following words and phrases shall have the meaning ascribed to them in this section unless elsewhere defined:

Accumulated Contributions. The total of the amounts paid into the Retirement Fund by the member and any regular interest credited to the member's account, as provided in Charter Section 1162(b).

Annuity. Payments for life derived from the accumulated contributions of a member as provided in this Article.

Base Amount. That portion of a retirement allowance resulting if cost of living amount is deducted therefrom.

Beneficiary. A person entitled to receive a benefit from the Retirement System.

Board of Administration or Board. The Board of Administration of the Los Angeles City Employees' Retirement System, established in Charter Section 1104(b).

City Service or Service. Only those periods during which a member (1) received compensation from the City as an employee or (2) during which the employee both received Workers' Compensation benefits (Div. IV, Labor Code) for temporary disability on account of any injury or illness arising out of and in the course of employment with the City, and made contributions to the Retirement Fund as provided in Charter Section 1162. Notwithstanding the foregoing, a member shall be entitled, at the time of death or retirement, to receive credit for his or her years of service from the date such member entered employment with the City of Los Angeles in a capacity that would entitle him or her to membership in the Retirement System.

City Service Credit or Service Credit. The time component of the formula used by the Retirement System for purposes of calculating benefits pursuant to applicable Los Angeles Administrative Code and Board rules.

Compensation Earnable. The base salary established for service in any City position or office for the period involved in any calculation required, plus any items of compensation that are designated as pension based in an applicable memorandum of understanding or City ordinance. All other items of compensation shall be excluded from the calculation of compensation earnable.

Continuous Service. Uninterrupted City service except that discontinuance of such service for any cause whatever, followed by re-entrance into City service within three years from the date of such discontinuance, shall not be considered as an interruption in the continuity of service.

Cost of Living Amount or COLA. That portion of a retirement allowance resulting from adjustments made pursuant to Section 4.1080.16.

Dependent Parent. A person who the Board of Administration, upon investigation and after a hearing in the matter, shall find is the parent of a member to or for whom the member, during the last year of his service, contributed at least one-half the necessary living expenses.

Domestic Partner. A person who has formed a valid domestic partnership by filing a Declaration of Domestic Partnership with the Retirement System, as authorized in Section 4.1080.9 herein, or with the State of California, as authorized in Family Code Section 298.5, or a person who has established a legal union which was validly formed in another jurisdiction that is substantially

equivalent to a domestic partnership, as provided in Family Code Section 299.2. Domestic partner shall not include a person who has established a domestic partnership pursuant to any other authority, unless expressly otherwise provided in this article. A partnership shall be established, for purposes of this article, on the date of the filing with the Retirement System or state.

Employee. Every person in the employ or service of the City of Los Angeles in any capacity, rank, or office, at a regular salary, wage, or compensation.

Forfeit or Forfeiture shall have the meaning provided by Internal Revenue Code section 401(a)(8).

Larger Annuity. The annuity funded entirely by the member as provided in Section 4.1080.3(d).

Member or Tier 3 Member. An employee of the City of Los Angeles who meets the membership requirements contained in Section 4.1080.2. Notwithstanding the foregoing, a person who is no longer employed by the City but who qualifies for reciprocity under Section 4.1096 and whose Tier 3 member contributions remain on deposit with the Retirement Fund may be considered to be a member, but only to the limited extent necessary to comply with the reciprocity provisions contained in Section 4.1096. Member, as used in this article, shall mean a member of Tier 3 unless otherwise specified.

Operative Date. The "effective date," unless a different date is specified by any ordinance adopted pursuant to the provisions of Charter Section 1168.

Regular Interest. Interest credited to the individual account of each member as provided in Charter Section 1162(b).

Reserve Basis. A system which provides for the accumulation and maintenance of a fund which will at all times be equal to the difference between the present value of the obligations assumed and the present value of the money to be received for paying such obligations, where such present values are estimated in accordance with accepted actuarial methods and on the basis of an assumed rate of interest and the mathematical probabilities of the occurrence of such contingencies as affect both the payment of the assumed obligations and the receipt of money with which they are to be paid.

Retirement Allowance or Allowance. An allowance granted under this article, together with all subsequent adjustments thereto, if any.

Retired Member or Retired Tier 3 Member. A former member who is receiving a monthly benefit from Tier 3 of the Retirement System. A retired member shall not be considered a member for purposes of this article and, if re-

employed as authorized in Charter Section 1164, shall continue to be a retired member.

Retirement Fund. The trust fund established for the Retirement System in Charter Section 1154.

Retirement System or System. The Los Angeles City Employees' Retirement System (LACERS).

Spouse. A person who is a party to a valid marriage.

(b) Wherever the phrase "**Final Compensation**" is used in this Article, it shall, unless a different meaning is clearly indicated by the context, have the following meaning:

The final compensation of every member shall be calculated as an average of the monthly compensation earnable during the member's last thirty-six (36) months of service or any other thirty-six (36) consecutive months of service designated by the member.

Since employees are paid on a bi-weekly basis, rather than a monthly basis, the Board shall adopt appropriate rules to convert a member's bi-weekly compensation earnable into an amount that represents the member's equivalent compensation earnable for the thirty-six (36) month period that is to be used to determine final compensation pursuant to this provision.

If for any reason final compensation must be computed for any member who has completed fewer than thirty-six (36) months of continuous service, the salary for the missing months shall be at the rate of compensation for the member's first month of service. This exception shall not apply if a member has completed any period of continuous service of thirty-six (36) months or longer for which he or she will receive service credit.

In calculating final compensation for the purposes of this article, compensation shall be limited to items of compensation designated as base salary by an applicable City ordinance or memorandum of understanding, and any items of compensation that are designated as pension based in an applicable memorandum of understanding or City ordinance. All other items of compensation shall be excluded from the calculation of final compensation.

When calculating final compensation for an employee who began membership in the Retirement System after June 30, 1996, compensation taken into account in any Plan year may not exceed the annual compensation limits established under Internal Revenue Code section 401(a)(17), as adjusted for increases in the cost of living in accordance with Internal Revenue Code Section 401(a)(17)(B).

(c) Whenever a reference is made in this Article to a specific section, such reference shall refer to a section contained in this chapter of the Los Angeles Administrative Code, unless expressly indicated otherwise by the text.

(d) Words used in the singular form in this article and in Article 4 of Chapter 11 of Division 4 of this Code shall be construed to include the plural meaning, and words used in the plural form shall be construed to include the singular meaning, unless expressly indicated otherwise by the text.

(e) Words used in the male form in this article and in Article 4 of Chapter 11 of Division 4 of this Code shall be construed to include the female meaning, and words used in the female form shall be construed to include the male meaning, unless expressly indicated otherwise by the text.

Sec. 4.1080.2. Membership in Tier 3.

(a) **Membership Provisions.** Effective February 21, 2016, and ongoing, every employee shall become a member of Tier 3 of the Retirement System on the first day of employment in a position with the City in which he or she is not excluded from membership pursuant to the provisions of Subsection (c) of this section, unless he or she qualifies for Tier 1 membership pursuant to the exceptions to Tier 1 membership set forth in Subsection (b).

A City employee shall cease to be a member of the Retirement System upon termination of employment. A City employee shall also cease to be a member if a change in his or her employment results in an exclusion from membership pursuant to the provisions of Subsection (c) of this section or if his or her membership has been terminated.

A member or former member of LACERS who, after January 1, 2014, became ineligible to participate in LACERS by reason of transfer (including promotion, displacement, reclassification, or any other employment status change) to the Department of Water and Power, whose accumulated LACERS contributions remained on deposit in the Retirement Fund, and who is also a current, former, or retired member of the Water and Power Employees' Retirement Plan (WPERP), shall be considered for retirement eligibility purposes only to be a member or former member of LACERS at the time he or she applies for retirement or deferred service retirement, as applicable, from LACERS, and shall be entitled to have his or her service and/or service credit with LACERS as provided in LACERS plan provisions governing Tier 1 or Tier 3, as applicable. As used herein, "service credit" shall have the meaning ascribed to it under Section VII.F of the plan provisions governing WPERP Tier 2.

(b) **Exceptions from Tier 3 Membership for Members Who Qualify for Tier 1 Membership.**

(1) **Former Tier 1 Member with Contributions on Deposit.** A former Tier 1 member who returns to membership in the Retirement System on or after February 21, 2016, shall return to membership in Tier 1 if he or she has pre-February 21, 2016, contributions that remain on deposit with the Retirement Fund on the date he or she begins City service in a position in which he or she again becomes eligible for membership in the Retirement System. In the event a former member's pre-February 21, 2016, contributions have been forfeited to the Retirement Fund, he or she shall return to membership in Tier 1, provided that he or she is relieved from such forfeiture and said funds are returned to his or her individual account. Former members may not qualify to return to Tier 1 membership under this paragraph by making back contributions or redeposits of contributions after re-entry into City service.

(2) **Tier 1 Disability Retirees Returned to Employment.** A Tier 1 disability retiree who is returned to City employment on or after February 21, 2016, as provided in Subsections 4.1008(e) or (f), shall return to membership in Tier 1.

(3) **Tier 2 Disability Retirees Returned to Employment.** A Tier 2 disability retiree who is returned to City employment on or after February 21, 2016, as provided in Subsections 4.1058(e) or (f), shall return to membership in Tier 1.

(4) **Former Tier 2 Member with Contributions on Deposit.** A former Tier 2 member who returns to membership in the Retirement System on or after February 21, 2016, shall return to membership in Tier 1 if he or she has pre-February 21, 2016, contributions that remain on deposit with the Retirement Fund on the date he or she begins City service in a position in which he or she again becomes eligible for membership in the Retirement System. In the event a former member's pre-February 21, 2016 contributions have been forfeited to the Retirement Fund, he or she shall return to membership in Tier 1, provided that he or she is relieved from such forfeiture and said funds are returned to his or her individual account. Former members may not qualify to return to Tier 1 membership under this paragraph by making back contributions or redeposits of contributions after re-entry into City service. The City shall contribute the funds necessary to make the Retirement Fund whole, as determined by the actuary for the Retirement System, for any contributions that would have been made by the City and the former Tier 2 member had that former member been making contributions as a member of Tier 1 from his or her initial date of membership in LACERS. Such contributions will reflect the difference between the Tier 1 and Tier 2 normal cost rates calculated for the affected Tier 2 members adjusted with interest at the assumed earnings rate. Any such back contributions made by the City shall not be credited to the former member's account, but shall be contributed solely for the purpose of making the Retirement Fund whole.

(5) **Tier 2 Members.** All employees who entered LACERS membership between July 1, 2013, and February 21, 2016, as Tier 2 members shall be members of Tier 1. The City shall contribute the funds necessary, as determined by the actuary for the Retirement System, to make the Retirement Fund whole for any contributions that would have been made by the City and all former Tier 2 members had those former Tier 2 members been members of Tier 1 from their respective initial dates of membership in LACERS. Such contributions will reflect the difference between the Tier 1 and Tier 2 normal cost rates calculated for the affected Tier 2 members adjusted with interest at the assumed earnings rate. Any such back contributions made by the City shall not be credited to the former Tier 2 member's account but shall be contributed solely for the purpose of making the Retirement Fund whole.

(6) **Certain Limited Term Retirement Plan Members.** An elected official who was a member of the Limited Term Retirement Plan (LTRP) on February 20, 2016, and subsequently becomes a member of the Retirement System shall become a member of Tier 1, rather than Tier 3, provided that his or her service as an elected official was continuous from February 20, 2016, until the date he or she became a member of the Retirement System and all of the funds in his or her individual account with the LTRP are transferred to his or her member account with the Retirement System pursuant to the provisions of Section 4.1080.18(c)(1).

(7) **Certain Part-Time Employee Members.** As provided in Subsection (d), employees who first commenced employment with the City prior to February 21, 2016, in a position eligible for part-time employee membership pursuant to the requirements of Subsection (c)(8), who become eligible for LACERS membership on or after February 21, 2016, shall become members of LACERS Tier 1. An employee who first commenced employment with the City in a position eligible for part-time employee membership prior to February 21, 2016, who terminates employment with the City but subsequently returns to City employment on or after February 21, 2016, and thereafter becomes eligible for LACERS membership, shall become a member of Tier 1.

(c) **Exclusions from Membership.** The following employees shall not be members of the Retirement System:

- (1) Persons employed by the Board of Education or School District.
- (2) Persons serving on any Board of Commissioners whose compensation consists of attendance fees per meeting attended.
- (3) Members of the Fire and Police Pension Plan and members of the Water and Power Employees' Retirement Plan, provided; however, that this exclusion shall not operate during any period of City service in which any such person is employed in any capacity which renders that person ineligible for

current membership in said plans. Nothing in this chapter shall be construed to prevent any person entitled to the payment of any benefit on account of service as a member of the Fire and Police Pension Plan or the Water and Power Employees' Retirement Plan from receiving payment on account of any benefit to which such person is entitled as a member of this Retirement System; provided, nevertheless, that no payment shall be made under provisions of this chapter, based upon any period of service for which such person is entitled to receive or is receiving any benefit, under the Fire and Police Pension Plan or the Water and Power Employees' Retirement Plan.

(4) Inmates of City institutions who are allowed compensation for such services as they are able to perform.

(5) Persons in City institutions principally for the purpose of receiving training but who receive compensation.

(6) Persons employed under contract for a definite period or for the performance of a particular special service.

(7) Persons employed only on call or for seasonal work.

(8) Any person employed on an intermittent, temporary, or part-time basis, unless the person (i) is a member at the time he or she commences to serve on such a basis; or (ii) the person's appointing authority certifies to the Board of Administration, under penalty of perjury, that the person's employment is regular and continuous and will likely extend for at least one year and require service for at least one-half (1/2) the time required of full-time employees in the same group or class of service; or (iii) the person's appointing authority certifies to the Board of Administration, under penalty of perjury, that the person has satisfied the requirements for certification as a part-time employee member of the Retirement System, as such requirements have been set forth under an applicable memorandum of understanding.

(9) Any officer of the City elected for a fixed term who files a written declaration of his or her desire not to become a member of the System within ninety (90) days following the last day of the calendar month during which the first deduction on account of member contributions to the Retirement Fund is taken. When the declaration is filed, any contributions already taken attributable to the fixed term to which he or she was just elected, including interest thereon, shall be transferred to the officer's account with the Limited Term Retirement Plan and said officer shall have no right to benefits from the System for any periods for which such contributions were taken. Any officer who has filed such a declaration may revoke it in writing and, upon filing the written revocation with the Board of Administration, shall become a member of the System.

In addition to persons elected for a fixed term as an officer of the City, any person appointed to fill a vacancy in an elected office for a fixed term, whether for the full remainder of such term or any portion thereof, may choose not to become a member of the System by filing the declaration procedure provided in this paragraph. Such a person shall be considered an elected official of the City for purposes of participation in the Limited Term Retirement Plan.

Notwithstanding the foregoing, whenever any retired member of the System is elected as an officer of the City, he or she shall not re-enter membership in the System, but shall instead become a participant in the Limited Term Retirement Plan, during which time he or she shall continue to receive benefits as a retired member of the System.

(10) Any person undergoing training who will become a member of the Fire and Police Pension Plan upon completion of training.

(11) Any retired member of the System employed by the City on a temporary basis not to exceed one hundred and twenty (120) days pursuant to Charter Section 1164.

(d) **Part-Time Employee Members.** Employees who qualify for membership in the Retirement System pursuant to Subsection (c)(8) herein shall be referred to as part-time employee members herein. As provided in Subsection (b)(7), employees who commence employment with the City prior to February 21, 2016, in a position eligible for part-time employee membership in LACERS pursuant to the requirements of Subsection (c)(8), who become eligible for part-time employee membership pursuant to the requirements of Subsection (c)(8) on or after February 21, 2016, shall become members of LACERS Tier 1.

Part-time employee members shall have their compensation earnable prorated based upon hours paid per pay period for purposes of the payment of member contributions in Section 4.1080.3(a) and 4.1080.3(b), and shall receive prorated service credit based on the hours worked per pay period for purposes of the calculation of their service retirement allowance, deferred service retirement allowance, and the amount of the retiree health subsidy to which they are entitled, if any, under Chapter 11 Division 4 of this Code. A person who qualifies as a part-time employee member shall continue in this status until his or her status changes to that of a full-time employee or until his or her membership in the Retirement System is terminated.

Any part-time employee member whose employment status changes in such manner that he or she would be ineligible for membership pursuant to the provisions of Subsection (c)(8) if not already a member, may file a written application, together with proof of status change, with the Board of Administration requesting that his or her membership in the Retirement System be terminated. Provided that he or she provides sufficient proof of status change, the Retirement System shall approve the request. If such request is approved, the former member shall become a member of the Pension

Savings Plan for Part-time, Seasonal and Temporary Employees established in Chapter 16 of this Code, provided that he or she otherwise qualifies to participate in such plan. Unless federal law permits a withdrawal of contributions, the former member's accumulated contributions shall remain in the fund so long as he or she continues to be employed, in any capacity, by the City.

Sec. 4.1080.3. Member Contributions.

(a) **Normal and Survivor Contribution Rate.** Each member shall contribute by salary deduction to the Retirement Fund at the rate of seven percent (7%) of the member's compensation earnable. Of this seven percent (7%), one-half percent (0.5%) shall be the survivor contribution portion, and the remaining six and one-half percent (6.5%) shall be the normal contribution. Contributions paid pursuant to this section shall be deposited into each member's individual account and credited with interest as provided in Charter Section 1162. No portion of a member's contributions shall be paid into the 401(h) account. No portion of a member's contributions shall be credited to the ERIP Cost Obligation under the Early Retirement Incentive Program provided by Section 4.1033 of this Code. The ERIP Cost Obligation is not an obligation of Tier 3 members, and, conversely, the recoupment by the Retirement System of the ERIP Cost Obligation shall have no impact on the seven percent (7%) normal contribution rate for Tier 3 members.

(b) **Additional Contribution to Defray Cost of Providing Retiree Medical Plan Premium Subsidy.** In addition to the contributions required pursuant to Subsection (a) herein, each member shall contribute by salary deduction four percent (4%) of his or her compensation earnable to defray the cost to the City of providing the benefit set forth in Section 4.1126. The rate of the additional contribution described in this subsection is intended to defray the cost to the City to provide the benefit set forth in Section 4.1126. No portion of a member's contributions shall be paid into the 401(h) account.

(c) **Pick Up of Employee Contribution.** The City shall pick up, by salary deduction, all employee contributions as provided in Sections 4.1500 through 4.1504 of Chapter 15 of Division 4 of this Code to the extent that the City's pick up of employees' contributions continues to be excludable from the gross income of the affected employees under the provisions of Internal Revenue Code Section 414(h)(2).

(d) **Optional Additional Contributions under Larger Annuity Program Established by the Board.** The Board of Administration shall, by rule, provide for the making by members of additional contributions to provide for a larger annuity benefit at the time of retirement. A member shall not be permitted to make such additional contributions, however, if doing so would cause his or her benefits to exceed the Internal Revenue Code limitations referenced in Section 4.1080.1(b). All larger annuity benefits funded by the making of additional contributions by members, as authorized in this section, shall be determined by the actuary for the Retirement System to be cost-neutral.

Solely for the purpose of making additional contributions to provide a larger annuity benefit at the time of retirement, the Board of Administration may accept, subject to any limitations imposed by federal law, a direct rollover distribution of funds from the City of Los Angeles 457 Deferred Compensation Plan after the date of the member's retirement provided that: the member's application to purchase a larger annuity benefit is received prior to the effective date of the member's retirement; the member, prior to his or her retirement, shall have provided the Deferred Compensation Plan with the written authorization that is required for funds to be transferred to the Retirement System immediately after his or her retirement; the rollover is completed as soon as administratively feasible; and the larger annuity benefit is not payable to the member until after the funds have been received.

Sec. 4.1080.4. Rights of Former Members to Refund of Contributions and to Leave Contributions on Deposit in Retirement Fund.

"Former member" shall include both a City employee who ceases to be a member upon separating from City service and a City employee who continues to be employed by the City, but becomes ineligible for membership in the Retirement System. For purposes of this section, former member shall not include, a retired member who is receiving any retirement allowance provided in this Article.

