

**Attachment A**

**SAN LUIS OBISPO COUNTY PENSION TRUST**

\* \* \* \* \*

**BY-LAWS OF THE SAN LUIS OBISPO COUNTY  
PENSION TRUST**

**AND**

**SAN LUIS OBISPO COUNTY EMPLOYEES RETIREMENT PLAN**

\* \* \* \* \*



**EXCERPTS**

**Reflects Proposed Technical/Housekeeping\* Amendments as of March 28, 2016**  
**Includes Revisions Through December 31, 2013~~2014~~**

\*All of these amendments are intended to conform Plan language to existing practice with respect to its administration. There are no changes in existing practice being made with these amendments.

**SAN LUIS OBISPO COUNTY PENSION TRUST**

\* \* \* \* \*

**BY-LAWS OF THE SAN LUIS OBISPO PENSION TRUST**

**AND**

**SAN LUIS OBISPO COUNTY EMPLOYEES RETIREMENT PLAN**

**EXCERPTS**

Reflects Proposed Technical/Housekeeping Amendments as of **March 28, 2016**  
Includes Revisions Through **December 31, 2014**

**PART ONE:**

**BY-LAWS OF THE SAN LUIS OBISPO COUNTY PENSION TRUST**

**ARTICLE 4: EXECUTIVE SECRETARY**

**Section 4.01: Executive Secretary.** The Executive Secretary is the administrator of the Pension Trust under the Board of Trustees and is responsible to the Board of Trustees for the efficient and lawful administration of the affairs of the Pension Trust.

**Section 4.02: Appointment and Tenure.** The Executive Secretary is appointed by the Board of Trustees and serves at the pleasure of the Board of Trustees.

**Section 4.03: Directed by Board of Trustees.** The Executive Secretary shall perform his or her duties under the direction of the Board of Trustees.

**Section 4.04: Source of Duties and Authority.** The Executive Secretary shall perform those duties set forth for the Executive Secretary in these By-Laws, the Retirement Plan, and as are from time-to-time assigned by the Board of Trustees.

**Section 4.05: Duties.** Among the duties of the Executive Secretary are:

- (a) Serving as Secretary to the Board of Trustees.
- (b) Maintaining a written record of all official actions taken by the Board of Trustees at all meetings.
- (c) Keeping a complete record of all correspondence and documents of said Board of Trustees and of the Pension Trust.
- (d) Developing and recommending to the Board of Trustees all practices and procedures necessary for the efficient and lawful functioning of the Pension Trust and of the Pension Trust offices.
- (e) Organizing and directing the operation of the office maintained by the Pension Trust and of the employees of the Pension Trust.
- (f) Overseeing the functioning of all of the agents and advisors of the Pension Trust.
- (g) Maintaining the accounts of the Pension Trust in accordance with the law and with generally accepted accounting standards.
- (h) Maintaining the records of all Pension Trust participants, members, retired members and beneficiaries.

~~**Section 4.06: County Treasurer – Contract Administrator.** During such times as the Pension Trust employs an Executive Secretary by means of contract, that Trustee who is also the County Treasurer shall be the contract administrator for the Board of Trustees for the purposes of monitoring, under the direction of the Board of Trustees, the day to day performance of the Executive Secretary under the contract and of the operation of the Pension Trust and its staff. The Trustee County Treasurer shall report from time to time to the Board of Trustees concerning the performance of the Executive Secretary and of the Pension Trust and its staff.~~

~~Section 4.07: County Treasurer – Interim Executive Secretary.~~

~~(a) During such times as there is a vacancy in the office of Executive Secretary, the Trustee County Treasurer shall act as Interim Executive Secretary and shall carry out each and all of the duties of the Executive Secretary until the Board of Trustees shall have appointed another person as Executive Secretary.~~

~~(b) During such times as the Executive Secretary, by reason of his or her illness or injury has been declared by the President of the Board of Trustees to be unable to act as the Executive Secretary, the Trustee County Treasurer shall act as Interim Executive Secretary until the Board of Trustees shall either reinstate the Executive Secretary or appoint a new Executive Secretary.~~

~~Section 4.09: Representation. The Executive Secretary shall represent County officers and County Employees participating in the Pension Trust in all matters and transactions between such participants and the County. In disputes between the County and participants, the latter shall have the right to provide their own independent representation. When a participant has his or her own representative, the Executive Secretary shall represent the County only.~~

Section 4.06: Vacancies in the Office of Executive Secretary. During such times as there is a vacancy in the office of Executive Secretary or if the Executive Secretary, by reason of his or her illness has been determined by the Board of Trustees to be unable to act, the Board of Trustees shall appoint an Interim Executive Secretary until such time as the Executive Secretary is either determined by the Board of Trustees to be able to act or a new Executive Secretary is appointed.

~~Section 4.1007: Counseling.~~ The Executive Secretary shall counsel with and advise all County officers and County Employees, whether participants in the Pension Trust or not, with respect to their rights and/or obligations to and under the Pension Trust.

**Comment [CW1]:** Old Sections 4.06, 4.07 and 4.09 deleted per BOT's July 28, 2014 and September 22, 2014 direction. New section 4.06 added and old section 4.10 renumbered to 4.06 per BOT direction at same meetings. Changes were directed to reflect current Pension Trust governance structure and practice.

## ARTICLE 5: MEETINGS OF THE BOARD OF TRUSTEES

**Section 5.01: Regular Meetings.** Regular meetings of the Board of Trustees shall be held at least monthly at such times and places as the Board of Trustees shall from time-to-time determine.

**Section 5.02: Special Meetings.** Special meetings of the Board of Trustees may be held as provided for in the Ralph M. Brown Act (Government Code Sections 54950 et seq.).

**Section 5.03: Quorum.** Four Trustees shall constitute a quorum for any meeting of the Board of Trustees. No motion may be passed or business transacted at a meeting of the Board of Trustees without the affirmative votes of four Trustees.

**Section 5.04: Order of Business.** The regular order of business of the regular meetings of the Board of Trustees shall normally be as follows:

- (a) Roll call.
- (b) Public Comment.
- (c) Approval of Minutes.
- (d) Consent Agenda and Reports.
- (e) Old Business.

- ( f ) New Business.
- ( g ) Staff Reports on Operations.
- ( h ) Investments.
- ( i ) Adjournment.

**Section 5.05: Minutes.** The Secretary of the Board of Trustees shall cause to be recorded in the minutes of the meetings of the Board of Trustees, and of any committees of the Board of Trustees, the following:

- (a) The time and place of each meeting;
- (b) The names of persons present at each meeting;
- (c) All motions, orders, resolutions and other acts;
- (d) The vote of each Trustee except where the action is unanimous and in that event that fact shall be recorded;
- (e) When requested, a Trustee's dissent or approval with the Trustee's reasons therefore.

**Section 5.06: Rules of Order.** Unless otherwise provided by these By-Laws or by the Retirement Plan or by an order or resolution of the Board of Trustees, the proceedings of the Board of Trustees ~~shall be conducted in accordance with "Robert's Rules of Order"~~ is committed to the sound discretion of the Board President using Robert's Rules of Order as a procedural reference.

**Comment [CW2]:** Amendment per BOT direction at July 28, 2014 and September 22, 2014 meetings.

**Section 5.07: Agenda.** The Executive Secretary shall prepare in advance an agenda for each regular meeting of the Board of Trustees which agenda shall be posted in a public place at least 72 hours prior to a regular meeting. The agenda shall be mailed or otherwise delivered to each Trustee on or before the second Friday immediately preceding the date of the regular meeting. In order for an item to appear on the agenda of a regular meeting, the item must be received in the office of the Pension Trust on or before 5:00 p.m. of the third Friday immediately preceding the date of the regular meeting.

**Section 5.08: Reports.** At the first regular meeting of the Board of Trustees each month the Executive Secretary shall cause the following Reports to be made:

- (a) **Retirements.** A report of retirements for the month preceding the meeting and of retirements anticipated for the month in which the meeting is occurring and for the next month.
- (b) **Appropriations and Contributions.** A report of the appropriations and contributions received by the Pension Trust for the previous month. A report of the appropriations and contributions received by the Pension Trust for the year-to-date.
- (c) **Pension Trust Assets.** A report of the status of all assets of the Pension Trust.

**PART TWO:**

**SAN LUIS OBISPO COUNTY EMPLOYEES RETIREMENT PLAN**

**ARTICLE 1: DEFINITIONS**

**Section 1.12: "Reserve Participant"** means a person who was formerly a Member and whose County Employment or term of office was terminated for any reason other than death or

retirement and who elected at time of termination to leave his or her accumulated contributions on deposit with the Pension Trust.

(a) To be eligible to become a Reserve Participant, a person must have:

- (1) Been a Member prior to January 1, 1974, and have accumulated normal contributions of at least \$500 or have service credit of 20 years or more; or,
- (2) Become a Member after January 1, 1974, and have service credit of five years or more; or
- (3) Become a Member after January 1, 1974, and then become a Member of a reciprocal system under the provisions of Article 20 of this Plan.

(b) A Reserve Participant is entitled to a service retirement allowance after he or she reaches the age at which he or she would be eligible for the service retirement allowance, except that a Reserve Participant shall not be entitled to the minimum retirement allowance provided by Section 6.04-05 of this Retirement Plan. The service retirement benefit of a Reserve Participant, shall be based on his or her service credit and final compensation prior to his or her termination of County Employment. A Reserve Participant may, before applying for retirement, withdraw his or her accumulated contributions in lieu of any and all other rights and benefits he or she may be entitled to under this Retirement Plan and shall then cease to have any membership affiliation with the Pension Trust. A Reserve Participant is not entitled to any disability retirement allowance under this Retirement Plan except as provided in Article 20 of this Retirement Plan.

**Comment [CW3]:** Corrected section reference.

**Section 1.14.53:** "Compensation Limit" means the compensation limit imposed by Section 401 (a) 17 of the Internal Revenue Code. Notwithstanding any other provision of this Plan, compensation in excess of \$150,000.00 (or such greater amount allowed by Section 401 (a) 17 of the United States Internal Revenue Code) shall not be used, applied or otherwise taken into account for purposes of determining benefits under this Article 6 or Article 7 of this Plan, or for determining Member Contributions under Article 5 of this Plan, or for any other purpose under this Plan. Effective with respect to plan years beginning on and after January 1, 2002, the dollar amount in the preceding sentence shall be increased to \$200,000 (and adjusted for cost-of-living increases thereafter in accordance with Section 401(a)(17)(B) of the Internal Revenue Code).

**Comment [CW4]:** Corrected numbering.

**Section 1.15: "Compensation Earnable"** by a Member means the average monthly compensation, as determined by the Board of Trustees for the pay period under consideration on the basis of the average number of days paid as worked by persons in the same grade or class of position during the pay period, and at the same rate of pay. The computation for any absence shall be based on compensation of the position held by the Member at the beginning of the absence. For computing Compensation Earnable for purposes of Industrial Disability in those instances where the Safety Member is employed in Bargaining Units 03, 06, ~~or~~ 14, 27 or 28 and has less than three years of County Employment as a Safety Member, the computation of Compensation Earnable for time prior to entry into County Employment as a Safety Member shall be based on the Compensation Earnable by the Safety Member in the first Safety Member position held by him or her in County Employment in Bargaining Units 03, 06, ~~or~~ 14, 27 or 28.

**Comment [CW5]:** Add Units 27 and 28. Many of the proposed technical/housekeeping amendments are a result of the fact that the Plan was not amended to incorporate these bargaining units when they were established

**Comment [CW6]:** Corrected grammar.

**Comment [CW7]:** Add Units 27 and 28.

For computing Compensation Earnable for purposes of Industrial Disability in those instances where the Safety Member is employed in Bargaining Units 07, 10, 15 or 16, and has less than one year of County Employment as a Safety Member in said Bargaining Units, the computation of Compensation Earnable for time prior to entry into County Employment as a Safety Member in said Bargaining Units shall be based on the Compensation Earnable by the Safety Member in the first Safety Member position held by him or her in Bargaining Unit 07, 10, 15 or 16 (04-20-2004)

**Section 1.16: "Final Compensation"**

(a) Means the average monthly Compensation Earnable by a Member:

(1) during any 36 consecutive months elected by a Member at or before the time the Member files an application for retirement, or if the Member fails to elect,

(2) during the 36 consecutive months of the Member's highest Compensation Earnable while a Member of this Pension Trust.

(b) Notwithstanding Section 1.16 (a), Final Compensation, for the purpose of determining any allowance and/or benefit with respect to a Member shall mean the average monthly Compensation Earnable by that Member:

(1) during the consecutive 12 month period of employment immediately preceding the effective date of his or her retirement or the date of his or her last separation from service with the Employer or any consecutive 12 month period of Membership elected by a Member at or before the time the Member files an application for retirement, or if the Member fails to elect,

(2) during the 12 consecutive months of the Member's highest Compensation Earnable while a Member of this Pension Trust.

