

ORDINANCE O-2025-

A BILL FOR AN ORDINANCE AMENDING SECTION 3.04.885 OF THE LONGMONT
MUNICIPAL CODE ADOPTING AMENDMENTS TO THE MONEY ACCUMULATION
PENSION PLAN FOR EMPLOYEES OF THE CITY OF LONGMONT

THE COUNCIL OF THE CITY OF LONGMONT, COLORADO, ORDAINS:

Section 1

The Council finds:

Pursuant to sections 4.9 and 4.10 of the Home Rule Charter, the Longmont City Council has, by section 3.04.885 of the Longmont Municipal Code, previously adopted certain pension plans and trust agreements for City employees promulgated by the City and its pension attorneys; and

The City, in consultation with the City Attorney's Office and its pension attorneys, has amended the Money Accumulation Pension Plan for Employees of the City of Longmont; and

The Council has determined to adopt the amendments to the Money Accumulation Pension Plan for Employees of the City of Longmont now before the Council.

Section 2

In this Ordinance, ellipses indicate material not reproduced as the Council intends to leave that material in effect as it now reads.

Section 3

The Council approves and authorizes execution of the amendments of the Money Accumulation Pension Plan for Employees of the City of Longmont as described herein.

1 Section 4

2 Effective January 1, 2025, the Council amends Article IV, Section 7 of the Money
3 Accumulation Pension Plan for Employees of the City of Longmont by adding the italicized
4 language and deleting the struck language to read as follows:

5 Application of Forfeitures. Any amount forfeited because of termination of
6 employment of a Member prior to his being fully vested in his City Contributions
7 Account, shall be applied as soon as possible, but no later than 12 months following
8 the close of the Plan Year in which the forfeitures were incurred, to *pay Plan*
9 *administrative expenses designated by the City and to* reduce the contributions
10 required to be made by the City, ~~except as provided in the following sentences.~~

11 ~~Forfeitures may be used to pay administrative expenses of the Plan.~~ Any forfeitures
12 which shall occur prior to the termination of this Plan but which have not been
13 applied to reduce City Contributions or to pay administrative expenses, shall be
14 distributed pro-rata to those Members who were Employees in Covered
15 Employment on the effective date of the termination of this Plan in the same
16 proportion that each such Member's account balance bears to the sum of the account
17 balances of all such Members.

18 Section 5

19 Effective January 1, 2024, the Council amends Article VII, Section 4 of the Money
20 Accumulation Pension Plan for Employees of the City of Longmont by adding the italicized
21 language and deleting the struck language to read as follows:

22 Minimum Distribution Requirements. . . .

23 b. Time and Manner of Distribution.

1 (i) Required Beginning Date. The Member's entire interest will be distributed,
2 or begin to be distributed, to the Member no later than the Member's Required
3 Beginning Date, as defined in subsection 4.e.

4 (ii) Death of Member Before Distributions Begin. If the Member dies before
5 distributions begin, the Member's entire interest will be distributed, or begin to be
6 distributed, no later than as follows:

7 (a) Spouse Beneficiary. *Effective January 1, 2024, if* the Member's surviving
8 spouse is the Member's sole Designated Beneficiary, as defined in subsection 4.e.,
9 then, distributions to the surviving spouse will begin by *the later of*: December 31
10 of the calendar year immediately following the calendar year in which the Member
11 died, or by December 31 of the calendar year in which the *surviving spouse Member*
12 would ~~have attained~~ the applicable age as defined in Code section 401(a)(9)(C)(v),
13 *as provided under Code section 401(a)(9) and the related regulations*~~if later~~.
14 *Notwithstanding the foregoing, the date on which the distributions are required to*
15 *begin under this Section 7.10(b)(ii)(A) shall not be earlier than the December 31*
16 *of the calendar year immediately preceding the year in which the Member would*
17 *have attained the applicable age as defined in Code section 401(a)(9)(C)(v).*

18 (b) Non-Spouse Beneficiary. If the Member's surviving spouse is not the
19 Member's sole Designated Beneficiary, as defined in subsection 4.e, then,
20 distributions to the Designated Beneficiary, as defined in subsection 4.e, *the*
21 *Member's entire interest will be distributed by December 31 of the calendar year*
22 *containing the tenth anniversary of the Member's death*~~will begin by December 31~~

1 ~~of the calendar year immediately following the calendar year in which the Member~~
2 ~~died.~~

3 (c) No Designated Beneficiary. If there is no Designated Beneficiary, as
4 defined in subsection 4.e, as of September 30 of the year following the year of the
5 Member's death, the Member's entire interest will be distributed by December 31
6 of the calendar year containing the fifth anniversary of the Member's death.

7 (d) Surviving Spouse Dies Prior to Receiving Benefits. If the Member's
8 surviving spouse is the Member's sole Designated Beneficiary, as defined in
9 subsection 4.e, and the surviving spouse dies after the Member but before
10 distributions to the surviving spouse begin, subsection 4.b(ii), other than subsection
11 4.b(ii)(a), will apply as if the surviving Spouse were the Member.

12 For purposes of subsection 4.b(ii) and subsection 4.d, unless subsection 4.b(ii)(d)
13 applies, distributions are considered to begin on the Member's Required Beginning
14 Date, as defined in subsection 4.e. If subsection 4.b(ii)(d) applies, distributions are
15 considered to begin on the date distributions are required to begin to the surviving
16 spouse under subsection 4.b(ii)(a). If distributions under an annuity purchased from
17 an insurance company irrevocably commence to the Member before the Member's
18 Required Beginning Date, as defined in subsection 4.e (or to the Member's
19 surviving spouse before the date distributions are required to begin to the surviving
20 spouse under subsection 4.b(ii)(A)), the date distributions are considered to begin
21 is the date distributions actually commence.

