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THE SUNSET CAPITAL OF FLORIDA

COMMISSION MEETING
CITY OF ST. PETE BEACH

155 Corey Avenue

Tuesday, October 08, 2013

6:00 PM

Call to Order
Pledge of Allegiance
Invocation
Roll Call

REGULAR MEETING

1. **Changes to the Agenda** - Any agenda items to be added, moved, or deleted will be addressed at this time. Added items will be assigned agenda item numbers and moved items should remain with the same item numbers. Notation will be made that those items will be taken out of order. Consent items may be removed for discussion, changes, and/or anticipation of a non-unanimous vote and considered separately on the request of anyone on the Commission or by a majority vote of the City Commission upon request of an audience member.

2. **Presentations** - Presentations shall be limited to 5 minutes for non-city government related items.
   a. **Neighborhood Watch Program - Sgt. Jim Campbell**

3. **Audience Comments** - Comments shall be limited to 3 minutes per person to issues not on the agenda.

4. **Consent**
   a. **Approval of the September 18, 2013 City Commission regular meeting minutes.**
   b. **Authorization to approve special event application and street closure for the 83rd Annual Fish Broil**

scheduled for October 19, 2013. Closures would be 15th & 16th Avenues from 7am – 9pm.

c. **Authorization to approve special event application and street closure for the 2nd Annual Race for the Cupcake 5K scheduled for March 22, 2014. Closures would be 16th Avenue from 5am – 10am.**
d. **Authorize the City Manager to enter into a Modification of Agreement with Waste Services of Florida, Inc. to revise the yard waste collection provision of the Solid Waste Services Contract.**
e. **Authorize the City Manager to enter into an agreement with Public Risk Management of Florida for renewal of the City insurance policies covering the period October 1, 2013 to September 30, 2014 in the amount of $478,036**
f. **Authorize the City Manager to make payment of the annual software maintenance contract with Tyler Technologies for financial accounting software in the amount of $11,881.10.**

5. **Action Items – None for this agenda**

6. **Ordinances**
   a. **Ordinance 2013-22, Final Reading and Public Hearing, adopting changes to the Firefighters' Retirement System to comply with Internal Revenue Code.**
   b. **Ordinance 2013-23, Final Reading and Public Hearing, adopting changes to the General Employees' Retirement System to comply with Internal Revenue Code.**
   c. **Ordinance 2013-24, Final Reading and Public Hearing, amending the Police Officers' Retirement System to comply with recent changes to the Internal Revenue Code.**

7. **Resolutions – None for**

8. **Items for Discussion**
   a. **Discussion and selection of an elected official to serve on the Pinellas Planning Council/Metropolitan Planning Organization Board as the beach communities' representative.**

9. **City Manager, City Attorney and City Commission Reports**

10. Adjournment

APPEAL

If a person decides to appeal any decision made at this meeting, they will need a record of the proceeding and, for such purpose, may need to ensure that a verbatim record of the meeting is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105) The City does not furnish verbatim transcripts; interested parties should make the necessary arrangements for verbatim transcripts.

AMERICAN DISABILITIES ACT

In Accordance with the American's with Disabilities Act and F.S. 286.26, persons with disabilities needing special accommodations to participate in this meeting should contact City Hall at (727) 367-2735 no later than (4) days prior to the meeting for assistance.

The public is cordially invited to attend. All agenda material is available for review at City Hall.

CITY COMMISSION MEETING

MINUTES

SEPTEMBER 18, 2013

6:00 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENT:

Steve McFarlin, Mayor (arrived at 6:25 p.m.)
Lorraine Huhn, Vice Mayor
Jim Parent, Commissioner
Marvin Shavlan, Commissioner
Melinda Pletcher, Commissioner

ALSO PRESENT:

Mike Bonfield, City Manager
Mike Davis, City Attorney
Rebecca C. Haynes, City Clerk
Elaine Edmunds, Administrative Services Director
George Kinney, Community Development Director
Jennifer McMahon, Recreation Director

1. Changes to the Agenda

Commissioner Parent requested to move Item 6(c), Ordinance 2013-17, to the end of the agenda at the request of Mayor McFarlin.

City Manager Bonfield requested to move Items 6(a) and 6(b), Ordinance 2013-20 and Ordinance 2013-21, to follow Item 3, Audience Comments.

2. Presentations

There were no presentations.

3. Audience Comments

There were no audience comments.

Items 6(a) and (b) were moved directly after Item 3.

6. Ordinances

a. Ordinance 2013-20, Final Reading and Public Hearing, an ordinance of the City of St. Pete Beach, Florida adopting a final millage rate for the fiscal year ending September 30, 2014.

City Manager Bonfield reported that the millage rate was set at 2.8569 during the first reading of Ordinance 2013-20 which is .425 mills lower than the current millage rate. Mr. Bonfield noted the ordinance must be read in its entirety.

Vice Mayor Huhn called for audience comments. There were no audience comments.

Vice Mayor Huhn called for a motion.

> **Commissioner Parent moved to approve Item 6(a), Ordinance 2013-20, an ordinance of the City of St. Pete Beach, Florida; adopting a final millage rate for the Fiscal Year ending September 30, 2014; providing for an effective date. The City of St. Pete Beach, Florida does ordain: Section 1. That a millage levy of 2.8569 general and operative levy is hereby fixed and adopted for the Fiscal Year of the City ending on September 30, 2014 and shall be placed upon the total taxable assessed valuation of property of any kind liable for and subject to taxation by the City of St. Pete Beach, Florida, including real and personal property, lying within the City of St. Pete Beach, Florida. Section 2. Said monies as raised by the levy of 2.8569 mills, estimated at $5,694,628 shall be used for the general operation of the City of St. Pete Beach including, but not limited to, salaries, insurance and energy costs and transfers for capital projects for the afore-mentioned fiscal period. Section 3. The fiscal year 2014 operating millage rate of 2.8569 mills is less than the rolled back rate of 3.1588 mills by 9.56%. Section 4. That a certified copy of this ordinance shall be forwarded to the Property Appraiser of Pinellas County, Florida, together with a request that the aforementioned levies be made by her office on behalf of the City of St. Pete Beach for the Fiscal Year 2013-2014. Section 5. This ordinance shall become effective immediately upon its final passage. The motion was seconded by Commissioner Shavlan and passed by an individual roll call vote of 4-0-1 (McFarlin absent).**

b. Ordinance 2013-21, Final Reading and Public Hearing, an ordinance of the City of St. Pete Beach, Florida adopting a budget for the fiscal year ending September 30, 2014.

City Manager reviewed the General Fund portion of the budget which includes administration, fire, parks, community development, public services, recreation, library and non-utility accounts; the Waste Water Fund; the Reclaimed Water Fund; the Storm Water Fund and the Capital Improvement Program.

> **Commissioner Shavlan moved to approve Item 6(b), Ordinance 2013-21, an ordinance of the City of St. Pete Beach, Florida; adopting a budget for the Fiscal Year ending September 30, 2014; providing appropriations; providing for an effective date. The motion was seconded by Commissioner Parent.**

Vice Mayor Huhn called for audience comments. There were none.

Vice Mayor Huhn called for the vote.

The motion was passed by an individual roll call vote of 4-0-1 (McFarlin absent).

4. <u>Consent</u>

a. Approval of the August 22, 2013 City Commission special meeting minutes; the August 27, 2013 and the September 3, 2013 regular meeting minutes.

b. Authorize the City Manager to enter into an Interlocal Agreement with Pinellas County for the implementation and operation of a surface water quality and biological monitoring program.

c. Authorize the City Manager to close Gulf Winds Dr. from 64th to 70th, 70th Ave. between Gulf Winds Dr. and Gulf Blvd., and Corey Ave. from Gulf Blvd. to Mangrove Ave. for the St. Pete Beach Hometown Christmas Parade scheduled for Saturday, December 14, 2013.

> **Commissioner Parent moved to approve the Consent Agenda, Items (a), (b) and (c). The motion was seconded by Commissioner Shavlan and approved by an individual roll call vote of 4-0-1 (McFarlin absent).**

5. <u>Action Items</u>

a. Authorize the City Manager to accept a proposal from Michael Baker Jr. Inc. in the amount of $219,820 to provide planning services related to the Corey Avenue District.

Jerry Dabkowski, Assistant Project Manager, and Susan Harden, Project Manager, provided an overview of the planning services via a Power Point presentation that detailed their experience and various phases of the planning process.

Commissioner Parent moved to approve Item 5(a), authorizing the City Manager to enter into a contract agreement with Michael Baker Jr. Inc. for

planning services in the amount of $279,630.00, including Mobile Lidar, and pursuant to the approved Scope of Work. The motion was seconded by Vice Mayor Huhn.

Tom Rodgers, Corey Avenue, spoke in favor of the project noting that there was no current information available on which to base any future survey work.

Bill Pyle, Sunset Way, wanted to know if Item 5(a) was listed on the agenda.

Michael Lehman, 80th Avenue, spoke in favor of the project and encouraged form-based coding in the planning process.

Ruthie Buxbaum, Gulf Boulevard, supported the project noting it was unfortunate that the attendance at the meeting was very low and residents/business owners were not present to discuss the project.

Brian Hawkins, Gulf Boulevard, questioned the timeline of the project in connection with Florida Department of Transportation (FDOT) schedules.

Vice Mayor Huhn called for the vote.

The motion was unanimously approved by an individual roll call vote.

6. Ordinances

c. Ordinance 2013-17, Final Reading and Public Hearing, an ordinance of the City of St. Pete Beach providing for the operation of golf carts upon designated streets.

City Manager explained the ordinance would provide for the operation of golf carts on all City streets except the state-owned roads. The state-owned roads include Pinellas Bayway, Gulf Boulevard from 75th Avenue to the Bayway, 75th Avenue from Gulf Boulevard to the Bayway and Blind Pass Road from 75th to the Blind Pass Road Bridge.

Commissioner Pletcher moved to approve Item 6(c), Ordinance 2013-17, an ordinance of the City of St. Pete Beach amending Part II of Chapter 82 of the code of Ordinances of the City of St. Pete Beach by the adoption of Article VI consisting of Sections 82-283 to 82-294, inclusive; providing for the operation of golf carts upon designated streets; providing for restrictions relating to operation of golf carts; providing that the operation of golf carts on said streets shall constitute a license between the City and the golf cart owner or operator; providing that in the event such license is rescinded by subsequent ordinance over the portions of the City on which golf carts may be operated is contracted or otherwise changed that the golf cart owner by acceptance of a license has waived any claim against the City for any funds or action spent or undertaken in reliance on this ordinance; requiring consistency with state statute; providing for the

issuance of a decal; providing that golf carts may only be operated by individuals with a valid driver's license; providing for signage on city roads; providing for the issuance of annual licenses and the payment of fees therefore; providing for the responsibilities of the owner/operator of the golf cart; providing for specific equipment on the golf cart; providing that golf carts may be operated only by licensed drivers; providing for the repeal of all ordinances or resolutions previously adopted by the City regarding the operation of golf carts on City streets, rights-of-way, sidewalks or other portions of the City; designating roads for the operation of golf carts; and providing for an effective date hereof. The motion was seconded by Commissioner Shavlan.

Mayor McFarlin called for audience comments. There were none.

Mayor McFarlin called for the vote.

The motion was unanimously approved by an individual roll call vote.

d. Ordinance 2013-19, Final Reading and Public Hearing, providing for wastewater and reclaimed water fee adjustments in FY 2014.

City Manager Bonfield noted the 4% increase is due to increased treatment costs from the City of St. Petersburg.

Commissioner Parent moved to approve Item 6(d), Ordinance 2013-19, an ordinance of the City of St. Pete Beach, Florida providing for amendment of Appendix A – Fee Schedule of the Code of Ordinances, implementing a 4.0% increase in wastewater fees; providing for amendment of Chapter 86, Utilities, Article IV of the Code of Ordinances implementing an 8.0% increase in reclaimed water fees; providing for severability; providing for repeal of ordinances or parts of ordinances in conflict herewith, to the extent of such conflict; and providing for an effective date. The motion was seconded by Vice Mayor Huhn.

Mayor McFarlin called for audience comments.

Bill Pyle, Sunset Way, spoke in opposition to the rate increase.

Mayor McFarlin called for the vote.

