

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
A Pension Trust Fund of the City of Seattle  
  
ANNUAL REPORT

For The Year Ended December 31, 2007

**Prepared by:** Seattle City Employees' Retirement System Staff

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**Board of Administration**



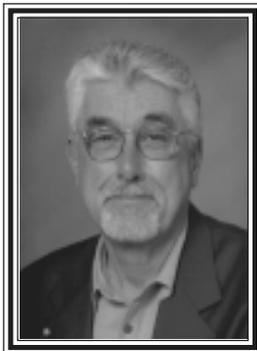
**Mark McDermott**



**Jean Godden**



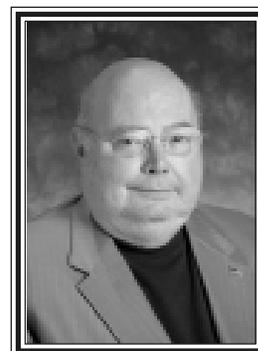
**Dwight Dively**



**Lou Walter**



**Mary Norris**



**Rod Rich**



**Frank Mathews**

**Administrative Staff**



**Katherine Bursett**



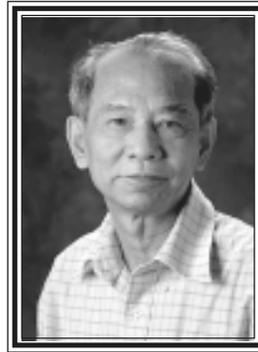
**Cecelia M. Carter**



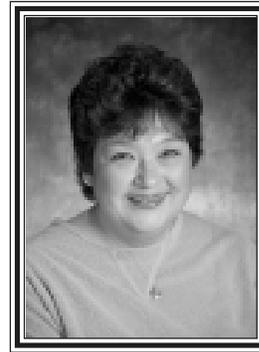
**Frankie Graziani**



**Ronda Iriate**



**Hieu Le**



**Jean LeMaster**



**Lindsey LeNguyen**



**Sheila Moss**



**Jeannette Ocampo**



**Lindsay Reid**



**Mel Robertson**



**Selam Teklemariam**





# City of Seattle

## Seattle City Employees' Retirement System

720 Third Avenue, Suite 1000, Seattle, WA 98104, Phone: (206) 386-1293, Fax: (206) 386-1506

June 1, 2008

To the Honorable Mayor and  
Seattle City Council  
Seattle, Washington 98104

This Annual Report consists of four sections: the Introductory Section contains the Executive Director's letter of transmittal and the identification of the administrative organization of the System; the Financial Statements Section contains the financial statements of the System as well as a letter from the System's certified public accountants; the Actuarial Section contains the independent consulting actuary's opinion along with related actuarial data and statements; and the last section is the Statistical Section including tables of significant data pertaining to the operation of the System.

The compilation of this report reflects the combined effort of the staff under the leadership of the Retirement Board. The intention is to provide complete and reliable information to assist in management decisions, to present evidence of compliance with legal provisions and to demonstrate responsible stewardship for the assets contributed by the members and their employers.

The Executive Director and staff have reviewed the internal accounting controls and the financial statements, supporting schedules and statistical tables, and we are of the opinion that they fairly present the condition of the Retirement System.

The accuracy and completeness of the data contained in this report are the sole responsibility of the management of the Seattle City Employees' Retirement System.

The Retirement System was created and established by amendment to the Charter of the City of Seattle (Article XXII - Section 13) submitted to the voters at the municipal election of March 8, 1927. The System, known thereafter as the Seattle City Employees' Retirement System, is to provide retirement income to help maintain the quality of life for its former employees. The retirement plan is a defined benefit plan, which means the employee's salary, years of service and age at the time of retirement are used to determine the amount of retirement benefits.

The Retirement System covers employees of the City of Seattle, and certain employees of King County, METRO and the Seattle City Library. The year ended December 31, 2007, concludes our 79<sup>th</sup> year of operations. This longevity is a tribute to the hard work and conscientious efforts of the past and present Board members, staff, advisors and elected officials who have made the Retirement System the strong, exemplary system it is today.

The report is being mailed to all departments of the City. They form the link between the Seattle City Employees' Retirement System and its membership. Their cooperation contributes significantly to the success of the Retirement System. We trust the employers and Retirement System members will find this report both informative and helpful.

We would like to express our gratitude to the staff, the advisors, and to the many other people who have worked so diligently to assure the successful operation of the System.

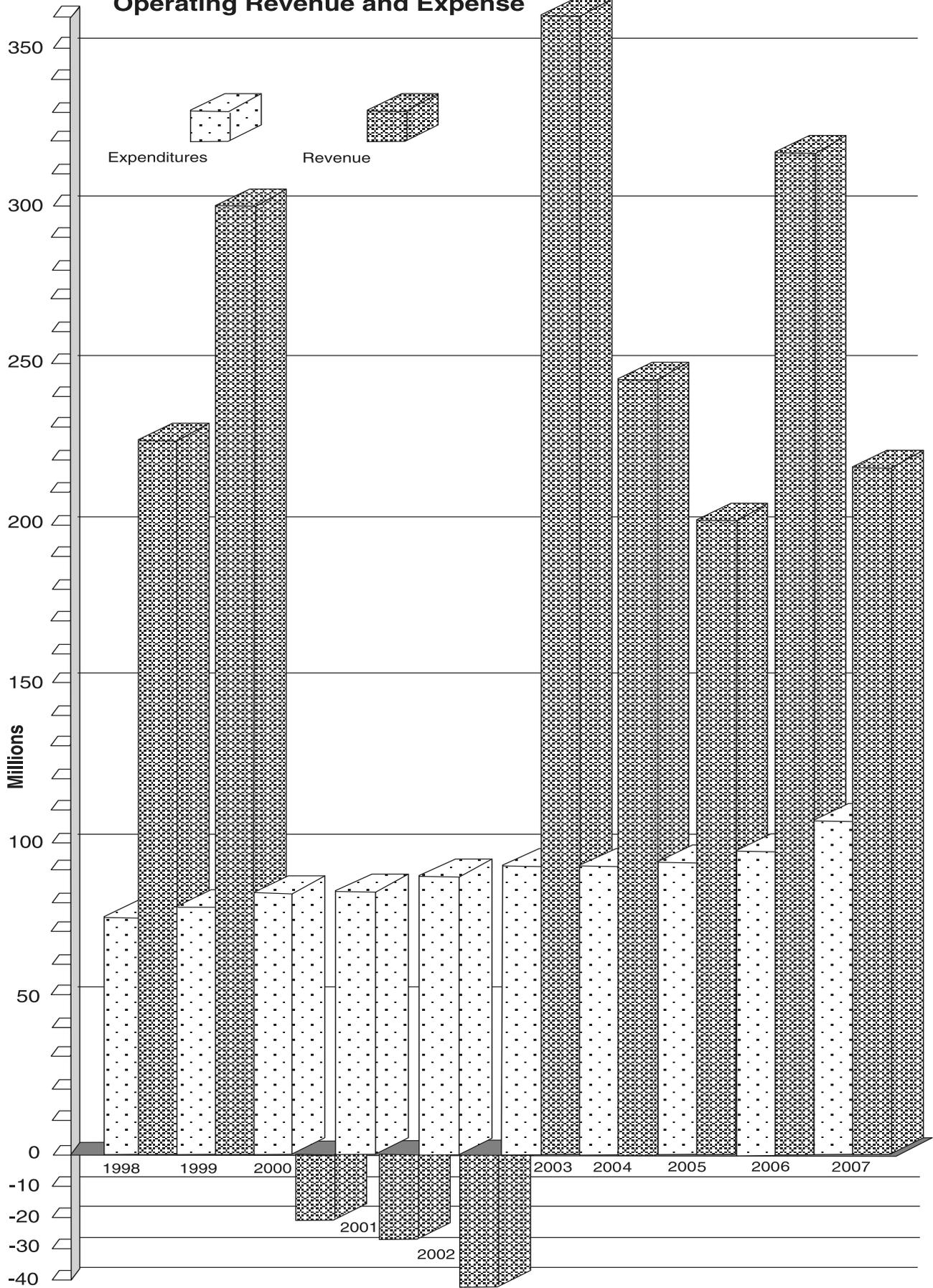
Respectfully submitted,  
BOARD OF ADMINISTRATION,  
SEATTLE CITY EMPLOYEES'  
RETIREMENT SYSTEM  
AS OF DECEMBER 31, 2007

A handwritten signature in cursive script, appearing to read 'Mel Robertson'.

---

Mel Robertson, CPA  
*then* Acting Executive Director

# Operating Revenue and Expense



**INDEPENDENT AUDITOR'S REPORT**

To the Board of Administration  
Seattle City Employees' Retirement System  
Seattle, Washington

We have audited the accompanying statements of plan net assets of the Seattle City Employees' Retirement System (the "System"), as of December 31, 2007 and 2006, and the related statements of changes in plan net assets for the years then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the System as of December 31, 2007 and 2006, and the changes in net assets for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and the Schedule of Funding Progress and Schedule of Employer Contributions, which are presented as Required Supplementary Information, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the System's management. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of administrative expenses, investment expenses, and cash and investments within the financial section, and the actuarial section and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. This additional information is the responsibility of the System's management. Such additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

*Moss Adams LLP*

Seattle, Washington  
May 20, 2008

## Management's Discussion and Analysis

This section presents management's discussion and analysis of the Seattle City Employees' Retirement System's (SCERS or the System) financial performance during the year ended December 31, 2007. Please read it in conjunction with the transmittal letter in the Introductory Section and the accompanying financial statements and the related notes.

The City of Seattle is responsible for establishing and maintaining an internal control structure designed to ensure the protection of assets from loss, theft, or misuse, and to ensure the accounting information generated is adequate to prepare financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, though not absolute, assurance of achieving these objectives.

As a department of the City of Seattle, the Seattle City Employees' Retirement System is subject to this internal control structure. In addition, section 4.36.140.D of the Seattle Municipal Code requires the Board of Administration to annually transmit a report of the financial condition of the retirement system to the City Council.

This report is prepared in accordance with the principles of governmental accounting and reporting promulgated by the Governmental Accounting Standards Board (GASB). Investments are stated at fair market value, and revenues include the recognition of unrealized gains or losses. The accrual basis of accounting is used to record assets, liabilities, revenues and expenses. Revenue recognition occurs when earned without regard to the date of collection. Expense recognition occurs when the corresponding liabilities are incurred, regardless of payment date. The basis of contributions to the System follows the principles of level cost financing, with current service financed on a current basis. Buck Consultants, the consulting actuary, evaluates the funding status of the System.

### The Financial Section contains the following information:

1. **Basic Financial Statements** including:
  - a. Statements of Plan Net Assets
  - b. Statements of Changes in Plan Net Assets
  - c. Notes to the Financial Statements
2. **Required Supplementary Information** including:
  - a. Schedule of Funding Progress
  - b. Schedule of Employer Contributions
3. **Other Supplementary Schedules** including:
  - a. Schedule of Administrative Expenses
  - b. Schedule of Investment Expenses
  - c. Schedule of Cash and Investments

The basic financial statements are described as follows:

- The Statement of Plan Net Assets shows the account balances at year-end and includes the net assets available for future benefit payments. The liabilities for future benefit payments are not included in this statement; however, they are shown in the Schedule of Funding Progress that is included in the Required Supplementary Information, as well as in the documentation provided by the actuary that is included in the Actuarial Section of this annual report.
- The Statement of Changes in Plan Net Assets shows the sources and uses of funds during the year and illustrates the change in net assets from the previous year.
- The Notes to the Financial Statements are an integral part of the financial statements and include additional detailed information and schedules to provide a better understanding of the financial statements.

The required supplementary information provides historical trends that help to reflect the ongoing plan perspective and the long-term nature of the defined benefit plan.

- The Schedule of Funding Progress contains actuarial information about the status of the plan from an ongoing long-term perspective, in the accumulation of sufficient assets to pay future benefits when due. Actuarial Liabilities in excess of the Actuarial Value of Assets indicate that insufficient assets were accumulated as of December 31, 2005 to fund the future benefits of current members and retirees.
- The Schedule of Employer Contributions contains historical trend information regarding the value of the total annual contributions the employer must pay and the actual contributions by employers in meeting this requirement.

### Financial Highlights

- SCERS assets that are held in trust for the payment of future benefits exceed its current amounts owed as of December 31, 2007 by \$2.12 billion.
- Net assets increased by \$108 million (5.4%) during 2007, primarily due to gains in the equity markets in the U.S. and abroad, also in hedge funds and in real estate. Net assets increased by \$219 million (12.2%) during 2006, primarily due to gains in the equity markets in the U.S. and abroad.
- Revenues (additions to net assets) for 2007 were \$220 million, which includes member and employer contributions of \$81 million and net gains from investment activities totaling \$139 million. Revenues (additions to net assets) for 2006 were \$319 million, which includes member and employer contributions of \$76 million and net gains from investment activities totaling \$243 million.
- Expenses (deductions from net assets) for 2007 increased by \$11.8 million (11.8%) from 2006. Retiree benefits was the largest part of the increase. Expenses (deductions from net assets) for 2006 increased by \$5.3 million (5.6%) from 2005.

### Plan Net Assets

The table below provides a summary of assets and current liabilities:

	<b>Plan Net Assets As of December 31</b>		
	<b>2007</b>	<b>2006</b>	<b>2005</b>
Cash and Receivables	\$ 89,803,563	\$ 99,782,484	\$ 65,833,444
Investments at Fair Value	2,039,406,451	1,920,085,235	1,733,929,772
Securities Lending Collateral	103,323,467	145,097,240	122,862,720
Equipment	2,963	3,308	3,654
Total Assets	<u>2,232,536,444</u>	<u>2,164,968,267</u>	<u>1,922,629,590</u>
Securities Lending Payable	103,323,467	145,097,240	122,862,720
Other Payables	9,814,866	8,717,400	8,002,610
Total Liabilities	<u>113,138,333</u>	<u>153,814,640</u>	<u>130,865,330</u>
Total Net Assets	<u>\$ 2,119,398,111</u>	<u>\$ 2,011,153,627</u>	<u>\$ 1,791,764,260</u>

**Changes in Plan Net Assets**

The table below provides a summary of the changes in plan net assets and reflects the activities of the fund:

<b>Changes in Plan Net Assets For the Years Ended</b>			
Additions:	<b>2007</b>	<b>2006</b>	<b>2005</b>
Member Contributions	\$ 40,533,554	\$ 38,228,475	\$ 35,962,449
Employer Contributions	40,299,506	38,077,976	35,897,345
Net Investment and Other Income Gain	139,153,765	243,056,607	130,094,269
Total Additions	<u>219,986,825</u>	<u>319,363,058</u>	<u>201,954,063</u>
Deductions:			
Retiree Benefits	98,391,533	87,583,509	82,302,449
Refunds of Contributions	11,525,660	10,553,067	10,351,215
Administrative Expenses	1,825,148	1,837,115	2,001,286
Total Deductions	<u>111,742,341</u>	<u>99,973,691</u>	<u>94,654,950</u>
Net Increase	<u>\$ 108,244,484</u>	<u>\$ 219,389,367</u>	<u>\$ 107,299,113</u>

## Revenues – Additions to Net Plan Assets

- Member contributions increased by \$2.3 million (6.0%) compared to 2006. This increase is primarily attributed to City departments filling vacant positions. Member contributions increased in 2006 by \$2.3 million (6.3%) compared to 2005.
- Employer contributions increased by \$2.2 million (5.8%) compared to 2006. Employer contributions increased in 2006 by \$2.2 million (6.1%) compared to 2005.
- Net investment gain and other income was \$139 million in 2007 as compared to \$243 million in 2006 and \$130 million in 2005.

## Expenses – Deductions from Net Plan Assets

- Retiree benefits increased in 2007 by \$10.8 million (12.3%) compared to 2006, mostly due to new COLA increases and partly due to the natural turnover of retirees and beneficiaries with new retirees being added to the payroll with much higher monthly allowances than the retirees and beneficiaries that have died during the year. Retiree benefits increased in 2006 by \$5.3 million (6.4%) compared to 2005, partly due to COLA increases and partly due to the natural turnover of retirees and beneficiaries with new retirees being added to the payroll with much higher monthly allowances than the retirees and beneficiaries that have died during the year.
- Refunds of contributions increased in 2007 by \$1.0 million (9.2%) compared to 2006. During 2006, refunds of contributions increased by \$0.2 million (2.0%) compared to 2005, and is at least partly attributed to fewer than normal withdrawals.

**Plan Membership**

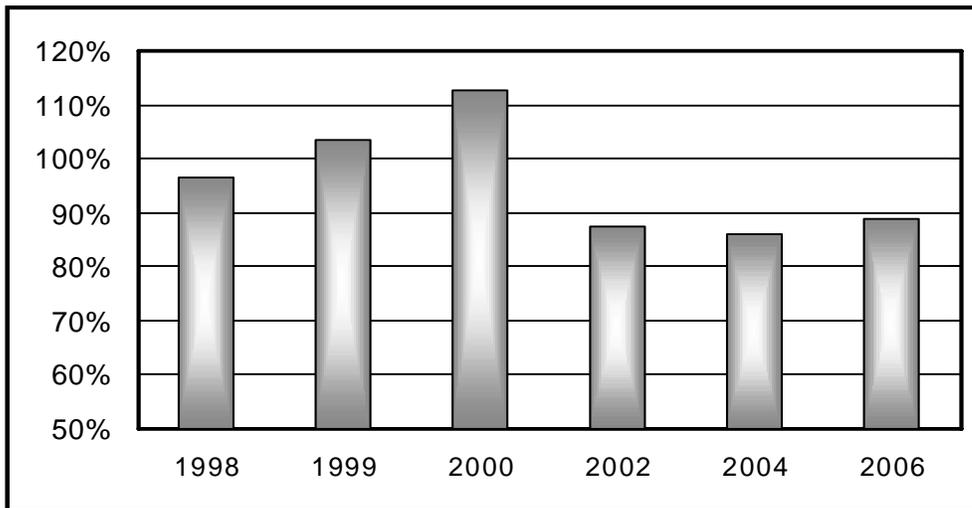
The table below reflects the active membership and retiree changes during 2006:

**Changes in Plan Membership  
For the Years Ended December 31, 2007 and 2006**

	<b>2007</b>	<b>2006</b>	<b>% Change</b>
Retirees and Beneficiaries Receiving Benefits	<u>5,200</u>	<u>5,093</u>	2.1
Current and Terminated Employees Entitled to, But Not Yet Receiving Benefits:			
Current Employee Members	8,842	8,587	3.0
Vested Employee Members	1,776	1,648	7.8
Vested Employee Members with Portability	<u>274</u>	<u>258</u>	6.2
Total	<u>10,892</u>	<u>10,493</u>	3.8

**Funding Status**

**Schedule of Funding Progress  
Funding Ratio  
As of January 1<sup>st</sup> Valuation Date**



Funds are accumulated from employer and employee contributions, and investment earnings, and are used to pay present and future benefit obligations and administrative expenses. The better the level of funding, the larger the ratio of assets accumulated and investment income potential. We continue to make a constant effort to achieve a fully funded status, thereby assuring the participants of a financially sound retirement system. The funding ratio as of January 1, 2006 was 88.8%. Most active members contribute 8.03% of their salaries to the retirement fund and the City contributes 8.03%. For a detailed breakdown of the funding progress, please see the "Actuarial Section".

## Investment Activities

One-year returns on asset classes and comparative benchmarks are presented in the table below:

### Investment Return For the Years Ended December 31, 2007 and 2006

	<b>2007</b>		<b>2006</b>
Total Portfolio	7.3	%	13.9
			%
Domestic Equities	4.5		14.1
<i>Benchmark: Russell 3000 Index</i>	5.1		15.7
International Equities	9.9		26.9
<i>Benchmark: MSCE EAFE Index</i>	11.6		26.9
Fixed Income	4.4		5.1
<i>Benchmark: Lehman Brothers Aggregate</i>	7.0		4.3
Real Estate	15.7		18.3
<i>Benchmark: Russell NCREIF Property Index</i>	15.8		15.5
Alternative (combined)	9.0		10.6
Venture Capital	18.6		8.4
Hedge Funds - High Volatility	10.9		11.0
<i>Benchmark: Treasury Bills + 5%</i>	9.9		10.0
Hedge Funds - Low Volatility	8.6		10.2
<i>Benchmark: Treasury Bills + 3%</i>	7.9		8.0
Mezzanine Debt	13.0		7.0
<i>Benchmark: 9% Assumption</i>	9.0		9.0

The investments of the Retirement System are governed primarily by the “prudent investor rule.” The prudent investor rule, as set forth by state statute, establishes a standard for all fiduciaries, which includes anyone who has authority with respect to the fund.

Rebounding financial markets in the U.S. and abroad impacted the System’s investments, and resulted in a net gain in value of \$138,809,751. The gain on the market value of the total investment portfolio was 7.3%. 2007 was a positive year for most domestic and international equity investments. Our hedge funds and our real estate investments also performed well. The Retirement System invests retirement funds for the long-term, anticipating both good and bad financial markets. Investments are diversified to reduce investment risk.

