



California Public Employees' Retirement System
Judges' Retirement System
P O Box 942705
Sacramento, CA 94229-2705
TTY (916) 795-3240
(916) 795-3688 phone (916) 795-1500 fax
www.calpers.ca.gov



May 4, 2011

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CERTIFIED MAIL – Return Receipt Requested
The Honorable Paul Mast (Ret)



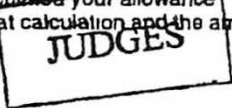
Dear Judge Mast

This is in response to your letter of September 1, 2010, in which you continue to disagree with our calculations of your retirement allowance

The Settlement Agreement you signed on October 8, 1996, provided for the Judges' Retirement System (JRS) to calculate your allowance based on the definition in former Government Code (GC) section 68203 and based on the compensation you were entitled to on the date of your retirement, pursuant to Olson v Cory (1980), 27 Cal 3d 532. We have complied with the terms of the Settlement Agreement and have calculated your retirement allowance based on the following:

1. The salary of a Municipal Court Judge as of January 15, 1979, under GC section 68203, prior to the amendment on January 1, 1977, which was \$51,193, or a monthly salary of \$4,266.08. We previously provided documentation that confirmed that this was the judicial salary of a Municipal Court Judge under GC section 68203, prior to the amendment on January 1, 1977, using the full CPI increase. This salary does reflect the higher of the two salaries that were paid to Municipal Court judges as of January 15, 1979.
2. Cost-of-living adjustments (COLA) have been applied to your current allowance consistent with the full CPI increase applied to judicial salaries prior to January 1, 1977. We confirmed that all COLA increases to judicial salaries prior to the amendment in GC section 68203 on January 1, 1977, were based upon the California Consumer Price Index, Urban Wage Earners (CCPI-W). The change to the index was measured from December to December and the increase was applied the following September 1st.

When you received your first retirement allowance effective May 28, 1995, you were paid a percentage of the active judicial salary in effect at that time. In October 1996, the Settlement Agreement was signed and JRS staff recalculated your allowance. However, there was a substantial error made during that calculation and the amount paid to you was incorrect.



JRS-A 000341



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In calculating the COLA for September 1987, JRS staff inadvertently applied a 9% COLA to the salary, instead of the actual 1 9% COLA¹, resulting in a 7% increase to salary that should not have been applied. Over the years, this error resulted in an overpayment to you totaling approximately \$94,304.19.

Your current monthly allowance of \$7,438.09 is correct based on the terms of the 1996 Settlement Agreement. GC section 20160 (b) requires that we correct all errors made by the System. JRS cannot pay you based on an erroneous amount calculated in error by JRS staff in 1996. Therefore, we are denying your request for additional increases to your monthly allowance and your request for a lump sum payment of unpaid retirement allowance and interest.

You have the right to file an appeal of this determination. An appeal, if filed, must be sent in writing to the above address within 30 days of the mailing of this letter in accordance with sections 555-555.4, Title 2, California Code of Regulations (enclosed). The appeal should set forth the factual basis and the legal authorities for such appeal.

If you file an appeal, the CalPERS Legal Office will contact you and handle all further requests for information.

Sincerely,


Pamela Montgomery, Manager
Judges' Retirement System

JUDGES

¹ Based on CPI-U used for Legislators' Retirement System allowances