The motion was unanimously approved by an individual roll call vote.

e. Ordinance 2013-22, First Reading and Public Hearing, amending the Firefighters' Retirement System to comply with recent changes to the Internal Revenue Code.

City Manager Bonfield stated that the three retirement ordinances will comply with the Internal Revenue Code changes, and have no additional cost to the employee or changes to the benefit levels. The Commissioners may discuss the three ordinances at one time but must vote on them separately.

Commissioner Pletcher moved to approve Item 6(e), Ordinance 2013-22, an ordinance of the City of St. Pete Beach, Florida, amending Chapter 66, Pensions and Retirement, Article IV, Firefighters Retirement System, Division 1, generally, and Division 3, Benefits, of the Code of Ordinances of the City of St. Pete Beach; amending Section 66-251 Definitions, by amending the definitions of "Actuarial Equivalent" and "Credited Service"; Division 3, Benefits, Section 66-331 Maximum Pension; providing for severability; providing for codification; providing for the repeal of all ordinances in conflict herewith, to the extent of such conflict; and providing for an effective date. The motion was seconded by Commissioner Shavlan.

Mayor McFarlin called for audience comments. There were none.

Mayor McFarlin called for the vote.

The motion was unanimously approved by an individual roll call vote.

f. Ordinance 2013-23, First Reading and Public Hearing, amending the General Employees' Retirement System to comply with recent changes to the Internal Revenue Code.

Commissioner Parent moved to approve Item 6(f), Ordinance 2013-23, an ordinance of the City of St. Pete Beach, Florida amending Chapter 66, Pensions and Retirement, Article II, General Employees Retirement System Division 1, Generally, and Division 3, Benefits, of the Code of Ordinances of the City of St. Pete Beach; amending Section 66-26, Definitions, by amending the definitions of "Actuarial Equivalent" and "Credited Service"; Division 3, Benefits, Section 66-108, Maximum Pension; providing for severability; providing for codification; providing for the repeal of all ordinances in conflict herewith to the extent of such conflict; and providing for an effective date. The motion was seconded by Commissioner Shavlan.

Mayor McFarlin called for audience comments. There were none.

Mayor McFarlin called for the vote.

The motion was unanimously approved by an individual roll call vote.

g. Ordinance 2013-24, First Reading and Public Hearing, amending the Police Officers' Employees' Retirement System to comply with recent changes to the Internal Revenue Code.

Commissioner Parent moved to approve Item 6(g), Ordinance 2013-24, an ordinance of the City of St. Pete Beach, Florida, amending Chapter 66, Pensions and Retirement, Article III Police Officers Retirement System, Division 1, Generally, and Division 3, Benefits, of the Code of Ordinances of the City of St. Pete Beach; amending Section 66-141, Definitions, by amending the definitions of "Actuarial Equivalent" and "Credited Service"; Section 66-221, Maximum Pension; providing for severability; providing for codification; providing for the repeal of all ordinances in conflict herewith, to the extent of such conflict; and providing for an effective date. The motion was seconded by Vice Mayor Huhn.

Mayor McFarlin called for audience comments. There were none.

Mayor McFarlin called for the vote.

The motion was unanimously approved by an individual roll call vote.

7. Resolutions

There were no resolutions presented.

8. Items for Discussion

There were no items for discussion presented.

9. City Manager, City Attorney and City Commission Reports

City Manager Bonfield reported that Gulf Boulevard and Gulf Way will be closed Thursday evening from 7:00 p.m. to 9:00 p.m. from 16th Avenue to 1st Avenue for the "Hot Summer Nights" run. Mr. Bonfield noted the Community Yard Sale and the Family Fun Day will take place on Saturday at the Community Center. The band, "Hunks of Funk," will kick off the October Concert Series at Horan Park which will run every Friday evening in October. He reported that the work on Vina Del Mar Bridge will be completed this week. Mr. Bonfield listed the agenda items for the October 8th City Commission meeting.

City Attorney Davis reported that oral arguments are scheduled for November 12th on the Anderson appeal.

Mr. Davis then requested advice from the City Commission regarding Case No. 13-00340-GM, Division of Administrative Hearings; James Anderson, Joseph Cody & John Miller v. the City of St. Pete Beach in the event a Shade Meeting is scheduled.

Commissioner Pletcher reported on the "Hot Summer Nights" run and the Pass-a-Grille community dinner. She commented on the PACE program and complimented Chelsey Welden in the Community Development Department on her appointment to the evaluation committee with Pinellas County.

Commission Shavlan conveyed there would be a ribbon cutting ceremony at 5:15 p.m. at the Holiday Beach Tanning Salon on Gulf Boulevard.

Commissioner Parent inquired about parking passes, the completion of Hotel Zamora and the height of Coral Reef Hotel. He reported that he canceled his round-table meeting so he could attend the flood insurance seminar on September 25th at St. Pete College.

Vice Mayor Huhn noted that Kapfer Glass Studio will hold their "Artist of the Month" at 5:30 p.m. on the first of every month. Ms. Huhn stated that her advisory group would like to receive names of residents and/or businesses who improve their homes and/or buildings so they can be recognized.

Mayor McFarlin discussed the flood insurance rates and encouraged residents to write their state representatives. Mr. McFarlin noted that he and Commissioner Pletcher took part in a 9-11 Commemoration Ceremony at the Toasted Monkey.

10. Adjournment

There being no further business to come before the commission, the meeting was adjourned at 7:55 p.m.

Attest:

__________________________ ______________________
Rebecca C. Haynes, City Clerk Steve McFarlin, Mayor

Minutes approved on: ____________

St. Pete Beach City Commission
Agenda Report

Issue Considered:	Authorization to approve special event application and street closure for the 83rd Annual Fish Broil scheduled for October 19, 2013. Closures would be 15th & 16th Avenues from 7am – 9pm.
Date:	October 8, 2013
Prepared By:	Jennifer McMahon, Recreation Director
Summary of Issue:	The 83rd Annual Fish Broil is an event held each year at Hurley Park and 15th and 16th Avenues. It is a fundraiser for the Montessori by the Sea and St. Johns Vianney School. They are requesting to close 15th and 16th avenues between Pass-a-Grille Way and Gulf Way and use of Hurley Park and pavilion. The event expects to bring over 1200 participants and runs from 3-8pm.
Requested Motion:	"I move to authorize the approval of 83rd Annual Fish Broil event application and street closures for October 19, 2013.
Attachments:	Event information and application
Reviewed by City Manager	MB

Complete and return to:

St. Pete Beach, FL 33706

Staff Use Only:
Date Received: ______
Permit Number: 20 ___-___

SPECIAL EVENT PERMIT APPLICATION

Name of Event 83rd ANNUAL FISH ~~BROIL~~ BROIL

Date of Event OCTOBER 19, 2013 **Time** 3:00 pm – 8:00pm (7:00 Am set up (9:00 pm break down

Event Location HURLEY PARK, PASS A GRILLE

Applicant Name: ANNA WOMACK **Telephone #** 813 760 5307 (+ Jenn Bell 727 459 0495

Email Address: anna99@tampabay.rr.com **Mailing Address:** 2990 ALTON DR, ~~SPB~~

Organization ST. JOHN VIANNEY / MONTESSORI By the Sea **Estimated Attendance** 1200 +

Please attach a cover letter describing the activities for the event, along with proof of liability insurance. The City Manager may require that a liability bond be posted to insure that no damage is done; the amount of which is to be determined by the City Manager/City Commission according to the intensity of the event.

Do you request Co-Sponsorship? Yes ___ No ✓ If yes, please fill out page 6. (Co-sponsorship requires City Commission approval)

DO YOU REQUEST ANY OF THESE ACTIVITIES? Please checkmark ✓ all that apply.

	Signage (be specific on type of sign)	✓	Food Sales (Additional DBPR Permit Required)
	Retail Vending		Banner
	Fireworks	✓	Alcohol Sale/Consumption (Additional State Liquor Permit Required)
	Bonfire	✓	Cookout
		✓	Temporary Structure (i.e.: Tent, Stage, Etc.)
✓	Street Closure		On-Site Medical Team
	Electricity		Traffic/Crowd Control (check with Sheriff's Office)
	Trailer On Site		Vehicles On The Beach

Other ______________________________

A map must be provided denoting all above referenced areas of activity. The appropriate attached forms must also be completed.

FEE SCHEDULE:
Special Event Permit Fee $20.00 Type 1 Events, $50.00 Type 2 Events, $500.00 Type 3 Events

Applicant Certification: I have read and understand the instructions provided in this packet. I understand that incomplete and late applications shall not be accepted due to interdepartmental coordination.

I hereby certify that I/we will be responsible for the preservation, sanitation and cleanup of the areas used for the special event. Additionally, I/we certify that there are no misrepresentations in the foregoing statements and answers.

[signature] 9-8-13

Applicant Signature **Date**

SPECIAL EVENT OUTDOOR COOKING PERMIT APPLICATION

COMPLETE AND RETURN TO: St. Pete Beach Fire Department
7301 Gulf Blvd.
St. Pete Beach, FL 33706
(727) 363-9206 FAX: (727) 360-6744

Name of Event: 83rd ANNUAL FISH BROIL

Date of Event: OCT. 19, 2013 Hours: 2:00 (AM/PM) to 8:00 (AM/PM)

Event Location: HURLEY PARK, PASS A GRILLE
(Authorization is required from the property owner)

Event Coordinator/Applicant: ANNA WOMACK Phone: 813 760 5307

Organization: ST. JOHN VIANNEY / JENN BELL - MONTESSORI By the SEA 727 459 0495

Summary of Event Activities: FISH BROIL, KIDS EVENTS, FOOD, ENT., Vendors

Estimated Attendance: 1200 MOL

What cooking source will be used? Propane ____ Charcoal ✓ Electrical ____

GUIDELINES:

Charcoal:
- If pit is used for cooking, a maximum of four (4) foot diameter is required
- Approved metal containers shall be provided for the disposal of coals and ashes.

Propane:
- Listed outdoor cooking appliances shall be installed in accordance with their listing and the manufacturer=s instructions.
- Unlisted units shall be installed outdoors with clearances to combustible material of not less than 36 inches at the sides and back, and not less than 48 inches at the front.
- Installation, testing, and replacement of gas piping, gas utilization equipment, or accessories shall be performed by only a *qualified agency*. Total product for the event shall be provided with an approved centrally located tank. *(No portable tanks.)*
- Propane cookware must be inspected prior to approval
- Dry powder extinguisher (2A10BC) must be readily available at all times.

Electrical:
- Approved main disconnect panels and all circuit breakers must comply with the National Electrical Code.

Plans and necessary permit applications shall be submitted to the building department for electrical or gas installation. Permits shall be issued only to licensed contractors and limited to one of each per event. *NOTE: Some companies offer these services at no cost to non-profit 3charity events3.*

One EMS unit and one Fire Inspector may be required on site when 1,000 or more are expected to attend. *(Costs for these services will be billed to the sponsoring organization or promoter.)*

APPROVALS:

Building Department: ______________________ **Date:** ____________

Zoning Department: ______________________ **Date:** ____________

DO YOU HAVE PROOF OF LIABILITY INSURANCE FOR THIS EVENT? Yes____ No____ If this event is to be held on Public Property, the City may require that a liability bond be posted to insure that no damage is done; the amount of which is to be determined by the City=s Risk Management Officer according to the intensity of the event.

I HEREBY CERTIFY THAT I/WE WILL BE RESPONSIBLE FOR THE PRESERVATION, SANITATION, AND CLEANUP OF THE AREAS USED FOR THE EVENT. ADDITIONALLY, I/WE CERTIFY THAT THERE ARE NO MISREPRESENTATION IN THE FOREGOING STATEMENTS AND ANSWERS.

