

Ordinance No. 122293

Council Bill No. 115764

AN ORDINANCE relating to the Firefighters' Pension Fund established under Chapter 41.16 RCW; amending Ordinance 118814 to change the date at which full funding of the Actuarial Account is to be achieved.

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: McIVER

Councilmember

Committee Action:

11/6/06 PASS 9-0

11-20-06 Passed 9-0

CF No. _____

Date Introduced:	<u>OCT 16 2006</u>	
Date 1st Referred:	To: (committee)	<u>BUDGET</u>
Date Re - Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage:	Full Council Vote:	
<u>11-20-06</u>	<u>9-0</u>	
Date Presented to Mayor:	Date Approved:	
<u>11-20-06</u>	<u>11-22-06</u>	
Date Returned to City Clerk:	Date Published:	T.O. <input checked="" type="checkbox"/> F.T. <input checked="" type="checkbox"/>
<u>11-22-06</u>	<u>4 pgs.</u>	
Date Vetoed by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

This file is complete and ready for presentation to Full Council. Committee: _____ (initial/date)

Law Department

Law Dept. Review OMP Review City Clerk Review Electronic Copy Loaded Indexed aw

ORDINANCE 122293

1
2 AN ORDINANCE relating to the Firefighters' Pension Fund established under Chapter 41.16
3 RCW; amending Ordinance 118814 to change the date at which full funding of the
4 Actuarial Account is to be achieved.

5 WHEREAS, on July 11, 1994, the City Council passed Ordinance 117216, establishing an
6 Actuarial Account within the Firefighters' Pension Fund; and

7 WHEREAS, on November 13, 1997, the City Council passed Ordinance 118814, which
8 rephrased the funding plan for the Actuarial Account; and

9 WHEREAS, financial analyses of the Actuarial Account by independent actuaries have assumed
10 that the Account could earn 7 percent annual investment returns; and

11 WHEREAS, the most recent actuarial analysis by Mercer Human Resources Consulting,
12 completed in the summer of 2006, recommends using a 5.125 percent annual investment
13 return in recognition of the lower interest rates that have prevailed in the last few years;
14 and

15 WHEREAS, on July 13, 2006, the Seattle Firefighters' Pension Board accepted this
16 recommendation and also recommended that the amortization period for the Actuarial
17 Account be extended by five years to compensate for the lower projected returns; NOW,
18 THEREFORE,

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

20 Section 1. Subsections A and D of Section 1 of Ordinance 118814 are amended as
21 follows:

22 As requested by the Firefighters' Pension Board (the "Board"), the following funding
23 policy is adopted with respect to the Firefighters' Pension Fund (the "Fund"):

24 A. Beginning in 1994, the City will place in a separate "Actuarial Account" within
25 the Fund each year an amount which is sufficient to fully amortize as described below the
26 estimated remaining pension liabilities of the Fund by December 31, 20((18))23. The Actuarial
27 Account will be funded as follows:

1 1. Each year, the City will appropriate a "Level Payment Amount" to the Fund.

2 The Level Payment Amount is intended to be constant for each year between 1994 and ((2018))
3 2023. If necessary, the Level Payment Amount will be modified every two years as specified in
4 subsection A(4) below.

5 2. In each year, the Level Payment Amount will be the sum of the expected
6 current pension obligations for that year and a contribution to the Actuarial Account. Thus, the
7 transfer to the Actuarial Account may vary in amount from year to year.

8 3. In some years, the expected current pension obligations will exceed the Level
9 Payment Amount. In such years, the City will appropriate additional funds to the Fund in order
10 to cover all expected current pension obligations. No contribution will be made to the Actuarial
11 Account in such years.

12 4. The actuarial calculations of the Level Payment Amount and of the portion to
13 be contributed to the Actuarial Account shall be performed in a manner consistent with
14 Attachment A.

