

Ordinance No. 121366

MC

Council Bill No. 114772

The City of Seattle Council Bill/Ordinance

AN ORDINANCE amending the Seattle City Employees' Retirement Code, SMC Chapter 4.36, to correct outdated references and practices; and amending sections 4.36.040, 4.36.050, 4.36.200, 4.36.210, 4.36.230, 4.36.260, 4.36.270, 4.36.320, and 4.36.330 of the Seattle Municipal Code.

Ad Pass 20 JD
12.8.03 Passed

(Excused)

CF No. _____

Date Introduced:		
Date 1st Referred: <u>DEC 1 - 2003</u>	To: (committee) Finance, Budget, Business & Labor Committee	
Date Re- Referred: <u>DEC 1 - 2003</u>	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage: <u>12-8-03</u>	Full Council Vote: <u>7-0</u>	
Date Presented to Mayor: <u>12-9-03</u>	Date Approved: <u>12/17/03</u>	
Date Returned to City Clerk: <u>12/17/03</u>	Date Published: <u>15 PM</u>	T.O. <input type="checkbox"/> F.T. <input checked="" type="checkbox"/>
Date Vetoed by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

This file is complete and ready

Law Department

Law Dept. Review

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: _____

Jan Perry
Council Member

Committee Action:

Pass 2-0 JD, PS

12-8-03 Passed 7-0

(Excused: Compton, McVeen)

This file is complete and ready for presentation to Full Council.

Committee: _____

(initial/date)

Law Department

Law Dept. Review

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Review

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City Clerk
Review

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ORDINANCE 121366

AN ORDINANCE amending the Seattle City Employees' Retirement Code, SMC Chapter 4.36, to correct outdated references and practices; and amending sections 4.36.040, 4.36.050, 4.36.200, 4.36.210, 4.36.230, 4.36.260, 4.36.270, 4.36.320, and 4.36.330 of the Seattle Municipal Code.

WHEREAS, the Seattle City Employees' Retirement System Board of Administration has recommended that amendments to certain provisions within the Retirement Code relating to the distribution of retirement benefits upon the death of members be made and that additional amendments be made to the Code for purposes of consistency with the Department's practice and for clarity; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsection 4.36.040 G of the Seattle Municipal Code is amended as follows:

SMC 4.36.040 Definitions -- Alphabetical "C" through "D."

G. "Current benefit" means the annual payment currently paid on behalf of a member. It includes, where applicable, the permanent benefit increase granted by Ordinance 99566 and Ordinance 104156. It takes into account any reductions based on options selected by the member under Section 4.36.260 . It shall also mean payments of accumulated contributions made under ~~((Section))~~ Subsection 4.36.270 B ((A)), and payments received by a beneficiary as a result of an option selected under Section 4.36.260 . It shall not include the cumulative cost of living adjustments provided for in ~~((Section))~~ Subsection 4.36.215 B1.

Section 2. Subsection 4.36.050 F of the Seattle Municipal Code is amended as follows:

SMC 4.36.050 Definitions -- Alphabetical "E" through "M."

F. "Initial benefit" means the retirement allowance as calculated to be effective on the date of the member's retirement. It takes into account any reductions based on options selected by the member



1 under Section 4.36.260 . It shall also mean payments of accumulated contributions made under
2 ((Section)) Subsection 4.36.270 B ((A)), and payments received by a beneficiary as a result of an option
3 selected under Section 4.36.260.

