



October 12, 2015

VIA EMAIL and MAIL

Ms. Lynn Wenguer, Plan Administrator
City of Fort Lauderdale
Police and Firefighters' Retirement System
888 South Andrews Ave., Suite 202
Fort Lauderdale, FL 33316

Re: City of Fort Lauderdale
Police and Firefighters' Retirement System

Dear Lynn:

As requested, we have reviewed the proposed amending the plan to add a new subsection 20-135(u) to clearly authorize in-service distributions under limited cases and have determined that its adoption will have no impact on the assumptions used in determining the funding requirements of the program.

Because the changes do not result in a change in the valuation results, it is our opinion that formal Actuarial Impact Statements are not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Sara Carr
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

If you have any questions, please let me know.

Sincerely,

Bradley R. Heinrichs, FSA, EA, MAAA
BRH/lke

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF FORT LAUDERDALE, FLORIDA, PERTAINING TO THE SUBJECT OF RETIREMENT; AMENDING CHAPTER 20, PERSONNEL, ARTICLE IV, PENSIONS, DIVISION 3, POLICE AND FIREFIGHTERS RETIREMENT SYSTEM, SECTION 20-135, MISCELLANEOUS PROVISIONS, OF THE CODE OF ORDINANCES OF THE CITY OF FORT LAUDERDALE, TO ADD A NEW SUBSECTION 20-135(u) TO CLEARLY AUTHORIZE IN-SERVICE DISTRIBUTIONS UNDER LIMITED CASES; PROVIDING A STATEMENT OF PURPOSE AND INTENT; PROVIDING A CONFLICTS CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING AN EFFECTIVE DATE THEREFOR.

Whereas, the City of Fort Lauderdale's Police and Fire Pension Plan (the "Plan") is required to maintain the Plan in accordance with applicable federal and state law and regulations applicable thereto to maintain the tax qualified status of governmental plans; and

Whereas, the City of Fort Lauderdale has learned that the Plan may have been operated in a manner that is not in compliance with certain applicable federal tax laws due to the re-employment by the City of certain members who had commenced the receipt of retirement benefits or whose re-employment with the City did not terminate; and

Whereas, the City of Fort Lauderdale desires to correct any such operational defects in the administration of the Plan by the adoption of this Ordinance retroactively and to submit for approval to the IRS under its Voluntary Correction Program to be approved by the IRS to maintain and preserve the tax qualified status of the Plan; and

Whereas, under certain circumstances the City of Fort Lauderdale is permitted to re-employ employees who retire and still permit in-service distributions; and

Whereas, the City of Fort Lauderdale has determined that it is in the best interest of the City of Fort Lauderdale that the rehiring and retention of certain qualified and experienced public safety employees be continued provided such rehiring and retention does not adversely affect the tax qualified status of the Plan;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, THAT:

Section 1: Subsection 20-135(u) of the Code of Ordinance of the City of Fort Lauderdale is hereby created to read as follows:

"(u) In-Service Distributions

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47 (1) Notwithstanding any other provision of the "Plan" to the contrary:
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49 A. A Member who had attained such Member's "Normal Retirement Date" as
50 defined in the Plan, and who satisfied all of the conditions for eligibility for retirement contained
51 therein, and who was re-employed by the City after such retirement shall continue to receive
52 retirement benefits from the Plan as an in-service distribution while re-employed, and shall
53 continue to receive earnings on such member's DROP account and may also elect to receive
54 payments from the member's DROP account as an in-service distribution while re-employed.
55

56 B. If retiree described in Paragraph (1) A is returned to employment as a certified
57 police officer or firefighter as defined in F.S. Chapters 175 and 185 and thus becomes again a
58 mandatory Member of this Plan, such re-employed member shall continue to receive such
59 Member's retirement benefits as provided for under Paragraph (1) A above and shall be required
60 to make contributions to the Plan for the period of such re-employment. Upon retirement from
61 the City following such Member's period of re-employment, any benefits earned during such
62 period of re-employment shall be calculated separate and apart from the benefits earned during
63 the period of initial employment, and shall be paid to the Member, subject to maximum benefit
64 limits allowed under the Plan.
65

66 C. The right to receive an in-service distribution under this Subsection 20-135(u)
67 shall be retroactive to January 1, 1999 and shall terminate on December 31, 2013 and no future
68 in-service distribution rights shall exist thereafter under the Plan, except as specifically provided
69 for in Paragraph D. Notwithstanding the preceding sentence, no in-service distribution rights
70 granted to any Member prior to December 31, 2013 shall be adversely affected by this
71 amendment and any such Member shall continue to receive in-service distribution retirement
72 benefits under the Plan including, but not limited to, any Member who was a certified police
73 officer and elected to transfer his or her employment and serve as a reserve officer performing
74 booking facility, prisoner transport or War Memorial security services or to any other position of
75 employment by the City.
76

77 D. Exceptions To Paragraph C.
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79 1. Any retiree described in Paragraph (1) A who is a certified police
80 officer and who has elected or who elects to transfer his or her employment and serve as a
81 reserve officer performing booking facility, prisoner transport or War Memorial security
82 services, may elect to receive an in-service distribution and may continue employment with the
83 City.
84

85 2. Any retiree described in Paragraph (1) A above who serves as the Chief
86 of Police and who has elected or who elects to receive an in-service distribution may continue
87 employment with the City as the Chief of Police.

88
89 3. Any retiree described in Paragraph (1) A above who serves as the Fire
90 Chief and who has elected or who elects to receive an in-service distribution may continue
91 employment with the City as the Fire Chief.

92
93 The rights granted under this Paragraph D shall be retroactive to January 1, 1999. No
94 in-service distribution rights granted to any Member under this Paragraph D shall be adversely
95 affected by this amendment and such Member shall continue to receive in-service retirement
96 benefits under the Plan.

97
98 E. A Member shall become 100% vested in his or her benefits provided under the
99 Plan upon attaining Normal Retirement Age.

100 **Section 2.** Should any section, paragraph, sentence, clause, phrase or other part of this
101 Ordinance be declared by a court of competent jurisdiction to be invalid, such decision shall not
102 affect the validity of this Ordinance as a whole or any portion or part thereof, other than the part
103 so declared to be invalid.

104
105 **Section 3.** In the event the provisions of this Ordinance conflict with the provisions of any
106 other Ordinance or Resolution or Plan or Agreement, the provisions of this Ordinance shall
107 control.

108
109 **Section 4.** Effective Date. This Ordinance shall be in full force and effect upon its final
110 passage.