

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF INCLUDING ) RESOLUTION NO. 90-1242  
METRO EMPLOYEES IN THE PUBLIC )  
EMPLOYEES RETIREMENT SYSTEM (PERS) ) Introduced by Rena Cusma,  
 ) Executive Officer

WHEREAS, The Metropolitan Service District presently provides a retirement system to Metro employees consisting of a money purchase plan and a salary savings plan; and

WHEREAS, The money purchase plan is with the Principal Financial Group of Des Moines, Iowa and is funded by a 5 percent salary contribution paid to the fund by Metro on behalf of its employees. This plan is sometimes referred to as the "5 Percent Plan"; and

WHEREAS, The salary savings plan is with the Western Retirement Trust of Seattle, Washington and is funded by a 6 percent of salary contribution paid by Metro on behalf of its employees. This plan is sometimes referred to as the "6 Percent Plan"; and

WHEREAS, It is in the best interest of Metro and its employees to have the opportunity to participate in PERS; and

WHEREAS, PERS participation will increase payroll costs to the District; and

WHEREAS, The District desires to reduce the initial cost of participation; and

WHEREAS, Oregon Laws 1989, chapter 879 (codified as ORS 268.240) permits classes of Metro employees to participate in

PERS without a contract of integration pursuant to ORS 237.051;  
and

WHEREAS, Employees of the City of Portland Exposition-Recreation Commission who will become Metro employees on July 1, 1990, are participants in PERS and have a right to continue that participation pursuant to ORS 236.620(2); and

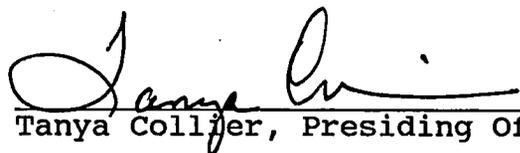
WHEREAS, The proposed application (attached as Exhibit "A") pursuant to ORS 268.240 has been informally approved by staff officials at PERS; and

WHEREAS, It is in the best interest of Metro to become a participating employer of PERS in accordance with the attached application; now, therefore,

BE IT RESOLVED,

That the Metro Executive Officer is authorized to make application pursuant to ORS 268.240 to PERS in substantially the form contained in Exhibit "A" and to execute all documents necessary to make Metro a participating employer pursuant to the terms thereof.

ADOPTED by the Council of the Metropolitan Service District this 24th day of May, 1990.

  
Tanya Collier, Presiding Officer

1019

EXHIBIT "A"

BEFORE THE PUBLIC EMPLOYES RETIREMENT BOARD

In the Matter of the Application  
of the Metropolitan Service District  
to Become a Participating Employer  
under ORS Chapter 237

The Metropolitan Service District makes this application pursuant to ORS 268.240 to become a participating employer under ORS chapter 237 to the extent of providing membership for each class of employees described in the application.

1. Metro is a regional government organized and existing pursuant to the provision of ORS chapter 268.

2. The Executive Officer of Metro makes this application with the approval of the Council of the Metropolitan Service District pursuant to Resolution No. 90-1242 (Exhibit attached.)

3. Metro is not, as of this date, participating in the Public Employes Retirement System.

4. Metro applies to this Board to allow the District employees in the following classes of District employees to become members of PERS without entering into a contract of integration (ORS 237.051) but pursuant to this contract authorized by ORS 268.240(3).

- a. A class of District employees composed of all eligible City of Portland Exposition-Recreation Commission employees transferring to Metropolitan Exposition-Recreation Commission employment on July 1, 1990, based on Metro's 1989 Intergovernmental Agreement with the City of Portland. Inclusion of that class into PERS should be effective July 1, 1990, the date of transferred employment under that Agreement. Inclusion is subject to applicable rights granted to transferring employees pursuant to ORS 236.620(2) and 237.011(2).
- b. A class of employees composed of all eligible employees hired by the Metropolitan Exposition-Recreation Commission after July 1, 1990.
- c. A class of employees composed of all eligible employees currently employed as of July 1, 1990,

by the Metropolitan Exposition-Recreation Commission.

- d. A class of employees composed of all eligible employees hired by Metro after July 1, 1991, who are not represented by an exclusive collective bargaining agent on the effective date of hire.
- e. A class of employees composed of all eligible Metro employees who are not represented by an exclusive collective bargaining agent on July 1, 1991, who exercise the option to become members of PERS effective July 1, 1991.
- f. A class of employees composed of all eligible employees represented by American Federation of State, County and Municipal Employees (AFSCME), Local 3580, effective on the date a Collective Bargaining Agreement specifically providing for PERS membership by all members of the unit is ratified by both parties.