### Effect of Economic Factors

After several years of robust growth, the U.S. economy is experiencing a slight downturn. In recent months the pace of job creation has slowed, the unemployment rate has leveled off, and the rate of corporate profit growth has decelerated. However, with higher interest rates we have also seen the housing markets cool off. Even though the nation is experiencing a slight downturn, the Puget Sound region is poised for moderate growth. Since the funding of the Retirement System is determined by employee and employer contributions and long-term investment income, the Seattle City Employees’ Retirement System is structured to continue to provide the retirement benefits earned by its members.

### Contacting the Seattle City Employees’ Retirement System

If you have questions about this report or need additional information, please contact us by phone at: (206) 386-1293 or by email at: [RetireCity@Seattle.gov](mailto:RetireCity@Seattle.gov) or you may mail your questions to:

Seattle City Employees’ Retirement System  
720 Third Avenue, Suite 1000  
Seattle, WA 98104

**Seattle City Employees' Retirement System****A Pension Trust Fund of the City of Seattle****Statements of Plan Net Assets**

As of December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
<b>Assets:</b>		
Cash and equity in pooled investments	\$ 14,831,195	\$ 25,713,012
Short-term investment funds	66,939,531	66,629,483
Securities lending collateral	103,323,467	145,097,240
Receivables:		
Plan members	1,029,194	1,181,695
Employer	4,387,860	3,929,995
Interest and dividends	<u>2,615,783</u>	<u>2,328,299</u>
Total Receivables	8,032,837	7,439,989
Investments, at fair value:		
U.S. Government obligations	134,906,565	139,700,403
Domestic corporate bonds	102,791,739	71,833,915
Domestic stocks	763,843,752	970,965,137
International stocks	402,965,990	212,328,995
Real estate	286,646,176	237,796,406
Alternative / Venture capital	233,789,609	199,070,322
Mezzanine debt	<u>114,462,620</u>	<u>88,390,057</u>
Total Investments	2,039,406,451	1,920,085,235
Equipment and fixtures, at cost, net of accumulated depreciation of \$198,867 and \$198,522, respectively	<u>2,963</u>	<u>3,308</u>
Total Assets	<u>2,232,536,444</u>	<u>2,164,968,267</u>
<b>Liabilities:</b>		
Pensions payable	7,586,549	6,398,172
Other payables	2,228,317	2,319,228
Securities lending collateral	<u>103,323,467</u>	<u>145,097,240</u>
Total Liabilities	<u>113,138,333</u>	<u>153,814,640</u>
<b>Net assets held in trust for pension benefits</b>	<b>\$ <u>2,119,398,111</u></b>	<b>\$ <u>2,011,153,627</u></b>
(A schedule of funding progress for the plan is presented on page 14.)		

See notes to financial statements.

**Seattle City Employees' Retirement System**  
**A Pension Trust Fund of the City of Seattle**  
**Statements of Changes in Plan Net Assets**  
For the Years Ended December 31, 2007 and 2006

<b>Additions:</b>	<u>2007</u>	<u>2006</u>
Contributions:		
Employer	\$ 40,299,506	\$ 38,077,976
Plan members	40,533,554	38,228,475
Total Contributions	<u>80,833,060</u>	<u>76,306,451</u>
Investment Income:		
Net appreciation in fair value of investments	109,428,521	221,628,976
Interest	18,665,137	15,769,647
Dividends	14,921,020	9,062,536
Total Investment Gain	<u>143,014,678</u>	<u>246,461,159</u>
Investment Activity Expenses:		
Investment management fees	(3,949,336)	(3,553,770)
Performance measurement and asset allocation fees	(155,750)	(104,000)
Investment custodial fees	(99,841)	(76,026)
Total Investment Activity Expenses	<u>(4,204,927)</u>	<u>(3,733,796)</u>
<i>Net Gain From Investment Activities</i>	138,809,751	242,727,363
Securities Lending Activities:		
Securities lending income	6,694,062	5,473,758
Securities lending expenses:		
Borrower rebates	(6,236,253)	(5,035,154)
Management fees	(113,795)	(109,360)
Total Securities Lending Activities Expenses	<u>(6,350,048)</u>	<u>(5,144,514)</u>
<i>Net Income from securities lending activities</i>	344,014	329,244
Total Net Investment Gain	<u>139,153,765</u>	<u>243,056,607</u>
Total Additions	219,986,825	319,363,058
<b>Deductions:</b>		
Benefits	98,391,533	87,583,509
Refunds of contributions	11,525,660	10,553,067
Administrative expense	1,825,148	1,837,115
Total Deductions	<u>111,742,341</u>	<u>99,973,691</u>
<b>Net Increase</b>	108,244,484	219,389,367
<b>Net assets held in trust for pension benefits:</b>		
<b>Beginning of Year</b>	<u>2,011,153,627</u>	<u>1,791,764,260</u>
<b>End of Year</b>	\$ <u>2,119,398,111</u>	\$ <u>2,011,153,627</u>

See notes to financial statements.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
NOTES TO THE FINANCIAL STATEMENTS**

**Note 1: Plan Description**

The Seattle City Employees' Retirement System (the System) is a single-employer defined benefit public employee retirement system, covering employees of the City of Seattle and administered in accordance with Chapter 4.36 of the Seattle Municipal Code. The System is a pension trust fund of the City of Seattle.

All employees of the City of Seattle are eligible for membership in the System with the exception of uniformed police and fire personnel who are covered under a retirement system administered by the state of Washington. Employees of METRO and the King County Health Department who established membership in the System when these organizations were City of Seattle Departments were allowed to continue their System membership. There are currently 5,200 retirees and beneficiaries receiving benefits; and 8,842 active members of the System. There are 1,776 vested terminated employees entitled to future benefits. There are 274 additional terminated employees who have restored their contributions due to the provisions of the portability statutes and may be eligible for future benefits.

The System provides retirement, death, and disability benefits. Retirement benefits vest after five years of credited service, while death and disability benefits vest after 10 years of service. Retirement benefits are calculated as 2% multiplied by years of creditable service, multiplied by average salary, based on the highest 24 consecutive months. The benefit is actuarially reduced for early retirement.

**Note 2: Summary of Significant Accounting Policies and Plan Asset Matters**

**Basis of accounting:** The financial statements were prepared using the accrual basis of accounting.

**New accounting standard:** As of January 1, 2007, the City of Seattle adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This statement establishes and modifies disclosure and reporting requirements related to postemployment benefits. Due to immateriality of benefit amounts relative to the System's employees, there is no impact to the System's financial statements as a result of the City's adoption of the standard.

**Cash and equity in pooled investments:** The System classifies as cash and equity in pooled investments cash on deposit in financial institutions and cash on deposit in the City's internal cash management pool. The System also classifies certain short-term highly liquid securities with an original maturity of three months or less as cash equivalents.

**Method used to value investments:** Common stock, international equities, fixed income, international fixed income, and short-term investments are reported at fair market value which is based on the quoted market price. Venture capital and real estate equities are reported at fair market value which has been determined by independent appraisers. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments, interest income earned, less investment expense, plus income from securities lending activities, less deductions for security lending expenses. Securities and securities transactions are reflected in the financial statements on a trade-date basis. Investments are made in accordance with the Prudent Person Rule as defined by the State of Washington RCW 35.39.060. Under the authority of State of Washington RCW 41.28.005 and Seattle Municipal Code 4.36.130, the System's Board of Administration adopted investment policies that define eligible investments.

**Contributions:** Employee and employer contributions are reported in the period in which the contributions are due.

**Equipment and fixtures:** Equipment and fixtures are stated at actual cost less accumulated depreciation. Estimated useful lives by major class include: three years for computer equipment and 15 years for office furniture and equipment. The straight-line method of depreciation method is used.

**Reclassifications:** Certain reclassifications of prior years' balances have been made to conform with the current year presentations.

**Note 3: Contributions**

Member and employer contribution rates are established by the Seattle Municipal Code Chapter 4.36.

The employer contribution rate is determined by the actuarial formula identified as the Entry Age Cost Method. The formula determines the amount of contributions necessary to fund the current service cost, representing the estimated amount necessary to pay for benefits earned by the employees during the current service year and the amount of contributions necessary to pay for prior service costs. Total necessary contributions, including amounts necessary to pay administrative costs, are determined through biannual actuarial valuations.

Actuarially determined contribution rates are currently 8.03% for members and 8.03% for the employer. There are no long-term contracts for contributions outstanding and no legally required reserves.

**Note 4: Cash and Equity in Pooled Investments**

The Federal Deposit Insurance Corporation (FDIC) insures the cash deposits up to \$100,000 per member of the System. As provided by State of Washington RCW 43.84, the Washington Public Deposit Protection Commission (PDPC) collateralizes deposits in excess of \$100,000. The bank balances of deposits as of the balance sheet date are entirely insured.

**Note 5: Investments**

The System's investments include investments that are insured or registered or securities held by the System or its agent in the System's name.

No investment in any one corporation exceeds 5% of net assets available for benefits. Less than 5% of plan assets were invested in derivative securities. All derivatives were nonleveraged securities consisting of collateralized mortgage obligations (CMOs), Treasury strips, convertible bonds, futures, etc.

Short-term Investment Funds is a collective trust that may include certificates of deposit, Treasury bills, and mutual funds. The Alternative / Venture category currently includes venture capital and hedge funds.

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of the failure of a financial institution or a bank, the System will not be able to recover the value of its deposits or investments that are in the possession of an outside party. The System mitigates custodial credit risk by having its investment securities held by the System's custodian and registered in the System's name. The System's short-term investments are created through daily sweeps of excess cash by the System's custodian, and invested in a vehicle managed by the custodian. Approximately 1% of the System's assets are held in cash. This cash is managed by the City's Department of Executive Administration in a pool that operates like a demand deposit account, in that these funds are available at any time and may be withdrawn from the pool without prior notice or penalty. These cash deposits are insured.

**Credit Risk**

Credit risk is the risk that an issuer, or other counterparty, to an investment will not fulfill its obligations. In accordance with the System's Investment Policy, the Retirement Board provides each of the System's investment managers with a set of investment guidelines. These guidelines specify eligible investments, minimum diversification standards, and applicable investment restrictions necessary for diversification and risk control. Managers do not have authority to depart from their guidelines.

**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The System's operational guidelines for investments in any corporate entity are stated in each individual manager's specific portfolio guideline. In line with policy, the System does not have any investments from a single issuer (excluding explicitly guaranteed governments) that represent more than 5% of the System's net assets.

**Interest Rate Risk**

Interest rate risk is the risk, that changes in interest rates over time, will adversely affect the fair value of an investment. Market or interest rate risk is the greatest risk faced by an investor in the debt securities market. The price of a debt security typically moves in the opposite direction of the change in interest rates. In accordance with the System's Investment Policy, the Retirement Board provides each of the System's investment managers with a set of investment guidelines. These guidelines specify eligible investments, minimum diversification standards, and applicable investment restrictions necessary for diversification and risk control. Managers do not have authority to depart from their guidelines.

**Foreign Currency Risk**

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The System's currency risk exposures, or exchange rate risk, primarily reside within the international equity investment holdings. The System expects these managers to maintain adequately diversified portfolios to limit foreign currency and security risk. Per the System's policy, individual manager guidelines include the ranges of acceptable exposure.

As of December 31, 2007, the fixed income portfolio of the Seattle City Employees' Retirement System had the following investments and maturities. The portfolio is presented as rated by Standard & Poor's.

Investment Type	Fair Value	Investment Maturities (in years)				Treasury	Agency	AAA	AA	A	BBB	BB	B	CCC & Below	Not Rated
		< 1	1 - 5	6 - 10	> 10 years										
Fixed Income															
U.S. Government															
Treasuries	6,136,525	430,754	986,228	3,482,600	1,236,943	6,136,525									
TIPS	5,887,893			546,552	5,341,341	5,887,893									
Agencies	14,769,952	130,658	5,042,663	1,827,642	7,768,989		14,769,952								
Mortgage Backed															
Gov't Pass Through	33,280,992	53,042	1,455,915	2,346,258	29,425,777		33,280,992								
Corp Pass Through	25,868,213		1,250,063	170,293	24,447,857			24,486,908	27,461	284,421	59,897	432,129	76,135	501,262	
CMO's															
Government CMO's	5,217,959	7,284	203,045	1,905,262	3,102,368		5,217,959								
CDO's & CLO's															
Corporate	21,602,237			7,665,341	13,936,896			1,671,647			878,737	7,111,515		11,940,338	
Corporate															
Bonds	55,097,187	1,549,205	18,239,085	16,765,862	18,543,035			1,738,590	6,078,694	9,804,319	17,062,685	7,441,158	6,574,939	2,639,057	3,757,745
Asset Backed	16,015,702	1,268,017	6,954,958	871,999	6,920,728			8,256,451	340,268	904,250	678,521	430,896	542,727	4,862,589	
Private Placements	29,617,204	6,037,475	6,994,473	4,597,432	11,987,824			787,157	531,823	798,565	4,572,412	1,597,765	954,327	20,087,528	
Developed Markets															
Gov't/Sovereign	228,109		149,256	78,853						78,853	149,256				
Emerging Markets															
Gov't/Sovereign	519,544				519,544						519,544				
Convertible Bonds	3,359,059	3,359,059												3,359,059	
Convertible Preferred	1,997,623	1,997,623												1,997,623	
Derivatives	-275,502	-275,502												-275,502	
Index Funds	20,062,074	20,062,074												20,062,074	
Mutual Funds	66,917	66,917												66,917	
Short Term															
Certificates of Deposit	334,404	334,404												334,404	
Pooled Funds	55,125,281	55,125,281												55,125,281	
	294,911,373	90,146,291	41,275,686	40,258,094	123,231,302	12,024,418	53,268,903	36,940,753	6,978,246	11,870,408	23,921,052	17,013,463	8,148,128	3,427,946	121,318,056

The fixed income portfolio is primarily managed by three external money management firms, hired through an RFP process, to manage a diversified portfolio of fixed income securities. Managers have agreed to a set of guidelines that provide ranges and limits for varying types of securities that may be held within the portfolio. A consultant is hired to measure performance and monitor the investment style. The Investment Committee reviews the consultants results quarterly.

This schedule includes Short-term Investment Funds (STIF) and accrued income.

Fixed Income	\$ 237,698,304	
STIF	55,231,479	
Accrued Income	1,981,590	(Fixed Income = \$ 1,753,384 STIF = \$ 228,206)
Total	<u>\$ 294,911,373</u>	

**Note 6: Securities Lending Transactions**

Gross income from securities lending transactions are recorded in the operating statements as well as the various fees paid to the institution that oversees the lending activity. The value of the collateral that is being held is represented as an asset and a liability on the Statement of Plan Net Assets.

Under the authority of State of Washington RCW 41.28.005 and Seattle Municipal Code 4.36.130, the System's Board of Administration adopted investment policies that define eligible investments, which include securities lending transactions. Through a custodial agent, the System participates in a securities lending program whereby securities are loaned for the purpose of generating additional income to the System. The System lends securities from its investment portfolio on a collateralized basis to third parties, primarily financial institutions. The market value of the required collateral must meet or exceed 102% of the market value of the securities loaned, providing a margin against a decline in the market value of the collateral. There are no restrictions on the amount of securities that may be loaned. The contractual agreement with the System's custodian provides indemnification in the event the borrower fails to return the securities lent or fails to pay the System income distribution by the securities' issuers while the securities are on loan. Cash and U.S. government securities were received as collateral for these loans. The System cannot pledge or sell collateral securities without a borrower default. The System invests cash collateral received; accordingly, investments made with cash collateral appear as an asset. A corresponding liability is recorded as the System must return the cash collateral to the borrower upon the expiration of the loan. There have been no losses resulting from a default, and the System did not have negative credit exposure at December 31, 2007.

	<u>2007</u>	<u>2007</u>	<u>2006</u>	<u>2006</u>
<b>Types Of Securities Lent:</b>	Fair Value of Securities Lent	Collateral	Fair Value of Securities Lent	Collateral
U.S. Government and Agencies	\$ 19,437,100	\$ 19,634,375	\$ 33,327,238	\$ 34,050,525
U.S. Corporate Fixed Income	11,004,460	11,362,855	14,308,619	14,662,532
U.S. Equities	69,873,839	72,326,237	93,375,699	96,384,183
<b>Totals</b>	<b>\$ 100,315,399</b>	<b>\$ 103,323,467</b>	<b>\$141,011,556</b>	<b>\$145,097,240</b>
<b>Collateral Report:</b>		<u>2007</u>		<u>2006</u>
U.S. Corporate Obligations		\$ 27,500,852		\$ 17,499,928
Bank Obligations		17,998,543		16,000,000
Repurchase Agreements		470,401		84,852,821
Asset Backed Securities		14,358,869		18,741,771
Certificates of Deposits		42,994,802		
Euro Clear Floater				8,002,720
<b>Total Collateral</b>		<b>\$ 103,323,467</b>		<b>\$ 145,097,240</b>

**REQUIRED SUPPLEMENTARY INFORMATION****SCHEDULE OF FUNDING PROGRESS**

(Dollar amounts in millions)

Actuarial Valuation Date January 1,	Actuarial Value of Assets (a)	Actuarial Accrued Liabilities (AAL) - Entry Age (1) (b)	Unfunded AAL (UAAL) (2) (b - a)	Funded Ratio (a / b)	Covered Payroll (3) (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
1999	\$ 1,375.0	\$ 1,326.6	\$ (48.4)	103.6	\$ 370.4	(13.1)
2000	1,582.7	1,403.1	(179.6)	112.8	383.6	(46.8)
2001 (4)	1,493.1	1,490.3	(2.8)	100.2	405.0	(0.7)
2002	1,383.7	1,581.4	197.7	87.5	405.1	48.8
2004	1,527.5	1,778.9	251.4	85.9	424.7	59.2
2006	1,791.8	2,017.5	225.7	88.8	447.0	50.5

- (1) Actuarial present value of benefits less actuarial present value of future normal costs based on Entry Age Actuarial Cost Method.  
(2) Actuarial accrued liabilities less actuarial value of assets.  
(3) Covered Payroll includes compensation paid to all active employees on which contributions are calculated.  
(4) These numbers were provided by an actuarial study, rather than a full valuation.

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

(Dollar amounts in millions)

Year Ended December 31	Actual Employer Contributions	Percentage Contributed
2002	\$ 36.6	100
2003	34.2	100
2004	36.8	100
2005	35.8	100
2006	38.0	100
2007	40.2	100

(For additional information regarding employer contributions, please see the notes to the financial statements.)

Additional information as of the latest actuarial valuation follows:

Valuation date	1/1/2006
Actuarial cost method	Entry age
Amortization method	Level percent
Remaining amortization period	30.2 years
Amortization period	Open
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return *	7.75 %
Projected salary increases *	4.00 %
Post-retirement benefit increases	0.67 % - 1.50 %

\* Includes inflation at 3.50 %

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
 SCHEDULE OF ADMINISTRATIVE EXPENSES  
 For the Years Ended December 31, 2007 and 2006

	<b>Budget</b>	<b>Actual Expenses</b>	
	<b><u>2007</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
Personnel Services			
Salaries	\$ 841,598	\$ 637,399	\$ 589,816
Benefits	<u>288,200</u>	<u>193,842</u>	<u>205,847</u>
Total Personnel Services	1,129,798	831,241	795,663
 Maintenance and Operations			
Investment Services	6,163,284	4,204,927	3,733,796
Actuarial Services	74,458	70,000	11,588
Audit Services	52,000	52,000	43,391
Legal Services	85,847	77,781	90,625
Miscellaneous Services	15,589	41,392	18,137
Office Rent	138,267	42,884	119,819
Intra Gov't & Data Processing	596,486	557,481	602,727
Office Supplies and Expenses	143,458	58,150	59,411
Postage	51,270	46,379	60,285
Telephone	13,311	15,480	13,733
Travel	33,000	19,770	12,092
Training	30,464	12,245	9,299
Depreciation	<u>          </u>	<u>345</u>	<u>345</u>
Total Maintenance and Operations	7,397,434	5,198,834	4,775,248
 Securities Lending Fees (Investment Expense)	<u>          </u>	<u>6,350,048</u>	<u>5,144,514</u>
 <b>Total Administrative Expenses</b>	 <b><u><u>\$ 8,527,232</u></u></b>	 <b><u><u>\$12,380,123</u></u></b>	 <b><u><u>\$ 10,715,425</u></u></b>

(This schedule includes investment services and securities lending as part of administrative expenses.)