[signature] 2990 ALTON DR SPB, FL 813 760 5307
(Applicant) **(Address)** **(Phone)**

____
(Signature of Fire Marshal, Fire Chief, or his/her designee) **(Date)**

St. Pete Beach Fire Department 2/22/01

TEMPORARY STRUCTURE PERMIT APPLICATION

COMPLETE AND RETURN TO:

St. Pete Beach Fire Department
7301 Gulf Blvd.
St. Pete Beach, FL 33706
(727) 363-9206 FAX: (727) 360-6744

Name of Event: 83rd ANNUAL FISH BROIL

Date of Event: OCTOBER 19, 2013 Hours: 3:00 (AM/PM) to 8:00 (AM/PM)

Event Location: HURLEY PARK, PASS A GRILLE (Authorization is required from the property owner)

Event Coordinator/Applicant: ANNA WOMACK Phone: 813 760 5307 & JENNIFER BELL 727 459 0495

Organization: ST. JOHN'S VIANNEY / MONTESSORI BY THE SEA

Summary of Event Activities: FISH BROIL, KIDS, EVENTS, AUCTION, vendors

Estimated Attendance: 1200 MOL

Type of Temporary Structure to be used (check one): Tent ____ Stage ____ Bleachers ____ Other ____ (description) ____

What will the structure be used for? ____

Will cooking be conducted in the structure? Yes: ✓ No: ____ (If yes, a separate outdoor cooking permit is required.)

Who is supplying the structure? ALREADY IN PLACE

What is the structure constructed of? BRICK (If the structure is a tent, attach current Flame Spread Certificate)

Does the tent have open sides? Yes: ____ No: ✓

GUIDELINES FOR TEMPORARY STRUCTURES

- Tents and air supported structures shall comply with requirements of FPC CH.39
- All structures must be accessible by Fire equipment, Structurally stable, and flame resistant
- There must be separate tents for cooking and dining. Over 100 people, provide emergency lighting
- Fire Extinguishers (approved) minimum 2A-10BC in each tent. 40BC for fat fryers
- Heat producing appliances shall not sit on combustible surface (tables, saw horses, etc.)
- Cooking vendor separation - minimum of 8 feet between vendors
- Electrical connections shall be only approved main disconnect panels complete with circuit breakers and a limited number of receptacles (both 220 and 120 volt) available from the City Public Works Dept.
- Extension cords (temporary wiring) shall comply with NEC Article 305
- Each extension cord shall be plugged directly into an approved receptacle and shall, except for approved multiplying extension cords, serve only one appliance or fixture.
- Extension cords shall be in good condition without splices, deterioration, or damage.
- Extension cords shall be of grounded type when servicing grounded appliances or fixtures.
- Ground fault protection shall be provided to supply temporary power to equipment being used by personnel.
- Plans and necessary applications shall be submitted to the building department for electrical or gas installations. Permits shall be issued only to licensed contractors and limited to one of each per event.
- One EMS unit and one Fire Inspector may be required on site when 1,000 or more are expected to attend. Costs for these services will be billed to the sponsoring organization or promoter.

APPROVALS:

Building Department: ____ Date: ____

Zoning Department: ____ Date: ____

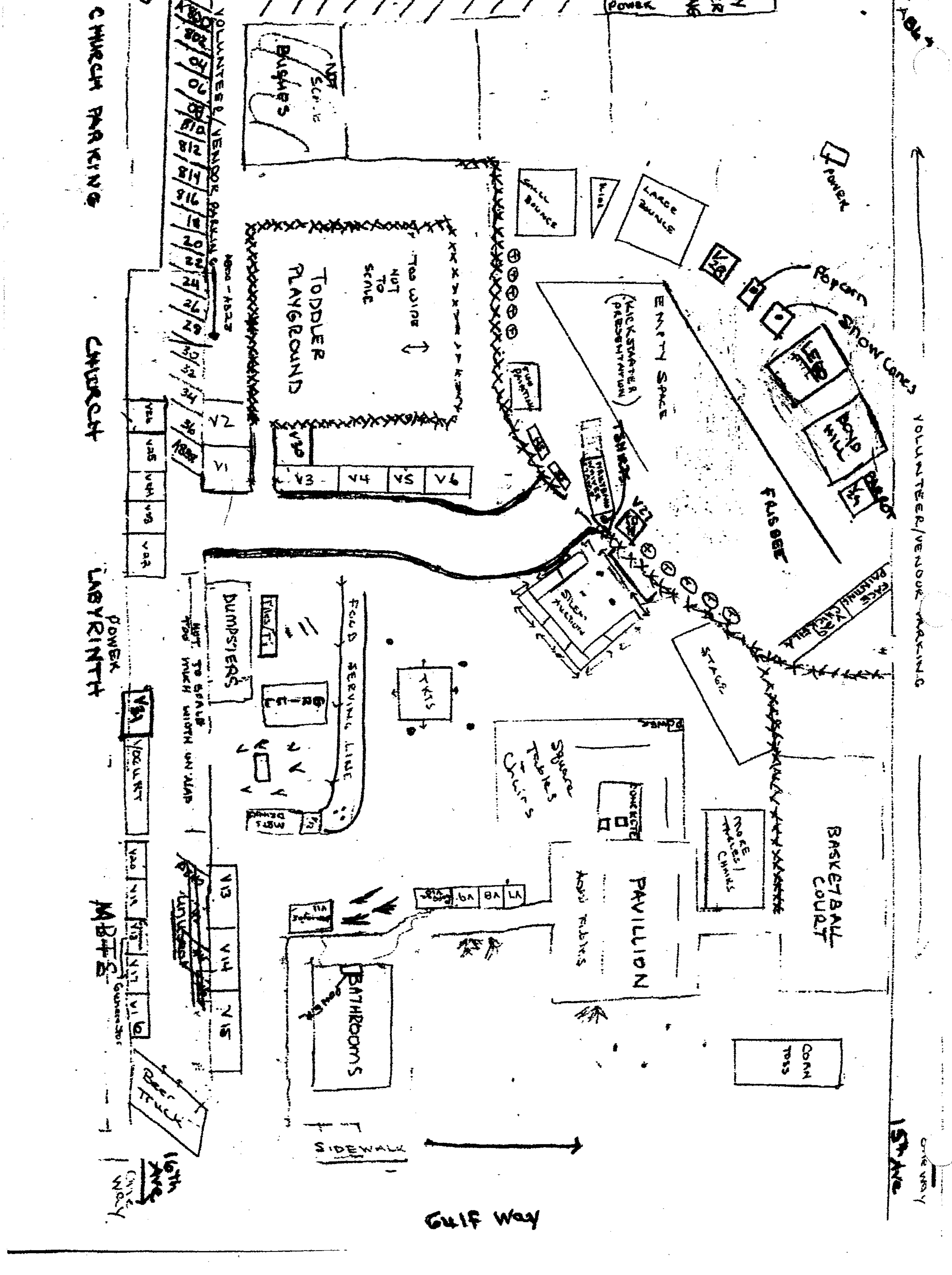
(A map must be provided denoting all above referenced areas of activity. All temporary structures, and electrical supplies must be in accordance with the City of St. Pete Beach guidelines accompanying this application.)

DO YOU HAVE PROOF OF LIABILITY INSURANCE FOR THIS EVENT? Yes ____ No ____ If this event is to be held on Public Property, the City may require that a liability bond be posted to insure that no damage is done: the amount of which is to be determined by the City=s Risk Management Officer according to the intensity of the event.

I HEREBY CERTIFY THAT I/WE WILL BE RESPONSIBLE FOR THE PRESERVATION, SANITATION, AND CLEANUP OF THE AREAS USED FOR THE EVENT. ADDITIONALLY, I/WE CERTIFY THAT THERE ARE NO MISREPRESENTATION IN THE FOREGOING STATEMENTS AND ANSWERS.

[signature] 2990 ALTON DR SPB, FL 813 760 5307
(Applicant) (Address) (Phone)

____
(Signature of Fire Marshal, Fire Chief, or his/her designee) (Date)


CHURCH PARKING
CHURCH
LABYRINTH
TODDLER PLAYGROUND
EMPTY SPACE
KICKSTARTER PRESENTATION
FRISBEE
STAGE
SILENT AUCTION
DUMPSTERS
FOOD SERVING LINE
Square Tables + Chairs
More Tables / Chairs
PAVILLION
BASKETBALL COURT
BATHROOMS
CORN TOSS
Beer Truck
LARGE BOUNCE
SMALL BOUNCE
Popcorn
Snow Cones
POWER
VOLUNTEER/VENDOR PARKING
SIDEWALK
GULF WAY
16th Ave
15th Ave
One Way


HURLEY PARK
SAT, OCTOBER 19TH
83RD ANNUAL FISH BROIL
PASS-A-GRILLE
3-8 PM Free Admission
PASS-A-GRILLE BEACH
BEER & WINE, LIVE MUSIC, SILENT AUCTION, KIDS ZONE AND MUCH MORE!
Like us on facebook
Follow us on twitter
@pagfishbroil
FOR A CHANCE TO WIN A VIP PACKAGE!
WWW.FISHBROIL.COM

St. Pete Beach City Commission
Agenda Report

Issue Considered:	Authorization to approve special event application and street closure for the 2nd Annual Race for the Cupcake 5K scheduled for March 22, 2014. Closures would be 16th Avenue from 5am – 10am.
Date:	October 8, 2013
Prepared By:	Jennifer McMahon, Recreation Director
Summary of Issue:	The 2nd Annual Race for the Cupcake 5K is a beach run that on Pass-a-Grille beach that starts and ends at 16th Ave. This year we are requesting to close 16th avenue between Pass-a-Grille Way and Gulf Way and use the Hurley Park pavilion. The event expects to bring out 300 participants. The event is a fundraiser for the First Baptist Church of St Petersburg youth charity and is organized by 6th grader Jake Schultz.
Requested Motion:	"I move to authorize the approval of The 2nd Annual Race for the Cupcake 5K event application and street closure for March 22, 2014
Attachments:	Event information and application
Reviewed by City Manager	MB

Complete and return to:

St. Pete Beach, FL 33706

Staff Use Only:
Date Received: ________
Permit Number: 20 ___-___

SPECIAL EVENT PERMIT APPLICATION

Name of Event Race for the Cupcake! 5K

Date of Event March 22, 2014 Time 5:00 AM - 10:00 AM

Event Location Hurley park

Applicant Name: Michelle Schultz Telephone # 727-463-1945

Email Address: cupcake5k@tampabay.rr.com Mailing Address: 4816 14th St. N., St. Pete, 33703

Organization First Baptist Church of St. Petersburg Estimated Attendance 300

Please attach a cover letter describing the activities for the event, along with proof of liability insurance. The City Manager may require that a liability bond be posted to insure that no damage is done; the amount of which is to be determined by the City Manager/City Commission according to the intensity of the event.

Do you request Co-Sponsorship? Yes ___ No ✓ If yes, please fill out page 6. (Co-sponsorship requires City Commission approval)

DO YOU REQUEST ANY OF THESE ACTIVITIES? Please checkmark ✓ all that apply.

✓	Signage (be specific on type of sign)		Food Sales (Additional DBPR Permit Required)
	Retail Vending		Banner
	Fireworks		Alcohol Sale/Consumption (Additional State Liquor Permit Required)
	Bonfire		Cookout
			Temporary Structure (i.e.: Tent, Stage, Etc.)
✓	Street Closure		On-Site Medical Team
	Electricity		Traffic/Crowd Control (check with Sheriff's Office)
	Trailer On Site		Vehicles On The Beach

Other Hurley park bathrooms open by 6:00 AM.

A map must be provided denoting all above referenced areas of activity. The appropriate attached forms must also be completed.

FEE SCHEDULE:
Special Event Permit Fee $20.00 Type 1 Events, $50.00 Type 2 Events, $500.00 Type 3 Events

Applicant Certification: I have read and understand the instructions provided in this packet. I understand that incomplete and late applications shall not be accepted due to interdepartmental coordination.

I hereby certify that I/we will be responsible for the preservation, sanitation and cleanup of the areas used for the special event. Additionally, I/we certify that there are no misrepresentations in the foregoing statements and answers.

Applicant Signature

9-23-13
Date

7

Race for the Cupcake 5k
March 22, 2014

This was a very successful race last year and gained positive support from the local beach and St. Petersburg communities. Jake Schultz, the organizer/director, is now in 6th grade at Madeira Beach Fundamental and is honored to continue this race for the community.

The race will be run on the sand. The start/finish line will be out from 16th Av. The runners will go north for 1.5 miles and loop back the same way. We would like to request 16th AV closed between Gulf and Passagrille Way. We have an approx 3 ft X 8ft banner to hang between the two palm trees in front of the field in Hurley Park. This is the sponsored charity's banner and says "RiseUp St. Pete!" with their logo. We will utilize the pavilion for our registration area. Last year, the bathrooms were not open until after 8:00 am. We would like to request they open at 6:00 am to accommodate our hydrating runners. I can be responsible for a key. A pick up on Friday and return on Saturday, if that would be easier for the recreation department.