Metro will place on the negotiating table the issue of PERS membership at the bargaining sessions expected to commence prior to the expiration of the current contract on June 30, 1991, consistent with its Agreement in accordance with ORS 268.240(4), below.

- g. A class of employees composed of all eligible persons represented by Laborers International Union Local 483 effective on the date a Collective Bargaining Agreement specifically providing for PERS membership by all members of the unit is ratified by both parties.

Metro will place on the negotiating table the issue of PERS membership at the bargaining sessions expected to commence prior to the expiration of the current contract on June 30, 1991, consistent with its agreement in accordance with ORS 268.240(4), below.

5. Metro hereby agrees eventually to extend PERS coverage to all eligible District employees in accordance with ORS 268.240(4).

6. Terms of admission of current employees transferring to PERS membership shall include the unused sick leave option and prior eligibility service, but not including prior benefit service.

7. The dates provided for in Section 4(d) and 4(e) and the level of the benefits for employees included in PERS provided for

in Section 6 hereof may be amended by mutual agreement of PERS and Metro, subject to Metro Council approval.

8. This application and the terms hereof shall, upon approval of the Board, constitute the contract between PERS and Metro contemplated by ORS 268.240. The effective date of the contract shall be the date approved by the Board. The effective date of PERS membership of District employees shall be the first date of eligibility under ORS chapter 237 inclusion of the class under the terms of this application.

\_\_\_\_\_  
Rena Cusma, Executive Officer  
Metropolitan Service District

Date: \_\_\_\_\_

STAFF REPORT

RELATING TO RESOLUTION NO. 90-1242 FOR THE  
PURPOSE OF INCLUDING METRO EMPLOYEES IN THE  
PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS).

April 4, 1990

Presented by:  
John B. Leahy

BACKGROUND

Metro presently pays a total of 11 percent of payroll into two funds on behalf of District employees for the purpose of establishing retirement benefit entitlements for its employees. Each of the funds are referred to as a "defined contribution plan" which means that a specified amount expressed in percentage of salary is contributed each month to the employees' account. The contributions, together with earnings thereon, accumulate over the years creating a fund from which retirement benefits are paid at retirement. The amount of the benefit depends upon the length of time contributions were made on behalf of the employee and the amount of the earnings thereon over the years. The cost of administering the funds is charged by the fund.

One fund is managed by the Principal Financial Group of Des Moines, Iowa. Metro pays 5 percent of salary to that fund which is referred to as the "5 percent plan." The other fund is administered by the Western Retirement Trust of Seattle, Washington. Metro pays 6 percent of salary to that fund which is referred to as the "6 percent plan." Employees may voluntarily increase that contribution with their own funds as a deferred compensation fund up to a maximum of \$7,979 per year or 14 percent of salary.

PERS is a defined benefit plan operated by the State of Oregon for government employees in Oregon. The plan is funded by contributions made by government employers and employees (most governments "pick up" the employee contribution) in the amount necessary to fund the retirement benefits which are payable upon retirement or disability of the employee and are fixed by Oregon law.

In a defined benefit type plan, the amount of retirement benefits that will be available upon retirement are known and fixed by law, thus facilitating retirement planning. PERS membership is "transferrable" among governments. The labor market that Metro is competing in, to a large extent, is other government employees; many in Oregon. Metro's inability to offer PERS membership puts it at a competitive disadvantage in this labor market.

The 1989 Legislative Assembly adopted SB 211, codified as ORS 268.240, which allows classes of Metro employees to

participate in PERS without an "integration contract" under ORS 237.051 and the usual requirement that all employees must participate. The District must agree, however, that "eventually" all eligible employees will be extended PERS membership (ORS 268.240(4)). Many Metro employees have expressed the desire to have the option to participate in PERS.

Transferring Exposition-Recreation Commission employees who are presently members of PERS have a right under Oregon law to continue that membership (ORS 236.620(2)). The Metropolitan Exposition-Recreation Commission wants to have all Metro ERC employees (the transferring ERC employees, the existing Metro ERC employees, and all new hires for the Oregon Convention Center) included in PERS to facilitate internal promotions and transfers as well as for administrative efficiency.

