

RESOLUTION NO. 441

A RESOLUTION APPROVING INTEGRATION OF THE PRIVATE RETIREMENT PLAN OF THE CITY OF CANBY INTO THE OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM.

WHEREAS, the City of Canby presently contracts with Pacific Mutual Life Insurance Company for the provision of retirement benefits for its employees; and

WHEREAS, the City of Canby has determined that integration into the Oregon Public Employees Retirement System of the City's private retirement system would provide substantially more retirement benefits; and

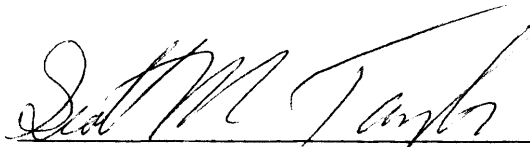
WHEREAS, the City of Canby has determined that it can fund the additional contribution necessary to allow integration of its private retirement plan into the Oregon Public Employees Retirement System.


NOW, THEREFORE, BE IT RESOLVED BY THE CANBY CITY COUNCIL that said Council requests the Public Employees Retirement Board, pursuant to ORS 237.051, to integrate of the City's private retirement plan presently with Pacific Mutual Life Insurance Company into the Oregon Public Employees Retirement System; and

BE IT FURTHER RESOLVED that a request that a financial and actuarial investigation of the proposed integration has been completed and that, pursuant to said investigation, a contract be entered into between the Oregon Public Employees Retirement Board and the City of Canby to integrate the City's private retirement system into the Oregon Public Employees Retirement System as provided hereto as Exhibit "A".

ADOPTED this 20th day of December, 1989, by the Canby City Council.

ATTEST:

  
Scott Taylor, Council President  
Acting Mayor /

  
Marilyn K. Perkett, City Recorder

## CONTRACT OF INTEGRATION

THIS CONTRACT is made between the Oregon Public Employees Retirement Board (hereinafter referred to as "BOARD") on behalf of the Public Employees Retirement System (hereinafter referred to as "PERS") and the City of Canby acting through its City Council (hereinafter referred to as "CITY") for the purposes of integrating the City's current retirement system with Pacific Mutual Life Insurance Company (hereinafter referred to as "PREVIOUSLY ESTABLISHED PLAN") into PERS pursuant to the provisions of ORS 237.051.

This contract is effective JANUARY 1, 1990, but shall have no effect until approved by:

1. Two-thirds of the current employees of the City participating in the previously established plan,
2. The City, and
3. The Board.

THEREFORE, THE PARTIES MUTUALLY AGREE THAT:

1. Effective January 1, 1990, the City will begin participating in PERS for all eligible employees. All employees who were participating in the previously established plan of the City on January 1, 1990, will be covered by and begin participating in PERS and have all rights, benefits and obligations provided by ORS 237.001 to 237.325. Police officer class employees of the City shall additionally have all rights, benefits and obligations provided by ORS 237.610 to 237.640.
2. For employees of the City participating in the previously established plan on the effective date of this contract, "current service" under PERS shall include all years of service beginning: (a) July 1, 1973, (b) the date of hire with the City, or (c) date of enrollment in the previously established plan, whichever is the later, as if they had participated in PERS during all those years.
3. For employees of the City that did not participate in the previously established plan, "current service" under PERS shall include all years of service beginning the later of: (a) January 1, 1990, or (b) the first day of the seventh full calendar month after date of hire with the City, unless otherwise eligible for immediate membership in PERS under ORS 237.011.
4. Nothing in this contract nor any action taken under this contract shall reduce or impair the benefits which

employees who are receiving benefits from the previously established plan would have received had the integration not been effected. All persons who retire before January 1, 1990, will remain in the previously established plan.

5. The City will continue to provide payment to (a) all persons receiving benefits from the previously established plan, and (b) all persons not employed on the effective date of this contract who are entitled to future benefits from the previously established plan. These two groups of persons shall not be entitled to additional benefits from PERS for service rendered to the City. PERS accepts no liability for any such persons.

6. The Board will cause a financial and actuarial investigation of this integration to be made, the cost of which shall be borne by the City or previously established plan. Such investigation shall determine the current actuarial value of projected benefits, current assets and any unfunded liability of such plan.

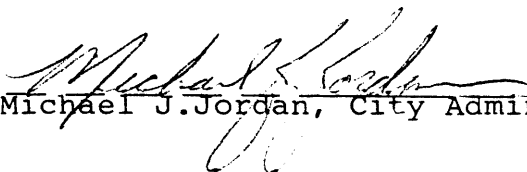
7. The City will furnish PERS with payroll and personnel information to establish years of service, salary history, member account balances and other such information and data deemed necessary by the Board to integrate the previously established plan into PERS.

8. The City will transfer cash assets from the previously established plan to its employer account in PERS no later than February 1, 1990. The members' account balances will be transferred from the employer account to the individual accounts. The assets remaining in the employer account after those transfers will constitute the employer account. The City will transfer approximately \$1,416,200 of assets (plus interest income) (less hold-back for purchase of paid up cost of living adjustments for retirees of previously established plan) in one or more payments. The transfer of assets is in addition to payment of employer contributions under ORS 237.081.

9. The initial employer contribution rate pursuant to ORS 237.081 will be 6.83% of employees' total gross salary as defined in ORS 237.003 and 237.075. The City's employer contribution rate reflects the transfer of all assets from the previously established plan to PERS, as prescribed above. In addition, the City will initially pick-up, pay or assume the employer's contributions of 6% of total gross salary as defined in ORS 237.003.

APPROVED FOR THE CITY OF CANBY this *27* day of *December*, 1989.

By:

  
Michael J. Jordan, City Administrator

By: Nancy G. Kopelk  
Nancy G. Kopelk, Mayor

APPROVED FOR COUNCIL 75, AFSCME this 15<sup>th</sup> day of DECEMBER, 1989.

By: Robert Godon  
Robert Godon, AFSCME President

APPROVED FOR THE CANBY POLICE ASSOCIATION this 15 day of  
DEC, 1989.

By: Jerry Gustaveson  
Jerry Gustaveson, Canby Police Association President

APPROVED FOR THE OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM this  
day of , 1989.

By: \_\_\_\_\_  
Director, Oregon Public Employees Retirement System

By: \_\_\_\_\_  
Chairman, Oregon Public Employees Retirement Board