

EXHIBIT "A"

SUPPLEMENTARY DISABILITY AND RETIREMENT PROGRAM

For

BRUCE BAKER, CHIEF OF POLICE

INDEX

	<u>Page</u>
Article I -- Purpose .....	1
Article II -- Objective .....	1
Article III -- The California Public Employees Retirement System .....	2
Article IV -- Service Retirement .....	2
Article V -- Disability .....	3
Article VI -- Death .....	4
Article VII -- Funding and Accounting .....	5
Article VIII -- Termination Before Retirement .....	6
Article IX -- No Denial of Benefits .....	6
Article X -- Effective Date .....	6

Attachment -- California Plan

## SUPPLEMENTARY DISABILITY AND RETIREMENT PROGRAM

For

BRUCE BAKER, CHIEF OF POLICE

I. Purpose

To establish a program of disability, retirement and death benefits for Bruce Baker for services to the City of Portland as Chief of Police in order to supplement benefits which he has earned from previous employment. This supplementary program is necessary to provide benefits for his service with the City of Portland in compliance with ORS 237.620, because he is not eligible for coverage and benefits from either the City of Portland Fire and Police Disability and Retirement Fund or the Oregon Public Employees Retirement System.

II. Objective

To provide benefits from employment as Chief of Police as follows:

1. Service retirement, which when combined with other such benefits as may be available from City employment as the Chief of Police and the service retirement from his prior police service at Berkeley, California, will be similar to those he would have had under the California Public Employees Retirement System had he continued service under that plan until retirement;
2. Benefits for disability occurring prior to termination of employment with the City of Portland at a level independent of benefits provided under the California PERS; and
3. Supplemental benefits for death occurring prior to service retirement or separation from employment with the City of Portland.

### III. The California Public Employees Retirement System

The California PERS plan applicable in this supplementary program is identified as Booklet ACT-DO-108, dated September 1972. This specific plan will be the basis for determining service retirement benefits. It is not to be applicable to disability or death benefits. A copy of the plan is attached and made a part hereof.

Chief Baker has a vested interest in the California PERS with benefits based on a credit of twenty-four years and one month of service at the time of his appointment on January 15, 1974 as Chief of Police for the City of Portland.

### IV. Service Retirement

The City of Portland shall provide a service retirement benefit of the difference between the amount computed under the California PERS based on the credited years of service under the California PERS and age at retirement as Portland Chief of Police and the amount under this plan based on total service as defined in this Article.

The benefit from the City of Portland shall be provided as an annuity based upon the unmodified allowance (as defined in the California plan) reduced by an option selection by Chief Baker, if any. The pension paid during Chief Baker's life-time shall be further reduced by any disability benefit payable under Article V of this City Plan and any permanent monthly benefits payable under the Oregon State Accident Insurance Fund or Social Security.

Choice of unmodified service retirement benefit or survivor benefit option for the City of Portland plan is not restricted by a choice made for retirement under the California PERS.

If from employment as Chief of Police of the City of Portland, Chief Baker has completed eligibility for a monthly benefit from Social Security at an older age, the monthly benefits under the annuity during his life-time shall be further reduced by the amount of Social Security benefit beginning on the date of earliest eligibility. Computation of the amount of the Social Security benefit to be received at an older age will be based on the rates at the time of retirement as if Chief Baker were then retiring at the older age and without consideration of Social Security benefits for his wife.

The supplemental benefit from the City shall be computed as if Chief Baker were retiring under the California PERS at the same time, notwithstanding a different action affecting his actual benefits under the California PERS.

Factors to be considered in computation of the unmodified allowance are:

1. Total service, which is the total years of service credited under California PERS plan plus years of service for the City of Portland as Chief of Police. For a fraction of a year, a full month is to be credited as 1/10th of a year. At least half a month but less than a full month is to be credited as 1/20th of a year;
2. Age at retirement;
3. Final compensation from the City of Portland, using the definition in the California PERS for final compensation;
4. Percentage factor in California PERS; and
5. The limitation under the California PERS on the maximum of the unmodified allowance to 75% of final compensation.

Chief Baker may choose to receive supplementary service retirement benefits any time after he reaches age 50.

