

Council Auditor's Office
2013-366 – PFPF Reform
Questions, Concerns, Comments, and Amendments

Overall Ordinance Items

1. The minimum adjustment supplement of \$5 per month for each year of credited service (minimum \$25 and maximum \$150) needs to be added to the code for Group II members for both the retiree and survivor benefits as appropriate. This is consistent with current law and was not changed by the settlement agreement.

AMENDMENTS

Substantive Ordinance Amendments

1. Pg. 1, line 24 – Creation of Section 121.212 BACKDROP needs to be added in Bill Title
2. Pg. 3, line 5 – Add that Group I Members are not eligible for BACKDROP for clarity.
3. Pg. 3, line 26 or 31 – Language needs to be added reflect that Group I vested separated employees who return to work will be treated as Group II members for their additional time upon reemployment.
4. Pg. 6, line 5 – Language needs clarity that 125% of shift differential is limited to “average salary” calculation for determining pensionable amount
5. Pg. 6, line 30 – Remove the A from 121.201A – see note related to Pg. 12, line 28 note
6. Pg. 12, line 28 – Strike entire Section 121.201B – Language is more clearly stated and repeated in Section 121.211 (g) – see Pg. 6, line 30
7. Pg. 13, line 10 – Language needs corrected and clarified. The language needs to reflect that there was no change in benefits for surviving spouses.
8. Pg. 16, line 23 – Language needs to be added to account for the fact that a member could select Early Retirement option in lieu of the Disability Benefit in addition to the Time Service Retirement option already included in the proposed language.
9. Pg. 18, Line 7 - Needs to be updated to clarify that the BACKDROP will not be based on 75% or 30 years if the member has less than 30 years of credited service. The BACKDROP is to be based on the number of years of credited service at the time the member BACKDROPS to with an accrual rate reduction of 3 percent per year for each year of credited service less than 30.
10. Pg. 18, line 18 – The language needs to be clarified to state that the COLA is to commence the third January after employment termination or the commencement of benefits whichever occurs later.
11. Pg. 18, line 25 – Remove all of subsection (e) as it is repetitive of 121.113 (a) (2) regarding the Employee Contribution amounts of Group II Members
12. Pg. 19, line 14 – Language needs to be updated to clarify that a member cannot enter BACKDROP with less than 30 years.
13. Pg. 19, line 16 – Needs to be updated to clarify that the BACKDROP will not be based on 75% or 30 years if the member has less than 30 years of credited service. The BACKDROP is to be based on the number of years of credited service at the time the member BACKDROPS to with an accrual rate reduction of 2 percent per year for each year of credited service less than 30.

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14. Pg. 19, line 28 – Remove reference to section 121.212 (e) since it is inaccurate. No reference is needed.
15. Pg. 20, line 1 – Strike “reduced” as the time service benefit calculation is not guaranteed to be a reduction as a result of participating in BACKDROP.
16. Pg. 20, line 19 – Add language clarifying that if member BACKDROPS to less than 30 years of credited service the BACKDROP calculation would be impacted by an accrual rate reduction of 2% per year for each year of credited service less than 30.
17. Pg. 20, line 24 – First sentence needs struck/removed. It is not needed.
18. Pg. 20, line 27 – Strike “reduced” as the time service benefit calculation is not guaranteed to be a reduction as a result of participating in BACKDROP.
19. Pg. 21, line 1 – Clarify that the interest earned on the BACKDROP is the effective annual rate of return earned by the Fund.
20. Pg. 21, line 4 – Clarify that interest earned on the BACKDROP is a floor and max are for a given year rather than cumulative.

Technical Ordinance Amendments

1. Pg. 6, line 23 – Add *** to indicate remainder of section remains unchanged.
2. Pg. 6, line 29 – Strike ***as there are no preceding sections.
3. Pg. 6, line 31 – Should be underlined as new text.
4. Pg. 6, line 31 – Add not withstanding language to the ordinance as it is already present in the code.
5. Pg. 7, line 2-3 – Strike verbiage as it is a repeat of prior two lines.
6. Pg. 18, line 29 – Renumber subsections as ones were omitted an others have been removed by other recommended amendments.
7. Pg. 20, line 12 & 16 – Renumber subsections due to omitting of letters.
8. Pg. 21, line 18 – Strike *** as there is no trailing section.