

ORDINANCE O-2022-

A BILL FOR AN ORDINANCE AMENDING SECTION 3.04.885 OF THE LONGMONT
MUNICIPAL CODE, ADOPTING AN AMENDED AND RESTATED CITY OF LONGMONT
GENERAL EMPLOYEES' RETIREMENT PLAN

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 and its pension attorneys have amended the City of Longmont General Employees' Retirement Plan; and

The Council has determined to adopt the amendments to the City of Longmont General Employees' Retirement Plan 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 City of Longmont General Employees' Retirement Plan as described herein.

1 Section 4

2 Effective January 1, 2022, the Council amends Article 2, Section 2(d) of the City of
3 Longmont General Employees' Retirement Plan by adding italicized material to read as follows:

4 Section 2(d). "Beneficiary" means the person or entity designated by a Member
5 as the Member's Beneficiary according to procedures and forms approved by the
6 Retirement Board. *Beneficiary may also include a trust for lump sums and forms*
7 *of benefit not payable over a beneficiary's life expectancy that meets the*
8 *requirements provided by the Retirement Board.* The Member may designate one
9 or more beneficiaries and may, in addition, name a contingent beneficiary. If such
10 person or entity does not survive the Member or if the Retirement Board has no
11 valid Beneficiary designation on file for the Member, the Beneficiary is the
12 Member's surviving spouse or, if none, the Member's estate.

13 Section 5

14 Effective January 1, 2022, the Council amends Article 7, Section 4 of the City of
15 Longmont General Employees' Retirement Plan by adding italicized material, and deleting
16 stricken material to read as follows:

17 Section 4. 10-Year Certain and Life Benefit. The Member may elect a
18 10-Year Certain and Life Benefit which provides reduced monthly Retirement
19 Benefit payments during the Retired Member's life, and in the event he dies prior
20 to receiving one hundred twenty (120) monthly payments the same reduced
21 amount shall be continued to his Beneficiary until a total of one hundred twenty
22 (120) monthly payments have been made. This Beneficiary, regardless of the
23 other provisions of the Plan, may be any person *or a trust that meets the*

1 *requirements provided by the Retirement Board. ~~and~~ This Beneficiary* may be
2 changed at any time by written notification to the Retirement Board.

3 Section 6

4 Effective January 1, 2022, the Council amends Article 7, Section 5 of the City of
5 Longmont General Employees' Retirement Plan by adding italicized material, and deleting
6 stricken material to read as follows:

7 Section 5. Beneficiary. *Except for the exception provided in Section 4 above,*
8 *the* designated Beneficiary for optional benefits may be the spouse of the Member
9 or Vested Member, if living, at the time the optional Retirement Benefit is
10 elected, or any of his children, either natural or adopted, parents, brothers or
11 sisters or anyone else designated by the Member. If the designated Beneficiary
12 dies prior to the due date of the first payment of Retirement Benefits under the
13 Plan and no new Beneficiary has been designated, retirement or death benefits
14 shall be paid as though no optional benefit had been elected.

15 Section 7

16 Effective January 1, 2022, the Council amends Article 8 of the City of Longmont General
17 Employees' Retirement Plan by adding italicized material to read as follows:

18 Section 1. Death of an Active Member Before Normal Retirement Date or
19 Eligibility for Special Early Retirement. In the event a Member of the Plan who is
20 accruing Credited Service dies prior to his Normal Retirement Date and prior to
21 being eligible for a Special Early Retirement benefit under Article 5, Section 2(b),
22 the following death benefits shall be payable.

23 a. If such Member is married at his death, one of the following death benefits

1 shall be payable to his spouse, at her sole option.

2 (1) Two (2) times the amount of his Accumulated Contributions as of the date of
3 death, payable immediately; or

4 (2) A monthly benefit payable for life in an amount equal to 60% of the
5 Member's Accrued Benefit on his date of death; provided, however, that if the
6 Member's spouse is more than five years younger than the Member, the monthly
7 benefit to such spouse shall be reduced by 1 1/2 % for each year in excess of five
8 years by which the spouse is younger than the Member. Such death benefit shall
9 commence on the later of: (i) the first day of the month coincident with or
10 following the Member's death; or (ii) the first day of the month coincident with or
11 following the Member's 55th birthday.

12 b. If such Member is not married at his death, there shall be paid to the
13 Beneficiary designated by him if said Beneficiary is *a trust or is* living, or
14 otherwise to the Member's estate, two (2) times the amount of his Accumulated
15 Contributions as of his date of death.

16 Section 2. Death of a Vested Member Before Pension Commences. In the
17 event that a Vested Member dies prior to the commencement of his pension, the
18 following death benefit shall be payable:

19 a. If such Vested Member is married at his death, one of the following death
20 benefits shall be payable to his spouse, at her sole option:

21 (1) Two (2) times the amount of his Accumulated Contributions as of the date of
22 death, payable immediately; or

23 (2) A monthly benefit payable for life in an amount equal to 60% of the Vested

1 Member's Accrued Benefit on his date of death; provided, however, that if the
2 Vested Member's spouse is more than five years younger than the Vested
3 Member, the monthly benefit to such spouse shall be reduced by 1 1/2% for each
4 year in excess of five years by which the spouse is younger than the Vested
5 Member. Such death benefit shall commence on the later of: (a) the first day of
6 the month coincident with or following the Vested Member's death; or (b) the
7 first day of the month coincident with or following the Vested Member's 55th
8 birthday.