4 ***

5 Section 3. Subsection 4.36.200 B of the Seattle Municipal Code is amended as follows:

6 **SMC 4.36.200 Retirement of a member for service by Board.**

7 ***

8 B. Any member of the retirement system who, upon termination of his employment with the
9 City after at least five (5) years' membership in the retirement system, elects to leave all his
10 contributions in the retirement fund pursuant to ((Section)) Subsection 4.36.190 A shall be eligible to
11 receive a retirement allowance upon reaching the age of sixty-two (62) years; provided, that if such
12 member completed ten (10) years of service prior to termination of his employment, he shall be eligible
13 to receive a retirement allowance upon reaching the age of fifty-seven (57) years, and if such member
14 completed twenty (20) years of service prior to termination of his employment, he shall be eligible to
15 receive a retirement allowance upon reaching the age of fifty-two (52) years. Such person shall file with
16 the Board a written application, stating the date when he wishes the payment of his retirement allowance
17 to commence, at least thirty (30) days prior to said date. He shall thereupon be awarded a retirement
18 allowance as provided for members in Section 4.36.210, and shall be eligible to elect in lieu thereof any
19 of the options provided in Section 4.36.260; provided, that any person leaving the City service prior to
20 qualifying for retirement under subsection A of this section shall not be eligible to receive any disability
21 retirement allowance under Sections 4.36.230, 4.36.240 and 4.36.250, nor shall his estate or his
22 beneficiaries receive the death benefit provided in Section 4.36.320; provided further, that persons
23 leaving the City service prior to qualifying for retirement under subsection A of Section 4.36.200 shall,
24



1 if and when eligible to receive a retirement allowance as provided in this subsection, be eligible for the
2 alternative allowance computation provided in subsection B of Section 4.36.210, based upon his age at
3 the time of commencement of payment of such member's retirement allowance, and in the event any
4 such former employee dies before commencement of his retirement allowance pursuant to this
5 subsection, the provisions of ~~((Section))~~ Subsection 4.36.270 C ~~((B))~~ shall be applicable to such person's
6 spouse or domestic partner, if named as beneficiary, and if there is no surviving spouse or domestic
7 partner, the provisions of ~~((Section))~~ Subsection 4.36.270 C2 shall be applicable to such person's child
8 or children under the age of eighteen (18) years, if named as beneficiary.

9 ***

10 Section 4. Subsection 4.36.210 B of the Seattle Municipal Code is amended as follows:

11 **SMC 4.36.210 Retirement allowances designated.**

12 ***

13 B. The "percentage" scale in Table 4.36.210 B may be used in fixing the amount of a service
14 retirement allowance, to be computed by multiplying the number of years of creditable service by the
15 indicated percentage of final compensation; provided that such scale may also be used in determining
16 benefits of surviving spouses and domestic partners of employees receiving disability retirement benefits
17 under ~~((Section))~~ Subsection 4.36.230 E provided, further, that such scale may also be used in
18 determining benefits payable under ~~((Section))~~ Subsection 4.36.270 C ~~((B))~~ to the surviving spouse and
19 domestic partner of any member who was at least forty-eight (48) years of age at the time of such
20 member's death. Use of this scale is subject to the limitation that the retirement allowance of a member
21 shall not exceed sixty (60) percent of the member's final compensation. The retirement allowance
22 payable over and above the basic pension shall be purchased by contributions of the City. The
23 application of the scale herein established shall be at the option of the member.



Section 5. Section 4.36.230 of the Seattle Municipal Code is amended as follows:

SMC 4.36.230 Disability allowances designated.

A. Upon retirement for disability, as provided in Section 4.36.220, provided the disability is not due to intemperance, willful misconduct or violation of law, of which the Board shall be the judge, a member shall receive a retirement allowance calculated as follows:

One and one-half (1 1/2) percent of final compensation multiplied by years of creditable service, if such retirement allowance exceeds one-third (1/3) of his final compensation; otherwise one and one-half (1 1/2) percent of final compensation multiplied by years of service which would be creditable to him were his services to continue until attainment of age sixty-two (62) but such alternative disability retirement allowance shall not exceed one-third (1/3) of such final compensation; provided, that no disability retirement allowance shall exceed sixty (60) percent of final compensation. Notwithstanding any provision of this section to the contrary, the minimum retirement allowance shall be One Hundred Forty Dollars (\$140) per month. The retirement allowance as above calculated shall consist of:

1. An annuity which shall be the actuarial equivalent of the member's accumulated normal contributions;
2. A pension which shall be the actuarial equivalent of the City's matching contributions;
3. A pension for prior service, if any, calculated at the rate of one and one-half (1 1/2) percent of final compensation for each year of prior service, which shall be provided by contributions of the City;
4. An additional pension, provided by contributions of the City, should the calculation of the allowance show that subsections A1, 2 and 3 above are not enough to produce the retirement allowance indicated;



1 5. When use of proper annuity and pension rates results in a retirement allowance amounting to
2 more than would be realized by adherence to the formula indicated in the second paragraph of this
3 section the Board shall allow the higher amount.

