

Transfer of Service Credit Agreement

This Transfer of Service Credit Agreement (hereinafter, "this Agreement") is made and entered into effective the 1 day of October, 2023, between the School Employees Retirement System of Ohio (hereinafter "SERS"), a public pension fund created pursuant to Chapter 3309 of the Ohio Revised Code (hereinafter, "the O.R.C."), as approved by its Board of Trustees, and the City of Cincinnati on behalf of the Board of Trustees of the Cincinnati Retirement System (hereinafter "CRS"). This Agreement amends and replaces the Transfer of Service Credit Agreement entered into by the parties on December 3, 2001.

Section I - Interpretation

This Agreement is entered into in accordance with O.R.C. 3309.74 and is intended to be consistent with O.R.C. sections 3309.74, 3309.75, and 3309.76, and any ordinance or resolution adopted by the Cincinnati City Council and CRS in accordance with O.R.C. 3309.74(B)(1).

Section II - Definitions

To the extent that this Agreement refers to terms that are contained in O.R.C. Chapter 3309 or Cincinnati Municipal Code (hereinafter "CMC") Chapter 203, unless otherwise specified herein, such terms shall have the meanings ascribed to them in those respective provisions. The following definitions shall apply for purposes of this Agreement.

A. Accepting System

The retirement system that agrees to grant an Eligible Member service credit in exchange for the transfer of monies from the Transferring System and payment as applicable from the Eligible Member in accordance with this Agreement.

B. Eligible CRS Member

A person who meets all of the following:

1. Is a member of CRS who is not receiving a service retirement allowance or a disability retirement allowance or benefit under CRS;
2. Is not receiving a retirement allowance or disability benefit from SERS calculated using the service to be transferred; and
3. Under Chapter 3309, is either:
 - a. a member of SERS who is not a current contributor and has accumulated contributions in the SERS employees' savings fund; or
 - b. is a former member of SERS who has withdrawn his or her accumulated contributions from the employees' savings fund;
4. The member's service credit in CRS is greater than the amount of credit that would be obtained from SERS;

5. The member is eligible, or with the credit would be eligible, for a pension or benefit from CRS; and
6. The member agrees to retire and accept a benefit not later than ninety days after receiving notice from CRS that the credit has been obtained.

C. Eligible Member or Member

A person who is either an Eligible CRS Member or an Eligible SERS Member as the context dictates.

D. Eligible SERS Member

A person who meets all of the following:

1. Is a member of SERS who is not receiving a retirement allowance or disability benefit under SERS;
2. Is not receiving a service retirement allowance or a disability service retirement allowance or benefit from CRS calculated using the service to be transferred;
3. Under the CRS governing laws is either:
 - a. a member of CRS who is not a current member in service under CRS governing law and has CRS accumulated contributions with CRS; or
 - b. is a former member of CRS who received a distribution of his or her accumulated contributions with CRS;
4. The member's service in SERS is greater than the amount of credit that would be obtained from CRS;
5. The member is eligible, or with the credit would be eligible, for a retirement allowance or disability benefit from SERS; and
6. The member agrees to retire or accept a disability benefit not later than ninety days after receiving notice from SERS that the credit has been obtained.

E. Eligible Service Credit

Service credit earned under the Transferring System or purchased or obtained military service credit in the Transferring System included in the Member's total service credit in the Transferring System.

F. Transferring System

The retirement system that agrees to transfer the required monies to the Accepting System at the request of the Eligible Member for the grant of service credit in accordance with this Agreement.

G. Year of Service

Years, including portion of a year or years, of Eligible Service Credit to be transferred.

Section III - Transfer

To initiate the transfer proceedings, an Eligible Member must complete, sign, and file with the Accepting System a written election form as authorized by the Accepting System, including an agreement to retire or accept a disability benefit no later than ninety days after receiving notice from the Accepting System that the credit has been obtained. When the form is properly completed and filed with the Accepting System, the Accepting System shall confirm that the Eligible Member's service credit in the Accepting System is greater than the amount of credit to be transferred and that the Eligible Member is eligible, or with the credit will be eligible, for a retirement or disability benefit. If all conditions have been met, the Accepting System shall provide written notice to the Transferring System, and Eligible Service Credit shall be transferred as set forth herein.

