

ORDINANCE No. 119360

112

COUNCIL BILL No. 112550

Law Department

The City

AN ORDINANCE relating to the Seattle City Employees' Retirement System; changing the payment schedule of the annual bonus dividend for current retirees; and amending Chapter 4.36 of the Seattle Municipal Code.

Honorable President:

Your Committee on _____

to which was referred the within Co report that we have considered the

1-25-99 Full Council

COMPTROLLER FILE No. _____

Introduced: <u>JAN 19 1999</u>	By: <u>CHOE</u>
Referred: <u>JAN 19 1999</u>	To: <u>FULL COUNCIL</u>
Referred:	To:
Referred:	To:
Reported: <u>1-25-99</u>	Second Reading:
Third Reading: <u>1-25-99</u>	Signed: <u>1-25-99</u>
Presented to Mayor: <u>1-25-99</u>	Approved: <u>FEB 2 - 1999</u>
Returned to City Clerk: <u>FEB 2 - 1999</u>	Published: <u>full 3 pgs</u>
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

Department

The City of Seattle--Legislative Department

Date Reported
and Adopted

REPORT OF COMMITTEE

able President:

Committee on

h was referred the within Council Bill No.

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

-99 Full Council Passed 9-0

Committee Chair

ORDINANCE 119360

AN ORDINANCE relating to the Seattle City Employees' Retirement System; changing the payment schedule of the annual bonus dividend for current retirees; and amending Chapter 4.36 of the Seattle Municipal Code.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Dividend to be paid in monthly installments. Section 4.36.155 of the Seattle Municipal Code is amended as follows:

4.36.155 Annual bonus dividend for current and future retirees.

Each January, the Board of Administration shall declare a supplemental monthly dividend payable to all members and beneficiaries who will receive a current benefit during that year as described in subsection

I. Each December, the Board of Administration shall declare and pay to all retired members and beneficiaries receiving a current benefit the base annual bonus dividend described in subsections A through H, inclusive, plus the supplemental dividend adjustment described in subsection I, if applicable. Such ((bonus))dividends will be calculated and paid in accordance with the following formula:

- A. One percent (1%) of the current benefit, payable on behalf of members who retired in the current and immediately preceding year;
- B. Three percent (3%) of the current benefit, payable on behalf of members who have been retired from two (2) to five (5) years, inclusive;
- C. Six percent (6%) of the current benefit, payable on behalf of members who have been retired from six (6) to nine (9) years, inclusive;
- D. Nine percent (9%) of the current benefit, payable on behalf of members who have been retired from ten (10) to thirteen (13) years, inclusive;
- E. Twelve percent (12%) of the current benefit, payable on behalf of members who have been retired from fourteen (14) to eighteen (18) years, inclusive;



1 F. Fifteen percent (15%) of the current benefit, payable on behalf of members who have been retired from
2 nineteen (19) to twenty-three (23) years, inclusive;

3 G. Eighteen percent (18%) of the current benefit, payable on behalf of members who have been retired from
4 twenty-four (24) to twenty-eight (28) years, inclusive;

5 H. Twenty-one percent (21%) of the current benefit, payable on behalf of members who have been retired
6 for twenty-nine (29) or more years.

7 I. This subsection applies to members, or ~~((For))~~ beneficiaries receiving payments on behalf of any such
8 member, who retired before January 1, 1998.~~((+))~~ If the sum of that beneficiary's current benefit plus the
9 base annual bonus dividend as established in subsections A through H above is less than sixty percent (60%)
10 of the beneficiary's indexed benefit, then the beneficiary's total annual bonus dividend shall be ~~((increased~~
11 ~~to--))~~ equal to the difference between the current benefit and sixty percent (60%) of the beneficiary's indexed
12 benefit. However, in no year may the amount of the total annual bonus dividend be less than the amount of
13 the total annual bonus dividend paid in the previous calendar year. The total annual bonus dividend is paid
14 as the base annual bonus dividend plus supplemental monthly dividends and a supplemental dividend
15 adjustment to the base annual bonus dividend. Each year in January the Retirement Board shall compute the
16 supplemental monthly dividend based upon the total supplemental dividends paid during the previous
17 calendar year divided by 12. In December of each year, a supplemental dividend adjustment shall be
18 computed equal to the difference between the sum of the supplemental monthly dividends paid in January
19 through November of that calendar year and the total supplemental dividend payable for that calendar year.

