

WATER AND POWER EMPLOYEES' RETIREMENT PLAN

Amendments to the Water and Power Employees' Retirement Plan

Date: November 10, 2022

On November 9, 2022, the Board of Administration (Retirement Board) of the Water and Power Employees' Retirement Plan (Plan) adopted several amendments to the Plan. To see the amendments in full, the Retirement Board item is available on our website at <https://retirement.ladwp.com>.

Below is a brief summary of the amendments:

Regular Interest Rate and Discount Rate – Effective July 1, 2024

This amendment aligns the Regular Interest Rate and the rate used to convert your pension to an optional benefits form (Discount Rate) with the Plan's investment return assumptions as adopted by the Retirement Board. Effective July 1, 2024, the Interest Rate and the Discount Rate will be 6.5%.

Please look for additional communications as we get closer to implementing the new rates.

Surplus in the Retirement or Death Benefit Funds

This amendment affects the Funding Policy when we have a surplus in the Plan. There will be no impact to the calculation of your benefits.

Disability Benefits for Transfers from the City

This amendment is a technical amendment only. There will be no impact to the calculation of your disability.

Interest Rate Applied to Unpaid Death Benefits After One Year

This amendment corrects the interest rate that is applied to an unpaid death benefit claim after one year.

If you have named a **minor child** as the primary beneficiary of your Death Benefits from the Plan, you should consider speaking with a retirement counselor to review your beneficiary form. The Retirement Section may be reached at (213) 367-1715.

Required Minimum Distribution

This amendment is a technical amendment in compliance with the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act).

This amendment only impacts **former employees** of LADWP and the City, who have left their contributions on deposit with the Plan. This amendment does not impact active employees or retirees of LADWP and the City.

Re-Employment of Retirees of the Plan

This amendment allows for the limited re-employment of retirees of the Plan to positions covered under Charter Sections 1001(a) and 1001(c). This amendment does not allow for the re-employment of retirees of the Plan to other positions that would normally be required to contribute to the Plan.

Service Purchase for Unpaid Leaves

This amendment allows an employee to purchase other unpaid leaves, similar to unpaid maternity leaves, that are approved under the Family and Medical Leave Act (FMLA) or the California Family Rights Act (CFRA).

If you have taken an **unpaid leave** for FMLA or CFRA, and the leaves were for full pay periods, please contact our Membership Section at (213) 367-1695 to complete an application for a service purchase quote to enhance your retirement allowance.

If you have any questions on the amendments as summarized above, please call one of the numbers previously provided, email us at retire@ladwp.com, or visit us in the John Ferraro Building, Room 357, Monday through Thursday from 7:00 am to 3:00 pm. We are open to the public.




Linda P. Le
Retirement Plan Manager

CITY OF LOS ANGELES
DEPARTMENT OF WATER AND POWER
INTRADEPARTMENTAL CORRESPONDENCE

Date: November 2, 2022

To: Retirement Board Members

From: Linda P. Le, Retirement Plan Manager 

Subject: Board Agenda Item No. 11: Discussion to Adopt Amendments to the Plan; and Possible Action (November 9, 2022, Regular Retirement Board Meeting)

The following amendments (attached) were approved by the Board of Water and Power Commissioners at their meeting on October 25, 2022.

- 1) Rate of Return and calculation of optional benefits forms
- 2) Surplus in the Retirement or Death Benefit Funds
- 3) Disability benefits for transfers from the Los Angeles City Employees' Retirement System (LACERS)
- 4) Interest applied to unpaid death benefits after one year
- 5) Required Minimum Distribution (RMD) in compliance with the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act)
- 6) Re-employment of retirees of the Plan to positions covered under the City of Los Angeles Charter (Charter), Sections 1001(a) and 1001(c)
- 7) Service purchase for unpaid leaves taken under the Family and Medical Leave Act (FMLA) or the California Family Rights Act (CFRA)

The following documents are attached:

- Resolution No. 23-28
- Attachment 1 – Rate of Return and the Calculation of Optional Benefits Forms
- Attachment 2 – Retirement or Death Benefit Funds Surplus
- Attachment 3 – Disability Benefits for Transfers from LACERS
- Attachment 4 – Interest on Unpaid Death Benefits
- Attachment 5 – Required Minimum Distribution
- Attachment 6 – Re-Employment of Retirees of the Plan
- Attachment 7 – Service Purchases Under FMLA or CFRA

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RESOLUTION TO ADOPT AMENDMENTS TO THE PLAN

WHEREAS, on October 25, 2022, the Board of Water and Power Commissioners approved the following Plan Amendments:

- Rate of Return and calculation of optional benefits forms – Sections IV A (4), III C (9), IV F (5), and VII L (3)
- Surplus in the Retirement or Death Benefit Funds – Sections IV C (2)(b), VII E (4)(a), VI B (3)(a), VI B (3)(b), and VI B (5)
- Disability benefits for transfers from the Los Angeles City Employees' Retirement System (LACERS) – Section V D (1)(b)(ii)(c)(2)
- Interest applied to unpaid death benefits after one year – Section VI D (6)(d)
- Required Minimum Distribution (RMD) in compliance with the Setting Every Community Up for Retirement Enhancement Act of 2019 (SECURE Act) – Plan Section II F (3)(a)
- Re-employment of retirees of the Plan to positions covered under the City of Los Angeles Charter (Charter), Sections 1001(a) and 1001(c) – Section II F (4)
- Service purchase for unpaid leaves taken under the Family and Medical Leave Act (FMLA) or the California Family Rights Act (CFRA) – Sections IV G (1)(i), IV G (4)(c), and VII I (1)(e)

NOW, THEREFORE, BE IT RESOLVED, that the Board of Administration of the Water and Power Employees' Retirement Plan adopts the attached amendments.

I HEREBY CERTIFY, the foregoing is a full, true, and correct copy of a Resolution adopted by the Retirement Board of Administration, at its meeting held on November 9, 2022.



Linda P. Le
Retirement Plan Manager

Plan Section IV A (4)

(4) “Regular Interest” means interest at the rates shown opposite the respective periods shown in the table below:

TIME PERIOD		
Beginning	Ending	Rate
October 1, 1938	June 30, 1962	3.0%
July 1, 1962	June 30, 1963	3.5%
July 1, 1963	June 30, 1967	3.75%
July 1, 1967	June 30, 1968	4.0%
July 1, 1968	June 30, 1972	4.25%
July 1, 1972	February 28, 1973	4.5%
March 1, 1973	June 30, 1975	5.0%
July 1, 1975	June 30, 1976	5.5%
July 1, 1976	June 30, 1977	5.75%
July 1, 1977	June 30, 1980	6.0%
July 1, 1980	June 30, 1983	7.0%
July 1, 1983	April 13, 2011	8.0%
April 13, 2011	June 30, 2015	7.75%
July 1, 2015	February 28, 2018	7.5%

Starting March 1, 2018, the Regular Interest Rate shall align with the investment return assumption rate as adopted by the Board of Administration effective the 1st of the month following the adoption of the assumption, so long as the investment return assumption rate is at least seven percent (7.0%).

Effective November 9, 2022, the Regular Interest Rate shall align with the investment return assumption rate as adopted by the Board of Administration effective the 1st of the month one year after the adoption of the assumptions; provided, however, that the Regular Interest Rate shall not change prior to July 1, 2024. The rate so changed shall be noticed to all affected members by no less than two written communication as directed by the Board.

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

Plan Section III C (9)

(9) Interest Rates and Maintenance of Surplus

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

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

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

On and after May 1, 2016, every retirement allowance shall be calculated based upon the "RP 2000 – Combined Healthy Mortality Table" converted to a unisex basis with adjustments established from time to time to reflect Plan experience, and an interest rate of seven and one-half percent (7.5%) per annum; provided, however, that the retirement allowances of members retired prior to May 1, 2016, shall not be changed. The method of conversion to a unisex basis and the determination of the adjustments shall be adopted by the Board of Administration based on the recommendation of its Actuary.