(a) **Refund of Contributions.** Upon written demand made to the Board of Administration, a former member of Tier 3 shall be paid his or her accumulated contributions. But contributions shall not be refunded to a former member who is employed in any capacity by the City unless such a refund is permitted under federal law. After a former member's contributions have been refunded, he or she shall have no right to any benefits provided by the Retirement System.

(b) **Contributions Remain in the Fund.** A former member of Tier 3 may permit his or her accumulated contributions to remain in the Retirement Fund. A former member's individual account shall be credited with regular interest in the same manner as applies to a member's individual account.

A former member whose contributions remain on deposit in the Retirement Fund and who is eligible for service retirement may apply to retire as provided in this article. If such former member fails to file a written retirement application prior to attaining age seventy and one-half (70 ½), the Retirement System, pursuant to rules to be adopted by the Board of Administration, shall make such mandatory minimum distributions as are required by the Internal Revenue Code. If mandatory minimum distributions cannot be paid to a former member for any reason, such as the person's failure to cooperate or where the person's whereabouts is unknown and the Retirement System has followed Internal Revenue Service procedures to locate him or her, then such funds shall be forfeited to the Retirement Fund, provided that he or she shall be relieved from such forfeiture upon the making of a valid claim for relief, determined at the sole discretion of the Board of Administration.

If a former member's years of service are insufficient to qualify the former member for a deferred service retirement, and the former member fails to request a refund of contributions pursuant to Subsection (a) above within ten (10) years from the date his or her membership terminated or from the date he or she was last employed by the City, whichever occurs later, the former member's accumulated contributions shall be forfeited to the Retirement Fund. The former member shall be relieved from such forfeiture, however: (1) upon returning to membership in the Retirement System, at which time said funds shall be returned to his or her individual account pursuant to rules to be adopted by the Board of Administration; or (2) upon making a valid claim for relief from forfeiture, as determined at the sole discretion of the Board of Administration. If any such former member attains age seventy and one-half (70 ½) with contributions still on deposit in his or her account, the Retirement System, pursuant to rules to be adopted by the Board of Administration, shall make such mandatory minimum distributions as are required by the Internal Revenue Code.

In the event that a former member whose contributions or other benefits have been forfeited pursuant to this subsection is deceased, any person or entity who would be entitled to the payment of the former member's funds upon his or her death may make a claim for relief from forfeiture on the deceased's behalf.

Sec. 4.1080.5. Eligibility for Service Retirement by Employees; Retirement Factors; Application Requirements.

(a) **Eligibility for Service Retirement and Retirement Factors.** This subsection sets forth the age and service eligibility requirements and retirement factors for Tier 3 members who retire directly from City employment.

(1) **Early Retirement Prior to Age 60.** A Tier 3 member with thirty (30) or more years of service, including at least five (5) years of continuous City service, shall be eligible to retire prior to age sixty (60) with a retirement factor of two percent (2%).

(i) If the member is age fifty-five (55) or older at the date of retirement, his or her retirement allowance shall not be subject to reduction on account of age.

(ii) If the member is younger than age fifty-five (55) at the date of retirement, his or her retirement allowance shall be reduced by the applicable early retirement reduction factor set forth in Section 4.1080.7, Subsection (c).

(2) **Normal Retirement at Age 60.**

(i) A Tier 3 member shall be eligible to retire at age sixty (60) or older with a retirement factor of one and one-half percent (1.5%), provided

he or she shall have at least ten (10) years of service, including at least five (5) years of continuous City service.

(ii) A Tier 3 member shall be eligible to retire at age sixty (60) or older with a retirement factor of two percent (2%), provided he or she shall have at least thirty (30) years of Service, including at least five (5) years of continuous City service.

(3) **Enhanced Retirement at Age 63.**

(i) A Tier 3 member shall be eligible to retire after reaching age sixty-three (63) with a retirement factor of two percent (2%), provided he or she has at least ten (10) years of service, including at least five (5) years of continuous City service.

(ii) A Tier 3 member shall be eligible to retire after reaching age sixty-three (63) with a retirement factor of two and one-tenth percent (2.1%), provided he or she has at least thirty (30) years of service, including at least five (5) years of continuous City service.

(b) **Continuous City Service Requirement.** Service purchased under Section 4.1080.20 shall not count toward establishing the minimum five (5) years of continuous City service required for retirement under this section. The requirement for five (5) years of continuous City service set forth in this section, however, may be satisfied based upon service with a reciprocal system to the extent necessary to comply with the provisions of Section 4.1096.

(c) **Service with the Water and Power Employees' Retirement Plan.** Service with the Water and Power Employees' Retirement Plan (WPERP) shall not be considered for the purpose of determining the member's length of service for retirement eligibility under this section unless such service was transferred to the Retirement System pursuant to reciprocity between LACERS and WPERP as provided by current Section 4.1095 or former Section 4.1060 of this Code, in which case LACERS shall consider such service to the extent required by those Code sections.

(d) **Retirement Application Requirements.** A Tier 3 member who is eligible for retirement under this section may file a service retirement application with the Board of Administration specifying a retirement date. The application shall be filed not less than thirty (30) or more than sixty (60) days prior to the requested retirement date, except that in the event a member has been notified by the City that he or she will be laid off, the application may be filed less than thirty (30) days in advance and shall be accepted, provided it is filed with the Board while the member is still employed and specifies a retirement date prior to the member's termination. Under no circumstance shall an applicant be entitled to a retirement date earlier than the date upon which the retirement application is filed.

(e) **Calculation of Retirement Allowance.** A member who retires under this section shall have his or her retirement allowance calculated as set forth in Section 4.1080.7.

Sec. 4.1080.6. Eligibility for Deferred Service Retirement by Former Members; Retirement Factors; Application Requirements.

(a) **Eligibility for Deferred Service Retirement and Retirement Factors.** This subsection sets forth the age and service eligibility requirements, and the applicable retirement factors, for deferred service retirement for Tier 3 members. To be eligible for a deferred service retirement from Tier 3, a former member's Tier 3 contributions must remain on deposit in the Retirement Fund.

(1) **Full Retirement with Unreduced 1.5% Retirement Factor.** A former member shall be eligible for a full (unreduced) deferred service retirement allowance:

(i) at age sixty (60) or older, with five (5) years of continuous City service, provided that ten (10) years have elapsed since he or she first became a member of the Retirement System; or

(ii) at age seventy (70) or older, with five (5) years of continuous City service, regardless of the number of years that have elapsed since he or she first became a member of the Retirement System.

A former member who is eligible for full (unreduced) deferred service retirement under this subsection shall have his or her retirement allowance calculated as set forth in Section 4.1080.7, applying a one and one-half percent (1.5%) retirement factor.

(2) **Full Retirement with Unreduced 2.0% Retirement Factor.** A former member shall be eligible for a full (unreduced) deferred service retirement allowance:

(i) at age sixty (60), with thirty (30) years of continuous City service, provided that ten (10) years have elapsed since the first date of membership; or

(ii) at age sixty-three (63), with ten (10) years of service, including five (5) years of continuous City service.

A former member who is eligible for full (unreduced) deferred service retirement under this subsection shall have his or her retirement allowance calculated as set forth in Section 4.1080.7, applying a two percent (2.0%) retirement factor.

(3) **Full Retirement with Unreduced 2.1% Retirement Factor.** A former member shall be eligible for a full (unreduced) deferred service retirement allowance at age sixty-three (63), with thirty (30) years of continuous City service, provided that ten (10) years have elapsed since the first date of membership.

A former member who is eligible for full (unreduced) deferred service retirement under this subsection shall have his or her retirement allowance calculated as set forth in Section 4.1080.7, applying a two and one-tenths percent (2.1%) retirement factor.

(4) **Early Retirement with 1.5% Retirement Factor and Age Reduction Factor.** A former member who is at least age fifty-five (55) but not yet sixty (60), with five (5) years of continuous City service, may retire with an age-based reduced retirement allowance, provided ten (10) years have elapsed since he or she first became a member of the Retirement System.

A former member who is eligible for early retirement under this subsection shall have his or her retirement allowance calculated as set forth in Section 4.1080.7, applying a one and one-half percent (1.5%) retirement factor, with an age-based early retirement reduction factor as set forth in Section 4.1080.7, Subsection (c).

(b) **Continuous Service Requirement.** Service purchased under Section 4.1080.20 shall not count toward establishing the minimum five (5) years of continuous City service required for retirement under this section. The requirement for five (5) years of continuous City service set forth in this section, however, may be satisfied based upon service with a reciprocal system to the extent necessary to comply with the provisions of Section 4.1096. A former member does not need to have five (5) years of continuous service if he or she has been a member while employed for any period of time as a part-time employee whose membership terminates for any reason on or after October 18, 1992.

(c) **Service with the Water and Power Employees' Retirement Plan.** A former member whose contributions remain on deposit with the Retirement System and who either:

(1) is employed in a position with the Department of Water and Power (DWP) in which he or she is a member of WPERP; or

(2) is a retiree of the DWP who qualified for retirement under Tier 1 of WPERP with a Minimum Pension C, or who qualified for retirement from Tier 2 of WPERP under Subsection F of Section VIII,

shall be eligible to retire as a former member under the provisions of this section. Service with the Water and Power Employees' Retirement Plan (WPERP) shall be considered for the purpose of determining the member's length of service for retirement

eligibility under this section where such service was transferred to the Retirement System pursuant to reciprocity between LACERS and WPERP as provided by current Section 4.1095 or former Section 4.1060 of this Code. LACERS shall consider such service to the extent required by those Code sections.

(d) **Application Requirements.** A former member of Tier 3 who is eligible for a deferred service retirement must notify the Retirement System in writing when he or she wants to retire, provided that the date of his or her retirement may not be earlier than the date that the written notification is received by the System.

(e) **Calculation of Retirement Allowance.** A former member who retires under this section shall have his or her retirement allowance calculated as set forth in Section 4.1080.7.

Sec. 4.1080.7. Calculation of Service and Deferred Service Retirement Allowance.

(a) **Calculation Formula.** The service retirement allowance for a member who is eligible to retire under Section 4.1080.5, and the deferred service retirement allowance for a former member who is eligible to retire under Section 4.1080.6, shall be calculated pursuant to the following formula:

Retirement factor × (multiplied by) City Service Credit × (multiplied by) final compensation = (equals) service retirement allowance.

Each service retirement allowance shall be allocated between the following two components:

(1) An annuity which shall be the actuarial equivalent of the retiree's accumulated contributions at the time of retirement (excluding any additional contributions paid to provide a larger annuity at the time of retirement), calculated in accordance with approved actuarial methods as of the date of retirement; and

(2) A pension, in the amount of the remaining balance, payable to the retiree on account of his or her service.

(b) **City Service Credit Based Upon Time Working for the Department of Water and Power under the Water and Power Employees' Retirement Plan.** In calculating the service or deferred retirement allowance pursuant to the formula set forth in Subsection (a), City service credit based upon service with the Water and Power Employees' Retirement Plan (WPERP) shall be included where such service credit was transferred to the Retirement System pursuant to reciprocity between LACERS and WPERP, as provided by current Section 4.1095 or former Section 4.1060 of this Code. LACERS shall consider such service credit to the extent required by those Code sections.

(c) **Age Based Reduction Factor for Early Retirement.** For members who retire pursuant to Section 4.1080.5(a)(1)(ii), and former members who retire pursuant to Section 4.1080.6(a)(4), an age-based reduction shall be made by multiplying the retirement allowance as calculated in Subsection (a) by the factor set forth in the table.

Early Retirement Reduction Factors

(Age at Retirement to the last attained quarter year in this table)

Age at Retirement	Whole Year	+3 months	+6 months	+9 months
45	.6250	.6325	.6400	.6475
46	.6550	.6625	.6700	.6775
47	.6850	.6925	.7000	.7075
48	.7150	.7225	.7300	.7375
49	.7450	.7525	.7600	.7675
50	.7750	.7825	.7900	.7975
51	.8050	.8125	.8200	.8275
52	.8350	.8425	.8500	.8575
53	.8650	.8725	.8800	.8875
54	.8950	.9025	.9100	.9175

(d) **Adjustment for Prior Disability Retirement.** The retirement allowance calculated in Subsection (a) shall be subject to the following adjustment, if applicable. If the retiree had previously been on disability retirement, the retiree's service retirement allowance shall be reduced by an amount equal to the annuity which the total of the disability annuity payments made to him or her would have provided had they still been part of his or her accumulated contributions at the time of retirement unless, upon returning to service from disability retirement, a member elected, as provided by Board rule, to make additional contributions in order to restore part or all of his or her annuity.

(e) **Adjustment for Prior Minimum Distribution.** The retirement allowance calculated in Subsection (a) shall be subject to the following adjustment, if applicable. If the retiree previously received any minimum distribution required by the Internal Revenue Code, the retiree's service retirement allowance shall be subject to adjustment as provided in rules to be adopted by the Board of Administration.

(f) **Cap on Allowances.** In no event shall any Tier 3 retirement allowance exceed eighty percent (80%) of the member or former member's final compensation, except where the allowance is based solely upon the annuity component funded by the retiree's accumulated contributions and thus does not include a pension component. The eighty percent (80%) of final compensation limitation upon the retirement allowance set forth above, which is subject to one exception as noted, shall apply to the member or former member's retirement allowance prior to any adjustments that may be required as a result of the purchase of an additional annuity, the provision for a continuance to a survivor, or any other election authorized in this section.

(g) **Internal Revenue Limitations.** All Internal Revenue Code limitations set forth in Section 4.1080.1(b) shall be applicable to benefits payable under Tier 3. In addition, Tier 3 members or former members shall not be entitled to the payment of benefits to the extent such benefits are reduced by the limitations on benefits imposed by Section 415 of the Internal Revenue Code. Tier 3 retirees shall not be eligible to participate in the Excess Benefit Plan established in Section 4.1800.

Sec. 4.1080.8. Disability Retirement.

(a) **Application for Disability Retirement.** Any member who has five (5) or more years of continuous service and who has become physically or mentally incapacitated and who is incapable, as a result thereof, of performing his or her duties, may be retired upon written application of such member, or any person acting in his or her behalf, or of the head of the department in which such member is employed. Any such application may be made at any time within, but not exceeding, one (1) year after the discontinuance of the service of such employee or the termination of any duly authorized sick leave with payment provided such incapacity has been continuous from the discontinuance of such service.

(b) **Disability Determination.** The Board shall cause each member who applies for disability retirement to be examined by, and a written report thereon rendered by, at least three (3) regularly licensed, practicing physicians selected by the Board. If the member is terminally ill, however, the Board shall only require the member to be examined by one (1) such physician selected by the Board.

If, upon considering the report(s) of such physician(s) and such other evidence as shall have been presented to it in connection with the disability retirement application, the Board finds that: (1) the member has become physically or mentally incapacitated and is incapable, as a result thereof, of performing his duties; and (2) such disability was not due to intemperance or the willful misconduct of such member, then the Board shall determine that the member shall be retired as of the date of the discontinuance of his or her service on account of such disability or termination of sick leave with pay.

(c) **Disability Retirement Allowance.** Any member retired on account of disability shall receive a disability retirement allowance that shall consist of:

(1) An annuity which shall be the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement, calculated in accordance with approved actuarial methods as of the date of retirement; and

(2) A pension which shall be in such an amount that the same, when added to that portion of his or her annuity not derived from additional contributions paid to provide a larger annuity at the time of retirement, shall be a sum which shall be equal to one-seventieth (1/70) of his or her final compensation, as defined in Section 4.1080.1(b), calculated as of the date of retirement, multiplied by the number of years of City service credit of such member.

If the sum resulting from this calculation should be an amount that represents less than one-third (1/3) of the member's final compensation, the disability retirement allowance shall be one-third (1/3) of his or her final compensation.

(d) **Death of Applicant Prior to Board Action.** Whenever the Board shall have before it for consideration an application for disability retirement by a member who died while he or she was waiting for the application to be processed and prior to reports of examination being obtained from three (3) or more physicians selected by the Board, a disability retirement may be granted on the basis of fewer than three medical reports or no such reports subject to the following provisions:

The Board must find:

(1) That the applicant was physically or mentally incapacitated since the discontinuance of service and incapable of performing the duties of his or her position; and

(2) That the disabling condition(s) and death of the applicant were not due to the applicant's intemperance or willful misconduct.

The Board shall have the authority to adopt all necessary rules to implement the provisions of this subsection including, but not limited to, rules regarding the type and quantity of evidence required to make the determination required herein.

In the event that an applicant's disability retirement is granted by the Board after his or her death, whether pursuant to the provisions of this subsection or based upon three or more reports that were obtained from physicians selected by the Board, and he or she leaves a survivor eligible for a continuance of his or her disability retirement allowance as provided in Section 4.1080.12, the disability retirement allowance payable to such deceased member shall be reduced so as to provide for a one hundred percent (100%) disability survivorship allowance as if such deceased applicant had elected to provide a one hundred percent (100%) continuance benefit under the provisions of Section 4.1080.14(a)(1).

(e) **Review of Disability Retirees.** The Board may, from time to time in its discretion, require any beneficiary under the age of sixty (60) years who shall have been retired because of disability to submit to medical examination by three (3) regularly licensed practicing physicians selected by the Board. Upon the basis of such examination and other proper evidence, said Board shall determine whether such beneficiary is still incapacitated for service in the position held by the beneficiary at the time of his or her retirement. If the Board determines that such beneficiary is not so incapacitated, the beneficiary shall be restored to duty in the position held by him or her at the time of the disability retirement order, and, upon his or her return to active service, his or her retirement allowance shall be canceled.

The failure, neglect or refusal of any beneficiary to submit to such medical examination as the Board may order or to return to active service when determined to be no longer incapacitated, within such reasonable time as the Board may determine, shall be sufficient cause for cancellation of such retirement allowance in the discretion of the Board. If the Board so determines, the only right that the beneficiary shall have as a former member pursuant to Section 4.1080.4 of this article is to receive a refund of his or her accumulated contributions, less any payments made on account of the annuity provided herein.

If the Board should determine that a beneficiary is no longer incapacitated, but the beneficiary cannot be restored to duty in the position held by him or her at the time of retirement due to the beneficiary's termination or resignation, the Board shall cancel his or her retirement allowance, and, as a former member, he or she shall have the rights set forth in Section 4.1080.4, provided that, in the event he or she requests a refund of contributions, the accumulated contributions shall be reduced by any payments made on account of the annuity provided herein.

(f) **Consensual Re-Employment in a Different Position.** Any person retired for disability by the Board, even though incapable of performing the duties of the position from which he or she has been or shall be retired, may be re-employed in a different vacant position if the Board of Civil Service Commissioners finds that he or she is capable of performing the duties of such position. Such person may be so re-employed only with the consent of the appointing authority for such position and the written consent of such person. The Board of Civil Service Commissioners shall adopt rules and regulations to effectuate the purpose of this subsection. Upon the re-employment of such person, his or her disability retirement allowance shall cease, and, should he or she be eligible for membership in the Retirement System, he or she shall again become a member of the Retirement System.

(g) **Rights and Obligations upon Re-Employment.** Any beneficiary who retires for disability as a Tier 3 member and subsequently re-enters the service of the City, as provided in Subsection (e) or (f) herein, and again becomes a member of the Retirement System, shall return to membership in Tier 3. The balance, if any, of his or her accumulated contributions, after deducting the annuity payments made to him or her on account of a disability retirement allowance, shall be credited to the individual

account of such member with the Retirement System, regardless of whether he or she becomes a member of the Retirement System or of another City retirement system upon re-employment. Upon returning to service from disability retirement, a member may elect to make additional contributions to his or her individual retirement account, as provided by Board rule, in order to restore part or all of his or her annuity.

He or she shall receive credit for services rendered prior to the date of his or her retirement in the same manner as though he or she had never been retired for disability, but the payment of a disability pension shall not constitute compensation from the City entitling him or her to Service for the period it was paid. If otherwise eligible, a member may purchase eligible service with another governmental entity for employment during periods in which he or she received a disability allowance.

