



Town Council Agenda Report

SUBJECT: Ordinance

CONTACT PERSON/NUMBER: Chris Wallace, 797-1050

TITLE OF AGENDA ITEM:

AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA AMENDING ORDINANCE 99-20, CONCERNING THE POLICE OFFICERS' RETIREMENT SYSTEM; AMENDING SECTION 4.4 CONCERNING THE PAYMENT OF OPTIONAL FORMS OF BENEFITS PROVIDING THAT DROP DISTRIBUTIONS CANNOT EXCEED THE ACCRUED ACCOUNT BALANCE; AMENDING SECTION 4.6 CREATING SUBSECTION (D) CONCERNING CASH-OUTS PROVIDING THAT NO DISTRIBUTION FROM THE DROP SHALL EXCEED THE ACCOUNT BALANCE INCLUSIVE OF EARNINGS; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

REPORT IN BRIEF:

In an effort to settle the Town's administrative appeal over the loss of State funding for the Police Pension Plan, the Town acquiesces in the Pension Board Attorney's recommendation to amend the plan language.

PREVIOUS ACTIONS:

not applicable

CONCURRENCES:

not applicable

FISCAL IMPACT:

Has request been budgeted? Not Applicable

RECOMMENDATION(S)

Motion to approve the resolution.

Attachment(s):

Resolution

Memorandum From Budget and Finance Director

Item No.

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, AMENDING ORDINANCE 99-20, CONCERNING THE POLICE OFFICERS' RETIREMENT SYSTEM; AMENDING SECTIONS 4.4 AND 4.6 CONCERNING THE PAYMENT OF OPTIONAL FORMS OF BENEFITS; PROVIDING THAT DROP DISTRIBUTIONS CANNOT EXCEED THE ACCRUED ACCOUNT BALANCE; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Florida Division of Retirement has requested certain technical changes in the Town of Davie Police Officers' Pension Plan to conform to existing actuarial practice; and

WHEREAS, the changes are necessary to maintain compliance with Chapter 185, Florida Statutes; and

WHEREAS, the Board of Trustees of the Retirement System and the Town Council agree that these changes are in the best interests of the Retirement System and the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. Ordinance 99-20 is hereby amended by amending the first sentence of Section 4.4 to read as follows:

4.4 Description of Forms of Payment. The value of each of the following forms of payment will be the Actuarial Equivalent of the benefit that would be payable to the Participant as a single life annuity under the normal form of payment described in Section 4.1.

SECTION 2. Ordinance 99-20 is hereby amended by creating a subsection (d) to Section 4.6 to read as follows:

(d) No distribution from the DROP shall exceed the Participant's DROP account balance, inclusive of earnings.

SECTION 3. All Ordinances or parts of Ordinances in conflict herewith are to the extent of such conflict hereby repealed.

SECTION 4. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portion of this Ordinance.

SECTION 5. This Ordinance shall take effect immediately upon its passage and adoption.

PASSED ON FIRST READING THIS ____ DAY OF _____, 2000.

PASSED ON SECOND READING THIS ____ DAY OF _____, 2000.

MAYOR/COUNCILMEMBER

ATTEST:

TOWN CLERK

APPROVED THIS ____ DAY OF _____, 2000.

MEMORANDUM

DEPARTMENT OF BUDGET AND FINANCE

TO: Mayor and Town Council
Robert Middaugh, Town Administrator

FROM: Christopher Wallace, Budget and Finance Director

DATE: January 14, 2000

SUBJECT: Police Pension Plan Ordinance Revision

At the first reading of the accompanying Ordinance, which amends the Police pension plan, the Town Council expressed a concern over the wording of the DROP account balance language.

The ordinance is being revised at the request of the State of Florida's Division of Retirement so that the language is very clear that the Participant's in the Police Pension Plan DROP provision never receive more than their personal account balance. We believe this was evident in the original language in the Plan, but have agreed to amend the plan to move forward in settling many outstanding pension items with the State.

To make it abundantly clear, we have amended the proposed language from the first reading to clarify this matter.

Should you need further information, please feel free to contact me.