On and after July 1, 2018, every retirement allowance shall be calculated based upon the mortality and interest rate assumptions as adopted by the Board of Administration to be used in the actuarial valuation, with the mortality assumption converted to a unisex basis by applying adjustments established from time to time to reflect Plan experience, so long as the interest rate is at least seven percent (7.0%) per annum. Such changes are effective July 1 of the year following the board's adoption of a change in the mortality or interest rate assumptions; provided, however, that the retirement allowances of members retired prior to the effective date of this paragraph shall not be changed.

On or after November 9, 2022, every retirement allowance shall be calculated based upon the mortality and interest rate assumptions as adopted by the Board of Administration to be used in the actuarial valuation, with the mortality assumption converted to a unisex basis by applying adjustments established from time to time to reflect Plan experience. Such changes are effective concurrently with changes in the Regular Interest Rate pursuant to Section IV A (4) of the Plan; provided, however, that the retirement allowances of members retired prior to the effective date of this paragraph shall not be changed.

From time to time there shall be credited to reserves such additional sums as mortality adjustments may require. These additional sums and all interest commitments of the Retirement Fund shall be charged against the surplus account of said fund. Should the income and realized gains from the investment of moneys of the Retirement Fund be insufficient to pay the benefits

Attachment 1 – Rate of Return and the Calculation of Optional Benefits Forms

due under the terms of this Plan, the Department shall pay into the Retirement Fund such sum or sums as may be necessary in order to pay such benefits in a timely manner.

Plan Section IV F (5)

(5) Interest at the rate of eight percent (8%) per annum, compounded annually, shall be used on and after July 1, 1980 in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.

On and after May 1, 2016, interest at the rate of seven and one-half percent (7.5%) per annum, compounded annually, shall be used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.

On and after July 1, 2018, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board of Administration regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board, so long as the interest rate is at least seven percent (7%) per annum.

On or after November 9, 2022, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board of Administration regardless of the amount of distributable surplus, which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board.

Plan Section VII L (3)

(3) Interest at the rate of eight percent (8%) per annum, compounded annually, shall be used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.

On and after May 1, 2016, interest at the rate of seven and one-half percent (7.5%) per annum, compounded annually, shall be used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.

On and after July 1, 2018, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board, so long as the interest rate is at least seven percent (7%) per annum.

On or after November 9, 2022, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board of Administration regardless of the amount of distributable surplus, which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board.

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On and after July 1, 2018, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board of Administration regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board, so long as the interest rate is at least seven percent (7%) per annum.

On or after November 9, 2022, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board of Administration regardless of the amount of distributable surplus, which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board.

Plan Section VII L (3)

(3) Interest at the rate of eight percent (8%) per annum, compounded annually, shall be used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.

On and after May 1, 2016, interest at the rate of seven and one-half percent (7.5%) per annum, compounded annually, shall be used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan.

On and after July 1, 2018, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board regardless of the amount of distributable surplus which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board, so long as the interest rate is at least seven percent (7%) per annum.

On or after November 9, 2022, the interest rate, compounded annually, used in the calculation of benefits under any mortality table adopted by the Board of Administration regardless of the amount of distributable surplus, which may be credited to the accounts of members under the provisions of this Plan, shall align with the actuarial assumptions adopted by the Board.