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF INVESTMENT EXPENSES  
For the Year Ended December 31, 2007

Investment Services

Advent Capital	\$ 94,163
Barclays	184,631
Bear Stearns	178,543
Boston Company	261,156
Calamos	232,572
Capital Management Associates	181,950
Dimensional Fund Advisors	732,116
Earnest	256,765
Evergreen	171,115
ING	80,916
Maxam	594,772
Pugh Capital	59,518
Reams	116,412
Snow Capital	236,372
Washington Capital	121,697
Western Asset	355,394
Wellington	<u>91,244</u>
	3,949,336

Performance Measurement

Pension Consulting Alliance	96,250
Wurts & Associates	59,500

Custodial Services

Bank of New York	99,841
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Securities Lending Services

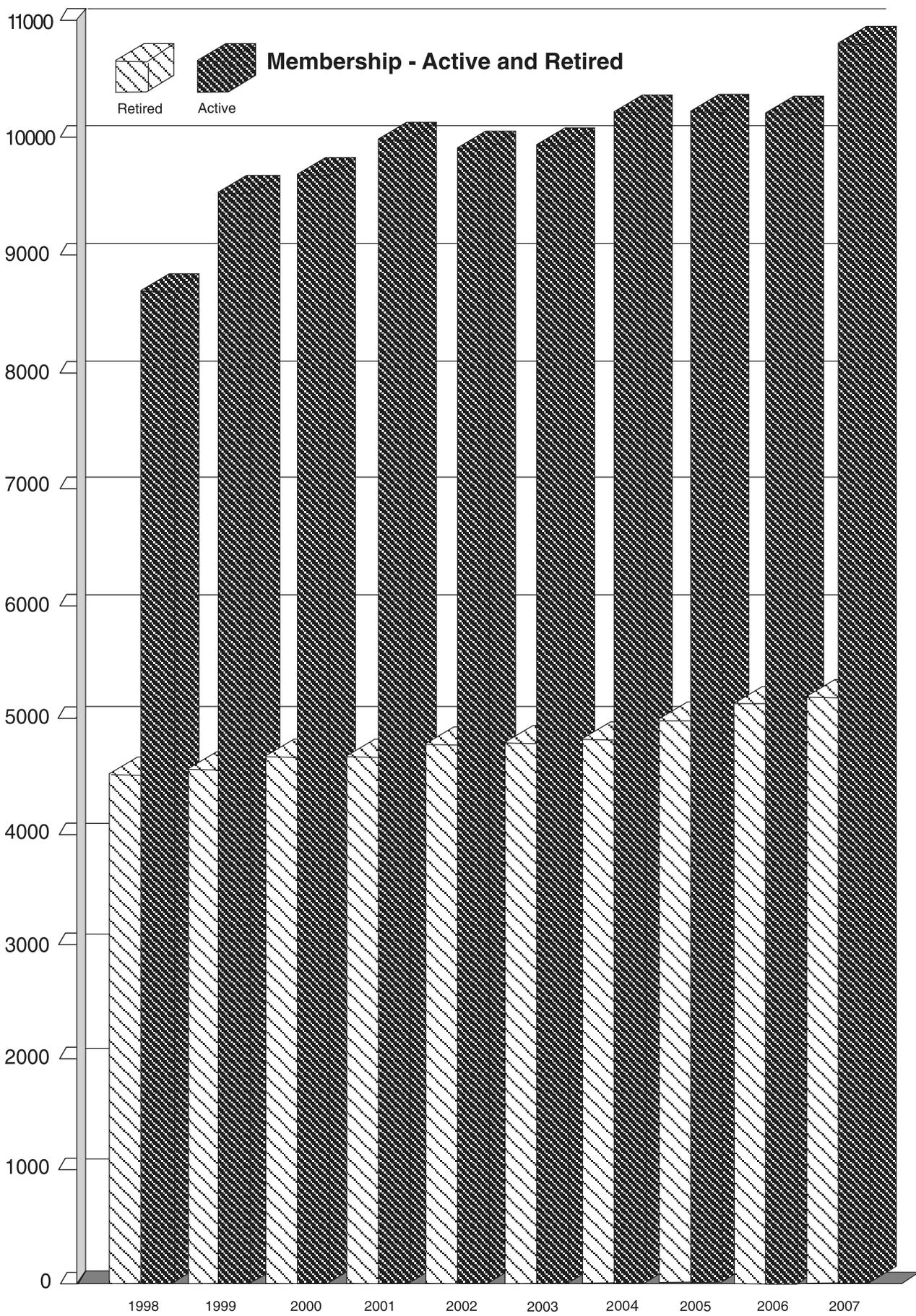
Bank of New York	<u>6,350,048</u>
------------------	------------------

**Total Investment Expenses** **\$ 10,554,975**

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF CASH AND INVESTMENTS  
December 31, 2007

	Market		Market
Short-term Investments	\$ 66,939,531	Real estate:	
Domestic stocks:		J.P. Morgan - commingled funds	175,641,488
Transition Account - 785	47,620,597	J.P. Morgan Alternative Property Fund	16,314,924
Dimensional Fund Advisors	184,331,945	American Realty	11,906,830
Calamos	24,325,728	Washington Capital	13,152,846
Capital Management Associates	31,977,787	Carlyle Realty IV	13,980,482
Evergreen	36,910,594	TA Associates VI	10,822,056
In-house Portable Alpha Test Program	29,559,919	TA Associates VII	15,678,640
Snow Capital	56,703,605	TA Associates VIII	13,873,357
Earnest	34,285,643	Hearthstone III	926,772
ING	19,810,063	RREEF - West VI	38,046
Maxam	109,450,307	RREEF - REIT II	14,310,735
NCM	-72		<u>286,646,176</u>
Blackrock - Alpha Transport	9,668,435	Alternative / Venture capital:	
Barclays - Russell 3000 Fund	129,476,902	Advent Capital	12,146,571
Barclays - S&P 500 Fund	49,722,299	Aetos	17,073,062
	<u>763,843,752</u>	Attalus	18,763,289
International stocks:		Coast Diversified Fund	14,067,860
Lazard	68,796	Epsilon Global Value II	22,652,443
MFS	1,921,126	Tremont Diversified	26,465,503
Boston Company	193,669	Phoenix Partners - IV	4,059,023
Dimensional Fund Advisors - small cap	106,076,861	Imperium Renewables	10,000,000
Dimensional Fund Advisors - large cap	62,425,917	Quellos Global Restructuring	18,455,354
Barclays - EAFE Fund	232,279,621	Quellos Co-Investment	8,973,068
	<u>402,965,990</u>	Quellos Strategic Partners	81,133,436
			<u>233,789,609</u>
Fixed Income:		Mezzanine debt:	
Transition Account	3,860,744	Babson Tower Square II	11,862,565
Advent Capital	10,259,716	Bison Capital	5,807,573
Pugh Capital	28,282,334	Carlyle Mezzanine Partners	14,363,960
Reams	53,787,260	Capri Select Income II	9,775,980
Western Asset	93,139,730	Capital Point Partners	2,599,973
Barclays - Intermediate Gov't/Corp Fund	20,062,074	Carbon Capital II	14,366,895
In-house - BONY	28,306,446	Lehman Brothers Real Estate Partners	11,624,335
	<u>237,698,304</u>	MKA	16,292,364
		Nogales Investment Partners	51,352
		Oaktree Mezzanine II	11,706,405
		Smith Whiley Pelham Fund III	4,580,224
		TCW	11,430,994
			<u>114,462,620</u>
	Market		
Short-term Investments	\$ 66,939,531		
Domestic stocks	763,843,752		
International stocks	402,965,990		
Fixed income	237,698,304		
Real estate	286,646,176		
Alternative / venture capital	233,789,609		
Mezzanine debt	114,462,620		
Total Investment Holdings	<u>2,106,345,982</u>		
Total Cash and Cash Equivalents	14,831,195		
Total Securities Lending Collateral	<u>103,323,467</u>		
<b>Total Investments and Cash</b>	<b>\$ 2,224,500,644</b>		

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June 11, 2007

Board of Administration  
Seattle City Employees' Retirement System  
801 Third Avenue, Suite 300  
Seattle, Washington 98104

Re: Actuarial Valuation Data

Dear Members of the Board:

The actuarial valuation of the Seattle City Employees' Retirement System as of January 1, 2006 was performed by your prior retained actuary, Buck Consultants, and is presented in a separate report issued May 24, 2006. The next scheduled actuarial valuation will be as of January 1, 2008.

The financing objective of the System is to establish contribution rates that tend to remain level as a percentage of payroll. Since January 1, 1984, the recommended total contribution rates were 16.94% of covered salaries: 8.91% of salary for the City and 8.03% of salary for employees. Effective January 1, 1999, the employer rate was reduced to 8.03% and the total contribution rate is now 16.06%. The January 1, 2006 valuation shows the current contribution rates are sufficient to pay the normal cost and amortize the Unfunded Actuarial Accrued Liability over 18.0 years.

The Unfunded Actuarial Accrued Liability will be redetermined as of January 1, 2008, after the completion of the next actuarial valuation. The actuarial assumptions used in the most recent actuarial valuation are summarized in Exhibit 1. Exhibit 1 also discusses the method used to value assets.

The results for the 2004 and 2006 valuations were determined by Buck and are being reported by us without adjustment. Although we did not perform these valuations, we have completed an independent review and believe they are reasonable.

The assumptions and methods used for funding purposes meet the parameters set for the disclosures presented in the financial section by Government Accounting Standards Board (GASB) Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*. The assumptions used in the valuation were determined by Buck based on the past experience of the System. Nevertheless, the emerging costs of the System will vary from those presented in this report to the extent that actual experience differs from that projected by the actuarial assumptions.

Exhibits 1-10 are enclosed. Milliman is responsible for these exhibits, except where previously noted.



Members of the Board  
June 11, 2007  
Page 2

Specifically, they are:

- Exhibit 1 Summary of Actuarial Assumptions and Methods
- Exhibit 2 Schedule of Active Member Valuation Data
- Exhibit 3 Schedule of Retirees and Beneficiaries
- Exhibit 4 GASB Statement No. 27 Annual Pension Cost and Net Pension Obligation
- Exhibit 5 Schedule of Funding Progress
- Exhibit 6 Solvency Test
- Exhibit 7 Schedule of Employer Contributions
- Exhibit 8 GASB Statement No. 27 Five-Year Trend Information
- Exhibit 9 GASB Statement No. 27 Annual Development of Pension Cost
- Exhibit 10 Analysis of Financial Experience

Sincerely,

Nick J. Collier, ASA, EA, MAAA  
Consulting Actuary

KIS/NJC/nlo

Enclosures

cc: Mr. Mel Robertson

Karen I. Steffen, FSA, EA, MAAA  
Consulting Actuary

Exhibit 1

## SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

### Summary Of Actuarial Assumptions And Methods

#### 1. Investment return

The annual rate of investment earnings of the assets of the System is assumed to be 7.75%. This rate is compounded annually and is net of investment expenses (adopted 1/1/2004).

#### 2. Actuarial value of assets

All assets are valued at market as of the valuation date (adopted 1/1/1996).

#### 3. Actuarial Assumptions

The actuarial assumptions and methods were adopted by the Board based upon recommendations from the retained actuary. The actuarial assumptions are based on periodic studies of the System's actual experience.

#### 4. Mortality

##### a. Among contributing members (adopted 1/1/1997)

Men: 50% of rates from the 1994 Group Annuity Mortality (GAM) Table for Males, with ages set forward one year.

Women: 75% of the rates from the 1994 GAM Table for Females, with ages set forward one year.

##### b. Among service retired members and beneficiaries

Men: 1994 GAM Table for Males, with ages set forward one year (adopted 1/1/1997)

Women: 1994 GAM Table for Females, with no age adjustment (adopted 1/1/2006)

##### c. Among disabled members (adopted 1/1/1997)

1992 Railroad Retirement Board Disabled Annuitants Ultimate Mortality Table, with ages set back four years (minimum rate of 2%).



This work product was prepared solely for the City of Seattle. It may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

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Exhibit 1  
(continued)

## 5. Retirement

Annual rates among persons eligible for a service retirement are illustrated in the following table (adopted 1/1/1999).

Age	Rate of Retirement					
	Men			Women		
	Eligible for Reduced Benefits	First Year Eligible for Full Benefits	Thereafter	Eligible for Reduced Benefits	First Year Eligible for Full Benefits	Thereafter
50	6.0%	15.0%	12.0%	5.0%	10.0%	10.0%
55	6.0	15.0	12.0	5.0	12.0	12.0
60	10.0	20.0	15.0	10.0	18.0	20.0
65	N/A	50.0	50.0	N/A	60.0	60.0

Immediate retirement is assumed for members who have attained age 70.

## 6. Disability retirement

Annual rates are illustrated below:

Age	Rate of Disability Retirement	
	Men	Women
22	-%	-%
32	0.05	0.05
42	0.07	0.07
52	0.10	0.10

(Adopted 1/1/1999)

## 7. Other terminations of employment

The annual rates of termination based on five years of service are illustrated below.

Duration	Rate of Termination	
	Men	Women
1	10.0%	10.5%
3	8.0	8.5
5	6.0	7.1
10	4.0	4.7
15	2.7	2.4
20	1.5	1.8

(Adopted 1/1/1999)



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Exhibit 1  
(continued)

**8. Vesting**

The following table illustrates the probability that vested terminating members will elect to receive deferred benefits instead of withdrawing accumulated contributions.

Age	Probability of Retirement among Vested Terminating Members	
	Men	Women
22	2.0%	2.0%
32	20.0	20.0
42	35.0	35.0
52	42.0	42.0

(Adopted 1/1/1999)

**9. Future salaries**

In general, the total annual rates of salary increase include an assumed 4.5% per annum wage inflation rate in the active member payroll, plus increases due to promotions and longevity. The total rates assumed for salary increases for individual members are illustrated below.

Years of Service	Annual Rate of Increase	
	Male	Female
1	9.77%	9.77%
2	8.73	9.73
3	7.68	7.68
4	6.64	6.64
5	6.11	6.11
10	4.86	4.86
15	4.39	4.39
20	4.13	4.29
25	4.13	4.29
30	4.13	4.29
35 or more	4.13	4.29

(Adopted 1/1/1999)



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Exhibit 1  
(continued)

**10. Growth in membership**

In general, the combined effects of increases in membership and salary levels are assumed to produce a 4.0% average annual expansion in the payroll of covered members (adopted 1/1/2004).

**11. Actuarial cost method**

The entry age actuarial cost method.

The unfunded actuarial liability created by this method, including gains and losses, is amortized as a level percentage of the System's projected payroll.

**12. Interest on member contributions**

5.75% per annum, compounded annually (adopted 8/31/82).

**13. Postretirement increases**

The December bonus dividend described in the Actuarial Section of the CAFR is payable at the end of each year is approximately equivalent to a 2/3%, compounded annually, benefit increase. Certain COLA benefits were adopted by the City Council during 1998: a 60% Restoration of Purchasing Power (ROPP) benefit for members retired prior to January 1, 1998 (includes the value of the December bonus payment); and an automatic 1.5% annual COLA to all members retired on or after January 1, 1998, with a minimum guarantee that the benefit will be the greater of the automatic 1.5% increased amount or the 60% ROPP benefit. The financial impact of the ROPP benefit is valued assuming an annual price inflation rate of 3.50%.

**14. Administrative expenses**

The annual contribution assumed to be necessary to meet administrative expenses of the System is 0.35% of members' salaries. These figures are included in the calculation of the normal cost rate (adopted 1/1/1999).

**15. Probability of Marriage**

It is assumed 60% of the active members are married or have a registered domestic partner.



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Exhibit 2

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM****Schedule Of Active Member Valuation Data**

<u>Valuation Date</u>	<u>Number</u>	<u>Annual Valuation Payroll*</u>	<u>Average Annual Pay</u>	<u>Annualized % of Increase in Average Pay</u>
8/31/1982	6,839	\$170,737,000	\$24,965	- %
1/1/1984	6,702	176,414,000	26,322	4.0
1/1/1986	6,797	187,435,000	27,576	2.4
1/1/1988	7,049	203,230,000	28,831	2.3
1/1/1990	7,225	230,364,000	31,884	5.2
1/1/1992	7,942	264,564,000	33,312	2.2
1/1/1994	8,025	287,316,000	35,803	3.7
1/1/1996	8,078	314,448,000	38,926	4.3
1/1/1997	7,909	312,744,000	39,543	1.6
1/1/1998	7,926	329,028,000	41,512	5.0
1/1/1999	7,779	333,984,000	42,934	3.4
1/1/2000	8,669	382,620,000	44,137	2.8
1/1/2002	8,758	418,908,000	47,831	8.4
1/1/2004	8,382	441,562,000	52,680	10.1
1/1/2006	8,521	468,096,000	54,934	4.3

*\*Actuarial Valuation payroll is computed as the sum of the annualized salaries for all active members and differs from the actual payroll shown in the financial section of the annual report.*



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## Exhibit 3

**Schedule Of Retirees And Beneficiaries\*\***

Valuation Date	Number	Annual Allowances	Average Annual Allowances	Annualized % of Increase in Average Allowances
8/31/1982	4,058	\$19,942,000	\$4,914	- %
1/1/1984	4,276	24,060,000	5,627	10.7
1/1/1986	4,424	26,329,000	5,951	2.8
1/1/1988	4,524	30,926,000	6,836	7.2
1/1/1990	4,809	35,541,000	7,391	4.0
1/1/1992	4,663	37,595,000	8,062	4.4
1/1/1994	4,615	40,233,000	8,718	4.0
1/1/1996	4,619	44,271,000	9,585	4.9
1/1/1997	4,661	47,594,000	10,211	6.5
1/1/1998	4,649	50,310,000	10,822	6.0
1/1/1999	4,644	52,481,000	11,301	4.4
1/1/2000	4,681	55,542,000	11,865	8.0
1/1/2002	4,733	61,801,000	13,058	10.1
1/1/2004	4,876	74,341,000	15,246	16.8
1/1/2006	5,011	83,988,000	16,761	9.9

*\*\*Information regarding the number of retirees and beneficiaries added to and removed from the roll was not used in the actuarial valuations.*



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Exhibit 4

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM****GASB Statement No. 27 Annual Pension Cost  
And Net Pension Obligation**

	<b>Fiscal Year Ended December 31</b>	
	<b>2005</b>	<b>2006</b>
1a Total Normal Cost Rate	13.05%	12.50%
1b Employee Contribution Rate	<u>8.03%</u>	<u>8.03%</u>
1c Employer Normal Cost Rate (1a – 1 b)	5.02%	4.47%
2a Total Employer Contribution Rate	8.03%	8.03%
2b Amortization Payment Rate (2a – 1 c)	3.01%	3.56%
2c Amortization Period	30.2	18.0
2d GASB 27 Amortization Rate	3.01%	3.56%
3 Total Annual Required Contribution (ARC) Rate (1c + 2d)	8.03%	8.03%
4 Covered Employee Payroll*	\$447,040,411	\$472,470,212
5a ARC (3 x 4)	\$35,897,345	\$37,939,358
5b Interest on Net Pension Obligation (NPO)	(5,910,271)	(6,049,964)
5c ARC Adjustment	4,107,791	5,865,455
5d Annual Pension Cost (APC) (5a + 5b + 5c)	\$34,094,865	\$37,754,849
6 Employer Contribution**	\$35,897,345	\$37,939,358
7a Change in NPO (5d - 6)	\$(1,802,480)	\$(184,509)
7b NPO at Beginning of Year	(76,261,567)	(78,064,047)
7c NPO at End of Year (7a + 7b)	\$(78,064,047)	\$(78,248,556)

\* Covered payroll includes compensation paid to all active employees on which contributions were made in the year preceding the valuation date.

\*\* Includes contributions to the Death Benefit System for 2001.



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Exhibit 5

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM**

**Schedule Of Funding Progress**

(Dollar Amounts in Millions)

Actuarial Valuation Date January 1	Actuarial Value of Assets	Actuarial Accrued Liabilities (AAL) (1)	Unfunded Actuarial Accrued Liabilities (UAAL) (2)	Funded Ratio	Covered Payroll (3)	UAAL as a Percentage of Covered Payroll
1986	\$ 395.7	\$ 561.3	\$ 165.6	70.5%	\$ 182.0	91.0%
1988	445.4	595.3	149.9	74.8	199.0	75.3
1990	558.8	737.9	179.1	75.7	212.3	84.4
1992	660.0	810.5	150.5	81.4	239.4	62.9
1994	781.8	926.2	144.4	84.4	291.8	49.5
1996	980.2	1,019.7	39.5	96.1	310.6	12.7
1997	1,094.8	1,087.3	(7.5)	100.7	316.9	(2.4)
1998 <sup>(4)</sup>	1,224.6	1,266.7	42.1	96.7	341.5	12.3
1999	1,375.0	1,326.6	(48.4)	103.6	370.4	(13.1)
2000	1,582.7	1,403.1	(179.6)	112.8	383.6	(46.5)
2002	1,383.7	1,581.4	197.7	87.5	405.1	48.8
2004	1,527.5	1,778.9	251.4	85.9	424.7	59.2
2006	1,791.8	2,017.5	225.8	88.8	447.0	50.5

(1) Actuarial present value of benefits less actuarial present value of future normal costs based on Entry Age Actuarial Cost Method.

(2) Actuarial accrued liabilities less actuarial value of assets, Funding Excess if negative.

(3) Covered Payroll includes compensation paid to all active employees on which contributions are calculated.

