

1 **BY AUTHORITY**

2 ORDINANCE NO. _____
3 SERIES OF 2011
4 **AS AMENDED 6-20-11**

COUNCIL BILL NO. CB11-0412
COMMITTEE OF REFERENCE:
General Government & Finance

5 **A BILL**

6 **For an ordinance amending the 1963 Retirement Plan with regard to definitions**
7 **(normal retirement), retirement board (composition of advisory committee),**
8 **retirement categories (normal retirement, early retirement and deferred**
9 **retirement), retirement benefits (normal retirement, early retirement, deferred**
10 **retirement and Social Security make-up) and death benefits.**
11

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

16 **WHEREAS**, the Retirement Board has listened to the concerns of its sponsoring employers
17 and has duly considered the reports and recommendations of its actuary, finding that in order to
18 eventually reduce the annual actuarially required contribution as a percentage of payroll, changes
19 in the retirement benefits offered to new employees hired on or after July 1, 2011, are desirable;
20 and,

21 **WHEREAS**, the recommended changes for newly hired employees move the Plan back
22 toward the level of retirement benefits that have been given in the past to the Plan's members and
23 retirees;

24 and,

25 **WHEREAS**, it is in the judgment of the City that, in order to facilitate the Plan continuing to
26 be funded on a sound actuarial basis, the recommended changes should be made:

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

29
30 **Section 1.** That Section 18-402(18) and Section 18-402(29) (sometimes known and cited as
31 Section 402, Subsections (18) and (29), Chapter 18) of the Revised Municipal Code, relating to
32 definitions of "Normal retirement" and "Vest, vesting or vested" be amended by renumbering and
33 deleting the language stricken and by adding the language underlined as follows:
34

35 **Sec. 18-402. Definitions.**

36 (~~18~~19)*Normal retirement.* Normal retirement for members originally employed before July 1, 2011
37 shall mean retirement at the earlier of the age of sixty-five (65) or the first day of any calendar

1 month after which a member has attained his or her fifty-fifth (55th) birthday and where the
2 member's age and credited service, while an active member, are or were equal to the sum of
3 seventy-five (75). ~~The rule of 75 means that age after the member has attained his or her fifty-~~
4 ~~fifth (55) birthday where the member can retire without a reduction in the member's retirement~~
5 ~~benefit as would have been required for an early retirement.~~ The "rule-of-75" is determined by
6 adding the age of the employee while employed with the employer to the years of credited
7 service as an employee with the employer. If the total equals or exceeds the sum of seventy-
8 five then the requirements for the rule-of-75 have been met. The rule-of-75 must be attained by
9 the member, while employed as an active member, prior to termination of employment. If the
10 employee terminates employment, after earning the required service credit to be granted rule-
11 of-75 unreduced benefits, but prior to reaching the age of fifty-five (55), the member may not
12 apply for or receive retirement benefits under the rule until reaching age fifty-five (55).

13
14 For members first employed on or after July 1, 2011, normal retirement shall mean, for
15 members who have vested, the earlier of the age of sixty-five (65), or the first day of any
16 calendar month after which a member has attained his or her sixtieth (60th) birthday and where
17 the member's age and credited service, while an active member, are or were equal to the sum
18 of eighty-five (85). The "rule-of-85" is determined by adding the age of the employee while
19 employed with the employer to the years of credited service as an employee with the employer.
20 If the total equals or exceeds the sum of eighty-five (85) then the requirements for the rule-of-
21 85 have been met. The rule-of-85 must be attained by the member while employed as an
22 active member, prior to termination of employment. If the employee terminates employment,
23 after earning the required service credit to be granted rule-of-85 unreduced benefits, but prior to
24 reaching the age of sixty (60), the member may not apply for or receive retirement benefits
25 under the rule until reaching age sixty (60).