15 5. Beginning in 1998, the Level Payment Amount will be recalculated by June 30
16 of each even-numbered year by a qualified actuary retained by the Board. While the Level
17 Payment Amount is generally expected to remain constant over time, small variations are likely
18 due to changes in mortality, inflation, and other factors. In addition, the actuary will calculate
19 the expected current pension obligations for each of the two following years. The contribution to
20 the Actuarial Account will be defined as the difference between the Level Payment Amount and
21 the expected current pension obligations for each year. The City will use the actuary's figures in
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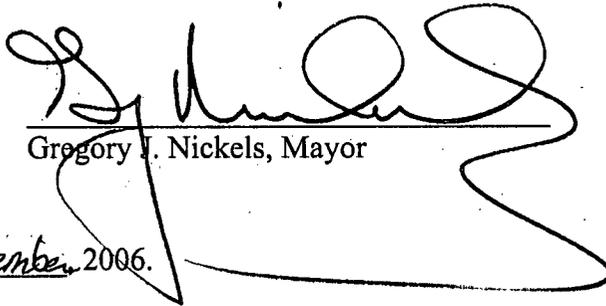
Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 20th day of November, 2006, and signed by me in open session in authentication of its passage this 20th day of November, 2006.



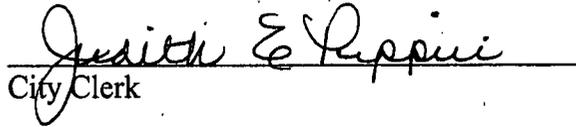
President _____ of the City Council

Approved by me this 22nd day of November, 2006.



Gregory J. Nickels, Mayor

Filed by me this 22nd day of November, 2006.



City Clerk

(Seal)





City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

September 25, 2006

Honorable Nick Licata
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Licata:

I am pleased to transmit the attached proposed Council Bill that extends the amortization period for the Actuarial Account in the Firefighters' Pension Fund through 2023. This legislation has been recommended by the Firefighters' Pension Board.

In 1994, the Mayor and City Council approved Ordinance 117216 to begin to accumulate funds in an Actuarial Account within the Firefighters' Pension Fund. The intention of this ordinance was to accumulate sufficient funds in the Actuarial Account by the end of 2018 to fully fund all pension obligations owed after that date. The funding approach was clarified in 1997 through Ordinance 118814. The City has added money to the Actuarial Account each year since 1994.

Actuarial studies prior to this year have assumed the Account could earn 7 percent interest. This was a reasonable assumption in the 1990s and the Account earned interest at a slightly higher than assumed rate. However, interest rates fell dramatically in the early part of this decade and this is no longer a reasonable assumption. The Pension Fund's current actuary, Mercer Human Resources Consulting, now recommends a 5.125 percent interest rate.

The Firefighter's Pension Board accepted this recommendation at its July 13, 2006 meeting. In addition, the Board recommended that the amortization period be extended by five years to compensate for the lower interest earnings. The attached legislation would implement the Board's recommendations. My 2007-2008 Proposed Budget calculates the City's contributions to the Actuarial Account in a manner consistent with these recommendations.

Thank you for your consideration of this legislation. Should you have questions, please contact Dwight Dively at 684-5212.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Nickels".

GREG NICKELS
Mayor of Seattle

600 Fourth Avenue, 7th Floor, P.O. Box 94749, Seattle, WA 98124-4749

Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, E:mail: mayors.office@seattle.gov

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2007 BUDGET LEGISLATION FISCAL NOTE

Note: This fiscal note template may be used for most pieces of budget legislation. Certain legislation submitted with the budget (e.g., the Supplemental Ordinance, Drug Forfeiture Legislation, Money Laundering Forfeiture Legislation, etc.), require that the standard fiscal note template be used with some modification. Please work with your Budget Analyst so that your fiscal note provides the information that is required during the budget process. The standard template can be found on the Legislation Tracking Page on the inweb at <http://inweb/legislationtracking/>

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Fire Pension	Steve Brown/625-4355	Dwight Dively/684-5212

Legislation Title: AN ORDINANCE relating to the Firefighters' Pension Fund established under Chapter 41.16 RCW; amending Ordinance 118814 to change the date at which full funding of the Actuarial Account is to be achieved.

- **Summary of the Legislation:** This legislation extends the amortization period for the Actuarial Account in the Firefighters' Pension Fund until the end of 2023, consistent with a recommendation by the Firefighters' Pension Board.
- **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

In 1994, the Mayor and City Council approved Ordinance 117216 to begin to accumulate funds in an Actuarial Account within the Firefighters' Pension Fund. The intention of this ordinance was to accumulate sufficient funds in the Actuarial Account by the end of 2018 to fully fund all pension obligations owed after that date. The funding approach was rephrased in 1997 through Ordinance 118814. The City has added money to the Actuarial Account each year since 1994.