(4) Reflects increased COLA benefits adopted by the City Council after the valuation was completed



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Exhibit 7

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM**  
**Schedule Of Employer Contributions**  
(Dollar Amounts in Millions)

Fiscal Year Ending December 31	Covered Employee Payroll (1)	Actual Employer Contributions (2)	Actual Employer Contribution % (2)	Annual Required Contribution (ARC) % (3)	Percentage of ARC Contributed
1992	\$280.4	\$25.1	8.91%	8.91%	100%
1993	291.8	26.1	8.91	8.91	100
1994	298.0	26.7	8.91	8.91	100
1995	310.6	27.8	8.91	8.91	100
1996	316.9	28.4	8.91	8.91	100
1997	316.3	28.3	8.91	8.91	100
1998 <sup>(4)</sup>	341.5	30.6	8.91	8.91	100
1999	370.4	29.7	8.03	4.50	178
2000	383.6	30.8	8.03	4.50	178
2001	405.1	32.7	8.03	3.04	264
2002	454.5	36.6	8.03	3.04	264
2003	424.7	34.2	8.03	8.03	100
2004	456.8	36.7	8.03	8.03	100
2005	447.0	35.9	8.03	8.03	100
2006	472.5	37.9	8.03	8.03	100

- (1) Computed as the dollar amount of the actual employer contribution made as a percentage of payroll divided by the contribution rate, expressed as a percentage of payroll.
- (2) The actual and required employer contributions are expressed as a percentage of payroll, after first recognizing the \$12 per employee assessment made for the death benefits. This assessment per employee is included in the actual employer contributions reported and has been previously recognized by the actuary in determining the ARC.
- (3) The City makes employer contributions as a percentage of actual payroll as set in the City Ordinance. Thus, as long as the percentage equals the percentage required by the most recent actuarial valuation, the dollar amount of the Annual Required Contributions (ARC) is equal to the actual dollar amount of the employer contributions. Since the City had always contributed on a basis equal to the ARC prior to 1999, the Annual Pension Cost (APC) was equal to the Annual Required Contributions (ARC) and the Net Pension Obligation (NPO) was zero. The City Ordinance does not permit a reduction in the employer contribution rate less than the employee contribution rate. Thus, the City's contributions exceeded the ARC for 1999-2001 and resulted in a negative NPO amount.
- (4) ARC reflects the increased COLA benefits adopted in 1998.



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Exhibit 8

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM****GASB Statement No. 27 Five-Year Trend Information**

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Contribution as a Percentage of APC</u>	<u>Net Pension Obligation (NPO)</u>
December 31, 2002	\$ 12,495,606	293	\$ (72,182,540)
December 31, 2003	31,882,527	107	(74,500,706)
December 31, 2004	34,920,836	105	(76,261,567)
December 31, 2005	34,094,865	105	(78,064,047)
December 31, 2006	37,754,849	100	(78,248,556)



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Exhibit 9

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM**  
**GASB Statement No. 27 Annual Development Of Pension Cost**

Fiscal Year Ending	ARC at EOY	Interest on NPO	ARC Adjustment	Annual Pension Cost (APC)	Total Employer Contributions	Change in NPO	NPO Balance*	Gain/Loss	Amort. Factor	Amort. of Gain/Loss	Ending Balance
December 31, 1999	16,669,672	0	0	16,669,672	29,746,104	(13,076,432)	(13,076,432)	(13,076,432)	19.05650	-	(13,076,432)
December 31, 2000	17,268,146	(1,046,115)	686,193	16,908,224	30,814,048	(13,905,824)	(26,982,256)	(13,545,902)	19.05650	(686,193)	(26,982,256)
December 31, 2001	12,313,993	(2,158,580)	1,415,908	11,571,321	32,667,381	(21,096,060)	(48,078,316)	(20,353,388)	19.05650	(1,415,908)	(48,078,316)
December 31, 2002	13,816,188	(3,846,265)	2,525,683	12,495,606	36,599,830	(24,104,224)	(72,182,540)	(22,783,642)	19.05650	(2,525,683)	(72,182,540)
December 31, 2003	34,100,457	(5,774,603)	3,556,673	31,882,527	34,200,693	(2,318,166)	(74,500,706)	(100,236)	19.05650	(3,556,673)	(74,500,706)
December 31, 2004	36,681,697	(5,773,805)	4,012,944	34,920,836	36,681,697	(1,760,861)	(76,261,567)	0	18.49780	(4,012,944)	(76,261,567)
December 31, 2005	35,897,345	(5,910,271)	4,107,791	34,094,865	35,897,345	(1,802,480)	(78,064,047)	0	18.49780	(4,107,791)	(78,064,047)
December 31, 2006	37,939,358	(6,049,964)	5,865,455	37,754,849	37,939,358	(184,509)	(78,248,556)	0	13.30912	(5,865,455)	(78,248,556)

\* NPO at transition is zero.

Amortization Period: 30 years, Open, unless fixed rate amortizes in less than 30 years  
 Amortization Method: Level Percentage of Projected Payroll



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## SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM

### Analysis Of Financial Experience

An analysis of actuarial gains or losses was performed in conjunction with the January 1, 2000, January 1, 2002, January 1, 2004, and January 1, 2006 actuarial valuations.

The results of our analysis of the financial experience of the System in the four most recent actuarial valuations are presented in Exhibit 10. Each gain or loss shown represents our estimate of how much the given type of experience caused the UAL to change in the two-year period since the previous actuarial valuation.

Gains and losses due to demographic sources are approximate. Demographic experience is analyzed in greater detail in our periodic assumption studies.



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Exhibit 10

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM****Analysis Of Actuarial Gains Or Losses\***

(Dollar Amounts in Millions)

	<b>Gain (Loss) for Period:</b>			
	<b>2004-2005</b>	<b>2002-2003</b>	<b>2000-2001</b>	<b>1998-1999</b>
<b>Investment Income</b> Investment income was greater (less) than expected.	\$ 54.5	\$ (64.0)	\$(438.8)	\$ 170.5
<b>Pay Increases.</b> Pay increases were less (greater) than expected.	23.0	16.1	13.6	28.1
<b>Age and Service Retirements</b> Members retired at older (younger) ages or with less (greater) final average pay than expected.	(6.2)	(14.5)	0.3	(0.6)
<b>Disability Retirements.</b> Disability claims were less (greater) than expected.	(0.3)	(0.5)	(0.4)	(0.3)
<b>Death-in-Service Benefits</b> Survivor claims were less (greater) than expected.	0.9	(0.5)	0.0	0.0
<b>Withdrawal from Employment</b> More (less) reserves were released by withdrawals than expected.	(8.1)	14.0	6.0	(0.8)
<b>Death after Retirement.</b> Retirees died younger (lived longer) than expected.	(8.3)	0.4	6.1	6.6
<b>Total Gain or (Loss) during Period from Financial Experience.</b>	\$55.5	\$(49.0)	\$(413.2)	\$203.5
<b>Nonrecurring Items:</b>				
Changes in actuarial assumptions and plan amendments caused a gain (loss).	(17.9)	(0.9)	0.0	(179.3)
Change in actuarial asset valuation method caused a gain (loss).	N/A	N/A	N/A	N/A
<b>Composite Gain (Loss) during Period.</b>	\$ 37.6	\$(49.9)	\$( 413.2)	\$ 24.2

\*Effects related to losses are shown in parentheses. Numerical results are expressed as a decrease (increase) in the unfunded actuarial liability.



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SCHEDULE OF RETIREES AND BENEFICIARIES  
ADDED TO AND REMOVED FROM ROLLS

Year Ended	No.	Added to Rolls		Removed from Rolls		Rolls End of Year Annual Allowances	Average Annual Allowances	% Increase in Annual Allowances
		Annual Allowances	No.	Annual Allowances	No.			
1980	242	*	98	*	3819	\$ 17,584,611	\$ 4,604.51	11.10
1981	237	*	101	*	3955	\$ 19,114,992	\$ 4,833.12	4.97
1982	271	*	140	*	4086	\$ 21,358,214	\$ 5,227.17	8.15
1983	265	*	121	*	4230	\$ 22,854,611	\$ 5,402.98	3.36
1984	219	*	126	*	4323	\$ 24,996,469	\$ 5,782.20	7.02
1985	213	\$ 2,294,142	105	\$ 347,996	4431	\$ 26,942,615	\$ 6,080.48	5.16
1986	188	\$ 2,010,634	141	\$ 349,405	4478	\$ 28,603,844	\$ 6,387.64	5.05
1987	199	\$ 2,273,426	140	\$ 958,243	4537	\$ 29,919,027	\$ 6,594.45	3.24
1988	160	\$ 2,032,669	117	\$ 419,794	4580	\$ 31,531,902	\$ 6,884.69	4.40
1989	186	\$ 2,500,814	125	\$ 132,799	4641	\$ 33,899,917	\$ 7,304.44	6.10
1990	173	\$ 2,579,540	135	\$ 345,194	4679	\$ 36,134,263	\$ 7,722.65	5.73
1991	165	\$ 1,805,490	181	\$ 434,743	4663	\$ 37,505,010	\$ 8,043.11	4.15
1992	124	\$ 1,740,286	197	\$ 1,025,016	4640	\$ 36,434,571	\$ 7,852.28	(2.37)
1993	142	\$ 1,992,189	160	\$ 887,397	4622	\$ 37,539,363	\$ 8,121.89	3.43
1994	192	\$ 3,040,184	167	\$ 1,192,660	4647	\$ 39,573,882	\$ 8,494.49	4.59
1995	155	\$ 2,449,131	183	\$ 759,377	4619	\$ 41,284,341	\$ 8,937.94	5.22
1996	227	\$ 4,314,773	174	\$ 908,271	4672	\$ 44,648,305	\$ 9,556.57	6.92
1997	171	\$ 3,359,535	192	\$ 1,065,687	4651	\$ 47,014,360	\$ 10,108.44	5.77
1998	170	\$ 2,944,870	148	\$ 946,560	4647	\$ 52,878,274	\$ 11,379.01	12.57
1999	215	\$ 4,103,949	181	\$ 1,125,621	4681	\$ 55,909,111	\$ 11,943.84	4.96
2000	227	\$ 4,615,996	192	\$ 1,543,534	4,716	\$ 59,931,665	\$ 12,708.16	6.40
2001	197	\$ 3,959,357	180	\$ 1,489,915	4,733	\$ 62,802,652	\$ 13,269.10	4.41
2002	301	\$ 6,637,431	176	\$ 1,615,743	4,858	\$ 67,296,290	\$ 13,852.67	4.40
2003	190	\$ 4,106,890	172	\$ 1,616,306	4,876	\$ 70,113,547	\$ 14,379.32	3.80
2004	251	\$ 5,823,016	200	\$ 2,530,999	4,927	\$ 74,534,773	\$ 15,127.82	5.20
2005	247	\$ 6,060,629	173	\$ 1,805,297	5,011	\$ 79,598,120	\$ 15,884.68	5.00
2006	319	\$ 7,147,402	237	\$ 2,447,919	5,093	\$ 85,473,334	\$ 16,795.68	5.74
2007	342	\$ 7,591,671	235	\$ 2,547,567	5,200	\$ 100,877,547	\$ 19,399.53	15.50 *

\* 2007 included COLA improvements expanding the Floor COLA to 65% from 60%, and increased the monthly allowance of those members who retired before 1998 to begin providing a monthly benefit to approximate what each would have been receiving had the 1.5% COLA been in effect at the time of retirement.

**REVISED SUMMARY OF THE MAIN PROVISIONS OF THE  
SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM**

We offer this current summary of the main provisions of the Retirement System in an attempt to give as briefly as possible, a general idea of the benefits to members and the obligations of the City. Members who want specific information should write or telephone the office of the Retirement System, 720 3rd Avenue, Suite 1000, Seattle, Washington 98104-1652, telephone (206) 386-1293, fax (206) 386-1506.

All officers and employees are eligible for membership in the Retirement system upon employment with the City, except uniformed members of the Police and Fire Fighters System. Federal Social Security covers all officers and employees, except Policemen and Firemen.

Terminating employees who have been members of the Retirement System for at least five years may leave their contributions in the Retirement Fund and may later apply for a retirement allowance when their age and years of service qualify them for such a benefit.

Members may retire after 30 years of retirement credit, regardless of age; after age 52 with 20 years service, after age 57 with 10 or more years of service, and after age 62 with 5 or more years of service. Disability retirement is available after 10 years of service. (The ten years service requirement on disability retirement is waived if the member becomes totally incapacitated for further employment as a result of an accident that occurred in the actual performance of duty as an employee of the City.)

On January 1, 1975, the Seattle System adopted a "2% formula" method of determining the amount of a retirement allowance. On the last page you will find the scale of "guaranteed percentages" used in the "2% formula". See the sample retirement allowance calculation below.

We have selected an employee working in the classification of a Lineworker to show as a typical January 1, 1994, retirement situation. Assuming the Lineworker was a male employee age 65 with 30 years of service, having a wife also age 65. We would determine the amount of his accumulated contributions and his average salary for the 24 consecutive months of highest salary. These were found to be:

Accumulated contributions	\$90,000	
Average salary	\$ 4,014	
		<u>Per Month</u>
Each \$1,000 he has will buy \$8.7787 per month for life (8.7787 x 90) is		\$ 790.08
His 30 years of service would indicate a maximum of 60% of average Salary — 30 x 2% x \$4,014 equals \$2,408.40 maximum. Since the annuity produces only \$790.08 per month, the City must add \$1,618.32 to meet the guarantee.		<u>1,618.32</u>
Total "unmodified" and/or "straight allowance"		\$2,408.40

If this employee selects one of the options listed on the following page, his retirement will be reduced to allow for the cost of the option selected.

(continued)

## THE OPTIONS

A member may elect any one of six different ways in which to receive his retirement pension. Using the example shown on the preceding page:

1. The maximum amount with no benefit to any beneficiary at time of death, generally spoken of as "straight" retirement, \$2,408.40.
2. **OPTION A.** The "cash refund" plan. The annuity (amount purchased by a member's contributions) only is reduced. As in the retirement sample shown, the annuity would be \$707.84 instead of \$790.08 and the total monthly pension would be \$2,326.16 instead of \$2,408.40. If there is a balance of the member's contributions, \$90,000, that has not been paid out at the rate of \$707.84 per month, the beneficiary will receive a lump sum payment of the balance.
3. **OPTION B.** Also a "cash refund" plan except the beneficiary gets monthly payments of the balance instead of a lump sum payment. As in the retirement sample shown, the annuity would be \$721.21 instead of \$790.08 and the monthly pension would be \$2,339.53 instead of \$2,408.40.
4. **OPTION C.** "Guaranteed period plan". If the pensioner fails to live the length of the period selected, (in this example 5 years) the pension of \$2,355.42 per month is paid to the beneficiary for the remainder of the guaranteed period. If the period selected was 10 years, the pension would be \$2,191.64 per month.
5. **OPTION D.** One-half of discounted allowance to surviving spouse for life. The reduction is determined in accordance with the ages of the retiring member and the spouse at the time of retirement. Again, using the sample retirement, under Option D, the plan would pay the wife, age 65, \$1,076.55 (one-half of \$2,153.11) per month for life. If you retired on or after March 24, 1997 and your spouse predeceases you, your monthly allowance will be raised to the original unmodified amount.
6. **OPTION E.** Full amount of discounted allowance to surviving spouse for life. The discount or reduction is determined in accordance with the ages of the retiring member and his spouse at the time of retirement. Using the example again, member 65, wife 65, the amount would be \$1,943.58, to be continued as long as either were alive. If you retired on or after March 24, 1997 and your spouse predeceases you, your monthly allowance will be raised to the original unmodified amount.
7. **OPTION F.** This option allows a member who retires prior to the normal Social Security Age to receive retirement benefits that are modified so that the combined income from the Retirement System and Social Security is level throughout the member's lifetime. This means the System's payments are higher before the Social Security payments begin and then lower after they begin. Although the theory is that the member's income stream will be level, often it is not. This is because Social Security, and often the System as well, makes post retirement adjustments that upset the original "leveling out" feature of this option.
8. **OPTION G.** This option allows members a partial lump sum payment at retirement which is equivalent to either the member's accumulated contributions with interest, or one-half of this amount. The member's normal monthly pension will be reduced by an amount to actuarially compensate for the funds withdrawn.

## BASIS RATES OF CONTRIBUTION

The City contributes 8.03% of covered payroll and employees contribute 8.03% unless they qualified for a lower rate prior to January 1, 1974.

(continued)

## DISABILITY RETIREMENT

Disability retirement is available to members with at least ten years of City Service with the ten year requirement waived when disability arose out of and in the course of their employment as an employee of the City. Members may be retired because of “permanent, total disability” or “temporary, total disability”. The first type mentioned occurs when there is grave doubt that the employee will ever return to active service. The second type is used when the retiree is expected to return within a short time. Both pay the same benefits, 1 1/2% of average salary (24 highest consecutive months) for each year of service, with a maximum of 60% of average salary, and minimum monthly allowance of \$140. The employee with less than 22 years of service is protected by the provision allowing credit to the age of 62, in the calculation for years of service, with 33-1/3% of average salary maximum. Federal Social Security also provides for disability benefits.

If the disability retiree dies and has named a surviving spouse as beneficiary, the spouse is eligible to receive a settlement similar to that shown in the explanation that follows for the spouse of a member who dies prior to retirement.

## LIFE INCOMES FOR SPOUSES OF MEMBERS WHO DIE BEFORE RETIREMENT

This is one of the most important provisions of the Retirement System. If an employee has at least ten years of service, the surviving spouse is eligible for a life income and/or a reduced life income and a cash refund. The deceased employee must have designated the spouse as beneficiary, and the beneficiary may choose any one of the three types of settlement:

1. Take the discounted value of the retirement allowance indicated for the deceased employee. This means a straight life income for the life of the survivor, with no benefit for anyone upon the death of the survivor.
2. Take up to one-half of the employee's contributions and a reduced life income (using all of the City's money including the formula guarantee if applicable).
3. Withdraw all of the accumulated contributions made by the employee. In this instance, all of the City's money would remain in the Retirement System.

In calculating the benefit for the survivor, the schedule of “guaranteed percentage” would be used.

To present an example — let us suppose the employee was 51 years of age at the time of death, had an average salary of \$2,188 (24 highest consecutive month), has 27 years of service and \$36,800 of accumulated contributions. Suppose the survivor (widow) was 57 years of age. The maximum amount the employee is entitled to was \$1,170.70 per month.

1. If the widow took a life income, she could receive \$896.80 per month.
2. If she took \$18,400 cash, she could still receive a life income of \$784 per month.
3. She could draw the \$36,800 as a final settlement.

If there is no surviving spouse, minor children can elect to receive similar benefits payable until they reach eighteen years of age.