26
27
28 ~~(2930)~~ *Vest, vesting or vested* shall mean a member meeting or having met a stated requirement
29 for a privilege or right as stated in the plan. Unless otherwise specifically indicated in this article,
30 a member appointed before January 1, 1987 shall be vested after ten (10) years of credited
31 service, a member appointed on or after January 1, 1987, but before July 1, 2011, shall be
32 vested after five (5) years of credited service or a member upon reaching the age of sixty-five
33 (65) ~~shall be vested upon reaching that age,~~ whichever is earlier. A member appointed on or
34 after July 1, 2011, regardless of their age upon appointment, shall be vested after five (5) years
35 of credited service. Upon meeting the eligibility and years-of-credited service requirements for
36 a benefit, a member shall be vested in the benefit accruing under the terms of this article.

37
38 **Section 2.** That Section ~~18-405(a)(2)~~ **Section** 18-405(d)(1) and Section 18-405(d)(2)
39 (sometimes known and cited as Section 405, Subsections (d)(1) and (d)(2), Chapter 18) of the
40 Revised Municipal Code, relating to the retirement board and advisory committee be amended by
41 deleting the language stricken and adding the language underlined as follows:

42
43 **Sec. 18-405. Retirement board.**

44
45 **(a)**

46
47 **Established**

48
49 **(2) The retirement board shall consist of five (5) voting members, all of whom shall be**

1 appointed by the mayor. At least one of the appointed members shall be an active
2 employee and at least one of the appointed members shall be either a retired member or a
3 deferred member. The terms of office shall be six (6) years, and the member of the
4 retirement board shall be eligible for reappointment. Any vacancy in the membership of the
5 retirement board shall be promptly filled for the unexpired portion of the term by
6 appointment by the mayor. Vacancies occurring by reason of the expiration of the term of
7 any member shall be promptly filled by the mayor. Members of the retirement board shall
8 not receive compensation from the city for their services as such members. No member
9 shall by reason of membership on the retirement board forfeit or be denied the right to any
10 compensation, salary, or other remuneration to which the member is entitled for other
11 services rendered by the member.

12
13 (d) *Advisory committee.*

14
15 (1) Composition. The advisory committee shall be composed of three (3) members elected by
16 the membership and one (1) member who is appointed by the career service board. ~~with at~~
17 At least one (1) elected member who is must be a retired member of the plan and at least
18 one (1) elected member who is must be an active member of the plan who has five (5) years
19 or more credited service. The member who is appointed by the career service board must
20 either be a career service board member or an administrative staff member of the Career
21 Service Authority department. The term of office for all advisory committee members shall
22 be three (3) years.

23 (2)
24 a. Elections. Each year, one (1) of the three (3) elected members shall ~~be elected for~~ be
25 elected for a three-year term to the advisory committee in accordance with the election
26 procedures authorized by the retirement board. This elected member shall be announced
27 and assume office at the annual meeting following the election.
28 b. The member appointed by the career service board shall take office following the
29 enactment of this section and shall serve until the annual meeting in 2014. Thereafter, any
30 appointment by the career service board shall be made in conjunction with the annual
31 meeting. Any vacancy in the appointed advisory committee position shall be promptly filled
32 by the career service board for the unexpired portion of the term.

33
34 **Section 3.** That Section 18-408(a), Section 18-408(b) and Section 18-408(c) (sometimes known
35 and cited as Section 402, Subsections (a), (b) and (c), Chapter 18) of the Revised Municipal Code,
36 relating to retirement categories be amended by deleting the language stricken and by adding the
37 language underlined as follows:
38

39 **Sec. 18-408. Retirement categories.**

40 (a) *Normal Retirement.* Members employed before July 1, 2011 ~~A member~~ shall be eligible for
41 a normal retirement the first day of the calendar month following termination of employment and
42 upon the earlier of the member's sixty-fifth (65th) birthday or the first day of any calendar month
43 after which a member has attained his or her fifty-fifth (55th) birthday and where the member's age
44 and credited service while an active member are or were equal to or greater than the sum of
45 seventy-five (75) (the "rule_of_75"). A member shall become fully vested in the member's accrued
46 benefit, and this benefit shall become nonforfeitable on the member's normal retirement date under
47 the rule_of_75 or the member's sixty-fifth (65th) birthday, whichever is earlier.
48

