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ORDINANCE No. 115460

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COUNCIL BILL No. 108366

AN ORDINANCE authorizing an agreement with the cities of Spokane and Tacoma for portability of benefits between retirement systems, specifying the terms and conditions, and adding a new section 4.36.390 to the Seattle Municipal Code therefor.

Law Department

The City of Seattle--Legislative

REPORT OF COMMITTEE

Honorable President:

Your Committee on

Finance

to which was referred the within Council Bill No. 108366 report that we have considered the same and respectfully recommend

PASS 2-

Full Council Vote 9-0

Committee Chair

COMPTROLLER FILE No.

Introduced: NOV 26 1990	By: SIBONGA
Referred: NOV 26 1990	To: Finance, Budget and Management
Referred:	To:
Referred:	To:
Reported: DEC 10 1990	Second Reading: DEC 10 1990
Third Reading: DEC 10 1990	Signed: DEC 10 1990
Presented to Mayor:	Approved: DEC 18 1990
Returned to City Clerk: DEC 10 1990	Published:
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:



Law Department

The City of Seattle--Legislative Department

Date Reported
and Adopted

REPORT OF COMMITTEE

Honorable President:

Your Committee on FINANCE

to which was referred the within Council Bill No. 108766
report that we have considered the same and respectfully recommend that the same:

PASS 2-0 12/5/24

Full Council Vote 9-0

Committee Chair

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OK

JGB:bjw
August 20, 1990
[Retir-sys.Ord]

ORDINANCE 115460

AN ORDINANCE authorizing an agreement with the cities of Spokane and Tacoma for portability of benefits between retirement systems, specifying the terms and conditions, and adding a new section 4.36.390 to the Seattle Municipal Code therefor.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. There is added to Seattle Municipal Code Chapter 4.36 a new section 4.36.390 as follows:

4.36.390 Agreement for Portability of Retirement Benefits; terms

The Board of Administration of the City Employees' Retirement System is authorized to contract with the Board of Administration of the Tacoma Employees' Retirement System and/or Board of Administration of the Spokane Employees' Retirement System (each called a "participating system") for the portability of retirement benefits of employees, who are also members of the retirement systems of the cities of Tacoma and Spokane, respectively.

The following terms and conditions shall apply in addition to such other requirements as may be established by rule of the Board or the agreement with participating systems:

1) The member must be in the active service of a participating system on or after the effective date of the Board's agreement for portability; a member retired from any of the three systems on the effective date of this ordinance is not eligible.

2) Creditable service may accrue in only one participating system at a time. A member, who leaves city employment to enter military service, may only receive creditable service for his or her military service in one of the participating systems according to its rules.

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE IT IS DUE TO THE QUALITY OF THE DOCUMENT.

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2 3) A member may combine service credit in two or more
3 participating systems for the sole purpose of determining the
4 member's eligibility to receive a service retirement
5 allowance, but the member may not aggregate service credit in
6 two or more retirement systems for the purpose of determining
7 the percentage factor to be used in calculating a service
8 retirement allowance.

9 4) A member of two or more participating systems, who
10 is eligible to retire under any system, may elect to retire
11 from all the member's systems and to receive a service
12 retirement allowance. Each participating system shall
13 calculate the allowance using its own criteria except that the
14 member shall be allowed to use the member's "base salary,"
15 from any participating system as the compensation used in
16 calculating the allowance. "Base salary" means the salary or
17 wages used by the participating system during a payroll period
18 for making contributions to the system by its members
19 generally. It includes salary or wages paid for personal
20 services and wages and salary deferred under the provisions of
21 the United States Internal Revenue Code. It excludes overtime
22 payments (except as to service for the City of Spokane), non-
23 money maintenance compensation, and lump sum payments for
24 deferred annual leave, unused accumulated vacation, unused
25 accumulated annual leave, any form of severance pay, any bonus
26 for voluntary retirement, any other form of leave, or any
27 similar lump sum payment.

