

ORDINANCE NO. 249 N. S.

AN ORDINANCE CREATING A RETIREMENT PROGRAM FOR THE EMPLOYEES OF  
THE CITY OF EL PASO DE ROBLES

WHEREAS, the City Council of the City of El Paso de Robles after adequate investigation and study deems it to be to the best interests of the City of El Paso de Robles and of the employees thereof, that a retirement plan or system for the employees of said City be adopted under which contributions shall be made by the employees and the City of El Paso de Robles which contributions shall be utilized to procure from such insurance company, as may be selected from time to time by said City, annuities for and to be paid to the employees who may become eligible thereto under the system upon and during their retirement as hereinafter set forth.

NOW, THEREFORE, the City Council of the City of El Paso de Robles does ordain as follows:

SECTION 1: CREATION OF THE PLAN

A Retirement Plan effective January 1, 1962, for the employees of the City of El Paso de Robles is hereby created and established. Said Plan contemplates withholding a certain percentage from the employees' compensation and contributions by the City of El Paso de Robles to provide the funds necessary to operate the Plan and establishment of certain past and future service credits from which the employee shall receive upon retirement an annuity, which said fund is to be deposited with an insurance company under an agreement to hold the same and to pay to the employees, retirement payments in accordance with this Plan.

SECTION 2: ELIGIBILITY

As used in this ordinance the words "eligible employee" shall also include the City Clerk, City Attorney and City Treasurer.

Each employee is eligible to enter the plan on January 1 next following completion of the following requirements:

- (a) Must have completed 12 months continuous full time service as an employee of the City of El Paso de Robles, and attained age 21 years.

(b) Must not have attained age 55. This does not apply to those who were employees of the City of El Paso de Robles on original effective date of the Plan.

(c) Must have 10 years credited employment prior to normal retirement date.

Employees who do not elect to join the Plan when first eligible may do so on the first day of any calendar year thereafter, but must forfeit all past service credit.

#### SECTION 3.1: NORMAL RETIREMENT DATE

The employees Normal Retirement Date is the first day of the calendar month next following the date when age sixty-five was attained.

For an employee who has reached age 56 or over on the effective date of the Plan, his Normal Retirement Date shall be the first day of the month following completion of 10 years coverage, or age 70, whichever is earlier.

#### SECTION 3.2: EARLY RETIREMENT

An employee, upon written request, and with consent of the City Council, may retire on the first day of any calendar month within the ten year period prior to his Normal Retirement Date on an actuarially reduced income for his vested interest, provided adequate funds have been deposited with the Insurance Company to procure these benefits.

#### SECTION 3.3: LATER RETIREMENT

An employee, upon written request, and with consent of the City Council, may be allowed to postpone his retirement under mutually agreed conditions. The employee's retirement income will be the same amount as if he had retired at the Normal Retirement Date but no further contributions will be made by the employee.

#### SECTION 4.1: RETIREMENT BENEFIT

The amount of retirement income available to each eligible employee on the Normal Retirement Date, for as long as he shall live after retirement shall be as provided in the contract with the insurance company. Such contract may be amended, from time to time, or contributions by the City to help Fund the Plan may be postponed, or the whole Plan discontinued by the action of future Councils of this City.

SECTION 4.2: NORMAL FORM OF ANNUITY

Upon retirement a certificate shall be issued by the Insurance Company stating the monthly annuity payments that will be paid during the lifetime of the employee, providing this Plan is still in operation at the time of such retirement.

SECTION 4.3: OPTIONAL FORMS OF ANNUITY

The qualified employee may elect one of the options as set forth in the agreement between this City and the Insurance Company, providing such election is made by written request to the Insurance Company prior to retirement date.

SECTION 5.1: TERMINATION OF EMPLOYMENT

If an employee's employment is terminated before the employee has met the vesting requirements as set forth in SECTION 5.2 herein, the employee's total deposit plus compound interest at the rate of 3% per annum will be returned to the employee.

SECTION 5.2: VESTING

An eligible employee who has completed ten or more years of continuous service, five years of which were as a participant under the plan, and has attained the age of 50 years shall be entitled to 50% vesting of his service credits; and shall be entitled to an additional 10% vesting credit on each subsequent Plan anniversary, until 100% of such service credit is reached.

SECTION 6: DEATH BENEFIT

Should an employee die prior to retirement date, the beneficiary will receive the total amount of the employee's deposit plus compound interest at the rate of 3% per annum and from the end of the year in which they were last made until the first of the month in which the employee dies.

Should an employee die after retirement but prior to having received an annuity payment purchased by the employee's deposits the total amount of the employee's deposits plus compound interest at the rate of 3% per annum and from the end of the year in which they were last made until the retirement date, then the employee's beneficiary will receive the balance as a lump sum death benefit.

SECTION 7: ASSIGNABLE BENEFITS

The retirement benefits may not be assigned, and are not subject to execution garnishment, attachment or other legal process of creditors.

SECTION 8: CONTRIBUTIONS

Each employee who elects to participate in the Plan shall contribute to the Fund for deposit with the Insurance Company 4% of the first \$400.00 of each regular monthly compensation plus 6% of such amounts in excess of \$400.00; and such contribution will be withheld from his compensation.

The City of El Paso de Robles will contribute for deposit with the Insurance Company such funds, not exceeding 5% of the total City pay rolls, as the City Council may from time to time determine.

SECTION 9: AUTHORIZATION

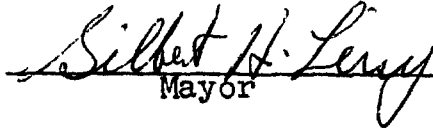
The Mayor and the City Clerk of the City of El Paso de Robles are hereby authorized on behalf of the City Council to enter into a contract with the Pacific Mutual Life Insurance Company, or other insurance company, in order to establish and to fund retirement benefits, and to make retirement payments as called for in this Ordinance.

SECTION 10: TERMINATION

The City Council of the City of El Paso de Robles reserves the privilege of amending the retirement program, and amending any contract with any insurance company, and further reserves the privilege of terminating the Retirement Plan. Anything to the contrary notwithstanding, no future action of the City Council of this City shall operate to reduce or to cancel any rights of employees of this City which shall accrue under the Plan prior to such amendment or cancellation; or to revest in this City any part of the principal or income of the Fund; or to divert any part of the assets of the Fund for a purpose other than the exclusive benefit of employees or former employees of the City as their rights may be determined

under the Plan. In the event of termination of the Plan, all contributions whether made by the employee or by the City shall immediately vest in the employee.

PASSED and ADOPTED this 18<sup>th</sup> day of December, 1961.

  
Mayor

ATTEST:

  
City Clerk

STATE OF CALIFORNIA  
COUNTY OF SAN LUIS OBISPO  
CITY OF EL PASO DE ROBLES

} SS.


I, S. S. Tucker, City Clerk of the City of El Paso de Robles, California, do hereby certify that the foregoing ORDINANCE No. 249, N.S. was duly and regularly adopted, passed, and approved by the City Council of the City of El Paso de Robles, California, at a regular meeting of said City Council held at the regular meeting place thereof, on the 18th day, of December 1961, by the following vote:

AYES: Councilmen Blake, Galba, Leisy, Mandella and Poe

NOES: Councilmen None

ABSENT: Councilmen None

Dated this 18th day of December, 19 61

  
City Clerk and Ex-Officio Clerk of the City Council,  
City of El Paso de Robles, State of California.