1 Members first employed on or after July 1, 2011 who are vested shall be eligible for a normal
2 retirement the first day of the calendar month following termination of employment and upon the
3 earlier of the member's sixty-fifth (65th) birthday or the first day of any calendar month after which
4 a member has attained his or her sixtieth (60th) birthday and where the member's age and credited
5 service while an active member are or were equal to or greater than the sum of eighty-five (85) (the
6 "rule-of-85"). A member shall become fully vested in the member's accrued benefit, and this
7 benefit shall become nonforfeitable upon the member becoming eligible for normal retirement as
8 defined herein.

9
10 A member who meets the requirements for a normal retirement can retire without a
11 reduction in the member's retirement benefit as is required for an early retirement.

12
13(b) Early retirement. Members employed before July 1, 2011 ~~A member~~ shall be eligible for an
14 early retirement the first day of any month following termination of employment with the employer,
15 after the member reaches the age of fifty-five (55), but before the member reaches eligibility for a
16 normal retirement, provided that member must have completed five (5) years of credited service at
17 the date of such early retirement.

18
19 For members first employed on or after July 1, 2011, a member shall be eligible for an early
20 retirement the first day of any month following termination of employment with the employer, after
21 the member reaches the age of sixty (60), but before the member reaches eligibility for a normal
22 retirement, provided that such member must have completed five (5) years of credited service at
23 the date of such early retirement.

24(c) Deferred retirement. Members employed before July 1, 2011, who are ~~A deferred member~~
25 ~~(a vested and member~~ who terminated employment with the employer and, upon termination, ~~was~~
26 ~~were~~ not eligible for or, if eligible, opted not to receive his or her their normal or early retirement)
27 ("deferred members"), upon reaching age fifty-five (55) or older, may elect, at any time prior and up
28 to the age that mandatory distributions are required under ~~the~~ section 401(a)(9) of the Internal
29 Revenue Code, to apply for and receive a retirement benefit. Deferred members first employed on
30 or after July 1, 2011, upon reaching age sixty (60) or older, may, at any time prior and up to the
31 age that mandatory distributions are required under the Internal Revenue Code, apply for and
32 receive a retirement benefit. The calculation of a deferred retirement benefit shall be based on the
33 formula in effect at the time of the member's termination of employment with the employer and,
34 with the exception of qualifying for normal retirement under the rule-of-75 (for those first employed
35 before July 1, 2011), or qualifying for a normal retirement under the rule of 85 (for those first
36 employed on or after July 1, 2011) the member's age at the time of application.

37
38
39 **Section 4.** That Section 18-409(a), Section 18-409(b), Section 18-409(e)(1), Section 18-
40 409(e)(2) and Section 18-409(i) (sometimes known and cited as Section 409, Subsections (a), (b),
41 (e)(1), (e)(2) and (i), Chapter 18) of the Revised Municipal Code, relating to retirement benefits be
42 amended by deleting the language stricken and by adding the language underlined as follows:

43
44 **Sec. 18-409. Retirement benefits.**

45 (a) *Normal retirement.*

- 46
47 (1) Upon retirement at or after the normal retirement date, each member whose service with the
48 employer begins before September 1, 2004, and terminates after December 31, 1999, shall
49 receive, for credited service during which the member made, was not required to make, or

1 had to the credit of the member's account, required contributions for regular membership a
2 monthly retirement benefit equal to two (2) percent of the monthly salary (averaged over the
3 highest thirty-six (36) consecutive months of ~~covered~~ credited service prior to the actual
4 retirement date), multiplied by years and fractional years of credited service as a regular
5 member. If the plan is required to calculate a retirement benefit for a member who has less
6 than thirty-six (36) months of consecutive credited service, the calculation of the member's
7 benefit will be averaged over the total consecutive months of credited service which the
8 member actually earned following employment or re-employment.
9