Plan Section IV C (2)(b)

(b) The Department contributions to the Retirement Fund shall be determined on the basis of the Entry Age Normal Cost Funding Method amortizing the resulting unfunded liability for each year in equal dollar amounts over the subsequent fifteen (15) year period; provided further that if the Retirement Fund is in a surplus position and the surplus is 20% or greater (i.e., the funded ratio is 120% or greater), the surplus in excess of 20% will be amortized over a 30-year period in equal dollar amounts. In a year where the Retirement Fund is in a surplus position following a previous unfunded liability position, or an unfunded liability position following a previous surplus position, the previous amortization layers will be considered fully amortized (i.e., set to zero) and a new series of amortization layers will start. The Entry Age Normal Cost Funding Method is defined as that method by which a level percentage of Compensation of new members is determined which must be paid into the Retirement Fund from their respective dates of entry in order to provide the benefits payable pursuant to Section IV of this Plan, less the normal contributions made by such new members during the period of their membership. The Board of Administration may, by resolution, adopt a separate period of not more than thirty (30) years upon the recommendation of its Actuary to amortize the gain or loss resulting from an unusual event or change in assumptions or methods.

In addition to the Department monthly contributions determined by the Entry Age Normal Cost Funding Method an amount equal to the Contingent Pension Credits for Current Service which are transferred during any month from the Retirement Fund to the credit of the Department pursuant to the provisions of Section IV B (2) shall also apply toward the amortization of the unfunded liability.

Plan Section VII E (4)(a)

(a) Contributions Based on Entry Age Normal Cost Funding Method

The Department contributions to the Retirement Fund shall be determined on the basis of the Entry Age Normal Cost Funding Method amortizing the resulting unfunded liability for each year in equal dollar amounts over the subsequent fifteen (15) year period; provided further that if the Retirement Fund is in a surplus position and the surplus is 20% or greater (i.e., the funded ratio is 120% or greater), the surplus in excess of 20% will be amortized over a 30-year period in equal dollar amounts. In a year where the Retirement Fund is in a surplus position following a previous unfunded liability position, or an unfunded liability position following a previous surplus position, the previous amortization layers will be considered fully amortized (i.e., set to zero) and a new series of amortization layers will start. The Entry Age Normal Cost Funding Method is defined as that method by which a level percentage of Compensation of new members is determined which must be paid into the Retirement Fund from their respective dates of entry in order to provide the benefits payable pursuant to Section VII of this Plan, less the normal contributions made by such new members during the period of their membership. The Board of Administration may, by resolution, adopt a separate period of not more than thirty (30) years upon the recommendation of its Actuary to amortize the gain or loss resulting from an unusual event or change in assumptions or methods.

Plan Section VI B (3)(a) & (b)

(3) Contributions by Department

(a) Contributions to the Death Benefit Fund shall be paid by the Department monthly from funds of the Department, for each member by whom contributions shall be made during the month as provided in subdivision (1) of this Section VI B in an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total monthly equivalent of Compensation of members who made contributions to said Death Benefit Fund for said month, less the amount contributed in said month by the members under said Section VI B (1). Said rate shall provide funds at least equal to the present value of the expected Death Benefit payments for the fiscal year plus the amount required to fund prudent reserves.

Effective for the actuarial valuation beginning July 1, 2019 and thereafter, the Department contributions herein shall be paid monthly from funds of the Department for each member by whom contributions shall be made during the month as provided in subdivision (1) of this Section VI B. Such contributions to the Death Benefit Fund shall be determined on the basis of the Entry Age Actuarial Cost Method amortizing the resulting unfunded liability identified in each year in equal dollar amounts over the subsequent fifteen (15) year period; provided further that if the Death Benefit Fund is in a surplus position and the surplus is 20% or greater (i.e., the funded ratio is 120% or greater), the surplus in excess of 20% will be amortized over a 30-year period in equal dollar amounts. In a year where the Death Benefit Fund is in a surplus position following a previous unfunded liability position, or an unfunded liability position following a previous surplus position, the previous amortization layers will be considered fully amortized (i.e., set to zero) and a new series of amortization layers will start. The Entry Age Actuarial Cost Method is defined as that method by which a level percentage of Compensation of new members is determined which must be paid into the Death Benefit Fund from their respective dates of entry in order to provide the benefits payable pursuant to subdivision (1) of this Section VI D, less the contributions made by such new members during the period of their membership. The Board of Administration may, by resolution, adopt a separate period of not more than thirty (30) years upon the recommendation of its Actuary to amortize the gain or loss resulting from an unusual event or change in assumptions or methods.