Upon notification by Chief Baker of his intention to retire under this plan, a committee, composed of the Commissioner in Charge of the Bureau of Police, the City Auditor and the City Finance Officer, shall determine the supplemental retirement pension due from the City of Portland. The committee shall give consideration to benefits from the Oregon State Accident Insurance Fund and Social Security for which Chief Baker is eligible or has earned future eligibility, and the schedule of monthly benefit payments to be paid during Chief Baker's life-time shall state the amount by month to reflect periodic changes in offsetting amounts. The City shall later adjust the amount to be paid by the City in the event of a reduction in an offsetting amount which could not have been anticipated at the time of retirement.

#### V. Disability

Disability under this plan means the inability of Chief Baker to perform the duties as Chief of Police because of physical or mental incapacity which occurs prior to earliest service retirement age, which is expected to last indefinitely and which could cause the City of Portland to terminate his employment as Chief of Police. The benefit shall begin after a thirty-day elimination period from the onset of disability and shall continue until death or recovery from the disability or age 65, whichever occurs first. The rate of the disability benefit from the City shall be \$1,250 a month. Benefits from the Oregon State Accident Insurance Fund and Social Security shall be in addition to the \$1,250 a month until service retirement.

The disability payments of \$1,250 a month will be provided through an insurance company selected by the City. The policy may include additional benefits as part of a package which must be purchased in order to provide the benefits described above. Chief Baker shall file a claim for benefits under the policy if he becomes eligible therefor, and he shall comply with the provisions in the policy for maintaining continuing eligibility.

For disability occurring after earliest service retirement age or after a period covered by the insurance policy described above, whichever is later, but prior to retirement, the benefit shall be service retirement under Article IV. However, the City, upon request from Chief Baker, may delay the service retirement and place him on leave of absence without pay for not longer than one year, pending possible recovery. During the period of such leave, the Council shall provide monthly payments of \$1,250 a month for not to exceed twelve months, and such benefits shall be charged to the City's contributions in the Supplemental Disability and Retirement Trust Fund described in Article VII. Time on such leave shall be credited service for retirement and payments shall be considered supplemental sick pay. However, this supplemental sick pay shall not be part of the regular City plan for sick leave. If the disability still exists at the end of the leave of absence, Chief Baker shall be terminated from employment and placed on a service retirement.

For a period in which Chief Baker is to receive payments under this Article or during the thirty-day elimination period, he may apply accrued sick leave from the regular City plan or accrued vacation to supplement the monthly payments provided by this Article to the extent that the combined gross amount does not exceed his monthly salary.

## VI. Death

Death After Retirement -- Benefits for death after retirement under this plan shall be only those paid to the widow under an optional reduced service retirement pension selected at the time Chief Baker retires.

### Death Before Retirement

- a. The basic death benefit for death prior to retirement under this plan and occurring within four months after termination, if any, from employment as Chief of Police shall be a refund of contributions with earnings and a lump sum payment equal to six months' salary. The salary referred to is the rate of compensation at the time of death.
- b. If death occurs after age 50 and within four months after termination, if any, from employment as Chief of Police but prior to retirement, a surviving widow may elect to receive either:

- (1) The basic death benefit described in a. above; or
  - (2) A monthly income equal to one-half the unmodified retirement allowance Chief Baker was eligible for on the date of his death if she was married to him at least one year prior to death. The monthly income shall be paid until the widow's death or remarriage. However, if the total amount paid under these limitations is less than the amount of the basic benefit, the difference shall be paid in a lump sum to the widow or the widow's estate.
- c. The benefit for death occurring later than four months after termination of employment as Chief of Police shall be limited to refund of contributions and earnings thereon.

## VII. Funding and Accounting

The cost of this supplemental benefit program is to be paid by both Chief Baker and the City of Portland.

Contributions by Chief Baker and the City of Portland for death and retirement benefits shall be placed in an account in the Supplemental Disability and Retirement Trust Fund for individual supplemental plans. This fund shall provide a separate accounting of contributions to the trust fund by each participant in each individual plan and the separate earnings thereon.

