

CITY OF SANIBEL

ORDINANCE 20-004

AN ORDINANCE AMENDING CHAPTER 50, ARTICLE III, POLICE OFFICERS' RETIREMENT, DIVISION 2, PENSION PLAN, OF THE CODE OF ORDINANCES OF THE CITY OF SANIBEL, AMENDING SECTION 50-356, INTERNAL REVENUE CODE COMPLIANCE, TO PROVIDE FOR COMPLIANCE WITH THE SECURE ACT; PROVIDING FOR CODIFICATION; PROVIDING FOR CONFLICT AND SEVERANCE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Setting Every Community Up for Retirement Enhancement ("SECURE") Act, signed into law on December 20, 2019, amended the definition of "Required Beginning Date" under Section 401(a)(9) of the Internal Revenue Code; and

WHEREAS, amendments to the Pension Plan are necessary to conform the Pension Plan to the requirements of the SECURE Act; and

WHEREAS, the Board of Trustees of the City of Sanibel Police Pension Plan has recommended an amendment to the Pension Plan to comply with the SECURE Act; and

WHEREAS, the trustees of the City of Sanibel Police Pension Plan have requested and approved the amendments provided herein as being in the best interests of the participants and beneficiaries and improving the administration of the Plan, and

WHEREAS, the City Council has received and reviewed an actuarial impact statement related to this change, which is attached hereto as Exhibit "A"; and

WHEREAS, the City Council deems it to be in the public interest to provide this change to the Pension Plan for its police officers;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA:

SECTION 1. The foregoing WHEREAS clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon adoption hereof.

SECTION 2. That Chapter 50, Article III, Division 2, Subdivision IX, of the City of Sanibel Code of Ordinances be and is hereby amended by amending Section 50-356, Internal Revenue Code Compliance, subsection (b), *Required beginning date*, to read as follows:

Sec. 50-356. – Internal Revenue Code Compliance.

* * * * *

(b) *Required beginning date.* Notwithstanding any other provision of the plan, payment of a participant's retirement benefits under the plan shall commence not later than the participant's required beginning date, which is defined as follows ~~the later of:~~

(1) With regard to distributions required to be made to a participant who reaches age 70 ½ before January 1, 2020: April 1 of the calendar year that next follows the calendar year in which the participant attains or will attain the age of 70½ years; or ~~¶(2)~~ April 1 of the calendar year that next follows the calendar year in which the participant retires, whichever is later.

(2) With regard to distributions required to be made on or after January 1, 2020 to a participant who reaches the age of 70 ½ on or after said date: April 1 of the calendar year that next follows the calendar year in which the participant attains or will attain the age of 72 years, or April 1 of the calendar year that next follows the calendar year in which the participant retires, whichever is later.

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SECTION 3. Code of Ordinances. This Ordinance shall be deemed to be an amendment to the Code of Ordinances of the City of Sanibel.

SECTION 4. Conflict. All ordinances and parts of ordinances in conflict herewith shall be and the same are hereby repealed. If any part of this ordinance conflicts with any other part, it shall be severed and the remainder shall have full force and effect and be liberally construed.

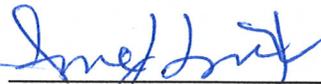
SECTION 5. Severance. If any section, subsection, sentence, clause, phrase, or portion of this ordinance, or application hereof, is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion of application shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion or application thereof.

SECTION 6. Effective Date. This Ordinance shall take effect on adoption.

DULY PASSED AND ENACTED by the Council of the City of Sanibel, Lee County, Florida, this 6th, October 2020

AUTHENTICATION:



Kevin Ruane, Mayor

Pamela Smith, City Clerk

APPROVED AS TO FORM:



John D. Agnew, City Attorney

9/22/20
Date

September 14, 2020	First Reading
September 21, 2020	Publication Date
October 04, 2020	Second Reading

Vote of Council Members:

Ruane	<u>yea</u>
Denham	<u>yea</u>
Johnson	<u>yea</u>
Maughan	<u>yea</u>
Smith	<u>yea</u>

Date filed with the City Clerk: October 6, 2020

August 31, 2020

VIA E-MAIL

Board of Trustees
City of Sanibel
Police Officers' Pension Board

Re: City of Sanibel
Municipal Police Officers' Retirement Trust Fund

Dear Board:

We reviewed the proposed ordinance amending the plan as follows:

- Changed the minimum age that distributions need to begin from age 70 ½ to age 72 to comply with the recent SECURE Act.

We have determined that the adoption of the proposed changes 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 a formal Actuarial Impact Statement is 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
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

Mr. Steve Bardin
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

The undersigned is familiar with the immediate and long-term aspects of pension valuations, and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein.

If you have any questions, please let me know.

Sincerely,



Sara E. Carlson, ASA, EA, MAAA

EXHIBIT "A"