



Legislation Text

File #: 19-0333, **Version:** 1

Summary

To: Town Commission
From: Stefan Massol, Director of Support Services
Date: 11/19/2019

Subject:

First Reading of Ordinance 528-Amending Police Officers' Retirement System

Background/Problem Discussion: With the new Fraternal Order of Police (FOP) agreement certain changes to the police officers' pension plan were agreeable to the Town. These changes will ensure that the Town is competitive with other neighboring jurisdictions in both the retirement plan as well as health benefits.

Changes to the retirement system must be approved as an ordinance by the Town Commission. This is the first of two readings to enact changes to the pension plan negotiated with the FOP, in addition to new language needed based on changes to IRS code. Those changes are described in an enclosed letter from the previous pension board attorney.

Before second reading, an impact statement will be collected from the plan actuary and provided to the Commission.

FOP negotiated terms are as follows:

1. For all new officers: A reduction in pension benefit from 3.5% to 3%
2. A 2% increase in required officer contributions from 6% to 8%,
3. A change in normal retirement from 55 years old & 5 years of service to 55 years old and 10 years of service.

Recommendation: Approval of Ordinance 528-Amending Police Officers' Retirement System as provided on first reading.

Proposed Motion: I move approval of Ordinance 528-Amending Police Officers' Retirement System as provided on first reading.