Actuarial studies prior to this year have assumed the Account could earn 7 percent interest. This was a reasonable assumption in the 1990s and the Account earned interest at a slightly higher than assumed rate. However, interest rates fell dramatically in the early part of this decade and this is no longer a reasonable assumption. The Pension Fund's current actuary, Mercer Human Resources Consulting, now recommends a 5.125 percent interest rate.

The Firefighter's Pension Board accepted this recommendation at its July 13, 2006 meeting. In addition, the Board recommended that the amortization period be extended by five years to compensate for the lower interest earnings. The attached legislation would implement the Board's recommendations. The 2007-2008 Proposed Budget calculates the City's contributions to the Actuarial Account in a manner consistent with these recommendations.



- Please check one of the following:

This legislation does not have any financial implications. (Stop here and delete the remainder of this document prior to saving and printing.)

This legislation has financial implications. (Please complete all relevant sections that follow.)

Anticipated Revenue/Reimbursement: (For budget legislation that raises fees, please provide detail on each fee that is being raised, when it was last raised, how the proposed fee compares with similar fees in the region, etc.)

Fund Name and Number	Department	Revenue Source	2007 Revenue	2008 Revenue
TOTAL				

Notes: N/A

- What is the financial cost of not implementing this legislation? (Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented)
 - This legislation results in an actuarial contribution of about \$342,000 for 2007. If the amortization period were not changed, the 2007 contribution would need to be at least \$1,000,000 higher. Similar increases would occur in future years.
- What are the possible alternatives to the legislation that could achieve the same or similar objectives? (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.) None.
- Is the legislation subject to public hearing requirements? (If yes, what public hearings have been held to date) No.
- Other Issues (including long-term implications of the legislation): None.



ORDINANCE 122293

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2 AN ORDINANCE relating to the Firefighters' Pension Fund established under Chapter 41.16
3 RCW; amending Ordinance 118814 to change the date at which full funding of the
4 Actuarial Account is to be achieved.

5 WHEREAS, on July 11, 1994, the City Council passed Ordinance 117216, establishing an
6 Actuarial Account within the Firefighters' Pension Fund; and

7 WHEREAS, on November 13, 1997, the City Council passed Ordinance 118814, which
8 rephrased the funding plan for the Actuarial Account; and

9 WHEREAS, financial analyses of the Actuarial Account by independent actuaries have assumed
10 that the Account could earn 7 percent annual investment returns; and

11 WHEREAS, the most recent actuarial analysis by Mercer Human Resources Consulting,
12 completed in the summer of 2006, recommends using a 5.125 percent annual investment
13 return in recognition of the lower interest rates that have prevailed in the last few years;
14 and

15 WHEREAS, on July 13, 2006, the Seattle Firefighters' Pension Board accepted this
16 recommendation and also recommended that the amortization period for the Actuarial
17 Account be extended by five years to compensate for the lower projected returns; NOW,
18 THEREFORE,

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

20 Section 1. Subsections A and D of Section 1 of Ordinance 118814 are amended as
21 follows:

22 As requested by the Firefighters' Pension Board (the "Board"), the following funding
23 policy is adopted with respect to the Firefighters' Pension Fund (the "Fund"):

24 A. Beginning in 1994, the City will place in a separate "Actuarial Account" within
25 the Fund each year an amount which is sufficient to fully amortize as described below the
26 estimated remaining pension liabilities of the Fund by December 31, 20((18))23. The Actuarial
27 Account will be funded as follows:



1 1. Each year, the City will appropriate a "Level Payment Amount" to the Fund.

2 The Level Payment Amount is intended to be constant for each year between 1994 and ((2018))
3 2023. If necessary, the Level Payment Amount will be modified every two years as specified in
4 subsection A(4) below.

5 2. In each year, the Level Payment Amount will be the sum of the expected
6 current pension obligations for that year and a contribution to the Actuarial Account. Thus, the
7 transfer to the Actuarial Account may vary in amount from year to year.

