



ITEM SUMMARY

MEETING DATE: September 28, 2022
FROM: Andrea McCue, City Manager, Administration
SUBJECT: Ordinance 2022-26 DROP Option Plan for Public Safety Officers

BACKGROUND

On February 1, 2016, sworn law enforcement officers of the City became employees of the Palm Beach Sheriff's Office (PBSO). At that time, some officers elected to continue to participate in the City's Retirement Plan after becoming PBSO employees.

ANALYSIS

The City has agreed to amend the Retirement Plan to provide for a Deferred Retirement Option Plan (DROP) for sworn law enforcement officers of the City who continued to participate in the plan after becoming PBSO employees.

The City Council approved Ordinance 2022-26 on second reading on September 28, 2022.

FINANCIAL INFORMATION

To ensure no cost to the City the plan has been amended to provide that should the City's minimum required pension contribution exceed the amount of the PBSO employer contributions to the City Retirement Plan in any plan year based on the most recent actuarial valuation for the Plan, the City may use the Contribution Reserve Account to cover the shortfall.

LEGAL

The City's Pension Attorney has prepared the Ordinance and all supporting documents.

STAFF RECOMMENDATION

Staff is recommending approval of Ordinance 2022-26 on second reading.