The Executive Officer is of the view that it is in the best interest of Metro to be a participating employer in PERS in accordance with the attached application (Exhibit A). The application would extend membership to the following classes of employees immediately. One, a class composed of all Metro ERC employees including transferring ERC employees. Two, a class composed of all new non-represented employees hired after the date the application is approved by PERS. Three, a class composed of all current, non-represented employees who opt to participate in PERS.

The application would also indicate a commitment on the part of Metro to negotiate in good faith through the collective bargaining process with the bargaining agents to include represented positions in PERS when contract negotiations reopen. The goal of eventually including represented employees in PERS through collective bargaining is subject to contract approval and budget approval by the Council. This would satisfy the legal requirement that Metro agree to "eventually" include all Metro employees as PERS members, and at the same time preserve the option of all current non-represented employees to become members of PERS or not, as they choose.

The employees who are members of either of the two bargaining units may wish to opt into PERS as a "class" next year (FY 1991-92). That determination can be made by the bargaining unit in next year's wage negotiations and bargained as a component of the "wage package."

#### COSTS

Metro is presently paying 11 percent of payroll as the retirement benefit for most of its employees. The costs for Metro ERC employees, including transferring ERC employees, will be approximately 18 percent of payroll. This is contained in the proposed budget under consideration by the Council. The estimated costs for Metro's current work force is 16.87 percent of payroll, including the 6 percent employee "pick up" analogous

to the existing 6 percent program. The Executive Officer proposes that current non-represented employees be given the option of PERS participation in lieu of a COLA effective July 1, 1990. This would have the effect of making PERS integration essentially "budget neutral" for FY 1990-91 except for the cost of new hires which can be absorbed in the present proposed budget.

Additional costs for including bargaining unit employees in PERS, if any, would be postponed until after negotiations on the terms next fiscal year. Ultimately, retirement costs could increase, but the immediate impact of joining PERS would be limited to new employees and the non-represented employees who opt in.

Another alternative method of transfer to PERS membership would provide transferring current employees with "prior benefit service." This would purchase credit at PERS for employees based on their date of hire at Metro and give them PERS service credit for time in service of Metro. This alternative is expressed in Application marked Exhibit "B" and would cost 19.36 percent of payroll or an additional 2.49 percent of payroll. This alternative would require budget adjustment to accommodate the additional payroll costs.

EXECUTIVE OFFICER'S RECOMMENDATION:

The Executive Officer recommends adoption of Resolution No. 90-1242 with Application Exhibit either "A" or "B."

Not  
Adopted  
see 90-1242A

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF INCLUDING ) RESOLUTION NO. 90-1242  
METRO EMPLOYEES IN THE PUBLIC )  
EMPLOYEES RETIREMENT SYSTEM (PERS) ) Introduced by Rena Cusma,  
 ) Executive Officer

WHEREAS, The Metropolitan Service District presently provides a retirement system to Metro employees consisting of a money purchase plan and a salary savings plan; and

WHEREAS, The money purchase plan is with the Principal Financial Group of Des Moines, Iowa and is funded by a 5 percent salary contribution paid to the fund by Metro on behalf of its employees. This plan is sometimes referred to as the "5 Percent Plan"; and

WHEREAS, The salary savings plan is with the Western Retirement Trust of Seattle, Washington and is funded by a 6 percent of salary contribution paid by Metro on behalf of its employees. This plan is sometimes referred to as the "6 Percent Plan"; and

WHEREAS, It is in the best interest of Metro and its employees to have the opportunity to participate in PERS; and

WHEREAS, PERS participation will increase payroll costs to the District; and

WHEREAS, The District desires to reduce the initial cost of participation; and

WHEREAS, Oregon Laws 1989, Chapter 879 (codified as ORS 268.240) permits classes of Metro employees to participate in

PERS without a contract of integration pursuant to ORS 237.051;  
and

WHEREAS, Employees of the City of Portland Exposition-Recreation Commission who will become Metro employees on July 1, 1990, are participants in PERS and have a right to continue that participation pursuant to ORS 236.620(2); and

WHEREAS, The proposed application (attached as Exhibit "A") pursuant to ORS 268.240 has been informally approved by staff officials at PERS; and

WHEREAS, It is in the best interest of Metro to become a participating employer of PERS in accordance with the attached application; now, therefore,

BE IT RESOLVED,

1. That the Metro Executive Officer is authorized to make application pursuant to ORS 268.240 to PERS in substantially the form contained in Exhibit "A" and to execute all documents necessary to make Metro a participating employer pursuant to the terms thereof.