8 3. In some years, the expected current pension obligations will exceed the Level
9 Payment Amount. In such years, the City will appropriate additional funds to the Fund in order
10 to cover all expected current pension obligations. No contribution will be made to the Actuarial
11 Account in such years.

12 4. The actuarial calculations of the Level Payment Amount and of the portion to
13 be contributed to the Actuarial Account shall be performed in a manner consistent with
14 Attachment A.

15 5. Beginning in 1998, the Level Payment Amount will be recalculated by June 30
16 of each even-numbered year by a qualified actuary retained by the Board. While the Level
17 Payment Amount is generally expected to remain constant over time, small variations are likely
18 due to changes in mortality, inflation, and other factors. In addition, the actuary will calculate
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29 the expected current pension obligations for each year. The City will use the actuary's figures in



1 establishing the Level Payment Amount in the biennial budget for the following two (2) years,
2 subject to Board confirmation. In the mid-biennium, the City shall revise the expected current
3 pension obligations based on the actuary's latest estimates, subject to Board confirmation. This
4 may change the contribution to the Actuarial Account in the second year of each biennium
5 depending on any increases or decreases in expected current pension obligations.
6

7 6. In the event that actual current pension obligations for any year exceed the
8 amounts projected by the actuary and included in the budget, the City will appropriate additional
9 amounts to cover any shortfall. Transfers to the Actuarial Account will not be changed once
10 they are included in the Adopted Budget.
11

12 7. Funds in the Actuarial Account are for the purpose of meeting pension
13 obligations and funds will not be transferred from the Actuarial Account for any other purpose
14 unless and until all pension obligations of the Fund have been satisfied.
15

16 * * *

17 D. Beginning on January 1, 20~~((19))~~24, it is anticipated that funds accumulated in
18 the Actuarial Account will be sufficient to cover all future pension costs of the Fund. If there are
19 pension liabilities that cannot be met from the balance in the Actuarial Account, the City shall
20 appropriate such funds as are required to pay all pension costs.
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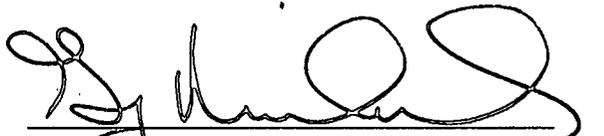
Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 20th day of November, 2006, and signed by me in open session in authentication of its passage this 20th day of November, 2006.



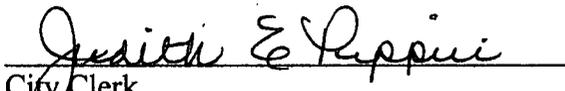
President _____ of the City Council

Approved by me this 22nd day of November, 2006.



Gregory J. Nickels, Mayor

Filed by me this 22nd day of November, 2006.



City Clerk

(Seal)





City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

September 25, 2006

Honorable Nick Licata
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Licata:

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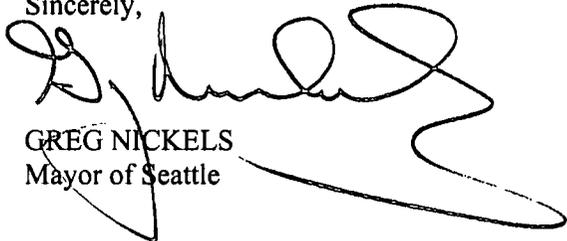
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Actuarial studies prior to this year have assumed the Account could earn 7 percent interest. This was a reasonable assumption in the 1990s and the Account earned interest at a slightly higher than assumed rate. However, interest rates fell dramatically in the early part of this decade and this is no longer a reasonable assumption. The Pension Fund's current actuary, Mercer Human Resources Consulting, now recommends a 5.125 percent interest rate.

The Firefighter's Pension Board accepted this recommendation at its July 13, 2006 meeting. In addition, the Board recommended that the amortization period be extended by five years to compensate for the lower interest earnings. The attached legislation would implement the Board's recommendations. My 2007-2008 Proposed Budget calculates the City's contributions to the Actuarial Account in a manner consistent with these recommendations.

Thank you for your consideration of this legislation. Should you have questions, please contact Dwight Dively at 684-5212.