(3) This Section 1.16 (b) shall apply to Members as follows:

i) a Member who is employed in County Bargaining Unit 4,7,8,9,10,11,12, 15, 16 or 17 or by the Pension Trust, the Local Agency Formation Commission or the Air Pollution Control District and who retires or dies on or after December 22, 2002;

ii) or a Member who is employed in Superior Court Bargaining Unit 24, 25, 26 or 27 and who retires or dies on or after October 5, 2004;

iii) or a Member who is employed in Superior Court Bargaining Unit 19 and who retires or dies on or after December 20, 2004;

iv) or a Member who is employed in County Bargaining Unit 1, 5 or 13 and who retires on or after July 1, 2005;

v) or a Member who is employed in County Bargaining Unit 3,14,21, ~~or 22~~ 27 or 28 and who retires or dies on or after July 3, 2005;

vi) or a Member who is employed in County Bargaining Unit 6 and who retires or dies on or after September 11, 2005;

**Comment [CW8]:** Add Pension Trust, Local Agency Formation Commission and Air Pollution Control District to reflect existing practice. LAFCO is not included because its contract for participation in the Pension Trust does not include 12 month final compensation.

**Comment [CW9]:** Add Units 27 and 28.

vii) or a Member who is employed in County Bargaining Unit 2 and who retires or dies on or after October 18, 2005;

viii) or a Member who is employed in County Bargaining Unit 31 or 32 and who retires or dies on or after September 24, 2006

ix) or a Member who is employed in Superior Court Bargaining Unit 17, 18 or 20 and who retires or dies on or after June 1, 2007.

**Comment [CW10]:** Add Superior Court BU 17 consistent with existing practice.

(c) Notwithstanding section 1.16 (a) Final Compensation for a Reserve Participant with respect to an allowance and /or benefits based on service with the Employer, shall mean the average monthly Compensation Earnable while a Member:

(1) during any consecutive 12 month period of employment immediately preceding his or her last date of separation from service with the Employer or any consecutive 12 month period of Membership elected by the Reserve Participant at or before the time the Reserve Participant files an application for retirement, or if the Reserve Participant fails to elect,

(2) during the 12 consecutive months of the Reserve Participant's highest Compensation Earnable while a Member of this Pension Trust.

(3) This Section 1.16 (c) shall apply to Reserve Participants as follows:

i) a Reserve Participant who was last employed in County Bargaining Unit 4, 7, 8, 9, 10, 11, 12, 15, 16 or 17 or by the Pension Trust, the Local Agency Formation Commission or the Air Pollution Control District and who retires or dies on or after December 22, 2002;

**Comment [CW11]:** Add Pension Trust, Local Agency Formation Commission and Air Pollution Control District to reflect existing practice. LAFCO is not included because its contract for participation in the Pension Trust does not include 12-month final compensation.

ii) or a Reserve Participant who was last employed in Superior Court Bargaining Unit 24, 25, 26 or 27 and who retires or dies on or after October 5, 2004;

iii) or a Reserve Participant who was last employed in Superior Court Bargaining Unit 19 and who retires or dies on or after December 20, 2004;

iv) or a Reserve Participant who was last employed in County Bargaining Unit 1, 5 or 13 and who retires on or after July 1, 2005;

v) or a Reserve Participant who was last employed in County Bargaining Unit 3, 14, 21, ~~or 22~~, 27 or 28 and who retires or dies on or after July 3, 2005;

**Comment [CW12]:** Add Units 27 and 28

vi) or a Reserve Participant who was last employed in County Bargaining Unit 6 and who retires or dies on or after September 11, 2005;

vii) or a Reserve Participant who was last employed in County Bargaining Unit 2 and who retires or dies on or after October 18, 2005;

viii) or a Reserve Participant who was last employed in County Bargaining Unit 31 or 32 and who retires or dies on or after September 24, 2006

ix) or a Reserve Participant who was last employed in Superior Court Bargaining Unit 17, 18 or 20 and who retires or dies on or after June 1, 2007.

**Comment [CW13]:** Add Superior Court BU 17 consistent with existing practice.

(d) Notwithstanding any other provision of the Retirement Plan, for Retired Participants who Reinstatement from Retirement on or after the date the provisions of Section 1.16 (b) or (c) became applicable to the Bargaining Unit in which said retired Participant was last employed, the provisions of Section 1.16 (b) or Section 1.16 (c) shall apply only to service or benefits accrued after said Reinstatement from Retirement. (12-22-2002)(10-05-2004)(12-14-2004)(05-10-2005)(06-28-2005)(09-11-2005)(10-18-2005)(09-24-2006) (12-5-2006) (05-15-2007)

## ARTICLE 2: SERVICE

**Section 2.05.10: Temporary Layoff by the County of San Luis Obispo.** Notwithstanding the provisions of Section 2.05: Temporary Layoff, layoffs requested by the County of San Luis Obispo shall not be deemed a break in continuous County Employment, for Bargaining Unit 1, 5, 7, 8, 9, 10, 11, 13 or 17 pursuant to the following provisions:

**Comment [CW14]:** Corrected numbering.

1. A layoff shall not be deemed a break in continuous County employment if the Member returns to active County Employment within 10 days after the end of the layoff period (as defined below) and if the layoff period does not exceed 24 consecutive months. If the layoff period does exceed 24 consecutive months, the Member's County Employment shall be deemed to have been terminated as of the day before the first day of the layoff.
2. Layoff periods shall be determined by the length of the Re-employment Eligibility List approved by the Human Resources Director pursuant to Civil Service Commission Rule 9.04; however, in no event shall the layoff period exceed 24 months.

This Section shall not apply to any local agency within the County of San Luis Obispo with whom the County has a contract pursuant to Article 25 of the Retirement Plan unless and until the local agency elects to be subject to this Section by amendment to its contract. (3/22/11)

### Section 2.12.5: Military Service Credit – Purchase of Prior Service

a.) Effective June 1, 2006, a Safety Member employed in Bargaining Unit 03, ~~or~~ 14 27 or 28 or a Miscellaneous Member employed in bargaining unit 21 or 22 may elect to receive Pension Trust Service Credit for active service with the Armed Forces of the United States or Merchant Marine of the United States including time during any rehabilitation period afforded by the United States government other than a period for purely educational purposes. Service subject to purchase under this section must have been rendered prior to the Member's first employment with the County Employer.

**Comment [CW15]:** Add Units 27 and 28.

b.) The Member shall contribute an amount to be determined in accordance with rules and regulations adopted by the Board of Trustees on the advice of the plan actuary retained for such purposes. Said contribution shall be actuarial present value of the liability associated with the

additional Pension Trust Service Credit that is purchased pursuant to this Section. Said contribution may be made in a lump sum or in equal installments subject to approval by the Executive Secretary.

c.) The Military Service purchased under this section shall not include (1) Military Service in any period for which Pension Trust Service Credit is otherwise given (1) under Section 2.12 Military Service Credit, of this Retirement Plan , or (2) to the extent that the total Pension Trust Service Credit purchased under this Section 2.12.5 would exceed four years. (05-16-2006)

d.) Effective October 3, 2006 a Miscellaneous Member employed in County Bargaining Unit 01, 05 or 13 may elect to receive Pension Trust Service Credit for active service with the Armed Forces of the United States or Merchant Marine of the United States including time during any rehabilitation period afforded by the United States government other than a period for purely educational purposes. Service subject to purchase under this section must have been rendered prior to the Member's first employment with the County Employer. (12-05-2006)

e.) Effective December 13, 2011, a Miscellaneous Member employed in County Bargaining Unit 02 may elect to receive Pension Trust Service Credit for active service with the Armed Forces of the of the United States or Merchant Marine of the United States including time during any rehabilitation period afforded by the United States government other than a period for purely educational purposes. Service subject to purchase under this section must have been rendered prior to the Member's first employment with the County Employer.

**Comment [CW16]:** Per section 13.2.3 of the 2014-2016 Bargaining Unit 2 MOU. Assumes same terms applicable as for Units 01, 05 and 13.

**Section 2.17: Redeposit of Contributions - Reciprocal Systems.**

**Comment [CW17]:** Corrected grammar.

Notwithstanding any other provision of the Retirement Plan a person who has withdrawn his or her Accumulated Normal Contributions from this Pension Trust and who is currently a Member of the California Public Employees Retirement System or a retirement system established under the County Employees Retirement Law of 1937 or any California public agency retirement system which has adopted reciprocal provisions pursuant to California Government Code Sections 20042, 31840.2, 45310.5 and/or 53222 shall, when determined by the Executive Secretary to eligible for Reciprocal Benefits under Article 20 of this Retirement Plan, have the right to redeposit said Accumulated Normal Contributions and the Interest that would have accrued thereon had no refund of contributions been received by said person. Upon receipt of said redeposit by the Pension Trust, such person's service credit under this Retirement Plan shall be reinstated and shall be recognized for purposes of this Retirement Plan. For purposes of this Section 2.17, said redeposit shall be made in accordance with Section 2.08 of this Retirement Plan subject to the following provisions:

1. The person electing to make the redeposit under this Section 2.17 must, in all other respects, qualify for reciprocal benefits pursuant to Article 20 Reciprocity, of this Retirement Plan. The Executive Secretary shall make this determination in accordance with Article 20: Reciprocity.
2. The redeposit must be made in a lump sum prior to the Member's application for retirement is filed with the Pension Trust or with any of the aforementioned Retirement Systems.

### ARTICLE 3: ELIGIBILITY FOR MEMBERSHIP

No changes in this Article.

### ARTICLE 4: PARTICIPATION IN THE TRUST

No changes in this Article.

### ARTICLE 5: MEMBER CONTRIBUTIONS

No changes in this Article.

### ARTICLE 6: SERVICE RETIREMENT ALLOWANCE

#### Section 6.02: Safety Member Service Retirement Allowance:

(a) **Retirement Prior to December 31, 1988.** Upon retirement for service on or before December 31, 1988, a Safety Member is entitled to receive a service retirement allowance equal to the Safety Member's Adjusted Final Compensation multiplied by the Safety Member's attained age percentage factor multiplied by the Safety Member's number of years of Safety Member service credit. The attained age percentage factor to be used is based on the Safety Members' last attained quarter year of age as of his or her effective date of retirement as set forth in the following table: (12-3-73)(12-13-88)(04-20-2004)

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	2.000	51.50	2.210	53.00	2.420	54.50	2.630
50.25	2.035	51.75	2.245	53.25	2.455	54.75	2.665
50.50	2.070	52.00	2.280	53.50	2.490	55 & older	2.700
50.75	2.105	52.25	2.315	53.75	2.525		
51.00	2.140	52.50	2.350	54.00	2.560		
51.25	2.175	52.75	2.385	54.25	2.595		

(b) **Retirement January 1, 1989 – Bargaining Units 03, 06 or 14.** Upon retirement for service on or after January 1, 1989 a Safety Member who is employed in Bargaining Units 03, 06, or 14 is entitled to receive a Service Retirement Allowance equal to the Safety Member's Final Compensation multiplied by the Safety Member's attained age percentage factor multiplied by the Safety Member's number of years of Safety Member service credit. The Service Retirement Allowance accrued pursuant to this Section 6.02 (b) shall be based solely on the service rendered in the aforementioned Bargaining Units 03, 06, or 14. The attained age percentage factor to be used is based on the Safety Members' last attained quarter year of age as of his or her effective date of retirement as set forth in the following table: (12-3-73)(12-13-88) (04-20-2004)

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	2.000	51.50	2.210	53.00	2.420	54.50	2.630
50.25	2.035	51.75	2.245	53.25	2.455	54.75	2.665
50.50	2.070	52.00	2.280	53.50	2.490	55 & older	2.700
50.75	2.105	52.25	2.315	53.75	2.525		
51.00	2.140	52.50	2.350	54.00	2.560		
51.25	2.175	52.75	2.385	54.25	2.595		

(12-3-73)(12-13-88)(04-20-2004)

(c) **Retirement July 1, 2004 - Bargaining Units 07,10,15,16.** Upon retirement for service on or after July 1, 2004, a Safety Member who is employed in Bargaining Units 07, 10, 15 or 16 is entitled to receive a Service Retirement Allowance equal to the Safety Member's Final Compensation multiplied by the Safety Member's attained age percentage factor multiplied by the Safety Member's number of years of Safety Member service credit. The Service Retirement Allowance accrued pursuant to this Section 6.02 (c) shall be based solely on the service rendered in the aforementioned Bargaining Units 07, 10, 15 or 16. In no event shall the service retirement accrued pursuant to this Section be greater than 90% of the Member's Final Compensation; provided that, a Safety Member who, on July 1, 2004, could, under Section 6.02 (b), retire with a Service Retirement Allowance greater than 90% of the Member's Final Compensation, may elect to remain subject to Section 6.02 (b) and not receive a Service Retirement Allowance under this Section 6.02 (c). A Safety Member who became a Reserve Participant or who began receiving a Retirement Allowance prior to July 1, 2004, shall not be eligible to receive a Retirement Allowance under this Section 6.02 (c). The attained age percentage factor to be used is based on the Safety Members' last attained quarter year of age as of his or her effective date of retirement as set forth in the following table:

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	2.300	51.50	2.510	53.00	2.720	54.50	2.930
50.25	2.335	51.75	2.545	53.25	2.755	54.75	2.965
50.50	2.370	52.00	2.580	53.50	2.790	55 & older	3.000
50.75	2.405	52.25	2.615	53.75	2.825		
51.00	2.440	52.50	2.650	54.00	2.860		
51.25	2.475	52.75	2.685	54.25	2.895		

(04-20-04)

**(d) Retirement July 3, 2005 - Bargaining Units 03,14** Upon retirement for service on or after July 3, 2005, a Safety Member who is employed in Bargaining Units 03 or 14 is entitled to receive a Service Retirement Allowance equal to the Safety Member's Final Compensation multiplied by the Safety Member's attained age percentage factor multiplied by the Safety Member's number of years of Safety Member service credit. The Service Retirement Allowance accrued pursuant to this Section 6.02 (d) shall be based solely on the service rendered in the aforementioned Bargaining Units 03 or 14. In no event shall the service retirement allowance accrued pursuant to this Section be greater than 90% of the Member's Final Compensation; provided that, a Safety Member who, on July 3, 2005, could, under Section 6.02 (b), retire with a Service Retirement Allowance greater than 90% of the Member's Final Compensation, may elect to remain subject to Section 6.02 (b) and not receive a Service Retirement Allowance under this Section 6.02 (d). A Safety Member who became a Reserve Participant or who began receiving a Retirement Allowance prior to July 3, 2005, shall not be eligible to receive a Retirement Allowance under this Section 6.02 (d). The attained age percentage factor to be used is based on the Safety Members' last attained quarter year of age as of his or her effective date of retirement as set forth in the following table:

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	2.300	51.50	2.510	53.00	2.720	54.50	2.930
50.25	2.335	51.75	2.545	53.25	2.755	54.75	2.965
50.50	2.370	52.00	2.580	53.50	2.790	55 & older	3.000
50.75	2.405	52.25	2.615	53.75	2.825		
51.00	2.440	52.50	2.650	54.00	2.860		
51.25	2.475	52.75	2.685	54.25	2.895		

(06-28-05)

(e) **Retirement September 11, 2005 - Bargaining Unit 06** Upon retirement for service on or after September 11, 2005, a Safety Member who is employed in Bargaining Units 06 is entitled to receive a Service Retirement Allowance equal to the Safety Member's Final Compensation multiplied by the Safety Member's attained age percentage factor multiplied by the Safety Member's number of years of Safety Member service credit. The Service Retirement Allowance accrued pursuant to this Section 6.02 (e) shall be based solely on the service rendered in the aforementioned Bargaining Unit 06. In no event shall the service retirement allowance accrued pursuant to this Section be greater than 90% of the Member's Final Compensation; provided that, a Safety Member who, on September 11, 2005, could, under Section 6.02 (b), retire with a Service Retirement Allowance greater than 90% of the Member's Final Compensation, may elect to remain subject to Section 6.02 (b) and not receive a Service Retirement Allowance under this Section 6.02 (e). A Safety Member who became a Reserve Participant or who began receiving a Retirement Allowance prior to September 11, 2005, shall not be eligible to receive a Retirement Allowance under this Section 6.02 (e). The attained age percentage factor to be used is based on the Safety Members' last attained quarter year of age as of his or her effective date of retirement as set forth in the following table:

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	2.300	51.50	2.510	53.00	2.720	54.50	2.930
50.25	2.335	51.75	2.545	53.25	2.755	54.75	2.965
50.50	2.370	52.00	2.580	53.50	2.790	55 & older	3.000
50.75	2.405	52.25	2.615	53.75	2.825		
51.00	2.440	52.50	2.650	54.00	2.860		
51.25	2.475	52.75	2.685	54.25	2.895		

(09-13-05)

(f) **Retirement on or after December 31, 2006 - Bargaining Units 03, 14, 27 or 28** On or after December 31, 2006, Safety Members employed in County Bargaining Unit 03 ([Unit 27 on or after February 25, 2010](#)), position class 00338 (Deputy Sheriff) or position class 00340 (Sheriff's Senior Deputy) or employed in County Bargaining Unit 10 position class 00107 (Sheriff-Coroner), or employed in County Bargaining Unit 14 ([Unit 28 on or after February 25, 2010](#)), position class 00336 (Sergeant), or employed in County Bargaining Unit ~~15~~<sup>16</sup>, position class 02592 (Under Sheriff) or employed in County Bargaining Unit ~~16~~<sup>15</sup>, position class 00331 (Sheriff's Chief Deputy) and position class 02593 (Sheriff's Commander) shall be entitled to a Service Retirement Allowance based on a formula that provides 3% of Final Compensation for each year of Pension Trust service credit accrued by any said Safety Member at age 50 ("3%@50"). The Service Retirement Allowance accrued pursuant to this Section 6.02 (f) shall be based solely on the service rendered in the aforementioned position classes under Bargaining Units 03, 10, 14, 15, ~~or~~ 16, 27 or 28. In no event shall the service retirement allowance accrued pursuant to this Section be greater than 90% of the Member's Final Compensation; provided that, a Safety Member who, on December 31, 2006, could, under Section 6.02 (b), retire with a Service Retirement Allowance greater than 90% of the Member's Final Compensation, may elect to

**Comment [CW18]:** Parentheticals added to reflect movement of these classes from BUs 3 and 14 to 27 and 28, respectively.

**Comment [CW19]:** Corrected transposition of bargaining Unit references. The Under Sheriff is in BU 16 and the Sheriff's Chief Deputy is in BU 15.

remain subject to Section 6.02 (b) and not receive a Service Retirement Allowance under this Section 6.02 (f). A Safety Member who became a Reserve Participant or who began receiving a Retirement Allowance prior to December 31, 2006 shall not be eligible to receive a Retirement Allowance under this Section 6.02 (f).

Safety Members employed in County Bargaining Unit 03 in position classes 00345 (Sheriff's Senior Correctional Officer), 00376 (Sheriff's Senior Correctional Deputy), 00347 (Sheriff's Correctional Officer), 00378 (Sheriff's Correctional Deputy) or County Bargaining Unit 14 ~~in the~~ position classes 00335 (Sheriff's Correctional Sergeant), or County Bargaining Unit 15 in the position classes 00357 (Sheriff's Correctional Lieutenant) and 00378 (Sheriff's Correctional Captain) are not eligible to retire under this Section 6.02 (f). (02-07-2006)

**Comment [CW20]:** Changed in class numbers/titles reflected. Need to keep original class numbers/titles to cover persons who retired prior to the changes.

**Section 6.08: Miscellaneous Members Service Retirement Allowance on and after January 7, 2001 for: County Elected Officers; County Appointed Officials (Unit 09); County General Management (Unit 08), Operations and Staff Management (Unit 07); County Confidential Employees (Unit 11); Deputy County Counsel Association (Unit 12); and San Luis Obispo Government Attorneys' Union (Unit 04); Superior Court General Management (Unit 24); Superior Court Judicial Officers (Unit 25); ~~and Superior Court Staff Management (Unit 26) and Superior Court Professional (Unit 27);~~ and Employees of the Pension Trust, Local Agency Formation Commission, and Air Pollution Control District Management (Unit 99).**

**Comment [CW21]:** Add reference to existing provision for Pension Trust and provisions reflecting existing eligibility for 6.08 for member employed by LAFCO and APCD members pursuant those agencies' contracts for participation in the Pension Trust.

- (a) Upon retirement for service on or after January 7, 2001, a Miscellaneous Member who is assigned to one of the categories set forth in subsection (b) of this Section 6.08 is entitled to receive a service retirement allowance equal to the Member's Final Compensation multiplied by the Member's Attained Age Percentage Factor, as shown in subsection (c) of this Section 6.08, multiplied by the Member's Pension Trust Service Credit earned by the Member while a Miscellaneous Member; provided that, in no event shall a Member's service retirement allowance under this Section 6.08 exceed the Member's Final Compensation.
- (b) This Section 6.08 shall apply to:
  - (1) A Miscellaneous Member employed by the County of San Luis Obispo who is:
    - a) An elected officer of the County of San Luis Obispo, including a Member of the Board of Supervisors who has voluntarily become a Member of the Retirement Plan pursuant to Article 3.
    - b) An officer or employee of the County of San Luis Obispo who is:
      - i) An Appointed Official (Unit 09).
      - ii) A County Officer in General Management (Unit 08).
      - iii) An employee whose civil service classification is assigned to Operations and Staff Management (Unit 07).
      - iv) A Confidential Employee as defined in Section 2(c) of Article I of the San Luis Obispo County Employee Relations Policy (Unit 11).

- v) An employee in a civil service classification represented by a Recognized Employee Organization under the San Luis Obispo County Employee Relations Policy, as follows:
  - (a) Deputy County Counsel (Unit 12).
  - (b) Deputy District Attorney (Union 04).

(2) Pension Trust Officers and Employees who are Miscellaneous Members pursuant to Section 3.04 of this Retirement Plan.

(3) A Miscellaneous Member who is an employee of the Superior Court of the State of California in and for the County of San Luis Obispo, as follows:

- a) Superior Court General Management (Unit 24).
- b) Superior Court Judicial Officers (Unit 25).
- c) Superior Court Management and Confidential (Unit 26)
- d) Superior Court Professional (Unit 27).

(4) A Miscellaneous Member who is an employee of the San Luis Obispo County Local Agency Formation Commission.

(5) A Miscellaneous Member who is a Management employee of the San Luis Obispo County Air Pollution Control District (Unit 99).

**Comment [CW22]:** Add LAFCO and management employees (BU 99) of the APCD per their contracts that include section 6.08

(c) The Attained Age Percentage Factor to be used for Members identified in this Section 6.08 shall be based on the Member's last attained quarter-year of age as of the effective date of retirement, as set forth in the following table:

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	1.426	54.00	1.885	58.00	2.350	62.00	2.816
50.25	1.455	54.25	1.914	58.25	2.379	62.25	2.845
50.50	1.483	54.50	1.943	58.50	2.408	62.50	2.874
50.75	1.512	54.75	1.971	58.75	2.437	62.75	2.903
51.00	1.541	55.00	2.000	59.00	2.466	63.00	2.932
51.25	1.570	55.25	2.029	59.25	2.495	63.25	2.961
51.50	1.598	55.50	2.058	59.50	2.524	63.50	2.990
51.75	1.627	55.75	2.087	59.75	2.553	63.75	3.019
52.00	1.656	56.00	2.117	60.00	2.583	64.00	3.049
52.25	1.684	56.25	2.146	60.25	2.612	64.25	3.078
52.50	1.713	56.50	2.175	60.50	2.641	64.50	3.107
52.75	1.742	56.75	2.204	60.75	2.670	64.75	3.136
53.00	1.770	57.00	2.233	61.00	2.699	65.00 & older	3.165

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
53.25	1.799	57.25	2.262	61.25	2.728		
53.50	1.828	57.50	2.291	61.50	2.757		
53.75	1.857	57.75	2.320	61.75	2.786		

(10-18-2011)

**Section 6.09: Miscellaneous Members Service Retirement Allowance for: County Clerical (Unit 13); County Supervisory (Unit 05); County Trades, Crafts and Services (Unit 02); County Public Services (Unit 01); Dispatcher Supervisor (Unit 14) Superior Court Supervisory Employees (Unit 19); ~~and Superior Court Employees (Unit 20); and sheriff's Sheriff's non-safety (Unit 21) and Sheriffs Dispatchers (Unit 22); and Air Pollution Control District (Unit 98).~~**

(a) Upon retirement for service on or after January 7, 2001, a Miscellaneous Member who is assigned to one of the categories set forth in subsection (b) of this Section 6.09 is entitled to receive a service retirement allowance equal to the Member's Final Compensation multiplied by the Member's Attained Age Percentage Factor, as shown in subsection (c) of this Section 6.09, multiplied by the Member's Pension Trust Service Credit earned by the Member as a Miscellaneous Member; provided, that in no event shall a Member's service retirement allowance under this Section 6.09 exceed eighty percent (80%) of the Member's Final Compensation.

(b) This Section 6.09 shall apply to:

(1) A Miscellaneous Member employed by the County of San Luis Obispo who is an employee in a civil service classification represented by a Recognized Employee Organization under the San Luis Obispo County Employee Relations Policy, as follows:

- a) Clerical (Unit 13).
- b) Supervisory (Unit 05).
- c) Trades, Crafts and Services (Unit 02).
- d) Public Services (Unit 01).
- e) Dispatcher Supervisor (Unit 14)

(2) A Miscellaneous Member who is an employee of the Superior Court of the State of California in and for the County of San Luis Obispo, as follows:

- a) Superior Court Supervisory Employees (Unit 19).
- b) Superior Court Employees (Unit 20)
- c) Superior Court Interpreter (Unit 17)
- d) Superior Court Technical (Unit 18)

(3) A Miscellaneous Member who is a non-management employee of the Air Pollution Control District, as follows:

**Comment [CW23]:** There is one current miscellaneous member in this job class in BU 14 that per MOU is subject to this section.