22 . . .

23 d. Required Minimum Distributions After Member's Death.

1 (i) Death On or After Date Distributions Begin.

2 (a) Member Survived by Designated Beneficiary. If the Member dies on or
3 after the date distributions begin and there is a Designated Beneficiary, as defined
4 in subsection 4.e, the minimum amount that will be distributed for each Distribution
5 Calendar Year, as defined in subsection 4.e, after the year of the Member's death is
6 the quotient obtained by dividing the Member's Account Balance, as defined in
7 subsection 4.e, by the longer of the remaining Life Expectancy, as defined in
8 subsection 4.e, of the Member or the remaining Life Expectancy, as defined in
9 subsection 4.e, of the Member's Designated Beneficiary, as defined in
10 subsection 4.e, determined as follows:

11 (1) The Member's remaining Life Expectancy, as defined in subsection 4.e, is
12 calculated using the age of the Member in the year of death, reduced by one for
13 each subsequent year.

14 (2) If the Member's surviving spouse is the Member's sole Designated
15 Beneficiary, as defined in subsection 4.e, the remaining Life Expectancy, as
16 defined in subsection 4.e, of the surviving spouse is calculated for each Distribution
17 Calendar Year, as defined in subsection 4.e, after the year of the Member's death
18 using the surviving spouse's age as of the Spouse's birthday in that year. For
19 Distribution Calendar Years, as defined in subsection 4.e, after the year of the
20 surviving spouse's death, the remaining Life Expectancy, as defined in
21 subsection 4.e, of the surviving spouse is calculated using the age of the surviving
22 spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced
23 by one for each subsequent calendar year. *Effective January 1, 2024, Life*

Expectancy for the surviving spouse will be computed using the Uniform Life Table as set forth in Treasury Regulation section 1.401(a)(9)-9.

(3) If the Member's surviving spouse is not the Member's sole Designated Beneficiary, as defined in subsection 4.e, the Designated Beneficiary's remaining Life Expectancy, as defined in subsection 4.e, is calculated using the age of the Beneficiary in the year following the year of the Member's death, reduced by one for each subsequent year.

(b) No Designated Beneficiary. If the Member dies on or after the date distributions begin and there is no Designated Beneficiary, as defined in subsection 4.e, as of September 30 of the year after the year of the Member's death, the minimum amount that will be distributed for each Distribution Calendar Year, as defined in subsection 4.e, after the year of the Member's death is the quotient obtained by dividing the Member's Account Balance, as defined in subsection 4.e, by the Member's remaining Life Expectancy, as defined in subsection 4.e, calculated using the age of the Member in the year of death, reduced by one for each subsequent year.

(ii) Death Before Date Distributions Begin.

(a) Member Survived by Surviving Spouse. If the Member dies before the date distributions begin and the Member's surviving spouse is the Member's Designated Beneficiary the minimum amount that will be distributed for each Distribution Calendar Year, as defined in subsection 4.e, after the year of the Member's death is the quotient obtained by dividing the Member's Account Balance, as defined in subsection 4.e, by the remaining Life Expectancy, ~~as defined in subsection 4.e,~~ of

1 the Member's *surviving spouse*~~Designated Beneficiary, as defined in~~
2 ~~subsection 4.e~~, determined as provided in subsection 4.d(i).

3 . . .

4 Section 6

5 The Council amends paragraph C of section 3.04.885 of the Longmont Municipal Code,
6 by adding italicized material, to read as follows:

7 3.04.885 Pension plans adopted by reference.

8 Under sections 4.9 and 4.10 of the Charter, the city council adopts the following,
9 all as promulgated by the city and its pension attorneys:

10 . . .

11 C. The money accumulation pension plan for employees of the city, as amended
12 and restated effective January 1, 1998, and as amended by Amendment No. One,
13 effective April 1, 1999, and as amended and restated effective January 1, 2001, and
14 as amended and restated effective January 1, 2002, and as amended by Amendment
15 No. One, effective January 1, 2003, and as amended and restated effective January
16 1, 2006, and as amended effective January 1, 2008; and as amended effective
17 January 1, 2012, by Ordinance Nos. O-2011-92 and O-2011-93; and as amended
18 by Ordinance No. O-2013-02; and as amended and restated effective January 1,
19 2014; and as amended and restated effective January 1, 2015; and as amended
20 effective January 1, 2020, January 1, 2022, and January 1, 2024 by Ordinance O-
21 2024-09; *and as amended effective January 1, 2024 and January 1, 2025 by*
22 *Ordinance O-2025-12.*

23 . . .

1 Section 7

2 To the extent only that they conflict with this ordinance, the Council repeals any conflicting
3 ordinances or parts of ordinances. The provisions of this ordinance are severable, and invalidity of
4 any part shall not affect the validity or effectiveness of the rest of this ordinance.

5 Introduced this _____ day of _____, 2025.

6 Passed and adopted this _____ day of _____, 2025.

10 MAYOR

12 ATTEST:

16 CITY CLERK

19 NOTICE: THE COUNCIL WILL HOLD A PUBLIC HEARING ON THIS ORDINANCE AT
20 7:00 P.M. ON _____ DAY OF _____, 2025, AT THE LONGMONT CITY
21 COUNCIL MEETING.

24 APPROVED AS TO FORM:

28 ASSISTANT CITY ATTORNEY

DATE _____

32 PROOFREAD

DATE _____

35 APPROVED AS TO FORM AND SUBSTANCE:

39 ORIGINATING DEPARTMENT

DATE _____

CA File: 25-003298