20 Section 2. Section 4.36.215 of the Seattle Municipal Code is amended as follows:

21 **4.36.215 Annual Cost of Living Adjustment.**

22 A. Applicability.

23 This section applies to all members, and beneficiaries receiving payment on behalf of any such
24 member, who retired on or after January 1, 1998.



City of Seattle

Paul Schell, Mayor

Seattle City Employees' Retirement System
Board of Administration
Roger A. Howeler, Executive Director

January 14, 1999

Sue Donaldson
President
Seattle City Council

Dear Council member Donaldson:

The Board of Administration of the Seattle City Employees' Retirement System respectfully requests the passage of an ordinance which will pay the 60% floor COLA for members who retired prior to 1998, over the year, rather than in a lump sum on December 1. The Association of retired Seattle City Employees requested this to enable them to better budget the funds received from the 60% floor COLA. This ordinance would have no financial impact on the City of Seattle. Council member Choe will sponsor this ordinance.

Sincerely,
BOARD OF ADMINISTRATION

A handwritten signature in cursive script that reads "Roger A. Howeler".

Roger A. Howeler
Executive Director

Attach: ARSCE Letter
Milliman & Robertson, Inc. table

RAH/jel

STATE OF WASHINGTON - KING COUNTY

102005
City of Seattle, City Clerk

—ss.

No. FULL ORDINAN

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 119360

was published on

02/09/99

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

[Handwritten signature]

Subscribed and sworn to before me on

02/09/99

[Handwritten signature]

Notary Public for the State of Washington,
residing in Seattle

City of Seattle

ORDINANCE 119360

AN ORDINANCE relating to the Seattle City Employees Retirement System, changing the payment schedule of the annual bonus dividend for current retirees, and amending Chapter 4.36 of the Seattle Municipal Code.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Dividend to be paid in monthly installments. Section 4.36.155 of the Seattle Municipal Code is amended as follows:

4.36.155 ANNUAL BONUS DIVIDEND FOR CURRENT AND FUTURE RETIREES.

Each January, the Board of Administration shall declare a supplemental monthly dividend payable to all members and beneficiaries who will receive a current benefit during that year as described in subsection 1.

Each December, the Board of Administration shall declare and pay to all retired members and beneficiaries receiving a current benefit the base annual bonus dividend described in subsections A through H, inclusive, plus the supplemental dividend adjustment described in subsection I, if applicable. Such (bonus) dividends will be calculated and paid in accordance with the following formula:

A. One percent (1%) of the current benefit, payable on behalf of members who retired in the current and immediately preceding year.

B. Three percent (3%) of the current benefit, payable on behalf of members who have been retired from two (2) to five (5) years, inclusive.

C. Six percent (6%) of the current benefit, payable on behalf of members who have been retired from six (6) to nine (9) years, inclusive.

D. Nine percent (9%) of the current benefit, payable on behalf of members who have been retired from ten (10) to thirteen (13) years, inclusive.

E. Twelve percent (12%) of the current benefit, payable on behalf of members who have been retired from fourteen (14) to eighteen (18) years, inclusive.

F. Fifteen percent (15%) of the current benefit, payable on behalf of members who have been retired from nineteen (19) to twenty-three (23) years, inclusive.

G. Eighteen percent (18%) of the current benefit, payable on behalf of members who have been retired from twenty-four (24) to twenty-eight (28) years, inclusive.

H. Twenty-one percent (21%) of the current benefit, payable on behalf of members who have been retired for twenty-nine (29) or more years.

I. This subsection applies to members or (or) beneficiaries receiving payments on behalf of any such member, who retired before January 1, 1988 (,) (OR) if the sum of that beneficiary's current benefit plus the base annual bonus dividend as established in subsections A through H above is less than sixty percent (60%) of the beneficiary's indexed benefit, then the beneficiary's total annual bonus dividend shall be (increased to) equal to the difference between the current benefit and sixty percent (60%) of the beneficiary's indexed benefit.