2. That all employees not represented by a collective bargaining agent may opt to participate in PERS under this Agreement in lieu of the July 1, 1990, Cost of Living Adjustment.

ADOPTED by the Council of the Metropolitan Service District this \_\_\_\_\_ day of \_\_\_\_\_, 1990.

*Not Adopted*  
\_\_\_\_\_  
Tanya Collier, Presiding Officer

EXHIBIT "A"

BEFORE THE PUBLIC EMPLOYES RETIREMENT BOARD

In the Matter of the Application  
of the Metropolitan Service District  
to Become a Participating Employer  
under ORS Chapter 237

The Metropolitan Service District makes this application pursuant to ORS 268.240 to become a participating employer under ORS Chapter 237 to the extent of providing membership for each class of employees described in the application.

1. Metro is a regional government organized and existing pursuant to the provision of ORS Chapter 268.
2. The Executive Officer of Metro makes this application with approval of the Council of the Metropolitan Service District pursuant to Resolution No. 90-1242 (Exhibit attached.)
3. Metro is not, as of this date, participating in the Public Employes Retirement System.
4. Metro applies to this Board to allow the District employees in the following classes of District employees to become members of PERS without entering into a contract of integration (ORS 237.051) but pursuant to this contract authorized by ORS 268.240(3).
  - a. A class of District employees composed of all eligible City of Portland Exposition-Recreation Commission employees transferring to Metropolitan Exposition-Recreation Commission employment on July 1, 1990, based on Metro's 1989 Intergovernmental Agreement with the City of Portland. Inclusion of that class into PERS should be effective July 1, 1990, the date of transferred employment under that Agreement. Inclusion is subject to applicable rights granted to transferring employees pursuant to ORS 236.620(2) and 237.011(2).
  - b. A class of employees composed of all eligible employees hired by Metro Exposition-Recreation Commission after July 1, 1990.

- c. A class of employees composed of all eligible employees currently employed as of July 1, 1990, by the Metro Exposition-Recreation Commission.
- d. A class of employees composed of all eligible employees hired by Metro after July 1, 1990, who are not represented by an exclusive collective bargaining agent on the effective date of hire.
- e. A class of employees composed of all eligible Metro employees who are not represented by an exclusive collective bargaining agent on July 1, 1990, who exercise the option to become members of PERS effective July 1, 1990.
- f. A class of employees composed of all eligible employees represented by American Federation of State, County and Municipal Employees (AFSCME) Local 3580 effective on the date a collective bargaining agreement specifically providing for PERS membership by all members of the unit is ratified by both parties.

Metro will place on the negotiating table the issue of PERS membership at the bargaining sessions expected to commence prior to expiration of the current contract on June 30, 1991, consistent with its agreement in accordance with ORS 268.240(4), below.

- g. A class of employees composed of all eligible persons represented by Laborers International Union Local 483 effective on the date a collective bargaining agreement specifically providing for PERS membership by all members of the unit is ratified by both parties.

Metro will place on the negotiating table the issue of PERS membership at the bargaining sessions expected to commence prior to the expiration of the current contract on June 30, 1991, consistent with its agreement in accordance with ORS 268.240(4), below.

- 5. Metro hereby agrees eventually to extend PERS coverage to all eligible District employees in accordance with ORS 268.240(4).
- 6. Terms of admission of current employees transferring to PERS membership shall include the unused sick leave option and prior eligibility service, but not including prior benefit service.

7. This application and the terms hereof shall, upon approval of the Board, constitute the contract between PERS and Metro contemplated by ORS 268.240. The effective date of the contract shall be the date approved by the Board. The effective date of PERS membership of District employees shall be the first date of eligibility under ORS Chapter 237 inclusion of the class under the terms of this application.

Rena Cusma, Executive Officer  
Metropolitan Service District

Date: \_\_\_\_\_

EXHIBIT "B"

BEFORE THE PUBLIC EMPLOYES RETIREMENT BOARD

In the Matter of the Application  
of the Metropolitan Service District  
to Become a Participating Employer  
under ORS Chapter 237

The Metropolitan Service District makes this application pursuant to ORS 268.240 to become a participating employer under ORS Chapter 237 to the extent of providing membership for each class of employees described in the application.