**Comment [CW24]:** Correct capitalization.

**Comment [CW25]:** Correct BU title

**Comment [CW26]:** Add non-management employees (BU 98) of the APCD per their contract that include section 6.09.

**Comment [CW27]:** See Comment CW21.

a) Air Pollution Control District non-Management (Unit 98)

**Comment [CW28]:** Add non-management employees (BU 98) of the APCD per their contract that include section 6.09.

(34) On or After July 3, 2005, this Section 6.09 shall apply to a Miscellaneous Member employed by the County of San Luis Obispo who is an employee in a civil service classification represented by a Recognized Employee Organization under the San Luis Obispo County Employee Relations Policy, as follows:

- (a) County Sheriff's Non- Safety (Unit 21)
- (b) County Sheriff Dispatchers (Unit 22)

**Comment [CW29]:** Correct BU title.

(c) The Attained Age Percentage Factor to be used for Members identified in this Section 6.09 shall be based on the Member's last attained quarter-year of age as of the effective date of retirement, as set forth in the following table:

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	1.426	54.00	1.885	58.00	2.350	62.00	2.816
50.25	1.455	54.25	1.914	58.25	2.379	62.25	2.845
50.50	1.483	54.50	1.943	58.50	2.408	62.50	2.874
50.75	1.512	54.75	1.971	58.75	2.437	62.75	2.903
51.00	1.541	55.00	2.000	59.00	2.466	63.00	2.932
51.25	1.570	55.25	2.029	59.25	2.495	63.25	2.961
51.50	1.598	55.50	2.058	59.50	2.524	63.50	2.990
51.75	1.627	55.75	2.087	59.75	2.553	63.75	3.019
52.00	1.656	56.00	2.117	60.00	2.583	64.00	3.049
52.25	1.684	56.25	2.146	60.25	2.612	64.25	3.078
52.50	1.713	56.50	2.175	60.50	2.641	64.50	3.107
52.75	1.742	56.75	2.204	60.75	2.670	64.75	3.136
53.00	1.770	57.00	2.233	61.00	2.699	65.00 & older	3.165
53.25	1.799	57.25	2.262	61.25	2.728		
53.50	1.828	57.50	2.291	61.50	2.757		
53.75	1.857	57.75	2.320	61.75	2.786		

(d) Notwithstanding any other provision of the Retirement Plan, for Retired Participants who Reinstate from Retirement on or after the date the provisions of Section 6.09 (b) became applicable to the Bargaining Unit in which said retired Participant was last employed, the provisions of Section 6.09 shall apply only to service or benefits accrued after said Reinstatement from Retirement. (06-28-2005) (10-18-2011).

## ARTICLE 7: DEATH BENEFITS

### Section 7.01: Basic Death Benefit.

(a) Upon the death of a Member before retirement, a Basic Death Benefit equal to:

(1) the Member's Accumulated Contributions to date of death, plus

(2) an amount equal to one and one-half months of the Member's compensation for each completed year of Pension Trust service credit earned by the Member up to the date of the Member's death (provided that in no event shall the portion of the death benefit payable under this subsection (2) exceed eighteen ~~month's~~ months of the Member's compensation) shall be paid to the Member's named beneficiary or to the Member's estate if there is no beneficiary record on file. The compensation to be used in computing this Basic Death Benefit shall be the compensation payable to the Member as of the Member's date of death.

Comment [CW30]: Correct grammar.

(b) For the purposes of this Section 7.01, the "death of a Member before retirement" shall mean the following:

(1) Death of a Member before the effective date of retirement, and

a) While the Member is a County Employee, or

b) While the Member is absent on military service as defined in Section 2.12 hereof,  
or

c) While the Member is on a leave of absence approved by the County Employer; or

d) while the Member is physically or mentally incapacitated for the performance of duty, if such incapacity has been continuous from the date that the Member became unable to perform the usual duties of the Member's position with the County Employer; or

(2) Death of a Member on or after the effective date of retirement, and before the mailing of the first retirement allowance payment to the Member, provided the Member has not elected Optional Settlement No.2, or No.3, or No.4 involving payment of an allowance throughout the life of the Member's beneficiary under Article 13 of this Plan, and provided further that no benefit is payable under Sections 7.02, 7.03, 7.04 or 7.05 of this Plan, and death occurs:

a) Within four months of the termination of County Employment, or

b) While the Member is physically or mentally incapacitated for the performance of duty and such incapacity has been continuous from the date the Member became unable to perform the duties of the Member's position with the County Employer;  
or

- (3) Death of a Reserve Participant within four months of termination of County Employment, provided said Reserve Participant is not a Member of a reciprocal system pursuant to the provisions of Article 20 of this Retirement Plan.(9-22-73) (12-13-88) (11-13-90)

(c) If a Member dies on or after the effective date of retirement and prior to the mailing of the first retirement allowance payment and if the Member has elected Optional Settlement No.2, No.3, or No.4 involving payment of an allowance throughout the life of the Member's beneficiary or if a benefit is payable under Section 7.04 of this Plan, the death shall be considered to be a death occurring after retirement and the applicable benefits under Article 13 of this Plan shall be payable.

## ARTICLE 8: MEMBERS

**Section 8.02: Sworn Safety Member.** "Sworn Safety Member" shall mean only:

- (a) the Sheriff-Coroner of the County (only for persons holding this elective County office on or after July 24, 1988), and
- (b) those County Employees whose principal duties consist of active law enforcement and who are employed in the following civil service classifications:

- (1) Sheriff's Chief Deputy,
- (2) Sheriff's Commander,
- (3) Sergeant,
- (4) Sheriff's Senior Deputy
- (5) Deputy Sheriff,
- (6) Undersheriff.

Sworn Safety Member shall not mean, nor shall it include, any County Employee in the civil service classifications of Sheriff's Cadet, Sheriff's Forensic Specialist, Crime Prevention Specialist, Sheriff's Property Officer, Sheriff's Dispatcher, Sheriff's Senior Dispatcher, ~~or Sheriff's Dispatcher Supervisor~~ or ~~Sheriff's Property Officer~~ Sheriff's Forensic Laboratory Specialist (4-11-77) (11-17-80) (1-8-85) (7-05-88) (03-07-06) (08-23-2011)

**Comment [CW31]:** Delete duplicate reference.

**Comment [CW32]:** Add new job title covered by this exclusion. Corresponding change made in last line of section 8.02.1 below.

**Section 8.02.1: Non-Sworn Safety Member:** Non-Sworn Safety Member shall mean only those County Employees whose principal duties consist of active law enforcement and who are employed in the following civil service classifications:

- (1) Sheriff's Correctional Lieutenant,
- (2) Sheriff's Senior Correctional Deputy,
- (3) Sheriff's Correctional Deputy,
- (4) Sheriff's Correctional Sergeant,
- (5) District Attorney Investigator I, II and III,
- (6) Chief District Attorney Investigator
- (7) Supervising District Attorney Investigator
- ~~(8) Sheriff's Correctional Captain~~

**Comment [CW33]:** Add job titles that are currently non-sworn Safety Members per MOU.

Non-Sworn Safety Member shall not mean, nor shall it include, any County Employee in the civil service classifications of Sheriff's Cadet, Sheriff's Forensic Specialist, Crime Prevention

Specialist, Sheriff's Property Officer, Sheriff's Dispatcher, Sheriff's Senior Dispatcher, or Sheriff's Dispatcher Supervisor [or Sheriff's Forensic Laboratory Specialist](#). (08-23-2011)

## **ARTICLE 9: ELIGIBILITY FOR SERVICE RETIREMENT ALLOWANCE**

No changes in this Article.

## **ARTICLE 10: DISABILITY RETIREMENT ALLOWANCE**

**Section 10.01: Eligibility for Disability Retirement Allowance.** A Member who becomes permanently physically or mentally disabled through illness or injury to the extent that he or she is incapable of performing his or her duties and remains so, may be eligible to receive a Disability Retirement Allowance. The determination of the Member's disability will vest with the Board of Pension Trustees, and they will make their determination based upon medical evidence. All applications for a Disability Retirement Allowance shall be submitted, processed, considered and granted or denied in accordance with Appendix E hereto.(3-15-76)

### **Section 10.02: Ordinary Disability Retirement Allowance.**

(a) To be eligible for an Ordinary Disability Retirement Allowance, a Member must be less than 65 years of age and;

- (1) For a Member who commenced his or her most recent period of membership after January 1, 1974, the Member must have Pension Trust service credit of five years or more as of his or her effective retirement date.
- (2) For a Member who commenced his or her most recent period of membership prior to January 1, 1974, the Member must have at least \$500.00 of accumulated normal contributions as of his or her effective retirement date; or

(b) Upon retirement for ordinary disability:

- (1) A Member having from 10 to 22.222 years of retirement service credit shall receive a monthly Ordinary Disability Retirement Allowance amounting to one third of the Member's final compensation for the remainder of the Member's disability.
- (2) A Member with less than 10 years or more than 22.222 years of Pension Trust credit shall receive a monthly Ordinary Disability Retirement Allowance amounting to one and one-half percent (1.5 %) of final compensation for each year of Pension Trust service credit for the remainder of the Member's disability.

However, if a disabled Member is also eligible for payment of a Service Retirement Allowance and the amount of that allowance is more than the Ordinary Disability Retirement Allowance, the larger amount shall be payable. (6-10-75)

**Section 10.03: Limitation of Ordinary Disability Allowance.** In no event will the Ordinary Disability Retirement Allowance of a Member 60 years of age or older exceed the amount of a normal Service Retirement Allowance. And in no event will the Ordinary Disability Retirement Allowance of a Member less than 60 years of age exceed the amount of a normal Service Retirement Allowance, calculated by utilizing the Final Compensation to the Effective Date of

Retirement and based on the assumption the Member was continued in employment and retired at age 60.(06-10-75)

**Section 10.04: Industrial Disability.** If a Safety Member or a Probation Officer Member is determined to be disabled pursuant to Section 10.01 of this Plan, and if the disability is found by the Board of Trustees to be Service-Connected, then the Safety Member or the Probation Officer Member is eligible for an Industrial Disability Retirement Allowance; provided however, that the amount of the Industrial Disability Retirement Allowance payable by the Trust under this Section 10.04 shall not be less than the Ordinary Disability Retirement Allowance provided under Section 10.02, as limited by Section 10.03, of this Plan.

**Comment [CW34]:** Correct 2004 drafting error to clarify that requirement that Industrial Disability Benefit not be less than the Ordinary Disability Benefit (as limited by section 10.03) continues to apply to all bargaining units. Maintains status quo as to Plan administration. Change to subsection (a) clarifies reason for two references to BU 06.

(a) **Bargaining Unit 06.** A Safety Member employed in Bargaining Unit 06 on or after June 28, 2005 until the effective date of subsection (d) below who has been determined to be eligible for an Industrial Disability Retirement Allowance shall receive an allowance equal to fifty percent of his or her final compensation, less the amount of any disability pension, payment or allowance the Safety Member is entitled to receive under the Federal Social Security Law; ~~provided however, that the amount of the Industrial Disability Retirement Allowance payable by the Trust under this Section 10.04, shall not be less than the Ordinary Disability Retirement Allowance provided under Section 10.02, as limited by Section 10.03, of this Plan.~~ (81-2) (83-3) (8-3-79) (06-28-2005)

**Comment [CW35]:** Same comment as above.

(b) **Bargaining Unit 07, 10, 15 or 16.** Effective July 1, 2004 and thereafter a Safety Member employed in Bargaining Unit 07,10,15 or 16 who has been determined to be eligible for an Industrial Disability Retirement Allowance shall receive an allowance equal to fifty percent of his or her final compensation. (81-2) (83-3) (8-3-79) (04-20-2004)

(c) **Bargaining Unit 03, ~~or 14, 27 or 28.~~** Effective July 3, 2005 and thereafter a Safety Member employed in Bargaining Unit 03, ~~or 14, 27 or 28~~ who has been determined to be eligible for an Industrial Disability Retirement Allowance shall receive an allowance equal to fifty percent of his or her final compensation. (06-28-2005)

**Comment [CW36]:** Add Units 27 and 28.

(d) **Bargaining Unit 06.** Effective September 11, 2005 and thereafter a Safety Member employed in Bargaining Unit 06 who has been determined to be eligible for an Industrial Disability Retirement Allowance shall receive an allowance equal to fifty percent of his or her final compensation. (09-13-2005)

(e) **Bargaining Unit 31 or 32.** Effective August 27, 2006 and thereafter a Probation Officer Member employed in Bargaining Unit 31 or 32 who has been determined to be eligible for an Industrial Disability Retirement Allowance shall receive an allowance equal to fifty percent of his or her final compensation. (08-22-2006)

(f) **Probation Officer Members Employed in Bargaining Unit 07, 08 or 09.** Effective September 24, 2006 and thereafter a Probation Officer Member employed in Bargaining Unit 07,08 or 09 who has been determined to be eligible for an Industrial Disability Retirement Allowance shall receive an allowance equal to fifty percent of his or her final compensation. (09-19-2006)