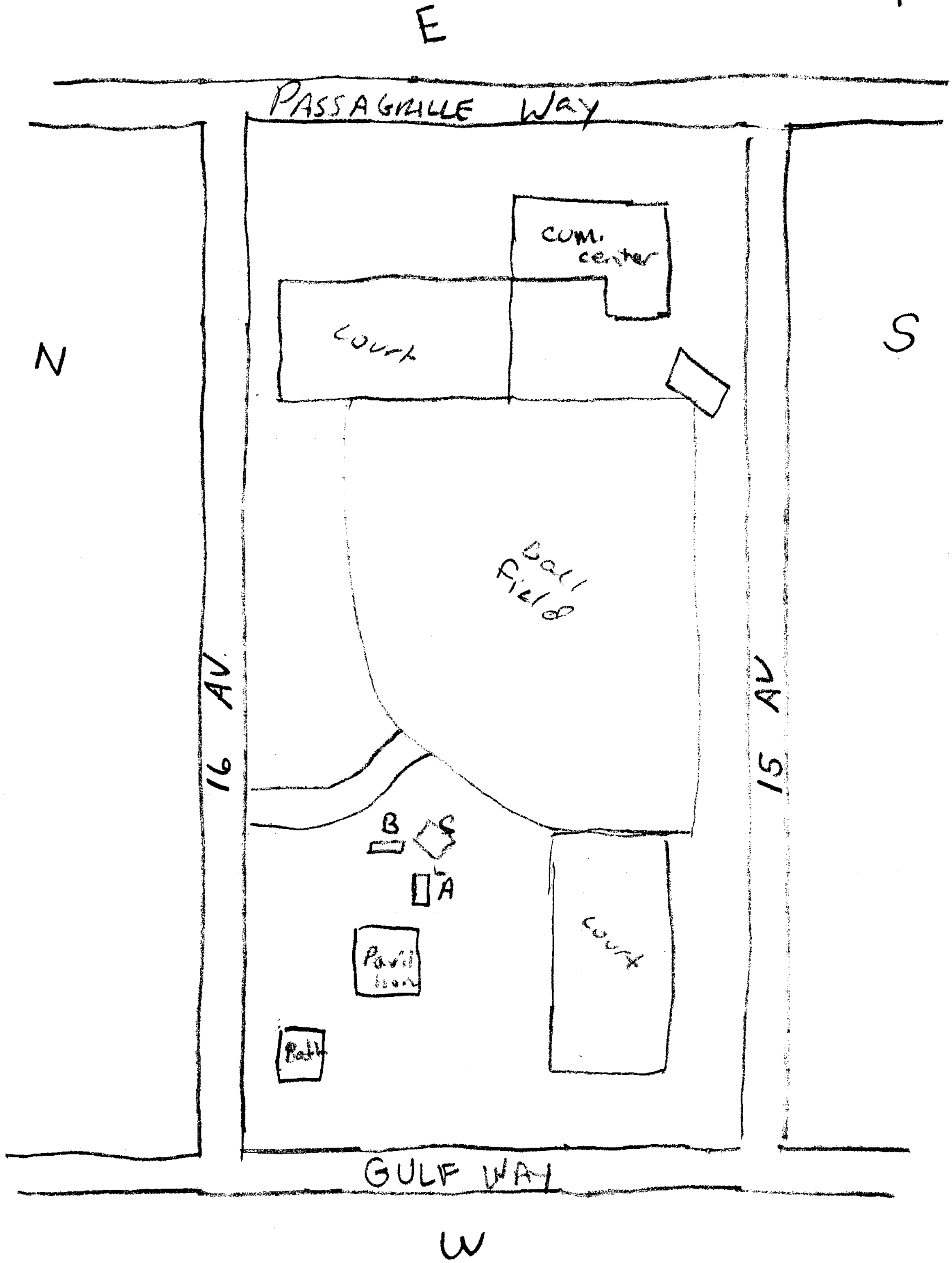
Last year, the Sheriff Dept declared the race did not require police support. We expect the same this year, however if the number of participants exceeds that of last year, we will inform them of the change.

Thank you for your support in this youth's charity service.

Regards,

Michelle Schultz
mtschultz@tampabay.rr.com
727-463-1945

HURLEY PARK



A and B = (2) 6ft tables
C = 10X10 easy up tent

Street closure = 16 AV between PAG WAY and Gulf

1STBA14 OP ID: CA

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 01/17/13

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER		CONTACT NAME:	
Connelly, Carlisle, Fields & Nichols P.O. Box 1027 Clearwater, FL 33757 John R. Fields	727-797-0441 727-669-0673	PHONE (A/C, No, Ext):	FAX (A/C, No):
		E-MAIL ADDRESS:	
		INSURER(S) AFFORDING COVERAGE	**NAIC #**
		INSURER A : Philadelphia Ins. Companies	18058
INSURED First Baptist Church-St.Pete Linda Champion 1900 Gandy Blvd. St. Petersburg, FL 33702		INSURER B : Zenith Insurance Company	13269
		INSURER C :	
		INSURER D :	
		INSURER E :	
		INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	**GENERAL LIABILITY** X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC	X		PHPK959102	01/01/13	01/01/14	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 2,000,000
							PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
A	**AUTOMOBILE LIABILITY** X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			PHPK959102	01/01/13	01/01/14	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 10,000			PHUB406165	01/01/13	01/01/14	EACH OCCURRENCE	$ 10,000,000
							AGGREGATE	$
								$
B	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		Z071319202	03/23/12	03/23/13	WC STATU-TORY LIMITS / OTH-ER	
							E.L. EACH ACCIDENT	$ 500,000
							E.L. DISEASE - EA EMPLOYEE	$ 500,000
							E.L. DISEASE - POLICY LIMIT	$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Certificate holder is hereby named as additional insured with respects to general liability.

CERTIFICATE HOLDER	CANCELLATION
CITYST2 City of St. Pete Beach 155 Corey Ave. St. Pete Beach, FL 33706	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Carlisle

ACORD 25 (2010/05)

0000020 05/23/12

DR-14
R. 04/11

FLORIDA DEPARTMENT OF REVENUE

Consumer's Certificate of Exemption

Issued Pursuant to Chapter 212, Florida Statutes

Certificate Number	Effective Date	Expiration Date	Exemption Category
85-8012621022C-3	07/31/2012	07/31/2017	RELIGIOUS-PHYSICAL PLACE

This certifies that

FIRST BAPTIST CHURCH OF
ST PETERSBURG INCORPORATED
1900 GANDY BLVD N
SAINT PETERSBURG FL 33702-2139

is exempt from the payment of Florida sales and use tax on real property rented, transient rental property rented, tangible personal property purchased or rented, or services purchased.

DR-14
R. 04/11

FLORIDA DEPARTMENT OF REVENUE

Important Information for Exempt Organizations

1. You must provide all vendors and suppliers with an exemption certificate before making tax-exempt purchases. See Rule 12A-1.038, Florida Administrative Code (F.A.C.).

2. Your *Consumer's Certificate of Exemption* is to be used solely by your organization for your organization's customary nonprofit activities.

3. Purchases made by an individual on behalf of the organization are taxable, even if the individual will be reimbursed by the organization.

4. This exemption applies only to purchases your organization makes. The sale or lease to others of tangible personal property, sleeping accommodations, or other real property is taxable. Your organization must register, and collect and remit sales and use tax on such taxable transactions. Note: Churches are exempt from this requirement except when they are the lessor of real property (Rule 12A-1.070, F.A.C.).

5. It is a criminal offense to fraudulently present this certificate to evade the payment of sales tax. Under no circumstances should this certificate be used for the personal benefit of any individual. Violators will be liable for payment of the sales tax plus a penalty of 200% of the tax, and may be subject to conviction of a third-degree felony. Any violation will require the revocation of this certificate.

6. If you have questions regarding your exemption certificate, please contact the Exemption Unit of Account Management at 800-352-3671. From the available options, select "Registration of Taxes," then "Registration Information," and finally "Exemption Certificates and Nonprofit Entities." The mailing address is PO Box 6480, Tallahassee, FL 32314-6480.

St. Pete Beach City Commission
Agenda Report

Issue Considered: Authorize the City Manager to enter into a Modification of Agreement with Waste Services of Florida, Inc. to revise the yard waste collection provision of the Solid Waste Services Contract.

Date: 10/8/13

Prepared By: Steven J. Hallock, Public Services Director

Summary of Issue: The City has had a long standing problem with large volumes of yard waste being left on the curb. While private contractors are currently required to dispose of the tree trimming debris this sometimes does not get done and trying to enforce the yard waste removal has proven to be very difficult. Since having large volumes of yard waste debris sitting on the curb for days if not weeks at a time is unsightly and causes neighbors to complain we are modifying our Agreement to make sure it gets picked up in a timely manner. This change will also give residents a choice of having their private contractor or Waste Services haul it away.

Requested Motion: "I move to authorize the City Manager to enter into a Modification of Agreement with Waste Services of Florida, Inc. to revise the yard waste collection provision of the Solid Waste Services Contract."

Attachments: Modification of Agreement

Reviewed by City Manager: MB

MODIFICATION OF AGREEMENT

THE AGREEMENT dated September 12, 2012 between **WASTE SERVICES OF FLORIDA, INC.** (hereinafter "Contractor") and **CITY OF ST. PETE BEACH, FLORIDA** (hereinafter "City"), is modified as follows:

WHEREAS, the parties have entered into a Solid Waste Services Contract originally dated September 12, 2012 (the "Contract"); and

WHEREAS, the parties wish to revise the yard waste collection provision, as provided herein;

NOW, THEREFORE, for good and valuable consideration the parties agree as follows:

A. Paragraph 3, Section III, of the RFP providing for Scope of Work, Collection Details, dealing with Yard Waste, incorporated by reference into the Contract, is revised to read as follows:

3. Yard Waste

Yard waste (trash) must be picked up a minimum of once a week by Contractor at all residential single and multi-family properties. Yard waste should be cut and placed at the front curb by the residence homeowner. Yard waste includes all yard clippings, leaves, shrubs, palm fronds, tree limbs and such other small rubbish as ordinarily accumulates about growing vegetation. Vegetation has to be neatly piled (not in plastic bags) and not over four (4) feet in length and any single object over 40 lbs. Price for up to two cubic yards per collection shall be included in residential rate. ~~Horticultural/yard waste and tree trimming debris created by a contractor or commercial tree trimmer should be disposed of by the contractor.~~

a. Resident homeowner may call the Contractor or another authorized company or commercial tree trimmer to provide a special collection and disposal of additional yard waste. The Contractor will charge the residence homeowner $15.00 for each additional cubic yard over two cubic yards.

b. Yard waste must be placed at the curb by 7am by the resident homeowner on a day mutually agreed to in writing by the Contractor and City for collection. Yard Waste shall only be collected at the curb.

c. Contractor is not responsible for land clearing debris. This includes trees cut down or blown down on residence property. Resident homeowner may call the Contractor or another authorized company or commercial tree trimmer to provide a special collection and disposal of land clearing debris.

d. Yard waste should never be placed in the recycle bin or garbage cans by resident homeowner.

e. Contractor will broom sweep clean any remnants of yard waste that is in the street after collection.

B. All other terms and conditions of the Contract shall remain in full force and effect, except as specifically modified hereby.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

WASTE SERVICES OF FLORIDA, INC

BY ______________________
AUTHORIZED REPRESENTATIVE

FRED W. OLSEN D.M.
NAME, TITLE (typed or printed)

CITY OF ST. PETE BEACH, FLORIDA

BY______________________
CITY MANAGER

APPROVED AS TO FORM:

BY ______________________
CITY ATTORNEY

ATTEST:

____
CITY CLERK

St. Pete Beach City Commission
Agenda Report

Issue Considered: Authorization for the City Manager to enter into an agreement with Public Risk Management of Florida for renewal of the City insurance policies covering the period from October 1,2013 to September 30, 2014 in the amount of $478,036.00.