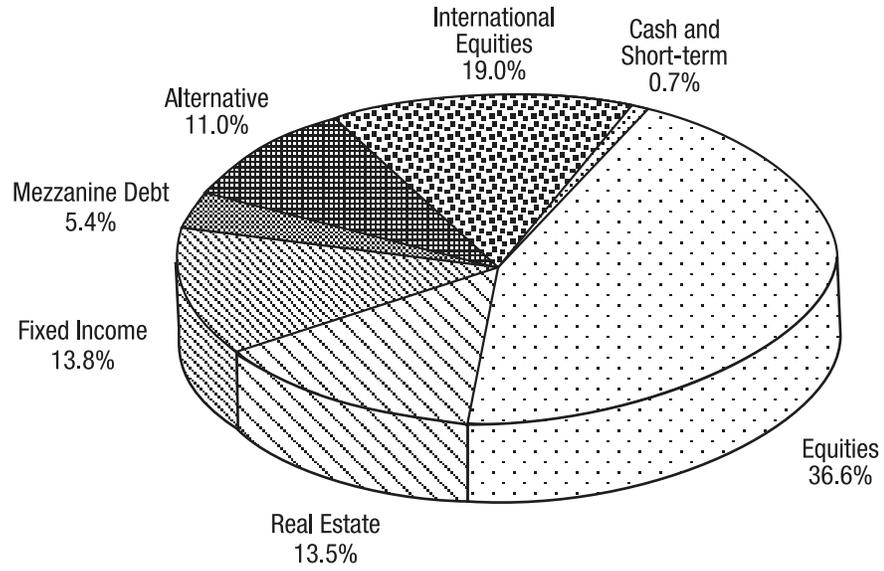
## POST RETIREMENT COST OF LIVING INCREASE

Each November the monthly retirement allowance will be increased to provide the highest benefit calculated under either one of the following cost of living adjustments:

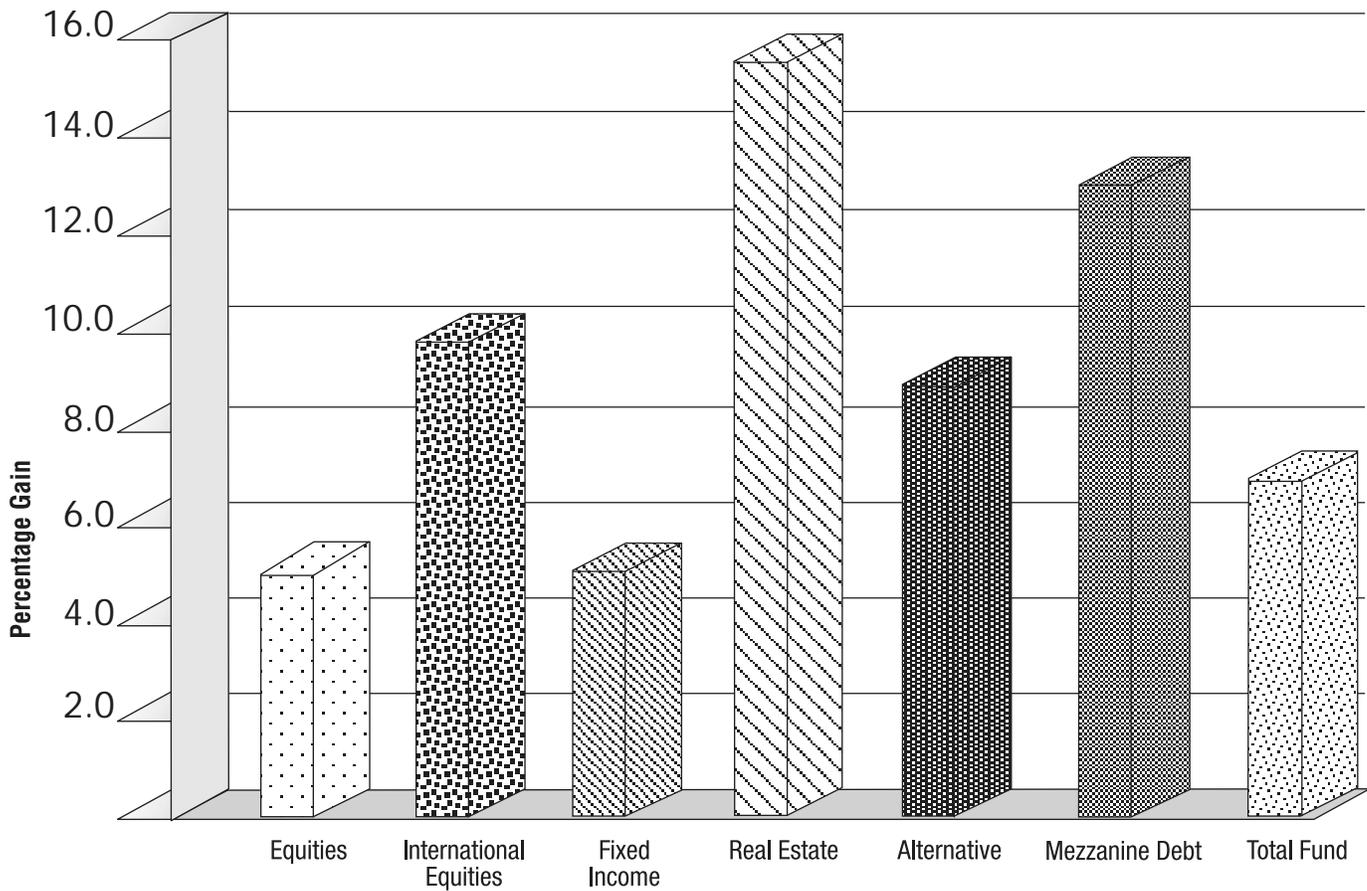
1. A 1.5% annual compounding COLA
2. A COLA which would provide 65% of the purchasing power which the members original retirement allowance could purchase.

[Blank]

## Investment Portfolio Composition



## 2007 Fund Performance



**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF REVENUES BY SOURCE**

Employer Contrib.*	Fiscal Year	Member Contributions	Employer Contributions**	Investment Income	Miscellaneous Income	Total
7.91 %	1980	\$ 9,166,162	\$ 10,470,335	\$ 16,284,473	\$ 846	\$ 35,921,816
8.54	1981	11,845,089	13,309,388	18,488,195	2,311	43,644,983
8.54	1982	12,465,220	14,790,039	21,106,414		48,361,673
8.54	1983	12,926,545	14,265,554	27,224,215	5,050	54,421,364
8.91	1984	14,076,607	15,961,211	30,543,443	67	60,581,328
8.91	1985	14,399,465	16,280,464	25,317,826		55,997,755
8.91	1986	15,164,105	16,758,439	33,081,706		65,004,250
8.91	1987	16,088,280	17,799,789	46,029,652	410	79,918,131
8.91	1988	16,701,142	18,521,365	36,397,481		71,619,988
8.91	1989	17,246,117	18,983,634	41,803,863	545	78,034,159
8.91	1990	20,405,149	21,810,612	27,725,284		69,941,045
8.91	1991	21,111,940	21,458,952	37,758,671		80,329,563
8.91	1992	21,564,881	25,117,924	41,792,730		88,475,535
8.91	1993	23,473,485	26,139,925	100,705,007	***	150,318,417
8.91	1994	24,764,862	26,704,211	3,670,356		55,139,429
8.91	1995	26,069,124	27,816,819	181,470,912		235,356,855
8.91	1996	25,835,147	28,372,760	118,399,056		172,606,963
8.91	1997	25,571,634	28,310,353	143,719,597		197,601,584
8.91	1998	27,311,815	30,554,650	168,477,507		226,343,972
8.03	1999	29,201,844	29,898,474	240,904,299		300,004,617
8.03	2000	30,962,052	30,956,217	(79,832,672)		(17,914,403)
8.03	2001	32,602,859	32,667,381	(93,021,798)		(27,751,558)
8.03	2002	39,388,249	36,599,830	(116,907,340)		(40,919,261)
8.03	2003	36,243,490	34,200,693	296,239,050		366,683,233
8.03	2004	37,192,591	36,819,271	177,211,711		251,223,573
8.03	2005	35,962,449	35,897,345	139,866,897		211,726,691
8.03	2006	38,228,475	38,077,976	251,934,917		328,241,368
8.03	2007	40,533,554	40,299,506	149,708,740		230,541,800

\* Employer Contributions reflected as a percentage of covered payroll.

\*\* The employer contributions has been made in accordance with actuarial requirements.

\*\*\* Beginning with 1993, the investment income reflects unrealized gains (losses) required by GASB 25.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF EXPENSES BY TYPE**

Year	Benefits	Refunds	Administrative	Total
1980	\$ 17,584,611	\$ 1,786,654	\$ 331,600	\$ 19,702,865
1981	19,114,992	2,074,078	419,568	21,608,638
1982	21,358,214	2,151,528	458,261	23,968,003
1983	23,029,611	2,086,102	538,059	25,653,772
1984	25,175,469	3,366,999	737,445	29,279,913
1985	27,090,615	2,753,418	1,076,324	30,920,357
1986	28,777,844	3,212,415	1,340,874	33,331,133
1987	30,499,027	3,141,868	1,494,189	35,135,084
1988	32,093,902	3,293,088	1,408,946	36,795,936
1989	34,121,917	3,257,432	1,538,544	38,917,893
1990	36,431,265	3,592,483	1,636,911	41,660,659
1991	37,862,028	3,731,762	1,870,922	43,464,712
1992	38,884,790	3,585,672	2,109,340	44,579,802
1993	40,131,325	2,944,003	2,525,620	45,600,948
1994	42,420,358	3,412,882	2,639,538	48,472,778
1995	44,352,180	3,874,980	7,217,337	55,444,497
1996	46,257,605	3,888,043	7,989,200	58,134,848
1997	50,349,474	5,463,464	11,875,158	67,688,096
1998	56,247,811	7,502,444	12,145,939	75,896,194
1999	58,704,086	9,730,803	10,447,151	78,882,040
2000	62,844,355	11,641,902	10,634,557	85,120,814
2001	65,553,605	8,785,879	7,293,821	81,633,305
2002	68,825,558	12,019,852	7,250,214	88,095,624
2003	73,559,728	13,218,137	7,081,030	93,858,895
2004	77,289,288	9,791,692	7,188,848	94,269,828
2005	82,268,449	10,385,215	11,773,914	104,427,578
2006	87,583,509	10,553,067	10,715,425	108,852,001
2007	98,391,533	11,525,660	12,380,123	122,297,316

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
BENEFIT EXPENSE BY TYPE  
Ten Years Ending December 31, 2007**

Year	Age & Service	Benefits	Disability	Death	Refunds	Total
	Retirants	Survivors	Retirants	Benefit		
1998	\$ 48,684,577	\$ 6,500,622	\$ 714,624	\$ 347,988	\$ 7,502,444	\$ 63,750,255
1999	\$ 50,902,672	\$ 6,821,887	\$ 698,527	\$ 281,000	\$ 9,730,803	\$ 68,434,889
2000	\$ 54,518,311	\$ 7,260,855	\$ 714,799	\$ 350,390	\$ 11,641,902	\$ 74,486,257
2001	\$ 57,122,024	\$ 7,486,988	\$ 672,593	\$ 272,000	\$ 8,785,879	\$ 74,339,484
2002	\$ 59,991,882	\$ 7,821,555	\$ 686,121	\$ 326,000	\$ 12,019,852	\$ 80,845,410
2003	\$ 64,301,813	\$ 8,215,109	\$ 714,806	\$ 328,000	\$ 13,218,137	\$ 86,777,865
2004	\$ 67,794,624	\$ 8,486,860	\$ 711,804	\$ 296,000	\$ 9,791,692	\$ 87,080,980
2005	\$ 72,390,702	\$ 8,754,471	\$ 785,276	\$ 338,000	\$ 10,351,215	\$ 92,653,664
2006	\$ 77,320,260	\$ 9,180,292	\$ 814,957	\$ 268,000	\$ 10,553,067	\$ 98,136,576
2007	\$ 87,019,040	\$ 10,230,265	\$ 864,228	\$ 278,000	\$ 11,525,660	\$ 109,917,193

**REVENUE RATIOS BY SOURCE  
1973 Through 2007**

Year	Member		Employer		Investment		Total	
	Contributions	%	Contributions	%	Income	%	Revenue	%
1973	26	%	32	%	42	%	100	%
1974	26		31		43		100	
1975	26		31		43		100	
1976	26		31		43		100	
1977	25		29		46		100	
1978	25		29		46		100	
1979	27		30		43		100	
1980	26		29		45		100	
1981	27		31		42		100	
1982	25		31		44		100	
1983	24		26		50		100	
1984	23		26		51		100	
1985	26		29		45		100	
1986	24		26		50		100	
1987	20		22		58		100	
1988	23		26		51		100	
1989	22		24		54		100	
1990	29		31		40		100	
1991	26		27		47		100	
1992	25		28		47		100	
1993 *	16		17		67		100	
1994 *	45		48		7		100	
1995 **	11		12		77		100	
1996 **	15		16		69		100	
1997	13		14		73		100	
1998	12		14		74		100	
1999	10		10		80		100	
2000							<i>Net Loss</i>	
2001							<i>Net Loss</i>	
2002							<i>Net Loss</i>	
2003	10		9		81		100	
2004	15		15		70		100	
2005	17		17		66		100	
2006	12		12		76		100	
2007	18		18		64		100	

\* Beginning with 1993, the investment income reflects unrealized gains (losses) required by GASB 25.

\*\* Beginning with 1996 (and 1995 has been restated) investment income includes the gross income from Securities Lending as required by GASB 28.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
 SCHEDULE OF INVESTMENT RESULTS  
 Ten Years Ending December 31, 2007

<u>Year</u>	<u>Investment Income</u> *	<u>Investments Market Value</u>	<u>Securities Lending Collateral</u>	<u>Return on Market Value</u>
1998	\$ 168,477,507	\$ 1,357,958,488	\$ 138,843,536	15.1%
1999	\$ 240,904,299	\$ 1,596,015,278	\$ 80,540,810	15.3%
2000	\$ (79,832,672)	\$ 1,484,124,485	\$ 80,511,612	(3.7)%
2001	\$ (93,021,798)	\$ 1,366,651,234	\$ 120,215,604	(6.0)%
2002	\$ (116,907,340)	\$ 1,245,668,385	\$ 133,817,297	(8.4)%
2003	\$ 296,239,050	\$ 1,517,907,621	\$ 148,226,605	23.6%
2004	\$ 177,211,711	\$ 1,664,178,577	\$ 239,087,447	11.5%
2005	\$ 139,866,897	\$ 1,777,219,827	\$ 122,862,720	8.1%
2006	\$ 251,934,917	\$ 1,986,714,717	\$ 145,097,240	13.9%
2007	\$ 149,708,740	\$ 2,106,345,982	\$ 103,323,467	7.3%

\* Investment Income includes market gains and losses, and gross income from Securities Lending.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
INVESTMENT PERFORMANCE RESULTS**

	2007	2006	2005	2004	2003
<b>Domestic Equity Funds</b>					
Calamos	25.9 %	0.5 %			
Capital Management Assoc.	22.4	0.6	13.0		
Dimensional Fund Advisors	(2.5)	17.3	7.5	20.3	51.0
Earnest	9.2	11.5			
Evergreen (a)					
ING	5.9	9.9			
Maxam (a)					
Snow Capital	(1.9)	15.0	13.4		
Blackrock - Alpha Transport (a)					
Barclays S & P Index Fund	5.5	15.8	4.9	10.9	28.8
Russell 3000 Index Fund	5.2	15.7	6.2	12.0	
<b>International Equity Funds</b>					
Barclays EAFE Index	11.5 %	28.5 %	13.9 %	20.7 %	39.2 %
Dimensional Fund Advisors (small cap)	5.7	24.9	22.0	30.9	
Dimensional Fund Advisors (large cap)	10.2				
<b>Domestic Fixed Income</b>					
Advent Capital	3.5 %				
Pugh Capital	6.8	4.6	2.8	4.8	4.4
Reams	8.0	6.3	2.9	5.1	8.7
Western Asset	4.3	6.2	2.9	7.1	8.4
In-House Assets	(0.2)	11.5	19.0	19.2	12.4
<b>Real Estate Funds *</b>					
J.P. Morgan	12.8 %	20.71 %	24.1 %	14.8 %	12.3 %
J.P. Morgan Alt Prop Fund	9.6				
American Realty	17.8	5.5			
Carlyle Realty IV	65.9	0.5			
RREEF REIT	14.9	15.3	18.0	12.6	10.1
TA Associates Fund VI	25.6	3.6	40.5	4.2	
TA Associates Fund VII	17.9	4.3	24.3		
TA Associates Fund VIII (a)					
Hearthstone Residential Fund III	100.6	272.2	18.3	4.0	
Washington Capital	14.3	20.5			
<b>Alternative</b>					
Blackrock QSPI	10.1 %	12.8 %	5.0 %	5.6 %	9.4 %
Advent Capital	1.4	13.1	(3.3)	0.6	
Aetos	11.2	8.4			
Attalus	17.3	12.2			
Coast	11.7	8.6	5.5	8.3	
Epsilon	5.0	6.1	(2.5)	5.2	
Blackrock QGR	4.7	10.1			
Blackrock Co-investment	7.8				
Tremont	9.5	10.4	4.0	5.1	
Phoenix Partners	18.6	8.4	12.0	(10.3)	(0.3)
<b>Mezzanine Debt</b>					
Babson Tower Square II	18.7 %	10.1 %			
Blackrock Carbon Capital II	14.9	7.3			
Bison Capital II	-				
Carlyle Mezzanine Partners	41.3	12.3			
Capri Select II	-	4.4			
Lehman Brothers Mezzanine Partners	19.0	15.5			
MKA	13.8				
Nogales II	-				
Oaktree Mezzanine II	11.0	2.0			
Smith Whiley	(15.0)				
TCW Crescent Mezzanine Partners IV	(6.8)				
<b>Composite Fund</b>					
Equities	4.5 %	14.1 %	7.4 %	12.3 %	33.7 %
International Equities	9.9	26.9	15.1	20.5	34.0
Fixed-Income	4.5	5.1	3.8	4.7	8.5
Real Estate	15.7	18.3	20.3	13.0	10.8
Alternative	9.0	10.6	3.1	5.3	25.2
Mezzanine	13.0	7.0			
<b>Total Fund</b>	<b>7.3 %</b>	<b>13.9 %</b>	<b>8.1 %</b>	<b>11.5 %</b>	<b>23.6 %</b>
<b>Market Indicators</b>					
Standard & Poor's 500	5.5 %	15.8 %	4.9 %	10.9 %	28.7 %
MSCI EAFE Index -USD	11.6	31.1	14.0	20.7	39.2
Lehman Brothers Aggregate	7.0	4.3	2.4	4.3	4.1
Russell NCREIF Property Index	15.8	15.5	20.7	12.2	7.2
Consumer Price Index	4.1	2.5	3.4	3.2	1.9

\* Returns for managers within the Real Estate and Mezzanine categories and most hedge fund investments are reported after fees, while the remaining returns are reported before fees. Fees paid to managers are listed on Page 14 of this annual report.

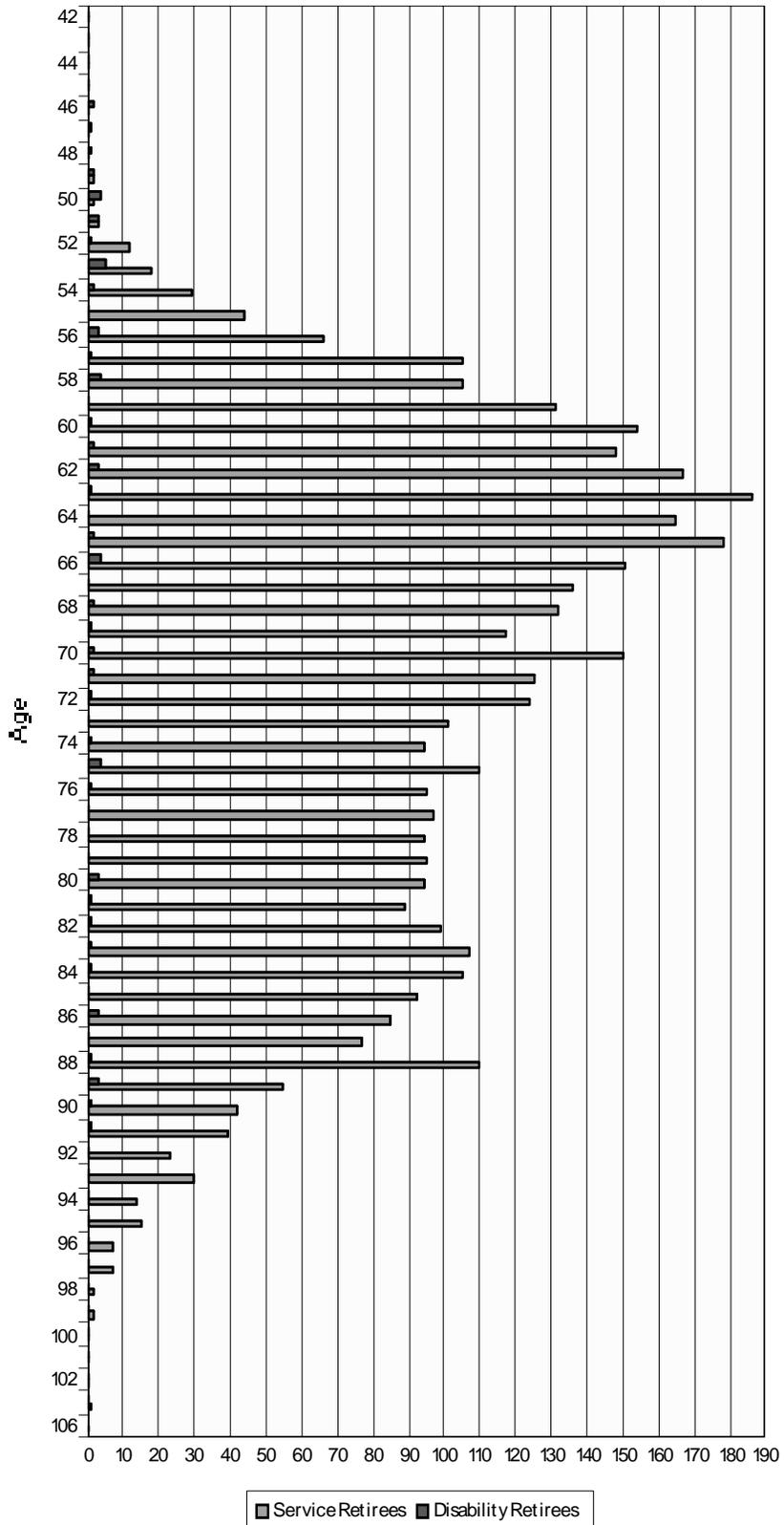
(a) New investment managers hired during 2007.

