

BEFORE THE BOARD OF COUNTY COMMISSIONERS FOR

MULTNOMAH COUNTY, OREGON

Ordinance No. 12

An Ordinance providing for a retirement system for the employes of Multnomah County.

Multnomah County ordains as follows:

A retirement system for Multnomah County is hereby established in accordance with and under the following Articles:

ARTICLE I. MULTNOMAH COUNTY RETIREMENT BOARD.

Section (1) The retirement system for Multnomah County shall be administered by the Multnomah County Retirement Board.

Section (2) The Multnomah County Retirement Board shall be composed of seven members.

(a) Three members shall be appointed by and from the Board of County Commissioners who shall serve at the pleasure of that Board.

(b) Three members shall be regular employes of the County who shall serve for a term of three years or until their successors are elected and qualified. These three members shall be nominated at a meeting of the county employes and then elected by ballot to be distributed to all county employes under regulations adopted by the Board of County Commissioners.

PROVIDED: The three members of the retirement board which existed prior to the enactment of this ordinance who were elected by vote of the employes of Multnomah County shall continue to serve until their terms have expired, at which time their successors shall be elected for terms of 1, 2 and 3 years, respectively. Upon the expiration of each of these respective terms, one member shall be elected each year to serve for a 3 year term.

(c) One member shall be elected for a term of four years from a majority of the other six members and shall not be an officer or employe of the county.

PROVIDED: The member who was elected by the other six members of the former retirement board shall continue to hold

his position until his term expires.

Section (3) The retirement board may promulgate and enforce such rules and regulations as it deems necessary and proper for the administration of the retirement system. The rules and regulations of the retirement board in existence prior to the enactment of this ordinance shall remain in full force and effect as provided by Chapter XII, Sec. 12.10, of the County Charter.

ARTICLE II. PERSONS ELIGIBLE TO PARTICIPATE IN THE MULTNOMAH COUNTY RETIREMENT SYSTEM.

Section (1) All persons in the county service except those who enter the county service at any time after the first day of the month following his 50th birthday, shall be eligible to participate in the Multnomah County Retirement System.

Section (2) Within the meaning of this ordinance the following persons are deemed to be in the county service, provided they are required to render service to the county not less than 35 hours per week, exclusive of vacation, sick leave, and bona fide leaves of absence.

(a) Persons holding elective offices of the county, including the District Attorney, whether or not their entire salaries are paid by the county.

(b) Regular employees of the county, including non-elected officers, official court reporters, and deputy district attorneys although their entire salaries have not been paid by the county, provided that such deputy district attorneys receive more than 50 per cent of their salaries from the county.

ARTICLE III. COMPULSORY RETIREMENT IF INCAPACITATED.

Section (1) The board of county commissioners shall retire from active service such old and infirm employes who by reason of long and faithful service if not less than 15 years continuous service are, in the judgment of the retirement board, incapacitated for further service.

Section (2) Compulsory retirement age; continuation

in service; eligibility; withdrawal of contribution.

(a) Any employe who has attained the age of 65 years shall be retired effective the first day of the month following his 65th birthday unless the employe shall request that he be continued in service and his continuation in service is approved by his appointing power.

(b) The request for continuation in service shall be made by the employe at least 30 days and not more than 45 days before his effective date of retirement in writing to his appointing power. If the request is approved, the employe shall be so notified in writing by the appointing power.

(c) The continuation of service under subsection (2) of this section shall be for a period of one year only and for each additional year a new request must be made and approved. No employe shall be continued in service after he has attained the age of 72 years.

(d) Any person who, on January 1, 1966, is employed by the county and will not by reason of age, length of county service or insufficient years of continuous service be eligible to receive any benefits from the retirement system on his retirement, may at any time apply for and receive out of the employes' retirement fund the actual amount of his contribution without interest and shall not thereafter be required to contribute to the retirement fund.