Date: October 08, 2013

Prepared By: Dan O'Connor, Administrative Services Supervisor

Through: Elaine Edmunds, Administrative Services Director

Summary of Issue: This is an annual request for authorization to enter into an agreement with Public Risk Management of Florida for renewal of the City insurance policies and preferred membership in the Public Risk Management of Florida insurance pool. The total proposed fiscal year 2014 insurance premium of $478,036.00 represents an 11.5% increase over fiscal year 2013. The increased rate is due in part as a result of a pool wide reduction in the preferred membership participation credit and settlement of existing liability and workers compensation claims. The proposed premium costs by insurance type are as follows:

1. Property and Crime Coverage -	$181,536.00
2. Liability -	$125,550.00
3. Workers Compensation -	$201,982.00
4. Boiler and Machinery -	$ 2,431.00
5. PRM Preferred Member Discount -	($ 33,463.00)
Grand Total -	$478,036.00

The City has been a preferred member of the Public Risk Management of Florida insurance pool of over 50 governmental entities for over a decade. In 2012 staff did seek competitive bids from alternative carriers and found PRM to be the lowest cost provider of insurance lines provided to governmental entities.

Requested Motion: "I move that the City Manager be authorized to enter into an agreement with Public Risk Management for liability, property, boiler and machinery, and workers compensation insurance in the amount of $478,036.00."

Attachments: Public Risk Management of Florida binding authority

Reviewed by City Manager: MB

Proposal Pricing & Binding Authority

After careful consideration of the referenced proposal, we accept your insurance program as indicated with an "X" below:

		2012/2013	2013/2014	% Change
☐	PRM PROPERTY AND CRIME	$176,249.00	$181,536.00	+3.0%
☐	PRM GL/AL/E&O/LEL	$116,250.00	$125,550.00	+8.0%
☐	PRM WORKERS' COMPENSATION	$191,758.00	$201,982.00	+5.3%
☐	PRM BOILER & MACHINERY	$1,925.00	$2,431.00	+26.3%
	Preferred Member Participation Credit	-$57,450.00	-$33,463.00	
	GRAND TOTAL	**$428,732.00**	**$478,036.00**	**+11.5%**
	OPTIONAL/ANCILLARY COVERAGES			
☐	Inverse Condemnation - $100,000 Per Occ/Agg	$11,250.00	$12,375.00	+10.0%
☐	Non-Monetary Damage - $10,000 Per Occ/Agg	$1,800.00	$1,800.00	0.0%
☐	Pollution Liability	$2,048.00	$4,675.00	

It is understood and agreed that referenced proposal provides only a summary of the insurance program options offered. The actual policies will contain the complete terms, conditions, deductibles, exclusions, etcetera. Please review policy language for a full understanding of purchased program.

Member Signature ____________________ Date ____________________

Print Member Name ____________________

SIGNED BINDING AUTHORITY TO BE RETURNED BY SEPTEMBER 13, 2013 TO WRM.

THIS DOCUMENT IN ITS ENTIRETY IS CONFIDENTIAL & PRIVILEGED PROPRIETARY DOCUMENTATION-NOT PUBLIC RECORD.

St. Pete Beach City Commission
Agenda Report

Issue Considered:	Authorize payment of the annual software maintenance contract with Tyler Technologies for financial accounting software
Date:	October 8, 2013
Prepared By:	Elaine Edmunds, Administrative Services Director

Summary of Issue: The City utilizes Incode, a governmental accounting software package provided by the parent company of Tyler Technologies. This software was purchased in 2007 to replace the prior software which had become obsolete.

The annual software maintenance charges are broken down as follows:

AcuCorp Acuserver	$ 1,811.11
Basic Network Support Services	765.78
Core Financials	3,957.69
Distributed Time Sheet Entry	1,038.05
Forms Overlay	478.92
Office Exporter	319.68
Payroll/Personnel	1,755.19
Secure Signatures	319.68
Tyler Online Training Center	1,435.00
Total Annual Cost	$11,881.10

Tyler Technologies is a sole source provider for maintenance of the Incode Financial Software.

Requested Motion: **"**I move to authorize the purchase of annual financial software maintenance from Tyler Technologies in the amount of $11,881.10".

Attachments: Tyler Technologies Invoice

Reviewed by City Manager: MB

St. Pete Beach City Commission
Agenda Report

Issue Considered:	Ordinance 2013-22, amendment to the Firefighters' Retirement System
Date:	October 8, 2013
Prepared By:	Michael P. Bonfield, City Manager MB
Summary of Issue:	This ordinance amends Section 66- 251, Definitions, *Credited Service* and Section 66-331, Maximum Pension to comply with recent changes to the Internal Revenue Code relating to tax qualified pension plans. Section 66-251 Definitions, *Actuarial Equivalent* is also amended to reflect the mortality table and interest rate currently being used by the plan's actuary.
Requested Motion:	"I move to approve Ordinance 2013-22. . . read title."
Attachments:	Ordinance 2013-22 Foster & Foster Letter of no impact Lewis Longman & Walker Memorandum

CITY OF ST. PETE BEACH, FLORIDA
Ordinance No. 2013-22

AN ORDINANCE OF THE CITY OF ST. PETE BEACH, FLORIDA, AMENDING CHAPTER 66, PENSIONS AND RETIREMENT, ARTICLE IV FIREFIGHTERS' RETIREMENT SYSTEM, DIVISION 1, GENERALLY AND DIVISION 3, BENEFITS, OF THE CODE OF ORDINANCES OF THE CITY OF ST. PETE BEACH; AMENDING SECTION 66-251 DEFINITIONS, BY AMENDING THE DEFINITIONS OF "ACTUARIAL EQUIVALENT" AND "CREDITED SERVICE"; DIVISION 3, BENEFITS, SECTION 66-331 MAXIMUM PENSION; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH, TO THE EXTENT OF SUCH CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA:

SECTION 1. That Chapter 66, Article IV Firefighters' Retirement System, Division 1 Generally, of the Code of Ordinances of the City of St. Pete Beach, is hereby amended by amending Section 66-251 Definitions, by amending the definitions of *Actuarial Equivalent* and *Credited Service*, to read as follows:

* * *

Actuarial equivalent means a benefit or amount of equal value, based upon the ~~1983 Group Annuity~~ RP 2000 Combined Healthy Mortality Table and an interest rate of ~~eight and one-half~~ seven and three quarters percent per annum. This definition may only be amended by the city pursuant to the recommendation of the board using the assumptions adopted by the board with the advice of the plan's actuary, such that actuarial assumptions are not subject to city discretion.

* * *

Credited service means the total number of years and fractional parts of years of service as a firefighter with member contributions, when required, omitting intervening years or fractional parts of years when such member was not employed by the city as a firefighter. A member may voluntarily leave his accumulated contributions in the fund for a period of five years after leaving the employ of the fire department pending the possibility of being reemployed as a firefighter, and without losing credit for the time that he was a member of the system. If a vested member leaves the employ of the fire department his accumulated contributions will be returned only upon his written request. If a member who is not vested is not reemployed as a firefighter with the fire department within five years, his accumulated contributions, if $1,000.00 or less, shall be returned. If a member who is not vested is not reemployed within five years, his accumulated contributions, if more than $1,000.00, will be returned only upon the written request of the member and upon completion of a written election to receive a cash lump sum or to rollover the lump sum amount on forms designated by the board. Upon return of a member's accumulated contributions, all of his rights and benefits under the system are forfeited and terminated. Upon any reemployment, a firefighter shall not receive credit for the years and fractional parts of years of service for which he has withdrawn his accumulated contributions from the fund, unless the firefighter repays into the fund the contributions he has withdrawn, with interest, as determined by the board, within 90 days after his reemployment.

The years or fractional parts of a year that a member performs "Qualified Military Service" consisting of voluntary or involuntary "service in the uniformed services" as defined in the Uniformed Services Employment and Reemployment Rights Act (USERRA) (P.L.103-353) after separation from employment as a firefighter with the city to perform training or service, shall be added to his years of credited service for all purposes, including vesting, provided that:

(1) The member is entitled to reemployment under the provisions of USERRA.

(2) The member returns to his employment as a firefighter within one year from the earlier of the date of his military discharge or his release from active service unless otherwise required by USERRA.

(3) The maximum credit for military service pursuant to this paragraph shall be five years.

(4) This paragraph is intended to satisfy the minimum requirements of USERRA. To the extent that this paragraph does not meet the minimum standards of USERRA, as it may be amended from time to time, the minimum standards shall apply.

In the event a member dies on or after January 1, 2007, while performing USERRA Qualified Military Service, the beneficiaries of the member are entitled to any benefits (other than benefit accruals relating to the period of qualified military service) as if the member had resumed employment and then died while employed.

Beginning January 1, 2009, to the extent required by section 414(u)(12) of the code, an individual receiving differential wage payments (as defined under section 3401(h)(2) of the code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

* * *

SECTION 2. That Chapter 66, Article IV Firefighters' Retirement System, Division 3 Benefits, of the Code of Ordinances of the City of St. Pete Beach, is hereby amended by amending Section 66-331 Maximum Pension, to read as follows:

Sec. 66-331. Maximum pension.

(a) *Basic limitation.* Notwithstanding any other provisions of this system to the contrary, the member contributions paid to, and retirement benefits paid from, the system shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A) ($160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this System. For purposes of this section, "limitation year" shall be the calendar year.

For purposes of Code Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code Section 415(n) and to rollover contributions (as defined in Code Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

(b) *Adjustments to Basic Limitation for Form of Benefit***.** ~~If the form of benefit without regard to any benefit increase feature is not a straight life annuity, then the Code Section 415(b) limit applicable at the annuity starting date is reduced to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the death benefits under the form of benefit.~~ If the benefit under the plan is other than the annual benefit described in subsection (a), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations. If the form of the benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the additional benefits under the form of benefit as follows:

(1) For a benefit paid in a form to which section 417(e)(3) of the code does not apply (generally, a monthly benefit), the actuarially equivalent straight life annuity benefit that is the greater of:

a. The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

b. The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation Section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

(2) For a benefit paid in a form to which section 417(e)(3) of the code applies (generally, a lump sum benefit), the actuarially equivalent straight life annuity benefit that is the greatest of:

a. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

b. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under

Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

c. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation Section 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1, 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate in effect for the first day of the plan year with a one-year stabilization period)) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code), divided by 1.05.

(3) The actuary may adjust the 415(b) limit at the annuity starting date in accordance with subsections (1) and (2) above.

(c) *Benefits Not Taken into Account*. For purposes of this Section, the following benefits shall not be taken into account in applying these limits:

(1) Any ancillary benefit which is not directly related to retirement income benefits;

(2) Any other benefit not required under §415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1); and

(3) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity.

(d) *COLA Effect*. Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

(1) A member's applicable limit will be applied to the member's annual benefit in the member's first ~~calendar~~ limitation year of benefit payments without regard to any automatic cost of living adjustments;

(2) thereafter, in any subsequent ~~calendar~~ limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but

(3) in no event shall a member's benefit payable under the system in any ~~calendar~~ limitation year be greater than the limit applicable at the annuity starting date, as

increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the system, for purposes of applying the limits under Code Section 415(b), a Member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Code and applicable Treasury Regulations.

(e) *Other Adjustments in Limitations*.

(1) In the event the member's retirement benefits become payable before age 62, the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a $160,000 annual benefit beginning at age 62.

(2) In the event the member's benefit is based on at least 15 years of credited service as a full-time employee of the fire or police department of the City, the adjustments provided for in (e)(1) above shall not apply.

(3) The reductions provided for in (e)(1) above shall not be applicable to disability benefits pursuant to Sec. 66-328, or pre-retirement death benefits paid pursuant to Sec. 66-327.

(4) In the event the member's retirement benefit becomes payable after age 65, for purposes of determining whether this benefit meets the limit set forth in subsection (a) herein, such benefit shall be adjusted so that it is actuarially equivalent to the benefit beginning at age 65. This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

(f) *Less than Ten (10) Years of Participation or Service*. The maximum retirement benefits payable under this section to any member who has completed less than ten (10) years of credited service with the City shall be the amount determined under subsection (a) of this section multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10). The reduction provided by this subsection cannot reduce the maximum benefit below 10% of the limit determined without regard to this subsection. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits paid pursuant to Sec. 66-328 or pre-retirement death benefits paid pursuant to Sec. 66-327.