A. Transfer of Service Credit from CRS to SERS

SERS agrees to grant an Eligible SERS Member credit pursuant to Section IV of this Agreement for Eligible Service Credit the Member has in CRS upon receipt of the monies set forth in the applicable Section III A.1. or A.2. of this Agreement. CRS agrees to transfer the amounts specified in applicable Section III A.1. or A.2. within sixty days after receiving notice from SERS that an Eligible SERS Member has completed the required election form and paid any amounts required under Section III A.2.a. of this Agreement.

1. Contributions on Deposit

If the Eligible SERS Member has contributions on deposit with CRS, SERS agrees to grant the Member credit after receiving from CRS the sum of the following for each Year of Service to be transferred from CRS.

- a. An amount equal to the Member's contributions to CRS and payments made by the Member for purchased military service credit plus any interest granted by CRS on the Member's contributions.
- b. An amount equal to the lesser of the employer's contributions to CRS or the amount that would have been contributed by the employer for the service had the Member been a member of SERS when the Year of Service was earned.
- c. Interest calculated as set forth in Section VI of this Agreement from the last day of the year in which Year of Service was earned or in which payment was made for purchased military service credit to the date the transfer is made on the following amounts:
 - (i) The amount specified in Section III A.1.a. of this Agreement less any interest granted by CRS on the Member's contributions; and,
 - (ii) The amount specified in Section III A.1.b. of this Agreement.

- d. If CRS fails to transfer monies, as required under this Agreement, SERS shall notify the Member that CRS has failed to transfer the sums required and shall not grant service credit for the Year of Service.

2. Refunded Contributions

Only an Eligible SERS Member who has eighteen (18) months of contributing service credit with SERS is eligible to receive credit in SERS for Eligible Service Credit in CRS for which the Member has received a refund of contributions or payments from CRS. SERS agrees to grant the Eligible SERS Member service credit pursuant to Section IV of this Agreement subject to the following terms and payment of the following sums:

- a. An Eligible SERS Member shall pay to SERS for each Year of Service to be transferred an amount equal to the amount refunded by CRS to the Eligible Member for each Year of Service with interest calculated at a rate established by the School Employees Retirement Board on that amount from the date of the refund to the date of the payment;
- b. SERS shall notify CRS when it has received the payment set forth in Section III A.2.a. of this Agreement from the Eligible SERS Member for all Years of Service that the Eligible Member has elected to be transferred. Within sixty days of receiving notice from SERS, CRS agrees to transfer to SERS an amount equal to the sum of the following:
 - (i) Interest calculated as set forth in Section VI of this Agreement on the amount refunded to the Member that is attributable to each Year of Service for which the Eligible Member has paid the amount required under Section III A.2.a of this Agreement from the last day of the year in which the Year of Service was earned or in which payment was made for purchased military service credit to the date the refund was made. This amount shall not include any amount of interest or employer contributions included in the refund CRS paid to the Member;
 - (ii) An amount equal to the lesser of the employer's contributions to CRS or the amount that would have been contributed by the employer for the service had the person been a member of SERS when the Year of Service was earned with interest calculated as set forth in Section VI of this Agreement on that amount from the last day of the year in which the Year of Service was earned to the date of the transfer.
- c. When the transfer of Eligible Service Credit involves refunded contributions and the Eligible SERS Member elects to purchase only a part of the total Eligible Service Credit available, or when the Accepting System does not receive payment of the full amount due from the Eligible Member, the Accepting System shall prorate the amount of service to be granted based upon the payment received. The Accepting System shall notify the Transferring System of the prorated credit to be granted and the Transferring

System shall be obligated to transfer the sums attributable to the prorated service credit to be granted. Upon receipt of the transferred monies, the Accepting System shall grant the prorated credit. Service credit shall be deemed to be transferred from the latest date to the earliest date. Military service credit shall be deemed earned as of the date it was obtained or purchased.

- d. If CRS fails to transfer monies, as required under this Agreement, SERS shall notify the Member that CRS has failed to transfer the sums required and shall refund the sums, if any, paid to SERS by the Member for the Year of Service.