Chief Baker's contribution shall be seven per cent of his basic City salary and any supplemental sick pay paid under Article V during the entire period of his employment, plus earnings from his payments. The seven per cent contribution shall be withheld from each salary or supplemental sick pay warrant.

The City of Portland's contribution shall be the amount which together with earnings from its payments and with Chief Baker's share will accumulate in seven years a fund sufficient for the retirement benefits as if Chief Baker were to retire at age 55 and death benefits prior to retirement. Additional City contributions needed because of earlier retirement, supplemental sick pay or other reasons shall also be provided by the City.

The initial annual contribution by the City shall be \$12,080. The Finance Officer shall annually, prior to preparation of the City budget, review the status of the City contribution and certify the appropriate amount to be budgeted for the next fiscal year in order to provide the City's share of service retirement through eight approximately equal annual payments to be made in February of each year, beginning with February 1974.

In addition, the premium for the disability benefit provided by an insurance policy shall be paid annually by the City from the General Fund.

This fund shall be administered by the Finance Officer. Any remainder in the accounts for this plan after the purchase of the service retirement annuity or the payment of death benefits shall revert to the General Fund.

VIII. Termination Before Retirement

Upon termination from employment as Chief of Police for other than disability or death prior to age 50, Chief Baker may either withdraw his contributions, including earnings thereon and terminate all benefits under the plan, or leave his contributions in the plan and retain his rights to a deferred supplemental service retirement or death benefits.

Contributions cannot be withdrawn after he reaches age 50.

IX. No Denial of Benefits

Benefits under this plan shall not be invalidated or denied because of termination from employment as Chief of Police for any reason.

X. Effective Date

For all provisions except the disability benefit, this plan is effective from the date of appointment of Bruce Baker. For disability benefits, this plan is effective on the effective date of the insurance policy providing the benefit.



2% AT AGE 50 RETIREMENT PROGRAM  
Local Safety Members

GENERAL

The Public Employees' Retirement System provides incomes for service and disability retirement, death benefit payments, plus a guarantee that member contributions (with interest) will be refunded to all who wish to withdraw upon termination of employment. Membership is compulsory (except for elected officials) for all persons employed one-half time or more.

The Legislature has provided a benefit structure for the California Highway Patrol and local safety members of contracting agencies. This formula (2% at age 50) provides that service retirement benefits shall be 2% of final compensation for each year of safety service upon retirement at age 50 with increasing percentages to a maximum of 2.7% at retirement at age 55.

The Retirement Law provides for an automatic annual adjustment of allowances of retired persons or beneficiaries to reflect increases in cost of living as indicated by the Consumer Price Index of the Bureau of Labor Statistics subject to specified limits and conditions.

MEMBER CONTRIBUTIONS

Each local safety member, whether a new member or a member with years of membership, will start contributing at the uniform rate of 9% of salary earned, exclusive of overtime, on the date this formula becomes effective. No adjustment of previous member contributions is required.

SERVICE RETIREMENT

Who may retire.

Normal retirement is at age 50. Retirement is compulsory at age 60 and anyone over that age when this formula becomes effective will be compulsorily retired on the first day of the following month. To be eligible for voluntary retirement a member must have at least five years of service (prior service counts toward the 5 years) and have attained the minimum retirement age. Retirement at age 60 is compulsory regardless of length of service or amount of contributions.

SERVICE RETIREMENT BENEFITS

The monthly income is determined by age at retirement, years of credited service, and "final compensation". "Final compensation" is the highest average monthly salary (excluding overtime) during the three consecutive years of employment immediately prior to date of retirement or separation or during any other period of three consecutive years during membership which the member designates in his application for retirement. The maximum allowance is 75% of "final compensation".