9 b. If such Vested Member is not married at his death, there shall be paid to the
10 Beneficiary designated by him if said Beneficiary is *a trust or is* living, or
11 otherwise to the Vested Member's estate, two (2) times the amount of his
12 Accumulated Contributions as of his date of death.

13 Section 3. Death of an Active Member After Normal Retirement Date or
14 Eligibility for Special Early Retirement. In the event a Member continues in City
15 employment after his Normal Retirement Date or after becoming eligible for
16 Special Early Retirement under Article 5, Section 2(b) and dies before actually
17 retiring, then he shall be deemed to have retired on the first day of the calendar
18 month in which he dies. Payment in such event shall be made as follows, subject
19 to any reductions required by law:

20 a. If a Member has elected an optional form of payment and is survived by his
21 designated Beneficiary, payments shall be made in accordance with the option
22 elected.

23 b. If a Member has not elected an optional form of payment, and is married on the

1 date of his death, one of the following death benefits shall be payable to his
2 spouse at the spouse's option:

3 (1) Two (2) times the amount of his Accumulated Contributions as of the date of
4 death, payable immediately; or

5 (2) The monthly benefit under the Plan the Member would have received if the
6 Member had elected the 100% Joint and Survivor Benefit.

7 c. If a Member has not elected an optional form of benefit and is not married at
8 the time of his death, payment shall be made to his designated Beneficiary (if *a*
9 *trust or is* living), or otherwise to the Member's estate, two (2) times the amount
10 of his Accumulated Contributions as of the date of his death.

11 Section 8

12 Effective January 1, 2022, the Council amends Article 14, Section 1 of the City of
13 Longmont General Employees' Retirement Plan by adding italicized material to read as follows:

14 Section 1. Inalienability. Members, Retired Members, Vested Members and
15 their Beneficiaries under the Plan are hereby restrained from selling, transferring,
16 anticipating, assigning, hypothecating, or otherwise disposing of their Retirement
17 Benefit, prospective Retirement Benefit, or any other rights or interest under the
18 Plan, and any attempt to anticipate, assign, pledge, or otherwise dispose of the
19 same shall be void. Said Retirement Benefit, prospective Retirement Benefit and
20 rights and interests of said Members, Retired Members, Vested Members or
21 Beneficiaries shall not at any time be subject to the claims of creditors or
22 liabilities or torts of said Members, Retired Members, Vested Members or
23 Beneficiaries, nor be liable to attachment, execution, or other legal process.

1 Notwithstanding the foregoing, the Plan administrator may approve *distributions*
2 *to a trust meeting the requirements approved by the Retirement Board* or payment
3 as permitted under the Colorado Revised Statutes (“C.R.S.”), including C.R.S.
4 Section 24-54-111, (i) for child support purposes, and/or (ii) to an alternate payee
5 pursuant to a domestic relations order (“DRO”), and such payments shall not be
6 deemed to be a prohibited alienation of benefits.

7 The rights of a former spouse under a DRO end upon the death of the Member
8 unless named as a Beneficiary. The designation of a former spouse as a
9 Beneficiary is subject to the spousal consent provisions of Article 7, Section 6 and
10 the designation of Beneficiary provisions of Article 8, Section 8.

11 Section 9

12 The Council amends paragraph D of section 3.04.885 of the Longmont Municipal Code,
13 by adding italicized material, to read as follows:

14 3.04.885 Pension plans adopted by reference.

15 Under Sections 4.9 and 4.10 of the Home Rule Charter, the city council adopts the
16 following, as promulgated by the City of Longmont and its pension attorneys:

17 ...

18 D. The City of Longmont General Employees' Retirement Plan (as amended
19 and restated effective January 1, 2002, and further amended by Amendment No.
20 One, effective June 9, 2003, and as amended by Amendment No. Two, effective
21 January 1, 2005, and as amended and restated effective January 1, 2006 by
22 Ordinance 2005-101; and as amended in 2008, by Ordinance 2008-93, and as
23 amended November 10, 2009 by Ordinance No. O-2009-77); and as amended and

1 restated effective January 1, 2012 by Ordinances O-2011-92 and O-2011-93; and
2 as amended and restated effective January 1, 2013 by Ordinance O-2012-78; and
3 as amended and restated effective January 1, 2014 by Ordinances O-2013-54, O-
4 2014-03 and O-2015-01; and as amended and restated effective January 1, 2015
5 by Ordinance O-2014-68; and as amended and restated effective January 1, 2017
6 by Ordinance O-2016-77; and as amended and restated effective January 1, 2018
7 by Ordinance O-2018-26; as amended effective January 1, 2020 by Ordinance O-
8 2020-54; and as amended effective January 1, 2022 *by Ordinance O-2021-64;*
9 *and as amended effective January 1, 2022.*

10 ...

11 Section 10

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

15 Introduced this _____ day of _____, 2022.

16 Passed and adopted this _____ day of _____, 2022.

17
18
19
20 _____
21 MAYOR

22
23 ATTEST:

24
25
26 _____
27 CITY CLERK

1 NOTICE: THE COUNCIL WILL HOLD A PUBLIC HEARING ON THIS ORDINANCE AT
2 7:00 P.M. ON THE _____ DAY OF _____, 2022, AT THE
3 LONGMONT CITY COUNCIL MEETING.
4
5

6 APPROVED AS TO FORM:
7
8
9

10 _____
11 ASSISTANT CITY ATTORNEY
12
13

DATE

14 _____
15 PROOFREAD
16
17

DATE

18 APPROVED AS TO FORM AND SUBSTANCE:
19
20

21 _____
22 ORIGINATING DEPARTMENT
23

DATE

CA File: 22-001784