(e) Any person who on December 31, 1963, was employed by the county and was participating in the retirement system existing at the time and who was compelled to retire on that date by reason of having attained the age of 65 years and who had not withdrawn his contributions to the retirement fund and who at the time of retirement had not less than 14 years of continuous service with the county, shall be paid from the retirement fund for the rest of his life such monthly sums as he would have received at the time of his retirement had he then completed 15 years of continuous service with the county. If any person as defined in this subsection shall require additional employment credits for maximum social security benefits, he shall be continued in employment for sufficient time to earn such benefits.

ARTICLE IV. MEMBERSHIP OF ELECTIVE OFFICERS: OFFICERS NOT SUBJECT TO COMPULSORY RETIREMENT.

Section (1) Persons holding elective offices of the county, including the District Attorney, whether or not their entire salaries are paid by the county, shall participate in the retirement system as hereinafter provided.

Persons who so participate are not subject to compulsory retirement for incapacity or age under Article III.

Section (2) A person holding an elective office of the county after having elected not to participate in the system and after having received a refund of his salary deductions and contributions is not entitled to any benefits under the system for service in an elective capacity or to be reinstated to participation in the system as an elective official while he continuously holds an elective office of the county. However, if he ceases to hold an elective office of the county and thereafter assumes an elective office of the county, he is again entitled to participate in the retirement system, but he is not entitled to previous county service credit under Article X.

ARTICLE V. COUNTY RETIREMENT FUND.

Section (1) All contributions by employes shall be placed in a fund to be known as the employes' retirement fund.

Section (2) All balances in this fund, including moneys contributed by the county under Article XII shall be used only for the purposes of the retirement system, provided that an amount equal to not more than one-half of one percent of the previous year's gross contributions of employes and the county may be appropriated and spent for such clerical and administrative assistance in the administration of the system as shall be deemed necessary by the retirement board and approved by the board of county commissioners.

Article VI. EMPLOYEE CONTRIBUTION: DETERMINATION OF RATE.

Section (1). There shall be deducted each month from the gross monthly salary of each employe a sum equal to not less than three nor more than five percent of his salary paid by the county as the employe's contribution to the employes' retirement fund.

Section (2). The rate of the employe's contribution for the following fiscal year shall be determined by the retirement board before July 1 of each year, in accordance with actuarial standards.

Article VII. ELECTIVE OFFICER'S CONTRIBUTION. There shall be deducted each month from the gross monthly salary of each person holding an elective office of the county and participating in the system a sum determined in the same manner as the sum deducted from the salary of a regular employe, as that person's contribution to the employes' retirement fund.

Article VIII. AMOUNT OF RETIREMENT PAY.

Section (1). Any employee who retires under Article III, and who has completed at least 15 years of continuous employment by the county shall be paid from the retirement fund for the rest of his life a monthly sum equal to one and one-half percent of his average gross monthly salary paid by the county during the 60 months immediately preceding his retirement multiplied by the total number of calendar years of continuous employment by the county.

Section (2). As used in subsection (1) of this section, "years of continuous employment" means successive periods of 12 months duration during which the employe has been required to render service to the county not less than 35 hours per week, exclusive of vacation, sick leave and bona fide leave of absence, and except as provided in subsection (2) of Article XI.

Section (3). The provisions of subsection (1) of this section shall apply to any employe retiring after January 1, 1966, and nothing in this section shall affect in any way the person who has retired prior to that date.

Section (4). No person retiring after January 1, 1966, who is eligible for payment under subsection (1) of this section shall be paid less than \$65 per month plus \$3.50 per month for each year of continuous service in excess of 15 years.

Article IX. RATE OF RETIREMENT PAY FOR EMPLOYEES RETIRED PRIOR TO JULY 1, 1949. Employes who have retired prior to July 1, 1949, shall continue to receive retirement pay from the general fund of the county based on rates as follows:

Section (1). After 15 years, inclusive, of continuous employment by the county, the monthly rate of retirement pay shall be not less than \$37.50 per month.