(h) **Board Authority.** The Board shall have the power to hear and determine all matters pertaining to the granting or termination of any retirement allowance provided for in this section, and the determination of the Board shall be final and conclusive.

(i) **Loan Program for Disability Applicants.** The Board shall, by rule, establish a loan program for members who have made application for disability retirement or upon whose behalf an application has been made in accordance with the provisions of this section, provided that the loan program shall be in compliance with the provisions of Internal Revenue Code Section 72(p). The loan program shall further provide that in no event shall the amount of funds loaned to any member exceed the amount of contributions and interest in the member's LACERS account, and that, once a Board determination is made granting or denying a member's disability application, no further funds shall be loaned to the member in connection with that application. Loan repayments will be suspended under this program as permitted under Section 414(u)(4) of the Internal Revenue Code.

(j) **Right to Make Back Contributions When Disability Application Denied.** Any member who has, at any time, filed an application for disability retirement that was denied by the Board of Administration upon a finding that the applicant had not become physically or mentally incapacitated so as to be incapable of performing his or her duties, shall have the right to designate up to six (6) months of the period while such application was pending for purposes of acquiring credit towards City Service as defined in Section 4.1080.1(a), subject to the following conditions:

(1) The designated period does not already entitle the member to service credit.

(2) The maximum period to be designated is six (6) months or the actual period of time while the application for disability retirement was pending, whichever was less.

(3) If a member has applied more than once for disability retirement, the cumulative total period to be designated may not exceed six (6) months or

the time elapsed while applications were processed, whichever is less.

(4) The right granted herein shall be exercised in writing, filed with the Board, designating the period of City Service for which the member desires to receive service credit, and must be accompanied by a single payment of back contributions or by an irrevocable agreement to pay such back contributions in installments. The back contributions to be paid shall be in an amount equal to all of the contributions which he or she would have made to the Fund had he or she been making contributions during such period, based upon such person's compensation earnable before the discontinuance of his or her service, together with all regular interest which, had he or she so made the same, would have been credited thereon prior to the date of such payment. Installment payments shall be made pursuant to rules adopted by the Board. Every member who makes up back contributions as provided herein shall be allowed credit for the period of City Service designated in the declaration filed by him or her with the Board. If he or she ceases to be a member of the System before making up the full amount thereof, he or she shall be allowed service credit, counter-calendarwise, for the same portion of such designated period as the amount made up by him or her. If the member ceases to be a member by reason of his or her death, service credit shall be allowed for the whole period designated by him or her if his or her surviving spouse or domestic partner exercises the option granted in this article to any surviving spouse or domestic partner to make a single payment of all of the unpaid installments with accrued interest thereon.

(k) **WPERP Service.** Service with the Water and Power Employees' Retirement Plan (WPERP) shall not count towards continuous service for purposes of Subsection (a) of this section. Service with the WPERP shall be included as years of service in the calculation of the member's disability retirement allowance pursuant to Subsection (c) of this section, where such service was transferred to the Retirement System pursuant to reciprocity under current Section 4.1095 or former Section 4.1060. LACERS shall consider such service to the extent required by those Code sections.

Sec. 4.1080.9. LACERS Domestic Partnerships.

(a) **Establishment of Domestic Partnerships with LACERS.** A domestic partnership shall be established for purposes of this Article when two partners, who may be of the same sex or of the opposite sex, file a Declaration of Domestic Partnership with the Board, provided all the following requirements are met:

(1) Both persons agree to be jointly responsible for each other's basic living expenses incurred during the domestic partnership.

(2) Neither person is married or a member of another domestic partnership.

(3) The two persons are not related by blood in a way that would prevent them from being married to each other in this State.

(4) Both persons are at least eighteen (18) years of age.

(5) Both persons are capable of consenting to the domestic partnership.

An Affidavit of Domestic Partnership filed prior to July 1, 2000, with the Board shall be treated for all purposes of this Article as being the same as a Declaration of Domestic Partnership filed pursuant to this subsection.

(b) **Termination of Domestic Partnerships with LACERS.** Once a domestic partnership is established as provided above, this domestic partnership shall be terminated when any of the following occurs:

(1) One partner gives, or sends by certified mail, to the other partner a written notice that he or she is terminating the partnership;

(2) One of the domestic partners dies; or

(3) One of the domestic partners marries.

Upon termination of a domestic partnership, at least one of the former partners shall file a Notice of Termination of Domestic Partnership with the Board, provided that failure to file such notice shall not prevent the termination of the domestic partnership. This provision shall apply both to partnerships established on or after July 1, 2000 by the filing of a Declaration of Domestic Partnership and to partnerships established prior to July 1, 2000, by the filing of an Affidavit of Domestic Partnership.

(c) **Six Month Prohibition.** No person who has established a domestic partnership, by filing either an Affidavit of Domestic Partnership or a Declaration of Domestic Partnership with the Board, may file a new Declaration of Domestic Partnership with the Board until at least six (6) months after the date that a Notice of Termination of Domestic Partnership was filed with the Board as provided herein. This prohibition does not apply if the previous domestic partnership ended because one of the partners died or married.

(d) **Board Authority to Establish Earlier Filing Date.** Where a Declaration of Domestic Partnership is required to be on file with the Board for at least one (1) year, the Board may establish an earlier filing date than the actual date that the parties filed their Declaration of Domestic Partnership with the Board upon sufficient proof that the parties have an Affidavit or Declaration of Domestic Partnership on file earlier with the Personnel Department.

(e) **Death Prior to Filing.** Should a member die prior to filing a Declaration of Domestic Partnership with the Board, but (1) have a current domestic partner based upon an earlier established domestic partnership with the Personnel Department, and (2) have a beneficiary designation on file with the Board that designates that domestic partner as the beneficiary entitled to receive all of the member's contributions, then such domestic partner shall be entitled to receive the same benefits that he or she would have received had their domestic partnership been filed with the Board, as provided herein, on the date that the parties filed their Affidavit or Declaration of Domestic Partnership with the Personnel Department.

Sec. 4.1080.10. Payments Upon Death of Member, Former Member, or Retired Member.

(a) **Death of Member before Retirement.** Upon the death of any member before retirement:

(1) **Accumulated Contributions.** The member's accumulated contributions shall be paid to such person or legal entity as the member shall have nominated by written designation duly executed and filed with the Board of Administration or, if there be no such written designation of beneficiary, then to the surviving spouse or domestic partner of such deceased member, or to the member's children in the event there be no surviving spouse or domestic partner, or to the member's parents in the event there be no surviving spouse or domestic partner or children. In the event there be no written designation of beneficiary, surviving spouse or domestic partner, children or parents, then said accumulated contributions shall be paid to the executor or administrator of the estate of such deceased member, or to any other person or legal entity legally authorized to collect money due the decedent.

(2) **Limited Pension.** In the event such member shall have had at least one (1) year of City Service for which the member is entitled to receive service credit, then a limited pension shall be paid as provided herein. The limited pension shall be paid in equal monthly payments of one-half (1/2) of the average monthly compensation earnable of such member during the member's last year of service. For each year of service, not to exceed six (6) years, two (2) monthly payments shall be paid, not to exceed a total of twelve (12) monthly payments for six (6) or more years of service. Such limited pension shall be paid to the surviving spouse or domestic partner of such deceased member or to the minor children of such member, in the event there shall be no surviving spouse or domestic partner. The payment to a minor child shall continue beyond the month the child reaches age eighteen (18) if the child was a minor on the date of the member's death. In the event there be no surviving spouse or domestic partner or minor children, the limited pension shall be paid to the dependent parents of such member. However, no limited pension shall be paid in the event the Board of Administration, upon investigation and after a hearing in the matter, finds that the death of such member was due to or resulted from the

intemperance or the willful conduct of such member. In the event any such beneficiary should die before receiving the full amount of such limited pension, the same shall be continued to the persons who, in the order hereinabove set forth, qualify as beneficiaries thereof as of the date of death of such deceased beneficiary and who, within sixty (60) days after such date make demand for payment thereof; provided, however, that in the event no such demand is made within such time, the said limited pension shall conclusively be deemed to have been terminated as of such date of death.

(3) **Election of Optional Retirement Allowance when Member Eligible to Retire.** In the event such member was eligible to retire pursuant to the provisions of Section 4.1080.5 and that the person or persons entitled to be paid such limited pension is or are the same person or persons entitled to be paid, against the claims or demands of any and all other persons thereto, the full amount of such member's accumulated contributions, then such person or persons may, by a written instrument duly executed, acknowledged and filed with the Board of Administration, waive payment of such limited pension and such accumulated contributions and elect to be paid, in lieu thereof, the optional retirement allowance which would have been paid to such member throughout his or her life and continued, upon his or her death, throughout the life or lives of such person or persons as his or her designated survivor or survivors, had the member, as of the day preceding his or her death, been retired pursuant to the provisions of Section 4.1080.14(a)(1) and designated such person or persons as his or her survivor or survivors. In no event shall the benefits of this paragraph be payable to any person after the allowance of a limited pension pursuant to the provisions of this subsection, nor shall the limited pension be payable to any person after the allowance of the benefits of this paragraph. If any person elects to receive the optional retirement allowance provided in this paragraph, no benefits shall be paid from the Family Death Benefit Plan established in Section 4.1090 of this chapter.

The duly appointed, qualified and acting guardian of the estate of a minor child or an incompetent shall make such waiver and election on behalf of such minor child or incompetent.

If a surviving spouse or domestic partner makes the election authorized herein, the annuity portion of the allowance to be paid shall be calculated on the basis of the member's normal accumulated contributions as opposed to the sum of the Normal Contributions and the Survivor Contributions. The excess of the deceased member's total accumulated contributions over the normal accumulated contributions at the time of death shall be paid to said surviving spouse or domestic partner or, at the option of such survivor, considered as additional contributions made to provide a larger annuity benefit.

Whenever a member shall die while in City Service leaving a survivor who would be eligible to receive the benefit provided herein if the deceased member

had been eligible, at the time of his or her death, to retire pursuant to Section 4.1080.5 if such member's vacation time accrued immediately preceding the day of death pursuant to Article 1, Chapter 6, Division 4 of this Code, or any applicable memorandum of understanding would have been added to his or her years of service, the accrued vacation time of the deceased member, or any necessary portion thereof, shall be added to such member's total years of service. The benefit herein created shall be available at the option of the eligible survivor of the deceased member. Accrued vacation time of a deceased member may only be utilized for purposes of establishing eligibility to the survivorship benefits provided herein and may not be used to create or affect other retirement rights provided in the City Charter or the Los Angeles Administrative Code.

(4) **Survivor Benefit Options.** Certain survivors of members who die before retirement may be eligible to elect to receive a lifetime allowance pursuant to the provisions of Section 4.1080.11. The right to elect the benefit provided in Section 4.1080.11 is contingent upon an otherwise eligible survivor being entitled to receive all of the deceased member's contributions since that benefit is provided in lieu of the payment of the member's contributions and a limited pension, as authorized in this subsection.

(b) **Death of Former Member before Retirement.** Upon the death of any former member who had not yet retired and whose contributions remain on deposit:

(1) **Accumulated Contributions.** The former member's accumulated contributions shall be paid to such person or legal entity as the former member shall have nominated by written designation duly executed and filed with the Board of Administration or, if there be no such written designation of beneficiary, then to the surviving spouse or domestic partner of such deceased member, or to the member's children in the event there be no surviving spouse or domestic partner, or to the member's parents in the event there be no surviving spouse or domestic partner or children. In the event there be no written designation of beneficiary, surviving spouse or domestic partner, children or parents, then said accumulated contributions shall be paid to the executor or administrator of the estate of such deceased member, or to any other person or legal entity legally authorized to collect money due the decedent.

(2) **Optional Retirement Allowance.** In the event the surviving spouse or domestic partner of such former member is entitled to be paid, against the claims or demands of any and all other persons thereto, the full amount of such former member's accumulated contributions, and further provided that such former member had completed five (5) or more years of continuous service with the City:

(i) **Eligible for Deferred Retirement.** If the former member was eligible for deferred service retirement at the time of his or her death,

then such surviving spouse or domestic partner may by a written instrument, duly executed, acknowledged and filed with the Board of Administration, waive payment of the accumulated contributions that would otherwise be payable under this subsection and elect to receive an optional retirement allowance equal to that which the former member would have received had he or she retired under the provisions of Section 4.1080.14(a)(1) on the day prior to his or her death.

(ii) **Eligible for Future Deferred Retirement.** If the former member was not eligible for deferred service retirement at the time of his or her death, then such surviving spouse or domestic partner may, by a written instrument duly executed, acknowledged and filed with the Board of Administration, waive payment of the accumulated contributions that would otherwise be payable under this subsection, and elect to wait until such time as the former member would have been entitled to receive a service retirement allowance and shall then receive an optional retirement allowance equal to that which the former member would have received had he or she retired under the provisions of Section 4.1080.14(a)(1) on the day first eligible to receive such benefit.

(c) **Death of Retired Member.** Upon the death of a retired member:

(1) **Survivor Continuance Options.** Sections 4.1080.12, 4.1080.13, and 4.1080.14 contain provisions that authorize the payment of retirement allowances to specified survivors of retired members. These benefits are generally referred to as continuance benefits, since the benefit is based on a continuation to the survivor of some portion of the deceased retired member's allowance.

(2) **Unused Contributions and Unpaid Retirement Allowance.** Upon the death of a retired member or upon the death of all of the member's survivors to whom a retirement allowance was paid, the unused contributions and any accrued but unpaid retirement allowance due the retiree shall be paid in the same manner as that provided in Subsection (a)(1) of this section for the payment of the accumulated contributions of a member who dies before retirement, provided, however, that the retired member or any survivors shall not have received a retirement allowance pursuant to which no refund of contributions is payable upon the death of the retiree or his or her last survivor, in which case no contributions shall be refundable. For the purpose of this Article, the phrase "unused contributions" shall be the remainder, if any, of the accumulated contributions of such deceased member after deducting the total of all amounts paid on account of any annuity to such retiree and to his or her survivor or survivors, provided that there shall be no unused contributions in the event that the retiree or any survivors received a retirement allowance pursuant to which no refund of contributions is payable upon the death of the retiree or his or her last survivor.

The spouse or domestic partner who is receiving an allowance as a result of the death of a deceased member, referred to as a survivor for purposes of this provision, may file a beneficiary designation with the Board of Administration naming a beneficiary or beneficiaries for any accrued but unpaid allowance payable upon the survivor's death and, subject to the limitations set forth below, for the deceased member's unused contributions.

Upon the survivor's death, any accrued but unpaid allowance due the survivor shall be paid in the following order: (i) to the survivor's designated beneficiaries; (ii) if none, to the children of the survivor; (iii) if no children, to the parents of the survivor; (iv) if no parents, to the executor or administrator of the estate of the survivor; or (v) to any other person or legal entity legally entitled to collect money due to the survivor. Should the survivor leave no one legally entitled to collect any accrued allowance, it shall be paid in the following order: (i) to the deceased member's children; or (ii) if none, to the deceased member's parents; or (iii) if none, to the executor or administrator of the estate of the member; or (iv) to any other person or legal entity legally entitled to collect money due to the deceased member.

If the deceased member has failed to designate a beneficiary for the unused contributions or if the beneficiaries so designated by the deceased member have all predeceased the survivor, then, upon the death of the survivor, the Board of Administration shall pay the unused contributions pursuant to the survivor's beneficiary designation on file with the Board. In the event the survivor has no beneficiary designation on file or the named beneficiaries have all predeceased the survivor, then the unused contributions shall be paid in the following order: (i) to the deceased member's children; or (ii) if none, to the deceased member's parents; or (iii) if none, to the executor or administrator of the estate of the survivor; or (iv) to any other person or legal entity legally entitled to collect money due to the deceased survivor.

(3) **Burial Allowance.** Upon the death of every retired member, the sum of two thousand five hundred dollars (\$2,500.00) shall be paid to one (1) and only one (1) person or legal entity as the retired member shall have nominated by written designation, duly executed and filed with the Board of Administration; or to the surviving spouse or domestic partner of such deceased retired member, in the event there be no designated beneficiary; or to his or her child or children, in the event there be no designated beneficiary or surviving spouse or domestic partner, provided that such payment shall be made only after satisfactory evidence has been presented to the Board showing that the expense of burial of the decedent has been paid or that the obligation to pay therefor has been assumed by a person or persons or an organization legally capable of contracting such obligation. The fact of burial, as evidenced by a certified copy of the death certificate, shall be sufficient evidence of compliance with the requirements stated in the foregoing sentence. While the purpose of this benefit

is to provide a funeral allowance for the deceased retiree, the Retirement System shall have no responsibility to assure that this payment is used for that purpose.

In the event there be no designated beneficiary, surviving spouse or domestic partner, or child or children, or in the event the requirements herein stated with respect to the expense of burial of such retired member have not been complied with within such time as said Board, in its discretion, may determine, then the payment of the amount specified in this subsection shall be paid to the executor or administrator of the estate of such decedent, or to any other person or legal entity legally authorized to receive money due said decedent.

(d) **Forfeiture of Unclaimed Contributions to the Retirement Fund.** The right to payment of the accumulated contributions upon the death of the member or former member before retirement, as provided in Subsections (a) and (b) herein, and the right to payment of the member's unused contributions, as provided in Subsection (c) herein, upon the later of the death of the retired member or the member's survivor to whom an allowance was paid, is a vested property right of the person(s) entitled to such payment; provided, however, that should the person(s) entitled thereto fail to claim this benefit within ten (10) years from the date of such death, the funds shall be forfeited to the Retirement Fund, unless and until the Board of Administration receives a valid belated claim for payment, determined at the sole discretion of the Board of Administration. Any death benefit payable shall be subject to mandatory minimum distribution as required by the Internal Revenue Code, provided that the funds that are required to be distributed shall be forfeited to the Retirement Fund if the person(s) entitled to the funds refuses to cooperate in electing to be paid such funds or cannot be located and the Retirement System has followed Internal Revenue Service procedures to locate such person(s).

Sec. 4.1080.11. Benefits Payable to Eligible Surviving Spouse or Domestic Partner Upon Member's Death before Retirement.

(a) **Definitions.** As used in this section, the following words and phrases shall have the meaning ascribed to them in this paragraph:

Duty Related Death. The death of a member caused by illness or injury that arose out of the performance of his or her duties as an employee of the City of Los Angeles.

Non-Duty Related Death. A member's death which occurred due to illness or injury not arising out of the member's performance of his or her duties as an employee of the City of Los Angeles.

Eligible Surviving Spouse. The person who was married to the member at the time of the member's death and who is entitled to be paid, against the

claims or demands of any and all other persons thereto, the full amount of such member's accumulated contributions.

Eligible Surviving Domestic Partner. The person who was the domestic partner of the member at the time of the member's death and who is entitled to be paid, against the claims or demands of any and all other persons thereto, the full amount of such member's accumulated contributions.

Eligible Survivor. A person who is either an Eligible Surviving Spouse or Eligible Surviving Domestic Partner, as defined in this subsection.

(b) **Duty Related Death of a Member Who Does Not Have Five (5) Years of Continuous Service.** If a member, who at the time of a Duty Related Death was not eligible for a disability retirement allowance pursuant to the provisions of Section 4.1080.8, leaves an eligible survivor, that eligible survivor may elect to receive a monthly allowance equal to the disability retirement allowance benefit the member would have received, as provided in Section 4.1080.8, had he or she completed five (5) years of continuous service and had he or she been eligible for a disability retirement and had retired under a disability retirement on the day preceding the date of death and elected to receive the benefit as computed under the provisions of Section 4.1080.14(a)(1). In the event the member had completed less than twelve (12) months of service, the salary for the missing months shall be at the rate for the first month of service to arrive at the compensation earnable.

(c) **Death of a Member Who Has Five (5) or More Years of Continuous Service.** If, at the time of a Duty Related Death or Non-Duty Related Death, a member would have been eligible to receive a disability retirement allowance pursuant to Section 4.1080.8 and leaves an eligible survivor, that eligible survivor may elect to receive a monthly allowance equal to the amount the deceased member would have been entitled to if he or she had been so retired on the day preceding his or her death and elected to provide a continuing benefit under the provisions of Section 4.1080.14(a)(1).