(g) *Participation in Other Defined Benefit Plans*. The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the City shall apply as if the total benefits payable under all City defined benefit plans in which the member has been a member were payable from one plan.

(h) *Ten Thousand Dollar ($10,000) Limit; Less Than Ten Years of Service*. Notwithstanding ~~the foregoing~~ anything in this section 66-331, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this subsection (h) of section 66-331 if the benefits payable, with respect to such member under this system and under all other qualified defined benefit pension plans to which the City contributes, do not exceed ten thousand dollars ($10,000) for the applicable ~~plan~~ limitation year and for any prior ~~plan~~ limitation year and the City has not any time maintained a qualified defined contribution plan in which the member participated; provided, however, that if the member has completed less than ten (10) years of credited service with the City, the limit under this subsection (h) of section 66-331 shall be a reduced limit equal to ten thousand dollars ($10,000) multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10).

(i) *Reduction of Benefits*. Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

(j) *Service Credit Purchase Limits*.

(1) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the system, as allowed in Sections 66-336 and 66-337, then the requirements of this section will be treated as met only if:

a. the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or

b. the requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

~~c.~~ For purposes of applying subparagraph (j)(1)a., the System will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of this subparagraph ~~c.~~, and for purposes of applying subparagraph (j)(1)b. the System will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Code solely by reason of this subparagraph ~~c~~.

(2) For purposes of this subsection the term "permissive service credit" means service credit—

a. recognized by the system for purposes of calculating a member's benefit under the plan,

b. which such member has not received under the plan, and

c. which such member may receive only by making a voluntary additional contribution, in an amount determined under the system, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the system, include service credit for periods for which there is no performance of service, and, notwithstanding clause (j)(2)b., may include service credited in order to provide an increased benefit for service credit which a member is receiving under the system.

(k) *Contribution Limits.*

(~~3~~ 1) For purposes of applying the Code Section 415(c) limits ~~in this subsection (j).~~ which are incorporated by reference and for purposes of this subsection (k), only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a ~~calendar~~ limitation year, except as noted below and as permitted by Treasury Regulations Section 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury Regulations Section 1.415(c)-2, or successor regulation, is specified by the system, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2).

a. However, for ~~calendar~~ limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For ~~calendar~~ limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).

b. For limitation years beginning on and after January 1, 2007, compensation for the ~~calendar~~ limitation year will also include compensation paid by the later of 2½ months after an employee's severance from employment or the end of the ~~calendar~~ limitation year that includes the date of the employee's severance from employment if:

1. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the employee while the employee continued in employment with the employer; or

2. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

c. Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(~~4~~ 2) Notwithstanding any other provision of law to the contrary, the board may modify a request by a member to make a contribution to the system if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

a. If the law requires a lump sum payment for the purchase of service credit, the board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).

b. If payment pursuant to subparagraph ~~(j)(4)a.~~ (k)(2)a. will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution.

(3) If the annual additions for any member for a limitation year exceed the limitation under section 415(c) of the code, the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).

(4) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this subsection (k) shall not exceed the annual limit under section 401(a)(17) of the code.

(~~k~~ l) *Additional Limitation on Pension Benefits*. Notwithstanding anything herein to the contrary:

(1) The normal retirement benefit or pension payable to a retiree who becomes a member of the system and who has not previously participated in such system, on or after January 1, 1980, shall not exceed one hundred percent (100%) of his average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

(2) No member of the system shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the member is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter 67, Title 10, U.S. Code.

SECTION 3: Codification.

This Ordinance shall be codified in the Code of Ordinances of the City of St. Pete Beach.

SECTION 4: Severability.

If any portion, part or section of this ordinance is declared invalid, the valid remainder hereof shall remain in full force and effect.

SECTION 5: Repeal of Ordinances in Conflict.

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 6: Effective Date.

This ordinance shall become effective immediately upon final passage as provided by law.

____
Steve McFarlin, Mayor

FIRST READING :___________________

PUBLISHED :___________________

SECOND READING :___________________

PUBLIC HEARING :___________________

I, Rebecca Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this ________ day of ______________________, 2013.

____
Rebecca Haynes, City Clerk

ksh\spb\fire\07-11-13.ord

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

August 13, 2013

VIA EMAIL AND MAIL

Mr. Carl Carnes, Human Resources Administrator
City of St. Pete Beach
155 Corey Ave.
St. Pete Beach, FL 33706

Re: City of St. Pete Beach
Firefighters' Retirement System

Dear Carl:

In response to Lee Dehner's letter dated July 26, 2013, we have reviewed the proposed ordinance (identified on page 9 as ksh\spb\fire\07-11-13.ord) modifying the language to comply with changes in the Internal Revenue Code, and also providing for a change in the assumptions utilized for the definition of Actuarial Equivalence to match the current valuation assumptions for mortality and interest. While adoption of these assumptions may result in a de minimis impact (either positive or negative) over the life of the Plan, it is not currently measureable and therefore does not result in an immediate change to the Plan's funding requirements.

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
P. O. Box 9000
Tallahassee, FL 32315-9000

Ms. Sarah 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,

Patrick T. Donlan, EA, ASA, MAAA
PTD/lke

cc: Lee Dehner, Board Attorney
cc: Phil Milner, Board Chair

LEWIS LONGMAN & WALKER | P.A.

ATTORNEYS AT LAW

REPLY TO: TALLAHASSEE

MEMORANDUM

TO:	Michael Bonfield, City Manager City of St. Pete Beach
FROM:	Glenn E. Thomas
DATE:	August 29, 2013
RE:	Retirement System Compliance Ordinances

We have reviewed the proposed ordinances included with your August 1, 2013 correspondence. The ordinances would make changes to the City's General Employees' Retirement System, Firefighters' Retirement System and Police Officers' Retirement System, intended to comply with federal law. The proposed amendments contain several changes to the plans, which are addressed by ordinance section below.

Section 1 Definitions

A change is proposed to the definition of "Actuarial Equivalent" in each plan. The mortality table under the plans would be updated from the current 1983 Group Annuity to the RP 2000. The pension board has the authority, with the advice of the plan actuary, to set reasonable assumptions. The RP 2000 is a more accurate mortality table and this change is typical of many pension plans in Florida.

The ordinance would also revise the interest rate under the definition of actuarial equivalent from the current 8% to 7.75%. This revision is also within the authority of the pension board and the rate adjustment is fairly typical of many governmental plans in Florida today.

The definition of "Credited Service" has also been amended in each plan to include technical language required under Section 105 of the Heroes Earnings Assistance and Relief Tax Act of 2008 ("HEART Act"). This language is required by federal law.

Section 2 Maximum Pension

A change is proposed to the “Maximum Pension” section in each plan. These sections have been significantly rewritten to comply with recent regulations under Section 415 of the Internal Revenue Code. The changes are technical in nature and reflect the manner in which the plan is required to be administered.

Please let us know if you have any additional questions or concerns.

BRADENTON
101 Riverfront Blvd.
Suite 620
Bradenton, FL 34205
(941) 708-4040
Fax: (941) 708-4024

JACKSONVILLE
245 Riverside Avenue
Suite 150
Jacksonville, FL 32202
(904) 353-6410
Fax: (904) 353-7619

TALLAHASSEE
315 South Calhoun Street
Suite 830
Tallahassee, FL 32301
(850) 222-5702
Fax: (850) 224-9242

WEST PALM BEACH
515 North Flagler Drive
Suite 1500
West Palm Beach, FL 33401
(561) 640-0820
Fax: (561) 640-8202

www.llw-law.com

St. Pete Beach City Commission
Agenda Report

Issue Considered:	Ordinance 2013-23, amendment to the General Employees' Retirement System
Date:	October 8, 2013
Prepared By:	Michael P. Bonfield, City Manager MB
Summary of Issue:	This ordinance amends Section 66- 26, Definitions, *Credited Service* and Section 66-108, Maximum Pension to comply with recent changes to the Internal Revenue Code relating to tax qualified pension plans. Section 66-26 Definitions, *Actuarial Equivalent* is also amended to reflect the mortality table and interest rate currently being used by the plan's actuary.
Requested Motion:	"I move to approve Ordinance 2013-23. . . read title."
Attachments:	Ordinance 2013-23 Foster & Foster Letter of no impact Lewis Longman & Walker Memorandum

CITY OF ST. PETE BEACH, FLORIDA
Ordinance No. 2013-23

AN ORDINANCE OF THE CITY OF ST. PETE BEACH, FLORIDA, AMENDING CHAPTER 66, PENSIONS AND RETIREMENT, ARTICLE II GENERAL EMPLOYEES' RETIREMENT SYSTEM, DIVISION 1, GENERALLY AND DIVISION 3, BENEFITS, OF THE CODE OF ORDINANCES OF THE CITY OF ST. PETE BEACH; AMENDING SECTION 66-26 DEFINITIONS, BY AMENDING THE DEFINITIONS OF "ACTUARIAL EQUIVALENT" AND "CREDITED SERVICE"; DIVISION 3, BENEFITS, SECTION 66-108 MAXIMUM PENSION; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH, TO THE EXTENT OF SUCH CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA:

SECTION 1. That Chapter 66, Article II General Employees' Retirement System, Division 1 Generally, of the Code of Ordinances of the City of St. Pete Beach, is hereby amended by amending Section 66-26 Definitions, by amending the definitions of *Actuarial Equivalent* and *Credited Service*, to read as follows:

* * *

Actuarial equivalent means a benefit or amount of equal value, based upon the RP 2000 Combined Healthy ~~(no projection)~~ Mortality Table and an interest rate of ~~eight~~ seven and three quarters percent per annum. This definition may only be amended by the city pursuant to the recommendation of the board using the assumptions adopted by the board with the advice of the plan's actuary, such that actuarial assumptions are not subject to city discretion.

* * *

Credited service means the total number of years and fractional parts of years of service as a general employee and member contributions to the plan from the date when contributions were first required, omitting intervening years or completed months when such member was not employed by the city as a general employee. A member may voluntarily leave his accumulated contributions in the fund for a period of five years after leaving the employ of the city pending the possibility of being reemployed as a general employee, without losing credit for the time that he was a member of the system. If a non-vested member is not reemployed as a general employee with the City of St. Pete Beach within five years, his accumulated contributions, if $1,000.00 or less, will be returned. If a member who is not vested is not reemployed within five years, his accumulated contributions, if more than $1,000.00, will be returned only upon the written request of the member and upon completion of a written election to receive a cash lump sum or to rollover the lump sum amount on forms designated by the board. If a vested member does not remain employed for a period of three years after reemployment within five years, his accumulated contributions will be returned only upon his written request. However, the credited service shall not be deemed to be interrupted by and a member shall receive credited service for periods during which the member is on an authorized leave of absence for a period not to exceed one year, but only if the member deposits into the fund, within 90 days after his return, the same sum that he would have contributed if he had been a general employee during his absence, plus an amount of interest equal to the actuarial valuation interest rate assumption in effect on the date of redeposit, plus payment of costs for all professional services rendered to the board in connection with the purchase of the periods of credited service for authorized leave time.

Beginning January 1, 2009, to the extent required by section 414(u)(12) of the code, an individual receiving differential wage payments (as defined under section 3401(h)(2) of the code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

* * *

SECTION 2. . That Chapter 66, Article II General Employees' Retirement System, Division 3 Benefits, of the Code of Ordinances of the City of St. Pete Beach, is hereby amended by amending Section 66-108 Maximum Pension, to read as follows:

Sec. 66-108. Maximum pension.

(a) *Basic limitation.* Notwithstanding any other provisions of this system to the contrary, the member contributions paid to, and retirement benefits paid from, the system shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A) ($160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this System. For purposes of this section, "limitation year" shall be the calendar year.

For purposes of Code Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code Section 415(n) and to rollover contributions (as defined in Code Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

(b) *Adjustments to Basic Limitation for Form of Benefit***.** ~~If the form of benefit without regard to any benefit increase feature is not a straight life annuity, then the Code Section 415(b) limit applicable at the annuity starting date is reduced to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the death benefits under the form of benefit.~~ If the benefit under the plan is other than the annual benefit described in subsection (a), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations. If the form of the benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the additional benefits under the form of benefit as follows:

(1) For a benefit paid in a form to which section 417(e)(3) of the code does not apply (generally, a monthly benefit), the actuarially equivalent straight life annuity benefit that is the greater of:

a. The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

b. The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation Section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

(2) For a benefit paid in a form to which section 417(e)(3) of the code applies (generally, a lump sum benefit), the actuarially equivalent straight life annuity benefit that is the greatest of:

a. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

b. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

c. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation Section 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1, 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate in effect for the first day of the plan year with a one-year stabilization period)) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code), divided by 1.05.