**Section 10.05: Misconduct of Employee.** If the Board of Trustees finds that the disability or claimed disability of a Member is caused by the intemperate or illegal use of controlled substances, willful misconduct, commission of a felony, or intentionally self-inflicted injury on

the part of the Member, the Member shall not be entitled to a Disability Retirement Allowance, Industrial or Ordinary; such conduct of a Member shall, however, not affect the Member's right to any other right or benefit provided for Members under this Retirement Plan.(8-3-79)

**Section 10.06: Transfer of Employee In Lieu of Disability Retirement.**

- (a) If the Trustees find a Member to be disabled within the meaning of this Article 10, and the Trustees further find, on medical advice, that the Member is capable of performing other duties as a County Employee, the Member shall not be eligible for any disability retirement allowance if any competent authority of the County of San Luis Obispo, in accordance with Section 12.03 of the San Luis Obispo Civil Service Rules or Merit System Procedure appoints said Member as a County Employee to a position in a new classification or department with duties within the Member's capacity to perform with his or her disability. If this new position returns to the Member compensation less than that earnable by a person currently holding the position from which the Member was disabled, the Trustees, in lieu of a disability retirement allowance, shall pay the Member the difference in such compensation until the compensation of the new position equals or exceeds the compensation earnable by a person currently holding the position which the Member held at the time the Member was disabled. The amount paid by the Trustees in lieu of a disability retirement allowance pursuant to this Section 10.06 shall not exceed the amount to which the Member would otherwise be entitled as a disability retirement allowance.
- (b) If a new position by transfer cannot be arranged at the time of eligibility for disability retirement allowance, such disability retirement allowance to which the Member is entitled under this Article shall be paid until such time as a new position is available.
- (c) If a disability retirement allowance is paid and the Member later is transferred to such a new position, the period while the Member is receiving a disability retirement allowance shall not be considered as breaking the continuity of service a County Employee and the Member's rate of contribution shall be based on the same age as it was at the date of disability. The Member's accumulated contributions shall be the same as at the date the Member's entitlement to a disability retirement allowance began less the amount charged to the Member's accumulated normal contributions.
- (d) If the Member later retires, for disability or for service, after working in the new position, the Member's compensation, as that term is defined in Section 1.14 of this Plan, shall be deemed to be the total of the compensation received by the Member in the new position plus any amount paid by the Trustees pursuant to this Section in lieu of a disability retirement allowance.
- (e) If after being transferred, the Member ceases to be a County Employee for any reason other than the death of the employee, retirement for service, retirement for disability, or for misconduct as defined in Section 10.05 hereof, the Member shall become entitled to receive a disability retirement allowance equal to that payable had there been no transfer. Such disability retirement allowance shall be payable from the date the Member cease to be a County Employee and the Member shall not be entitled to receive any disability retirement allowance for any time the Member was working as a County Employee in the new position to which the Member was transferred.(8-3-79)

**Section 10.07: Independent Discretion of the Board of Pension Trustees.** In determining eligibility for either an Ordinary Disability Retirement Allowance or an Industrial Disability Retirement Allowance, the Board of Pension Trustees shall be guided solely by their independent discretion, based upon the competent evidence received pursuant to the Rules of Disability Retirement Hearings, constituting Exhibit "E" to this Retirement Plan. No finding, decision, stipulation of fact or law, act or omission of any other state or County official, department, agency, board commission, entity or employee shall bind said Board of Trustees in the exercise of their independent discretion.(3-5-80)

Comment [CW37]: Name corrections.

## ARTICLE 11: REINSTATEMENT FROM RETIREMENT

No changes in this Article.

## ARTICLE 12: EMPLOYMENT AFTER RETIREMENT

**Section 12.02: Exception to Prohibition of Employment After Retirement.** Any Retired Participant may serve without reinstatement from retirement or loss or interruption of an allowance or benefits under this Plan, upon appointment by the County Employer as an employee of the County Employer either during an emergency to prevent to stoppage of public business or because the Retired Participant has skills needed to perform work of a limited duration. Appointment of a Retired Participant authorized under this Article 12 shall not exceed 960 hours during any fiscal year. A Retired Participant who is employed pursuant to this Article 12 shall not accrue Pension Trust Service Credit or any other retirement benefit or right under this Retirement Plan with respect to said employment unless he or she reinstates from retirement pursuant to Article 11: Reinstatement from Retirement of this Retirement Plan.

Comment [CW38]: Typo correction.

(a) A Retired Participant shall not be eligible to be employed pursuant to this Section 12.02 for a period of 180 days following the date of retirement unless he or she meets one of the following conditions:

(1) The County Employer certifies the nature of the employment and that the appointment is necessary to fill a critically needed position before 180 days has passed and that the appointment has been approved by the governing body in a public meeting.

(2) The retiree is a Safety Member or Probation Officer Member.

(b) A Retired Participant who accepted a retirement incentive upon retirement provided by the County Employer shall not be eligible to be employed pursuant to this section for a period of 180 days and said Retired Participant shall not be subject to the provisions of Section 12.02 (a)

(c) Notwithstanding any other provision of this Retirement Plan, a Retired Participant shall not be eligible to serve or be employed by the County Employer if, during the 12 month period preceding the employment described in this Section, the Retired Participant received any unemployment insurance compensation arising out of prior employment subject to this Section with the County Employer. The Retired Participant shall certify in writing to the County Employer upon accepting an offer of employment under this Section that he or she is in compliance with this requirement.

Any Retired Participant who does serve as an employee for more than 960 hours during any fiscal year shall have his or her allowance or benefits under this Plan suspended. Any Retired Participant may, regardless of age or time retired, without reinstatement from retirement or loss or interruption of benefits under this Plan, serve as a juror or election officer and receive any fees payable for such service, and further, may be appointed by the Board of Supervisors of the County as a Member of any non-salaried board, commission, or advisory board. Any Retired Participant may, without reinstatement from retirement or any loss or interruption of benefits under this Plan, serve as an elected County officer, provided, however, that such elected County officer shall not accumulate additional retirement benefits or Pension Trust service credit during the period that he or she shall hold said elective County office. (1-10-84)(04-19-88)(7-12-11)(12-18-12)

**ARTICLE 13: OPTIONS AVAILABLE ~~AFTER UPON~~ RETIREMENT**

Comment [CW39]: Grammar/context correction.

No changes in this Article except for title.

**ARTICLE 14: PROOF OF AGE**

No changes in this Article.

**ARTICLE 15: INALIENABILITY**

No changes in this Article.

**ARTICLE 16: ADMINISTRATION AND OPERATION**

**Section 16.02: Duties of Board of Trustees.** The Board of Trustees shall administer and operate the Pension Trust and Retirement Plan and shall interpret, construe, and apply all provisions of the By-Laws and the Retirement Plan, and its decision with respect thereto shall be final. Its duties, among others shall include:

- (a) It shall authorize the employment of such personnel as may be necessary for the operation of the Pension Trust and Retirement Plan including such legal, actuarial, accounting, auditing, investment and other professional services as it may deem appropriate.
- (b) It shall be responsible for the filing and maintaining of personnel, financial, and other records necessary for operation of the Pension Trust and the Retirement Plan.
- (c) It shall authorize the payment of retirement allowances and benefits under the Pension Trust and Retirement Plan.
- (d) It shall approve mortality tables, interest rates, and all other actuarial factors to be used in determining the requirements of the Pension Trust and the Retirement Plan.
- (e) It shall authorize the purchase, lease, or other acquisition of such other goods, services and property as are reasonably necessary to the operations of the Pension Trust and the Retirement Plan.

(f) It shall annually cause to be prepared and shall adopt a budget for the operation of the Pension Trust and the Retirement Plan.

(g) It shall administer and apply the provisions of any contract between the County and a local agency which contract is pursuant to Article 25 of this Retirement Plan.

(h) ~~Except as provided in Section~~ ~~section~~ 16.02 (h), it shall have no power to, and shall not, authorize the Pension trust to act as surety for any person or entity, or as guarantor for the debt or obligations of any person or entity. (11-20-2007)

**Comment [CW40]:** Add cross-reference to section 16.02(j).

~~(i) Except as provided in s~~Section 16.02 (i) It shall have no power to, and shall not, authorize the Pension Trust to indemnify any person or entity. (11-20-2007)

**Comment [CW41]:** Add cross-reference to section 16.02(j)

**Formatted:** Indent: Left: 0.25", No bullets or numbering

(j) Notwithstanding sections 16.02 (h) and/or 16.02(i), the Board of Trustees may authorize the Pension Trust to: 1) act as surety for; 2) act as guarantor for; or 3) indemnify any person or entity if the Board of Trustees makes all of the following findings:

(i) Based upon the assessment of the Executive Secretary, that it is not possible to obtain comparable services at comparable costs from service providers without having to agree to a surety, guarantor, or indemnification relationship;

(ii) Based upon the assessment of the Executive Secretary, that if a surety, guarantor or indemnification relationship is required to obtain comparable services at comparable costs, such relationship is not available from another service provide under contractual provisions that would provide greater protection to the Pension Trust;

(iii) Based upon the assessment of the Executive Secretary and General Counsel, that all potential risks of loss and costs to the Pension Trust resulting from the surety, guarantor or indemnification relationship have been identified and that all available actions to minimize such risks have been considered and, where appropriate, taken;

(iv) Based upon the assessment of the General Counsel, the process used to evaluate the surety, guarantor or indemnification relationship fulfills the fiduciary duties of the members of the Board of Trustees and Pension Trust staff.

**Comment [CW42]:** Adds exception to subsections (h) and (i) to allow Pension Trust to indemnify or act as guarantor or act as surety for service providers under specified/limited circumstances that are consistent with applicable fiduciary duties and responsibilities. In some instances, key service providers of the Pension Trust are insisting on indemnification as a condition of doing business.

## ARTICLE 17: METHOD OF FUNDING

No changes in this Article.

## ARTICLE 18: MODIFICATION OR TERMINATION OF RETIREMENT PLAN

No changes in this Article.

## ARTICLE 19: COST OF LIVING

**Section 19.03: Funding of Increases in Allowances.** Such increases in monthly retirement allowances and in monthly survivorship allowances as shall become payable under and pursuant to the provisions of this Article 19, shall be funded as follows:

(a) Special Fund. A new special fund within the Pension Trust is hereby created, such special fund to be known and designated as the "Cost of Living Reserve Fund". All monies transferred, paid into, earned by and credited to said fund shall be used to pay such increases in the above mentioned allowances as shall become payable under the pursuant to the provisions of this Article 19.

(b) County Employer Contributions. For each month, respectively, from the ~~after the first~~ day of October, 1971, the County Employer shall contribute to the above mentioned Cost of Living Reserve Fund at the percentage of total members' salaries that is recommended by the actuary.(10-1-71) (01-08-2002)

Comment [CW43]: Surplus words deleted.

## ARTICLE 20: RECIPROCAL BENEFITS

**Section 20.06: Coordination of Death Benefits.** Notwithstanding the provisions of Article 7 of this Retirement Plan, the death benefit under this Pension Trust and Retirement Plan for the death of a Reserve Participant of this Pension Trust occurring while the Reserve Participant is a Member of a reciprocal system shall not exceed an amount which, when added to the death benefit payable for the said Reserve Participant by the reciprocal system, equals the maximum death benefit payable under that system; provided, however, that the death benefit payable under this Section ~~20-0520.06~~ shall at least equal the amount of said Reserve Participant's Accumulated Contributions and interest accrued in this Pension Trust; provided further, however, when the Reserve Participant's death is determined by the reciprocal system to be the result of disease or injury arising out of and in the course of the Reserve Participant's employment as a Member of said reciprocal system, the death benefit payable under this section shall consist solely of the Reserve Participant's Accumulated Contributions and any interest accrued thereon.

Comment [CW44]: Correct section reference.

**Section 20.10: Miscellaneous.** This Plan shall be modified as necessary to conform to amendments to the Public Employees' Retirement Law or the County Employees' Retirement Law of 1937, as provided in Section 20042, Government Code. Interpretations of the provisions contained in this Article 20 shall be made with reference to interpretations that have been made relative to the Public Employees' Retirement ~~System-Law~~ - 1937 Act County Employees' Retirement ~~Law~~ reciprocal provisions upon which they are based.

Comment [CW45]: Correct references to names of statutes.

## ARTICLE 21: MINIMUM DISTRIBUTION RULES

No changes in this Article.

## ARTICLE 22: BENEFIT LIMITATIONS PURSUANT TO THE UNITED STATES INTERNAL REVENUE CODE

No changes in this Article.

## ARTICLE 23: CREDITS FOR RETIREMENT UNDER SPECIAL CIRCUMSTANCES

No changes in this Article.

## ARTICLE 24: COMMUNITY PROPERTY

### Section 24.05: Division of Community Property of a Retired Participant.

If a court of competent jurisdiction, upon the legal separation or dissolution of marriage of a Retired Participant and his or her spouse (the "Alternate Payee"), and after joining the Pension Trust as a party to the proceeding pursuant to Chapter 6 of the California Family Code, issues an order dividing the Retired Participant's community property interest in the Pension Trust Retirement Plan, the Pension Trust shall carry out the terms of the court order provided:

Comment [CW46]: Grammar correction.