Sincerely,



GREG NICKELS
Mayor of Seattle

600 Fourth Avenue, 7th Floor, P.O. Box 94749, Seattle, WA 98124-4749

Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, E:mail: mayors.office@seattle.gov

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2007 BUDGET LEGISLATION FISCAL NOTE

Note: This fiscal note template may be used for most pieces of budget legislation. Certain legislation submitted with the budget (e.g., the Supplemental Ordinance, Drug Forfeiture Legislation, Money Laundering Forfeiture Legislation, etc.), require that the standard fiscal note template be used with some modification. Please work with your Budget Analyst so that your fiscal note provides the information that is required during the budget process. The standard template can be found on the Legislation Tracking Page on the inweb at <http://inweb/legislationtracking/>

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Fire Pension	Steve Brown/625-4355	Dwight Dively/684-5212

Legislation Title: AN ORDINANCE relating to the Firefighters' Pension Fund established under Chapter 41.16 RCW; amending Ordinance 118814 to change the date at which full funding of the Actuarial Account is to be achieved.

- **Summary of the Legislation:** This legislation extends the amortization period for the Actuarial Account in the Firefighters' Pension Fund until the end of 2023, consistent with a recommendation by the Firefighters' Pension Board.
- **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

In 1994, the Mayor and City Council approved Ordinance 117216 to begin to accumulate funds in an Actuarial Account within the Firefighters' Pension Fund. The intention of this ordinance was to accumulate sufficient funds in the Actuarial Account by the end of 2018 to fully fund all pension obligations owed after that date. The funding approach was rephrased in 1997 through Ordinance 118814. The City has added money to the Actuarial Account each year since 1994.

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The Firefighter's Pension Board accepted this recommendation at its July 13, 2006 meeting. In addition, the Board recommended that the amortization period be extended by five years to compensate for the lower interest earnings. The attached legislation would implement the Board's recommendations. The 2007-2008 Proposed Budget calculates the City's contributions to the Actuarial Account in a manner consistent with these recommendations.



- Please check one of the following:

This legislation does not have any financial implications. (Stop here and delete the remainder of this document prior to saving and printing.)

This legislation has financial implications. (Please complete all relevant sections that follow.)

Anticipated Revenue/Reimbursement: (For budget legislation that raises fees, please provide detail on each fee that is being raised, when it was last raised, how the proposed fee compares with similar fees in the region, etc.)

Fund Name and Number	Department	Revenue Source	2007 Revenue	2008 Revenue
TOTAL				

Notes: N/A

- What is the financial cost of not implementing this legislation? (Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented)
 - This legislation results in an actuarial contribution of about \$342,000 for 2007. If the amortization period were not changed, the 2007 contribution would need to be at least \$1,000,000 higher. Similar increases would occur in future years.
- What are the possible alternatives to the legislation that could achieve the same or similar objectives? (Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.) None.
- Is the legislation subject to public hearing requirements? (If yes, what public hearings have been held to date) No.
- Other Issues (including long-term implications of the legislation): None.

STATE OF WASHINGTON – KING COUNTY

--SS.

205040
CITY OF SEATTLE, CLERKS OFFICE

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.

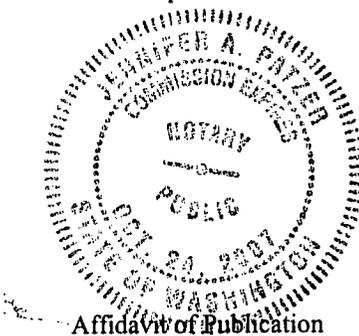
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:122293 ORDINANCE

was published on

12/04/06

The amount of the fee charged for the foregoing publication is the sum of \$ 193.20, which amount has been paid in full.

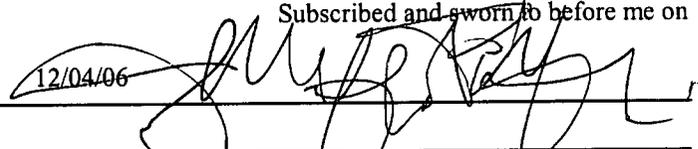


Affidavit of Publication



Subscribed and sworn to before me on

12/04/06



Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

ORDINANCE 122298

AN ORDINANCE relating to the Firefighters' Pension Fund established under Chapter 41.16 RCW; amending Ordinance 118814 to change the date at which full funding of the Actuarial Account is to be achieved.

