Chapter 238

1967 REPLACEMENT PART
(1971 reprint)

Retirement Plans for County and City Employes

RETIREMENT PLAN FOR MULTNOMAH COUNTY

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RETIREMENT PLAN FOR MULTNOMAH COUNTY

238.010 Application of retirement plan. The provisions of ORS 238.010 to 238.140 apply only to counties having more than 300,000 inhabitants.

238.020 County retirement board; election; terms; duties. (1) ORS 238.010 to 238.140 shall be administered by a retirement board consisting of seven members, as follows:

(a) Three members shall be the board of county commissioners.

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

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

(2) The retirement board may promulgate and enforce such rules and regulations as it deems necessary and proper for the administration of the retirement system.

[Amended by 1965 c.607 §1]

238.030 Compulsory retirement if incapacitated. The board of county commissioners shall retire from active service such old and infirm employes whose entire salaries are paid by such county (including, however, official court reporters and deputy district attorneys although their entire salaries have not been paid by such county, provided such deputy district attorneys receive more than 50 percent of their salary from such county) who, by reason of long and faithful service, if not less than 15 years' continuous service, are, in the judgment of the retirement board provided for in ORS 238.020, incapacitated for further service.

[Amended by 1953 c.426 §4; 1955 c.49 §1]

238.040 Compulsory retirement age; continuation in service; eligibility; withdrawal of contribution. (1) 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.

(2) 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.

(3) The continuation of service under subsection (1) 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.

(4) No person who enters the county service at any time after the first day of the month following his 50th birthday shall be entitled to participate in the retirement system, nor shall any deduction be made from his salary in respect thereto.

(5) 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 under ORS 238.030 or subsection (1) of this section, may at any time apply for and receive out of the employes' retirement fund the actual amount of his contributions without interest and shall not thereafter be required to contribute to the retirement fund.

(6) Any person who on December 31, 1963, was employed by a county having a retirement system pursuant to this chapter, and who was compelled to retire on that date under this section, and who has 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.

[Amended by 1963 c.227 §1; 1965 c.607 §2]

238.043 Membership of elective officers; officers not subject to compulsory retirement. Persons holding elective offices of the county, whether or not their entire salaries are paid by the county, shall participate in the retirement system pursuant to ORS 238.047, 238.065, 238.085 and this section, and, except as otherwise provided in ORS 238.047, 238.065, 238.085 and this section, shall be considered employes of the county for purposes of ORS 238.010 to 238.140. Persons who so participate are not subject to compulsory retirement for incapacity or age under ORS 238.030 or 238.040.
[1965 c.605 §2]

238.047 Option of elective officer not to participate. (1) At any time before a person holding an elective office of the county is eligible to receive benefits under ORS 238.085, he may elect not to participate in the system. The election shall be in writing and shall be filed with the retirement board. The board, upon the filing with it of the election, shall notify the county auditor, who shall make no further deductions from the salary of the person filing the election as that person's contribution to the employes' retirement fund.

(2) A person who elects not to participate in the system as provided in subsection (1) of this section shall be refunded the actual amount of his salary deductions under ORS 238.065 and any payments by him into the employes' retirement fund under ORS 238.085, without interest. After receiving the refund the person 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 subject to ORS 238.043, 238.065, 238.085 and this section, but he is not entitled to previous county service credit under ORS 238.085.
[1965 c.605 §5]

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

(2) All balances in this fund, including moneys contributed by the county under ORS 238.110, 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.
[Amended by 1965 c.607 §3]

238.060 [Amended by 1953 c.426 §4; repealed by 1965 c.607 §5 (238.061 enacted in lieu of 238.060)]

238.061 Employe contribution; determination of rate. (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.

(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.
[1965 c.607 §6 (enacted in lieu of 238.060)]

238.065 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 an employe under ORS 238.010 to 238.140, as that person's contribution to the employes' retirement fund.
[1965 c.605 §4]

238.070 [Repealed by 1965 c.607 §9]

238.075 Amount of retirement pay. (1) Any employe who retires under ORS 238.030 or 238.040 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.

(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 ORS 238.090.

(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 any person who has retired prior to that date.

(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.

[1965 c.607 §8]

238.080 Rate of retirement pay for employes 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:

(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.

(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.

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

238.085 Rate of retirement pay for certain persons holding elective office on or after January 1, 1966. (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 nonelective capacity or combination thereof for not less than 10 years, who has attained the age of 65 years, 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.

(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.

(3) In determining the amount of county service by a person under subsection (1) of this section, county service by that person in a nonelective 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 ORS 238.090. For purposes of this subsection, previous county service in a nonelective 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 ORS 238.090.

(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 ORS 238.090 to persons holding elective offices of the county and participating in the system.

[1965 c.605 §3]

238.090 Refunds to separated employes and beneficiaries of employes who die prior to retirement; restoration of rights upon reentry into service. (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 ORS 238.061 without the addition of interest, upon the employe executing and delivering to the retirement board a written waiver of all rights to which the employe might be entitled under ORS 238.010 to 238.140, 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.

(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.

(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.

(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.

[Amended by 1953 c.426 §4; 1955 c.66 §1; 1963 c.227 §6]

238.100 [Repealed by 1965 c.607 §9]

238.110 County contribution to fund. (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.

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

[1963 c.227 §2; 1965 c.607 §4]

238.120 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 experience of the members of and employers participating 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.