(d) **Calculation of Disability Survivorship Allowance.** The one hundred percent (100%) disability survivorship allowance provided in Subsections (b) and (c) herein shall consist of an annuity based upon the eligible survivor's age and the member's total accumulated contributions, calculated in accordance with approved actuarial methods, supplemented by a pension to equal the remainder of the allowance so computed.

(e) **Consequences of Election to Receive a Disability Survivorship Allowance.** An eligible survivor who elects to receive the one hundred percent (100%) disability survivorship allowance hereinabove provided in Subsections (b) and (c), by making this election shall waive his or her rights under Section 4.1080.10(a) to payment of a limited pension and to payment of all the member's accumulated contributions, and shall receive the benefits provided in this section in lieu thereof. Said eligible survivor shall also receive the benefits provided under the Family Death Benefit Plan,

established in Section 4.1090, if said eligible survivor would otherwise have been entitled thereto.

(f) **Election to Wait and Receive a Continuance of the Member's Service Retirement Allowance (Member Not Eligible for Retirement).** If a member had completed five (5) or more years of continuous service with the City, but was not eligible to retire on a service retirement allowance on the date of his or her death, the eligible survivor shall have the option of electing to wait until such time as the member would have been entitled to receive a service retirement allowance pursuant to the provisions of Section 4.1080.7, and shall then receive a retirement allowance equal to that which the member would have received had the member retired under the provisions of Section 4.1014(a)(1) on the day first eligible to receive such benefit. An eligible survivor who elects to wait and to receive the allowance provided herein shall have no rights under the provisions of Sections 4.1080.10(a); the benefits payable under this provision are provided in lieu of the payment of the member's accumulated contributions and the limited pension provided in Section 4.1080.10(a). However, if an eligible survivor would otherwise have been entitled to the benefits provided under the Family Death Benefit Plan, an eligible survivor who exercises the option provided in this subsection shall receive the benefits provided in Section 4.1090, but only until such time as the optional benefit provided in this subsection shall become payable, at which time his or her entitlement to benefits under Section 4.1090 shall cease.

(g) **Election to Receive a Continuance of the Member's Service Retirement Allowance (Member Eligible for Retirement).** If a member was eligible to retire on a service retirement allowance on the date of his or her death, Section 4.1080.10(a)(3) provides an optional retirement benefit for persons who otherwise qualify for said benefit.

(h) **Election under This Section Waives All Rights to Benefits Provided in Section 4.1080.10.** The election by an eligible survivor to receive an allowance under the provisions of this section constitutes and includes a complete waiver of all rights he or she may have under Section 4.1080.10(a), including the right to payment of all the member's accumulated contributions, both regular contributions and survivor contributions, as well as a waiver of the payment of the limited pension.

(i) **Board Authority.** The Board of Administration, with respect to the determination of whether death of a member was attributable to Duty Related causes or Non-Duty Related causes, shall have the power to make such determination based upon such evidence as may be presented to it.

Sec. 4.1080.12. Benefits Payable to Eligible Surviving Spouse or Domestic Partner Upon Death of Retired Member.

All current and former members of Tier 3 of Retirement System shall, at the time of retirement, whether for service or disability, be eligible for the benefit provided in this section, provided they have an eligible survivor as defined in this section.

(a) **Definitions.** For purposes of this section, the following words and phrases are defined as follows:

Eligible Survivor shall include the following:

(1) The spouse of a retired member to whom such member is married at time of retirement and has been so married for at least one (1) year prior thereto, and further provided that said spouse is either the surviving spouse or surviving domestic partner of the retired member at the time of his or her death.

(2) The domestic partner of a retired member provided that at the time of the member's retirement their domestic partnership had been established for at least one (1) year, and further provided that said domestic partner is either the surviving domestic partner or surviving spouse of the retired member at the time of his or her death.

Unmodified Allowance. The total monthly retirement allowance payable to the member as of the date of retirement, calculated in accordance with the provisions of sections 4.1080.7, in the case of service retirement and deferred service retirement, or 4.1080.8, in the case of disability retirement.

Joint and Survivor Cash Refund Annuity. An annuity which shall be the actuarial equivalent of the member's total accumulated contributions providing for equal monthly payments during the lifetime of such member and the eligible survivor, with payment of any unused contributions, as defined in Section 4.1080.10 (c)(2), upon the death of the last survivor as provided in that provision, calculated in accordance with approved actuarial methods as of the date of retirement.

(b) **Survivor Contributions.** Every member shall contribute by salary deduction at the rate of contribution established in Section 4.1080.3(a) on account of the benefit provided by this section. Said contributions shall be known and designated as survivor contributions and are in addition to the member's normal contributions.

(c) **Retirement with Eligible Survivor.** Upon the retirement of a member having an eligible survivor, other than one selecting one of the options available under Section 4.1080.13, the annuity portion of such member's retirement allowance shall be calculated as a joint and survivor cash refund annuity, and the amount of pension payable during the member's lifetime shall be the excess of the member's unmodified retirement allowance over such joint and survivor cash refund annuity.

Upon the death of a member survived by an eligible survivor, there shall be continued to such survivor a retirement allowance which shall consist of:

(1) The joint and survivor cash refund annuity paid during the member's lifetime; and

(2) A pension amount payable during the lifetime of the eligible survivor, which shall be the excess of one-half (1/2) of the unmodified allowance over said joint and survivor cash refund annuity.

(d) **Retirement with No Eligible Survivor.** Upon the retirement of a member having no eligible survivor at the time of retirement, the annuity portion of such member's retirement allowance shall be calculated on the basis of his or her normal accumulated contributions as opposed to the sum of the normal contributions and the survivor contributions taken pursuant to the provisions of this section. The excess of such member's total accumulated contributions over the normal accumulated contributions at time of retirement shall be paid to such member, or at his or her option, considered as additional contributions made to provide an increased annuity.

Sec. 4.1080.13. Election at Time of Retirement for Members or Former Members without Eligible Surviving Spouse or Domestic Partner to Provide Allowance to Designated Beneficiary Upon Death.

A member or former member who does not have an eligible survivor, as defined in Section 4.1080.12, may make an irrevocable election at the time of retirement, in writing, to provide for a continuance of his or her retirement allowance to one designated beneficiary. The retiree shall take an actuarial reduction of his or her retirement allowance to pay for the continuance to a designated beneficiary. The retiree shall specify any whole percentage not to exceed 100% as the portion of the retirement allowance to be paid as an allowance to the beneficiary, subject to any limits imposed by federal law. The allowance payable to the beneficiary shall commence the day following the retiree's date of death and shall terminate upon the death of the beneficiary.

In the case of a member or former member retired under Section 4.1080.5 or a former member retired under Section 4.1080.6, the beneficiary's continuance shall be subject to all cost of living and discretionary adjustments as provided in Section 4.1080.17.

A beneficiary under this section shall not be entitled to any disability retirement allowance, any basic death benefit, any special death benefit, any monthly allowance for survivors of a member or retired person, any insurance benefit or subsidy, or retired member lump-sum death benefit.

The Board shall adopt rules to administer this continuance and shall formulate the benefits in such a way that no additional actuarial liability is incurred either by the System or by the City.

Sec. 4.1080.14. Election at Time of Retirement to Provide Optional Allowance to Specified Survivors Upon Retired Member's Death.

(a) **Optional Retirement Allowance Election.** At any time before the first payment of a service or disability retirement allowance, a member or former member who is retiring may irrevocably elect to receive the actuarial equivalent of such retirement allowance as:

(1) **One Hundred Percent (100%) Continuance.** An optional retirement allowance payable throughout the balance of the retiree's life, with the provision that upon his or her death one hundred percent (100%) of such optional retirement allowance shall be continued through the life of and paid to: (i) the retired member's surviving spouse or domestic partner; or (ii) his or her minor children, in the event there be no surviving spouse or domestic partner; or (iii) his or her dependent parents, in the event there be no surviving spouse or domestic partner or minor children, provided that, in the case of a minor child, the same shall terminate with the monthly payment next preceding the date on which said child attains the age of eighteen (18) years; or

(2) **Other Percent Continuance.** Any other optional allowance which the retiree may elect to receive and which shall be authorized by the Board, payable throughout the balance of his or her life, with the provision that, upon his or her death, a specified percentage of such optional allowance selected by the retiree shall be continued through the life of and paid to: (i) the retired member's surviving spouse or domestic partner; or (ii) his or her minor children, in the event there be no surviving spouse; or (iii) his or her dependent parents, in the event there be no surviving spouse or minor children; provided that, in the case of a minor child, the same shall terminate with the monthly payment next preceding the date on which said child attains the age of eighteen (18) years.

In order for the person who is the retiree's spouse or domestic partner at the time of retirement to be eligible to receive the continuance provided in this section, this person must be the surviving spouse or surviving domestic partner of the retiree at the time of his or her death.

(b) **Calculation of Optional Retirement Allowances.** The amount of any optional retirement allowance granted pursuant to this section shall be so calculated that the liability of the system at the date of retirement under the optional retirement allowance shall be equal to the liability of the system at the same date under the retirement allowance provided in Section 4.1080.7 for service and deferred service retirement allowances, or Section 4.1080.8 for disability retirement allowance, including in each case the liability for continuance to an eligible survivor provided in

Section 4.1080.12, if applicable. Any retiree selecting one of the options available under this section who has an eligible survivor as defined in Section 4.1080.12 shall have the annuity portion of such retiree's retirement allowance calculated on the basis of the member's total accumulated contributions, including both normal and survivor contributions. For the purpose of this section, the liability of the system is defined as the present value, in accordance with tables adopted by the Board, of the retirement allowance or optional retirement allowance calculated by approved actuarial methods, giving due weight to the average probabilities of survivorship of all parties involved in the allowance, or optional allowance, to the limitation of payments to age eighteen (18) in the case of a minor child, and to the requirement for refund of unused contributions after the death of the retiree or beneficiary as provided for in Section 4.1080.10(c)(2).

(c) **Federal Law Limitations May Not Be Exceeded.** No optional allowance shall be granted under the provisions of this section that exceed any limitations imposed by federal law.

Sec. 4.1080.15. Right to Elect Life Annuity with No Refund of Contributions.

Any member or the survivor of a deceased member who is eligible for a retirement allowance under the provisions of this Article may, in lieu of the annuity payment calculated on the basis of the refund of unused contributions, elect to receive an annuity payable only during the life or lives of the persons covered by the option with no payment due upon the death of the last survivor on account of unused contributions. In all other respects, the provisions of Section 4.1080.14(b) with respect to the liability of the System under the option being equal to the liability of the System under the member's unmodified retirement allowance shall be applicable.

Sec. 4.1080.16. Community Property Payment Options.

When a portion of the community property interest in a member or former member's benefits under Tier 3 has been awarded, pursuant to a valid court order in a proceeding in which the Retirement System has been joined as a party, to a former spouse, former domestic partner, legally separated spouse, or legally separated domestic partner (jointly referred to as "nonmember" herein), the following payment options are available, as applicable:

(a) **Payments to Nonmember Based on Court Order ("In-Kind" Payments).** The Retirement System shall pay directly to the nonmember any community property interest in benefits payable under the provisions of this article that have been awarded to the nonmember, provided that the Retirement System has been joined as a party in the proceedings and ordered to make such payment in a valid court order. To the extent that benefits are payable for the lifetime of a specific person, such as the retired member or an eligible survivor, any interest therein awarded to the nonmember will terminate when the right to benefit payments ends.

(b) **Option to Elect a Life Annuity.** When a court of competent jurisdiction awards a former spouse or former domestic partner a portion of the retirement benefits payable to the member/former member and to the member/former member's surviving spouse or domestic partner (survivor), if any, the former spouse or former domestic partner, in lieu of receiving his or her portion of the benefits payable based upon the lifetime of the member/former member and/or survivor, may instead make an irrevocable election to convert his or her interest in such retirement benefits into an actuarially equivalent life annuity payable for the lifetime of the former spouse or former domestic partner. If the member/former member has not yet retired, the former spouse or former domestic partner must make this irrevocable election to receive a life annuity, in writing, prior to receiving payment of his or her community property portion of the retirement allowance. If the member/former member has already retired, the election must be made at the time the former spouse or former domestic partner requests direct payment of his or her community property portion of the retirement allowance. If this irrevocable election is not made prior to the applicable times specified herein, the former spouse or former domestic partner will be deemed to have waived the right to elect to receive a life annuity.

This option is not available in a legal separation where the parties' relationship has not been legally terminated.

(c) **Legal Separations.** In the event the parties have obtained a legal separation, but remain married or remain domestic partners, the legally separated spouse or legally separated domestic partner may receive benefits payable to an eligible survivor under the provisions of this article, provided he or she satisfies the applicable eligibility requirements.

Sec. 4.1080.17. Cost of Living Adjustments.

(a) **Application.** The provisions of this section shall not be applicable to any benefit payable to a member or former member, or to his or her beneficiaries, pursuant to the provisions of Section 4.1080.10(a)(2), concerning the limited pension. The provisions of this section, however, shall be applicable to each other benefit payable in monthly installments pursuant to any other provisions of this Article, but the application thereof to any such benefit shall not reduce the amount to be paid on or subsequent to July 1st of any year to an amount less than that payable immediately prior to July 1st of said year.

(b) Cost of Living Adjustments by Board of Administration.

(1) The Board of Administration, not later than the 1st day of May of each year, shall determine with respect to the Federal Bureau of Labor Statistics Consumer Price Index for the Los Angeles area ("the C.P.I.") the percentage of increase or decrease, if any, in the C.P.I. for the whole of the first next preceding calendar year from the C.P.I. for the whole of the second next preceding

calendar year and shall round any such percentage increase or decrease to the nearest one-tenth (1/10) of one percent (1%).

(2) The Board, whenever it shall have determined that there had been an increase or decrease in the C.P.I., shall increase or decrease the amount of each such benefit as hereunder provided, subject, however, to the limitations contained in Subsection (a) of this section:

Effective the 1st day of July of each year, the Board of Administration, with respect to each eligible benefit which became payable prior to the applicable 1st day of July, shall increase or decrease the amount thereof payable immediately prior to the applicable 1st day of July by one-twelfth (1/12) of the percentage of increase or decrease in the C.P.I. as determined by it pursuant to Subsection (b)(1) of this section, for each whole month that such benefit was payable during the year commencing the 1st day of July next preceding the applicable 1st day of July and ending the 30th day of June next preceding the applicable 1st day of July, providing that any increase or decrease in the amount of any such benefit shall not exceed one-twelfth (1/12) of two percent (2%) thereof for each whole month that it was payable during the year.

(3) If it is impossible or impracticable for the Board to cause all necessary calculations to be made in time for it to include any increases or decreases in the amounts of benefits, as hereinabove provided, in the demands drawn in payment of such benefits for the month of July in any year, then the Board shall have the power and authority, when such calculations shall have been made, to increase or decrease the amounts of the demands drawn in payment of such benefits for any month subsequent to the month of July so as to include any increases or decreases in such benefits which shall have accumulated from and after the 1st day of July.

(4) In contrast with the practice authorized for Tier 1 of the System, as provided by LAAC Section 4.1022(c)(2), nothing in this section shall be construed to authorize the accumulation or carrying over of any percentage increase or decrease in the C.P.I. from one calendar year to the next.

(c) Discretionary Cost of Living Adjustments by City Council.

(1) There is hereby created and established a policy whereby the City Council shall periodically review the matter of the cost of living adjustments for certain beneficiaries who receive retirement benefits from the Retirement System. The review shall be made to ascertain the impact of increases or decreases in the Consumer Price Index upon retirement benefits and the adequacy of the annual cost of living adjustments provided in subsection (b) herein.

Should the City Council find and determine that annual cost of living adjustments are inadequate in light of the movement of the Consumer Price Index, the City Council may grant additional, but discretionary, cost of living adjustments as hereinafter provided.

(2) The first of the reviews provided in Subsection (c)(1) herein shall be made during the third fiscal year following the date that the first beneficiary of Tier 3 receives a benefit that is subject to a cost of living adjustment, pursuant to Subsection (b) herein, and annually thereafter until the City Council has provided a first discretionary adjustment pursuant to this section. Thereafter, the City Council shall make periodic reviews in intervals not to exceed three (3) years from the date of the completion of the last review or from the effective date of the last discretionary cost of living adjustments, whichever shall be the later.

(3) Should it be the finding of the City Council that discretionary cost of living adjustments would be in order, any such adjustments would be subject to the following limitations:

(i) The first discretionary adjustment may be granted at any time. Thereafter, discretionary adjustments may not be provided more frequently than once every three (3) years, counting from the date the last discretionary adjustments became effective.

(ii) Discretionary adjustments shall not exceed one-half (1/2) of the difference between the percentage of the annual increases in the cost of living, as determined pursuant to the provisions of Subsection (g)(2) herein, for each of the preceding three (3) years and the annual adjustments made pursuant to Subsection (a). Discretionary adjustments shall be allocated to each of the three (3) years for which an adjustment is made.

(iii) Any discretionary cost of living adjustments provided pursuant to the provisions of this section shall be subject to the following further limitation: If a benefit became payable on or after July 1 immediately preceding the effective date of such adjustments, it shall not be so adjusted; and any benefit which shall become payable at a time within a three-year period between discretionary cost of living adjustments (but prior to the immediately preceding July 1), shall be prorated according to the annual increase, on a monthly basis, to the number of completed months for which the benefit was received.

(iv) Discretionary cost of living adjustments may be granted only by ordinances adopted in accordance with the provisions of Section 1168 of the City Charter.

(v) All adjustments provided in this subsection are to be applied prospectively only. Nothing in this section shall be understood to permit retroactive adjustments of benefits.

(vi) Only those monthly benefits which are entitled to cost of living adjustments as provided in Subsection (a) and (b) of this section are entitled to discretionary cost of living adjustments under Subsection (c) herein. Discretionary cost of living adjustments shall not be applied to monthly benefits excluded from receiving cost of living adjustments under any provision in this article.

(vii) It shall be the duty of the City Administrative Officer to prepare appropriate reports and recommendations to enable the City Council to make findings as to the adequacy of the annual cost of living adjustments.

Sec. 4.1080.18. Back Contributions.

(a) **Back Contributions for Past Periods of City Service.** Every member who was a City employee during any period or periods in which he or she was regularly employed, on a full-time basis or on a part-time basis but was not a member, and thus not contributing to the Retirement Fund, shall have the option to designate all or any portion of such employment for which he or she may receive service credit, provided, however, that the member is not receiving and is not entitled to receive for that period of City employment any benefit from any other pension or retirement system, including, but not limited to, the Fire and Police Pension Plan, the Water and Power Employees' Retirement Plan, the Limited Term Retirement Plan, the Pension Savings Plan for Part-time, Seasonal and Temporary Employees, and any union plan.

The option to make back contributions shall be exercised in writing, filed with the Board of Administration, designating the period of City employment for which the member desires to receive service credit, and must be accompanied by a single payment of back contributions or by an agreement to pay such back contributions in installments. The back contributions to be paid shall be in an amount equal to all of the contributions which he or she would have made to the Fund had he or she been a member during such period, together with all regular interest which, had he or she so made the same, would have been credited thereon prior to the date of such payment; provided, however, that in the case of such installment payment thereof, the same shall be made pursuant to the rules which shall be adopted by the Board of Administration establishing minimum amounts to be paid and the period of time within which they must be paid and, furthermore, providing the rate of interest which shall be paid upon the unpaid balance of the same.

Every member who makes up back contributions as hereinabove provided shall be allowed credit for the period of City employment designated in the declaration filed by him or her with the Board of Administration, the same as though he or she had been

a member during such period. Any such member shall be allowed at any time to make a single payment equal to the then present value of all of the unpaid installments in such manner as shall be determined by the Board. Should the member fail to make all of the payments required of him or her under the provisions of this section, he or she shall be allowed service credit, counter-calendarwise, for the same portion of such designated period as the amount made up by him or her, and provided further that, should he or she cease to be a member by reason of his or her death, service credit shall be allowed for the whole period designated by him or her if his or her surviving spouse or domestic partner exercises the option which, under such circumstances, hereby is given to such survivor to make a single payment equal to the then present value of all of the unpaid installments in such manner as may be determined by the Board. The written option hereinabove referred to shall be filed with the Board of Administration.