UNMODIFIED ALLOWANCE

The term "unmodified allowance" refers to the highest monthly life income calculated under the formula. It is important to understand that the only benefit which will be paid upon member's death after retirement will be a lump sum of \$500 if the retiring member chooses the "unmodified allowance". The following table shows the percentage factor to determine "unmodified allowance" for each year of credited service:

TABLE A

<u>AGE AT RETIREMENT</u>	<u>PERCENTAGE FACTOR</u>	<u>AGE AT RETIREMENT</u>	<u>PERCENTAGE FACTOR</u>
50	2.000%	55	2.420%
50-1/4	2.035	53-1/4	2.455
50-1/2	2.070	53-1/2	2.490
50-3/4	2.105	53-3/4	2.525
51	2.140	54	2.560
51-1/4	2.175	54-1/4	2.595
51-1/2	2.210	54-1/2	2.630
51-3/4	2.245	54-3/4	2.665
52	2.280	55 and over	2.700
52-1/4	2.315		
52-1/2	2.350		
52-3/4	2.385		

EXAMPLES

Your Case

	50	53	55	60	
1) Age at Retirement	50	53	55	60	
2) Years of credited service	25	25	30	14	
3) Final Compensation	\$600.	\$700.	\$800.	\$700.	\$
4) Benefit Factor (from TABLE A)	2.000%	2.420%	2.700%	2.700%	%
5) Benefit Percentage (2)x(4)	50%	60.5%	75%	37.8%	%
6) Unmodified Allowance	\$300.	\$423.50	\$600.	\$264.60	\$

OPTIONAL ALLOWANCES

When you retire, for service or disability, you are given the opportunity to choose between the unmodified allowance and the options described below. Each option will pay a smaller amount than the unmodified benefit, but will provide certain death benefits in addition to the \$500:

OPTION NO. 1

This option guarantees the return of the balance of your contributions. At death, the Retirement System adds up that portion of the monthly benefit payments which were provided by your contributions (excluding benefits paid from employer contributions). If the full amount of contributions has not been paid, the balance will be paid to your beneficiary.

The following tables and examples illustrate the calculation of the optional allowances:

TABLE B

OPTION NO. 1 - SERVICE RETIREMENT

Reduction of Unmodified Allowance  
For each \$1,000 of a Male Employee's Accumulated Contributions

<u>AGE AT RETIREMENT</u>	<u>FACTOR</u>
50	.36
51	.39
52	.42
53	.46
54	.49
55	.53
56	.57
57	.61
58	.65
59	.70
60	.75

EXAMPLES

Your Case

	53	60	
1) Age at Retirement	53	60	
2) Unmodified Allowance	\$423.50	\$264.60	\$
3) Est. Contributions at Retirement	\$20,000	\$12,000	\$
4) Option 1 Reduction Factor (Table B)	.46	.75	
5) Reduction	\$9.20	\$9.00	\$
6) Option 1 Monthly Allowance	\$414.30	\$255.60	\$

OPTION NO. 2

This option permits you to provide a monthly allowance for yourself and after death have that same amount of income continue throughout the lifetime of your beneficiary. To make this provision, you accept a reduced allowance as indicated in Table C on the following page.

TABLE C

OPTION NO. 2

**138016**

Percentage of Unmodified Allowance Payable to Male Member  
With Same Amount to Continue to Female Beneficiary

