

RESOLUTION NO. 302
Board Meeting of January 13, 1998

draft

WHEREAS, the Board of Trustees of the City of Portland Fire and Police Disability and Retirement Fund (Board) desires to have the Fire and Police Disability, Retirement and Death Benefit Plan (Plan) "funded" in accordance with actuarial principles, and

WHEREAS, an amendment to Chapter 5 of the City Charter will be necessary to implement the Board's desire to fund the Plan in accordance with actuarial principles, and

WHEREAS, the Board desires to have the Portland City Council submit to the voters of the City, on an appropriate date in 1998, a proposed Charter amendment permitting the actuarial funding of the Plan.

NOW, THEREFORE, BE IT RESOLVED by the Board that the Portland City Council be and hereby is requested to submit to the voters of the City of Portland, on an appropriate date in 1998, a proposed amendment to Chapter 5 of the City Charter which will permit the "funding" of the Plan in accordance with actuarial principles, and

BE IT FURTHER RESOLVED that the Board staff draft the proposed Charter amendment to be forwarded to the City Council together with the request that the proposed amendment be submitted to the voters for their approval or rejection.

BE IT FURTHER RESOLVED that the proposed amendment to be prepared by a joint committee of City and Board staff shall be drafted in a manner which will comply with the qualified plan provisions of the Internal Revenue Code (IRC) and

1. Permit the funding of the benefits and pensions provided from the Fire and Police Disability and Retirement Fund (Fund) in accordance with actuarial principles.
2. Permit the currently authorized tax levy used to finance the pensions and benefits authorized by the Plan to exact each year an amount in excess of the immediate needs of the Fund for pensions, benefits and administrative expenses.
3. Permit an addition to the levy each year of an amount sufficient to pay required principal and interest payments on any pension

obligation bonds which may be issued by the City on behalf of the Plan and the Fund.

4. Create a qualified trust under Section 401(a) of the IRC to hold Fund assets for the exclusive benefit of Plan members and their beneficiaries. The trust will hold all trust assets, receive all member and City contributions and pay all pensions, benefits and administrative expenses authorized by the Board under the Plan. The Board shall be designated as the trustee of the trust.

ADOPTED by the Board of Trustees at a special meeting on the ____ day of _____, 1998.

Edwin L. Freeman
Fund Administrator

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