

## **ATTACHMENT 5**

### **CLASSIFICATION OF OPTIONAL BENEFITS AVAILABLE IN RISK POOLS**

Below is the list of the available optional benefit provisions and their initial classification upon establishment of risk pools. When new benefits become available as a result of legislation, the Chief Actuary will determine their classification in accordance with the criteria established in the Board policy.

#### **CLASS 1**

The following benefits shall be classified as Class 1:

- One year final average compensation (Section 20042)
- Post Retirement Survivor Allowance (Sections 21624, 21626, 21628)
  - Members subject to the Modified formula are subject to **25%** post-retirement survivor allowance while members subject to the Full or Supplemental formula are subject to **50%** post-retirement survivor allowance.
- Cost-of-Living Adjustment (COLA) (Section 21335)
  - 3%, 4% or 5% COLA are available choices
- Industrial disability retirement for local miscellaneous members (Section 21151)
- Increased industrial disability allowance to 75% of final compensation (Section 21428)
- Improved industrial disability allowance for local safety members (Section 21430)
- Alternate death benefit for local fire members credited with 20 or more years of service (Section 21547.7)
- Employees sharing cost of additional benefits (Section 20516)
- Employee contribution rate for CSUC auxiliary organizations reduced to State member level (Section 20680)
- Employer paid member contribution converted to pay rate during the final compensation period (Section 20692)
- Other Retirement Formula
  - 1.25% at 65 miscellaneous formula (Section 21076) – Not available anymore
  - ½ @ 55 safety formula (Section 21366) – Not available anymore
  - 2.5% @ 55 safety formula (Section 21363) - Not available anymore

#### **CLASS 2**

The following benefits shall be classified as Class 2:

- One-time 1% to 6% Ad Hoc COLA Increases for members who retired or died prior to January 1, 1998 (Section 21328)
- “Golden Handshakes” – Section 20903 Two Years Additional Service Credit
- Credit for Prior Service Paid for by the Employer
  - Military Service Credit (Section 20996)
  - Prior Service Credit for Employees of an Assumed Agency Function (Section 20936)
  - Limit Prior Service to Members Employed on Contract Date (Section 20938)

**CLASS 3**

The following benefits shall be classified as Class 3:

- Full formula plus Social Security (Section 20515)
- Post Retirement Lump Sum Death Benefit
  - \$600 lump sum retired death benefit (Section 21622)
  - \$2,000 lump sum retired death benefit (Section 21623.5)
  - \$3,000 lump sum retired death benefit (Section 21623.5)
  - \$4,000 lump sum retired death benefit (Section 21623.5)
  - \$5,000 lump sum retired death benefit (Section 21623.5)
- Improved non-industrial disability allowance (Section 21427)
- Special death benefit for local miscellaneous members (Section 21540.5)
- Service Credit Purchased by Member
  - Public Service for Peace Corps or America Corps: VISTA Service (Section 21023.5 )
  - Public Service Credit for Employees of an Assumed Agency or Function (Section 21025)
  - Public Service Credit for Limited Prior Service (Section 21031)
- Partial Service Retirement (Section 21118)
- Optional Membership for Part Time Employees (Section 20325)
- Extension of Reciprocity Rights for Elective Officers (Section 20356)
- Removal of Contract Exclusions Prospectively Only (Section 20503)