For purposes of determining whether a member is not receiving and is not entitled to receive for a prior period of City employment any benefit from a non-City pension or retirement system, such as a union plan, the Board shall adopt rules regarding the proof that a member must provide to establish a right to make back contributions for such prior period of City employment, since, for a non-City system, such information is not directly available to the Retirement System.

(b) **Back Contributions for Periods of Participation in the Pension Savings Plan.** Notwithstanding the provisions of Subsection (a), a member may receive service credit for any period or periods in which he or she was a participant in the Pension Savings Plan for Part-time, Seasonal and Temporary Employees provided for in Chapter 16 of Division 4 of this Code. Such option shall be exercised in writing, filed with and subject to rules promulgated by the Board of Administration as provided for in Subsection (a) above. The amount of back contributions to be paid shall be the total of the following:

(1) An amount equal to all of the contributions which he or she would have made to the Fund had he or she been a member during such period, together with all regular interest which would have been credited thereon by the Board of Administration prior to the date of such payment; and

(2) The full amount of all contributions made to the Pension Savings Plan by the City on behalf of the member during such period or periods, plus all interest credited to those contributions by the Pension Savings Plan.

(c) **Back Contributions for Periods of Participation in the Limited Term Retirement Plan.** Notwithstanding the provisions of Subsection (a) herein and Section 4.1850(g) of Chapter 18.5 of Division 4 of this Code, every person who is a member may receive service credit for any period or periods in which he or she was a participant in the Limited Term Retirement Plan provided for in Chapter 18.5 of Division 4 of this Code by making back contributions, which shall be paid in one of the following manners:

(1) All of the participant's interest in his or her individual account with the Limited Term Retirement Plan, based upon contributions made both by the participant and by the City, and any gains or losses thereon, shall be transferred from the Limited Term Retirement Fund to the LACERS Retirement Fund. The member's LACERS account shall be credited with back contributions equal to the total contributions that he or she would have made to the Fund had he or she been a member during such period, together with the regular interest that would have been credited to those contributions; or

(2) Where the member's entire account balance in his or her former individual account with the Limited Term Retirement Plan, based upon contributions made both by the participant and by the City, and any gains or losses thereon, is directly rolled over from the Limited Term Retirement Plan to another eligible retirement plan prior to January 1, 2003, provided these funds have been segregated and not co-mingled with any other funds, the trustee-to-trustee transfer of the total balance from that eligible retirement plan shall be transferred to the LACERS Retirement Fund. The member's LACERS account shall be credited with back contributions equal to the total contributions that he or she would have made to the Fund had he or she been a member during such period, together with the regular interest that would have been credited to those contributions; or

(3) In all other cases in which the member's Limited Term Retirement Plan account balance has been distributed, the amount of back contributions to be paid shall be in the amount of the entire lump sum distribution, whether received by the member or by any other person, together with all regular interest which would have been credited thereon by the Board of Administration subsequent to the date the lump sum was distributed had he or she been a member during that period. The member's LACERS account shall be credited with back contributions equal to the total contributions that he or she would have made to the Fund had he or she been a member during such period, together with the regular interest that would have been credited to those contributions.

This option shall be exercised in writing, filed with and subject to rules to be promulgated by the Board of Administration, and shall be irrevocable. The service credit purchased pursuant to this subsection shall count as continuous service credit for all LACERS benefits, as if the person had been a member during the entire period of time for which service credit is given.

(d) **Back Contributions for Periods when Member Received Workers' Compensation Benefits.** The Board of Administration shall, by rule, provide for the making up of contributions that a member failed to make for any period during which the member received Workers' Compensation benefits (Div. IV, Labor Code) for temporary disability on account of any injury or illness arising out of, and in the course of, the member's employment with the City, together with an amount equal to the regular interest that would have been credited had the member made the contributions.

(e) **Back Contributions in Connection with Disability Denials.** A limited right to make back contributions in connection with denials of disability applications is provided in Section 4.1080.7, Subsection (j).

(f) **Limitations on Back Contributions Imposed by Federal Law.** Notwithstanding the provisions of Subsections (a), (b), (c), (d) and (e) herein, a member shall not be allowed to make back contributions to purchase service credit under this section if the period of time being purchased constitutes "unqualified service" which the member is prohibited from purchasing under federal law. The Board shall adopt such rules as are necessary to comply with federal law and may authorize payment methods that comport with federal requirements.

Sec. 4.1080.19. Redeposit of Formerly Withdrawn Contributions.

Any former member who received a refund of his or her contributions from the Retirement Fund upon separating from the service of the City shall, upon again becoming a member, have the option to redeposit with the Retirement Fund the amount previously withdrawn, together with regular interest, irrespective of any time period that may have elapsed since such separation. Such option shall be filed in writing with the Board of Administration. The amount of the contributions to be redeposited shall be the sum of the amount of accumulated contributions withdrawn, plus all of the regular interest which would have been credited thereon had said accumulated contributions remained on deposit in the fund to the date the member redeposits such contributions either by a single lump sum payment or executes an agreement to pay such redeposit in installments. In the case of installment payments, the Board of Administration shall establish the minimum amounts to be paid, the period of time therefore, the rate of interest which shall be paid on the unpaid balance of the same, and all other rules the Board may deem necessary for the carrying out of the provisions of this section. Any such member shall be allowed, at any time, to make a single payment equal to the then present value of all of the unpaid installments in such manner as shall be determined by the Board. Every member who makes a redeposit as hereinabove provided shall be allowed service credit for the period of service for which the redeposit is made; provided however, that the member is not receiving and is not entitled to receive service credit for such period of service from any other pension or retirement system of the City of Los Angeles. Should the member fail to complete payment of the redeposit, service credit shall be allowed counter-calendarwise from the same portion of such designated period as the amount made up by the member, and provided, further, that should he or she cease to be a member by reason of his or her death, service credit shall be allowed for the whole period for which the redeposit is being made if his or her surviving spouse or domestic partner exercises the option which, under such circumstances, hereby is given to such survivor to make a single payment equal to the then present value of all of the unpaid installments in such manner as shall be determined by the Board.

Sec. 4.1080.20. Buy Back Program for Governmental Service and Periods of Uncompensated Maternity Leave from City Service.

(a) **Definitions.** For the purpose of this section, the following words and phrases shall have the meaning ascribed to them in this subsection unless a different meaning is clearly indicated by the context:

Buy Back. Purchase by a member of service credit for periods of eligible service with other governmental entities or purchase by a member of service credit for uncompensated maternity leave.

Full-time Service. A minimum of six (6) months of uninterrupted service with an eligible governmental entity, excluding part-time service.

Governmental Entity. The United States Government, including its territories; Indian tribal governments, including subdivisions, agencies, or instrumentalities of Indian tribal governments, in accordance with Internal Revenue Code section 414(d); any agency of the United States Government; the United States Postal Service; any branch of the United States military service; any State or political subdivision thereof; any local government or special district within any State in the United States; and shall exclude non-governmental agencies supported by government contracts or grants and any prior service with the City of Los Angeles.

Government Service Buy Back Program or GSB. The method for the buy back of service credit set forth in this section.

Military Service. Full-time service in the Armed Forces of the United States, for which no retirement benefit is or will be payable to the member. To qualify as military service, the character of the member's service in the Armed Forces of the United States must have been "Honorable."

Prior Plan. A retirement plan of a governmental entity in which the member was a participant during full-time service.

Uncompensated Maternity Leave. A leave of absence from City Service taken for maternity reasons without pay, for which the member did not otherwise receive service credit. Such periods of uncompensated maternity leave shall not be subject to any continuous months requirement, nor shall such periods be rounded down to the nearest whole month, but purchases may be restricted to whole biweekly payroll periods. Such leave shall be a minimum of one (1) month and a maximum of twelve (12) months with respect to any one (1) pregnancy.

(b) **Eligibility.** Subject to any applicable limitations under federal law, a member is eligible to buy back credit for periods of full-time service with other

governmental entities and to buy back credit for periods of uncompensated maternity leave on the following terms and conditions:

(1) Members are not allowed to buy back credit for periods of service from a governmental entity which provides reciprocal benefits with LACERS and for which that member would be entitled to those reciprocal benefits pursuant to Section 4.1096. For purposes of the previous sentence, a member shall be treated as entitled to reciprocal benefits even if the member will not receive such benefits solely due to the member's withdrawal of member contributions and interest from the prior plan, unless such withdrawal occurred prior to the member's date of hire by the City.

(2) Members may not buy back credit for periods of service for which they are currently eligible or will become eligible to receive a retirement benefit from a prior plan. The member must obtain certification from the governmental entity or its public retirement system showing the full-time paid employment periods and further certifying that the member is not eligible and will not be eligible for retirement benefits for that service; such certification must be sufficient to satisfy the Board of Administration that the service qualifies for purchase as provided in this section. Service in the Armed Forces of the United States may be certified by an official discharge document issued by said Armed Forces showing the character of the member's service and his or her dates of service in said Armed Forces.

(3) If the member has contributions and interest on deposit in the prior plan, the member may purchase credit for the full-time paid employment period represented by such contributions and interest by withdrawing these contributions and interest and rolling them over to the Retirement System, as permitted by the Internal Revenue Code and by the Board of Administration, to be credited as a partial payment towards the cost for purchasing this service as determined pursuant to Subsection (e). Partial payment may also be accomplished via a trustee-to-trustee transfer of funds as authorized elsewhere in this article. The remaining balance due under the purchase agreement shall be either deposited in a lump-sum or by payroll deduction as provided by Board rule pursuant to Subsection (f)(2).

(4) If the member does not have contributions and interest on deposit in the prior plan of the Qualified Governmental Organization, the member may purchase credit for the full-time paid employment period as provided in Subsection (e).

(5) Only a member who was on an active employment status immediately before and after taking a leave of absence for maternity reasons without pay shall be eligible to buy back credit for an uncompensated maternity leave. No member shall be permitted to purchase more than one (1) year of uncompensated maternity leave per pregnancy.

(c) **Application of Buy Back Credit.** Purchased service credit shall count for all purposes under this chapter and Chapter 11, except that purchased service shall not count toward any period of time required to establish eligibility to retire for disability under Section 4.1080.8, nor toward any period of service as a contributing member of the Retirement System required to establish eligibility for service retirement under Section 4.1080.5 or deferred service retirement under Section 4.1080.6.

(d) **Application to Purchase Buy Back Credit.** A member electing to buy back credit for previous service with other governmental entities or for periods of uncompensated maternity leave shall file with the Board of Administration a written application identifying the time periods and agencies for which credit is to be purchased. Buy back credit for one or more periods of full-time service with another governmental entity may be purchased, except, however, such purchase shall be limited to not less than six (6) months of uninterrupted service from a single entity. The six (6) month minimum requirement does not apply to the uncompensated maternity leave.

(e) **Written Agreement and Cost of Purchase.** A member electing to buy back credit described herein shall enter into a written agreement with the Retirement System. Such agreement shall specify the amount to be paid for the purchase of this service credit. The cost to purchase service credit shall be determined as follows:

(1) Up to five (5) years of military service and up to one (1) year of uncompensated maternity leave per pregnancy may be purchased at the cost which would have applied had such service been at the cost which would have applied had such service been purchased pursuant to the Tier 1 Government Service Buy Back Program set forth in Section 4.1020 of this Code. Military time in excess of five (5) years must be purchased at the cost provided in Subsection (e)(2) below. No member shall be permitted to purchase more than one (1) year of uncompensated maternity leave per pregnancy.

(2) The cost for all service purchased under this exception, except for service that qualifies for purchase under Subsection (e)(1) above, shall be determined as follows:

The member's contribution rate, as established in 4.1080.3(a), shall be combined with the "City Contribution Rate" (as defined below) to establish the total percent of the member's compensation, at the time of purchase, that is to be paid for the total length of the period of service credit that the member agrees to purchase. Compensation as used in this subsection shall refer to the member's compensation earnable, as defined in Section 4.1080.1, Subsection (a), at the time of purchase.

As an example, assuming the member's compensation at the time of purchase is \$100,000.00 per year, the member's contribution rate is eleven percent (11%), the City Contribution Rate is nine percent (9%), and the period of

service credit to be purchased is two years, the cost would be determined as follows:

The eleven percent (11%) member contribution rate plus the nine percent (9%) City Contribution Rate results in a total contribution rate of twenty percent (20%). Thus, to purchase two years of service credit would cost the member a total of \$40,000.00: twenty percent (20%) of the member's \$100,000.00 compensation for each year of service purchased.

The "City Contribution Rate" shall be the average annual percent of payroll contributed by the City to the Retirement Fund (including contributions allocated to fund the 401(h) account) for Tier 3 based upon the City's payments for the seven years prior to the time of purchase. For the first seven years commencing February 21, 2016, this rate shall be computed upon the City's average annual percentage of payroll contributions to Tier 3, with the rate for any missing year(s) based upon the average of the annual rate(s) for the prior year(s), except that for the first year, the Retirement System shall base the "City Contribution Rate" upon a figure to be determined by the Retirement System's actuary.

(f) **Method of Purchase.**

(1) The member may elect to pay on an after-tax basis in a lump sum or in biweekly installments through payroll deduction, subject to any applicable Internal Revenue Code restrictions.

(2) The Board may establish rules to allow members to pay for purchases via rollovers of funds.

(3) Should the member elect to purchase the buy back service credit through payroll deduction, annual interest at a rate determined by the Board and set at the commencement of the agreement shall be charged. The Board may establish a minimum biweekly payroll deduction.

(g) **Execution of the Agreement.** A member entering into a buy back agreement shall complete all contributions prior to the effective date of retirement in order to receive agreed upon buy back credit. A member may, at any time, complete payment of a buy back agreement by a lump sum payment. In the event the member elects to retire prior to completion of the buy back agreement, the member may receive prorated buy back credit for that portion of the service with other governmental entities or uncompensated maternity leave which have been purchased by contributions already made and forfeit the remainder of credit covered by the agreement; or, the member may make a lump sum payment sufficient to complete the total payment covered by the agreement. Additionally, a member who elects to terminate an after-tax agreement prior to its completion, or at the time of service or disability retirement, may elect to receive a cash refund of the buy back contributions and interest payable upon the earlier of death, termination of employment or retirement, or prorated buy back credit.

(h) **Termination of Agreement.** Any member who has entered into a purchase agreement to make partial payments to buy back credit, may, at any time, voluntarily terminate this purchase agreement, and be relieved of his or her obligation to make further payments, by filing a written termination notice with the Retirement System. A member who has voluntarily terminated a purchase agreement shall receive credit as provided herein, but shall not be allowed to acquire the remaining buy back credit.

(i) **Member's Death.** In the event that a member who has entered into a buy back agreement dies prior to retirement, the funds paid for this purchase shall be considered to be a part of the member's accumulated contributions and shall be refunded accordingly, with interest thereon computed at the rate applicable to regular member contributions. However, if the deceased is survived by a survivor who may become eligible to receive a monthly benefit from the Retirement System, then such survivor may make a single lump-sum payment to partially or fully complete the purchase of buy back service under the member's agreement, or elect to apply the service credit, or a portion thereof, to the calculation of the benefit for which the survivor qualifies.

(j) **Limits on Purchase.** In the event part or all of the purchased service credit at the time of retirement would cause the member's service retirement allowance to exceed eighty percent (80%) of final compensation, the purchase cost attributable to any excess service credit that may not be used in the retirement formula, including interest thereon, shall be refunded or may be applied by the member to purchase a larger annuity if doing so does not cause the retirement allowance to exceed any federal limitations that may apply.

(k) **Administration.** The administration of this section shall be under the exclusive management and control of the Board of Administration.

Sec. 4.1080.21. Waiver of Benefits.

Each beneficiary, as defined in Charter Section 1152, Subsection (b), shall have the right, at any time, to waive payment of the whole or any portion of any benefit whatsoever or of any increase in the amount of any benefit which is, or shall become, payable to him or her pursuant to any provision of this Chapter, and may waive payment thereof forever or for a definite or indefinite period of time. Any such waiver shall be in writing, shall be filed with the Board of Administration, and shall be effective as of the first day of the month following the month in which it shall be filed. Each beneficiary who shall make and file such a waiver shall have the right, at any time, to cancel the same. Any such cancellation shall be in writing, shall be filed with the Board of Administration and shall be effective as of the first day of the month following the month in which it shall be filed. Any such waiver shall constitute a complete release, discharge and acquittance of the City of Los Angeles and the Board of Administration from any and all liability to pay any amount or amounts of any benefits which shall be waived by any such beneficiary.

Sec. 4.1080.22. Forfeiture of Unclaimed Benefits to the Retirement Fund.

Any benefit payable from the Retirement System that is not claimed shall be forfeited to the Retirement Fund. Unless there is a different claim period specified elsewhere in this article, benefits payable from the Retirement System must be claimed within one (1) year. If the person entitled to a benefit is a minor, the period in which to claim the benefit shall be tolled until he or she attains age eighteen (18).

In the event that a beneficiary is entitled to a benefit from the Retirement System but payment cannot be made for any reason, such as the beneficiary's failure to cooperate, where the beneficiary's whereabouts is unknown or where a beneficiary has failed to cash an outstanding check within such reasonable time period as established by Board rule, and the Retirement System has followed Internal Revenue Service procedures to locate the beneficiary, the funds due to the beneficiary shall be forfeited to the Retirement Fund, provided that a beneficiary shall be relieved from such forfeiture upon receipt of a request from him or her or anyone authorized to act on his or her behalf.

Sec. 4.1080.23. Board Determinations.

If it shall be impracticable for the Board to determine from the records the length of service, the compensation, either final or earnable, or the age of any member, the said Board may estimate, for all purposes of this article, such length of service, compensation or age. The Board shall determine and fix the amount of service rendered, which shall be the equivalent of one (1) year of service, provided that not more than one (1) year of service shall be credited for all services rendered during any one year. In all cases where compensation of any member consists, in part, of payment for the use of equipment owned and operated by such member personally, the Board of Administration shall fix and determine, for all purposes of this article, a compensation for the personal service of such member, which shall be in keeping with the salary or wage paid by said City for comparable service, and the compensation so fixed by the Board shall be the basis, and the only basis, for the calculation of the contributions of such member and any and all benefits provided for in this article. Each member shall file with said Board such information affecting his or her status as a member of said Retirement System, as said Board may require, and the administrative head of each department of the City government shall furnish to said Board such information relative to any member, and the member's status, as it may request.

Sec. 4.1080.24. Power of the Board of Administration.

As provided by Charter Section 1106(f) and consistent with Article XVI, Section 17 of the California Constitution, the Board of Administration shall have the power to adopt any rules, regulations, or forms it deems necessary to carry out the provisions of this article and to take any steps necessary to retain the qualified status of the Plan under the Internal Revenue Code including, but not limited to, trustee-to-trustee transfers of funds.

Sec. 4.1080.25. Compliance with Section 822(g) of the Pension Protection Act of 2006 Regarding Rollover Distributions.

(a) This section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Los Angeles City Employees' Retirement System to the contrary that would otherwise limit a distributee's election under this part, the "distributee" of an "eligible rollover distribution" may elect to have any portion of an eligible rollover distribution that is equal to at least \$200.00 paid directly to an "eligible retirement plan" specified by the distributee in a "direct rollover."

(b) **Definitions.**

Eligible Rollover Distribution. An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal period payments (not less frequently than annually) made for the life (or the life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; the portion of any distribution that is not includable in gross income; and any other distribution which the Internal Revenue Service does not consider eligible for rollover treatment, such as certain corrective distributions necessary to comply with the provisions of Section 415 of the Internal Revenue Code or any distribution that is reasonably expected to total less than two-hundred dollars (\$200.00) during a year. On or after January 1, 2002, a portion of a distribution that is not includable in gross income, but that otherwise qualifies as an eligible rollover distribution, is an eligible distribution, provided that the eligible retirement plan designated to receive such portion of a distribution is (i) an individual retirement account described in Section 408(a) of the Internal Revenue Code, an individual retirement annuity described in Section 408(b) of the Internal Revenue Code, or a qualified defined contribution plan described in Section 401(a) or 403(a) of the Internal Revenue Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution, which is includable in gross income and the portion of such distribution, which is not so includable; (ii) on or after January 1, 2007, is a qualified defined benefit plan described in section 401(a) of the Internal Revenue Code or an annuity contract described in section 403(b) of the Internal Revenue Code, that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includable in gross income and the portion of the distribution that is not so includable; (iii) on or after January 1, 2008, is a Roth IRA described in Section 408A of the Internal Revenue Code.