[1963 c.227 §3]

238.130 Investment of fund (1) The retirement board may invest moneys in the employes' retirement 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.

(e) Interest-bearing bonds, notes or obligations of the United States of America, or of those for which the faith of the United States is pledged for payment of the principal and interest.

(f) Lawfully issued interest-bearing bonds, warrants or certificates of indebtedness of the State of Oregon or in any other

lawfully issued interest-bearing obligations payable from funds or revenues of the State of Oregon.

(g) Interest-bearing bonds, notes, or warrants of any county, port or school district in this state, or of any city in this state with a population of 500 or more and an assessed valuation of $250,000 or more, the net indebtedness of which county, port, school district, or city, after deducting funds applicable to the payment thereof, does not exceed any limitation applying thereto; provided, that indebtedness for public purposes throughout the area comprised by the particular subdivision, other than indebtedness payable solely from assessments and indebtedness of self-supporting utilities, shall not exceed 18 percent of the latest assessed valuation of such subdivision.

(h) Interest-bearing bonds issued by any city in this state for gas, water, power, lighting, or sewage disposal plants or sewers and their appurtenances, without limitation as to ratio of indebtedness to assessed valuation; provided, that such bonds are the general obligation bonds of the city issuing them and that the public utility or project for which they were issued, for a period of three years next preceding the date of investment, has been wholly self-supporting without a tax levy therefor and that such city has a population of 500 or more, according to the federal census, and an assessed valuation of $250,000 or more, and that the revenues of such utility or project other than for payment of operation and maintenance expenses are pledged wholly to the payment of the interest on and principal of the outstanding indebtedness of such utility until such indebtedness is fully liquidated. General obligation bonds of communities incorporated under ORS chapters 264 and 478, that do not have an indebtedness in excess of the statutory limitation therefor, and general obligation bonds of cities which were issued for utility purposes and which qualify under paragraph (g) of this subsection, also shall qualify for investment under this subsection.

(i) Bonds, notes, or other obligations of Federal Land Banks, of Federal Intermediate Credit Banks, and of Federal Home Loan Banks.

(j) Bonds and mortgages insured by the Federal Housing Administrator, and obligations of national mortgage associations.

(k) Interest-bearing revenue bonds issued by any city in this state for sewage treatment or disposal plant or system; provided, that such city has a population of 500 or more, and an assessed valuation of $250,000 or more; that the city has agreed to impose a sewer service charge on properties which use city sewers; that at least 100 properties are or will be within two years served by sewers; that such sewer service charge is agreed by the city council to be fixed at a level sufficient to pay interest and principal payments as they fall due; and that proceeds from such charges are specifically obligated for such payments.

(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.

[1963 c.227 §4; 1967 c.335 §24]

238.140 Retirement of former employes 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.

[1963 c.227 §5]

RETIREMENT PLAN FOR CITY OF PORTLAND

238.510 Definitions for ORS 238.510 to 238.570. As used in ORS 238.510 to 238.570 unless the context requires otherwise:

(1) "City" means any city with a population of 100,000 or more in which a retirement system may be established under the charter.

(2) "Actuarial reserve basis" means the accumulation of a reserve, in equal annual instalments from the date on which an officer or employe of the city first became a member of a retirement plan created under

ORS 238.520 to the retirement date specified in the plan, sufficient in amount to provide the retirement benefits required to be provided to the officer or employe under the plan.

(3) "Retirement plan" or "retirement system" means a plan or system created or established pursuant to ORS 238.510 to 238.570.

238.520 Establishment of retirement system. A city in which any pension system may be established by charter, may establish a retirement system pursuant to ORS 238.510 to 238.570. The council of the city may enact such ordinances as are necessary to put the system into effect and may supplement or change the ordinances from time to time.

238.530 Features of the retirement plan. The retirement plan may provide for retirement benefits measured on the basis of services rendered or to be rendered by an officer or employe, either before or after the date on which such officer or employe first becomes a member of the retirement plan. The retirement plan may provide for a minimum of years of service and a minimum and maximum age of retirement for the officer or employe.

238.540 Contribution to fund by the city. The city may budget and provide by ordinance for payment into the fund of the retirement system an amount sufficient:

(1) To provide, on an actuarial reserve basis, the amortized level premium cost of the retirement benefits which, under the provision of the retirement system, are to be provided by the city to its officers or employes who attain the retirement age or retire in accordance with the terms of the retirement plan.

(2) To meet the actuarially computed costs of retirement benefits measured on the basis of services rendered or to be rendered by an officer or employe before or after the date on which such officer or employe becomes a member of the retirement plan.

238.550 Collection of contribution from employes. The city may collect, as a contribution from any officer or employe of any department or bureau for which a retirement system is established, that percentage of the salary received by the officer or employe, which is necessary to fund on an actuarial reserve basis the cost of retirement benefits which the officer or employe is required to provide pursuant to the provisions of a retirement plan.

238.560 Limitations on payments and contributions. Nothing in ORS 238.510 to 238.570 authorizes the city to budget, provide for payments or collect contributions to fund retirement benefits for an individual who is not in the employment of the city at the time of the creation of a membership status under a retirement plan.

238.570 Revenues from which city may make payments to fund. The payments made by the city under ORS 238.540 may be made out of any revenues collected by the city under any law of the state or the charter or ordinances of the city.

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Robert W. Lundy, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,
on December 1, 1967.

Robert W. Lundy
Legislative Counsel