

1 **BY AUTHORITY**

2 ORDINANCE NO.
3 SERIES OF 2014

COUNCIL BILL NO. CB14-0952
COMMITTEE OF REFERENCE:
Technology and Governance

6 **A BILL**

8 **For an ordinance amending the 1963 Retirement Plan with regard to the**
9 **retirement board, death benefits, and the monthly payment of benefits.**

11 **WHEREAS**, under Section 18-405(g) of the Code, the Retirement Board is responsible for
12 making recommendations to the City for amendments to the Plan when in the judgment of the
13 Board such changes are necessary; provided that such recommendations are accompanied by a
14 report of the Plan's actuary setting forth the effect of such amendments; and,

15 **WHEREAS**, on February 27, 2014, the Denver Employees Retirement Plan was awarded a
16 favorable Determination Letter from the Internal Revenue Service and, as part of the process,
17 agreed to forward to the plan sponsor's legislative body a specific, technical language amendment
18 to the Ordinance; and,

19 **WHEREAS**, in order to allow the Plan flexibility in the manner in which it is authorized to
20 deliver various documents and materials to its members, including via electronic methods, it has
21 been determined that additional, minor technical amendments need to be made to the Ordinance
22 governing the Plan.

24 **NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF**
25 **DENVER:**

26
27 **Section 1.** That Section 18-405(c)(2) (sometimes known and cited as Section 405, Subsection
28 (c)(2), Chapter 18) of the Revised Municipal Code, relating to retirement board meetings and
29 notices be amended by deleting the language stricken as follows:

30
31 **Sec. 18-405. Retirement board.**

32
33 (c) Meetings and notices.

34
35 (2) An annual meeting shall be held immediately following the regular meeting during the

1 months of May or June at the discretion of the board. The annual report of the retirement board to
2 the membership shall be made available to all members ~~and shall be mailed directly to a member~~
3 ~~upon request of the member.~~

4
5 **Section 2.** That Section 18-411(d) (sometimes known and cited as Section 411, Subsection(d),
6 Chapter 18) of the Revised Municipal Code, relating to death benefits be amended by adding the
7 language underlined as follows:

8
9 **Sec. 18-411. Death benefits.**

10 (d) Death of an active member not incurred in the performance of service duty. Upon death not
11 resulting from service duty, the active member's surviving spouse, if any, shall be entitled to
12 receive seventy-five (75) percent of the benefit calculated in accordance with subsection (c) of
13 this section. The active member shall be deemed to have retired on the first day of the month
14 following the month in which death occurs. The retirement benefit payments to the surviving
15 spouse shall cease upon the surviving spouse's death. The surviving spouse, if designated as
16 beneficiary, may elect to receive in lieu hereof the benefit provided in subsection (a) of this
17 section. Election and receipt of the benefit provided in subsection (a) shall be final and
18 conclusive, and the surviving spouse shall have no right to later claim the benefit provided
19 herein. If it is determined that, notwithstanding the above-listed calculation where additional
20 service is credited to the member, the surviving spouse would have received a larger benefit
21 under the 100% joint and survivor annuity option (with no additional service being credited to
22 the member), then the surviving spouse shall receive the larger 100% joint and survivor benefit.

23
24 A member who dies while performing qualified military service [defined in IRC Section 401(u)]
25 shall be considered to have resumed employment on the day preceding the death, and then
26 terminated employment due to the death on the actual date of death, and therefore said
27 member's surviving spouse, if any, or other qualified beneficiary as set forth in this Section 411,
28 shall be entitled to a death benefit calculated in accordance with this subsection (d).

29
30 **Section 3.** That Sections 18-413(b)(1)b and 18-413(b)(2) (sometimes known and cited as
31 Section 413, Subsection (b)(1)b and Subsection (b)(2), Chapter 18) of the Revised Municipal
32 Code, relating to the delivery of monthly payment of benefits be amended by deleting the language
33 stricken as follows:

34
35 **Sec. 18-413. Monthly payment of benefits.**

36
37 (b) *Delivery.*

38
39 (1) For members who retire before January 1, 2011, the payments shall, at the request of the
40 retired member, spouse or named beneficiary, either:

41
42 a. Be placed in the mail of the United States Postal Service before the first
43 business day of each month directed to either the last-known address of the payee shown
44 on the records of the retirement plan or the address last designated in writing by the retired
45 member, spouse or named beneficiary to which the payment is to be sent on record with the
46 retirement plan, or

1
2 b. Be deposited directly in an intermediary bank selected by the retirement board so
3 as to be available to the payee on the first day of the month in the account of the payee at
4 the payee's designated depository financial institution, and notice of such deposit shall be
5 placed promptly in the mail of the United States Postal Service directed to the last-known
6 address of the payee shown on the records of the retirement plan, or delivered in any other
7 manner offered by the plan ~~and agreed upon, in writing, by the member.~~
8

9 (2) For members who retire on or after January 1, 2011, or for beneficiaries who become
10 eligible for a monthly retirement benefit on or after January 1, 2011, the payments shall be
11 deposited directly in an intermediary bank selected by the retirement board so as to be
12 available to the payee on the first day of the month in the account of the payee at the
13 payee's designated depository financial institution, and notice of such deposit shall be
14 placed promptly in the mail of the United States Postal Service directed to the last-known
15 address of the payee shown on the records of the retirement plan, or delivered in any other
16 manner offered by the Plan ~~and agreed upon, in writing, by the member.~~
17

18 COMMITTEE APPROVAL DATE: November 4, 2014

19 MAYOR-COUNCIL DATE: November 11, 2014

20 PASSED BY THE COUNCIL _____ 2014

21 _____ -PRESIDENT

22 APPROVED: _____ -MAYOR _____ 2014

23 ATTEST: _____ -CLERK AND RECORDER,
24 EX-OFFICIO CLERK OF THE
25 CITY AND COUNTY OF
26 DENVER
27

28 NOTICE PUBLISHED IN THE DAILY JOURNAL _____ 2014; _____ 2014

29 PREPARED BY: Victoria A. Hale, GENERAL COUNSEL,
30 DENVER EMPLOYEES RETIREMENT PLAN,
31 October 7, 2014
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33
34

35 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
36 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
37 ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to
38 §3.2.6 of the Charter.
39

40 D. Scott Martinez, Denver City Attorney

41 BY: _____, Assistant City Attorney DATE: _____, 2014