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SERVICE AND DISABILITY PENSIONERS BY AGE

As of December 31, 2007

Age	Service	Disability
42		
43		
44		
45		
46		2
47		1
48		1
49	2	2
50	2	4
51	3	3
52	12	1
53	18	5
54	29	2
55	44	
56	66	3
57	105	1
58	105	4
59	131	
60	154	1
61	148	2
62	167	3
63	186	1
64	165	
65	178	2
66	151	4
67	136	
68	132	2
69	117	1
70	150	2
71	125	2
72	124	1
73	101	
74	94	1
75	110	4
76	95	1
77	97	
78	94	
79	95	
80	94	3
81	89	1
82	99	1
83	107	1
84	105	1
85	92	
86	85	3
87	77	
88	110	1
89	55	3
90	42	1
91	39	1
92	23	
93	30	
94	14	
95	15	
96	7	
97	7	
98	2	
99	2	
100		
101		
102		
103	1	

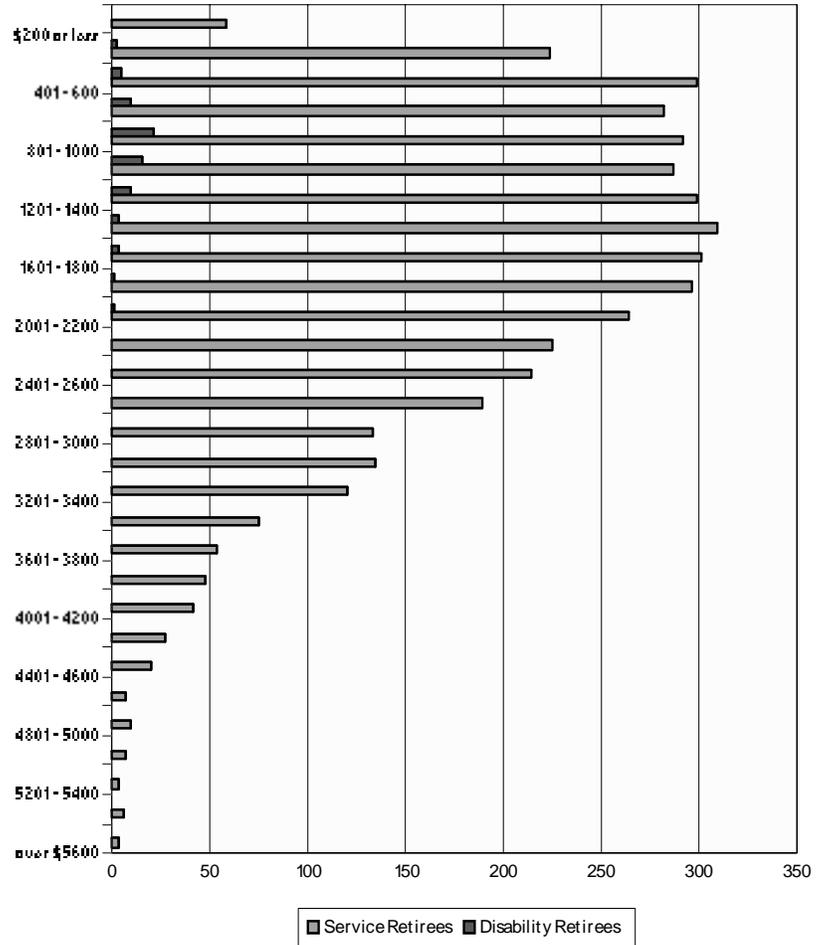
4231	72
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**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM**  
**RETIREMENT ALLOWANCE DISTRIBUTION**  
 As of December 31, 2007

	<u>Service</u>	<u>Disability</u>
\$ 200 or less	58	
201 - 400	224	2
401 - 600	299	5
601 - 800	282	10
801 - 1000	292	22
1001 - 1200	287	16
1201 - 1400	299	9
1401 - 1600	310	3
1601 - 1800	301	3
1801 - 2000	297	1
2001 - 2200	264	1
2201 - 2400	225	
2401 - 2600	214	
2601 - 2800	189	
2801 - 3000	133	
3001 - 3200	135	
3201 - 3400	120	
3401 - 3600	75	
3601 - 3800	53	
3801 - 4000	48	
4001 - 4200	42	
4201 - 4400	27	
4401 - 4600	20	
4601 - 4800	7	
4801 - 5000	9	
5001 - 5200	7	
5201 - 5400	4	
5401 - 5600	6	
over 5600	4	

4231	72
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SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
ACTIVE MEMBERSHIP EXPERIENCE  
For the Last Thirty Years

	Members at End of Period	New Members During Period	Withdrawals During Period	Re-entering & Redepositing	Deaths During Period	Pensions Granted During Period
1978	6,600	896	592	71	22	259
1979	6,797	934	536	57	11	247
1980	6,894	901	631	67	12	228
1981	7,037	776	467	77	13	230
1982	6,972	555	439	73	14	240
1983	6,870	471	363	50	13	247
1984	6,710	531	522	57	16	210
1985	6,946	628	244	72	11	209
1986	7,020	570	382	77	11	180
1987	7,196	622	312	72	16	190
1988	7,252	542	361	45	10	160
1989	7,544	672	251	51	12	168
1990	7,813	872	454	45	12	182
1991	8,037	681	354	43	13	133
1992	8,171	463	220	32	17	124
1993	8,317	537	279	39	15	136
1994	8,553	512	201	133	16	192
1995	8,741	477	284	136	12	153
1996	8,584	339	270	13	12	227
1997	8,572	435	287	36	18	178
1998	8,743	557	236	29	9	170
1999	9,576	1,289	238	14	17	215
2000	9,836	876	393	17	13	227
2001	10,111	706	241	25	18	197
2002	9,737	426	503	16	12	301
2003	9,964	628	202	5	14	190
2004	10,222	636	123	4	8	251
2005	10,387	635	212	3	11	247
2006	10,493	710	325	15	16	278
2007	10,892	948	292	37	8	286

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
COMPARATIVE STATEMENT OF EXPERIENCE OF SERVICE AND DISABILITY RETIREMENT PAYROLLS

From Inception in 1929, Through 2007

Figures Quoted as of the End of Each Fiscal Period

	Number Retired During Period			Number Deceased			Pensions Discontinued			Benefit Cont'd			
				During Period						to Beneficiary			
	Service	Sec. 19-b	Disability	Service	- Disability		Service	- Beneficiary	- Disability	Service	Service -	Beneficiary -	Disability
1929 - 1972 Inclusive	4,003	295	793	2,315	486		3	166	84	273	1,732	405	223
December 31, 1973	198	28	32	77	22			19		26	1,853	440	233
December 31, 1974	161	25	19	82	10			13		23	1,932	475	242
December 31, 1975	324	12	18	90	12			35		32	2,166	484	248
December 31, 1976	328	7	23	110	15			10		37	2,384	518	256
December 31, 1977	292	15	10	109	20			19		28	2,567	542	246
December 31, 1978	246	9	13	87	14			24		29	2,726	556	245
December 31, 1979	237	7	10	112	17			12		35	2,851	586	238
December 31, 1980	220	14	8	101	13			19		35	2,970	616	233
December 31, 1981	223	7	7	94	15			25		33	3,099	631	225
December 31, 1982	254	12	5	120	23			38		41	3,233	646	207
December 31, 1983	248	12	5	137	10			29		55	3,344	684	202
December 31, 1984	206	9	4	135	14			28		51	3,415	716	192
December 31, 1985	202	4	7	115	18			19	1	48	3,505	743	183
December 31, 1986	175	10	4	140	9			13		20	3,540	760	178
December 31, 1987	184	6	7	132	16			6		16	3,592	776	169
December 31, 1988	158	2	3	120	9			25		37	3,627	790	163
December 31, 1989	163	8	5	141	12			5		43	3,660	780	154
December 31, 1990	181	10	1	128	16			7		44	3,695	827	140
December 31, 1991	129		4	158	12			31		70	3,665	866	132
December 31, 1992	121		3	161	4			32		50	3,625	884	131
December 31, 1993	133	6	3	157	6			42		45	3,601	894	127
December 31, 1994	181	10	1	159	10			53		55	3,608	922	117
December 31, 1995	148	5	2	162	5			54		38	3,591	914	114
December 31, 1996	225	3	1	173	8			44		49	3,659	907	106
December 31, 1997	170	9	1	186	9			75		69	3,622	931	98
December 31, 1998	166	2	2	170	9		1	45		51	3,614	942	91
December 31, 1999	208	5	2	167	5			67		51	3,662	931	88
December 31, 2000	222	4	1	142	4			46		43	3,699	933	84
December 31, 2001	192	4	1	152	8			53		33	3,733	924	76
December 31, 2002	290	5	6	170	5			49		48	3,836	945	77
December 31, 2003	189	6	1	163	5			67		57	3,858	945	73
December 31, 2004	243	2	6	172	6			61		39	3,924	930	73
December 31, 2005	235	6	6	164	3			66		70	3,993	942	76
December 31, 2006	270	6	2	151	6			72		33	4,113	908	72
December 31, 2007	277	6	2	155	2			70		59	4,231	897	72
											Grand Total		5,200

Statistical Section

Seattle City Employees' Retirement System

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
EXPERIENCE IN MISCELLANEOUS AVERAGES  
For the Last Thirty Years

	AVERAGE SERVICE		AVERAGE AGE OF		AVERAGE AGE OF	
	RETIREMENT ALLOWANCE	AVERAGE AGE OF SERVICE PENSIONERS	AVERAGE DISABILITY RETIREMENT ALLOWED	DISABILITY PENSIONERS	ACTIVE MEMBERS DECEASED # OF DEATHS	AVERAGE AGE
1978	\$ 374.03	69.69	\$ 254.82	64.42	22	54.41
1979	394.91	69.59	260.89	64.96	11	49.04
1980	418.84	69.69	261.76	65.05	12	55.54
1981	441.69	69.86	267.88	65.12	13	49.31
1982	468.28	70.07	269.71	65.64	14	48.54
1983	501.76	70.18	272.98	66.55	13	52.54
1984	530.44	69.97	281.36	66.29	16	51.28
1985	556.72	70.26	290.71	66.22	11	53.66
1986	582.18	70.57	296.27	66.70	11	48.18
1987	608.43	70.80	314.43	66.60	16	49.13
1988	655.62	70.02	357.61	66.40	14	49.93
1989	664.36	71.45	343.74	66.53	12	49.17
1990	697.54	71.72	352.75	65.88	12	47.67
1991	757.07	72.19	378.41	66.61	13	57.77
1992	749.31	72.44	366.23	66.30	17	50.94
1993	775.72	73.42	394.13	67.80	15	53.00
1994	811.55	73.28	407.60	67.52	16	55.00
1995	850.50	73.45	431.19	67.78	12	53.67
1996	904.11	73.43	423.86	68.88	12	44.92
1997	961.30	73.29	448.15	68.12	18	54.72
1998	* 1,063.66	73.30	594.09	68.13	9	56.11
1999	1,114.34	73.10	609.19	68.25	17	55.24
2000	1,167.60	72.88	622.66	68.69	13	50.77
2001	1,222.42	72.70	654.53	67.84	18	51.39
2002	1,289.77	72.16	703.83	67.25	12	54.33
2003	1,338.49	72.14	734.85	66.78	14	53.14
2004	1,404.86	71.93	788.94	65.40	8	50.62
2005	1,477.58	71.78	827.46	65.15	11	53.18
2006	1,552.57	71.53	877.96	64.75	16	51.94
2007	1,768.13	71.42	1,010.15	65.53	8	53.13

\* Beginning in 1998 the average retirement allowance numbers include the monthly COLA amounts.

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF AVERAGE BENEFIT PAYMENTS**

Retirement Effective Dates	Years Credited Service					
	0-10	11-15	16-20	21-25	26-30	31 +
Jan. 1, 1998 to Dec. 31, 2007						
Period 1/1/98 to 12/31/98						
Average Monthly Benefit	\$ 451.94	799.97	1,171.57	1,434.59	2,111.63	2,296.32
Average Final Salary	\$ 3,717.39	3,725.11	3,423.29	3,800.98	4,100.82	4,222.49
Number of Active Retirants	32	23	19	26	42	28
Period 1/1/99 to 12/31/99						
Average Monthly Benefit	\$ 416.73	881.13	1,320.71	1,493.61	2,236.30	2,173.93
Average Final Salary	\$ 3,856.75	3,712.60	4,043.07	3,594.45	4,251.65	4,115.63
Number of Active Retirants	34	19	36	23	70	33
Period 1/1/00 to 12/31/00						
Average Monthly Benefit	\$ 482.19	880.93	1,190.87	1,720.94	2,346.89	2,383.68
Average Final Salary	\$ 4,659.08	3,519.82	3,833.71	4,508.72	4,473.41	4,602.86
Number of Active Retirants	33	28	21	36	70	39
Period 1/1/01 to 12/31/01						
Average Monthly Benefit	\$ 478.66	837.60	1,349.54	1,719.53	2,369.43	2,374.36
Average Final Salary	\$ 4,756.88	3,715.90	4,241.27	4,121.40	4,654.58	4,544.36
Number of Active Retirants	30	23	25	30	65	24
Period 1/1/02 to 12/31/02						
Average Monthly Benefit	\$ 503.66	1,054.23	1,254.66	1,925.74	2,458.67	2,616.86
Average Final Salary	\$ 4,404.61	4,203.54	3,773.37	4,571.61	4,653.62	4,919.14
Number of Active Retirants	40	31	34	58	96	42
Period 1/1/03 to 12/31/03						
Average Monthly Benefit	\$ 496.91	1,034.44	1,432.09	1,744.45	2,579.91	2,628.56
Average Final Salary	\$ 3,782.43	4,261.52	4,669.55	4,653.31	4,901.87	4,953.21
Number of Active Retirants	32	23	22	41	39	39
Period 1/1/04 to 12/31/04						
Average Monthly Benefit	\$ 613.97	1,056.92	1,449.54	1,773.54	2,480.00	2,812.38
Average Final Salary	\$ 4,393.80	4,349.56	4,737.24	4,405.97	5,210.92	5,259.10
Number of Active Retirants	27	21	39	46	76	42
Period 1/1/05 to 12/31/05						
Average Monthly Benefit	\$ 674.26	1,137.59	1,706.94	2,270.53	2,653.34	2,807.79
Average Final Salary	\$ 4,928.96	4,733.59	4,915.39	5,423.36	5,164.89	4,973.41
Number of Active Retirants	30	27	33	55	65	37
Period 1/1/06 to 12/31/06						
Average Monthly Benefit	\$ 656.56	1,124.37	1,662.58	2,196.45	2,831.74	3,053.19
Average Final Salary	\$ 4,902.33	4,671.23	4,823.60	5,170.19	5,313.48	5,472.54
Number of Active Retirants	37	42	38	50	55	56
Period 1/1/07 to 12/31/07						
Average Monthly Benefit	\$ 658.92	1,406.25	1,650.87	2,132.89	2,814.90	3,129.50
Average Final Salary	\$ 5,017.90	5,992.08	4,865.08	5,096.68	5,414.43	5,412.96
Number of Active Retirants	53	36	37	54	61	44
Period 1/1/98 to 12/31/07						
Average Monthly Benefit	\$ 543.38	1,021.34	1,418.94	1,841.23	2,488.28	2,627.66
Average Final Salary	\$ 4,442.01	4,288.50	4,332.56	4,534.67	4,813.97	4,847.57
Average Number of Active Retirants	35	27	30	42	64	38

NEW MEMBERS IN THE RETIREMENT SYSTEM IN 2007  
BY DEPARTMENT

Arts Commission	3
DoIT	16
Executive Administration	17
Executive Departments	19
Fire	4
Fire Pension	3
Fleets	29
Hearing Examiner	1
Human Services	41
Law	14
Legislative	9
Library	68
Light	174
Municipal Courts	37
Neighborhoods	12
Parks	113
Personnel	31
Planning and Development	35
Police	51
Retirement	1
SDOT	114
Seattle Center	43
SPU	<u>113</u>
Total	948

MEMBERS AGAIN IN THE RETIREMENT SYSTEM IN 2007  
BY DEPARTMENT

<u>REDEPOSITING</u>	
Executive Administration	1
Library	2
Light	2
Parks	1
Personnel	2
Police	1
Seattle Center	<u>1</u> 10
<u>RE-ENTERING</u>	
Executive Administration	1
Fire	1
Human Services	1
Library	1
Light	5
Parks	6
Municipal Courts	1
Personnel	2
Police	1
SDOT	1
Seattle Center	1
SPU	<u>6</u> <u>27</u>
Total	37

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SERVICE RETIREMENTS GRANTED IN 2007**

<b>Name</b>	<b>Department</b>	<b>Position</b>	<b>Years of Service</b>		<b>Age</b>
Agor-Matsuno, Bernadette C	Neighborhoods	Executive 2	27 yrs	278 days	55
Aguilar, Lilly J.	Vested	Vested	14 yrs	43 days	60
Allen, Barbara J.	Muni Courts	Court Clerk Supervisor	17 yrs	69 days	63
Allen, Jini A	Vested	Vested	14 yrs	279 days	59
Anderson, Dennis L.	City Light	Real Property Agent Sr	23 yrs	185 days	57
Anderson, Leslie K.	SPU	Maintenance Laborer	33 yrs	142 days	56
Angedal, Darleen H.	SDOT	Bridge Operator	30 yrs	3 days	68
Angelou, Anne F.	Vested/Dual	Vested	4 yrs	107 days	63
Anshutz, Jim R.	DEA	Planning & Dev Spec Sr	5 yrs	171 days	63
Anstett, Dorothy C.	Parks	Planning & Dev Spec II	13 yrs	272 days	59
Auge, Mary Elizabeth	Muni Courts	Administrative Specialist I	16 yrs	3 days	64
Austin, Joan D	K.C. Health	Public Health Nurse	21 yrs	362 days	57
Baer, Pamela D.	Library/Dual	Payroll & Benefits Specialist	14 yrs	179 days	49
Ballem, Gary W.	Parks	Naturalist	32 yrs	364 days	62
Barbieri, Joseph A.	City Light	Electrician Constructor	35 yrs	34 days	62
Barron, Ruben D	SPU	Laborer	18 yrs	72 days	63
Baxley, Lavon	SPU	Utility Service Representative	27 yrs	88 days	61
Beach, David G.	Vested/Dual	Vested	1 yrs	97 days	65
Beaver, Jaybe	Parks	Utility Laborer	28 yrs	208 days	67
Belikiewicz, Gail	SPU	Utility Account Representative II	17 yrs	152 days	60
Bell, Sandi S.	Parks	Grounds Maintenance CC	29 yrs	106 days	57
Benito, Miguel C.	DEA	Info Technology Prof	29 yrs	22 days	60
Benner, Susan C.	SPU	Civil Engineering Specialist Sr	21 yrs	274 days	55
Bernal, Jenny	SDOT	Utility Laborer	21 yrs	248 days	58
Berube, Frederick Alton	Library	Janitor	7 yrs	206 days	62
Binns, Gloria J.	SPU	Utility Account Rep I	29 yrs	205 days	58
Blair, William G.	Parks	Planning & Dev Spec II	10 yrs	270 days	68
Boring Pamela D.	Vested	Vested	15 yrs	271 days	61
Bounds, Kenneth R.	Parks	Executive 3	31 yrs	13 days	56
Bovee, Rita E	Library	Administrative Specialist	23 yrs	145 days	56
Bradley, Patricia S.	Parks	Heavy Truck Driver	25 yrs	22 days	61
Braggs, Richard J Jr	DPD	Permit Process Leader	36 yrs	131 days	64
Brander, William P.	Police	Dispatcher	11 yrs	335 days	57
Brittenham, Alan E.	Fleets	Manager 1	26 yrs	196 days	54
Bruton, Patricia A	K.C. Health	Application Worker	29 yrs	94 days	60
Burr, Raleigh E.	SDOT	Civil Engineering Specialist Assoc	15 yrs	203 days	69
Busbice, Susan A.	Vested	Vested	5 yrs	8 days	62
Bynum, Charles r.	Metro Transit	Service Quality Supv	40 yrs	332 days	68
Cahall, John	Human Services	Counselor	7 yrs	236 days	66
Cain, Pamela S.	Police	Info Technology Prof	16 yrs	15 days	57
Carlson, Patrick T.	City Light	Lineworker	20 yrs	121 days	65
Casler, Paul L.	Parks	Pool Maint Worker	18 yrs	266 days	69
Cassidy, Martin E	Fleets	Info Technology Prof	19 yrs	318 days	57
Castaneda, Cesar Q.	Vested	Vested	20 yrs	24 days	52
Chung, Voui C.	City Light/Dual	Electrical Service Rep Sr	3 yrs	322 days	64
Claus, Carmen S	Vested	Vested	11 yrs	50 days	57
Cohen, Sandra Lynn	Law/Dual	Assistant City Attorney	14 yrs	6 days	55
Collings, Terry R.	Library	Executive 2	17 yrs	202 days	64
Compton, Jacque Lynn	Vested	Vested	20 yrs	119 days	55

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SERVICE RETIREMENTS GRANTED IN 2007**