Age of Female Beneficiary	Age of Retiring Male Member										
	50	51	52	53	54	55	56	57	58	59	60
40	77.6%										
41	78.0	76.9%									
42	78.4	77.3	76.1%								
43	78.9	77.7	76.5	75.3%							
44	79.3	78.2	77.0	75.8	74.6%						
45	79.3	78.6	77.5	76.3	75.0	73.8%					
46	80.2	79.1	77.9	76.8	75.5	74.3	73.0%	71.7%	70.3%	69.0%	67.5%
47	80.7	79.6	78.4	77.3	76.0	74.8	73.5	72.2	70.9	69.5	68.1
48	81.2	80.1	78.9	77.8	76.6	75.3	74.1	72.7	71.4	70.0	68.6
49	81.7	80.6	79.5	78.3	77.1	75.9	74.6	73.3	72.0	70.6	69.2
50	82.2	81.1	80.0	78.8	77.6	76.4	75.2	73.9	72.5	71.2	69.7
51	82.7	81.6	80.5	79.4	78.2	77.0	75.8	74.5	73.1	71.8	70.3
52	83.2	82.2	81.1	80.0	78.8	77.6	76.4	75.1	73.7	72.4	71.0
53	83.8	82.7	81.6	80.5	79.4	78.2	77.0	75.7	74.4	73.0	71.6
54	84.3	83.3	82.2	81.1	80.0	78.8	77.6	76.3	75.0	73.7	72.3
55	84.8	83.8	82.8	81.7	80.6	79.5	78.3	77.0	75.7	74.4	73.0
56	85.4	84.4	83.4	82.3	81.2	80.1	78.9	77.7	76.4	75.1	73.7
57	85.9	85.0	84.0	83.0	81.9	80.8	79.6	78.4	77.1	75.8	74.4
58	86.5	85.6	84.6	83.6	82.5	81.4	80.3	79.1	77.8	76.5	75.2
59	87.1	86.1	85.2	84.2	83.2	82.1	81.0	79.8	78.6	77.3	75.9
60	87.6	86.7	85.8	84.8	83.8	82.8	81.7	80.5	79.3	78.0	76.7
61		87.3	86.4	85.5	84.5	83.5	82.4	81.3	80.1	78.8	77.5
62			87.0	86.1	85.1	84.1	83.1	82.0	80.8	79.6	78.3
63				85.7	85.8	84.8	83.8	82.7	81.6	80.4	79.2
64					86.5	85.5	84.5	83.5	82.4	81.2	80.0
65						86.2	85.2	84.2	83.2	82.0	80.8
66						86.9	86.0	85.0	83.9	82.8	81.7
67						87.6	86.7	85.7	84.7	83.6	82.5
68						88.2	87.4	86.4	85.5	84.5	83.4
69						88.9	88.1	87.2	86.2	85.3	84.2
70							89.6	88.7	87.9	87.0	86.1
										85.0	

EXAMPLES

- Your Co

1. Age at retirement	50	60	
2. Age of female beneficiary	49	56	
3. Option 2 as % of unmodified allowance	81.7%	73.7%	
4. 2% at Age 50 unmodified allowance (page 2)	\$300.00	\$264.60	
5. *Option 2 allowance during your lifetime			
(line 3 times line 4)	\$245.10	\$195.01	

\* The same amount will continue after your death for the remaining life of your beneficiary. (u)

This option differs from Option 2 in that the allowance continued after your death to your beneficiary will be one-half the amount of your own monthly allowance. Because of this smaller obligation to your beneficiary, you will receive a larger percentage of your unmodified allowance than under Option 2.

TABLE D

## OPTION NO. 3

Percentage of Unmodified Allowance Payable to Male Member With  
One-Half (½) the Amount to Continue to Female Beneficiary

Age of Female Beneficiary	One-Half (½) the Amount to Continue to Female Beneficiary										
	Age of Retiring Male Member										
	50	51	52	53	54	55	56	57	58	59	60
40	87.4%										
41	87.7	86.9%									
42	87.9	87.2	86.4%								
43	88.2	87.5	86.7	85.9%							
44	88.5	87.7	87.0	86.2	85.4%						
45	88.7	88.0	87.3	86.5	85.7	84.9%					
46	89.0	88.3	87.6	86.8	86.1	85.2	84.4%	83.5%	82.6%	81.6%	80.6%
47	89.3	88.6	87.9	87.2	86.4	85.6	84.7	83.9	82.9	82.0	81.0
48	89.6	88.9	88.2	87.5	86.7	85.9	85.1	84.2	83.3	82.4	81.4
49	89.9	89.2	88.6	87.8	87.1	86.3	85.5	84.6	83.7	82.8	81.8
50	90.2	89.6	88.9	88.2	87.4	86.6	85.8	85.0	84.1	83.1	82.2
51	90.5	89.9	89.2	88.5	87.8	87.0	86.2	85.4	84.5	83.6	82.6
52	90.8	90.2	89.6	88.9	88.1	87.3	86.6	84.8	84.9	84.0	83.0
53	91.2	90.5	89.9	89.2	88.5	87.8	87.0	86.2	85.3	84.4	83.5
54	91.5	90.9	90.2	89.6	88.9	88.2	87.4	86.6	85.7	84.9	83.9
55	91.8	91.2	90.6	89.9	89.3	88.6	87.8	87.0	86.2	85.3	84.4
56	92.1	91.5	90.9	90.3	89.6	89.0	88.2	87.4	86.6	85.8	84.9
57	92.4	91.9	91.3	90.7	90.0	89.4	88.6	87.9	87.1	86.2	85.3
58	92.8	92.2	91.7	91.1	90.4	89.8	89.1	88.3	87.5	86.7	85.8
59	93.1	92.6	92.0	91.4	90.8	90.2	89.5	88.8	88.0	87.2	86.3
60	93.4	92.9	92.3	91.8	91.2	90.6	89.9	89.2	88.5	87.7	86.8
61		93.2	92.7	92.2	91.6	91.0	90.3	89.7	88.9	88.2	87.3
62			93.1	92.6	92.0	91.4	90.8	90.1	89.4	88.7	87.9
63				92.9	92.4	91.8	91.2	90.6	89.9	89.1	88.4
64					92.7	92.2	91.6	91.0	90.3	89.6	88.9
65						92.6	92.0	91.4	90.8	90.1	89.4
66						93.0	92.4	91.9	91.3	90.6	89.9
67						93.4	92.9	92.3	91.7	91.1	90.4
68						93.7	93.3	92.7	92.2	91.6	90.9
69						94.1	93.6	93.1	92.6	92.0	91.4
70						94.5	94.0	93.6	93.0	92.5	91.9