4 B. The disability allowances of all members retired for disability prior to January 1, 1971, shall
5 on January 1, 1971, be increased by Twenty Dollars (\$20) per month over the monthly benefit payable
6 immediately prior to January 1, 1971, but no such pension of members retired for disability shall be less
7 than One Hundred Forty Dollars (\$140) per month as of such date. Nothing in this subsection shall
8 affect the amount of any bonus dividend declared pursuant to Section 4.36.150. Such increases shall be
9 paid from available retirement system funds or from contributions of the City; provided, that such
10 increases shall not be applicable to persons retired for disability on and after September 1, 1970 and on
11 and before December 31, 1970 who pursuant to Ordinance 99271 select benefits applicable to persons
12 who retire on and after January 1, 1971.

13 C. If disability is due to intemperance, willful misconduct, or violation of law, on the part of the
14 member, the Board in its discretion, may pay to the member, in one lump sum his accumulated
15 contributions in lieu of a retirement allowance; and such payment shall constitute full satisfaction of all
16 obligations of the City to such member; and upon receipt of such payment he shall cease to be a member
17 of the system.

18 D. For distribution of benefits paid ~~((U))~~ upon the death of a member ~~((;))~~ while in receipt of a
19 disability retirement allowance, see Subection 4.36.270(B). ~~((the member's accumulated contributions, as~~
20 ~~they were at the date of his or her retirement, less any annuity payments made to him or her, shall be~~
21 ~~paid to the member's estate, or to such persons as he or she shall have nominated by written designation~~
22 ~~duly executed and filed with the Board; provided, that:~~



1 ~~))((1. Such refund of contributions may be made in monthly payments if requested by the~~
2 ~~beneficiary and approved by the Board; and))~~

3 ~~((2. If the member's estate is not being probated, the Board, in its discretion, may as an~~
4 ~~alternative to making payment to his or her estate, authorize payment to an heir who would inherit if the~~
5 ~~estate were probated, such as a surviving spouse named under a community property agreement or in the~~
6 ~~member's will.))~~

7 E. Any surviving spouse or domestic partner of a member receiving a disability retirement
8 allowance may, if named as beneficiary, elect to receive and thereupon shall be paid in lieu of benefits
9 under ~~((Section))~~ Subsection 4.36.230 D a monthly benefit the equivalent of a survivor's "Option E"
10 retirement allowance computed on the basis of the member's age at date of death, years of creditable
11 service, and normal and matching contributions reduced by all sums theretofore paid the deceased
12 member as annuity on normal contributions and pension on matching contributions, and, if applicable,
13 by payments to an alternate payee under a court or department order as contemplated by Section
14 4.36.295. The spouse or domestic partner may elect to receive a cash payment of not to exceed one-half
15 (1/2) of the deceased member's remaining normal contributions, and such cash payment shall effect a
16 reduction of the survivor's monthly benefit by the amount of annuity such payment would have
17 purchased.

18 ~~((The Board may in its discretion authorize such payments to a surviving spouse, who is not~~
19 ~~named as a beneficiary, if (1) the surviving spouse is the principal beneficiary of the member's estate and~~
20 ~~named under a community property agreement or in the member's will; or (2) the member died without~~
21 ~~leaving a will and the retirement allowance was the property of the marital community and the surviving~~
22 ~~spouse.))~~

23 Section 6. Section 4.36.260 of the Seattle Municipal Code is amended as follows:
24



1 4.36.210 A1 a total amount equal to the amount of his accumulated contributions as of the date of his
2 retirement, the balance of such accumulated contributions shall be paid in one (1) lump sum to his estate
3 or to such person as he shall nominate by written designation duly executed and filed with the Board.

4 OPTION B. The lesser retirement allowance shall be payable to a member throughout his life
5 provided that if he dies before he receives in annuity payments pursuant to (~~Section~~) Subsection

6 4.36.210 A1 a total amount equal to the amount of his accumulated contributions as of the date of his
7 retirement, the annuity payments resulting from his accumulated contributions shall be continued and
8 paid to his estate or to such person as he shall nominate by written designation duly executed and filed
9 with the Board, until the total amount of annuity payment shall equal the amount of his accumulated
10 contributions as it was at the date of his retirement.

