

FINANCE No. 117216

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COUNCIL BILL No. 110199

# The City of Seattle--Legis

FINANCE relating to the Firefighters' Pension Fund, establishing City policy with respect to funding pension liabilities pursuant to a request of the Firefighters' Pension Board.

## REPORT OF COMMITTEE

Honorable President:

Your Committee on Business and

to which was referred the within Council Bill No. 110199 report that we have considered the same and respectfully recom

Do Approve 3-0

Full Council Vote

COUNCIL FILE No. \_\_\_\_\_

1-94	By: <u>Drago</u>
1-94	To: <u>Bus &amp; Labor</u>
	To:
	To:
JUL 11 1994	Second Reading: JUL 11 1994
JUL 11 1994	Signed: JUL 11 1994
JUL 12 1994	Approved: JUL 14 1994
JUL 15 1994	Published:
	Veto Published:
	Veto Sustained:

*Jan Drago*

Committee Chair

no

# The City of Seattle--Legislative Department

## REPORT OF COMMITTEE

Date Reported  
and Adopted

7/6/9

Honorable President:

Your Committee on

*Business and Labor*

to which was referred the within Council Bill No.

*110199*

report that we have considered the same and respectfully recommend that the same:

*Do <sup>Pass</sup> Approve 3-0*

*Full Council Vote 8-0*

*Jan Dege*

Committee Chair

4 ORDINANCE 117216

5 AN ORDINANCE relating to the Firefighters' Pension Fund, estab-  
6 lishing City policy with respect to funding pension liabilities  
7 pursuant to a request of the Firefighters' Pension Board.

8 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

9 Section 1. As requested by the Firefighters' Pension Board,  
10 the following Policy is adopted with respect to the Firefighters'  
11 Pension Fund (the "Fund"):

12 A. Beginning in 1995, the City will place in a separate  
13 "Actuarial Account" within the Fund each year an amount which is  
14 sufficient to fully amortize as described below the estimated  
15 remaining pension liabilities of the Fund by December 31, 2019.  
16 Specifically, the City's contribution to the Actuarial Account each  
17 budget year beginning in 1995 and continuing through 2019 shall be  
18 the "level dollar amount," which is the actuarially determined  
19 contribution necessary to pay the annual projected pension benefits  
20 and to accumulate by December 31, 2019, sufficient funds to pay the  
21 "remaining pension liabilities." The remaining pension liabilities  
22 are the actuarially determined future pension benefits payable after  
23 2019 for all members of the Fund and their beneficiaries that will  
24 not be paid by the LEOFF System. The amortization period may begin  
25 in 1994 and be completed in 2018 if the condition set forth in  
26 paragraph 2(i) occurs.

27 B. Based on 1994 actuarial projections, it is anticipated  
28 that the level dollar amount will generally exceed the projected  
29 pension payments.

30 C. The level dollar amount shall be placed in the Actuarial  
31 Account during the year as the City receives property tax receipts  
32 and fire insurance premium tax revenues. The City will invest those  
33 funds in the Actuarial Account which are not used to pay pension  
the earnings pro rata.

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1 D. In the event that the level dollar amount does not cover  
2 that year's "actual pension benefits," which are those pension  
3 benefits that are not paid by the LEOFF system, the City shall pay  
4 an "additional sum." The "additional sum" is the amount necessary  
5 to pay that year's actual pension benefits which exceed the level  
6 dollar amount. The additional sum shall be placed in the Fund as  
7 needed.

8 E. The 1995 level dollar amount will be Seven Million, Four  
9 Hundred and Sixteen Thousand Dollars (\$7,416,000), which was  
10 determined as part of the actuarial valuation by Wyatt Company dated  
11 January 1, 1994. Said valuation was based upon the actual current  
12 status of the Fund being no net assets. The level dollar amount may  
13 change to Seven Million, Four Hundred Thirty-one Thousand Dollars  
14 (\$7,431,000) if the condition set forth in paragraph 2(i) occurs.