10 (2) Upon retirement at or after the normal retirement date, each member whose service with the
11 employer begins, or whose re-employment with the employer begins, on or after September
12 1, 2004, but before July 1, 2011, shall receive for credited service following August 31,
13 2004, during which the member made, was not required to make, or had to the credit of the
14 member's account, required contributions for regular membership, a monthly retirement
15 benefit equal to one and one-half (1.5) percent of the monthly salary (averaged over the
16 highest thirty-six (36) consecutive months of ~~covered~~ credited service after August 31, 2004,
17 but prior to the actual retirement date) multiplied by years and fractional years of credited
18 service as a regular member. A member whose first service with an employer begins before
19 July 1, 2011, and who terminates employment and later becomes re-employed on or after
20 July 1, 2011, before applying for and receiving benefits from the plan, shall, upon re-
21 employment, have his or her benefit calculated under this section 18-409(a)(2). A member
22 whose first service with an employer begins before July 1, 2011, and who terminates
23 employment and who applies for and receives a retirement benefit from the plan, and then
24 later becomes re-employed on or after July 1, 2011, shall, upon re-employment and
25 subsequent retirement, have his her initial benefit remain unchanged and calculated under
26 this section 18-409(a)(2), as defined and explained in section 18-408(j), and any
27 subsequent benefit earned following re-employment shall be calculated pursuant to section
28 18-409(a)(3). If the plan is required to calculate a retirement benefit for a member who has
29 less than thirty-six (36) months of consecutive credited service, the calculation of the
30 member's benefit will be averaged over the total consecutive months of credited service
31 which the member actually earned following employment or re-employment.
32

33 (3) Upon retirement at or after the normal retirement date, each member whose initial service
34 with the employer first begins, or whose re-employment under section 18-408(j)(1) begins
35 on or after July 1, 2011, shall receive for credited service, during which the member made,
36 was not required to make, or had to the credit of the member's account, required
37 contributions for regular membership, a monthly retirement benefit equal to one and one-
38 half (1.5) percent of the monthly salary (averaged over the highest sixty (60) consecutive
39 months of covered service on or after July 1, 2011, but prior to the actual retirement date)
40 multiplied by years and fractional years of credited service as a regular member. If the plan
41 is required to calculate a retirement benefit for a member who has less than sixty (60)
42 months of consecutive credited service, the calculation of the member's benefit will be
43 averaged over the total consecutive months of credited service which the member actually
44 earned following employment or re-employment.
45

46 (4) For those members subject to sections 18-408(j)(8) or 18-408(j)(9), subsection (3) of this
47 section 18-409 shall not apply.
48

1 (b) *Early retirement.* Upon early retirement each member shall receive a reduced retirement
 2 benefit which shall be the percentage shown in the following tables of that portion of the retirement
 3 benefit to which the member would otherwise be entitled at the normal retirement date as is based
 4 on years and fractional years of credited service prior to the date of actual retirement.

5
 6 Members employed before July 1, 2011, after vesting, shall be entitled to an early retirement
 7 beginning the first of the month following the month the member reaches age fifty-five (55) and
 8 after the member submits and completes all plan requirements and forms for being awarded an
 9 early retirement. The reduction for members employed before July 1, 2011, is three (3%) percent
 10 for each year that the member is under age 65 in accordance with the following table.
 11

<u>Age at Retirement for members employed before July 1, 2011</u>	<u>Percentage Actuarial—Equivalent (percent)-of Normal Retirement Benefit</u>
Under 55	00.00
55	70.00
56	73.00
57	76.00
58	79.00
59	82.00
60	85.00
61	88.00
62	91.00
63	94.00
64	97.00
65	100.00

12
 13 Members first employed on or after July 1, 2011, after vesting, shall be entitled to an early
 14 retirement beginning the first of the month following the month the member reaches age sixty (60)
 15 and after the member submits and completes all plan requirements and forms for being awarded
 16 an early retirement. The reduction for members first employed on or after July 1, 2011, is six (6%)
 17 percent for each year that the member is under age 65 in accordance with the following table.
 18

<u>Age at Retirement for members first employed on or after July 1, 2011</u>	<u>Percentage of Normal Retirement Benefit</u>
Under 60	00.00
60	70.00
61	76.00
62	82.00
63	88.00
64	94.00
65	100.00