(1) The order sets forth date on which the parties separated and the method by which the Retired Participant's community property interest is to be divided between the Retired Participant and the Alternate Payee.

(2) The order describes any rights the Alternate Payee is to have to name a beneficiary for any unpaid portion of the community property interest awarded to the Alternate Payee. If no such right is set forth in the order, and the Alternate Payee predeceases the Retired Participant, the Alternate Payee's community property retirement allowance shall cease as of the date of the Alternate Payee's death and shall revert to the Retired Participant.

(3) The order specifies the length of time that said Alternate Payee is entitled to receive the community property interest. If the order does not specify such length of time then the community property interest shall be deemed to be payable to the Alternate Payee for his or her life unless, for the particular benefit in question, the Retirement Plan provides for an earlier termination.

(4) If the Alternate Payee was married to the Retired Participant at least one year prior to the Retired Participant's Effective Date of Retirement under this Retirement Plan and is eligible to qualify as a surviving spouse under Section 7.04(b) at the time of the dissolution of the marriage with the Retired Participant, then the Alternate Payee shall continue to be eligible for the death benefit provided for by Section 7.04(b) even though the marriage of the Alternate Payee and Retired Participant is terminated by order or judgment of a court of competent jurisdiction.

## ARTICLE 25: CONTRACTING AGENCIES

No changes in this Article.

## ARTICLE 26: DEFERRED RETIREMENT OPTION PROGRAM (DROP)

**Section 26.01: Deferred Retirement Option Program.** It is the intent of this Article to provide a voluntary Deferred Retirement Option Program (“DROP”) for Miscellaneous Members employed in County Bargaining Units 01, 02, 04, 05, 07, 08, 09, 10, 11, 12, 13, 14, 17, 21 or 22 or by the Pension Trust or the Air Pollution Control District, ~~and~~ for Safety Members employed in County Bargaining Units 03, 06, 07, 10, 14, 15, ~~or 16, 27 or 28~~ and for Probation Officer Members employed in County Bargaining Units 07,08 or 09. (07-25-2006)(10-03-2006)(12-5-06)

(a) DROP is an alternative method by which a Service Retirement Allowance is paid to a Retired Participant.

(b) DROP is intended to be cost-neutral to the Pension Trust and to the Pension Trust Fund. All costs and expenses incurred in the administration and operation of DROP shall not be paid from the Pension Trust Fund, but, instead shall be paid, in equal shares, by the County Employer and the participants in DROP. To this end (i) the share of said costs and expenses to be paid or reimbursed by the County Employer shall be included in County Appropriations pursuant to Section 16.05 of the Retirement Plan, and (ii) the share of said costs and expenses to be paid or reimbursed by the participants in DROP shall be deducted, from time to time, ~~for from~~ the DROP Account of each DROP participant on a proportional basis based upon such ~~Drop~~ DROP participant's DROP account balance.

**Section 26.02: Conformance with the Internal Revenue Code.** DROP shall conform to those parts of the Internal Revenue Code and Regulations which provide for the tax qualified status of governmental pension trusts and retirement plans, including those provisions reflected in Section 4.02(b) and Articles 21 and 22. DROP shall not jeopardize, in any way, the tax qualified status of the Pension Trust or this Retirement Plan under the Internal Revenue Code. Notwithstanding any other provision of the Retirement Plan, the provisions of this Article 26 shall at any time be modified, with such modifications being given retroactive effect, if necessary to maintain the tax qualified status of the Pension Trust or the Retirement Plan.

**Section 26.03: Severability.** If any provision of this Article or the application thereof to any person or circumstance is held to be invalid, that invalidity will not affect other provisions of this Article or of this Retirement Plan that can be given effect without the invalid provisions or application, and to this end the provisions of this Article are severable.

**Section 26.04: Eligibility.** a.) On and after July 25, 2006 a Miscellaneous Member currently employed in County Bargaining Units 01, 04, 05, 07, 08, 09, 10, 11, 12, 13, 14, 17, 21 or 22 or by the Pension Trust or the Air Pollution Control District, and a Safety Member employed in County Bargaining Units 03, 07, 10, 14, 15, ~~or 16, 27 or 28~~ and a Probation Officer Member employed in County Bargaining Units 07, 08 or 09, and who has attained age 50 and who is credited with five years of Pension Trust Service Credit, shall be eligible to participate in DROP.

**Comment [CW47]:** Add Pension Trust to conform with existing practice that aligns benefits for Pension Trust employees with those of County BUs 7 and 11. Add Air Pollution Control District to conform to existing participation agreement. Superior Court and LAFCO and APCD contracts do not include DROP.

**Comment [CW48]:** Add Units 14, 27 and 28.

**Comment [CW49]:** Grammar correction.

**Comment [CW50]:** Grammar and capitalization corrections.

**Comment [CW51]:** Add references to Pension Trust and Air Pollution Control District consistent with existing practice.

**Comment [CW52]:** Add BUs 14, 27 and 28.

b.) On and after October 3, 2006 a Miscellaneous Member currently employed in County Bargaining Unit 2 who has attained age 50 and who is credited with five years of Pension Trust Service Credit shall be eligible to participate in DROP.

c.) On and after December 5, 2006 a Safety Member employed in County Bargaining Unit 6 who has attained age 50 and who is credited with five years of Pension Trust Service Credit shall be eligible to participate in DROP. (10-03-06)(12-05-06).

d.) For purposes of this Section, service credit accrued with a retirement system, which service is recognized by this Retirement Plan for purposes of Article 20: Reciprocity, shall be recognized for purposes of establishing eligibility to participate in DROP. A Retired Participant who previously participated in DROP and who reinstates from retirement shall not be eligible to participate in DROP.

**Section 26.09 DROP Accounts and DROP Benefits:**

(a) A DROP Account is an account established by the Pension Trust for each participant in DROP.

(b) A Member's DROP Account shall be credited with an amount equal to the service Retirement Allowance and the annual cost-of-living adjustment the Member would have received if the Member had retired for service under Article 6 of the Retirement Plan on the date the Member commences participation in DROP. In addition, a Member's Additional Contribution Account, which may be an accumulation of pre-tax and post – tax contributions, shall be deposited into the Member's DROP Account. The DROP Account shall accept said pre and post-tax contributions for deposit. If the Member elects to have his or her Additional Contribution Account paid in the form of an annuity, the annuity that is payable based on the contributions reposed in the said Additional Contribution Account shall be deposited into the Member's DROP Account. Contributions reposed in the Additional Contribution Account which are deposited into the Member's DROP Account shall be identified by the Pension Trust and by the third party administrator retained by the Board of Trustees for administration of the DROP accounts as to their status as either pre-tax or post-tax contributions. Amounts credited to a Member's DROP account shall be vested in the Member, except to the extent deemed necessary by the Board in its sole discretion to maintain the Pension Trust's tax-qualified status under the Internal Revenue Code.

Comment [CW53]: Grammar correction.

(c) A Member may direct the investment and reinvestment of the monies in his/her individual DROP Account and any earnings or losses shall be reflected in the Member's DROP account. The Board of Trustees may select and approve a third party administrator to administer investment selections.

(d) The monthly amounts credited to a Member's DROP account, shall from time to time, include any cost-of-living adjustment otherwise applicable to Retired Participants as determined by the Board of Trustees.

(e) The date of a Member's participation in DROP shall be the first of the month following the date the Board of Trustees considers and approves the Member's fully completed DROP application.

(f) Upon the date of a Member's participation in DROP, the Member shall cease to make Normal Contributions to the Pension Trust.

(g) If a Member becomes disabled while participating in DROP, the Member shall be eligible to apply for Disability Retirement under Article 10: Disability, and shall be subject to the same disability eligibility requirements as if the Member were not in DROP. Notwithstanding the provisions of Article 10: Disability, if the Board approves the Member's Application for Disability Retirement, the amount of the Disability Retirement Allowance shall be the same as the amount then being credited monthly to the Member's DROP account. Upon approval by the Board of Trustees of a Member's Application for Disability Retirement the Member's participation in DROP shall cease and the DROP account shall be available to the Member for distribution.

(h) If a Member dies while participating in DROP, the Member shall be deemed to have died after retirement and the provisions of Section 7.04 of this Retirement Plan shall apply based on the amount of service Retirement Allowance being credited to the DROP account. All the monies credited to the Member's DROP Account shall be paid to the designated DROP beneficiary, subject to the provisions of Section 7.04 and Article 13 of the Retirement Plan subject to Section 26.10 below.

## ARTICLE 27: TIER TWO - MISCELLANEOUS

### Section 27.01: Applicability.

This Article shall apply to:

- (a) Any Miscellaneous Member who becomes a County Employee of the County of San Luis Obispo on or after December 26, 2010 and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 7, 8, 9, 10, 11 or 17 or by the Pension Trust.
- (b) Any Miscellaneous Member who becomes a County Employee of the County of San Luis Obispo on or after April 17, 2011, and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 1, 5 or 13. In addition, this Article shall apply to any Miscellaneous Member who becomes a County Employee of the County of San Luis Obispo on or after July 24, 2011, and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 2.
- (c) Any Miscellaneous Member who becomes a County Employee of the County of San Luis Obispo on or after September 4, 2011, and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 4 or 12.
- (d) Any Miscellaneous Member who becomes a County Employee of the County of San Luis Obispo on or after September 4, 2011, and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 14, 21 or 22.
- (e) Any Miscellaneous Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after

**Comment [CW54]:** Add Pension Trust here and throughout section to conform with existing practice that aligns benefits for Pension Trust employees with those of County BUs 7 and 11. (Tier Two not applicable to Superior Court, ~~APCD~~ or LAFCO). Tier Two applicable to APCD effective November 2011 as reflected in amendment to subsection (i) below.

December 26, 2010 and who is employed in County Bargaining Unit 7, 8, 9, 10, 11 or 17 or by the Pension Trust, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 27.01 (e) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after December 26, 2010, shall be subject to the provisions of this Article 27.

**Comment [CW55]:** Add reference to Pension Trust per comment 50 above.

(f) Any Miscellaneous Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after April 17, 2011 and who is employed in County Bargaining Unit 1, 5 or 13, or who later resumes County Employment with the County of San Luis Obispo on or after July 24, 2011 and who is employed in County Bargaining Unit 2, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 27.01 (f) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after April 17, 2011 in County Bargaining Unit 1, 5 or 13, or Member's resumption of County employment in County Bargaining Unit 2 on or after July 24, 2011, shall be subject to the provisions of this Article 27.

(g) Any Miscellaneous Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after September 4, 2011 and who is employed in County Bargaining Unit 4 or 12, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 27.01 (g) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after September 4, 2011, shall be subject to the provisions of this Article 27.

(h) Any Miscellaneous Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after September 4, 2011 and who is employed in County Bargaining Units 14, 21 or 224 or 12, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 27.01 (gh) elects to redeposit an amount equal to all of his or

**Comment [CW56]:** Correct Bargaining Unit references.

**Comment [CW57]:** Correct section reference.

her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after September 4, 2011, shall be subject to the provisions of this Article 27.

(i) Any Miscellaneous Member who became a Reserve Participant prior to the applicable date as determined by County Bargaining Unit below and then resumes County Employment and again becomes a member of this Plan after the applicable date as determined by County Bargaining Unit below:

December 26, 2010: County Bargaining Units 7, 8, 9, 10, 11 or 17 and Pension Trust Officers and Employees

April 17, 2011: County Bargaining Units 1, 5 or 13

July 24, 2011: County Bargaining Unit 2

September 4, 2011: County Bargaining Units 4, 12 14, 21 or 22

December 25, 2011: Air Pollution Control District Officers and Employees.

Upon retirement, his or her retirement allowance shall be determined as follows:

- i. For PTSC accrued prior to the Member becoming a Reserve Participant, his or her allowance shall be determined in accordance with the provisions of Article 6.
- ii. For PTSC accrued after the Member resumes County employment, his or her allowance shall be determined in accordance with the provisions of this Article 27.

(j) Any Miscellaneous Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after December 26, 2010, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 7, 8, 9, 10, 11 or 17 or with the Pension Trust as to all Pension Trust Service Credit accrued on or after said date subject to the following:

a. Upon subsequent retirement, his or her retirement allowance shall be determined as follows:

- i. For PTSC accrued prior to the Member's original Retirement Effective Date before December 26, 2010, his or her allowance shall be determined in accordance with the provisions of Article 6.
- ii. For PTSC accrued after Reinstatement from Retirement on or after December 26, 2010, his or her allowance shall be determined in accordance with the provisions of this Article 27.

(k) Any Miscellaneous Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after April 17, 2011, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 1, 5 or 13 as to all Pension Trust Service Credit accrued on or after said date subject to the following:

**Comment [CW58]:** Subsection added to clarify, consistent with existing practice and interpretation, that Tier 2 applies to Tier 1 Reserve Members who left County Pension Trust or APCD service before Tier 2 was applicable but then reinstate after the applicable date.

**Comment [CW59]:** Add reference to Pension Trust per comment 50 above.

- a. Upon subsequent retirement, his or her retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before April 17, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after April 17, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 27.