Section (2) For each year after 16 years of continuous service with the county, the retirement pay shall be increased by not less than \$2.50 per month for each additional year of continuous service prior to retirement.

Section (3) In no case shall the retirement pay exceed \$100 per month.

ARTICLE X. RATE OF RETIREMENT PAY FOR CERTAIN PERSONS HOLDING ELECTIVE OFFICE ON OR AFTER JANUARY 1, 1966.

Section (1) Any person who held an elective office of the county on or after January 1, 1966, who served the county in an elective or non-elective capacity or combination thereof for not less than 10 years, who has either attained the age of 65 years or has become, in the opinion of the retirement board, incapacitated for further service, who is no longer serving the county in any capacity and who, at the time he ceased to serve the county, was participating in the system as an elective official shall, upon application therefor, be paid from the employes' retirement fund a monthly amount calculated as follows: Compute the average gross monthly salary paid by the county during the 60 months of his county service immediately preceding his ceasing to serve the county, and having arrived at his average gross monthly salary, take one and one-half percent thereof and multiply the sum so ascertained by the total number of calendar years of his county service.

Section (2) In determining the amount of county service by a person under subsection (1) of this section, county service by that person in an elective capacity before he begins to participate in the system as an elective official shall be included if that person pays into the employes' retirement fund within six months after the date he begins to so participate an amount equal to the amount that would have been deducted from his gross monthly salary if he had so participated during that previous service.

Section (3) In determining the amount of county service by a person under subsection (1) of this section, county service by that person in a non-elective capacity before he begins to participate in the system as an elective official, without regard to any period of separation from county service, shall be included if that person pays into the employes' retirement fund within six months after the date he begins to so participate any amount previously withdrawn by him on his separation from county service under subsection (1) of Article XI. For purpose of this subsection, previous county service in a non-elective capacity includes only successive periods of 12 months' duration during which the person was required to render service to the county not less than 35 hours per week, exclusive of vacation, sick leave and bona fide leave of absence, and except as provided in subsection (2) of Article XI.

Section (4) Payments into the employes' retirement fund under subsections (2) and (3) of this section shall be considered contributions or salary deductions for purposes of the application of Article XI to persons holding elective offices of the county and participating in the system.

Article XI. REFUNDS TO SEPARATED EMPLOYEES AND BENEFICIARIES OF EMPLOYEES WHO DIE PRIOR TO RETIREMENT: RESTORATION OF RIGHTS UPON RE-ENTRY INTO SERVICE. Section (1). Any employe who while living, is separated from the county employment for any reason whatsoever shall be refunded upon demand the actual amount of his contributions or salary deductions under Article VI without the addition of interest, upon the employe executing and delivering to the retirement board in writing a waiver of all rights to which the employe might be entitled under this Ordinance, within the period of two years. The refund shall be paid by warrant drawn on the employes' retirement fund and the auditor shall make the refund under the direction of the retirement board. At the end of such two-year period, if such waiver has not been executed and delivered, such moneys shall revert to the retirement fund.

Section (2). Whenever, within five years after he is separated from all service entitling him to membership in the system, an employe who has withdrawn the amount credited to him reenters the service of an employer participating in the system, his rights in the system which were forfeited by the withdrawal shall be restored upon his repaying to the board within six months after reentering the service of his employer, the full amount so withdrawn.

Section (3). If an employe dies prior to retirement such salary deductions shall be paid to a beneficiary previously designated by the employe. If such employe does not designate a beneficiary, then in that event such salary deductions shall be paid to those who would be entitled to receive such amount under the laws of descent and distribution of the State of Oregon in cases where a person dies intestate.

Section (4). If any employe dies after retirement and before he has received the full amount of money he has contributed to the fund, the remaining balance of his contributions to the employes' retirement fund shall be paid to such beneficiary as he shall name or if none, then to those who would be entitled to receive such amount under the laws of descent and distribution of the State of Oregon in cases where a person dies intestate.