B. Transfer of service credit from SERS to CRS

CRS agrees to grant an Eligible CRS Member credit pursuant to Section IV of this Agreement for Eligible Service Credit the member has in SERS upon receipt of the monies set forth in the applicable Section III B.1. or B.2. of this Agreement. SERS agrees to transfer the amounts specified in applicable Section III B.1. or B.2. within sixty days after receiving notice from CRS that an Eligible CRS Member has completed the required election form and paid any amounts required under Section III B.2.a. of this Agreement.

1. Contributions on Deposit

If the Eligible CRS Member has contributions on deposit with SERS, CRS agrees to grant the Member credit after receiving from SERS the sum of the following for each Year of Service to be transferred from SERS.

- a. An amount equal to the Member's contributions to SERS and payments made by the Member for purchased military service credit plus any interest granted by SERS on the Member's contributions.
- b. An amount equal to the lesser of the employer's contributions to SERS or the amount that would have been contributed by the employer for the service had the person been a member of CRS when the Year of Service was earned.
- c. Interest calculated as set forth in Section VI of this Agreement from the last day of the year in which the Year of Service was earned or in which payment was made for military service credit to the date the transfer was made on the following amounts:
 - (i) The amount specified in Section III B.1.a. of this Agreement less any interest granted by SERS on the Member's contributions; and,
 - (ii) The amount specified in Section III B.1.b. of this Agreement.
- d. If SERS fails to transfer monies, as required under this Agreement, CRS shall notify the Member that SERS has failed to transfer the sums required, and shall not grant the service credit for the Year of Service.

2. Refunded Contributions

CRS agrees to grant service credit in CRS, pursuant to Section IV of this Agreement, for which the Eligible CRS Member has Eligible Service Credit in SERS subject to the following terms and payment of the following sums:

- a. An Eligible CRS Member shall pay to CRS an amount equal to the amount refunded by SERS to the Eligible Member for each Year of Service with interest calculated at a rate established by the CRS Board of Trustees on that amount from the date of the refund to the date of the payment.
- b. CRS shall notify SERS when it has received the payment set forth in Section III B.2.a. from the Eligible CRS Member for all Years of Service that the Eligible Member has elected to be transferred. Within sixty days of receiving notice from CRS, SERS agrees to transfer to CRS an amount equal to the sum of the following:
 - (i) Interest calculated as set forth in Section VI of this Agreement on the amount refunded to the Member that is attributable to each Year of Service for which the Eligible Member has paid the amount required under Section III B.2.a. of this Agreement from the last day of the year in which the Year of Service was earned or in which payment was made for purchased military credit to the date the refund was made. This amount shall not include any amount of interest or employer contributions included in the refund SERS paid to the Member;
 - (ii) An amount equal to the lesser of the employer's contributions to SERS or the amount that would have been contributed by the employer for the service had the person been a member of CRS when the Year of Service was earned with interest calculated as set forth in Section VI of this Agreement on that amount from the last day of the year in which the Year of Service was earned to the date of the transfer.
- c. When the transfer of Eligible Service Credit involves refunded contributions and the Eligible CRS Member elects to purchase only a part of the total Eligible Service Credit available, or when the Accepting System does not receive payment of the full amount due from the Eligible Member, the Accepting System shall prorate the amount of service to be granted based upon the payment received. The Accepting System shall notify the Transferring System of the prorated credit to be granted and the Transferring System shall be obligated to transfer the sums attributable to the prorated service credit to be granted. Upon receipt of the transferred monies, the Accepting System shall grant the prorated credit. Service credit shall be deemed to be transferred from the latest date to the earliest date. Military service credit shall be deemed earned as of the date it was obtained or purchased.

- d. If SERS fails to transfer monies, as required under this Agreement, CRS shall notify the Member that SERS has failed to transfer the sums required and shall refund the sums, if any, paid to CRS by the Member for the Year of Service.

Section IV - Service Credit Granted

The Accepting System shall grant service credit to the Eligible Member for a specific period of Eligible Service Credit to be transferred from the Transferring System as allowed by the Accepting System's applicable service credit law, subject to the payment of sums provided under Section III of this Agreement and the provisions set forth in Section V of this Agreement. The Accepting System shall not require the transfer or payment of monies as to military service credit to be transferred that was granted by the Transferring System without payment of any contributions or other sums.