~~b~~(l) For any Miscellaneous Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after July 24, 2011, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 2, upon subsequent retirement, said Member's retirement allowance shall be determined as follows:

Formatted

- i. For PTSC accrued prior to the Member's original Retirement Effective Date before July 24, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
- ii. For PTSC accrued after Reinstatement from Retirement on or after July 24, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 27.

Formatted: Font: Times New Roman, 12 pt

Formatted: List Paragraph

~~(\*)~~(m) Any Miscellaneous Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after September 4, 2011, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 4 or 12 as to all Pension Trust Service Credit accrued on or after said date subject to the following:

Formatted: Font: Times New Roman, 12 pt

Formatted: Left, Indent: Left: 0.5", No bullets or numbering

Formatted: List Paragraph

- a. Upon subsequent retirement, his or her retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before September 4, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after September 4, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 27.

~~(\*)~~(n) Any Miscellaneous Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after September 4, 2011, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 14, 21 or 22 as to all Pension Trust Service Credit accrued on or after said date subject to the following:

- a. Upon subsequent retirement, his or her retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before September 4, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after September 4, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 27.

(o) Any Miscellaneous Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after December 25, 2011, and who upon reinstatement resumes employment with the Air Pollution Control District as to all Pension Trust Service Credit accrued on or after said date subject to the following:

- i. For PTSC accrued prior to the Member's original Retirement Effective Date before December 25, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
- ii. For PTSC accrued after Reinstatement from Retirement on or after December 25, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 27.

**Comment [CW60]:** Add language regarding applicability of Tier Two to APCD.

~~(m)~~(p) Miscellaneous Members and/or Reserve Participants who are subject to this Article 27 are sometimes referred to herein as Tier Two Miscellaneous Members and /or Tier Two Reserve Participants.

~~(n)~~(q) Tier Two Reserve Participant means a person who was formerly a Tier Two Miscellaneous Member and whose County Employment or term of office was terminated for any reason other than death or retirement and who elected at time of termination to leave his or her accumulated contributions on deposit with the Pension Trust and who subsequently:

- a. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 7, 8, 9, 10, 11 or 17 or by the Pension Trust on or after December 26, 2010; or
- b. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 7, 8, 9, 10, 11 or 17 or by the Pension Trust on or after December 26, 2010, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan.
- c. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 1, 5 or 13 on or after April 17, 2011; or
- d. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 1, 5 or 13 on or after April 17, 2011, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan.
- e. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 2, on or after July 24, 2011; or

**Comment [CW61]:** Add reference to Pension Trust per comment 50 above.

**Comment [CW62]:** Add reference to Pension Trust per comment 50 above.

- f. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 2 on or after July 24, 2011, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan.
- g. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 4 or Bargaining Unit 12 on or after September 4, 2011; or
- h. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 4 or Bargaining Unit 12 on or after September 4, 2011, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan; or
- i. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 14, 21 or 22 on or after September 4, 2011; or
- j. Becomes a Tier Two Miscellaneous Member employed by the County of San Luis Obispo in Bargaining Unit 14, 21 or 22 on or after September 4, 2011, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan.
- k. Becomes a Tier Two Miscellaneous Member employed by the Air Pollution Control District on or after December 25, 2011; or
- l. Becomes a Tier Two Miscellaneous Member employed by the Air Pollution Control District on or after December 25, 2011, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan.

**Comment [CW63]:** Add language regarding applicability of Tier Two to APCD.

(r) A Tier Two Reserve Participant is entitled to a service retirement allowance after he or she reaches the age at which he or she would be eligible for the service retirement allowance, except that a Tier Two Reserve Participant shall not be entitled to the minimum retirement allowance provided by Section 6.05 of this Retirement Plan. The service retirement allowance of a Tier Two Reserve Participant, shall be based on his or her Pension Trust Service Credit and Tier Two Final Compensation prior to his or her termination from County Employment. A Tier Two Reserve Participant may, before applying for retirement, withdraw his or her accumulated contributions in lieu of any and all other rights and benefits he or she may be entitled to under this Retirement Plan and shall then cease to have any membership affiliation with the Pension Trust. A Tier Two Reserve Participant is not entitled to any disability retirement allowance under this Retirement Plan except as provided in Article 20 of this Retirement Plan.

**Section 27.02: Tier Two Miscellaneous Member Service Retirement Allowance.**

- (a) Notwithstanding the provisions of Article 6, the Service Retirement Allowance for a Tier Two Miscellaneous Member shall be a retirement allowance equal to the Member's Tier Two Final Compensation as provided in Section 27.03 of this Retirement Plan multiplied by the Member's Tier Two Attained Age Percentage Factor as shown below, multiplied by the Member's Pension Trust Service Credit accrued in accordance with the provisions of Section 27.01.
- (b) The Tier Two Attained Age Percentage Factor to be used under this Section 27.02 shall be based on the Tier Two Member's last attained quarter year of age as of the effective date of retirement as set forth in the following table:

Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)	Last Attained Age as of Effective Date of Retirement	Attained Age Percentage Factor (%)
50.00	1.092	54.00	1.376	58.00	1.758	62.00	2.272
50.25	1.108	54.25	1.396	58.25	1.786	62.25	2.308
50.50	1.124	54.50	1.418	58.50	1.816	62.50	2.346
50.75	1.140	54.75	1.438	58.75	1.846	62.75	2.382
51.00	1.156	55.00	1.460	59.00	1.874	63.00	2.418
51.25	1.172	55.25	1.482	59.25	1.906	63.25	2.428
51.50	1.190	55.50	1.506	59.50	1.938	63.50	2.438
51.75	1.206	55.75	1.528	59.75	1.970	63.75	2.448
52.00	1.224	56.00	1.552	60.00	2.000	64.00	2.458
52.25	1.242	56.25	1.576	60.25	2.034	64.25	2.468
52.50	1.260	56.50	1.600	60.50	2.068	64.50	2.478
52.75	1.278	56.75	1.626	60.75	2.100	64.75	2.488
53.00	1.296	57.00	1.650	61.00	2.134	65 & older	2.500
53.25	1.316	57.25	1.678	61.25	2.168		
53.50	1.336	57.50	1.704	61.50	2.202		
53.75	1.356	57.75	1.730	61.75	2.238		

- (c) In no event shall the Service Retirement Allowance accrued by Members Employed in Bargaining Unit 1, 2, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 17, 21 or 22 or by the Pension Trust pursuant to this Section be greater than 90% of the Tier Two Member's Tier Two Final Compensation.

**Comment [CW64]:** Add reference to Pension Trust per comment 50 above.

**Section 27.19 Disposition of Retirement Allowance on Reinstatement.**

- (a) When a Retired Participant is reinstated from retirement on or after December 26, 2010 under Section 27.18, and pursuant to said reinstatement becomes employed in County Bargaining Unit 7, 8, 9, 10, 11 or 17 or by the Pension Trust, his or her retirement allowance shall be canceled forthwith, and he or she shall become a Tier Two Miscellaneous Member of this Plan as of the date of reinstatement. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the date of reinstatement, not to exceed the amount of his or her accumulated contributions as it was at the date of retirement.
- (b) When a Retired Participant is reinstated from retirement on or after April 17, 2011 under Section 27.18, and pursuant to said reinstatement becomes employed in County Bargaining Unit 1, 5 or 13, his or her retirement allowance shall be canceled forthwith, and he or she shall become a Tier Two Miscellaneous Member of this Plan as of the date of reinstatement. His or her individual account shall be credited with an amount which is

**Comment [CW65]:** Add reference to Pension Trust per comment 50 above.

the actuarial equivalent of his or her annuity at the date of reinstatement, not to exceed the amount of his or her accumulated contributions as it was at the date of retirement.

- (c) When a Retired Participant is reinstated from retirement on or after July 24, 2011 under Section 27.18, and pursuant to said reinstatement becomes employed in County Bargaining Unit 2, his or her retirement allowance shall be canceled forthwith, and he or she shall become a Tier Two Miscellaneous Member of this Plan as of the date of reinstatement. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the date of reinstatement, not to exceed the amount of his or her accumulated contributions as it was at the date of retirement.
- (d) When a Retired Participant is reinstated from retirement on or after September 4, 2011 under Section 27.18, and pursuant to said reinstatement becomes employed in County Bargaining Unit 4 or 12, his or her retirement allowance shall be canceled forthwith, and he or she shall become a Tier Two Miscellaneous Member of this Plan as of the date of reinstatement. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the date of reinstatement, not to exceed the amount of his or her accumulated contributions as it was at the date of retirement.
- (e) When a Retired Participant is reinstated from retirement on or after September 4, 2011 under Section 27.18, and pursuant to said reinstatement becomes employed in County Bargaining Unit 14, 21 or 22, his or her retirement allowance shall be canceled forthwith, and he or she shall become a Tier Two Miscellaneous Member of this Plan as of the date of reinstatement. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at the date of reinstatement, not to exceed the amount of his or her accumulated contributions as it was at the date of retirement.

#### **Section 27.21 Disposition of Retirement Allowance on Reinstatement from Disability Retirement.**

- (a) If a recipient of a Disability Retirement Allowance is reinstated from retirement and becomes employed in County Bargaining Unit 7, 8, 9, 10, 11 or [17](#) or by the Pension Trust on or after December 26, 2010, his or her Disability Retirement Allowance shall be canceled and he or she shall immediately become a Tier Two Member of the Pension Trust. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at that time, but not exceeding the amount of his or her accumulated contributions at the time of his or her retirement for disability. He or she shall receive credit for service that is on or after December 26, 2010 in the same manner as though he or she had never been retired for disability.
- (b) If a recipient of a Disability Retirement Allowance is reinstated from retirement and becomes employed in County Bargaining Unit 1, 5 or 13 on or after April 17, 2011, his or her Disability Retirement Allowance shall be canceled and he or she shall immediately become a Tier Two Member of the Pension Trust. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at that time, but not exceeding the amount of his or her accumulated contributions at the time of his or her retirement for disability. He or she shall receive credit for service that is on or after April 17, 2011 in the same manner as though he or she had never been retired for disability.
- (c) If a recipient of a Disability Retirement Allowance is reinstated from retirement and becomes employed in County Bargaining Unit 2 on or after July 24, 2011, his or her Disability Retirement Allowance shall be canceled and he or she shall immediately become a Tier Two Member of the Pension Trust. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at that time, but not exceeding the amount of his or her accumulated contributions at the time of

**Comment [CW66]:** Add reference to Pension Trust per comment 50 above.

his or her retirement for disability. He or she shall receive credit for service that is on or after July 24, 2011 in the same manner as though he or she had never been retired for disability.

- (d) If a recipient of a Disability Retirement Allowance is reinstated from retirement and becomes employed in County Bargaining Unit 4 or 12 on or after September 4, 2011, his or her Disability Retirement Allowance shall be canceled and he or she shall immediately become a Tier Two Member of the Pension Trust. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at that time, but not exceeding the amount of his or her accumulated contributions at the time of his or her retirement for disability. He or she shall receive credit for service that is on or after September 4, 2011 in the same manner as though he or she had never been retired for disability.
- (e) If a recipient of a Disability Retirement Allowance is reinstated from retirement and becomes employed in County Bargaining Unit 14, 21 or 22 on or after September 4, 2011, his or her Disability Retirement Allowance shall be canceled and he or she shall immediately become a Tier Two Member of the Pension Trust. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at that time, but not exceeding the amount of his or her accumulated contributions at the time of his or her retirement for disability. He or she shall receive credit for service that is on or after September 4, 2011 in the same manner as though he or she had never been retired for disability.

**Section 27.25 Two Percent Cost of Living Adjustment for Retired Participants who were Tier Two Miscellaneous Members and who were not employed by the County Employer prior to December 26, 2010.** Commencing with the determination to be made by the Board of Trustees effective April 1, 2011, and for each such determination thereafter, the maximum annual Cost of Living Adjustment for a Retired Participant who was a Tier Two Miscellaneous Member and who was not employed by the County Employer prior to December 26, 2010, shall not exceed 2% per year and as is set forth in Section 19.01; and, Section 19.02 shall not be applicable. Notwithstanding Section 19.01, there shall be no accumulation of Cost of Living Adjustments beyond the annual maximum of 2% provided herein.

- (a) This Section 27.25 shall apply only to Retired Participants whose date of membership in the Pension Trust occurred on or after December 26, 2010, (for Members employed in Bargaining Unit 7, 8, 9, 10, 11 or [17 or by the Pension Trust](#)) and who were not previously employed by the County Employer.
- (b) This Section 27.25 shall apply only to Retired Participants whose date of membership in the Pension Trust occurred on or after April 17, 2011, (for Members employed in Bargaining Unit 1, 5 or 13) and who were not previously employed by the County Employer.
- (c) This Section 27.25 shall apply only to Retired Participants whose date of membership in the Pension Trust occurred on or after July 24, 2011, (for Members employed in Bargaining Unit 2) and who were not previously employed by the County Employer.
- (d) This Section 27.25 shall apply only to Retired Participants whose date of membership in the Pension Trust occurred on or after September 4, 2011 (for Members employed in Bargaining Unit 4 or 12) and who were not previously employed by the County Employer.
- (e) This Section 27.25 shall apply only to Retired Participants whose date of membership in the Pension Trust occurred on or after September 4, 2011 (for Members employed in

**Comment [CW67]:** Add reference to Pension Trust per comment 50 above.

Bargaining Unit 14, 21 or 22) and who were not previously employed by the County Employer.