(b) Contributions to the Death Benefit Fund shall also be paid by the Department monthly from funds of the Department for the death benefits provided for in subdivision (2) (a) and subdivision (3) of Section VI D for each noncontributing member and retired member in the event of whose death during such month such death benefit would be payable. The contributions for each month shall be in an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total monthly retirement allowances paid in accordance with Section IV D, IV E, VII F, and VII G for the preceding month. Said rate shall provide funds at least equal to the present value of the expected Death Benefit payments for the fiscal year plus the amount required to fund prudent reserves.

Effective for the actuarial valuation beginning July 1, 2019 and thereafter, the Department contributions herein shall be paid monthly from funds of the Department for the death benefits provided for in subdivision (2) (a) and subdivision (3) of Section VI D for each noncontributing member and retired member. Such contributions to the Death Benefit Fund shall be determined on the basis of the Entry Age Actuarial Cost Method amortizing the resulting unfunded liability identified in each year in equal dollar amounts over the subsequent fifteen (15) year period; provided further that if the Death Benefit Fund is in a surplus position and the surplus is 20% or greater (i.e., the funded ratio is 120% or greater), the surplus in excess of 20% will be amortized

over a 30-year period in equal dollar amounts. In a year where the Death Benefit Fund is in a surplus position following a previous unfunded liability position, or an unfunded liability position following a previous surplus position, the previous amortization layers will be considered fully amortized (i.e., set to zero) and a new series of amortization layers will start. The Entry Age Actuarial Cost Method is defined as that method by which a level percentage of Compensation of new members is determined which must be paid into the Death Benefit Fund from their respective dates of entry in order to provide the benefits payable pursuant to subdivision (2)(a) and (3) of this Section VI D, less the contributions made by such new members during the period of their membership. The Board of Administration may, by resolution, adopt a separate period of not more than thirty (30) years upon the recommendation of its Actuary to amortize the gain or loss resulting from an unusual event or change in assumptions or methods.

Plan Section VI B (5)

(5) Contributions for Family Death Benefit Allowances and Supplemental Family Death Benefit Allowances

The Department shall make monthly contributions to the Family Death Benefit Allowance account of the Death Benefit Fund for payment of the death benefit allowances provided for by Section VI D (8) and Section VI D (9). The Department's contributions to that account for any month shall be an amount equal to the rate recommended by the Board's Actuary and adopted by the Board by Resolution multiplied by the total number of active contributing members less the amount contributed for such month by the members and retirees who are enrolled for the Supplemental Family Benefits provided under Section VI D (9). Said rate shall provide funds at least equal to the present value of the expected Family Death Benefit payments for the fiscal year plus the amount required to fund prudent reserves.

Effective for the actuarial valuation beginning July 1, 2019 and thereafter, the Department contributions herein shall be paid monthly from funds of the Department to the Family Death Benefit Allowance account of the Death Benefit Fund for payment of the death benefit allowances provided for by Section VI D (8) and Section VI D (9). Such contributions to the Death Benefit Fund shall be determined on the basis of the Entry Age Actuarial Cost Method amortizing the resulting unfunded liability identified in each year in equal dollar amounts over the subsequent fifteen (15) year period; provided further that if the Death Benefit Fund is in a surplus position, such that the funded ratio is 120% or greater, the surplus in excess of 20% will be amortized over a 30-year period in equal dollar amounts. In a year where the Death Benefit Fund is in a surplus position following a previous unfunded liability position, or an unfunded liability position following a previous surplus position, the previous amortization layers will be considered fully amortized and a new series of amortization layers will start. The Entry Age Actuarial Cost Method is defined as that method by which a level percentage of Compensation of new members is determined which must be paid into the Death Benefit Fund from their respective dates of entry in order to provide the benefits payable pursuant to subdivision (8) and (9) of this Section VI D, less the contributions made by such new members during the period of their membership. The Board of Administration may, by resolution, adopt a separate period of not more than thirty (30) years upon the recommendation of its Actuary to amortize the gain or loss resulting from an unusual event or change in assumptions or methods.