28 5) The retirement allowances shall be paid separately
by each participating system. Post-retirement adjustments, if
any, shall be based on the payments made by each participating
system to the member.

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2 6) The total retirement allowances provided through
3 portability of benefits shall not be less than the benefits
4 payable by each participating system were there no
5 portability.

6 7) A participating system may pay a member of two or
7 more systems a lump sum in lieu of a monthly benefit if the
8 initial monthly benefit would be less than fifty dollars.

9 8) If a member of two or more participating systems
10 dies in service in any system, the surviving spouse shall
11 receive the same benefit from each system that would have been
12 received if the member were active in the system at the time
13 of his or her death based on service actually established in
14 that system.

15 9) The terms and conditions of the Board's agreement
16 with the board of a participating system both establishes and
17 limits the portability of benefits provided. The Board's
18 agreements may be amended from time to time or supplemented by
19 an agreement with the State of Washington for portability with
20 State retirement systems. If the Board amends its agreement
21 with the board of a participating system or makes
22 modifications to provide portability with State systems, the
23 rights, terms and conditions for portability are subject to
24 amendment or abolition at any time before a member retires.

25 10) A member, who (a) earned retirement credit for
26 service in a participating system, (b) withdrew his or her
27 contributions from that system, (c) lost service credit by
28 making the withdrawal, and (d) is now an active member of
another participating system, may restore his or her prior
service credit in the participating system of his or her
former municipal employer by redepositing an amount determined
by the system Board within one year after the effective date

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of this agreement. The amount shall be measured by the accumulated contributions withdrawn plus compound interest which would have accumulated on the withdrawn contributions from the date of withdrawal until the date of his or her redeposit.

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(To be used for all Ordinances except Emergency.)

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Section 2... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 10th day of December, 1990, and signed by me in open session in authentication of its passage this 10th day of December, 1990. *Cliff Braddock* President of the City Council.

Approved by me this 18th day of December, 1990. *Howard B. Rice* Mayor.

Filed by me this 18th day of December, 1990.

Attest: *Howard J. Brooks* City Comptroller and City Clerk.

By: *Margaret Carter* Deputy Clerk.

(SEAL)

Published _____

PUBLISH DO NOT PUBLISH
CITY ATTORNEY _____

CS 8.1.8

Your
Seattle
City Employees' Retirement System



Board of Administration
Roger A. Howeiler, Executive Director

848027

RECEIVED OMB

NOV 14 1990

October 30, 1990

Andrew J. Lofton, Director
Office of Management and Budget
City of Seattle

Dear Mr. Lofton:

Attached is an ordinance request which authorizes an agreement with the Cities of Spokane and Tocoma for portability of benefits between retirement systems. Our actuaries, Milliman and Robertson, Inc., have estimated the cost associated with this portability to be from .01% to .02% of covered payroll. Due to the immaterial amount our actuaries have recommended no change in the retirement contribution rate when the ordinance is enacted.

Please forward the proposed legislation to Councilman Kraebel.

Very truly yours,

BOARD OF ADMINISTRATION

By Roger A. Howeiler

Roger A. Howeiler
Executive Director

RAH/zm

Enclosure

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**Your
Seattle
City Employees' Retirement System**



Board of Administration
Roger A. Howeler, Executive Director

October 30, 1990

Paul Kraabel, President
Seattle City Council

Dear Councilman Kraabel:

The Board of Administration of the Seattle City Employees' Retirement System respectfully requests the passage of an ordinance which would authorize an agreement with the Cities of Spokane and Tacoma for portability of benefits between the retirement systems. Our actuaries, Milliman and Robertson, Inc., have estimated the costs associated with this portability to be from .01% to .02% of covered payroll. Due to the immaterial amount our actuaries have recommended no change in the retirement contribution rate when this ordinance is enacted.

Attached is a copy of the proposed legislation.