Article XII. COUNTY CONTRIBUTION TO FUND.

Section (1). The county shall contribute each year into the employes' retirement fund a sum equal to the gross contributions deducted from employes' salaries during the preceding calendar year.

Section (2). The county shall place its contribution in the retirement fund not later than March 1 of each year.

Article XIII. ACTUARIAL REPORT ON RETIREMENT SYSTEM.

At least once every four years the board of county commissioners shall cause a competent actuary familiar with public systems of retirement

and death benefits to prepare a report evaluating the current and prospective assets and liabilities of the system and indicating its current and prospective financial condition. In preparing the report the actuary shall investigate the mortality, disability, service and other experiences of the members of and employers participation in the system, shall state fully the condition of the system, and shall make such recommendations as he deems advisable to facilitate administering it properly. The board shall publish and distribute a summary of the report to all the department heads and retirement board members, and the cost of such actuarial reports shall be paid from the general funds of the county.

Article XIV. INVESTMENT OF FUND.

Section (1) The retirement board may invest moneys in the employes' retirement fund in the classes of securities referred to in subsections (1) to (7) of ORS 293.710 and may also invest moneys in the fund in the following classes of securities:

(a) Bonds or evidences of indebtedness that are direct obligations of, or secured by the full faith and credit of, any state of the United States or the District of Columbia.

(b) Bonds or evidences of indebtedness that are direct general obligations of any county, incorporated city, incorporated school district or incorporated district in any state of the United States where there exists the power to levy taxes for the prompt payment of principal and interest on such bonds or evidences of indebtedness, provided such issuer has not defaulted in the payment of principal or interest on any of its bonds or evidences of indebtedness within 10 years prior to the time of purchase under authority of this subsection.

(c) Corporate bonds, including utility and railroad bonds, issued by an authority within or outside this state and rated at the time of purchase under authority of this subsection in one of the three highest grades by a recognized investment service organization that has been regularly engaged for a period of 10 years or more in rating or grading bonds.

(d) Real property mortgages insured or guaranteed by the Federal Government or an agency thereof.

Section (2). The combined amortized value of the bonds or evidences of indebtedness designated in paragraphs (a), (b), and (c) of subsection (1) of this section, in which the fund is invested, shall not exceed at any one time one-half of the amortized value of all the investments of the fund and of moneys in the fund immediately available for investment. Not more than five percent of the amortized value of all the investments of the fund and of

moneys in the fund immediately available for investment may be invested in the obligations of a single, primary obligor designated in such paragraphs.

Article XV. RETIREMENT OF FORMER EMPLOYEES OF MULTNOMAH COUNTY FAIR ASSOCIATION. An employe who was employed full time for at least 10 consecutive years by the Multnomah County Fair Association and after January 1, 1950, when the County of Multnomah took over the Multnomah County Fair, was employed by Multnomah County and who has reached the age of retirement before January 1, 1964, shall be retired and shall be paid from the employes' retirement fund the minimum amount allowed under subsection (1) of ORS 238.070.

Article XVI. This ordinance shall be considered in effect as of 12:00 o'clock Midnight, December 31, 1966. All rights, benefits and privileges, including time in service and credit for contributions, having accrued to persons in county service under Chapter 238 Oregon Revised Statutes shall be continued in full effect. It is the intention of this ordinance to preserve to all persons in the county service rights at least equivalent to the rights that they have under the retirement system applicable to them under state law in effect prior to the enactment of this Ordinance.

Date of passage: January 3, 1967.

MULTNOMAH COUNTY, OREGON
BOARD OF COUNTY COMMISSIONERS

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Chairman

J. M. A. Swartz
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Commissioner

John Brown
Commissioner

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APPROVED AS TO FORM:

GEORGE VAN HOOMISSEN
District Attorney

BY Willis A. West
Willis A. West
Chief Deputy
Civil Department