## EXAMPLES

Your Case  
**138016**

1. Age at retirement	50	60
2. Age of female beneficiary	49	56
3. Option 3 as % of unmodified allowance	89.9%	84.9%
4. 2% at Age 50 unmodified allowance (page 2)	\$300.00	\$264.60
5. Option 3 allowance during your lifetime (line 3 times line 4)	\$269.70	\$224.65

(One-half of this amount will continue after your death for the remaining life of your beneficiary.)

## DISABILITY RETIREMENT

An employee who has become physically or mentally disabled through illness or injury to the extent that he is incapable of performing his duties is eligible for disability retirement. If disability is service-connected, the employee will be retired on an "industrial disability" basis. Otherwise, the allowance will be established on the "ordinary disability" basis.

### INDUSTRIAL DISABILITY

If the disability is employment-connected, the employee will be eligible for a life income equal to 50% of final compensation.

### ORDINARY DISABILITY (Non-Industrial)

In order to be eligible for retirement on an "ordinary disability" basis an employee must have at least five (5) years of credited service, regardless of age. The amount payable would be calculated as follows:

<u>Years of Service</u>	<u>Monthly Benefit as Percentage of Final Compensation</u>
5 to 10 years	1.8% of Final Compensation* X years of service
10 to 18.51 years	up to 35-1/3% of Final Compensation*
18.52 years and over	1.8% of Final Compensation* X years of service

\* Average salary (without overtime) during the ~~three~~ highest-paid years.

The above amounts refer to the unmodified life allowance. A person retiring for disability has the right to select an optional form of retirement, as is the case with service retirement. When a person retiring for disability selects an optional form of retirement, however, the reduction in his allowance from the unmodified allowance will be greater than for service retirement. Persons anticipating retiring for disability may request a quotation from the Public Employees' Retirement System as to the amounts payable under the various options.

If the retired member recovers from his disability, the benefit will cease.

## DEATH BEFORE RETIREMENT

### BASIC DEATH BENEFIT

This benefit is a refund of the member's accumulated contributions plus six months' salary provided he has been a member for six years or more. For those who die before completing six years of membership, the benefit is one month's

BASIC DEATH BENEFIT, continued

salary for each year of membership plus refund of contributions. The salary referred to is that earned during the year preceding death. Service prior to membership does not count toward this benefit.