19 (e) *Deferred retirement.*

20
 21
 22 (1) If a vested member of the plan, employed prior to July 1, 2011, ceases to be an employee
 23 for any reason other than retirement, disability or death, the member shall be entitled, upon

1 reaching the age of fifty-five (55) to either normal retirement benefits under the rule-of-75 as
2 provided under subsection (a) above, or early retirement benefits as provided under
3 subsection (b) above for the member's category of membership based on credited service
4 to the date employment is terminated.
5

6 (2) If a vested member of the plan, first employed on or after July 1, 2011, ceases to be an
7 employee for any reason other than retirement, disability or death, the member shall be
8 entitled, upon reaching the age of sixty (60) to either normal retirement benefits under the
9 rule-of-85 as provided under subsection (a) above, or early retirement benefits as provided
10 under subsection (b) above for the member's category of membership based on credited
11 service to the date employment is terminated.
12

13 (i) *Social Security make-up.* For all members who were employed before July 1, 2011 and who
14 retiring on and or after January 1, 1996, other than those retiring under a disability form of
15 retirement pursuant to subsections 18-409(c) and 18-409(d) of this Code, a Social Security make-
16 up benefit shall be paid monthly beginning at the later of the member's retirement or the first day of
17 the calendar month next immediately following the month of the member's sixty-second birthday,
18 as follows:
19

20 The member's estimated primary Social Security benefit multiplied by a factor determined, thus:

21
22 The years of credited service of the member during which the member contributed towards Social
23 Security income replacement benefits (up to a maximum of thirty-five (35) years) divided by thirty-
24 five (35) and multiplied by the applicable percentage, as shown in the following table:
25

Year of Birth	Applicable Percentage
<i>Before 1938 0.00%</i>	
1938	1.25%
1939	2.50%
1940	3.75%
1941	5.00%
1942	6.25%
1943-1954	7.50%
1955	8.75%
1956	10.00%
1957	11.25%
1958	12.50%
1959	13.75%
1960	15.00%
After 1960	15.00%

26 As used in this subsection (i), "estimated primary social security benefit" shall mean the estimated
27 monthly amount payable to the member under Title II of the Social Security Act at the later of the
28 member's reaching the age of sixty-two (62) or the member's retirement date. The determination of
29 the amount of a member's primary Social Security benefit shall be made based on available
30 information, and, for prior years for which that information is unavailable, the plan may assume that
31 the member's wages had increased each calendar year at the same rate as the average of the

1 total wages (the “national average wage index,”) defined in section 209(k)(1) of the Social Security
2 Act for such calendar years as specified in section 215(b)(3)(A)(ii) of the Act for such calendar
3 years.

4
5 Subsection 18-409(i), Social Security make-up, shall be inapplicable, and there shall be no Social
6 Security make-up, for those members first employed on or after July 1, 2011.

7
8 **Section 5.** That Sections 18-411 (a), 18-411(b), 18-411(c), 18-411(d), 18-411(e), 18-411(f), 18-
9 411(g), 18-411(h) and 18-411(i) (sometimes known and cited as Section 411, Subsections (a), (b),
10 (c), (d), (e), (f), (g), (h) and (i), Chapter 18) of the Revised Municipal Code, relating to death
11 benefits be amended by re-lettering and by deleting the language stricken and by adding the
12 language underlined as follows:

13
14 **Sec. 18-411. Death benefits.**

15 (a) *Death prior to eligibility.* If an active member of the plan, who was employed prior to January
16 1, 1979, dies prior to being eligible for benefits under subsections (c); or (d) or (e) of this section,
17 there shall be paid to the beneficiary designated by the member if the beneficiary is living,
18 otherwise to the member’s estate, the amount of the accumulated contributions, if any, as of the
19 date of death, provided, however, that if a benefit is elected by the spouse under subsections (c);
20 or (d) or (e) of this section, no payment shall be made under this subsection. The surviving
21 spouse, if designated as beneficiary, may elect to receive in lieu hereof the benefits provided in
22 subsection (c) or (d) of this section. Election and receipt of the benefit provided in subsection (a) of
23 this section shall be final and conclusive, and the surviving spouse shall have no right to later claim
24 the benefit provided herein.

