

ORDINANCE NUMBER O-15686 (New Series)

Adopted on April 5, 1982

AN ORDINANCE AMENDING CHAPTER II, ARTICLE 4, OF
THE SAN DIEGO MUNICIPAL CODE BY AMENDING
SECTIONS 24.0104, 24.0301, 24.0302 AND 24.0403
RELATING TO CHANGES REGARDING ELIGIBLE SAFETY
MEMBERS AS A RESULT OF THE CITY'S WITHDRAWAL
FROM SOCIAL SECURITY PARTICIPATION.

WHEREAS, the City Council of The City of San Diego had directed that the City withdraw from participation in the Social Security System effective January 1, 1982; and

WHEREAS, such Council action was taken only after a vote of the affected members in the retirement system; and

WHEREAS, the City has declared that certain benefits be provided to employees in lieu of social security participation; and

WHEREAS, included in the benefits indicated are programs for City-sponsored group health insurance for retirees and a savings plan for all affected employees, to be effective after withdrawal from Social Security; and

WHEREAS, the City Council promulgated those benefits by separate legislative action and reflected those benefits by amendment to the retirement ordinances of the City; and

WHEREAS, changes to the retirement ordinances were required to reflect the withdrawal from Social Security and concomitant provisions relating thereto; and

WHEREAS, in the above process and vote by the membership, the lifeguard classification which is in the system as "eligible safety member" was not voted upon; and

WHEREAS, it was determined that the provisions of the retirement system related to "eligible safety member," as affected by Social Security

participation, should also be amended to reflect withdrawal from Social Security; and

WHEREAS, such action required a further vote of the members of the safety system to determine if such changes should be promulgated; and

WHEREAS, said election was conducted and the votes were tallied on February 1, 1982, with a result of 486 in favor and 30 against, with 26 ballots void; and

WHEREAS, as a result of the affirmative vote, changes to the retirement ordinances are now in order to reflect those changes as may apply to "eligible safety members" to reflect the City's withdrawal from Social Security participation; NOW, THEREFORE,

BE IT ORDAINED, by the Council of The City of San Diego, as follows:

Section 1. That Chapter II, Article 4, of the San Diego Municipal Code be and the same is hereby amended by amending sections 24.0104, 24.0301, 24.0302 and 24.0403 to read as follows:

Section 24.0104 SOCIAL SECURITY INTEGRATION

AND DEFINITIONS

Unless the context otherwise requires, the definitions and general provisions contained in this section govern the construction of this ordinance.

a. "Integration Date" shall be the first day of the calendar month following or coincident with the effective date of the agreement with the appropriate State Agency to extend Social Security coverage to eligible members of this system.

b. "Social Security Compensation" means:

During the period between January 1, 1956 and June 30, 1967, the member's monthly compensation earnable not in excess of 1/12th the statutory maximum limit of annual remuneration subject to tax (for Social Security benefits) under the terms of the Federal Insurance Contributions Act or statutes amending or superseding such Act; and

Subsequent to July 1, 1967, the member's monthly compensation earnable not in excess of \$400 per month.

c. "Eligible Safety Member" means a safety member eligible for Social Security coverage during the period beginning with the integration date through April 29, 1982.

d. "Basic Final Compensation" means the average of the member's Social Security Compensation after the integration date and while he was a member of this system.

e. "Excess Final Compensation" shall mean the difference between Final Compensation and Basic Final Compensation, if Final Compensation is the greater, if not, then Excess Final Compensation shall be zero.

f. "Withdrawal Date" shall mean December 31, 1981, the date that Social Security coverage was terminated for all City of San Diego officer and employee members of this system.

Section 24.0301 CONTRIBUTIONS OF SAFETY MEMBERS

The Board of Administration shall provide:

1. The normal rates of contribution for safety members shall be based on age as of July 1, 1954, or thereafter at the nearest birthday at the time of entrance into the system.

2. Except as provided in paragraph 3 hereof, the normal rates of contribution for each safety member shall be such as will provide an average annuity at age 50 equal to 1/100th of his final compensation, according to the tables adopted by the Board of Administration for each year of service rendered after entering the system.

3. On and after the integration date and through April 29, 1982, the normal rate of contribution for each eligible safety member shall be such as will provide, on the average, an annuity according to tables adopted by the Board of Administration, at age 50 equal to the sum of the following:

(a) 1/150th of his basic final compensation for each year of service rendered after entering the system, and

(b) 1/100th of his excess final compensation for each year of service rendered after entering the system.

4. No adjustment shall be included in the normal rates of contribution adopted pursuant to paragraph 2 or paragraph 3 of this section because of any time during which members have heretofore contributed at different rates.

Section 24.0302 SAFETY MEMBER

CONTRIBUTION RATES

The Board of Administration, based upon the advice of the Actuary, shall periodically adopt the normal rate of contribution of each safety member according to age at the time of entry into the Retirement System, said rates to be contained in the Operating Tables furnished to the Board of Administration by the System's Actuary.

Section 24.0403 RETIREMENT ALLOWANCES -

SAFETY MEMBER

The Board of Administration shall provide that upon retirement for service a safety member or an eligible safety member is entitled to receive a retirement allowance which shall consist of:

1. A service retirement annuity.
2. A pension.

The service retirement annuity is an annuity which is the actuarial equivalent of the safety member's accumulated normal contributions or the eligible safety member's accumulated normal contributions at the time of his or her retirement.

The pension for safety members who are not eligible for Social Security benefits is a pension derived from the contributions of the City, sufficient, when added to the service retirement annuity that is derived from the accumulated

normal contributions of the member, to equal the fraction set forth in the following table opposite said safety member's age at retirement, taken to the preceding completed quarter year, multiplied by the sum of 1/50th of final compensation for each year, and fractions thereof, to which the safety member is entitled to be credited at retirement.

The pension for eligible safety members is a pension derived from the contributions of the City, sufficient, when added to the service retirement annuity that is derived from the accumulated normal contributions of the member at the date of his retirement, to equal the fraction set forth in the following table opposite his or her age at retirement, taken to the preceding completed quarter year multiplied by the sum of:

(i) 1/50th of final compensation, multiplied by the number of years, and fractions thereof, of service prior to the integration date, plus

(ii) 1/75th of final basic compensation, multiplied by the number of years, and fractions thereof, of service subsequent to the integration date through April 19, 1982, plus

(iii) 1/50th of final excess compensation multiplied by the number of years and fractions thereof, of service subsequent to the integration date, plus

(iv) 1/50th of final compensation, multiplied by the number of years, and fractions thereof, of service commencing and subsequent to April 30, 1982.

Section 2. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: John W. Witt, City Attorney

By Jack Katz Chief Deputy City Attorney

JK:mmm

3/15/82

Or.Dept:Mgr.

O-82-196