The Accepting System shall withdraw service credit and refund all amounts paid or transferred to obtain the credit if the member fails to retire or accept a disability benefit not later than ninety days after receiving notice from the Accepting System that the credit has been obtained or if the member's application for disability is denied. When the withdrawn credit was obtained from a transfer of contributions and interest, the Transferring System shall restore the Eligible Member's cancelled service credit and account balance to their pre-transfer status.

Section V - Ineligible Credit

- A. Service credit that has been used to calculate any retirement allowance or pension benefit currently being paid or payable in the future may not be transferred pursuant to this Agreement.

- B. Concurrent Service

Credit transferable under this Agreement shall not exceed one year of credit for any twelve-month period of service. If the period of service for which credit is to be transferred under this Agreement is concurrent with a period of service that will be used to calculate a retirement benefit under the Accepting System, the amount of credit shall be adjusted in accordance with the Accepting System's applicable law, policies, or procedures.

Section VI Interest

Interest charged under Section III of this Agreement shall be calculated separately for each year of Eligible Service Credit. Unless otherwise specified, it shall be calculated at the lesser of the actuarial assumption rate of SERS or CRS for that year in which the credit was earned. The interest shall be compounded annually. The actuarial assumption rates, and employee and employer contribution rates from the year 1960 through the year 2022 for SERS are attached as Exhibit A, and for CRS from the year 1957 through the year 2022 as Exhibit B. SERS and CRS shall notify each other of any change to these rates.

Section VII - Effect of Transfer

- A. The granting of service credit by the Accepting System under this Agreement, upon receipt of transferred contributions on deposit plus interest from the Transferring System, cancels an equivalent amount of service credit in the Transferring System.
- B. Any other effects of the transfer on the Eligible Member's entitlement to retirement, pension, disability, or other benefits under the Accepting System and the Transferring System shall be determined under the terms of SERS and CRS laws, policies, or procedures.
- C. This Agreement is in no way intended to restrict or limit the power of:
 - 1. The legislative authority of the City to amend the provisions of the CRS laws, or the authority of the Ohio General Assembly to amend the provisions of SERS laws, including, and without limitation, amendments that reduce the amount of, or restrict the availability of, pension and other benefits attributable to service credit that has been transferred under this Agreement; or,
 - 2. The Boards of Trustees of CRS or of SERS to adopt rules, regulations, procedures and other administrative practices, including, and without limitation, rules, regulations, procedures and other administrative practices that reduce the amount of, or restrict the availability of, pension or other benefits attributable to service credit that has been transferred under this Agreement.

Section VIII - Certified Copies

At the written request of the Accepting System, the Transferring System shall certify in writing to the Accepting System a copy of the records of the service and contributions of a member who seeks to transfer service credit under O.R.C. 3309.75 or O.R.C. 3309.76.

Section IX - Modifications

The terms and conditions of this Agreement can only be modified if both parties approve any modification in writing and signed by their authorized representative.

Section X - Term of Agreement

This amended agreement will commence October 1, 2023 Either party can terminate this Agreement upon one hundred twenty days prior written notice to the other party.

Section XI - Effect of Termination

The termination of this Agreement shall not affect any transfer of Eligible Service Credit or contributions made between SERS and CRS that are completed prior to termination. If an Eligible Member of SERS or CRS, prior to the effective termination date of this Agreement, has paid the Accepting System, or commenced to pay the Accepting System by payroll deduction or other form of installment payment, the amounts due under Section III A.2.a. or B.2.a. of this Agreement for Eligible Service Credit where contributions had been refunded,

SERS and CRS shall complete the transfer of Eligible Service Credit in accordance with the terms of this Agreement that were in effect as of the effective date of termination.

Section XII - Governing Law

This Agreement shall be governed by the laws of the State of Ohio as to all matters, including, but not limited to, matters of validity, construction, effect and performance, regardless of laws that might be applicable under conflict of law principles.