<b>Name</b>	<b>Department</b>	<b>Position</b>	<b>Years of Service</b>		<b>Age</b>
Conrad, Donald J.	SPU	Water Pipe Wkr Sr	34 yrs	354 days	64
Covington, Germaine W.	Civil Rights	Executive 2	29 yrs	54 days	62
Cruz, Lorenza L.	DEA	Principal Accountant	27 yrs	92 days	66
Darden, Thomas R.	Vested	Vested	5 yrs	28 days	65
Das, Deb K	Vested	Vested	20 yrs	36 days	71
Davis, Billy H	City Light	Electrical Const & Maint. Superv	12 yrs	6 days	57
Davis, Donald F.	City Light	Communicatios Electrician II	27 yrs	235 days	57
DeDesrochers, Sylvia R.	DPD	Permit Process Leader	20 yrs	8 days	60
Dennis, Robert M.	DPD	Elevator Inspector Sr	20 yrs	329 days	66
Depew, Maureen F.	Vested	Vested	10 yrs	227 days	57
Derr, Malcolm D	SPU	Civil Engineering Specialist Sr	37 yrs	180 days	59
Disend, Claudia Jean	Library	Executive 2	5 yrs	2 days	62
Dizon, Ester A.	City Light	Customer Service Rep	27 yrs	219 days	61
Dodge, Russell K.	SPU	Surveyor Chief	19 yrs	295 days	62
Donner, Richard G.	SPU	Water Quality Engr Sr	26 yrs	2 days	60
Downs, John E.	City Light	Line Crew Chief	37 yrs	293 days	62
Drury, Kim E.	ESD	Strategic Advisor 2	17 yrs	45 days	56
Duggan, John Francis	Vested	Vested	12 yrs	203 days	59
Duris , Robert	Vested	Vested	15 yrs	57 days	62
Dy, Dolores Yu	Fleets	Accounting Technician II	16 yrs	169 days	68
Emerson, Beth C.	K.C. Health	Administrative Supp Asst	30 yrs	352 days	52
Erdman, Marlin Robert	SPU	Utility Account Representative	31 yrs	158 days	64
Evans, Mary Lynne	Vested/Dual	Vested	2 yrs	121 days	64
Felty, Diane	SDOT	Administrative Specialist I	10 yrs	118 days	69
Ferrari, Paul J.	City Light	Info Technology Prof	27 yrs	22 days	63
Ferrero, Ernest J.	Parks	Capital Projects Coord Sr	37 yrs	139 days	66
Finkley, Dolores V.	City Light	Administrative Specialist II	29 yrs	9 days	60
Finney, Earl L.	SDOT	Truck Driver	40 yrs	36 days	65
Fischer, Christie A.	Vested/Dual	Vested	1 yr	361 days	56
Fleissner, Dan W.	Vested	Vested	9 yrs	74 days	62
Foote Jr., Donald Perrie	City Light	Electrical Service Rep Sr	20 yrs	60 days	61
Fox, Howard A.	Library	Managing Librarian II	31 yrs	276 days	58
Franklin , John Marvin	ESD	Executive 4	13 yrs	98 days	61
Frederickson, Patricia M.	Vested	Vested	9 yrs	363 days	63
Frost, Barbara S.	Law	City Attorney Sr	13 yrs	330 days	58
Fulton, Barbara J	Vested	Vested	5 yrs	331 days	62
Fulwider, Lois M.	City Light	Energy Conserv Rep Sr	30 yrs	19 days	58
Gardiner, Judith F	Muni Courts	Administrative Specialist I	5 yrs	246 days	65
Garland, Teresa L	Vested	Vested	17 yrs	14 days	57
Gaston, Nancy Jean	City Light	Administrative Specialist I	7 yrs	19 days	71
Gayotin, Wilfredo C	City Light	Janitor	17 yrs	9 days	62
Geist, Arlene M.	City Light	Economist	14 yrs	57 days	64
Gentleman, Jimmy D.	Vested/Dual	Vested	4 yrs	118 days	62
Gertig, Joann Glass	Library	Library Associate II	17 yrs	263 days	58
Gibbs, Margaret L.	SDOT	Cement Finisher	22 yrs	74 days	59
Goett, Douglas F.	SPU	Capital Projects Coord Sr	42 yrs	304 days	64
Goode, Mona	Vested	Vested	7 yrs	116 days	62
Goode, Robert J.	Parks	Maintenance Laborer	26 yrs	42 days	56
Gorton, Linda	Vested	Vested	14 yrs	244 days	60

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SERVICE RETIREMENTS GRANTED IN 2007**

<b>Name</b>	<b>Department</b>	<b>Position</b>	<b>Years of Service</b>		<b>Age</b>
Grace, Patrick J	Vested	Vested	6 yrs	219 days	65
Gradin, Dennis J.	SDOT	Asphalt Raker	22 yrs	15 days	65
Grant, Diana S.	City Light	Energy Planning Supervisor	24 yrs	270 days	56
Grether, Celia W.	City Light	Executive Assistant	15 yrs	194 days	57
Groncznack, Robert P.	Vested	Vested	7 yrs	132 days	62
Gruenwoltdt, Gert	Seattle Center	Utility Laborer	11 yrs	337 days	67
Habib, Martin M.	Vested	Vested	17 yrs	82 days	57
Hall, Ernest Victor	DPD	Pressure Systems Inspector	8 yrs	38 days	71
Hanson, Barbara J.	SPU	Administrative Staff Asst	12 yrs	259 days	65
Harris, Madelyn M.	Seattle Center	Painter	21 yrs	329 days	52
Harris, Ruby D.	Vested	Vested	10 yrs	287 days	57
Harrison,Michael B	City Light	Power Supply Engr	22 yrs	124 days	52
Harrold,Judith L	City Light	Electrical Service Rep	28 yrs	147 days	57
Hartnell, Sheila A.	Seattle Center	Administrative Specialist II	22 yrs	74 days	68
Haskins, A.Scott	SPU	Executive 3	33 yrs	84 days	58
Hawks, Richard B.	SDOT	Administrative Specialist I	34 yrs	318 days	59
Heiss, Marilee Virginia	Human Services	Social Services Aide	8 yrs	54 days	66
Heller,Kenneth H.	Vested	Vested	10 yrs	66 days	57
Helsten, Elizabeth A.	Vested	Vested	7 yrs	53 days	63
Hennessey, John G.	SDOT	Constr & Maint Equip Op Sr	41 yrs	17 days	61
Hepfer, Lee N	Vested	Vested	11 yrs	209 days	65
Herman, Michael L.	Library	Librarian	15 yrs	109 days	63
Herman,Paula O.	Library	Librarian	22 yrs	280 days	60
Hess, Joann A.	K.C. Health	Registered Nurse	23 yrs	350 days	63
Hickman, John R.	City Light	Electrical Engineering Specialist Super	43 yrs	145 days	67
Hinojosa, Devina M.	Police	Administrative Support Supervisor	25 yrs	108 days	55
Hoke, Lita H.	City Light	Meter Reader Sr	28 yrs	177 days	52
Holman, Caulette j.	Muni Courts	Executive Assistant Sr	23 yrs	223 days	62
Horton, Diane P.	Police	Dispatcher	11 yrs	364 days	61
Hudson, Neal C.	DPD	Structural Plans Engineer	16 yrs	143 days	65
Huesties,Barbara L.	Police	Administrative Support Supervisor	34 yrs	362 days	63
Hughes,John	Parks	Facility Maintn Supervisor Asst.	25 yrs	135 days	59
Hunstiger, Ann M.	SPU	Management Systems Analyst Sr	21 yrs	283 days	54
Iblings, Carolyn J.	Finance	Strategic Advisor 2	12 yrs	18 days	60
Ishihara, James	Vested	Vested	5 yrs	213 days	62
Israel, Maria S.	SDOT	Accounting Technician Supervisor	25 yrs	276 days	54
Janssen, Fumi O.	City Light	Electrical Service Rep Supervising	28 yrs	83 days	61
Jeffress, Joel E.	City Light	Manager 3	14 yrs	200 days	58
Jenkins, Laurie J.	SPU	Disposal CC I	21 yrs	207 days	52
Johnson , Jean A.	City Light	Principal Material Controller	30 yrs	362 days	57
Johnson, Jamie	K.C. Health	Behavioral Health Specialist	16 yrs	23 days	65
Johnston,Sandra	Vested/Dual	Vested	3 yrs	327 days	62
Jonas, Victoria A.	Police	Personnel Spec., Sr.	30 yrs	1 day	55
Jones, Clifford R.	SPU	Civil Engineering Supervisor	24 yrs	75 days	60
Juj, Hardev S.	City Light/Dual	Executive 3	6 yrs	301 days	57
Kalanzis, Teresa M.	Muni Courts	Administrative Specialist I	9 yrs	255 days	62
Kenney, Karin J.	DEA	Info Technology Prof	28 yrs	123 days	60
Kiesel, Stephen C.	vested	Vested	25 yrs	101 days	55
Kim, Barbara J,	SPU	Manager 2	25 yrs	244 days	58

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SERVICE RETIREMENTS GRANTED IN 2007**

<b>Name</b>	<b>Department</b>	<b>Position</b>	<b>Years of Service</b>		<b>Age</b>
Kipp, Gregory M.	Vested	Vested	11 yrs	76 days	60
Knutson,Michael W.	City Light	Elec-Con-WkgCC-Asg-Ccoord	32 yrs	260 days	61
Kojima, Norris N.	Fleets	Auto Mechanic	27 yrs	212 days	63
Konkler,Claudette E	Muni Courts	Probation Counslr I	21 yrs	28 days	64
Kosbab, Delyn F	City Light	Electrical Service Rep	25 yrs	76 days	52
Kravchuk, William	SDOT	Parking Meter Repairer Sr	35 yrs	78 days	65
Krogh,Janet L.	Finance	Administrative Specialist III	32 yrs	339 days	60
Kurlo, Wilhelm	City Light	Hydroelectric Operator II	30 yrs	69 days	56
Lam, Wilfred K.	Vested	Vested	27 yrs	3 days	52
Large, Jeanne M.	Vested/Dual	Vested	2 yrs	360 days	65
Larsen, Christine A.	City Light	Manager 3	31 yrs	277 days	54
Laurich, Carol A.	Vested	Vested	15 yrs	102 days	57
Le, Jimmy	Seattle Center	Security Officer Sr	25 yrs	119 days	64
Lewis III, Joseph W.	Parks	Administrative Staff Analyst	36 yrs	95 days	62
Lewis, Bardow M.	Parks	Grounds Maintenance CC	30 yrs	2 days	49
Leyva, Erlando Santos	Fleets	Manager I	13 yrs	215 days	65
Li,Zoya V.	Vested	Vested	7 yrs	208 days	70
Lighter, Frederick J.	Vested	Vested	8 yrs	283 days	65
Lombardi, Teresa M	SPU	Manager 3	30 yrs	182 days	53
Lomont,Jane F	Library	Administrative Secretary	16 yrs	106 days	67
Look, Estelita S.	City Light	Customer Service Rep	29 yrs	92 days	70
Makasini, Ilaisa	SPU	Drainage & Wstwtr Coll Lead Wkr	26 yrs	142 days	65
Marsh, jonathan G.	SPU	Civil Engineer Sr	20 yrs	2 days	60
Martinez,Ronald E	Executive	Construction Mgmt Specialist	22 yrs	260 days	57
Mash,Victoria R.	Library	Page	37 yrs	150 days	60
Mathers,Sharon L.	Parks	Public Ed Prog Spec	14 yrs	209 days	59
Matsui, Jerry H.	Vested	Vested	19 yrs	114 days	63
McCoy, Larry	SDOT	Maintenance Laborer	10 yrs	342 days	62
McLendon, Larry E.	City Light	Auto Mechanic Sr	25 yrs	5 days	58
Melnyk, Michael S.	City Light	Manager 3	39 yrs	107 days	61
Mendenhall, Clay A.	Parks	Golf Course Tech	30 yrs	15 days	50
Mercer,Michael G	SPU	Planning & Dev Spec II	25 yrs	339 days	57
Mercure Jr.,Delbert V.	Finance	Executive 2	29 yrs	283 days	62
Metcalf, Carol J.	DEA	Executive 2	25 yrs	213 days	57
Mickelson, Michael A.	City Light	Warehouser	29 yrs	16 days	66
Miller, Alan K.	DPD	Permit Process Leader	6 yrs	37 days	62
Miller, Richard P.	SDOT	Executive 2	28 yrs	104 days	54
Million, Noell	SDOT	Civil Engineering Specialist Asst III	26 yrs	79 days	60
Mithoug, Laura L.	SDOT	Street Maintenance Supervisor	30 yrs	15 days	52
Morrison, Willie C.	City Light	Meter Reader	31 yrs	307 days	62
Mostow,Kenneth L.	SPU	Planning Associate	12 yrs	296 days	65
Nelson, David B.	DPD	Bilding Inspector Structural	25 yrs	156 days	65
Norberg,Teresa L.	Police	Administrative Support Supv	24 yrs	347 days	64
Oki, Arthur M.	SPU/Dual	Executive Assistant	16 yrs	91 days	54
Oliver,Edwin D	SPU	Water Quality Analyst	15 yrs	290 days	57
Olsen, Sharon K.	SPU	Forest Maint Crew Chief	26 yrs	93 days	60
Omoth, Robert N.	SDOT	Maintenance Laborer	10 yrs	58 days	62
Orr,Barbara C.	SPU	Administrative Specialist II	5 yrs	176 days	63
O'Shea, Mary K.	K.C. Health	PH Nurse	23 yrs	337 days	65

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SERVICE RETIREMENTS GRANTED IN 2007**

<b>Name</b>	<b>Department</b>	<b>Position</b>	<b>Years of Service</b>		<b>Age</b>
Panchenko, Anatoly	DEA	Principal Accountant	42 yrs	325 days	70
Parker, Lorie C.	Vested	Vested	6 yrs	320 days	62
Payne, Dana A.	Vested	Vested	24 yrs	52 days	52
Penttila, Richard D	Parks	Manager 3	27 yrs	139 days	57
Petersen, John W.	SDOT	Arboriculturist	26 yrs	223 days	62
Peterson, Donna L.	Vested/Dual	Vested	0 yrs	307 days	60
Peterson, Kristina A.	City Light	Meter Elctn	28 yrs	12 days	54
Philips, Gordon M.	Fleets	Painter Crew Chief	25 yrs	264 days	52
Pieratt, Erle B	Muni Courts	Probation Counsler I	21 yrs	223 days	59
Pontius, Brenda Lee	Vested	Vested	8 yrs	196 days	62
Post, Ernestine L.	DEA	Info Technology Prof	28 yrs	139 days	64
Putnam, Theodore Southwick	Seattle Center	Events Services Rep Sr	17 yrs	105 days	66
Rechterman, Alan E.	Vested	Vested	22 yrs	145 days	52
Reed, Christina C.	OED	Strategic Advisor 1	16 yrs	91 days	63
Ricafort, Lito P	City Light	Structural Painter	27 yrs	297 days	60
Richards, Garry D	SDOT	Manager 3	8 yrs	126 days	59
Richey, Lloyd H	Library	Janitor	15 yrs	305 days	60
Richter, Sonja A.	Police	Crime Prev Coord	17 yrs	259 days	62
Richter, George I.	Metro Transit	Bus Driver	40 yrs	64 days	64
Rivera, Geraldine M	Neighborhoods	Customer Service Rep	6 yrs	207 days	69
Rose, Paula A.	City Light	Stat Const & Maint Supv II	27 yrs	0 days	59
Ross, Mary B.	Library	Training & Dev Managing Librn	25 yrs	11 days	58
Ross, Michael C.	Parks	Utility Laborer	27 yrs	82 days	62
Ruiz, Santiago	City Light	Electrician	21 yrs	124 days	65
Rumery, Susan S	Fleets	Title Examiner	22 yrs	52 days	65
Russell, Douglas G.	SDOT	Bridge Operator	32 yrs	257 days	78
Sampson, Jim A.	SPU	Senior Accountant	28 yrs	174 days	58
Sanchez, Cornelio C.	SPU	Construction & Maint Equip Oper	22 yrs	51 days	59
Scannell, John R,	Vested	Vested	15 yrs	70 days	59
Scheideman, Leroy Harry	Police	Administrative Specialist II	20 yrs	211 days	62
Schneider, Karl A.	Fleets	Auto Mechanic Sr	25 yrs	26 days	52
Schweinfurth, Karla G.	City Light	Meter Elctn CC Asg C Coord	28 yrs	276 days	53
Senger, Alfred J	SDOT	Street Maintenance	30 yrs	298 days	55
Sheldon, Cathy Rae	Library	Librarian	21 yrs	1 day	59
Simpson, Eddie	Parks	Maintenance Laborer	18 yrs	9 days	65
Sjodin, Deborah E.	Library	Librarian	35 yrs	53 days	59
Smith, Norman	Vested	Vested	5 yrs	191 days	65
Smith, Steven Richard	SPU	Water Systems Operator	31 yrs	119 days	62
Smith, Todd R.	DoIT	Accounting Technician II	25 yrs	38 days	58
Songco, Esperanza P	DPD	Accounting Technician II	15 yrs	159 days	74
Soper, R. Craig	Vested	Vested	8 yrs	276 days	56
Soreng, Don D.	City Light	Crew Chief	23 yrs	326 days	63
Southard, John E.	Police	Dispatcher 3	21 yrs	47 days	56
Sparkman, Jerry R.	SDOT	Street Paving Crew Chief	31 yrs	73 days	55
Sperlin, Donald W.	SPU	Utility Account Representative	30 yrs	123 days	57
Sprinkle, Robert M	K.C. Health	Corrections Officer	36 yrs	207 days	59
Stanek Jr, Joe J	SPU	Civil Engineering Specialist Asst I	30 yrs	300 days	58
Stepp, William P.	City Light	Material Supplier	32 yrs	251 days	65
Stevens, Madeline J.	City Light	Customer Service Rep Sr	31 yrs	260 days	61

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
SERVICE RETIREMENTS GRANTED IN 2007**

<b>Name</b>	<b>Department</b>	<b>Position</b>	<b>Years of Service</b>	<b>Age</b>
Stevenson, Richard L.	SDOT	Engineering & Plans Rev Mgr I	38 yrs 289 days	58
Strand , Edwin W.	City Light	Tree Trimming Rep	40 yrs 283 days	65
Sullivan, Marty L.	Police	Manager 2	35 yrs 278 days	61
Sundvall, Mitsu A.	Seattle Center	Administrative Specialist II	18 yrs 214 days	70
Sussex , Alan H.	City Light	Journeyworker in Charge	28 yrs 18 days	65
Swan, Mardelle	SPU	Utility Account Rep I	33 yrs 360 days	60
Tando, Karen A.	Police	Latent Print Examiner	30 yrs 0 days	52
Tang, Lai-Yee	Human Services	Grants & Contracts Spec Sr	26 yrs 236 days	65
Tanner, Thomas John	SPU	Executive 3	7 yrs 340 days	62
Tarr, Dick Erwyn	Human Services	Grants & Contracts Specialist	6 yrs 278 days	63
Thompson , Florease	City Light	Training & Dev Coord	23 yrs 98 days	61
Torrence, Sandra L.	Muni Courts	Accounting Technician III	30 yrs 20 days	57
Treadwell, Fred C.	Police	Executive 1	27 yrs 134 days	59
Trieu, Hoa	SPU	Civil Engineering Specialist Asst I	23 yrs 84 days	56
Trowler, Jo Ann	Library	Library Technician	16 yrs 109 days	51
Trujillo, Michael J	Vested	Vested	23 yrs 6 days	59
Tsang, Helen Kung	SDOT	Finance Analyst Sr	15 yrs 260 days	63
Tulip, Michael Douglas	Police	Communication Dispatcher I	11 yrs 131 days	61
Tuttle, John C.	Vested/Dual	Vested	0 yrs 333 days	57
Varden, Robert C.	Police	Dispatcher	20 yrs 23 days	65
Vaughn, Christine	Vested	Vested	6 yrs 117 days	62
Veach, Ronald L.	Muni Courts	Probation Counsler I	17 yrs 183 days	66
Voss, Lonnie L.	City Light	Hydroelectric Maint Mech	22 yrs 321 days	62
Wallace, Dave E.	Parks	Maintenance Laborer	23 yrs 194 days	56
Warren, Walter D.	City Light	Manager 3	30 yrs 159 days	52
Washington, Anthony L.	City Light	Cablesplicer Net Area	27 yrs 277 days	56
Weber, Susan J.	Library	Library Associate II	39 yrs 169 days	59
Wells, Karen V	K.C. Health	Nutritional Asst	28 yrs 264 days	59
Westerman, William A	City Light	Electrical Engineering Specialist Sr	35 yrs 174 days	64
Whalley, Douglas B.	Vested	Vested	5 yrs 261 days	62
Wilkinson, Robert W. , Jr.	Parks	Executive 2	11 yrs 57 days	68
Willey, Gundl S.	K.C. Health	Administrative Specialist II	24 yrs 104 days	66
Williams, Daniel	DPD	Electrical Inspector	7 yrs 103 days	64
Winge, William H	SPU	Watershed Inspector	26 yrs 324 days	57
Wirachowsky, Paula E.	Vested	Vested	25 yrs 19 days	53
Wood, Teresa G.	Vested	Vested	7 yrs 355 days	62
Wright, Lewis W.	City Light	Meter Reader	40 yrs 287 days	70
Yamasaki, Valorie Y.	SDOT	Street Maintenance Supervisor	34 yrs 139 days	62
Young, Billie L.	Human Services	Executive 1	26 yrs 7 days	56