Eligible Retirement Plan. An eligible retirement plan is an individual retirement account described in Section 408(a) of the Internal Revenue Code, an

individual retirement annuity described in Section 408(b) of the Internal Revenue Code, an annuity plan described in Section 403(a) of the Internal Revenue Code, or a qualified plan described in Section 401(a) of the Internal Revenue Code that accepts a distributee's eligible rollover distribution. On or after January 1, 2002, an eligible deferred compensation plan described in Section 457(b) of the Internal Revenue Code, maintained by an employer described in Section 457(e)(1)(A) of the Internal Revenue Code, and annuity contract described in Section 403(b) of the Internal Revenue Code, are also eligible retirement plans. However, prior to January 1, 2002, in the case of an eligible rollover distribution to the surviving spouse or other designated beneficiary, an eligible retirement plan is an individual retirement account or individual retirement plan annuity only. On or after January 1, 2008, a Roth IRA described in Section 408A of the Internal Revenue Code is an eligible retirement plan.

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

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

Sec. 4.1080.26. Compliance with Internal Revenue Code Section 401(a)(37) and Section 104(a) of the Heroes Earnings Assistance and Relief Tax Act of 2008

(a) Notwithstanding any other provisions of this Article, the benefits payable to any person who becomes a member on or after January 1, 1990, shall be subject to the limitations set forth in Section 415 of the Internal Revenue Code. Effective for limitation years beginning on or after January 1, 2001, for purposes of applying the limitations of Section 415 of the Internal Revenue Code, compensation paid or made available during the limitation year shall include any amounts that are not includable in the gross income of the member by reason of Section 132(f)(4) of the Internal Revenue Code.

(b) The benefits payable to any person who became a plan member prior to January 1, 1990, shall be subject to the greater of the following:

(1) The limitations set forth in Section 415 of the Internal Revenue Code; or

(2) The accrued benefit of the member (determined without regard to any amendment made after October 14, 1987), as provided in Section 415(b)(10)(A) of the Internal Revenue Code.

(c) Notwithstanding any other provisions of the Retirement System to the contrary, the member contributions paid to and retirement benefits paid from the plan shall be limited to such extent as may be necessary to conform to the requirements of Section 415 of the Internal Revenue Code for a qualified pension plan.

(d) If any of the limitations of Section 415 of the Internal Revenue Code should be repealed, the provisions of this section shall be deemed repealed to the same extent.

(e) Nothing contained in this section shall limit the City Council from modifying benefits to the extent such modifications are permissible by City Charter and applicable State and Federal law.

(f) Notwithstanding any provision of this Plan to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service while an employee will be provided in accordance with Section 414(u) of the Internal Revenue Code.

(1) Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing qualified military service (as defined in Chapter 43 of Title 38, United States Code), to the extent required by Section 401(a)(37) of the Internal Revenue Code, survivors of a member in a state or local retirement or pension system are entitled to any additional benefits that the system would provide if the member had resumed employment and then died, such as accelerated vesting or survivor benefits that are contingent on the member's death while employed. In any event, a deceased member's period of qualified military service must be counted for vesting purposes.

(2) Beginning January 1, 2009, to the extent required by Section 414(u)(12) of the Internal Revenue Code, an individual receiving differential wage payments (as defined under Section 401(h)(2) of the Internal Revenue Code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under Section 415(c) of the Internal Revenue Code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

Sec. 4.1080.27. Compliance with Internal Revenue Code Section 401(a) (9) Regarding Required Distributions.

The Retirement System will pay all benefits in accordance with a good faith interpretation of the requirements of Section 401(a)(9) of the Internal Revenue Code

and the regulations in effect under that section, as applicable to a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code. The Retirement System is subject to the following provisions:

Distribution must begin by the required beginning date, which is the later of April 1 following the calendar year in which the member attains age seventy and one-half (70½), or April 1 of the year following the calendar year in which the member terminates employment with the City. If a member fails to apply for retirement benefits or request a refund, as applicable, by the later of either of those dates, the Board shall begin distribution as required by this rule in the form provided in Section 4.1080.4 or Section 4.1080.7, as applicable.

(a) The member's entire interest must be distributed over the member's life or the lives of the member and a qualified survivor, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.

(b) The Retirement System, pursuant to a court order, may pay a portion of the member's benefit to a nonmember.

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

(d) If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be either:

(1) distributed (in accordance with federal regulations) over the life or life expectancy of the qualified survivor, with the distributions beginning no later than December 31 of the calendar year following the calendar year of the member's death; or

(2) distributed within five (5) years of the member's death.

(e) The amount of an annuity paid to a member's beneficiary may not exceed the maximum determined under the incidental death benefit requirement of Section 401(a)(9)(G) of the Internal Revenue Code, and the minimum distribution incidental benefit rule under Treasury Regulation Section 1.401(a)(9)-6, Q&A-2.

(f) The death and disability benefits provided by the retirement system are limited by the incidental benefit rule set forth in Section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i), or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed twenty-five percent (25%) of the cost for all of the members' benefits received from the retirement system.

(g) Notwithstanding the other provisions of this rule or the provisions of the Treasury Regulations, benefit options may continue so long as the option satisfies Section 401(a)(9) of the Internal Revenue Code based on a reasonable and good faith interpretation of that section.

Sec. 4.1080.28. Provisions Required To Maintain Status as Qualified Governmental Defined Benefit Plan under Internal Revenue Code.

In order to maintain its status as a qualified governmental defined benefit plan under the Internal Revenue Code, the Retirement System is subject to the following provisions:

(a) In addition to any vesting protections under current provisions of the Retirement System, in the event of a full or partial termination of, or a complete discontinuance of employer contributions to, the plan, the accrued benefits of the affected members under the plan shall be one hundred percent (100%) vested and nonforfeitable to the extent required by federal law.

(b) The Retirement Fund (the trust fund established for the Retirement System in Charter Section 1154) must not revert, and no contributions shall be permitted to be returned to the employer.

Sec. 6. Section 4.1104 of Article 1, Chapter 11 of the Los Angeles Administrative Code is amended to read as follows:

Sec. 4.1104. Definitions of Service and Service Credit for Retiree Health and Welfare Programs Established in This Chapter; Prospective Application.

The definitions of Service and Service Credit now set forth in Section 4.1110 for Tier 1 and Section 4.1125 for Tier 3 shall apply prospectively to members and former members who retire on or after February 21, 2016. Effective February 21, 2016, a part-time employee member shall be eligible for a benefit under this Chapter when he or she is age fifty-five (55) with a minimum of ten (10) years of Service, provided that he or she is receiving a service retirement benefit or disability retirement benefit from LACERS under Chapter 10. In calculating the amount of the benefit to which a part-time employee member is entitled, LACERS shall consider the part-time employee member's Service Credit, which shall be prorated based upon the number of hours the member worked per pay period.

Any retired member who retired before February 21, 2016, who would have been eligible for a benefit under this Chapter had he or she retired on or after February 21, 2016, shall be entitled to apply to LACERS, under rules and procedures to be developed by LACERS, to enroll or participate in the retiree health program established by this Chapter. Such retirees shall receive, upon enrollment in a health plan administered by LACERS or the first date of participation in LACERS' Medical Premium

Reimbursement Program, the monthly retiree medical subsidy amount to which they are entitled based upon their prorated Service Credit, effective as of the first date of such enrollment or participation.

Sec. 7. Section 4.1105 of Article 1, Chapter 11 of the Los Angeles Administrative Code is amended to read as follows:

Sec. 4.1105. Establishment of Programs.

The following health and welfare programs are established herein:

(a) A Medical Plan Program which the Board is to administer in accordance with the provisions of Sections 4.1101, 4.1111, 4.1121 and 4.1126 of this Chapter.

(b) A Medical Premium Reimbursement Program which the Board is to administer in accordance with the provisions of Sections 4.1101, 4.1112, 4.1122 and 4.1127 of this Chapter.

(c) A Medicare Part B Basic Premium Reimbursement Program which the Board is to administer in accordance with the provisions of Sections 4.1101, 4.1113, 4.1123 and 4.1128 of this Chapter.

(d) A Dental Plan Program which the Board is to administer in accordance with the provisions of Section 4.1101, 4.1114, 4.1124 and 4.1129 of this Chapter.

(e) A Survivor Medical Plan Premium Subsidy Program which the Board is to administer in accordance with the provisions of Sections 4.1101, 4.1115 and 4.1129.1 of this Chapter.

(f) A Health Insurance Reciprocal Subsidy Credit Program which the Board is to administer in accordance with the provisions of Section 4.1101 and Article 5 of this Chapter.

Sec. 8. Article 2 of Chapter 11 of Division 4 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

CHAPTER 11, ARTICLE 2

TIER 1 PROVISIONS

Sec. 4.1110. Definitions.

For purposes of this Article 2, the following words and phrases shall have the meaning ascribed to them in this section:

Employee shall refer to an employee who is a member of Tier 1 of LACERS.

Member shall refer to a person who is a member of Tier 1 of LACERS. Effective February 21, 2016, a part-time employee member who qualifies for membership under Section 4.1002 of this Code shall be eligible for a benefit under this Article 2 when he or she is age fifty-five (55) with a minimum of ten (10) years of Service, provided that he or she is receiving a service retirement benefit or disability retirement benefit from LACERS under Chapter 10. In calculating the amount of the benefit to which a part-time employee member is entitled, LACERS shall consider the part-time employee member's Service Credit, which shall be prorated based upon the hours worked per pay period.

Retired Employee or Retiree shall refer to a person who is a retired member of Tier 1 of LACERS and is receiving either a service retirement allowance or a disability retirement allowance pursuant to the provisions of Article 1 of Chapter 10 of Division 4 of this Code.

Service. Effective February 21, 2016, only those periods during which a member (1) received compensation from the City as an employee or (2) during which the employee both received Workers' Compensation benefits (Div. IV, Labor Code) for temporary disability on account of any injury or illness arising out of, and in the course of, employment with the City, and made contributions to the Retirement Fund as provided in Charter Section 1162. Service shall exclude purchased service purchased pursuant to the Public Service Buy Back (PSB) program set forth in Section 4.1019. Service purchased pursuant to the redeposit program set forth in Section 4.1018, and Service purchased pursuant to the back contributions program set forth in Section 4.1017, may be used to qualify for the benefits provided in this Article, provided that such service is purchased while a member of LACERS and does not exceed any limits imposed under federal tax law. Part-time employee members shall receive full, rather than prorated, Service for purposes of qualifying for benefits under this Article.

Service Credit. Effective February 21, 2016, Service Credit shall include any Service authorized in Chapter 10 of Division 4 of this Code that may be taken into consideration for purposes of qualifying for benefits provided in Chapter 10, excluding any purchased service purchased pursuant to the Public Service Buy Back (PSB) program set forth in Section 4.1019, and provided that any such service credit does not exceed any limits imposed under federal tax law. Part-time employee members shall have their Service Credit prorated based upon the number of hours worked per pay period for purposes of the calculation of their benefits under this Article.

Sec. 4.1111. Medical Plan Premium Subsidy.

The medical plan premium subsidy will be provided upon the conditions set forth below in order to lessen or defray part or all of the cost of medical plans to eligible retirees, as hereinafter defined.

(a) **Eligibility for Medical Plan Premium Subsidy.** A retiree who is enrolled in plan(s) administered by the Board as part of the Medical Plan Program shall be eligible for a medical plan premium subsidy as provided in Subsection (d) or Subsection (e), as applicable.

(b) **Maximum Medical Plan Premium Subsidy.** The maximum monthly medical plan premium subsidy for retired employees is \$1,190.00. Beginning July 1, 2011, the Board, in its discretion, may change, by resolution, the maximum monthly amount of the medical plan premium subsidy provided to employees retired on or before June 30, 2011, so long as any increase:

(1) Does not exceed the dollar increase in the Kaiser two-party non-Medicare Part A and B premium; and

(2) The average percentage increase for the first year of the increase and the preceding two (2) years does not exceed the average assumed actuarial medical trend rates for the same period.

Any change made by the Board that exceeds the limits set forth in Subsection (b)(1) or (b)(2) herein must be submitted for Council review accompanied by an actuarial report. Any increases that are not acted upon by the Council within thirty (30) days after receipt of the report to Council for consideration of the increase are deemed approved. Should the Council reject the subsidy set by the Board, the Council shall determine the amount, if any, by which the subsidy shall be increased and shall adopt such change by resolution.

No increases in the maximum monthly medical plan premium subsidy shall be provided to members retired on or after July 1, 2011, except that former members who terminated employment prior to July 1, 2011, and retire on or after July 1, 2011, on a deferred vested basis without returning to membership shall be entitled to discretionary increases in the maximum subsidy as provided above regardless of the date of retirement. Notwithstanding all of the forgoing, increases in the monthly medical premium subsidy provided to retirees subject to Subsection (c) shall be governed by the provisions of that subsection, regardless of the date of retirement.

(c) **Vested Right to Maximum Medical Plan Premium Subsidy Increases.** Notwithstanding the provisions of Subsection (b), any member who at any time made an additional contribution to the Retirement Fund as provided in Section 4.1003, Subsection (c) of this Code shall obtain a vested right to, and the Board, by resolution, shall set, the increase in the maximum medical plan subsidy provided to such members at an amount not less than the dollar increase in the Kaiser two-party non-Medicare Part A and Part B premium.

(d) **Medical Plan Premium Subsidy for Eligible Retirees without Medicare Part A.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance, who either are not eligible for Medicare or do not qualify for

benefits under Part A of Medicare premium free, who have at least ten (10) years of Service and who are age fifty-five (55) years or older, shall have paid to their approved medical plan carrier on their behalf the following amount:

(1) **Basic Monthly Subsidy.** For one (1) to ten (10) whole years of Service Credit, forty percent (40%) of the maximum monthly medical plan premium subsidy amount established pursuant to the provisions of Subsection (b) or Subsection (c), as applicable.

(2) **Additional Monthly Subsidy.** For each additional whole year of Service Credit in excess of ten (10) years, add four percent (4%) of the maximum monthly medical plan premium subsidy to the Basic Monthly Subsidy.

(3) **Maximum Monthly Subsidy.** No retiree shall have paid to his or her medical plan carrier an amount exceeding the maximum monthly amount established pursuant to Subsection (b) or Subsection (c), as applicable, or receive an amount in excess of the premium of the plan in which they are enrolled.

(4) **Dependent Monthly Subsidy.** The monthly medical plan premium subsidy shall be applied first to the retiree's medical plan coverage with any balance applied toward the coverage of the retiree's dependent(s).

(e) **Medical Plan Premium Subsidy for Eligible Retirees Enrolled in Parts A and B of Medicare.** Those retirees with at least ten (10) years of Service who are receiving a service retirement allowance or disability retirement allowance and who qualify for benefits under Part A and Part B of Medicare, shall have paid to the medical plan carrier providing them with a Medicare supplemental or coordinated plan the following amount:

(1) **Monthly Subsidy Seventy-Five Percent (75%).** For one (1) whole year of Service Credit, but less than fifteen (15) whole years of Service Credit, seventy-five (75%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the retiree is enrolled.

(2) **Monthly Subsidy Ninety Percent (90%).** For fifteen (15) whole years or more but less than twenty (20) whole years of Service Credit, ninety (90%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the retiree is enrolled.

(3) **Monthly Subsidy One Hundred Percent (100%).** For twenty (20) or more whole years of Service Credit, one hundred percent (100%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the retiree is enrolled.

(4) **Dependent Subsidy.** The amount of the medical plan premium subsidy which is applied toward the coverage of dependents of a retiree enrolled in both Part A and Part B of Medicare shall not exceed that amount which may be applied toward the coverage of the dependent(s) of a retiree not enrolled in both Parts A and Part B of Medicare with the same years of Service Credit and covered by the same medical plan. If the same plan does not offer coverage for retirees who do not have both Medicare Parts A and B, the Board shall, by rule, determine the dependent subsidies in a manner that is consistent with plans that do offer both types of coverage.

Effective July 1, 2011, no increases in the amounts paid to the medical plan carriers under this Subsection (e) shall be provided on behalf of employees retired on or after July 1, 2011, or their dependents, except that former members who terminated employment prior to July 1, 2011, and retire on or after July 1, 2011, on a deferred vested basis without returning to membership shall be entitled to increases in the amounts paid to medical carriers under this Subsection (e) for themselves and their dependents regardless of the date of retirement. Notwithstanding all of the foregoing, increases in the amounts paid to medical plan carriers provided on behalf of retired employees subject to Subsection (c) herein shall be governed by the provisions of this Subsection (e) regardless of the date of retirement.

(f) **Medicare Enrollment and Assignment.** Retirees who are eligible to enroll in Medicare Part B must do so in order to qualify to receive the subsidy provided in Subsections (d) and (e) of this section. The Board may require retirees to enroll in and assign to LACERS any coverage that is provided by Medicare in order to qualify to receive the subsidy provided in this section, except that retirees who are not entitled to premium free Part A of Medicare are not required to enroll in Part A.

(g) **Verification of Medical Plan Coverage.** Retirees who are receiving a medical plan premium subsidy payable to their medical plan carrier pursuant to the provisions of this Article may be required from time to time to provide evidence satisfactory to the Board that their medical plan coverage or Medicare or other federal or state funded medical plan is in full force and effect.

(h) **Payment Limitation.** In no event shall the subsidy provided in this section, when added to any other medical plan subsidy provided by the Department of Water and Power or the Fire and Police Pension Plan, exceed the maximum amount established in Subsection (b) or (c), as applicable.

Sec. 4.1112. Medical Premium Reimbursement Program.

The medical premium reimbursement program will be provided upon the conditions set forth below in order to lessen or defray part or all of the cost of medical plans to eligible retirees, as hereinafter defined.

(a) **Eligibility for Medical Premium Reimbursement.** Upon written application and verification, as required by the Board, those retirees who are receiving a service retirement benefit or disability retirement benefit from LACERS under Chapter 10, have at least ten (10) years of Service, are age fifty-five (55) years or older, and reside more than three (3) months of the year:

(1) Outside the state of California; or

(2) In the state of California, but not within a LACERS administered HMO medical plan zip code service area,

and are enrolled in a federally qualified HMO or a state regulated health insurance plan, shall be eligible for the medical plan premium reimbursement as provided in Subsection (c) or Subsection (e), as applicable.

(b) **Maximum Medical Premium Reimbursement for Retirees without Medicare Part A.** The Board shall set the maximum medical plan premium reimbursement for retirees not eligible for Medicare or retirees not eligible for Medicare Part A premium free in the same manner as in Section 4.1111, Subsection (b) or Section 4.1111, Subsection (c), as applicable, of this Article.

(c) **Reimbursement for Eligible Retirees without Medicare Part A.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance, and who either are not eligible for Medicare or do not qualify for benefits under Part A of Medicare premium free, shall be reimbursed the following amount:

(1) **Basic Monthly Reimbursement.** For one (1) to ten (10) whole years of Service Credit, forty percent (40%) of the maximum monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (b) herein.

(2) **Additional Monthly Reimbursement.** For each additional whole year of Service Credit in excess of ten (10) years, add four percent (4%) of the maximum monthly medical plan premium reimbursement amount to the Basic Monthly Reimbursement.

(3) **Maximum Monthly Reimbursement.** The amount paid shall not exceed the maximum monthly medical plan premium reimbursement established pursuant to the provisions of Subsection (b) herein or the amount of the plan premium being reimbursed.

(4) **Dependent Reimbursement.** The monthly medical plan premium reimbursement shall be applied first to the retiree's medical plan coverage with any balance applied toward the coverage of the retiree's dependent(s) under the same medical plan.