Plan Section V D (1)(b)(ii)(c)(2)

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

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

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

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

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

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

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

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

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

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

*Where a member is required to make contributions to the Disability Fund pursuant to Section V B (1) but has not completed at least twenty-six (26) weeks of Continuous Service with the Department, such member may nonetheless qualify for disability benefits if: (1) the member was employed by another City department immediately preceding transfer to the Department; and (2) the period of employment with the other City department plus the period of employment with the Department amounts to twenty-six (26) weeks or more. A member who meets the minimum period of Continuous Service in this manner, by considering City service immediately preceding transfer to the Department, shall qualify for disability benefits at the level of "not less than 6 months, but less than 3 years," as set forth in the chart above, even if the member's City service exceeds this amount of time. Consistent with the definition of "Continuous Service" under Section V D, the period of employment with the other City Department may include breaks in the continuity of service so long as any period of separation does not exceed the consecutive days, given the amount of City service prior to the separation, as indicated in the table in Section V D.

Plan Section VI D (6)(d)

(d) Notwithstanding any other provisions in the Plan prohibiting the crediting of interest after the death of a member or retired member, if after one year following the death of such member or retired member, a claim for benefits under this Section VI has not been paid, regular interest as defined in Section IV A (4) hereof shall commence to be credited on any amount payable under subdivisions (1), (2), (3), or (6) of this Section IV D. The provisions of this paragraph shall also be effective on all outstanding unpaid claims made under said Section prior to July 1, 1980, with regular interest to commence being credited from July 1, 1980.

On or after November 9, 2022, notwithstanding any other provisions in the Plan prohibiting the crediting of interest after the death of a member or retired member, if after one year following the death of such member or retired member, a claim for benefits under this Section VI has not been paid as a result of delays, errors, or omissions caused solely by the Plan, interest as adopted by the Board of Administration as the investment return assumption for the Death Benefit Fund shall commence to be credited on any amount payable under subdivisions (1), (2), (3), or (6) of this Section IV D. "Claim for benefits" are claims that are initiated by properly completing and submitting the required claim forms and supporting documents to the Plan, and does not include those claims that remain unpaid due to anticipated or ongoing legal action or statutory requirements, such as in cases involving minors. The provisions of this paragraph shall apply to all outstanding unpaid benefits and unpaid claims that exist as of the effective date of this paragraph.

Plan Section II F (3)(a)

(a) Distribution of a member's benefit must begin by the required beginning date as required by the Internal Revenue Code, Treasury Regulations, or other applicable federal law. If a prior member fails to apply for retirement benefits or a full distribution by the date as required, the Board shall begin distribution of the monthly benefit, if eligible, in the form provided in Plan Sections IV D, IV E, VII F or VII G as if the member had applied for a retirement and elected an Option Full on the required distribution date; provided, however, if a member is not eligible for a monthly benefit, the member's account shall cease to earn interest as if the member had elected to take a lump sum refund as of December 31st of the year prior to the required beginning date.

Plan Section II F (4)

(4) Eligibility for Employment After Retirement

(a) Effective February 28, 2018, subject to the following limitations, a retired member may be employed by the City of Los Angeles or any of its subsidiaries, including the Department, in any class or position, and for any duration.