Total Service Retirements 284

**DISABILITY RETIREMENTS**

Nichols, Rosemarie	City Light	Principal Controller	22 yrs 178 days	49
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Total Disability Retirements 1

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
RETIRED MEMBERS DECEASED IN 2007**

<b>Name</b>	<b>Retired For</b>	<b>Department</b>	<b>Date Retired</b>	<b>Date of Death</b>	<b>Age at Death</b>
Ackley-Bell,Pamela S	Service	Dual Member	06/29/2004	08/05/2007	61
Aho,Alan E	Service	City Light	01/01/1990	08/18/2007	72
Alfrey,Douglas W	Service	Comptrollers	08/01/1978	02/22/2007	85
Anthony,Bruce C	Service	Parks	07/01/1992	03/06/2007	92
Ashford,Walter S	Service	City Light	05/23/1980	04/08/2007	89
Bannister,Robert W	Service	City Light	01/01/1976	11/30/2007	88
Bartelson,Grace M	Service	Engineering	10/01/1975	11/27/2007	91
Benadom,Walter E	Service	Building	08/01/1978	09/09/2007	87
Bergum,Eva F	Service	Health	06/01/1980	06/01/2007	92
Bishop,Guy R	Service	City Light	04/04/1981	07/15/2007	83
Blackburn,Faye L	Service	City Light	09/01/1974	08/16/2007	97
Brehan,Sue Y	Service	Water	02/01/1979	03/05/2007	91
Brenna,Howard N	Service	Fire	10/01/1987	05/10/2007	83
Brewer,Lawrence W	Service	Engineering	05/01/1974	05/18/2007	86
Champlin, Norman H	Service	DCLU	09/10/2003	10/13/2007	71
Clark,Richard	Service	Parks	09/10/1996	12/02/2007	80
Compton,Karen	Disability	Muni Courts	05/06/1999	03/12/2007	64
Corliss,Robert T	Service	City Light	04/01/1978	06/24/2007	87
Coston,Edna	Service	Comptrollers	09/01/1966	03/05/2007	99
Crandall,Lyle	Service	City Light	06/01/1979	07/01/2007	93
Crosby,Raymond	Service	City Light	08/01/1987	08/22/2007	80
Cuendet,Marie	Service	Dual Member	10/01/1999	07/17/2007	70
Dahl, Wayne L.	Service	Metro-Transit	09/02/2003	07/16/2007	65
Dahl,Halvor E	Service	City Light	05/01/1984	10/14/2007	83
Dailey,John J	Service	City Light	04/01/1985	07/17/2007	79
Dempsey,Betty J	Service	Health	01/01/1985	04/07/2007	84
Dickey,Alfred	Service	Police	01/31/1996	12/18/2007	77
Dinovi,George J	Service	SPU	11/15/2006	09/21/2007	59
Drake,Arnold	Service	City Light	06/01/1977	07/02/2007	91
Drobnack,Edward J	Service	City Light	06/18/1976	01/13/2007	89
Dunlap,Thomas J	Service	City Light	04/03/1979	10/28/2007	89
Dunscomb,John H	Service	Water	05/01/1990	08/20/2007	80
Egan,Donald J	Service	City Light	05/01/1975	08/26/2007	93
Emerson, Beth C.	Service	K.C. Health	02/03/2007	06/07/2007	53
Eng,Patricia W	Service	City Light	05/03/2006	01/25/2007	59
Evans Jr,Charles A	Service	City Light	04/26/1983	01/16/2007	86
Fearey,John W	Service	Seattle Center	01/01/1983	07/21/2007	84
Fisher,Earlena C	Service	City Light	07/01/1995	07/22/2007	76
Fox,Sally W	Service	Personnel	11/02/2005	10/26/2007	62
Freeman,Helen E	Service	Parks	03/01/1989	09/20/2007	75
Gates, Alice P.	Service	Dual Member	05/23/2002	02/14/2007	69
George, Virginia S	Service	Library	12/01/1988	09/16/2007	80
Gillen,Wesley N	Service	Engineering	04/01/1986	07/21/2007	75
Good,Vivian J	Service	DCLU	09/01/1988	05/22/2007	83
Gordon,Harry H	Service	Metro-Transit	09/02/1981	01/20/2007	89
Gray,M Dean	Service	City Light	01/09/1988	09/20/2007	70

(continued)

SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
RETIRED MEMBERS DECEASED IN 2007

<b>Name</b>	<b>Retired For</b>	<b>Department</b>	<b>Date Retired</b>	<b>Date of Death</b>	<b>Age at Death</b>
Gray, Wayne P	Service	Water	03/31/1990	01/16/2007	84
Griffin, William W	Service	Parks	09/01/1980	08/19/2007	88
Gualtier, Bernadette E	Service	Library	02/01/1982	03/27/2007	91
Haala, James	Service	Metro-Transit	04/09/1996	09/03/2007	73
Halter, Thomas E	Service	City Light	06/01/1981	03/06/2007	81
Hanada, Pete I	Service	DAS	05/01/1986	04/16/2007	85
Hanley, Thomas F	Service	City Light	01/01/1974	11/15/2007	90
Hanseling, Parthine A	Service	DAS	04/01/1982	08/12/2007	87
Hanson, Elen	Service	Health	05/01/1994	08/10/2007	82
Haster, John S	Service	K.C. Jail	07/01/1986	02/28/2007	83
Hatch, A Lloyd	Service	K.C. Health	10/16/2005	05/29/2007	83
Haverly, Kathryn	Service	K.C. Health	04/01/1980	03/13/2007	90
Healey, Ellis L	Service	General Services	11/01/1976	12/18/2007	91
Helmuth, William	Service	City Light	09/07/1989	06/21/2007	71
Hirai, Masashi	Service	Fleets & Facilities	08/02/2005	03/02/2007	78
Holt, Harold R.	Service	City Light	07/02/1997	06/04/2007	78
Hooks, Norma P	Service	Muni Courts	11/01/1989	03/12/2007	88
Hoover, Charlotte M	Service	Personnel	05/01/1989	01/14/2007	79
Howell, Douglas J	Service	Engineering	06/02/1998	03/17/2007	70
Huff, Warren R	Service	City Light	05/01/1990	12/13/2007	81
Jacobs, Maetreon	Service	Parks	03/30/1985	12/11/2007	86
Jensen, Ernest L	Service	City Light	02/01/1979	09/01/2007	91
Kamada, Diane L	Service	Fire	09/01/1995	04/01/2007	63
Kamihara, George	Service	DAS	01/04/1992	09/30/2007	79
Keith, Robert E	Service	City Light	10/02/1981	03/25/2007	77
Kennebrew, John	Service	Engineering	01/01/1985	01/28/2007	80
Kennell, James E	Service	SPU	03/17/2006	04/12/2007	86
Kenyon, Larry	Service	Seattle Center	02/01/2001	07/16/2007	71
Kivimaki, Lauri E	Service	City Light	06/13/1987	07/08/2007	83
Knapp, Dorothy M	Service	Library	03/01/1978	01/11/2007	93
Kroener, E G	Service	DAS	09/01/1985	02/09/2007	86
Kunnap, Betty L	Service	ESD	08/02/2002	06/03/2007	67
Laney, Robert R	Service	City Light	09/20/2006	06/01/2007	58
London, Louis	Service	Seattle Center	06/01/1983	01/01/2007	81
Longanecker, Bernice M	Service	Engineering	04/01/1984	02/18/2007	88
Luchau, Leonard	Service	Seattle Center	01/01/2004	05/30/2007	70
Lynd, Francella D	Service	Vested	03/07/2003	10/02/2007	68
Lyons, Eleanor J	Service	City Light	09/01/1977	07/28/2007	93
Macdonald, Donald	Service	Seattle Center	08/01/1988	12/29/2007	79
Mackay, Mildred H	Service	Engineering	05/01/1972	01/14/2007	96
Madden, Eloise H	Service	Library	03/01/1978	12/05/2007	88
Madsen, Arnold T	Service	Engineering	02/03/1976	01/10/2007	91
Malmanger, Carol M	Service	City Light	10/01/1991	06/01/2007	72
Matthews, Stanley L.	Service	Fleets & Facilities	02/08/2006	07/05/2007	66
McConnell, Zeke	Service	Seattle Center	12/02/1981	02/04/2007	88
McMillan, William S	Service	Parks	07/01/1987	04/04/2007	83

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
RETIRED MEMBERS DECEASED IN 2007**

<b>Name</b>	<b>Retired For</b>	<b>Department</b>	<b>Date Retired</b>	<b>Date of Death</b>	<b>Age at Death</b>
McNeill,Donald T	Service	SPU	03/22/1995	10/01/2007	74
Merlino,Mary R	Service	Health	12/01/1974	09/07/2007	98
Morgan, Rosalie	Service	ESD	11/05/2003	05/17/2007	60
Morris,Jessie E	Service	Engineering	07/01/1980	12/27/2007	87
Myers,Harvey R	Service	Seattle Center	02/01/1986	11/23/2007	83
Myers,Mae F	Service	Health	06/01/1977	07/29/2007	89
Myhre,John K	Service	DCLU	04/01/1983	03/16/2007	85
Nagaishi,Chiseko	Service	Enginerring	02/01/1976	09/12/2007	95
Nairn,Elsie E	Service	Muni Courts	03/01/1995	08/07/2007	77
Nelson,Vivian M	Service	Metro-Transit	07/01/1976	07/15/2007	92
Noah,Edna J	Service	Engineering	07/01/1981	05/04/2007	90
Nyland,Charlotte M	Service	Health	08/01/1985	06/07/2007	86
O'connor,John	Service	City Light	04/01/1993	07/06/2007	83
Okeefe,Clyde F	Service	Metro-Transit	03/01/1974	08/28/2007	92
Onsager,Richard N	Service	Treasury	10/01/1983	02/27/2007	77
Oswick,Sigurd M	Service	Parks	09/01/1975	02/06/2007	96
Ottele,Alfred M	Service	City Light	06/01/1977	01/04/2007	92
Parsons,Robert C	Service	City Light	01/07/1998	02/26/2007	59
Paschke,Edward C	Service	Muni Courts	01/01/1986	02/06/2007	90
Pattison,Dennis P.	Service	SPU	08/15/1997	09/17/2007	66
Perry,D'annette S	Service	Health	08/01/1985	07/22/2007	87
Petek,Richard D	Service	Engineering	05/01/1995	10/14/2007	74
Peterson,Chalmer H	Service	Metro-Transit	06/01/1979	08/14/2007	87
Pierce,Arlene E	Service	Fleets & Facilities	01/14/2005	02/19/2007	62
Purdy,Betty B	Service	Health	03/01/1980	09/04/2007	90
Purvine,Helen L	Service	Library	02/01/1990	05/11/2007	90
Rankin, Joyce A.	Service	SEATRAN	08/03/2004	05/11/2007	61
Rice,James T	Service	Water	09/15/1977	01/15/2007	91
Rippee,Stuart C.	Service	City Light	12/05/2001	08/03/2007	59
Robb,Harriet A	Service	Building	07/01/1980	05/21/2007	92
Roppo,Lois M	Service	Fire	08/01/1984	03/15/2007	87
Rosen,Helen E	Service	City Light	08/01/1988	12/16/2007	75
Rounds,Esther A	Service	City Light	04/01/1976	09/09/2007	92
Rowe,Clark W	Service	City Light	11/01/1975	04/09/2007	93
Russell,Erleen AR	Service	Police	09/01/1989	05/23/2007	82
Saetrevik,Sigvard	Service	Parks	05/01/1976	08/09/2007	86
Schlaht,Arthur R	Service	Parks	03/01/1978	08/05/2007	89
Sekor,David	Service	DCLU	04/03/1999	05/20/2007	74
Singleton, Susan E.	Service	Parks	10/01/2002	09/11/2007	61
Smiley,Eileen K	Service	Engineering	04/01/1982	11/20/2007	90
Smith,June G	Service	Parks	04/01/1977	07/30/2007	82
Smith,Katherine P	Service	Health	07/01/1975	03/26/2007	90
Sneatum,Maria	Service	Parks	12/01/1988	04/25/2007	78
Stevens, Frank J	Service	SPU	05/01/1995	09/29/2007	67
Stevenson,Jane	Service	Seattle Center	01/01/1983	08/20/2007	90
Story,Gary	Service	Seattle Center	04/02/1997	12/11/2007	68
Tanaka,Nobuichi	Service	City Light	02/01/1986	03/21/2007	82

(continued)

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
RETIRED MEMBERS DECEASED IN 2007**

<b>Name</b>	<b>Retired For</b>	<b>Department</b>	<b>Date Retired</b>	<b>Date of Death</b>	<b>Age at Death</b>
Taylor,Vernon J	Service	Water	05/15/1980	10/09/2007	90
Thomas,Robert D	Service	City Light	03/01/1989	06/24/2007	74
Thompson,Russell	Service	City Light	07/01/1974	03/10/2007	94
Towne,Vernon W	Service	Law	10/01/1977	02/27/2007	96
Tuffs,Lawrence W	Service	City Light	03/01/1984	01/02/2007	83
Tuffs,Maria M	Service	Muni Courts	12/01/1985	06/07/2007	83
Turner,June	Service	Muni Courts	05/01/1987	01/12/2007	81
Van Amburgh,Mb	Service	Health	06/01/1973	11/18/2007	96
Van Brunt,Nicholas	Service	Health	01/06/1996	01/23/2007	88
Vance,Ernst M	Service	City Light	06/02/1977	04/21/2007	85
Vibber,John	Service	Parks	05/29/1980	10/30/2007	92
Vorris,Beatrice J	Service	Police	07/01/1982	04/04/2007	86
Ware,Martha D	Service	Library	09/01/1982	07/12/2007	81
Washington,Clarence	Service	Metro-Transit	07/18/1992	10/28/2007	77
Welch,Margaret O	Service	City Light	09/01/1972	02/06/2007	95
Wertz,Lee H	Service	Metro-Transit	09/01/1990	11/13/2007	79
Westerman, William A	Service	City Light	01/10/2007	12/27/2007	65
Wills,WH	Disability	City Light	02/01/1956	03/20/2007	85

Average Age of Deceased Pensioner	81.66
Average Age of Deceased Disability Pensioner	74.50

Number of Service Pensioners Deceased	155
Number of Disability Pensioners Deceased	2

Death Benefits for Deceased Retirees	\$ 266,000.00
Refund Under Option "A"	\$ 52,732.13
Refund Under Disability	\$ 0.00

**SEATTLE CITY EMPLOYEES' RETIREMENT SYSTEM  
DEATHS IN ACTIVE SERVICE DURING 2007**

<b>Name</b>	<b>Position</b>	<b>Department</b>	<b>Age</b>
Braggs Sr,Richard J	Permit Process Leader	DPD	64
Penttila,Richard D	Manager 3	Parks	57
Wong, Yim S	Accountant	SPU	57
Mercer,Michael G	Planning & Dev Spec II	SPU	57
Trieu,Hoa	Civil Eng Spec Asst I	SPU	56
Trower,Jo Ann	Library Technician	Library	51
Wong-Meserve,Doreen Y	Administrative Specialist I	Police	53
Reynolds,Christopher M	Golf Course Technician	Parks	30
		Total	8
		Average Age	53.13

**DEATH BENEFIT SYSTEM**  
**For The Year Ended December 31, 2007**

All active members and those retired members who so elect are covered by the Death Benefit System. The Death Benefit System is similar to a life insurance policy and pays \$2,000 to the beneficiary of an active or retired member.

The annual premium for each member is \$12, with the City matching this amount. Any additional funds needed to fund the Death Benefit System come from the undistributed earnings of the Retirement System.

There were 6 (1 vested) deaths in active service and 133 claims from retired employees - a total of 139 claims. This compares with 16 deaths in active service in 2006, and 118 claims from retired employees - a total of 134. The claims totaled \$278,000 in 2007, and \$268,000 in 2006.

Income from the 16,093 active and retired employees was		\$ 144,348
Income from Employers:		
Seattle City Light	\$ 30,078	
General Fund	33,192	
SEATRAN	12,096	
Seattle Parks Department	15,816	
Seattle Public Utilities	20,904	
Finance	5,274	
Library	9,198	
Seattle Center	5,652	
Construction and Land Use	5,934	
Metro Transit Fund	2,172	
Employees' Retirement System	228	
King County Health & Custodial	3,660	
Total from Employer Funds		\$ 144,204
Total paid into Death Benefit Reserve		\$ 288,552
Transfer from Undistributed Investment Earnings		\$ 10,552
		\$ 278,000
<u>Less: Death Benefit Claims - 2007</u>		\$ (278,000)
Death Benefit Reserve Balance December 31, 2007		\$ 0.00

**UNUSED SICK LEAVE**

At the time of retirement, members may elect to receive a cash payment equal to 25% of the monetary value of their "unused sick leave". The monetary value is developed by multiplying the number of hours of unused sick leave by the hourly rate, and is calculated and paid to the employee by the employing department when the person retires immediately following employment. Vested members retiring at a future date do not receive a sick leave payout.

The member may elect to write a check payable to the City, and deliver it to the Retirement System, for the amount of the sick leave payout, and this amount will be placed in an account to be used to pay health care premiums for self and spouse. Since the health care premiums are paid from the Health Care Fund, these funds do not accrue interest. If the retiree dies before the credit is exhausted, the surviving spouse may use the remaining credit to pay for health care coverage.

In the event of the death of an active employee eligible for sick leave benefits, the employing department will pay the beneficiary an amount equal to 25% of said employees' accumulated unused sick leave.

Of the 284 service retirements during 2007, there were no retirees that deposited the value of their sick leave payout to an account that will be used to pay their medical premiums.

**Percentage of Average Salary**

Years of Retirement Credit	Age														Years of Retirement Credit	
	Any	52	53	54	55	56	57	58	59	60	61	62	63	64		65
30	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	30
29		58	58	58	58	58	58	58	58	58	58	58	58	58	58	29
28		56	56	56	56	56	56	56	56	56	56	56	56	56	56	28
27		51.3	54	54	54	54	54	54	54	54	54	54	54	54	54	27
26		46.8	49.4	52	52	52	52	52	52	52	52	52	52	52	52	26
25		42.5	45	47.5	50	50	50	50	50	50	50	50	50	50	50	25
24		38.4	40.8	43.2	45.6	48	48	48	48	48	48	48	48	48	48	24
23		34.5	36.8	39.1	41.4	43.7	46	46	46	46	46	46	46	46	46	23
22		30.8	33	35.2	37.4	39.6	41.8	44	44	44	44	44	44	44	44	22
21		27.3	29.4	31.5	33.6	35.7	37.8	39.9	42	42	42	42	42	42	42	21
20		24	26	28	30	32	34	36	38	40	40	40	40	40	40	20
19							28.88	30.02	31.16	32.3	33.44	34.58	35.72	36.86	38	19
18							27.36	28.44	29.52	30.6	31.68	32.76	33.84	34.92	36	18
17							25.84	26.86	27.88	28.9	29.92	30.94	31.96	32.98	34	17
16							24.32	25.28	26.24	27.2	28.16	29.12	30.08	31.04	32	16
15							22.8	23.7	24.6	25.5	26.4	27.3	28.2	29.1	30	15
14							21.28	22.12	22.96	23.8	24.64	25.48	26.32	27.16	28	14
13							19.76	20.54	21.32	22.1	22.88	23.66	24.44	25.22	26	13
12							18.24	18.96	19.68	20.4	21.12	21.84	22.56	23.28	24	12
11							16.72	17.38	18.04	18.7	19.36	20.02	20.68	21.34	22	11
10							15.2	15.8	16.4	17	17.6	18.2	18.8	19.4	20	10
9												16.38	16.92	17.46	18	9
8		<b>Not Eligible to Retire</b>										14.56	15.04	15.52	16	8
7												12.74	13.16	13.58	14	7
6												10.92	11.28	11.64	12	6
5												9.1	9.4	9.7	10	5

**Identify percentage factor above that applies to your age and years of service.**

Percentages increase with each day of service.

Maximum percentage factor = 60% with 30 years of retirement credit.

Average Salary = Average of Highest Consecutive 24 months.

If Expected retirement date is 2 years or more from now, use today's salary as estimated Final Average Salary.

**Eligibility for Retirement**

**5 to 9 years of service - and are age 62 or older**

**10 to 19 years of service - and are age 57 or older**

**20 to 29 years of service - and are age 52 or older**

**30 years of service - any age**

**Example: 22 years of credit, age 56, and final average salary is \$2,500**

$$\frac{\$ 2,500}{\text{Final Average Salary}} \times \frac{39.6 \%}{\text{percentage factor from table based on age and years of credit}} = \frac{\$ 990}{\text{Estimated Pension Amount}}$$

*This form is only intended to provide a general profile of how an estimated pension amount is calculated.*

Any unpaid leave during your career is not counted towards retirement credit.