WHEREAS, on July 11, 1994, the City Council passed Ordinance 117216, establishing an Actuarial Account within the Firefighters' Pension Fund; and

WHEREAS, on November 13, 1997, the City Council passed Ordinance 118814, which rephrased the funding plan for the Actuarial Account; and

WHEREAS, financial analyses of the Actuarial Account by independent actuaries have assumed that the Account could earn 7 percent annual investment returns; and

WHEREAS, the most recent actuarial analysis by Mercer Human Resources Consulting, completed in the summer of 2006, recommends using a 5.125 percent annual investment return in recognition of the lower interest rates that have prevailed in the last few years; and

WHEREAS, on July 13, 2006, the Seattle Firefighters' Pension Board accepted this recommendation and also recommended that the amortization period for the Actuarial Account be extended by five years to compensate for the lower projected returns; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsections A and D of Section 1 of Ordinance 118814 are amended as follows:

As requested by the Firefighters' Pension Board (the "Board"), the following funding policy is adopted with respect to the Firefighters' Pension Fund (the "Fund"):

A. Beginning in 1994, the City will place in a separate "Actuarial Account" within the Fund each year an amount which is sufficient to fully amortize as described below the estimated remaining pension liabilities of the Fund by December 31, 20~~(46)~~⁽⁴⁹⁾23. The Actuarial Account will be funded as follows:

1. Each year, the City will appropriate a "Level Payment Amount" to the Fund. The Level Payment Amount is intended to be constant for each year between 1994 and ~~(2010)~~⁽²⁰²³⁾. If necessary, the Level Payment Amount will be modified every two years as specified in subsection A(4) below.

2. In each year, the Level Payment Amount will be the sum of the expected current pension obligations for that year and a contribution to the Actuarial Account. Thus, the transfer to the Actuarial Account may vary in amount from year to year.

3. In some years, the expected current pension obligations will exceed the Level Payment Amount. In such years, the City will appropriate additional funds to the Fund in order to cover all expected current pension obligations. No contribution will be made to the Actuarial Account in such years.

4. The actuarial calculations of the Level Payment Amount and of the portion to be contributed to the Actuarial Account shall be performed in a manner consistent with Attachment A.

5. Beginning in 1998, the Level Payment Amount will be recalculated by June 30 of each even-numbered year by a qualified actuary retained by the Board. While the Level Payment Amount is generally expected to remain constant over time, small variations are likely due to changes in mortality, inflation, and other factors. In addition, the actuary will calculate the expected current pension obligations for each of the two following years. The contribution to the Actuarial Account will be defined as the difference between the Level Payment Amount and the expected current pension obligations for each year. The City will use the actuary's figures in establishing the Level Payment Amount in the biennial budget for the following two (2) years, subject to Board confirmation. In the mid-biennium, the City shall revise the expected current pension obligations based on the actuary's latest estimates, subject to Board confirmation. This may change the contribution to the Actuarial Account in the second year of each biennium depending on any increases or decreases in expected current pension obligations.

6. In the event that actual current pension obligations for any year exceed the amounts projected by the actuary and included in the budget, the City will appropriate additional amounts to cover any shortfall. Transfers to the Actuarial Account will not be changed once they are included in the Adopted Budget.

7. Funds in the Actuarial Account are for the purpose of meeting pension obligations and funds will not be transferred from the Actuarial Account for any other purpose unless and until all pension obligations of the Fund have been satisfied.

D. Beginning on January 1, 20~~(46)~~⁽⁴⁹⁾24, it is anticipated that funds accumulated in the Actuarial Account will be sufficient to cover all future pension costs of the Fund. If there are pension liabilities that cannot be met from the balance in the Actuarial Account, the City shall appropriate such funds as are required to pay all pension costs.

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

Passed by the City Council the 20th day of November, 2006, and signed by me in open session in authentication of its passage this 20th day of November, 2006.

Nick Licata
President of the City Council

Approved by me this 22nd day of November, 2006.

Gregory J. Nickels, Mayor

Filed by me this 22nd day of November, 2006.

(Seal) Judith Pippin

City Clerk

Publication ordered by JUDITH PIPPIN,

City Clerk

Date of publication in the Seattle Daily

Journal of Commerce, December 4, 2006.

12/4(200640)