(d) **Maximum Medical Premium Reimbursement for Retirees Enrolled In Parts A and B of Medicare.** Effective January 1, 2011, the maximum monthly medical plan premium reimbursement for retirees enrolled in Parts A and B of Medicare shall be \$480.41. The Board, in its discretion, may, by resolution, increase the monthly amount of medical plan premium reimbursement of retirees enrolled in Parts A and B of Medicare, provided that the amount of the maximum monthly medical plan premium reimbursement shall not exceed one hundred percent (100%) of the single-party monthly premium of the highest cost approved Medicare supplemental or coordinated plan provided by LACERS.

Effective July 1, 2011, no increases in the maximum reimbursement amount paid to retired members under this Subsection (d) shall be provided to members who retired on or after July 1, 2011, except that former members who terminated employment prior to July 1, 2011 and retire on or after July 1, 2011, on a deferred vested basis without returning to membership shall be entitled to increases in the maximum reimbursement amount as herein provided regardless of the date of retirement. Notwithstanding all of the foregoing, increases in the reimbursement amount provided to retired members subject to Section 4.1111(c) shall be governed by the provisions of this Subsection (d) regardless of the date of the member's retirement.

(e) **Reimbursement for Eligible Retirees Enrolled in Medicare Part A and Part B.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance and who qualify for benefits under Part A and Part B of Medicare, shall be reimbursed the following amount:

(1) **Monthly Reimbursement (75%).** For one (1) whole year of Service Credit, but less than fifteen (15) whole years of Service Credit, seventy-five percent (75%) of the monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (d) herein.

(2) **Monthly Reimbursement (90%).** For fifteen (15) whole years or more but less than twenty (20) whole years of Service Credit, ninety percent (90%) of the monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (d) herein.

(3) **Monthly Reimbursement (100%).** For twenty (20) or more whole years of Service Credit, one hundred percent (100%) of the monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (d) herein.

(4) **Dependent Reimbursement.** The Board shall establish the reimbursement policy for dependents of these eligible retirees.

(f) **Payment Limitation.** In no event shall the reimbursement provided in this section, when added to any other medical plan subsidy provided by the Department of

Water and Power or the Fire and Police Pension Plan, exceed the maximum amount established in Subsection (b) herein.

(g) **Reimbursement for Survivors.** Any person who is eligible to receive the survivor medical plan premium subsidy provided in Section 4.1115 of this Article and who lives outside the state of California or in the state of California, but not within a LACERS administered HMO medical plan zip code service area, may qualify for the medical premium reimbursement program provided in this section, except that the amount of reimbursement shall not exceed the amount that he or she would have received as a medical plan premium subsidy under Section 4.1115.

(h) **Medicare Enrollment.** Retirees or survivors who are eligible to enroll in Medicare Part B must do so in order to qualify for the medical premium reimbursement provided in Subsections (c), (e) and (g) of this section. Retirees or survivors who are not entitled to premium free Part A of Medicare are not required to enroll in Part A.

Sec. 4.1113. Medicare Part B Basic Premium Reimbursement Program.

This program is provided to reimburse the cost of the Medicare Part B basic premium to eligible retirees, as hereafter defined.

(a) **Reimbursement.** Reimbursement shall be limited to the Medicare Part B basic premium (Medical Insurance). No reimbursement shall be paid for Medicare Part B costs that exceed the basic premium.

(b) **Eligible Retiree.** In order to participate in the Medicare Part B Basic Premium Reimbursement Program, a retiree must be eligible to receive a medical plan premium subsidy, enrolled in Medicare Parts A and B, and either enrolled in a Medicare supplemental or coordinated plan administered by the Board or be a participant in the Medical Premium Reimbursement Program. Only retired employees may participate in this program.

(c) **Verification of Eligibility for Reimbursement.** Premium reimbursement shall be paid to a retiree who qualifies to participate in this program when sufficient proof of the retiree's Medicare Part A and Part B enrollment, coverage, and premium payment has been made as required by the Board.

Sec. 4.1114. Dental Plan Premium Subsidy.

In order for a dental plan premium subsidy to be provided for a retiree, the retiree must be enrolled in a dental plan administered by the Board as part of the Dental Plan Program. The dental plan premium subsidy will be provided, upon the conditions set forth below, in order to lessen or defray part or all of the cost of such dental plan to such eligible retiree, as hereinafter defined.

(a) **Maximum Dental Plan Premium Subsidy.** The maximum subsidy shall be the amount provided by the Council for active employees. The Board, in its discretion, may by resolution, increase or decrease the monthly amount of dental subsidy to reflect changes in the subsidy provided by the City for active employees, or to offset any increases or decreases in the level of benefits or the cost thereof, as the result of changes in existing benefits or the addition of newly created benefits by federal or state funded programs.

(b) **Eligibility for Dental Plan Premium Subsidy.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance, have at least ten (10) years of Service as members, and are age fifty-five (55) years or older, shall have paid to their approved dental plan carrier on their behalf the following amount:

(1) **Basic Monthly Subsidy.** For one (1) to ten (10) whole years of Service Credit, forty percent (40%) of the maximum monthly dental plan premium subsidy amount established pursuant to the provisions of Subsection (a).

(2) **Additional Monthly Subsidy.** For each additional whole year of Service Credit in excess of ten (10) whole years, add four percent (4%) of the maximum monthly dental plan premium subsidy to the Basic Monthly Subsidy.

(3) **Maximum Monthly Subsidy.** No retiree shall have paid to his or her dental plan carrier an amount exceeding the maximum monthly amount established pursuant to Subsection (a) or receive an amount in excess of the premium of the plan in which they are enrolled.

(4) **Dependent Monthly Subsidy.** There is no dental plan premium subsidy for dependents.

(c) **Payment Limitation.** In no event shall the subsidy provided in this section, when added to any other dental plan subsidy provided by the Department of Water and Power or the Fire and Police Pension Plan, exceed the maximum subsidy established in Subsection (a).

Sec. 4.1115. Survivor Medical Plan Premium Subsidy.

The survivor medical plan premium subsidy authorized in this section shall be provided, on the terms set forth herein, to Eligible Survivors of members or retirees, as defined below, who are enrolled in medical plans administered by the Board as part of the Medical Plan Program.

(a) **Eligible Survivors.** The following persons shall be Eligible Survivors for purposes of this section:

(1) A person who is receiving a monthly benefit as an eligible survivor as provided in Sections 4.1011, 4.1012 or 4.1013(a)(1) or (2) of this Code shall become eligible, as an Eligible Survivor, for the medical plan premium subsidy provided in this section either on the date of the deceased's death, if the deceased was eligible for a medical plan premium subsidy at that time, or on the date the deceased would have become eligible for a medical plan premium subsidy had he or she not died, based upon the deceased's Service.

(2) A surviving spouse or domestic partner who elects to receive the monthly benefit provided in Section 4.1010, Subsection (a)(3) of this Code shall become eligible, as an Eligible Survivor, for the medical plan premium subsidy provided in this section either on the date of the deceased's death, if the deceased was eligible for a medical plan premium subsidy at that time, or on the date the deceased would have become eligible for a medical plan premium subsidy had he or she not died, based upon the deceased's Service.

A surviving spouse or domestic partner who is receiving a monthly benefit due to a retiree's election to provide a continuance benefit funded solely by a reduction in his or her retirement allowance shall not be an Eligible Survivor for purposes of this section.

(b) **Subsidy for Eligible Survivors without Medicare Part A.** The survivor medical plan premium subsidy for an Eligible Survivor who either is not eligible for Medicare or does not qualify for benefits under Part A of Medicare premium free shall be:

(1) **Basic Monthly Subsidy.** For one (1) to ten (10) whole years of the member's Service Credit, forty percent (40%) of the maximum monthly medical plan premium subsidy amount established in this subsection.

(2) **Additional Monthly Subsidy.** For each additional whole year of the member's Service Credit in excess of ten (10) whole years, add four percent (4%) of the maximum monthly medical plan premium subsidy to the Basic Monthly Subsidy.

(3) **Maximum Monthly Subsidy.** The maximum monthly medical plan premium subsidy shall be the single-party premium for the lowest cost plan available to participants without Medicare Parts A and B.

(c) **Subsidy for Eligible Survivors Enrolled in Parts A and B of Medicare.** The survivor medical plan premium subsidy for an Eligible Survivor who qualifies for benefits under Part A and Part B of Medicare shall be:

(1) **Monthly Subsidy (75%).** For one (1) whole year of Service Credit, but less than fifteen (15) whole years of Service Credit, seventy-five (75%) of the

single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the Eligible Survivor is enrolled.

(2) **Monthly Subsidy (90%).** For fifteen (15) whole years or more but less than twenty (20) years of the member's Service Credit, ninety percent (90%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the Eligible Survivor is enrolled.

(3) **Monthly subsidy (100%).** For twenty (20) or more whole years of the member's Service Credit, one hundred percent (100%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the Eligible Survivor is enrolled.

(d) **Medicare Enrollment.** Eligible Survivors who are eligible to enroll in Medicare Part B must do so in order to receive the subsidy provided in this section. An Eligible Survivor who is age sixty-five (65) or older must enroll in Medicare as required by the Board in order to receive the subsidy authorized in this Section, except that Eligible Survivors who are not entitled to premium free Part A of Medicare are not required to enroll in Part A.

(e) **Limitation on Increases.** Effective July 1, 2011, no increases in the amounts paid to the medical plan carriers under Subsections (b) and (c) of this section shall be provided on behalf of survivors of members retired on or after July 1, 2011, or on behalf of survivors of members who die on or after July 1, 2011, prior to retirement, except that survivors of former members who terminated employment prior to July 1, 2011, and either died prior to retirement or retired on or after July 1, 2011, on a deferred vested basis without returning to membership shall be entitled to increases, as provided in Subsections (b) and (c) of this section, regardless of the date of retirement. Notwithstanding all of the foregoing, increases in the amounts paid on behalf of survivors of members subject to Section 4.1111, Subsection (c) shall be governed by the provisions of Subsection (b) and (c) of this section, as applicable, regardless of the date of the member's retirement or death.

Sec. 9. Article 4 of Chapter 11 of Division 4 of the Los Angeles Administrative Code is renumbered as Article 5 of Chapter 11 of Division 4 of the Los Angeles Administrative Code.

Sec. 10. Article 4 of Chapter 11 of Division 4 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

CHAPTER 11, ARTICLE 4

TIER 3 PROVISIONS

Section 4.1125. Definitions.

For purposes of this Article 4, the following words and phrases shall have the meaning ascribed to them in this section:

Employee. An employee who is a member of Tier 3 of LACERS.

Service. Only those periods during which a member (1) received compensation from the City as an employee or (2) during which the employee both received Workers' Compensation benefits (Div. IV, Labor Code) for temporary disability on account of any injury or illness arising out of, and in the course of, employment with the City, and made contributions to the Retirement Fund as provided in Charter Section 1162. Service purchased pursuant to the redeposit program set forth in Section 4.1080.19, and Service purchased pursuant to the back contributions program set forth in Section 4.1080.18, may be used to qualify for the benefits provided in this Article, provided that such service is purchased while a member of LACERS and does not exceed any limits imposed under federal tax law. Part-time employee members shall receive full, rather than prorated, Service for purposes of qualifying for benefits under this Article.

Service Credit. Service Credit shall include any Service authorized in Chapter 10 of Division 4 of this Code that may be taken into consideration for purposes of qualifying for benefits provided in Chapter 10, provided that any such service credit does not exceed any limits imposed under federal tax law. Part-time employee members shall have their Service Credit prorated based upon the number of hours worked per pay period for purposes of the calculation of their benefits under this Article.

Member. A person who is a member of Tier 3 of LACERS. A part-time employee member who qualifies for membership under Section 4.1080.2 of this Code shall be eligible for a benefit under this Article 4 when he or she is age fifty-five (55) with a minimum of ten (10) years of Service, provided that he or she is receiving a service retirement benefit or disability retirement benefit from LACERS under Chapter 10. In calculating the amount of the benefit to which a part-time employee member is entitled, LACERS shall consider the part-time employee member's Service Credit, which shall be prorated based upon the hours worked per pay period.

Retired Employee or Retiree. A person who is a retired member of Tier 3 of LACERS and is receiving either a service retirement allowance or a disability retirement allowance pursuant to the provisions of Article 3 of Chapter 10 of Division 4 of this Code.

Additional words and phrases used in this Article shall have the meaning ascribed to them in Section 4.1080.1 and Section 4.1104.

Sec. 4.1126. Medical Plan Premium Subsidy.

The medical plan premium subsidy will be provided upon the conditions set forth below in order to lessen or defray part or all of the cost of medical plans to eligible retirees, as hereinafter defined.

(a) **Eligibility for Medical Plan Premium Subsidy.** A retiree who is enrolled in plan(s) administered by the Board as part of the Medical Plan Program shall be eligible for a medical plan premium subsidy as provided in Subsection (d) or Subsection (e), as applicable.

(b) **Maximum Medical Plan Premium Subsidy.** Eligible retirees shall have a vested right to the maximum medical plan premium subsidy as set by LACERS pursuant to this subsection. The maximum monthly medical plan premium subsidy for retirees is \$1,580.08. LACERS shall adjust the maximum monthly amount of the medical plan premium subsidy provided to retirees to maintain a monthly amount equal to the Kaiser two-party non-Medicare Part A and B premium.

(c) **Medical Plan Premium Subsidy for Eligible Retirees without Medicare Part A.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance, who either are not eligible for Medicare or do not qualify for benefits under Part A of Medicare premium free, who have at least ten (10) years of Service and who are age fifty-five (55) years or older, shall cause the following amount to be paid to their approved medical plan carrier on their behalf:

(1) **Basic Monthly Subsidy.** For one (1) to ten (10) whole years of Service Credit, forty percent (40%) of the maximum monthly medical plan premium subsidy amount established pursuant to the provisions of Subsection (b).

(2) **Additional Monthly Subsidy.** For each additional whole year of Service Credit in excess of ten (10) whole years, add four percent (4%) of the maximum monthly medical plan premium subsidy to the Basic Monthly Subsidy.

(3) **Maximum Monthly Subsidy.** No retiree shall have paid to his or her medical plan carrier an amount exceeding the maximum monthly amount established pursuant to Subsection (b) or receive an amount in excess of the premium of the plan in which they are enrolled.

(4) **Dependent Monthly Subsidy.** The monthly medical plan premium subsidy shall be applied first to the retiree's medical plan coverage with any balance applied toward the coverage of the retiree's dependent(s).

(d) **Medical Plan Premium Subsidy for Eligible Retirees Enrolled in Parts A and B of Medicare.** Those retirees with at least ten (10) years of Service who are receiving a service retirement allowance or disability retirement allowance and who qualify for benefits under Part A and Part B of Medicare shall cause the following amount to be paid on their behalf to the medical plan carrier providing them with a Medicare supplemental or coordinated plan:

(1) **Monthly Subsidy (75%).** For one (1) whole year of Service Credit, but less than fifteen (15) whole years of Service Credit, seventy-five percent (75%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the retiree is enrolled.

(2) **Monthly Subsidy (90%).** For fifteen (15) whole years or more but less than twenty (20) whole years of Service Credit, ninety percent (90%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the retiree is enrolled.

(3) **Monthly Subsidy (100%).** For twenty (20) or more whole years of Service Credit, one hundred percent (100%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the retiree is enrolled.

(4) **Dependent Subsidy.** The amount of the medical plan premium subsidy which is applied toward the coverage of dependents of a retiree enrolled in both Part A and Part B of Medicare shall not exceed that amount which may be applied toward the coverage of the dependent(s) of a retiree not enrolled in both Parts A and Part B of Medicare with the same years of Service Credit and covered by the same medical plan. If the same plan does not offer coverage for retirees who do not have both Medicare Parts A and B, the Board shall, by rule, determine the dependent subsidies in a manner that is consistent with plans that do offer both types of coverage.

(e) **Medicare Enrollment and Assignment.** Retirees who are eligible to enroll in Medicare Part B must do so in order to qualify to receive the subsidy provided in Subsections (c) and (d) of this section. The Board may require retirees to enroll in and assign to LACERS any coverage that is provided by Medicare in order to qualify to receive the subsidy provided in this section, except that retirees who are not entitled to premium free Part A of Medicare are not required to enroll in Part A.

(f) **Verification of Medical Plan Coverage.** Retirees who are receiving a medical plan premium subsidy payable to their medical plan carrier pursuant to the provisions of this Article may be required, from time to time, to provide evidence

satisfactory to the Board that their medical plan coverage or Medicare or other federal or state funded medical plan is in full force and effect.

(g) **Payment Limitation.** In no event shall the subsidy provided in this section, when added to any other medical plan subsidy provided by the Water and Power Employees' Retirement Plan or the Fire and Police Pension Plan, exceed the maximum amount established in Subsection (b).

Sec. 4.1127. Medical Premium Reimbursement Program.

The medical premium reimbursement program will be provided upon the conditions set forth below in order to lessen or defray part or all of the cost of medical plans to eligible retirees, as hereinafter defined.

(a) **Eligibility for Medical Premium Reimbursement.** Upon written application and verification, as required by the Board, those retirees who are receiving a service retirement benefit or disability retirement benefit from LACERS under Chapter 10, have at least ten (10) years of Service, are age fifty-five (55) years or older, and reside more than three (3) months of the year:

(1) Outside the state of California; or

(2) In the state of California, but not within a LACERS administered HMO medical plan zip code service area, and are enrolled in a federally qualified HMO or a state regulated health insurance plan, shall be eligible for the medical plan premium reimbursement as provided in Subsection (c) or Subsection (e), as applicable.

(b) **Maximum Medical Premium Reimbursement for Retirees without Medicare Part A.** The Board shall set the maximum medical plan premium reimbursement for retirees not eligible for Medicare or retirees not eligible for premium free Medicare Part A in the same manner as in Section 4.1126(b) of this Article. Retirees who are eligible to enroll in Medicare Part B must do so in order to be entitled to reimbursement.

(c) **Reimbursement for Eligible Retirees without Medicare Part A.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance, and who either are not eligible for Medicare or do not qualify for benefits under Part A of Medicare premium free, shall be reimbursed the following amount:

(1) **Basic Monthly Reimbursement.** For one (1) to ten (10) whole years of Service Credit, forty percent (40%) of the maximum monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (b) herein.

(2) **Additional Monthly Reimbursement.** For each additional whole year of Service Credit in excess of ten (10) whole years, add four percent (4%) of the maximum monthly medical plan premium reimbursement amount to the Basic Monthly Reimbursement.

(3) **Maximum Monthly Reimbursement.** The amount paid shall not exceed the maximum monthly medical plan premium reimbursement established pursuant to the provisions of Subsection (b) herein or the amount of the plan premium being reimbursed.

(4) **Dependent Reimbursement.** The monthly medical plan premium reimbursement shall be applied first to the retiree's medical plan coverage with any balance applied toward the coverage of the retiree's dependent(s) under the same medical plan.

(d) **Maximum Medical Premium Reimbursement for Retirees Enrolled in Parts A and B of Medicare.** The maximum monthly medical plan premium reimbursement for retirees enrolled in Parts A and B of Medicare shall be \$487.71. The Board, in its discretion, may, by resolution, increase the monthly amount of medical plan premium reimbursement of retirees enrolled in Parts A and B of Medicare, provided that the amount of the maximum monthly medical plan premium reimbursement shall not exceed one hundred percent (100%) of the single-party monthly premium of the highest cost approved Medicare supplemental or coordinated plan provided by LACERS.

(e) **Reimbursement for Eligible Retirees Enrolled in Medicare Part A and Part B.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance, who have at least ten (10) years of Service, and who qualify for benefits under Parts A and Part B of Medicare, shall be reimbursed the following amount:

(1) **Monthly Reimbursement (75%).** For one (1) whole year but less than fifteen (15) whole years of Service Credit, seventy-five percent (75%) of the monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (d) herein.

(2) **Monthly Reimbursement (90%).** For fifteen (15) whole years or more but less than twenty (20) whole years of Service Credit, ninety percent (90%) of the monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (d) herein.

(3) **Monthly Reimbursement (100%).** For twenty (20) or more whole years of Service Credit, one hundred percent (100%) of the monthly medical plan premium reimbursement amount established pursuant to the provisions of Subsection (d) herein.

