

AUG 12 1980

WHEREAS, the City Council requested the Retirement Board of Administration (herein called "Board") to study the problem faced by retired employees as a result of extreme inflationary factors; and

WHEREAS, included within the request was the proposal that excess Undistributed Earnings experienced by the Retirement System (herein called "System") be treated in a manner so that 50% of said earnings be distributed to retirees under conditions and mathematical formulae to be developed by Board; and

WHEREAS, the Board established a Special Committee to study such distribution and submit its recommendations to the full Board; and

WHEREAS, said Special Committee met and deliberated on July 3 and July 15, 1980, and developed criteria for distribution to qualified retirees; and

WHEREAS, said criteria and distribution concept was reported to and approved by the full Board at its regularly scheduled meeting of July 18, 1980; and

WHEREAS, said distribution of excess undistributed earnings to qualified retirees constitutes a change in pension benefits requiring an amendment to the Municipal Code of The City of San Diego; and

WHEREAS, it is required by Section 143.1 of the Charter of The City of San Diego that an election of the members of the System be conducted to effectuate said change in benefits; and

WHEREAS, the Board has fulfilled its Charter responsibility and now submits to the City Council the proposed plan for distribution of excess undistributed earnings for preliminary conceptual legislative approval by the Council prior to the election of the members of the System; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that the proposal for distribution of 50% of excess undistributed earnings to qualified retirees, as developed by the Board of Administration for the San Diego City Employees' Retirement System, as set forth in the July 30, 1980 memorandum to the Honorable Mayor and City Council (attached hereto as Exhibit A) be and the same is hereby approved.

BE IT FURTHER RESOLVED, that the Board is requested to submit the matter, as expeditiously as possible, to a vote of the members of the System as required by Section 143.1 of the Charter of The City of San Diego.

APPROVED: JOHN W. WITT, City Attorney

By Jack Katz  
Jack Katz  
Chief Deputy City Attorney

JK:lco:920.8  
8/5/80  
Or.Dept.:Retirement

R-252479

CITY of SAN DIEGO  
MEMORANDUM

FILE NO. :

DATE : July 30, 1980

TO : Honorable Mayor and City Council

FROM : Robert P. Logan, Retirement Officer

SUBJECT: Request for Approval of Proposal Developed by Retirement Board  
For Distribution of 50% of Undistributed Earnings

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At the request of a member of the City Council, the Retirement Board President appointed a subcommittee to study the problem faced by the retired employees as a result of raging inflation. The Retirement Board at their regular meeting July 18, 1980 approved the following proposal for the annual future distribution of 50% of any excess undistributed earnings:

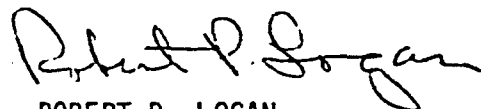
- 1) The Special Class Safety Members be excluded from this program due to their retirement benefits being based on 50% of the salary of the position of the City service for which they retired.
- 2) Any payment made to this program will be based on a thirteenth check to be issued annually to the retirees concerned.
- 3) The ratio for determining benefits of retirees under the Annual Retirement Supplement Program will be based on the years of service they completed in the Retirement System.
- 4) In order for a retiree to be eligible for an annual retirement supplement, he must have completed ten or more years of service in the Retirement System. (The Charter requires a minimum of ten years of service in order for a member to be eligible for service retirement benefits.)
- 5) Surviving spouses of deceased retired members with over ten years of service will be eligible to participate in the Annual Retirement Supplement Program with their benefits determined in the same ratio as their monthly retirement benefit bears to the monthly benefit received by their deceased retired spouse.
- 6) Excess undistributed earnings will not be distributed unless the amount available is at least \$100,000. If the amount is less than \$100,000, it will be carried forward to the next year and then distributed if the amount totals at least \$100,000.
- 7) All General and Safety member retirees, General and Safety member survivors, Special Class Safety Member survivors and Unified Port District retirees and survivors who are on the retirement payroll for the month of October of any year in which these benefits are to be paid will be eligible to receive said benefits the following November.

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Honorable Mayor and City Council  
July 30, 1980  
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After discussion of the above proposal, the following action was taken:  
"Mr. Willmont moved that the Board approve the report of the Special Committee, and the concept of the conditions contained in the report, and that this program be presented to the City Council for approval of concept and preparation of an ordinance by the City Attorney; after which it will be submitted to the active members of the system for a vote as required by Section 143.1 of the City Charter. Ms. Heise seconded, and the motion carried 12-1.

The Board respectfully requests that the Council approve the concept of distribution of undistributed earnings contained in this memorandum. After approval by the Council, the Board will proceed to submit this matter to the active members of the System for a vote as required by Section 143.1 of the City Charter.



ROBERT P. LOGAN  
RETIREMENT OFFICER

RPL/bj  
Attachments

R-252479

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Passed and adopted by the Council of The City of San Diego on AUG 12 1980,  
 by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bill Lowery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fred Schnaubelt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Larry Stirling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lucy Killea	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

PETE WILSON  
 Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR  
 City Clerk of The City of San Diego, California.

(Seal)

By Ellen Bovard, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number R-252479 Adopted AUG 12 1980