Notwithstanding Section 19.03(b), the COLA provided for by this Section 27.25 shall be considered part of the normal cost for the pension benefit and the allocation of said normal cost is subject to negotiation between the employer and employees.

## **ARTICLE 28: TIER TWO – SAFETY**

### **Section 28.01: Applicability.**

This Article shall apply to:

- (a) Any Non-Sworn Safety Member who becomes a County Employee of the County of San Luis Obispo on or after September 4, 2011 and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 3 or 14. (08-23-2011)
- (b) Any Non-Sworn Safety Member who becomes a County Employee of the County of San Luis Obispo on or after November 13, 2011 and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 15. (11-08-2011)
- (c) Any Sworn Safety Member who becomes a County Employee of the County of San Luis Obispo on or after June 24, 2012 and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 27 or 28. (6-19-2012)
- (d) Any Sworn Safety Member who becomes a County Employee of the County of San Luis Obispo on or after November 13, 2011 and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 15 or 16. (11-08-2011)
- (e) Any Non-Sworn Safety Member who becomes a County Employee of the County of San Luis Obispo on or after December 25, 2011, and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 6 or County Bargaining Unit 7. (12-13-2011)
- (f) Any Sworn Safety Member who becomes a County Employee of the County of San Luis Obispo on or after November 13, 2011 and who has never been a County Employee of the County of San Luis Obispo prior to said date and who is employed in County Bargaining Unit 10. (11-08-2011)
- (g) Any Non-Sworn Safety Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after September 4, 2011 and who is employed in County Bargaining Unit 3 or 14, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 28.01 (g) elects to redeposit an amount equal to all of his or her previously

withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after September 4, 2011, shall be subject to the provisions of this Article 28. (08-23-2011)

- (h) Any Non-Sworn Safety Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after November 13, 2011, and who is employed in County Bargaining Unit 15, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 28.01 (h) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after November 13, 2011, shall be subject to the provisions of this Article 28. (11-08-2011)
- (i) Any Sworn Safety Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after June 24, 2012, and who is employed in County Bargaining Unit 27 or 28, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 28.01 (i) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after June 24, 2012 shall be subject to the provisions of this Article 28. (6-19-2012)
- (j) Any Sworn Safety Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after November 13, 2011, and who is employed in County Bargaining Unit 15 or 16, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 28.01 (j) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after November 13, 2011, shall be subject to the provisions of this Article 28. (11-08-2011)

(k) Any Non-Sworn Safety Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after December 25, 2011, and who is employed in County Bargaining Unit 6 or 7, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 28.01 (k) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after December 25, 2011, shall be subject to the provisions of this Article 28.(12-13-2011)

(l) Any Sworn Safety Member who had ceased to be a Member and a County Employee and who had withdrawn his or her Accumulated Contributions, and who later resumes County Employment with the County of San Luis Obispo on or after November 13, 2011, and who is employed in County Bargaining Unit 10, as to all Pension Trust Service Credit (PTSC) accrued on or after said date. If the Member described in this Section 28.01 (j) elects to redeposit an amount equal to all of his or her previously withdrawn Accumulated Normal Contributions, plus regular interest thereon to the date of the redeposit, his or her previous PTSC shall be recognized for purposes of this Retirement Plan and shall be subject to and administered in accordance with the benefit provisions under which said PTSC was originally accrued. Provided however, that PTSC accrued as a result of the Member's resumption of County Employment with the County of San Luis Obispo on or after November 13, 2011, shall be subject to the provisions of this Article 28. (11/08/2011)

(m) Any Sworn or Non-Sworn Safety Member who became a Reserve Participant prior to the applicable date as determined by County Bargaining Unit below and then resumes County Employment and again becomes a member of this Plan after the applicable date as determined by County Bargaining Unit below:

September 4, 2011: County Bargaining Units 3 or 14  
November 13, 2011: County Bargaining Unit 10, 15 or 16  
December 25, 2011: County Bargaining Units 6 or 7  
June 24, 2012: County Bargaining Units 27 or 28

- a. Upon retirement, his or her retirement allowance shall be determined as follows:
- i. For PTSC accrued prior to the Member becoming a Reserve Participant, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after the Member resumes County employment, his or her allowance shall be determined in accordance with the provisions of this Article 28.

(n) Any Non-Sworn Safety Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after December 25, 2011, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in

**Comment [CW68]:** Subsection added to clarify, consistent with existing practice and interpretation, that Tier 2 applies to Tier 1 Reserve Members who left County service before Tier 2 was applicable but then reinstate after the applicable date.

County Bargaining Unit 6 or 7 as to all Pension Trust Service Credit accrued on or after said date subject to the following:

- a. Upon subsequent retirement, his or her retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before December 25, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after December 25, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 28 (12-13-2011)

~~(m)~~(o) Any Non-Sworn Safety Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after September 4, 2011 and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 3, or 14 as to all Pension Trust Service Credit accrued on or after said date subject to the following:

- a. Upon subsequent retirement, his or her retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before September 4, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after September 4, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 28. (08-23-2011)

~~(n)~~(p) Any Non-Sworn Safety Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after November 13, 2011, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 15, upon subsequent retirement, said His or her retirement allowance shall be determined as follows:

- i. For PTSC accrued prior to the Member's original Retirement Effective Date before November 13, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
- ii. For PTSC accrued after Reinstatement from Retirement on or after November 13, 2011 his or her allowance shall be determined in accordance with the provisions of this Article 28.(11-08-2011)

~~(o)~~(q) Any Sworn Safety Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after June 24, 2012 and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 27 or 28 as to all Pension Trust Service Credit accrued on or after said date subject to the following:

- a. Upon subsequent retirement, his or her retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before June 24, 2012, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after June 24, 2012, his or her allowance shall be determined in accordance with the provisions of this Article 28. (6-19-2012)
- b. Any Sworn Safety Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after November 13, 2011, and who upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 10, upon subsequent retirement, his or her retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before November 13, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after November 13, 2011, his or her allowance shall be determined in accordance with the provisions of this Article 28.

~~(p)~~(r) Any Sworn Safety Member who reinstates from retirement pursuant to Article 11 of this Retirement Plan on or after November 13, 2011 and who, upon reinstatement, resumes County Employment with the County of San Luis Obispo in County Bargaining Unit 15 or 16 as to all Pension Trust Service Credit accrued on or after said date subject to the following:

- a. Upon subsequent retirement, said Member's retirement allowance shall be determined as follows:
  - i. For PTSC accrued prior to the Member's original Retirement Effective Date before November 13, 2011, his or her allowance shall be determined in accordance with the provisions of Article 6.
  - ii. For PTSC accrued after Reinstatement from Retirement on or after November 13, 2011 his or her allowance shall be determined in accordance with the provisions of this Article 28. (11-08-2011)

~~(p)~~(s) Sworn Safety Members and Non-Sworn Safety Members and/or Reserve Participants who are subject to this Article 28 are sometimes referred to herein as Tier Two Safety Members and /or Tier Two Safety Reserve Participants.

~~(p)~~(t) Tier Two Safety Reserve Participant means a person who was formerly a Tier Two Sworn Safety Member or Tier Two Non-Sworn Safety Member and whose County

Employment or term of office was terminated for any reason other than death or retirement and who elected at time of termination to leave his or her accumulated contributions on deposit with the Pension Trust and who subsequently:

- a. Becomes a Tier Two Non-Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 3 or 14 on or after September 4, 2011; or
- b. Becomes a Tier Two Non-Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 3 or 14 on or after September 4, 2011 and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan. (08-23-2011)
- c. Becomes a Tier Two Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 27 or 28 on or after June 24, 2012; or
- d. Becomes a Tier Two Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 27 or 28 on or after June 24, 2012 and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan. (06-19-2012).
- e. Becomes a Tier Two Non-Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 15 on or after November 13, 2011; or
- f. Becomes a Tier Two Non-Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 15 on or after November 13, 2011 and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan. (11-08-2011)
- g. Becomes a Tier Two Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 15 or 16 on or after November 13, 2011; or
- h. Becomes a Tier Two Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 15 or 16 on or after November 13, 2011 and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan. (11-08-2011)
- i. Becomes a Tier Two Non-Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 6 or 7 on or after, 2011; or Becomes a Tier Two Safety Member employed by the County of San Luis Obispo in Bargaining Unit 6 or 7 on or after December 25, 2011; or
- j. Becomes a Tier Two Non-Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 6 or 7 on or after December 25, 2011, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan. (12-13-2011)
- k. Becomes a Tier Two Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 10 on or after November 13, 2011; or

1. Becomes a Tier Two Sworn Safety Member employed by the County of San Luis Obispo in Bargaining Unit 10 on or after November 13, 2011, and then becomes a Member of a reciprocal system under the provisions of Article 20 of this Plan.(11-08-2011)

(u) A Tier Two Safety Reserve Participant is entitled to a service retirement allowance after he or she reaches the age at which he or she would be eligible for the service retirement allowance, except that a Tier Two Safety Reserve Participant shall not be entitled to the minimum retirement allowance provided by Section 6.05 of this Retirement Plan. The service retirement allowance of a Tier Two Safety Reserve Participant, shall be based on his or her Pension Trust Service Credit and Tier Two Final Compensation prior to his or her termination from County Employment. A Tier Two Safety Reserve Participant may, before applying for retirement, withdraw his or her accumulated contributions in lieu of any and all other rights and benefits he or she may be entitled to under this Retirement Plan and shall then cease to have any membership affiliation with the Pension Trust. A Tier Two Safety Reserve Participant is not entitled to any disability retirement allowance under this Retirement Plan except as provided in Article 20 of this Retirement Plan.

## ARTICLE 29: TIER THREE - AB 340: MISCELLANEOUS

**Section 29.03.5 Limitation on Tier 3 AB-340 Pensionable Compensation:** The Tier 3 AB-340 Pensionable Compensation used to determine Tier Three AB-340 Compensation earnable and Tier Three AB-340 Final Compensation shall not exceed one hundred percent of the contribution and benefit base specified in Section 403(b)430(b) of Title 42 of the United States Code on January 1, 2013. The Board of Trustees shall adjust the Tier Three AB-340 Pensionable Compensation limit following each actuarial valuation based on changes to the Consumer Price Index for All Urban Consumers. The adjustment shall be effective annually following the annual actuarial valuation.

**Comment [CW69]:** Correct Internal Revenue Code reference.

## ARTICLE 30: TIER THREE – AB 340: SAFETY

No changes in this Article.

## ARTICLE 31: TIER THREE – AB 340: PROBATION OFFICER

**Section 31.11: Normal Rate of Contribution for Tier Three AB-340 ~~Safety-Probation~~ Members.** Effective January 1, 2013, and continuing thereafter in the absence of affirmative contrary action by the Board of Supervisors, the normal rates of contribution for Tier Three AB - 340 Probation Officer Members shall be those set forth in “Appendix C: Probation Members Contribution Rates Tier 3 – AB340” hereof.

**Comment [CW70]:** Corrected title to reflect subject matter of section.

**Section 31.21 Disposition of Retirement Allowance on Reinstatement from Disability Retirement.-**

If a recipient of a Disability Retirement Allowance is reinstated from retirement and becomes employed by the County Employer on or after January 1, 2013, his or her Disability Retirement Allowance shall be canceled and he or she shall immediately become a Tier ~~Two-Three~~ Probation Officer Member of the Pension Trust. His or her individual account shall be credited with an amount which is the actuarial equivalent of his or her annuity at that time, but not

**Comment [CW71]:** Tier reference corrected to refer to Tier 3 as no Tier 2 was negotiated for Probation members.

exceeding the amount of his or her accumulated contributions at the time of his or her retirement for disability. He or she shall receive credit for service that is on or after January 1, 2013 in the same manner as though he or she had never been retired for disability.

**Section 31.22 Accrual of Retirement Allowance after Reinstatement.** When a Retired Participant is reinstated from retirement under Section ~~30-1831.18~~, his or her future rate of contribution shall be fixed as of the date of his or her reinstatement and his or her retirement allowance upon subsequent retirement shall be determined in accordance with the provisions of Article 31.

**Section 31.27 Other Provisions.** Unless otherwise set forth in this Article ~~3031~~, all other provisions of the Retirement Plan applicable to Safety Members shall apply to Tier Three Safety Members and Tier Three Retired Participants.

**Comment [CW72]:** Correct Article number.

**Section 31.29 Contract Agency Participation in Tier Three-AB 340 Probation Officer:**

Pursuant to the provisions of AB 340 the provisions of this Article ~~3031~~ Tier Three AB-340 Probation Officer shall apply to any local agency within the County of San Luis Obispo that is a contracting local agency pursuant to Article 25 of the Retirement Plan on or after January 1, 2013.

**Comment [CW73]:** Correct Article number.

(12-18-2012)