

Legislation Details (With Text)

File #:	20-467	Version:	2	Name:	
Type:	Ordinance / Regular Agenda		Status:	Passed	
File created:	7/9/2020		In control:	City Commission	
On agenda:	9/8/2020		Final action:	9/8/2020	
Title:	<p>P.H. 2020-79: (PUBLIC HEARING 2ND READING) AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, AMENDING CHAPTER 34, "CITY POLICY," OF THE CODE OF ORDINANCES OF THE CITY OF POMPANO BEACH RELATING TO THE POLICE & FIREFIGHTERS' RETIREMENT SYSTEM BY AMENDING SECTION 34.0571, "INTERNAL REVENUE CODE COMPLIANCE," TO PROVIDE FOR COMPLIANCE WITH THE SECURE ACT; BY AMENDING SECTION 34.0603, "DEFERRED RETIREMENT OPTION PLAN (DROP)," PROVIDING FOR A REDUCTION IN THE DROP ADMINISTRATIVE FEE; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE. (Fiscal Impact: N/A)</p> <p>FIRST READING: JULY 28, 2020</p>				

Sponsors:

Indexes:

Code sections:

Attachments: 1. Letter to City Mgr re Proposed Ordinance 2020-05-28 (003).pdf, 2. 2020-05-27 Actuarial Impact Statement - SECURE Act and DROP Fees (003).pdf, 3. City Attorney Memo 2020-821 Chapter 34 DROP Admin Fee Reduction 2020-821.pdf, 4. Proposed Ordinance Chapter 34 DROP Admin Fee Reduction Ordinance 2020-244.pdf, 5. James Linn opinion 7220 Proposed Police Fire Pension Ordinance Amendments.pdf

Date	Ver.	Action By	Action	Result
9/8/2020	2	City Commission	ADOPTED	Pass
7/28/2020	1	City Commission	APPROVED FIRST READING	Pass

P.H. 2020-79: (PUBLIC HEARING 2ND READING)

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, AMENDING CHAPTER 34, "CITY POLICY," OF THE CODE OF ORDINANCES OF THE CITY OF POMPANO BEACH RELATING TO THE POLICE & FIREFIGHTERS' RETIREMENT SYSTEM BY AMENDING SECTION 34.0571, "INTERNAL REVENUE CODE COMPLIANCE," TO PROVIDE FOR COMPLIANCE WITH THE SECURE ACT; BY AMENDING SECTION 34.0603, "DEFERRED RETIREMENT OPTION PLAN (DROP)," PROVIDING FOR A REDUCTION IN THE DROP ADMINISTRATIVE FEE; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.
(Fiscal Impact: N/A)

FIRST READING: JULY 28, 2020

(Staff Contact: Ed Beecher)

Summary Explanation/Background:

At the request of the Board of Trustees of the Pompano Beach Police & Firefighters' Retirement System at its virtual board meeting on May 18, 2020, the Board approved the proposed Ordinance amendments in two (2)

sections of Chapter 34, subject to approval the City Commission. In summary, the recommend proposed Ordinance changes are:

1. Implements the change in the required age for required minimum distributions contained in the SECURE Act, which became law in December 2019. This changes the required age for required minimum distributions from age 70 and ½ to age 72.
2. Reduces the administrative fee charged to member DROP accounts from 75 basis points to 60 basis points annually.

The Nyhart Company, Inc., actuaries on behalf of the Board, opined in its attached May 27, 2020, impact statement that the “net effect of the updates to the pension plan would be no material change to the liability or calculated contributions.” In addition, the City’s pension expert, James W. Linn, with Lewis Longman Walker, PA opined that the “changes do not raise any legal or financial issues for the City.”

Accordingly, this matter had been reviewed by City Staff and the City Attorney’s Office and the appropriate agenda item prepared for City Commission approval.

Origin of request for this action: Police and Firefighters’ Pension Board

Fiscal impact and source of funding: N/A