Section XIII - Notice

Notices required or permitted under this Agreement shall be in writing and be sent regular U.S. mail, addressed as follows:

If to SERS:
School Employees Retirement System
300 East Broad Street, Suite 100
Columbus, OH 43215
Attn: Executive Director

If to CRS:
Cincinnati Retirement System
801 Plum Street, Room 348
Cincinnati, OH 45202
Attn: CRS Director

Any changes in the address for notice shall be made in writing and mailed as set forth in this Section.

Section XIV - Transfer of Monies

Each party shall provide the other party with current written instructions for the transfer of monies when it is the Accepting System in a transfer.

* * *

CITY OF CINCINNATI
ON BEHALF OF
THE BOARD OF TRUSTEES OF
THE CINCINNATI RETIREMENT
SYSTEM

By: _____
Sheryl M. M. Long, City Manager

Date: _____

RECOMMENDED BY

Name: Jon Salstrom
Title: Executive Director, Retirement

APPROVED AS TO FORM:

Assistant City Solicitor

SCHOOL EMPLOYEES RETIREMENT
SYSTEM OF OHIO

BY: _____
Richard Stensrud, Executive Director

Date: _____

Exhibit A

SERS Actuarial Assumption Rates

1960	3.00%	1985	7.50%	2010	8.00%
1961	3.00%	1986	7.50%	2011	
1962	3.00%	1987	7.50%	2012	
1963	3.00%	1988	7.50%	2013	
1964	3.13%	1989	7.50%	2014	
1965	3.25%	1990	7.50%	2015	
1966	3.25%	1991		2016	
1967	4.00%	1992	7.75%	2017	
1968	4.00%	1993	7.75%	2018	
1969	4.00%	1994	7.75%	2019	
1970	4.00%	1995	7.75%	2020	
1971	4.00%	1996	8.25%	2021	
1972	4.25%	1997	8.45%	2022	
1973	4.50%	1998	8.25%		
1974	4.75%	1999	8.25%		
1975	4.94%	2000	8.25%		
1976		2001	8.25%		
1977	5.00%	2002			
1978	5.00%	2003			
1979	5.00%	2004			
1980	5.00%	2005			
1981		2006			
1982	5.50%	2007			
1983	5.50%	2008			
1984	7.50%	2009			

Exhibit A

SERS Employee & Employer Contribution Rates

Year	Member Contribution Rate	Employer Contribution Rate
1960	7.00%	9.22%
1961	7.00%	9.22%
1962	7.00%	9.22%
1963	7.00%	9.22%
1964	7.00%	9.22%
1965	7.00%	9.22%
1966	7.00%	10.00%
1967	7.00%	10.00%
1968	7.00%	10.00%
1969	7.90%	10.00%
1970	7.90%	11.40%
1971	7.90%	11.40%
1972	7.90%	11.40%
1973	7.90%	11.40%
1974	7.95%	12.50%
1975	8.00%	12.50%

Year	Member Contribution Rate	Employer Contribution Rate
1976	8.00%	12.50%
1977	8.00%	12.50%
1978	8.00%	12.50%
1979	8.00%	12.50%
1980	8.00%	12.50%
1981	8.00%	12.50%
1982	8.00%	12.50%
1983	8.00%	12.50%
1984	8.75%	14.00%
1985	8.75%	14.00%
1986	8.75%	14.00%
1987	8.75%	14.00%
1988	8.75%	14.00%
1989	8.75%	14.00%
1990	9.00%	14.00%
1991	9.00%	14.00%

Year	Member Contribution Rate	Employer Contribution Rate
1992	9.00%	14.00%
1993	9.00%	14.00%
1994	9.00%	14.00%
1995	9.00%	14.00%
1996	9.00%	14.00%
1997	9.00%	14.00%
1998	9.00%	14.00%
1999	9.00%	14.00%
2000	9.00%	14.00%
2001	9.00%	14.00%
2002		14.00%
2003		14.00%
2004		14.00%
2005		14.00%
2006		14.00%
2007		14.00%

Year	Member Contribution Rate	Employer Contribution Rate
2008		14.00%
2009		14.00%
2010		14.00%
2011		14.00%
2012		14.00%
2013		14.00%
2014		14.00%
2015		14.00%
2016		14.00%
2017		14.00%
2018		14.00%
2019		14.00%
2020		14.00%
2021		14.00%
2022		