11 OPTION C. The member shall elect a "guaranteed period" of any number of years. If he dies
12 before the lesser retirement allowance has been paid to him for the number of years elected by him as
13 the "guaranteed period," the lesser retirement allowance shall be continued to the end of the "guaranteed
14 period," and during such continuation shall be paid to his estate or to such person as he shall nominate
15 by written designation duly executed and filed with the Board.

16 OPTION D. The lesser retirement allowance shall be payable to the member throughout life, and
17 after the death of the member, one-half (1/2) of the lesser retirement allowance shall be continued
18 throughout the life of and paid to the individual who was the spouse or domestic partner of the member
19 at the time of retirement. If the spouse or domestic partner predeceases the member, then upon receipt of
20 written notice of such death by the Board, the member's retirement allowance shall increase to the
21 amount that would have been provided as if the member had not selected this option.

22 OPTION E. The lesser retirement allowance shall be payable to the member throughout life, and
23 after death of the member it shall be continued throughout the life of and paid to the individual who was
24



1 the spouse or domestic partner of the member at the time of retirement. If the spouse or domestic partner
2 predeceases the member, then upon receipt of written notice of such death by the Board, the member's
3 retirement allowance shall increase to the amount that would have been provided as if the member had
4 not selected this option.

5 OPTION F. A member who retires from service prior to the age of becoming eligible for
6 retirement payments under the federal system, commonly known as Social Security, and who at the time
7 of retiring is fully insured under the federal system, may elect to have his retirement allowance payable
8 during his or her life only, increased prior to the age at which the member could elect an unreduced
9 Social Security retirement benefit and reduced after such age by amounts which have equivalent
10 actuarial values. Prior to retirement, the member shall obtain, and provide to the Board, a written
11 estimate of his Old-Age Benefit for the age at which the member could elect an unreduced Social
12 Security benefit. If Option F is elected and the member's death occurs prior to the age at which the
13 member could have elected an unreduced Social Security retirement benefit, any death benefit payable
14 under any other option after the date the member would have attained such age, shall reflect the
15 expected lesser amount of Option F.

16 OPTION G. The member may elect to receive a lump sum payment upon retirement, of either
17 fifty (50) percent or one hundred (100) percent of his or her accumulated contributions. The member's
18 retirement allowance as provided for in Section 4.36.210 shall be reduced by the actuarial equivalent of
19 the withdrawn lump sum.

20 Section 7. Section 4.36.270 of the Seattle Municipal Code is amended as follows:

21 **SMC 4.36.270 ((~~Death of member who is not retired~~))Distribution of benefits upon death**
22 **of a member.**

23 A. Distribution of benefits upon the death of a member who has been retired for service. See
24



1 Section 4.36.260.

2 B. Distribution of benefits upon the death of a member who has not been retired or who has
3 been retired for disability. The terms of this subsection apply upon the death of a member who has been
4 retired for disability with the exception of the requirement that such member's surviving spouse waive
5 in writing all rights to benefits under Subsection 4.36.270 C.

6 Upon the death of any member who has not been retired (~~pursuant to the provisions of this~~
7 ~~chapter,~~) or who has been retired for disability, such member's accumulated contributions less any
8 payments therefrom already made to such member shall be paid to such member's surviving spouse or
9 domestic partner, or if the deceased member does not have a surviving spouse or domestic partner, or if
10 the surviving spouse prior to the death of such member consented in writing to the naming as hereafter
11 provided of a different beneficiary or beneficiaries and waived in writing all rights to benefits under
12 (~~(Section))~~ Subsection 4.36.270 ((B)) C, then to such member's estate, or to such person or persons as
13 such member shall have nominated by written designation duly executed and filed with the Board. Such
14 payment may be made in one lump sum or may be paid in installments over a period of not to exceed
15 five (5) years, as may be designated by the member or his beneficiary, with such rate of interest as may
16 be determined by the Board.

17 ~~(B).~~ C. Distribution of benefits upon the death of a member who has not been retired.