(3) The actuary may adjust the 415(b) limit at the annuity starting date in accordance with subsections (1) and (2) above.

(c) *Benefits Not Taken into Account*. For purposes of this Section, the following benefits shall not be taken into account in applying these limits:

(1) Any ancillary benefit which is not directly related to retirement income benefits;

(2) Any other benefit not required under §415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1); and

(3) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity.

(d) *COLA Effect*. Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

(1) A member's applicable limit will be applied to the member's annual benefit in the member's first ~~calendar~~ limitation year of benefit payments without regard to any automatic cost of living adjustments;

(2) thereafter, in any subsequent ~~calendar~~ limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but

(3) in no event shall a member's benefit payable under the system in any ~~calendar~~ limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the system, for purposes of applying the limits under Code Section 415(b), a Member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Code and applicable Treasury Regulations.

(e) *Other Adjustments in Limitations*.

(1) In the event the member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar ($160,000) annual benefit beginning at age sixty-two (62).

(2) In the event the member's benefit is based on at least fifteen (15) years of credited service as a full-time employee of the fire or police department of the City, the adjustments provided for in (e)(1) above shall not apply.

(3) The reductions provided for in (e)(1) above shall not be applicable to disability benefits pursuant to Sec. 66-103, or pre-retirement death benefits paid pursuant to Sec. 66-102.

(4) In the event the member's retirement benefit becomes payable after age sixty-five (65), for purposes of determining whether this benefit meets the limit set forth in subsection (a) herein, such benefit shall be adjusted so that it is actuarially equivalent to the benefit beginning at age sixty-five (65). This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

(f) *Less than Ten (10) Years of Participation or Service*. The maximum retirement benefits payable under this section to any member who has completed less than ten (10) years of credited service with the City shall be the amount determined under subsection (a) of this section multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10). The reduction provided by this subsection cannot reduce the maximum benefit below 10% of the limit determined without regard to this subsection. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits paid pursuant to Sec. 66-103 or pre-retirement death benefits paid pursuant to Sec. 66-102.

(g) *Participation in Other Defined Benefit Plans*. The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the City shall apply as if the total benefits payable under all City defined benefit plans in which the member has been a member were payable from one plan.

(h) *Ten Thousand Dollar ($10,000) Limit; Less Than Ten Years of Service*. Notwithstanding ~~the foregoing~~ anything in this section 66-108, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this subsection (h) of section 66-108 if the benefits payable, with respect to such member under this system and under all other qualified defined benefit pension plans to which the City contributes, do not exceed ten thousand dollars ($10,000) for the applicable ~~plan~~ limitation year and for any prior ~~plan~~ limitation year and the City has not any time maintained a qualified defined contribution plan in which the member participated; provided, however, that if the member has completed less than ten (10) years of credited service with the City, the limit under this subsection (h) of section 66-108 shall be a reduced limit equal to ten thousand dollars ($10,000) multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10).

(i) *Reduction of Benefits*. Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

(j) *Service Credit Purchase Limits*.

(1) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the system, as allowed in 66-114 and 66-115, then the requirements of this section will be treated as met only if:

a. the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or

b. the requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

~~c.~~ For purposes of applying subparagraph (j)(1)a., the System will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of this subparagraph ~~c.~~, and for purposes of applying subparagraph (j)(1)b. the System will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Code solely by reason of this subparagraph ~~c~~.

(2) For purposes of this subsection the term "permissive service credit" means service credit—

a. recognized by the system for purposes of calculating a member's benefit under the plan,

b. which such member has not received under the plan, and

c. which such member may receive only by making a voluntary additional contribution, in an amount determined under the system, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the system, include service credit for periods for which there is no performance of service, and, notwithstanding clause (j)(2)b., may include service credited in order to provide an increased benefit for service credit which a member is receiving under the system.

(k) *Contribution Limits.*

(~~3~~ 1) For purposes of applying the Code Section 415(c) limits ~~in this subsection (j).~~ which are incorporated by reference and for purposes of this subsection (k), only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a ~~calendar~~ limitation year, except as noted below and as permitted by Treasury Regulations Section 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury Regulations Section 1.415(c)-2, or successor regulation, is specified by the system, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2).

a. However, for ~~calendar~~ limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For ~~calendar~~ limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).

b. For limitation years beginning on and after January 1, 2007, compensation for the ~~calendar~~ limitation year will also include compensation paid by the later of 2½ months after an employee's severance from employment or the end of the ~~calendar~~ limitation year that includes the date of the employee's severance from employment if:

1. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the employee while the employee continued in employment with the employer; or

2. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

c. Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(~~4~~ 2) Notwithstanding any other provision of law to the contrary, the board may modify a request by a member to make a contribution to the system if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

a. If the law requires a lump sum payment for the purchase of service credit, the board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).

b. If payment pursuant to subparagraph ~~(j)(4)a.~~ (k)(2)a. will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution.

(3) If the annual additions for any member for a limitation year exceed the limitation under section 415(c) of the code, the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).

(4) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this subsection (k) shall not exceed the annual limit under section 401(a)(17) of the code.

(~~k~~ l) *Additional Limitation on Pension Benefits*. Notwithstanding anything herein to the contrary:

(1) The normal retirement benefit or pension payable to a retiree who becomes a member of the system and who has not previously participated in such system, on or after January 1, 1980, shall not exceed one hundred percent (100%) of his average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

(2) No member of the system shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the member is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter 67, Title 10, U.S. Code.

SECTION 3: Codification.

This Ordinance shall be codified in the Code of Ordinances of the City of St. Pete Beach.

SECTION 4: Severability.

If any portion, part or section of this ordinance is declared invalid, the valid remainder hereof shall remain in full force and effect.

SECTION 5: Repeal of Ordinances in Conflict.

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 6: Effective Date.

This ordinance shall become effective immediately upon final passage as provided by law.

Steve McFarlin, Mayor

FIRST READING :__________________

PUBLISHED :__________________

SECOND READING :__________________

PUBLIC HEARING :__________________

I, Rebecca Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this ________ day of ______________________, 2013.

____
Rebecca Haynes, City Clerk

ksh\spb\gen\07-11-13.ord

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

August 13, 2013

VIA EMAIL AND MAIL

Mr. Carl Carnes, Human Resources Administrator
City of St. Pete Beach
155 Corey Ave.
St. Pete Beach, FL 33706

Re: City of St. Pete Beach
General Employees' Retirement System

Dear Carl:

In response to the letter from Lee Dehner dated July 26, 2013, we have reviewed the proposed Ordinance (identified on page 8 as ksh\spb\gen\07-11-13.ord) modifying the language to comply with changes in the Internal Revenue Code, and also providing for a change in the assumptions utilized for the definition of Actuarial Equivalence to match the current valuation assumptions for mortality and interest. While adoption of these assumptions may result in a de minimis impact (either positive or negative) over the life of the Plan, it is not currently measureable and therefore does not result in an immediate change to the Plan's funding requirements.

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 the following office:

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

If you have any questions, please let me know.

Sincerely,

Patrick T. Donlan, EA, ASA, MAAA
PTD/lke

cc: Lee Dehner, Plan Attorney
cc: Bill Palmer, Board Member

LEWIS LONGMAN & WALKER | P.A.

ATTORNEYS AT LAW

REPLY TO: TALLAHASSEE

MEMORANDUM

TO: Michael Bonfield, City Manager
City of St. Pete Beach

FROM: Glenn E. Thomas

DATE: August 29, 2013

RE: Retirement System Compliance Ordinances

We have reviewed the proposed ordinances included with your August 1, 2013 correspondence. The ordinances would make changes to the City's General Employees' Retirement System, Firefighters' Retirement System and Police Officers' Retirement System, intended to comply with federal law. The proposed amendments contain several changes to the plans, which are addressed by ordinance section below.

Section 1 Definitions

A change is proposed to the definition of "Actuarial Equivalent" in each plan. The mortality table under the plans would be updated from the current 1983 Group Annuity to the RP 2000. The pension board has the authority, with the advice of the plan actuary, to set reasonable assumptions. The RP 2000 is a more accurate mortality table and this change is typical of many pension plans in Florida.

The ordinance would also revise the interest rate under the definition of actuarial equivalent from the current 8% to 7.75%. This revision is also within the authority of the pension board and the rate adjustment is fairly typical of many governmental plans in Florida today.

The definition of "Credited Service" has also been amended in each plan to include technical language required under Section 105 of the Heroes Earnings Assistance and Relief Tax Act of 2008 ("HEART Act"). This language is required by federal law.

Section 2 Maximum Pension

A change is proposed to the "Maximum Pension" section in each plan. These sections have been significantly rewritten to comply with recent regulations under Section 415 of the Internal Revenue Code. The changes are technical in nature and reflect the manner in which the plan is required to be administered.

Please let us know if you have any additional questions or concerns.

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WEST PALM BEACH
515 North Flagler Drive
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West Palm Beach, FL 33401
(561) 640-0820
Fax: (561) 640-8202

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St. Pete Beach City Commission
Agenda Report

Issue Considered:	Ordinance 2013-24, amendment to the Police Officers' Employees' Retirement System
Date:	October 8, 2013
Prepared By:	Michael P. Bonfield, City Manager MB
Summary of Issue:	This ordinance amends Section 66- 141, Definitions, *Credited Service* and Section 66-221, Maximum Pension to comply with recent changes to the Internal Revenue Code relating to tax qualified pension plans. Section 66-141 Definitions, *Actuarial Equivalent* is also amended to reflect the mortality table and interest rate currently being used by the plan's actuary.
Requested Motion:	"I move to approve Ordinance 2013-24. . . read title."
Attachments:	Ordinance 2013-24 Foster & Foster Letter of no impact Lewis Longman & Walker Memorandum

CITY OF ST. PETE BEACH, FLORIDA
Ordinance No. 2013-24

AN ORDINANCE OF THE CITY OF ST. PETE BEACH, FLORIDA, AMENDING CHAPTER 66, PENSIONS AND RETIREMENT, ARTICLE III POLICE OFFICERS' RETIREMENT SYSTEM, DIVISION 1, GENERALLY AND DIVISION 3, BENEFITS, OF THE CODE OF ORDINANCES OF THE CITY OF ST. PETE BEACH; AMENDING SECTION 66-141 DEFINITIONS, BY AMENDING THE DEFINITIONS OF "ACTUARIAL EQUIVALENT" AND "CREDITED SERVICE"; SECTION 66-221, MAXIMUM PENSION; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH, TO THE EXTENT OF SUCH CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA:

SECTION 1. That Chapter 66, Article III Police Officers' Retirement System, Division 1 Generally, of the Code of Ordinances of the City of St. Pete Beach, is hereby amended by amending Section 66-141 Definitions, by amending the definitions of *Actuarial Equivalent* and *Credited Service*, to read as follows:

* * *

Actuarial equivalent means a benefit or amount of equal value, based upon the ~~1983 Group Annuity~~ RP 2000 Combined Healthy Mortality Table and an interest rate of ~~eight and one-half~~ seven and three quarters percent per annum. This definition may only be amended by the city pursuant to the recommendation of the board using the assumptions adopted by the board with the advice of the plan's actuary, such that actuarial assumptions are not subject to city discretion.

* * *

Credited service means the total number of years and fractional parts of years of service as a police officer with member contributions, when required, omitting intervening years or fractional parts of years when such member was not employed by the city as a police officer. A member may voluntarily leave his accumulated contributions in the fund for a period of five years after leaving the employ of the police department pending the possibility of being reemployed as a police officer, without losing credit for the time that he was a member of the system. If a vested member leaves the employ of the police department, his accumulated contributions will be returned only upon his written request. If a member who is not vested is not reemployed as a police officer with the police department within five years, his accumulated contributions, if $1,000.00 or less, shall be returned. If a member who is not vested is not reemployed within five years, his accumulated contributions, if more than $1,000.00, will be returned only upon the written request of the member and upon completion of a written election to receive a cash lump sum or to rollover the lump sum amount on forms designated by the board. Upon return of a member's accumulated contributions, all of his rights and benefits under the system are forfeited and terminated. Upon any re-employment a police officer shall not receive credit for the years and fraction parts of years of service for which he has withdrawn his accumulated contributions from the fund, unless the police officer repays into the fund the contributions he has withdrawn, with interest, as determined by the board, within 90 days after his reemployment.