1. Metro is a regional government organized and existing pursuant to the provision of ORS Chapter 268.
2. The Executive Officer of Metro makes this application with approval of the Council of the Metropolitan Service District pursuant to Resolution No. 90-1242 (Exhibit attached.)
3. Metro is not, as of this date, participating in the Public Employes Retirement System.
4. Metro applies to this Board to allow the District employees in the following classes of District employees to become members of PERS without entering into a contract of integration (ORS 237.051) but pursuant to this contract authorized by ORS 268.240(3).
  - a. A class of District employees composed of all eligible City of Portland Exposition-Recreation Commission employees transferring to Metropolitan Exposition-Recreation Commission employment on July 1, 1990, based on Metro's 1989 Intergovernmental Agreement with the City of Portland. Inclusion of that class into PERS should be effective July 1, 1990, the date of transferred employment under that Agreement. Inclusion is subject to applicable rights granted to transferring employees pursuant to ORS 236.620(2) and 237.011(2).
  - b. A class of employees composed of all eligible employees hired by Metro Exposition-Recreation Commission after July 1, 1990.

- c. A class of employees composed of all eligible employees currently employed as of July 1, 1990, by the Metro Exposition-Recreation Commission.
- d. A class of employees composed of all eligible employees hired by Metro after July 1, 1990, who are not represented by an exclusive collective bargaining agent on the effective date of hire.
- e. A class of employees composed of all eligible Metro employees who are not represented by an exclusive collective bargaining agent on July 1, 1990, who exercise the option to become members of PERS effective July 1, 1990.
- f. A class of employees composed of all eligible employees represented by American Federation of State, County and Municipal Employees (AFSCME) Local 3580 effective on the date a collective bargaining agreement specifically providing for PERS membership by all members of the unit is ratified by both parties.

Metro will place on the negotiating table the issue of PERS membership at the bargaining sessions expected to commence prior to expiration of the current contract on June 30, 1991, consistent with its agreement in accordance with ORS 268.240(4), below.

- g. A class of employees composed of all eligible persons represented by Laborers International Union Local 483 effective on the date a collective bargaining agreement specifically providing for PERS membership by all members of the unit is ratified by both parties.

Metro will place on the negotiating table the issue of PERS membership at the bargaining sessions expected to commence prior to the expiration of the current contract on June 30, 1991, consistent with its agreement in accordance with ORS 268.240(4), below.

- 5. Metro hereby agrees eventually to extend PERS coverage to all eligible District employees in accordance with ORS 268.240(4).
- 6. Terms of admission of current employees transferring to PERS membership shall include the unused sick leave option, prior eligibility service, and prior benefit service.

7. This application and the terms hereof shall, upon approval of the Board, constitute the contract between PERS and Metro contemplated by ORS 268.240. The effective date of the contract shall be the date approved by the Board. The effective date of PERS membership of District employees shall be the first date of eligibility under ORS Chapter 237 inclusion of the class under the terms of this application.

Rena Cusma, Executive Officer  
Metropolitan Service District

Date: \_\_\_\_\_

1043L

FINANCE COMMITTEE REPORT

RESOLUTION NO. 90-1242A, FOR THE PURPOSE OF INCLUDING  
METRO EMPLOYEES IN THE PUBLIC EMPLOYEES RETIREMENT  
SYSTEM (PERS)

Date: May 18, 1990

Presented by: Councilor Gardner

COMMITTEE RECOMMENDATION: The Committee, at its May 17, 1990 meeting, voted unanimously to recommend that the Council adopt Resolution No. 90-1242A. Voting in favor were Councilors Collier, Devlin, Gardner, Van Bergen and Wyers.

COMMITTEE DISCUSSION/ISSUES: John Leahy, former Personnel Officer, presented the staff report. He indicated that adoption of Resolution No. 90-1242 commits the District to become a PERS employer and that eventually all eligible employees will be extended PERS membership. Following legislative authorization (S.B. 211 enacted in 1989), the Resolution sets forth classes of employees and timing requirements for inclusion in the PERS system. All MERC employees including those transferred from the City will become PERS members on July 1, 1990. All represented employees will become members on the date so indicated as a result of future collective bargaining. The original resolution provided for all non-represented employees (excluding MERC) to opt to enter PERS on July 1, 1990 in exchange for the FY 1990-91 COLA.