15 F. Every two years as part of the City's biennial budgeting  
16 process, the Firefighters' Pension Board will obtain an actuarial  
17 valuation from a qualified actuary. The actuarial valuation will  
18 include a new level dollar amount amortization schedule through  
19 December 31, 2019, for the remaining pension liabilities of the  
20 Fund. Thereafter, the City will adopt a new level dollar amount.

21 G. After 2019, if there are pension liabilities which cannot  
22 be met from the balance of the Actuarial Account, the City will pay  
23 these liabilities.

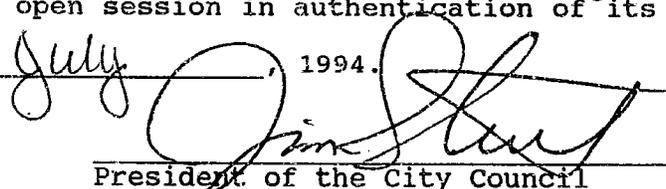
24 H. The Fund shall be administered pursuant to RCW 41.16 as  
25 amended.

26 I. If the amount appropriated to the Firemen's Pension Fund  
27 in the 1994 budget is underspent by \$403,000 or more, \$403,000 shall  
28 be contributed to the actuarial account to begin funding in 1994.  
29 In this event, the 25 year amortization period described in para-  
30 graph 2(a) shall be completed by December 31, 2018. \$403,000 is the  
31 amount necessary to begin a 25 year amortization period beginning in  
32 1994 using the calculation of Wyatt Company.

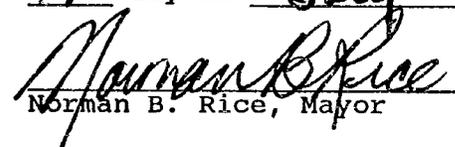
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1 Section 2. This ordinance shall take effect and be in force  
2 thirty days from and after its passage and approval, if approved by  
3 the Mayor; otherwise it shall take effect at the time it shall  
4 become a law under the provisions of the City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

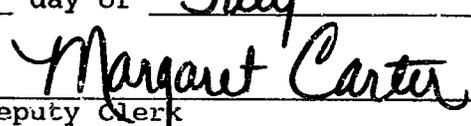
5 Passed by the City Council the 11 day of July, 1994,  
6 and signed by me in open session in authentication of its passage  
7 this 11 day of July, 1994.

8   
9 President of the City Council

10 Approved by me this 14 day of July, 1994.

11   
12 Norman B. Rice, Mayor

13  
14 Filed by me this 15 day of July, 1994.

15   
16 Deputy Clerk

17 (SEAL)

18 Published \_\_\_\_\_  
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IT IS DUE TO THE QUALITY OF THE DOCUMENT.

STATE OF WASHINGTON - KING COUNTY

45669  
City of Seattle, City Clerk

-SS.

No. ORDINANCE TI

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

OT: 117216, 217, 117220

was published on

07/20/94

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

*[Signature]*

Subscribed and sworn to before me on

07/20/94  
*[Signature]*

Notary Public for the State of Washington,  
residing in Seattle

**City of Seattle**  
**TITLE-ONLY PUBLICATION**  
 The full text of the following ordinances, passed by the City Council on July 11, 1994, and published here by title only, will be mailed at no cost upon request for two weeks after this publication. For further information, contact the Seattle City Clerk at 444-8044.

**ORDINANCE NO. 117216**  
 AN ORDINANCE relating to the Firefighters Pension Fund, establishing City policy with respect to funding pension liabilities pursuant to a request of the Firefighters Pension Board.

**ORDINANCE NO. 117217**  
 AN ORDINANCE relating to the Engineering Department, authorizing the Mayor or his designee to sign agreements with the Transportation Improvement Board for a Transportation Improvement Account grant for the Northeast Campus Parkway IVHS Transit Improvement Project.

**ORDINANCE NO. 117220**  
 AN ORDINANCE appropriating money to pay certain audited claims and ordering payment thereof.

Publication ordered by JUDITH PIP, P.M., City Clerk.  
 Date of official publication in Daily Journal of Commerce, Seattle, July 20, 1994. 7/20(45669)