18 1. Any surviving spouse or domestic partner, of a member not retired but having at the date of
19 death at least ten (10) years of creditable service as defined in this chapter, who is entitled to receive
20 such deceased member's accumulated contributions as provided in (~~(Section))~~ Subsection 4.36.270
21 ((A))B, may elect to receive and thereupon shall be paid in lieu of benefits under (~~(Section))~~ Subsection
22 4.36.270 ((A))B, a benefit the equivalent of a survivor's "Option E" retirement allowance. The spouse or
23 domestic partner may, however, elect to receive in lieu of either the above retirement allowance or the
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1 benefits under ~~((Section))~~ Subsection 4.36.270 ((A))B, a lesser retirement allowance to cease at such
2 spouse's or domestic partner's death and in addition a cash payment not to exceed one-half (1/2) of the
3 deceased member's accumulated normal contributions. However, such withdrawal shall not serve to
4 reduce such lesser retirement allowance except by the amount of annuity which such withdrawal would
5 have purchased.

6 ~~((C))~~2. If there be no surviving spouse or domestic partner at the time of death of a member not
7 retired, but having at least ten (10) years of creditable service as defined in this chapter, and such
8 member has surviving one (1) or more children under the age of eighteen (18) years, and if such child or
9 children are named as beneficiary or if the contributions of the deceased member are payable to such
10 member's estate under the provisions of ~~((Section))~~ Subsection 36.270 ((A))B, then the legal guardian of
11 such child or children may elect for such child or children a monthly benefit as hereinafter provided,
12 which monthly benefit shall be paid in lieu of the benefits payable under ~~((Section))~~ Subsection 4.36.270
13 ((A))B. Such monthly benefits shall be equal to the monthly benefit which would have been paid to the
14 last spouse of such deceased member if such last spouse had been living and married to the deceased
15 member at the time of his death and was otherwise eligible for and elected to receive the benefits
16 provided in ~~((Section))~~ Subsection 4.36.270 ((B))C equivalent to a survivor's "Option B" retirement
17 allowance without a cash payment of a portion of the deceased member's accumulated normal
18 contributions. The guardian may, however, elect to receive in lieu of either the above benefits or the
19 benefits under ~~((Section))~~ Subsection 4.36.270 ((A))B, a lesser retirement allowance which will continue
20 until such child or children reach the age of eighteen (18) years and in addition a cash payment not to
21 exceed one-half (1/2) of the deceased member's accumulated normal contributions. However, such
22 withdrawal shall not serve to reduce such lesser allowance except by the amount of annuity which such
23 withdrawal would have purchased. All benefits payable under this subsection shall be paid to the legal
24



1 guardian of such child or children under the age of eighteen (18) years until all of such children have
2 reached the age of eighteen (18) years, and shall be for the benefit of such minor children.

3 ~~((D))~~3. The amount paid to a member's estate, beneficiary or surviving spouse or domestic
4 partner may be reduced by payments made to an alternate payee under a court or department order as
5 contemplated by Section 4.36.295.

6 ~~((E))~~4. If the member's estate is not being probated, the Board, in its discretion, may as an
7 alternative to making payment to his or her estate, authorize payment to an heir who would inherit if the
8 estate were probated, such as a surviving spouse named under a community property agreement or in the
9 member's will.

10 Section. 8. Section 4.36.320 of the Seattle Municipal Code is amended as follows:

11 **SMC 4.36.320 Death benefits -- Payment.**

12 A. Upon proof of the death (~~(on or subsequent to January 1, 1960,))~~ of a member of the
13 retirement system who has paid all death benefit assessments as hereinafter provided (~~(and who has not~~
14 ~~been retired)~~), the sum of Two Thousand Dollars (\$2,000) as a death benefit shall be paid to such
15 member's surviving spouse or domestic partner or if such deceased member does not have a surviving
16 spouse or domestic partner, or if the surviving spouse prior to the death of such member consented in
17 writing to the naming as hereinafter provided of a different beneficiary or beneficiaries, then to such
18 member's estate or to such person or persons as such member shall have nominated by written
19 designation duly executed and filed with the Board. If the member's estate is not being probated, the
20 Board, in its discretion, may as an alternative to making payment to his or her estate, authorize payment
21 to an heir who would inherit if the estate were probated, such as a surviving spouse named under a
22 community property agreement or in the member's will.