- (i) **Any Retirement Date.** Any member who has been retired from Department service shall be eligible for subsequent employment as provided herein.
- (ii) **Six Month Break in Service.** A member who is retired from Department service shall wait no less than six months from his or her effective retirement date prior to commencing employment with the City of Los Angeles or any of its subsidiaries, including the Department. Any pre-arranged agreement to return to service (whether directly or indirectly) with the Department, the City of Los Angeles, or any of its subsidiaries, shall be a violation of this section and shall cause the break in service to be extended so that the member has a six month break in service without any pre-arranged agreement to return to service; provided, however, that a retired member re-employed pursuant to section II F (4) (a)(v) may only do so after a break of at least one year.
- (iii) **Exception for Board Fees and Employment as Election Employee.** Notwithstanding any other provision of this section, no retired member appointed to a board of commissioners established by the Los Angeles City Charter or by ordinance shall be barred by reason of retirement from receiving the attendance fee provided for the members of the board, nor shall any retired member be barred by reason of retirement from receiving compensation for serving not more than 120 days in any calendar year as a temporary election employee exempted from the classified civil service of the City pursuant to the provisions of Section 1001 of the Charter.
- (iv) **Compliance with Internal Revenue Code section 401(a)(36).** This Plan does not allow in-service distributions. Accordingly, implementation and administration of this section shall be consistent with the requirements of Internal Revenue Code section 401(a)(36), as amended, including any regulations related thereto.
- (v) **No Additional Retirement Benefits, Accrual of Department Service Credit, or Subsequent Contributions.** A retired member shall not be entitled to receive any benefits provided by this Plan in addition to the benefits the retired member became eligible to receive upon his or her retirement date. A retired member shall not be entitled to accrue additional credit for Department Service nor earn any other type of credit for service rendered in order to increase or enhance the retirement benefits he or she is already receiving. No contributions to any of the three Funds shall be required or permitted by or from the retired member or the Department upon his or her return to employment with the Department. A retired member shall not accept employment with the Department in any class or position that requires, or previously has required or allowed, an active employee to be a member of the Plan. Effective November 9, 2022, a retired member may accept employment with the Department after retirement, and while continuing to receive a retirement benefit, after a one-year break in service to a position limited to those under Charter Sections 1001 (a) and

1001 (c) but the re-employed retiree shall accrue no additional retirement, disability, or death benefits from the Plan.

Plan Section IV G (1)(i)

(i) The member was on an uncompensated maternity, paternity or other leaves of absence as provided for under the Family and Medical Leave Act or the California Family Rights Act during a time that the member was otherwise eligible for membership in the Plan or the City Employees' Retirement System except that in no case shall the period eligible for purchase exceed one year for each such leave.

Plan Section IV G (4)(c)

(c) In those cases when the member was on maternity, paternity or other leaves of absence as provided for under the Family and Medical Leave Act or the California Family Rights Act without pay (Section IV G (1)(i)) and did not receive disability benefits pursuant to the provisions of this Plan:

- (i) For each whole month of an uncompensated maternity, paternity or other leave of absence as provided for under the Family and Medical Leave Act or the California Family Rights Act from Department or City service that occurred prior to December 1, 1980, and for which the member has not otherwise received service credit, the member's cost to purchase such whole months shall be the amount equal to the product of the member's monthly Compensation as of the date the lump-sum deposit or Irrevocable Agreement is made multiplied by the member's Normal Contribution rate determined in accordance with Plan Section IV C (1)(a) multiplied by the number of whole months to be purchased.
- (ii) For each whole biweekly payroll period of uncompensated maternity, paternity or other leave of absence as provided for under the Family and Medical Leave Act or the California Family Rights Act from such service that occurred after November 30, 1980, and for which the member has not otherwise received service credit, the member's cost to purchase such whole biweekly payroll periods shall be the amount equal to the product of the member's Compensation as of the date the lump-sum deposit or Irrevocable Agreement is made multiplied by the member's Normal Contribution rate determined in accordance with Plan Section IV C (1)(a) multiplied by the number of whole biweekly payroll periods to be purchased.

Plan Section VII I (1)(e)

(e) Periods of uncompensated maternity, paternity or other leave of absence as provided for under the Family and Medical Leave Act or the California Family Rights Act from Department service for which the member did not receive disability benefits pursuant to the provisions of the Plan or otherwise receive service credit, may be purchased by the member under the provisions of this subsection. Such periods of uncompensated maternity, paternity or other leave of absence as provided for under the Family and Medical Leave Act or the California Family Rights Act 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.