

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADOPTING AN)	RESOLUTION NO. 91-1413A
AMENDED APPLICATION TO THE)	
PUBLIC EMPLOYEES RETIREMENT)	Introduced by Rena Cusma,
SYSTEM)	Executive Officer

WHEREAS, The Council of the Metropolitan Service District adopted Resolution No. 90-1242 authorizing the Executive Officer to make application to the Public Employes Retirement System substantially in the form contained in Exhibit "A" to that Resolution; and

WHEREAS, It is necessary to amend the application to correct the effective dates for PERS membership for represented classes; and

WHEREAS, It is necessary to amend the application to differentiate between current Metro employees and those who may be transferred to Metro as a result of mergers at a later date; and

WHEREAS, It is necessary to amend the application to reflect retroactive membership of Metro Exposition/Recreation Commission employees; and

WHEREAS, It is necessary to amend the application to allow permissive membership in the Public Employes Retirement System if Metro's current retirement plans become disqualified for necessary Internal Revenue Service exemptions; and

WHEREAS, The proposed application (attached as Exhibit "A") which has been informally approved by Public Employees Retirement System Board staff encompasses the required amendments; and

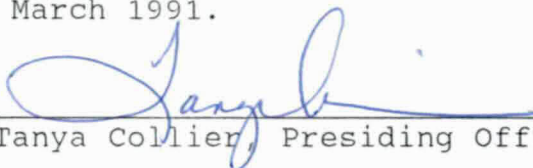
WHEREAS, It continues to be in the best interest of Metro to become a participating employer of the Public Employees Retirement System in accordance with the attached amended application; now, therefore,

BE IT RESOLVED,

1. That the amended application to the Public Employees Retirement System attached as Exhibit A hereto is approved.

2. That the Metro Executive Officer is authorized to proceed with filing the amended application with the Public Employees Retirement System.

ADOPTED by the Council of the Metropolitan Service District this 14th day of March 1991.



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 the approval of the Council of the Metropolitan Service District pursuant to Resolution No. _____ (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 transferred 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 shall 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. Inclusion of this class shall be effective 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. Inclusion of this class shall be effective July 1, 1990.
- d. A class of employees composed of all eligible employees hired by Metro departments after July 1, 1991, who are not represented by an exclusive collective bargaining agent on the effective date of hire, excluding any public employees transferred from another public employer because the duties of employment have been assumed by Metro.
- 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, excluding any public employees transferred from another public employer because the duties of employment have been assumed by Metro. Upon any disqualification of Metro's current retirement plans for exemption from federal income tax, these remaining eligible Metro employees not represented by an exclusive bargaining agent may become members of PERS.
- 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 provided for in a Collective Bargaining Agreement specifically providing for PERS membership by all members of the unit which 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 employees represented by Laborers International Union Local 483 effective on the date provided for in a Collective Bargaining Agreement specifically providing for PERS membership by all members of the unit which 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.

- h. Each class of eligible employees represented by an exclusive collective bargaining agent for public employees transferred from another public employer because the duties of employment have been assumed by Metro. Inclusion of each class of represented employees shall be effective on the date provided for in a collective bargaining agreement specifically providing for PERS membership by all members of the unit which is ratified by both parties. Inclusion is subject to any applicable rights granted to transferring employees pursuant to ORS 236.620(2) and 237.011(2).

Metro will place on the negotiating table the issue of PERS membership at the bargaining sessions commencing after the duties of each class of represented employees have been assumed by Metro.

- i. Each class of eligible employees not represented by an exclusive collective bargaining agent for public employees transferred from another public employer because the duties of employment have been assumed by Metro. Inclusion of each class of nonrepresented employees shall be effective on the date provided for in an intergovernmental agreement transferring the employees or other action of the Metro Council effecting the transfer of such employees.

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

- 6. a. Terms of admission of current employees transferring to PERS membership shall include prior eligibility service, but shall not include prior benefit service or the unused sick leave option, unless the Metro Council approves additional options in collective bargaining agreements for represented classes or in a Resolution for nonrepresented classes. Metro ERC classes shall retain the unused sick leave option.
- b. Pursuant to ORS 237.075, Metro has agreed to continue to assume payment of employee contributions for Metro ERC classes so compensated

under the ERC, including all nonrepresented Metro ERC employees.

- c. Metro agrees to assume payment of employee contributions for Metro nonrepresented employee classes.
- d. - Metro has not agreed to assume payment of employee contributions for represented classes of Metro employees, unless the Metro Council approves such payment in collective bargaining agreements.

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 THE RESOLUTION FOR THE PURPOSE
OF ADOPTING AN AMENDED APPLICATION TO THE
PUBLIC EMPLOYEES RETIREMENT SYSTEM

February 27, 1991

Presented by
Kim Huey,
Acting Personnel Manager

BACKGROUND

In May 1990 Metro Council adopted Resolution No. 90-1240 authorizing the Executive Officer to make application to the Public Employes Retirement System substantially in the form attached as Exhibit "A" to the Resolution.

Metro's July 30, 1990 PERS application was approved by the Public Employes Retirement Board staff, but not officially approved by Board action when, based on the advice of General Counsel, it was withdrawn by Metro on November 20, 1990 for amendments clarifying the effect of acquisition of Tri-Met employees. In addition to the complications raised by the potential of a merger with Tri-Met, the issue of a possible disqualification of the current Metro plans was raised by the agency's pension plan manager, WM Benefits Group. Should such disqualification occur Metro employees who had originally elected to participate in the current plans would need assurance that their membership in PERS would be guaranteed. On January 29, 1991 Dick Engstrom, Larry Shaw and Sarah Keele met with Julia Huddleston, Public Employes Retirement System Board staff, to discuss and reach agreement on required amendments to the original PERS application. These amendments, incorporated in the proposed new application, are:

- to specify that Metro Exposition/Recreation Commission employees' membership in PERS is retroactive to July 1, 1990
- to provide for effective dates of PERS membership in the collective bargaining agreements rather than on the various dates such agreements are ratified
- to differentiate between current Metro non-represented and represented employees and those who may be transferred to Metro in later mergers
- to allow permissive membership in PERS if Metro's current retirement plans become disqualified

If approved by Metro Council this amended application could receive final action by the PERS Board on March 25, 1991.

FISCAL IMPACT

Approval of this Resolution will result in no additional fiscal impact.

RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 91-1413 with the amended application to the Public Employees Retirement System.

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