INDUSTRIAL DEATH

If death is service-connected in the judgment of the Industrial Accident Commission, a monthly income is paid to the widow for life (or until remarriage) instead of the above basic death benefit. However, if she is also eligible for survivor benefits from Social Security because of the member's death, the Public Employees' Retirement System benefit will be reduced by the amount of such Social Security so long as Social Security benefits are payable (usually until the youngest child reaches 18 and after the widow reaches age 62). The total, including Social Security, would be 50% of "final compensation". If death was caused by external violence or physical force, the total benefit (including Social Security) would be increased to the following percentages of "final compensation" so long as the widow lives and does not remarry:

Widow with 3 or more children under 18 years	75%
Widow with 2 children under 18 years	70%
Widow with 1 child under 18 years	62½%

1957 SURVIVOR BENEFIT

Employees with five (5) or more years of service who have reached the minimum age for service retirement have further death protection under the 1957 Survivors program. The surviving widow can elect to receive either the basic death benefit or a monthly income equal to one-half the unmodified retirement allowance the employee was eligible for on the date of his death if she was married to him at least one year prior to death. The monthly income lasts until the widow's death or remarriage with a guarantee that the Public Employees' Retirement System will pay as much as under the basic death benefit.

1959 SURVIVOR BENEFIT (Optional to Contracting Agency Without Social Security)

The 1959 Survivor Benefit is paid monthly to the surviving widow (or dependent widower), and children until they reach 18 years, unless married before that age. It applies only to those members who have this coverage (as evidenced by a \$2.00 monthly payroll deduction). Monthly benefits are:

<u>Eligible Survivors</u>	<u>Monthly Benefit</u>
An eligible surviving widow (or dependent widower) until remarriage, with two or more dependent children; or three eligible children alone.....	\$430.00
Same -- with one eligible child, or two eligible children alone.....	\$360.00
Surviving widow at age 62 (or dependent widower at age 65), not remarried; or one eligible child alone..	\$180.00

Dependent parents may be eligible for benefits if there are no other survivors.

(7)

## DEATH AFTER RETIREMENT

Upon death after retirement, the System will pay \$500 in a lump sum to the beneficiary designated by the member. If the employee chooses to retire on the "unmodified" allowance, this \$500 will be the only benefit paid. 138016

### ONE-HALF CONTINUANCE

One-half continuance (optional to contracting agencies) provides that upon the death of a local safety member after retirement for service or disability, one-half his retirement allowance shall be continued to his surviving wife (provided she was married to him at least one year prior to his retirement) throughout her life or until her remarriage. Should there be children under the age 18, but no surviving wife (or the surviving wife has died or remarried) then one-half his retirement allowance shall be continued to said children while they are unmarried and under the age of 18 years. Should there be no surviving wife and no surviving children under the age of 18 years, then a surviving parent or parents dependent upon him for support may collectively receive one-half of his retirement allowance throughout their lives.

This benefit is essentially the same benefit that is provided retired employees under service retirement Option 3. The main difference is that under Option 3 the retired member pays the cost of providing this protection to his widow by accepting a lower retirement allowance during his lifetime, whereas, under the one-half continuance benefits of Section 21264, the retired member's widow would be given this protection at the cost of the employing agency.

## GENERAL INFORMATION

### How to Retire

An Application for Retirement, PERS-BEN-369, (available from your employer) should be submitted to the Public Employees' Retirement System, P. O. Box 1953, Sacramento, about 90 days in advance of the intended retirement. If quotations under optional retirement benefits are desired, the name, birth date, and sex of person intended as beneficiary must be shown on the application. The Retirement System will advise you of the allowance payable and will furnish such forms and instructions as may be necessary for your retirement. When all documents have been properly completed and returned to the Retirement System, your name will be added to the retirement rolls for issuance of allowance payments at the end of each month. Retirement cannot be earlier than the first of the month in which your application is received in this office.

### How to File Claim for Death Benefit

Notice of the death of the member will come to the Retirement System from the employer, or may come in a letter from relatives of the deceased member. The Retirement System will furnish an affidavit for the beneficiary to sign and will request a certified copy of the death certificate be furnished together with a newspaper clipping announcing the death. After the above documents are received, and are accepted as meeting legal requirements, a warrant in payment will be mailed to the beneficiary.



## TERMINATION OF EMPLOYMENT

138016

If an employee has less than five (5) years of service, contributions must be refunded to the employee unless he is of retirement compulsory age. When contributions are refunded, Retirement System membership ceases and there is no further right to death, disability, or service retirement benefits.

If an employee has five (5) or more years of service, a terminating employee can leave his contributions in the Retirement System, thus retaining his right to a deferred retirement income (at age 50) based on service and salary prior to termination.