Very truly yours,

BOARD OF ADMINISTRATION

By Roger A. Howeler

Roger A. Howeler
Executive Director

RAH/m

Enclosure

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STATE OF WASHINGTON - KING COUNTY

33097
City of Seattle

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No.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

ORD: 115460

was published on
12/27/90

The amount of the fee charged for the foregoing publication is the sum of \$ _____, which amount has been paid in full.

M Skjeter

Subscribed and sworn to before me on

DEC 27 1990

Sheila R Vanderone

Notary Public for the State of Washington,
residing in Seattle

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City of Seattle

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- 2) Creditable service may accrue in only one participating system at a time. A member, who leaves city employment to enter military service, may only receive creditable service for his or her military service in one of the participating systems according to its rules.
- 3) A member may combine service credit in two or more participating systems for the sole purpose of determining the member's eligibility to receive a service retirement allowance, but the member may not aggregate service credit in two or more retirement systems for the purpose of determining the percentage factor to be used in calculating a service retirement allowance.
- 4) A member of two or more participating systems, who is eligible to retire under any system, may elect to retire from all the member's systems and to receive a service retirement allowance. Each participating system shall calculate the allowance using its own criteria except that the member shall be allowed to use the member's "base salary," from any participating system as the compensation used in calculating the allowance. "Base salary" means the salary or wages used by the participating system during a payroll period for making contributions to the system by its members generally. It includes salary or wages paid for personal services and wages and salary deferred under the provisions of the United States Internal Revenue Code. It excludes overtime payments (except as to service for the City of Spokane), non-

money maintenance compensation, and lump sum payments for deferred annual leave, unused accumulated vacation, unused accumulated annual leave, any form of severance pay, any bonus for voluntary retirement, any other form of leave, or any similar lump sum payment.

5) The retirement allowances shall be paid separately by each participating system. Post-retirement adjustments, if any, shall be based on the payments made by each participating system to the member.

6) The total retirement allowances provided through portability of benefits shall not be less than the benefits payable by each participating system were there no portability.

7) A participating system may pay a member of two or more systems a lump sum in lieu of a monthly benefit if the initial monthly benefit would be less than fifty dollars.

8) If a member of two or more participating systems dies in service in any system, the surviving spouse shall receive the same benefit from each system that would have been received if the member were active in the system at the time of his or her death based on service actually established in that system.

9) The terms and conditions of the Board's agreement with the board of a participating system both establishes and limits the portability of benefits provided. The Board's agreements may be amended from time to time or supplemented by an agreement with the State of Washington for portability with State retirement systems. If the Board amends its agreement with the board of a participating system or makes modifications to provide portability with State systems, the rights, terms and conditions for portability are subject to amendment or abolition at any time before a member retires.

10) A member, who (a) earned retirement credit for service in a participating system, (b) withdrew his or her contributions from that system, (c) lost service credit by making the withdrawal, and (d) is now an active member of another participating system, may restore his or her prior service credit in the participating system of his or her former municipal employer by redepositing an amount determined by the system Board within one year after the effective date of this agreement. The amount shall be measured by the accumulated contributions withdrawn plus compound interest which would have accumulated on the withdrawn contributions from the date of withdrawal until the date of his or her redeposit.

Section 2. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor, otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 10th day of December, 1990, and signed by me in open session in authentication of its passage this 10th day of December, 1990.

PAUL KRAABEL,
President of the City Council,
Approved by me this 18th day of December, 1990.
NORMAN B. RICE,
Mayor.

Filed by me this 18th day of December, 1990.
Attest: NORWARD J. BROOKS,
City Comptroller and City Clerk.

(Seal) By MARGARET CARTER,
Deputy Clerk.
Publication ordered by NORWARD J. BROOKS, Comptroller and City Clerk.
Date of official publication in Daily Journal of Commerce, Seattle, December 27,
1990. 12/27(35987)

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TIME AND DATE STAMP

SPONSORSHIP

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY
THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

Adrian Sitonga

FOR CITY COUNCIL PRESIDENT USE ONLY

COMMITTEE(S) REFERRED TO:

PRESIDENT'S SIGNATURE

C S 20 7A

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