1 B. Any member of the retirement system may elect to continue in the death benefit system and
2 pay the death benefit assessments: provided, that such payment shall not be required of a member
3 retiring for disability until age sixty (60), whereupon such member shall be required to pay all death
4 benefit assessments thereafter accruing if he or she desires to continue in the death benefit system. Upon
5 proof of the death of such member, the payment shall be Two Thousand Dollars (\$2,000).

6 Section 9. Section 4.36.330 of the Seattle Municipal Code is amended as follows:

7 **SMC 4.36.330 Death benefits -- Specifications.**

8 A. All moneys paid into or out of the retirement fund on account of the death benefit system
9 shall be accounted for by double entry separately in the records of the retirement system in such a
10 manner as to reveal currently the amount of money held for payment of death benefits.

11 B. Death benefit assessments shall become due and payable January 1st of each year and
12 collectible by payroll deduction or otherwise as directed by the Board. In order to insure coverage of
13 members laid off or on leave of absence or on family or medical leave under Chapter 4.26, the Board is
14 authorized to transfer amounts necessary to pay assessments due from such members from their normal
15 contributions as temporary loans to be repaid by such members on return to City service. Death benefit
16 assessments shall be in such amount as shall be determined by the Board but shall not exceed the sum of
17 Twelve Dollars (\$12) in any calendar year.

18 C. An employee becoming a member of the system during the year shall pay the death benefit
19 assessment fixed for that year if such membership is effective prior to October 1st, which assessment
20 shall be collectible by payroll deduction when the first normal contribution is made. Employees
21 becoming members in October, November and December shall pay only one-half (1/2) of that annual
22 assessment.



1 D. The City shall match all death benefit assessments collected from members and such
2 matching payments shall become due and payable immediately following determination of the amount
3 necessary, and should the death benefit system require payments by the City of more than the amount
4 necessary to match an assessment of not to exceed Twelve Dollars (\$12), as determined by the Board on
5 advice of its actuary, the same may be made from undivided earnings of the City and the employee in
6 the retirement fund not otherwise obligated. All payments by the City shall be due and payable annually
7 on January 1st. Assessments collected from retired members shall be matched by funds from
8 departments from which such members retired.

9 E. ~~((Upon establishment of the death benefit system as of January 1, 1950, the Board shall
10 recognize as beneficiaries thereunder all persons previously nominated to receive refund of accumulated
11 contributions under Section 4.36.270 A unless a different designation is filed with regard to payment of
12 death benefits.~~

13 F.)) Membership in the death benefit system shall terminate when any member resigns, quits or
14 is discharged and no refund of any portion of death benefit assessments shall be made by reason thereof.
15 Should the Board determine that a member of the retirement system not in City service was maintaining
16 membership for the sole purpose of possibly receiving retirement benefits in the future, the Board shall
17 deny participation in the death benefit system to such member.

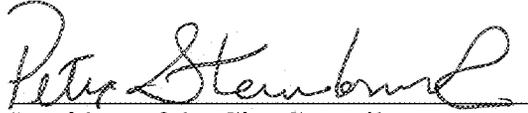
18 ((G))E. The Board of Administration shall make all rules and regulations necessary to
19 supplement the death benefit provisions of this chapter.

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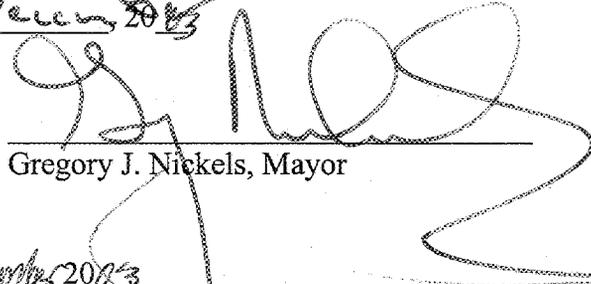


1 Section 10. This ordinance shall take effect and be in force thirty (30) days from and after its
2 approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after
3 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