## REFUND OF CONTRIBUTIONS

The Report of Status Change or Separation, Form PERS-ACC-167, filed through your employer, is used to accomplish the election you make to have your contributions remain on deposit or to be refunded to you.

Interest is paid to the last day of the preceding fiscal year. Contributions withdrawn as of July 1st will, therefore, receive all accumulated interest. Those withdrawn as of June 29th would, in effect, lose a year's interest. As of July 1, 1972, the interest rate credited to employee accounts is 5%.

ORDINANCE NO.

138016

An Ordinance providing certain disability, service retirement and death benefits for Bruce Baker, Chief of Police of the City of Portland, establishing a procedure for accountability, and transferring appropriation.

The City of Portland ordains:

Section 1. The Council finds that Bruce Baker was appointed Chief of Police of the City of Portland on January 15, 1974; that disability, service retirement and death benefits for sworn fire and police employees of the City are provided through the Fire and Police Disability and Retirement System; that additional such benefits are provided through the Supplemental Benefits Plan for certain members of the system in compliance with ORS 237.620; that such benefits for non-sworn employees are provided through the Public Employees Retirement System (PERS), Social Security and the State Accident Insurance Fund (SAIF); that Bruce Baker is not eligible for membership in or benefits either from the Fire and Police Disability and Retirement System with the supplemental program or from PERS; that the only benefits now available to him are those earned from previous employment and those available as a City employee under Social Security and SAIF; that since he has never been under Social Security, any benefits from this source will be limited to those earned from his City employment; that eligibility for Social Security benefits requires a minimum of seven and one-half to ten years' payments to Social Security, depending upon the type of benefit; that consequently such benefits are uncertain and, if any, they would be small; that it is necessary to provide supplemental benefits for Bruce Baker in order to comply with the provisions of ORS 237.620; that the supplemental benefits will have to be provided on an individual basis; and that the Council should establish a formal plan of supplemental benefits for Bruce Baker and provide the necessary accountability and funding; now, therefore, the Supplemental Disability and Retirement Program for Bruce Baker, Chief of Police, marked Exhibit "A," attached to the original only hereof and by this reference made a part hereof, is hereby adopted.

Section 2. To account for funds to be accumulated for benefits under the program adopted in Section 1 of this ordinance, a separate Supplemental Retirement Program Trust Fund for individual supplemental plans is hereby established. This fund shall provide a separate accounting of contributions by each participant in each individual plan and the separate earnings thereon.

## ORDINANCE No.

Section 3. \$12,984 is hereby transferred within the General Fund from General Operating Contingencies to the Bureau of Police, Chief's Office, as follows

Transfers To Other Funds (100.780)	\$12,080
Personnel Benefits (100.590)	904

for annual payments to be made by the City during the current fiscal year for the program adopted in Section 1 of this ordinance.

Passed by the Council. MAR 27 1974

Mayor Goldschmidt

JMS:jd

March 15, 1974

Attest:

  
Mayor of the City of Portland  
  
Auditor of the City of Portland

811  
Calendar No. 242

## ORDINANCE No. 188018

Title

An Ordinance providing certain disability, service retirement and death benefits for Bruce Baker, Chief of Police of the City of Portland, establishing a procedure for accountability, and transferring appropriation.

MAR 20 1974

PASSED TO THIRD READING MAR 27 1974

THE COMMISSIONERS VOTED AS FOLLOWS:	
	Yeas
<del>IVANCE</del>	1
<del>JORDAN</del>	1
McCready	1
Schwab	1
Goldschmidt	1

FOUR-FIFTHS CALENDAR	
Anderson	
Ivancie	
McCready	
Schwab	
Goldschmidt	

Filed MAR 15 1974

GEORGE YERKOVICH

Auditor of the CITY OF PORTLAND

By Sharon D. Reed  
Deputy

INTRODUCED BY
Mayor Goldschmidt

DRAWN BY
JMS:jd
Date March 15, 1974

NOTED BY THE COMMISSIONER
Affairs
Finance and Administration
Safety
Utilities
Works

City Attorney
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NOTED BY THE CITY AUDITOR

APPROVED
Date
By City Engineer
Date
By