Mr. Leahy pointed out that the Resolution will facilitate the orderly transition of City employees to the District as part of the merger of facilities to be operated by the MERC. These employees have a right by law to continue with PERS and inclusion of current and future MERC employees will assure that all employees of the MERC have a common retirement system. Also, Mr. Leahy indicated that the Executive Officer is of the opinion that PERS membership is in the District's best interest because it will remove a potential impediment for recruiting applicants for Metro employment.

The Deputy Executive Officer requested that the Resolution be amended to allow non-represented employees additional time to assess the pros and cons of joining PERS (see Exhibit A attached). This request resulted from a meeting of non-represented employees with Mr. Leahy and representatives of PERS and the current retirement plan. The employees expressed concern about the fairness of the recommended approach to PERS and expressed a desire to explore other options to obtain prior year credit. The Council staff report was presented by Don Carlson, Council Analyst (see Exhibit B attached).

Mr. Leahy and Mr. Larry Shaw, Legal Counsel, presented an amended Resolution, No. 90-1242A. The proposed amendments are: 1) remove the provision of the Resolution giving non-represented employees the option to join PERS in exchange for a COLA; 2) amend the

proposed agreement with PERS to delay the effective date for existing and new non-represented employees to July 1, 1991; and 3) amend the agreement to provide for the possibility of a different level of benefits (prior service credit). In response to a question, Mr. Leahy pointed out that these amendments do not alter the Executive Officer's recommendation that PERS membership be offered to non-represented employees in exchange for a COLA so that the cost of joining be as budget neutral as possible. Mr. Leahy also pointed out that future decisions regarding PERS membership and the costs thereof will be brought back to the Council for action.

DEC:aeb  
Attachment

A:\RES1242A.RPT

**METRO**2000 S.W. First Avenue  
Portland, OR 97201-5398  
503/221-1646

# Memorandum

Date: May 17, 1990

To: George Van Bergen, Chair Metro Finance Committee

From:  Dick Engstrom, Deputy Executive Officer

Regarding: PERS

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This is to request that Resolution No. 90-1240 be continued for deliberation at a future Finance Committee Meeting. This pertains to that portion which deals with coverage for non-represented employees. That portion of the resolution which deals with the coverage of MERC employees by PERS need to be addressed by the Committee this evening. You will find a new resolution drafted by General Counsel addressing that portion of the resolution related to MERC.

The additional time will allow for analysis of some recently proposed options regarding entry of non-represented employees into PERS. In addition a fiscal analysis is being completed as requested by Don Carson, Council Administrator.

Thank you for your consideration.



METRO

2000 S.W. First Avenue  
 Portland, OR 97201-5398  
 503-221-1646

# Memorandum

Date: May 17, 1990

To: Finance Committee

From: Donald E. Carlson *DC*

Re: RESOLUTION NO. 90-1242 FOR PURPOSE OF INCLUDING METRO EMPLOYEES IN PERS

The purpose of this resolution is to authorize the Executive Officer to execute documents necessary to make the District a member of PERS and offer non-represented employees the option to participate in PERS in lieu of a COLA for FY 1990-91. While the resolution recommends an option which would cost the District 16.87% of payroll for each non-represented employee who chooses to join PERS, an optional approach is provided which would cost the District 19.36% of payroll for each non-represented employee. The added 2.49 % would purchase prior year service benefit for each participating employee. The resolution states that providing PERS for represented employees would be an issue in the next round of contract negotiations.

The Staff Report indicates that trading PERS membership for a COLA would be cost neutral for the District since the difference in retirement costs of 5.89% (16.89% PERS minus 11% current plan) is offset by the potential COLA. Prior to the committee taking action on this resolution it would be useful for a financial analysis to be prepared which shows the fiscal impact on the District of the requested action. The analysis should show the impact on each appropriate fund in the FY 1990-91 Budget and should cover both options suggested.

The Personnel Office held a meeting on May 16, 1990 to discuss this issue with non-represented employees. A number of concerns and questions were raised by the employees including fairness of the recommended approach and other options for obtaining prior service credit. Because of the basic differences in the two retirement plans it is difficult for an individual to ascertain whether or not it is beneficial to join PERS or continue with the existing plan. It would be useful for the Personnel Office to develop more information on the impact of such decisions for "typical" case situations.

General Counsel has indicated a need for Council action at the next council meeting to assure orderly transition of City employees and MERC employees in PERS by July 1, 1990. He is preparing amendments to the resolution to achieve this and defer action regarding other employees to a later date.