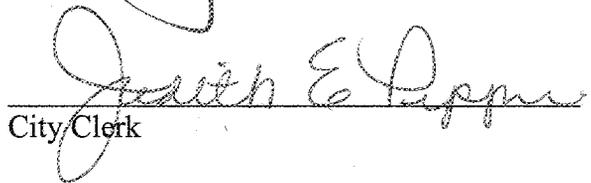
4 Passed by the City Council the 8th day of December 2003, and signed by me in open
5 session in authentication of its passage this 8th day of December, 2003

6 
7 President of the City Council

8 Approved by me this 17 day of December, 2003

9 
10 Gregory J. Nickels, Mayor

11
12 Filed by me this 17th day of December, 2003

13 
14 City Clerk

15 (Seal)
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STATE OF WASHINGTON – KING COUNTY

--SS.

166700
City of Seattle, Clerk's Office

No. ORDINANCE IN FULL

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

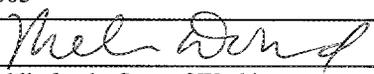
CT:ORD 121366

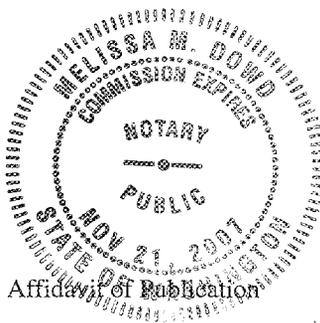
was published on

12/26/2003


Subscribed and sworn to before me on

12/26/2003


Notary public for the State of Washington,
residing in Seattle



shall not include the cumulative cost of living adjustments provided for in ((Section)) Subsection 4.36.215 H1.

Section 2. Subsection 4.36.050 F of the Seattle Municipal Code is amended as follows:

SMC 4.36.050 Definitions — Alphabetical through M.

F. "Initial benefit" means the retirement allowance as calculated to be effective on the date of the member's retirement. It takes into account any reductions based on options selected by the member under Section 4.36.260. It shall also mean payments of accumulated contributions made under ((Section)) Subsection 4.36.270 B ((A)), and payments received by a beneficiary as a result of an option selected under Section 4.36.280.

Section 3. Subsection 4.36.200 B of the Seattle Municipal Code is amended as follows:

SMC 4.36.200 Retirement of a member for service by Board.

B. Any member of the retirement system who, upon termination of his employment with the City after at least five (5) years' membership in the retirement system, elects to leave all his contributions in the retirement fund pursuant to ((Section)) Subsection 4.36.190 A shall be eligible to receive a retirement allowance upon reaching the age of sixty-two (62) years; provided, that if such member completed ten (10) years of service prior to termination of his employment, he shall be eligible to receive a retirement allowance upon reaching the age of fifty-seven (57) years, and if such member completed twenty (20) years of service prior to termination of his employment, he shall be eligible to receive a retirement allowance upon reaching the age of fifty-two (52) years. Such person shall file with the Board a written application, stating the date when he wishes the payment of his retirement allowance to commence, at least thirty (30) days prior to said date. He shall thereupon be awarded a retirement allowance as provided for members in Section 4.36.210, and shall be eligible to elect in lieu thereof any of the options provided in Section 4.36.260; provided, that any person leaving the City service prior to qualifying for retirement under subsection A of this section shall not be eligible to receive any disability retirement allowance under Sections 4.36.230, 4.36.240 and 4.36.250, nor shall his estate or his beneficiaries receive the death benefit provided in Section 4.36.320; provided further, that persons leaving the City service prior to qualifying for retirement under subsection A of Section 4.36.200 shall, if and when eligible to receive a retirement allowance as provided in this subsection, be eligible for the alternative allowance computation provided in subsection B of Section 4.36.210, based upon his age at the time of commencement of payment of such member's retirement allowance, and in the event any such former employee dies before commencement of his retirement allowance pursuant to this subsection, the provisions of ((Section)) Subsection 4.36.270 C ((2)) shall be applicable to such person's spouse or domestic partner, if named as beneficiary, and if there is no surviving spouse or domestic partner, the provisions of ((Section)) Subsection 4.36.270 C2 shall be applicable to such person's child or children under the age of eighteen (18) years, if named as beneficiary.

Section 4. Subsection 4.36.210 B of the Seattle Municipal Code is amended as follows:

SMC 4.36.210 Retirement allowances — designated.