(4) **Dependent Reimbursement.** The Board shall establish the reimbursement policy for dependents of these eligible retirees.

(f) **Medicare Enrollment.** Retirees who are eligible to enroll in Medicare Part B must do so in order to qualify for the medical premium reimbursement provided in Subsections (c) and (e) of this section. Retirees who are not entitled to premium free Part A of Medicare are not required to enroll in Part A.

(g) **Reimbursement for Survivors.** Any person who is eligible to receive the survivor medical plan premium subsidy provided in Section 4.1129.1 of this Article and who lives outside the state of California or in the state of California, but not within a LACERS administered HMO medical plan zip code service area, may qualify for the medical premium reimbursement program provided in this section, except that the amount of reimbursement shall not exceed the amount that he or she would have received as a medical plan premium subsidy under Section 4.1129.1.

(h) **Payment Limitation.** In no event shall the reimbursement provided in this section, when added to any other medical plan subsidy provided by the Water and Power Employees' Retirement Plan or the Fire and Police Pension Plan, exceed the maximum amount established in Subsection (b) herein.

Sec. 4.1128. Medicare Part B Basic Premium Reimbursement Program.

This program is provided to reimburse the cost of the Medicare Part B basic premium to eligible retirees, as hereafter defined.

(a) **Reimbursement.** Reimbursement shall be limited to the Medicare Part B basic premium (Medical Insurance). No reimbursement shall be paid for Medicare Part B costs that exceed the basic premium.

(b) **Eligible Retiree.** In order to participate in the Medicare Part B Basic Premium Reimbursement Program, a retiree must be eligible to receive a medical plan premium subsidy, enrolled in Medicare Parts A and B, and either enrolled in a Medicare supplemental or coordinated plan administered by the Board or be a participant in the Medical Premium Reimbursement Program. Only retirees may participate in this program.

(c) **Verification of Eligibility for Reimbursement.** Premium reimbursement shall be paid to a retiree who qualifies to participate in this program when sufficient proof of the retiree's Medicare Part A and Part B enrollment, coverage, and premium payment has been made as required by the Board.

(d) **No Dependent Reimbursement.** Premium reimbursement may not be applied toward coverage for dependents of retirees.

Sec. 4.1129. Dental Plan Subsidy.

In order for a dental plan premium subsidy to be provided for a retiree, the retiree must be enrolled in a dental plan administered by the Board as part of the Dental Plan Program. The dental plan premium subsidy will be provided upon the conditions set forth below in order to lessen or defray part or all of the cost of such dental plan to such eligible retiree, as hereinafter defined.

(a) **Maximum Dental Plan Premium Subsidy.** The maximum subsidy shall be the amount provided by the Council for active employees. The Board, in its discretion, may, by resolution, increase or decrease the monthly amount of dental subsidy to reflect changes in the subsidy provided by the City Personnel Department for active employees, or to offset any increases or decreases in the level of benefits or the cost thereof, as the result of changes in existing benefits or the addition of newly created benefits by federal or state funded programs.

(b) **Eligibility for Dental Plan Premium Subsidy.** Those retirees who are receiving a service retirement allowance or a disability retirement allowance, have at least ten (10) years of Service as members, and are age fifty-five (55) years or older, shall have paid to their approved dental plan carrier on their behalf the following amount:

(1) **Basic Monthly Subsidy.** For one (1) to ten (10) whole years of Service Credit, forty percent (40%) of the maximum monthly dental plan premium subsidy amount established pursuant to the provisions of Subsection (a).

(2) **Additional Monthly Subsidy.** For each additional whole year of Service Credit in excess of ten (10) whole years, add four percent (4%) of the maximum monthly dental plan premium subsidy to the Basic Monthly Subsidy.

(3) **Maximum Monthly Subsidy.** No retiree shall have paid to his or her dental plan carrier an amount exceeding the maximum monthly amount established pursuant to Subsection (a) or receive an amount in excess of the premium of the plan in which they are enrolled.

(4) **Dependent Monthly Subsidy.** There is no dental plan premium subsidy for dependents.

(c) **Payment Limitation.** In no event shall the subsidy provided in this section, when added to any other dental plan subsidy provided by the Water and Power Employees' Retirement Plan or the Fire and Police Pension Plan, exceed the maximum subsidy established in Subsection (a).

Sec. 4.1129.1. Survivor Medical Plan Premium Subsidy.

The survivor medical plan premium subsidy authorized in this section shall be provided, on the terms set forth herein, to Eligible Survivors of members or retirees, as defined below, who are enrolled in medical plans administered by the Board as part of the Medical Plan Program.

(a) **Eligible Survivors.** The following persons shall be Eligible Survivors for purposes of this section:

(1) A person who is receiving a monthly benefit as an eligible survivor as provided in Section 4.1080.11 or 4.1080.12 of this Code shall become eligible, as an Eligible Survivor, for the medical plan premium subsidy provided in this section either on the date of the deceased's death, if the deceased was eligible for a medical plan premium subsidy at that time, or on the date the deceased would have become eligible for a medical plan premium subsidy had he or she not died, based upon the deceased's Service.

(2) A surviving spouse or domestic partner who elects to receive the monthly benefit provided in Section 4.1080.10, subsection (a)(3) of this Code shall become eligible, as an Eligible Survivor, for the medical plan premium subsidy provided in this section either on the date of the deceased's death, if the deceased was eligible for a medical plan premium subsidy at that time, or on the date the deceased would have become eligible for a medical plan premium subsidy had he or she not died, based upon the deceased's Service.

A surviving spouse or domestic partner who is receiving a monthly benefit due to a retiree's election to provide a continuance benefit funded solely by a reduction in his or her retirement allowance shall not be an Eligible Survivor for purposes of this section.

(b) **Subsidy for Eligible Survivors without Medicare Part A.** The survivor medical plan premium subsidy for an Eligible Survivor who either is not eligible for Medicare or does not qualify for benefits under Part A of Medicare premium free shall be:

(1) **Basic Monthly Subsidy.** For one (1) to ten (10) whole years of the member's Service Credit, forty percent (40%) of the maximum monthly medical plan premium subsidy amount established in this subsection.

(2) **Additional Monthly Subsidy.** For each additional whole year of the member's Service Credit in excess of ten (10) whole years,

add four percent (4%) of the maximum monthly medical plan premium subsidy to the Basic Monthly Subsidy.

(3) **Maximum Monthly Subsidy.** The maximum monthly medical plan premium subsidy shall be the single-party premium for the lowest cost plan available to participants without Medicare Parts A and B.

(c) **Subsidy for Eligible Survivors Enrolled in Parts A and B of Medicare.** The survivor medical plan premium subsidy for an Eligible Survivor who qualifies for benefits under Part A and Part B of Medicare shall be:

(1) **Monthly Subsidy (75%).** For one (1) whole year of Service Credit, but less than fifteen (15) whole years of Service Credit, seventy-five (75%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the Eligible Survivor is enrolled.

(2) **Monthly Subsidy (90%).** For fifteen (15) whole years or more but less than twenty (20) whole years of the member's Service Credit, ninety percent (90%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the Eligible Survivor is enrolled.

(3) **Monthly subsidy (100%).** For twenty (20) or more whole years of the member's Service Credit, one hundred percent (100%) of the single-party monthly premium of the approved Medicare supplemental or coordinated plan in which the Eligible Survivor is enrolled.

(d) **Medicare Enrollment.** Eligible Survivors who are eligible to enroll in Medicare Part B must do so in order to receive the subsidy provided in this section. An Eligible Survivor who is age sixty-five (65) or older must enroll in Medicare as required by the Board in order to receive the subsidy authorized in this Section, except that Eligible Survivors who are not entitled to premium free Part A of Medicare are not required to enroll in Part A.

Sec. 11. Section 4.1090 of Article 3, Chapter 10 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

Sec. 4.1090. Family Death Benefit Plan.

The purpose of this section is to establish a death benefit plan for the protection of the families of members of the Los Angeles City Retirement System who die before retirement. This plan shall be known as the Family Death Benefit Plan (FDBP), but may be referred to in this section as the Plan.

Participation in the Plan is optional, not mandatory. Members must elect to participate in the coverage provided in this section. Benefits payable under the Plan are

subject to earning limitations and, accordingly, may be subject to reduction. Benefits to certain recipients may also be terminable in the event of the person's marriage.

No payments shall be made under this section on account of the death of a member in which an optional survivorship allowance provided by Section 4.1010(a)(3) or 4.1060(a)(3) or Section 4.1080.7(a)(3) of this Chapter is selected. In the event that the optional survivorship allowance provided by Section 4.1011(f) of this Chapter is selected, benefits may temporarily be paid under this section, provided that such benefits shall terminate on the day prior to the effective date that payments begin pursuant to the provisions of Section 4.1011(f).

(a) **Participation in the Family Death Benefit Plan.** A member must file a written election with the Board of Administration in order to participate in the coverage provided in this section. Such election shall be made in writing and may be filed with the Board at any time after the completion of eighteen (18) months of service as a member of the Los Angeles City Retirement System.

A Plan Member may cancel participation in the Plan by filing written notice with the Board of Administration of such cancellation, and, from and after the first day of the calendar month next succeeding such filing, no contributions on account of the Plan shall be taken. No benefit shall thereafter be paid under the provisions of Subsections (b) and (c) of this section for service rendered prior to such cancellation, nor shall such former participant be again eligible to participate in the Plan until he or she has completed eighteen (18) or more months of service subsequent to the date of such cancellation.

For purposes of this section:

(1) **Family Death Benefit Plan Member or Plan Member** shall include only a member of the Los Angeles City Retirement System who has elected to participate in the coverage provided by this section.

(2) **Death Benefit Plan Service** shall include only months of service as a contributing Family Death Benefit Plan Member.

(3) **Survivor** shall mean the surviving spouse or surviving domestic partner of the Plan Member and shall not include any other person(s) who survives the member. For purposes of this section, domestic partner shall mean a person who has established a domestic partnership with the Retirement System, as authorized in Sections 4.1009 or 4.1059 or 4.1080.1(c) herein, or with the State of California, as authorized in Family Code Section 298.5, or a person who has established a legal union which was validly formed in another jurisdiction that is substantially equivalent to a domestic partnership, as authorized in Family Code Section 299.2; domestic partner shall not include a person who has established a domestic partnership pursuant to any other authority.

(b) **Entitlement after Eighteen (18) Months of Death Benefit Plan Service.** Upon the death of a Family Death Benefit Plan Member who has completed at least eighteen (18) months of Death Benefit Plan Service:

(1) The survivor of such Plan Member, having the care and custody of such member's child or children under the age of sixteen (16), shall receive a monthly allowance as provided in Subsection (d), until such time as he or she shall marry.

(2) The survivor, natural parent or adoptive parent of a Plan Member's child or children under the age of eighteen (18), having care and custody of such child, shall receive a monthly allowance for each child as provided in Subsection (d).

(3) In the event there are surviving children under the age of eighteen (18) who are not in the care or custody of the Plan Member's survivor, or in the care or custody of the child's natural or adoptive parent, there shall be paid to the legally appointed guardian of the estate of the member's child or children a monthly allowance as provided in Subsection (d).

The allowance payable to a survivor under Paragraph (1) of this subsection shall be paid only as long as such person remains unmarried and has a child or children under the age of sixteen (16) in his or her care and custody on whose account an allowance is payable under this subsection.

The phrase "child or children under the age of eighteen (18)" shall include, in addition to a child who has not attained his or her eighteenth (18th) birthday as of the date of the Plan Member's death, any child who, before reaching the age of twenty-two (22), has become unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or to be of long continued and indefinite duration. The allowance payable on account of every child shall cease when such child reach the age of eighteen (18) unless such child was, or has become, disabled as in this paragraph provided, in which case payments on account of such a disabled child shall be continued for the duration of the disability. The Board of Administration shall have the power to hear and determine all matters pertaining to the degree and the duration of any child's disability, and the determination of said Board shall be final and conclusive.

(c) **Entitlement after One Hundred Twenty (120) Months of Death Benefit Plan Service.** Upon the death of a Family Death Benefit Plan Member, who has at least one hundred twenty (120) months of Death Benefit Plan Service:

(1) If there be a survivor or children of such member eligible to receive payments under Subsection (b), such payments shall be made as therein provided;

(2) Upon reaching age sixty (60), the Survivor of such member, if he or she has not married since the member's death and is not entitled to a Survivor's payment under Subsection (b)(1), shall be paid a monthly pension as provided in Subsection (e).

(3) Upon reaching age fifty (50), the survivor of such member who is found to be unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or to be of long continued and indefinite duration, if he or she has not married since the member's death and is not entitled to a survivor's payment under Subsection (b), shall be entitled to receive the benefit provided in Subsection (e), with such actuarial adjustment as provided by Board rule. The Board of Administration shall have the power to hear and determine all matters pertaining to the degree and the duration of any survivor's disability, and the determination of said Board shall be final and conclusive.

(4) In the event such member is not survived by a survivor or children, but is survived by a parent or parents who during the last year of the member's service, had received at least one-half (1/2) of their necessary living expenses from such member, there shall be paid to each such parent a monthly pension as provided in Subsection (f); provided, however, that such payments shall not begin before the parent has reached age sixty-two (62), and no payment shall be made to a parent who has married subsequent to the member's death. In order to qualify for this benefit, the parent(s), regardless of their age at the time of the member's death, must within a period of six (6) months following the member's death, file a claim with the Board of Administration for such benefit and establish to the satisfaction of said Board the fact of dependency as provided herein. Failure for any reason to file such claim within the time herein specified shall forever bar the right of such parent or parents to assert a claim to such benefits.

(d) **Allowances Payable under Subsection (b).** Effective December 16, 1996, and ongoing:

(1) The monthly allowance to be paid pursuant to Subsection (b)(1) herein shall be as follows:

Survivor and one child - \$1,875.00

Survivor and two children - \$2,186.90

(2) The monthly allowance to be paid pursuant to Subsection (b)(2) and Subsection (b)(3) herein shall be as follows:

One child - \$937.50

Two children - \$1,875.00

Three children - \$2,186.90

(e) **Allowances Payable under Subsection (c) to a Survivor.**

Effective December 16, 1996, and ongoing, the monthly allowance payable to a survivor, pursuant to Subsection (c), shall be as follows:

For payments beginning at age sixty (60) - \$613.04

For payments beginning at age sixty-one (61) - \$661.93

For payments beginning at age sixty-two (62) - \$710.78

For payments beginning at age sixty-three (63) - \$759.66

For payments beginning at age sixty-four (64) - \$808.52

For payments beginning at age sixty-five (65) or older - \$857.40

(f) **Allowances Payable under Subsection (c) to Dependent**

Parent(s). Effective December 16, 1996, and ongoing, the monthly allowance payable to a dependent parent(s), pursuant to Subsection (c), shall be as follows:

For one dependent parent - \$1,031.25

For two dependent parents - \$1,875.00

(g) **Board of Administration Authority.** Full power and authority is hereby vested in the Board of Administration to make such changes in the conditions set forth in Subsections (b) and (c) of this section governing entitlement to, and continued payment of, the benefits therein provided, as will, from time to time, make such conditions comparable to, and in substantial accordance with, the conditions governing the respective Survivor Benefits under the Old-Age, Survivors and Disability Insurance (OASDI) Program.

In addition, the Board shall establish an earnings test and provide for a reduction in the payments to be made under this section, which test and reduction in payments shall be in substantial accordance with the earnings test and reduced payments on account of earning established under the OASDI Program.

It is the intent, meaning, and purpose of this subsection to provide a means whereby entitlement to and continuance of benefit payments to the surviving children, Survivor, or parents of a deceased Family Death Benefit Plan Member shall be in substantial accordance with the conditions governing entitlement to, and continuance of, the comparable survivor benefits under the OASDI Program. The rights granted to Family Death Benefit Plan Members under this Section shall be cumulative in the event that benefits become payable to children whose parents were both Family Death Benefit Plan Members at the time of their respective deaths.

It shall be the duty of every person receiving payments under the provisions of this section to make such reports relative to employment, earnings and marital status as the Board may determine, and failure to furnish any such report within the time and in the manner specified by said Board shall be cause for the suspension or cancellation of any further payments as said Board may, in its discretion, determine.

(h) **Funding of Plan Benefits.** The Board of Administration shall secure such actuarial reports and valuations as may be necessary to establish the cost of the benefits provided by this section and for the accumulation and maintenance of a fund on a reserve basis sufficient for the payment of such benefits. On the basis of such reports it shall establish and change or modify a rate of contribution for the Plan Members and a like rate for the City to the end that such cost shall be borne equally between the Plan Members and the City. Age and sex shall be disregarded in establishing such rate, which shall be expressed as a dollar amount per month per Plan Member.

Said Board shall certify the dollar amount of the Plan Member contribution to the Controller who shall deduct one-half (1/2) of such amount from the salary paid to each such member for each of two payroll periods during each calendar month and draw a payroll check for the total of the amount so deducted, which shall be paid into a special reserve account of the Los Angeles City Employees' Retirement Fund to be designated Family Death Benefit Plan account.

Each Plan Member, by virtue of the election to participate in the Plan, shall be deemed to consent and agree to each such deduction, and payment of each payroll check shall be a full and complete discharge and acquittance of all claims and demands whatsoever for service rendered by such member during the period covered by such payroll. Contributions taken pursuant to the provisions of this subsection shall be in addition to the member contributions required to be taken under the provisions of Charter Section 1162, but they shall not become a part of the member's accumulated contributions, nor shall they be refundable under any circumstances.

The Board of Administration shall include in the annual department budget, in addition to the items specified in Charter Section 1160 and for the account of said Family Death Benefit Plan account:

(1) An amount equal to the estimated total amount to be contributed by the Family Death Benefit Plan Members during such fiscal year; and

(2) In the event the benefits paid and to be paid under the provisions of this section during the preceding fiscal year shall exceed the total account paid into said account by the contributing members, the revenue derived from (1) above and the interest as provided in the next paragraph, an amount equal to such deficit.

Interest shall be credited to said Family Death Benefit Plan account at the same time, and in the same manner, as interest is credited to the other actuarial reserve accounts of the Retirement System, and the Board of Administration shall keep such record and account of the total amount paid into said account plus the interest credited thereto, as will show at any time the total amount so provided less the total amount of benefits.

No payment on account of the benefits provided in this section shall be paid from any other fund or account and every Family Death Benefit Plan Member shall, by virtue of the election to participate in the Plan, be deemed to consent and agree to this limitation of liability.

(i) **Past Service Credit towards Entitlements under the Plan.**

Every person who shall enter or re-enter membership in the Retirement System shall be entitled to receive Death Benefit Plan Service for purposes of entitlement to benefits, as provided in this section for those periods of time subsequent to July 1, 1965, for which he or she is entitled to retirement service credit with any tier of the Retirement System, or for which he or she is making back contributions or redeposits as authorized for such retirement service credit, but for which he or she is not entitled to Death Benefit Plan Service by complying with the following conditions:

(1) He or she shall file with the Board of Administration a written election to receive all such Death Benefit Plan Service as he or she shall be entitled to, not to exceed one hundred twenty (120) months, and

(2) He or she shall make back contributions to the Family Death Benefit Plan, together with regular interest thereon, in a lump sum or in installments by payroll deductions in such manner as the Board of Administration may determine, and provided that no such credits may be given for any periods of City service rendered prior to July 1, 1965.

Should the Plan Member die prior to having complied with the conditions set forth in the prior paragraph, the Plan Member's survivor or the guardian of the Plan Member's minor child or children is hereby given the option to make a single payment equal to the then present value of all the amounts due under the deceased Plan Member's election, in such manner as may be determined by the Board, and thereby become entitled to the benefits provided in this section.

Sec. 12. Pursuant to Charter Section 252(i) and Charter Section 1168(b), this ordinance shall take effect upon publication.

Sec. 13. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than two-thirds** of all of its members, at its meeting of _____.

HOLLY L. WOLCOTT, City Clerk

By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By  _____
ALAN L. MANNING
Assistant City Attorney

Date December 4, 2015

File No. 15-1423