The years or fractional parts of years that a member performs "Qualified Military Service" consisting of voluntary or involuntary "service in the uniformed services" as defined in the Uniformed Services Employment and Reemployment Rights Act (USERRA) (P.L.103-353), after separation from employment as a police officer with the city to perform training or service, shall be added to his years of credited service for all purposes, including vesting, provided that:

(1) The Member is entitled to reemployment under the provisions of USERRA.

(2) The member returns to his employment as a police officer within one year from the earlier of the date of his military discharge or release from active service, unless otherwise required by USERRA.

(3) The maximum credit for military service pursuant to this paragraph shall be five years.

(4) This paragraph is intended to satisfy the minimum requirements of USERRA. To the extent that this paragraph does not meet the minimum standards of USERRA, as it may be amended from time to time, the minimum standards shall apply.

In the event a member dies on or after January 1, 2007, while performing USERRA Qualified Military Service, the beneficiaries of the member are entitled to any benefits (other than benefit accruals relating to the period of qualified military service) as if the member had resumed employment and then died while employed.

<u>Beginning January 1, 2009, to the extent required by section 414(u)(12) of the code, an individual receiving differential wage payments (as defined under section 3401(h)(2) of the code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.</u>

* * *

<u>SECTION 2</u>. That Chapter 66, Article III Police Officers' Retirement System, Division 3 Benefits, of the Code of Ordinances of the City of St. Pete Beach, is hereby amended by amending Section 66-221 Maximum Pension, to read as follows:

Sec. 66-221. Maximum pension.

(a) *Basic limitation*. Notwithstanding any other provisions of this system to the contrary, the member contributions paid to, and retirement benefits paid from, the system shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A) ($160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this System. For purposes of this section, "limitation year" shall be the calendar year.

For purposes of Code Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code Section 415(n) and to rollover contributions (as defined in Code Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

(b) *Adjustments to Basic Limitation for Form of Benefit***.** ~~If the form of benefit without regard to any benefit increase feature is not a straight life annuity, then the Code Section 415(b) limit applicable at the annuity starting date is reduced to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the death benefits under the form of benefit.~~ If the benefit under the plan is other than the annual benefit described in subsection (a), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations. If the form of the benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the additional benefits under the form of benefit as follows:

(1) For a benefit paid in a form to which section 417(e)(3) of the code does not apply (generally, a monthly benefit), the actuarially equivalent straight life annuity benefit that is the greater of:

a. The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

b. The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation Section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

(2) For a benefit paid in a form to which section 417(e)(3) of the code applies (generally, a lump sum benefit), the actuarially equivalent straight life annuity benefit that is the greatest of:

a. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

b. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

c. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation Section 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1, 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate in effect for the first day of the plan year with a one-year stabilization period)) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code), divided by 1.05.

(3) The actuary may adjust the 415(b) limit at the annuity starting date in accordance with subsections (1) and (2) above.

(c) *Benefits Not Taken into Account*. For purposes of this Section, the following benefits shall not be taken into account in applying these limits:

(1) Any ancillary benefit which is not directly related to retirement income benefits;

(2) Any other benefit not required under §415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1); and

(3) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity.

(d) *COLA Effect*. Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

(1) A member's applicable limit will be applied to the member's annual benefit in the member's first ~~calendar~~ limitation year of benefit payments without regard to any automatic cost of living adjustments;

(2) thereafter, in any subsequent ~~calendar~~ limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but

(3) in no event shall a member's benefit payable under the system in any ~~calendar~~ limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the system, for purposes of applying the limits under Code Section 415(b), a Member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Code and applicable Treasury Regulations.

(e) *Other Adjustments in Limitations*.

(1) In the event the member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar ($160,000) annual benefit beginning at age sixty-two (62).

(2) In the event the member's benefit is based on at least fifteen (15) years of credited service as a full-time employee of the fire or police department of the City, the adjustments provided for in (e)(1) above shall not apply.

(3) The reductions provided for in (e)(1) above shall not be applicable to disability benefits pursuant to Sec. 66-218, or pre-retirement death benefits paid pursuant to Sec. 66-217.

(4) In the event the member's retirement benefit becomes payable after age sixty-five (65), for purposes of determining whether this benefit meets the limit set forth in subsection (a) herein, such benefit shall be adjusted so that it is actuarially equivalent to the benefit beginning at age sixty-five (65). This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

(f) *Less than Ten (10) Years of Participation or Service*. The maximum retirement benefits payable under this section to any member who has completed less than ten (10) years of credited service with the City shall be the amount determined under subsection (a) of this section multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10). The reduction provided by this subsection cannot reduce the maximum benefit below 10% of the limit determined without regard to this subsection. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits paid pursuant to Sec. 66-218 or pre-retirement death benefits paid pursuant to Sec. 66-217.

(g) *Participation in Other Defined Benefit Plans*. The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the City shall apply as if the total benefits payable under all City defined benefit plans in which the member has been a member were payable from one plan.

(h) *Ten Thousand Dollar ($10,000) Limit; Less Than Ten Years of Service*. Notwithstanding ~~the foregoing~~ anything in this section 66-221, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this subsection (h) of section 66-221 if the benefits payable, with respect to such member under this system and under all other qualified defined benefit pension plans to which the City contributes, do not exceed ten thousand dollars ($10,000) for the applicable ~~plan~~ limitation year and for any prior ~~plan~~ limitation year and the City has not any time maintained a qualified defined contribution plan in which the member participated; provided, however, that if the member has completed less than ten (10) years of credited service with the City, the limit under this subsection (h) of section 66-221 shall be a reduced limit equal to ten thousand dollars ($10,000) multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10).

(i) *Reduction of Benefits*. Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

(j) *Service Credit Purchase Limits*.

(1) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the system, as allowed in Secs. 66-227 and 66-228, then the requirements of this section will be treated as met only if:

a. the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or

b. the requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

~~c.~~ For purposes of applying subparagraph (j)(1)a., the System will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of this subparagraph ~~c.~~, and for purposes of applying subparagraph (j)(1)b. the System will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Code solely by reason of this subparagraph ~~c~~.

(2) For purposes of this subsection the term "permissive service credit" means service credit—

a. recognized by the system for purposes of calculating a member's benefit under the plan,

b. which such member has not received under the plan, and

c. which such member may receive only by making a voluntary additional contribution, in an amount determined under the system, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the system, include service credit for periods for which there is no performance of service, and, notwithstanding clause (j)(2)b., may include service credited in order to provide an increased benefit for service credit which a member is receiving under the system.

(k) *Contribution Limits.*

(~~3~~ 1) For purposes of applying the Code Section 415(c) limits ~~in this subsection (j).~~ which are incorporated by reference and for purposes of this subsection (k), only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a ~~calendar~~ limitation year, except as noted below and as permitted by Treasury Regulations Section 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury Regulations Section 1.415(c)-2, or successor regulation, is specified by the system, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2).

a. However, for ~~calendar~~ limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For ~~calendar~~ limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).

b. For limitation years beginning on and after January 1, 2007, compensation for the ~~calendar~~ limitation year will also include compensation paid by the later of 2½ months after an employee's severance from employment or the end of the ~~calendar~~ limitation year that includes the date of the employee's severance from employment if:

1. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the employee while the employee continued in employment with the employer; or

2. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

c. Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(~~4~~ 2) Notwithstanding any other provision of law to the contrary, the board may modify a request by a member to make a contribution to the system if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

a. If the law requires a lump sum payment for the purchase of service credit, the board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).

b. If payment pursuant to subparagraph ~~(j)(4)a.~~ (k)(2)a. will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution.

(3) If the annual additions for any member for a limitation year exceed the limitation under section 415(c) of the code, the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).

(4) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this subsection (k) shall not exceed the annual limit under section 401(a)(17) of the code.

(~~k~~ l) *Additional Limitation on Pension Benefits*. Notwithstanding anything herein to the contrary:

(1) The normal retirement benefit or pension payable to a retiree who becomes a member of the system and who has not previously participated in such system, on or after January 1, 1980, shall not exceed one hundred percent (100%) of his average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

(2) No member of the system shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the member is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter 67, Title 10, U.S. Code.

SECTION 3: Codification.

This Ordinance shall be codified in the Code of Ordinances of the City of St. Pete Beach.

SECTION 4: Severability.

If any portion, part or section of this ordinance is declared invalid, the valid remainder hereof shall remain in full force and effect.

SECTION 5: Repeal of Ordinances in Conflict.

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 6: Effective Date.

This ordinance shall become effective immediately upon final passage as provided by law.

Steve McFarlin, Mayor

FIRST READING :___________________

PUBLISHED :___________________

SECOND READING :___________________

PUBLIC HEARING :___________________

I, Rebecca Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this ________ day of ______________________, 2013.

____
Rebecca Haynes, City Clerk

ksh\spb\pol\07-11-13.ord

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

August 13, 2013

VIA EMAIL AND MAIL

Mr. Carl Carnes, Human Resources Administrator
City of St. Pete Beach
155 Corey Ave.
St. Pete Beach, FL 33706

Re: City of St. Pete Beach
Police Officers' Retirement System

Dear Carl:

In response to Lee Dehner's letter dated July 26, 2013, we have reviewed the proposed ordinance (identified on page 9 as ksh\spb\pol\07-11-13.ord) modifying the language to comply with changes in the Internal Revenue Code, and also providing for a change in the assumptions utilized for the definition of Actuarial Equivalence to match the current valuation assumptions for mortality and interest. While adoption of these assumptions may result in a de minimis impact (either positive or negative) over the life of the Plan, it is not currently measureable and therefore does not result in an immediate change to the Plan's funding requirements.

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
P. O. Box 9000
Tallahassee, FL 32315-9000

Ms. Sarah 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,

Patrick T. Donlan, EA, ASA, MAAA
PTD/lke

cc: Lee Dehner, Board Attorney
cc: Bob Rogers, Board Chair

LEWIS LONGMAN & WALKER | P.A.
ATTORNEYS AT LAW

REPLY TO: TALLAHASSEE

MEMORANDUM

TO: Michael Bonfield, City Manager
City of St. Pete Beach

FROM: Glenn E. Thomas

DATE: August 29, 2013

RE: Retirement System Compliance Ordinances

We have reviewed the proposed ordinances included with your August 1, 2013 correspondence. The ordinances would make changes to the City's General Employees' Retirement System, Firefighters' Retirement System and Police Officers' Retirement System, intended to comply with federal law. The proposed amendments contain several changes to the plans, which are addressed by ordinance section below.

Section 1 Definitions

A change is proposed to the definition of "Actuarial Equivalent" in each plan. The mortality table under the plans would be updated from the current 1983 Group Annuity to the RP 2000. The pension board has the authority, with the advice of the plan actuary, to set reasonable assumptions. The RP 2000 is a more accurate mortality table and this change is typical of many pension plans in Florida.

The ordinance would also revise the interest rate under the definition of actuarial equivalent from the current 8% to 7.75%. This revision is also within the authority of the pension board and the rate adjustment is fairly typical of many governmental plans in Florida today.

The definition of "Credited Service" has also been amended in each plan to include technical language required under Section 105 of the Heroes Earnings Assistance and Relief Tax Act of 2008 ("HEART Act"). This language is required by federal law.

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TALLAHASSEE
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Tallahassee, FL 32301
(850) 222-5702
Fax: (850) 224-9242

WEST PALM BEACH
515 North Flagler Drive
Suite 1500
West Palm Beach, FL 33401
(561) 640-0820
Fax: (561) 640-8202

www.llw-law.com

Section 2 Maximum Pension

A change is proposed to the "Maximum Pension" section in each plan. These sections have been significantly rewritten to comply with recent regulations under Section 415 of the Internal Revenue Code. The changes are technical in nature and reflect the manner in which the plan is required to be administered.

Please let us know if you have any additional questions or concerns.