B. The "percentage" scale in Table 4.36.210 B may be used in fixing the amount of a service retirement allowance, to be computed by multiplying the number of years of creditable service by the indicated percentage of final compensation; provided that such scale may also be used in determining benefits of surviving spouses and domestic partners of employees receiving disability retirement benefits under ((Section)) Subsection 4.36.250 B provided, further, that such scale may also be used in determining benefits payable under ((Section)) Subsection 4.36.270 C ((2)) to the surviving spouse and domestic partner of any member who dies before the commencement of his retirement allowance shall be payable to a member throughout his life provided that if he dies before he receives an annuity payments pursuant to ((Section)) Subsection 4.36.210 A1 a total amount equal to the amount of his accumulated contributions as of the date of his retirement, the annuity payments resulting from his accumulated contributions shall be continued and paid to his estate or to such person as he shall nominate by written designation duly executed and filed with the Board, until the total amount of annuity payment shall equal the amount of his accumulated contributions as it was at the date of his retirement.

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children are named as beneficiary or if the contributions of the deceased member are payable to such member's estate under the provisions of ((Section)) Subsection 4.36.270 ((A)) B, then the legal guardian of such child or children may elect for such child or children a monthly benefit as hereinafter provided, which monthly benefit shall be paid in lieu of the benefits payable under ((Section)) Subsection 4.36.270 ((A)) B. Such monthly benefits shall be equal to the monthly benefit which would have been paid to the last spouse of such deceased member if such last spouse had been living and married to the deceased member at the time of his death and was otherwise eligible for and elected to receive the benefits provided in ((Section)) Subsection 4.36.270 ((B)) C equivalent to a survivor's "Option B" retirement allowance without a cash payment of a portion of the deceased member's accumulated normal contributions. The guardian may, however, elect to receive in lieu of either the above benefits or the benefits under ((Section)) Subsection 4.36.270 ((A)) B, a lesser retirement allowance which will continue until such child or children reach the age of eighteen (18) years and in addition a cash payment not to exceed one-half (1/2) of the deceased member's accumulated normal contributions. However, such withdrawal shall not serve to reduce such lesser allowance except by the amount of annuity which such withdrawal would have purchased. All benefits payable under this subsection shall be paid to the legal guardian of such child or children under the age of eighteen (18) years until all of such children have reached the age of eighteen (18) years, and shall be for the benefit of such minor children.

((2))3. The amount paid to a member's estate, beneficiary or surviving spouse or domestic partner may be reduced by payments made to an alternate payee under a court or department order as contemplated by Section 4.36.295.

((2))4. If the member's estate is not being probated, the Board, in its discretion, may as an alternative to making payment to his or her estate, authorize payment to an heir who would inherit if the estate were probated, such as a surviving spouse named under a community property agreement or in the member's will.

Section 5. Section 4.36.320 of the Seattle Municipal Code is amended as follows:

SMC 4.36.320 Death benefits — Payment.

A. Upon proof of the death ((Section)) Subsection 4.36.270 C ((2)) of a member of the retirement system who has paid all death benefit assessments as hereinafter provided ((Section)) Subsection 4.36.270 C ((2)), the sum of Two Thousand Dollars (\$2,000) as a death benefit shall be paid to such member's surviving spouse or domestic partner or if such deceased member does not have a surviving spouse or domestic partner, or if the surviving spouse prior to the death of such member consented in writing to the naming as hereinafter provided of a different beneficiary or beneficiaries, than to such member's estate or to such person or persons as such member shall have nominated by written designation duly executed and filed with the Board. If the member's estate is not being probated, the Board, in its discretion, may as an alternative to making payment to his or her estate, authorize payment to an heir who would inherit if the estate were probated, such as a surviving spouse named under a community property agreement or in the member's will.

B. Any member of the retirement system may elect to continue in the death benefit system and pay the death benefit assessments; provided, that such payment shall not be required of a member retiring for disability until age sixty (60), whereupon such member shall be required to pay all death benefit assessments thereafter accruing if he or she desires to continue in the death benefit system. Upon proof of the death of such member, the payment shall be Two Thousand Dollars (\$2,000).

Section 9. Section 4.36.330 of the Seattle