25
26 (b) *Termination of benefits prior to receiving all contributions on deposit.* For members
27 employed prior to January 1, 1979, if, upon the termination of retirement benefit payments, a
28 retired member and the retired member’s beneficiary have not received in the form of retirement
29 benefits an amount equal to the member’s accumulated contributions, if any, which the member
30 had on deposit at the date of retirement, the beneficiary, the member’s estate, or the beneficiary’s
31 estate shall be paid such difference.

32
33 ~~(c) — *Death of active member after fifty five (55) with surviving spouse.* If an active member who~~
34 ~~has attained the age of fifty five (55) dies prior to the actual retirement date, the member shall be~~
35 ~~deemed to have retired on the first day of the month following the month in which death occurs. If~~
36 ~~such a member has elected, with spousal consent, to have the retirement benefit paid under one~~
37 ~~(1) of the optional forms permitted under the plan, the amount of the retirement benefit payable to~~
38 ~~the member’s spouse as determined by such optional form shall be paid. If such member had not~~
39 ~~elected to have the retirement benefit paid under one (1) of the optional forms permitted under the~~
40 ~~plan, the member shall be deemed to have elected a full joint and survivor benefit, and the benefit~~
41 ~~to such surviving spouse shall be computed accordingly. The retirement benefit payments to the~~
42 ~~surviving spouse shall terminate upon the surviving spouse’s death. If the surviving spouse is~~
43 ~~eligible for the death benefit provided under subsection (e) of this section, the spouse shall receive~~
44 ~~the larger of the death benefits provided under subsection (c) or (e) of this section; provided,~~
45 ~~however, the surviving spouse, if designated as beneficiary, may elect to receive in lieu hereof the~~
46 ~~benefits provided in subsection (a) of this section. Election and receipt of the benefit provided in~~
47 ~~subsection (a) of this section shall be final and conclusive, and the surviving spouse shall have no~~
48 ~~right to later claim the benefit provided herein.~~

1
2 ~~(cd) *Death of an active member incurred in the performance of service duty.* Upon death~~
3 ~~incurred as a result of the performance of service duty, the active member's surviving spouse, if~~
4 ~~any, shall be entitled to receive the retirement benefit to which the member would have been~~
5 ~~entitled at the normal retirement date based on the higher of fifteen (15) years' credited service or~~
6 ~~actual credited service plus five (5) years but in either case not to exceed the credited service the~~
7 ~~member would have earned to age sixty-five (65). The payments to the surviving spouse, under~~
8 ~~such annuity, shall not be less than the amounts which would be payable as a survivor annuity of~~
9 ~~one hundred (100) percent of the joint annuity available under the joint and survivor annuity~~
10 ~~provisions of the plan based on the age and credited service of the member at the time of death.~~
11 ~~The active member shall be deemed to have retired on the first day of the month following the~~
12 ~~month in which death occurs. The retirement benefits to the surviving spouse shall terminate upon~~
13 ~~the surviving spouse's death. The surviving spouse, if designated as beneficiary, may elect to~~
14 ~~receive in lieu hereof the benefits provided in subsection (a) of this section. Election and receipt of~~
15 ~~the benefit provided in subsection (a) shall be final and conclusive, and the surviving spouse shall~~
16 ~~have no right to later claim the benefit provided herein.~~

17
18 ~~(de) *Death of an active member not incurred in the performance of service duty.* Upon death not~~
19 ~~resulting from service duty, the active member's surviving spouse, if any, shall be entitled to~~
20 ~~receive seventy-five (75) percent of the benefit calculated in accordance with subsection (cd) of~~
21 ~~this section. The active member shall be deemed to have retired on the first day of the month~~
22 ~~following the month in which death occurs. The retirement benefit payments to the surviving~~
23 ~~spouse shall cease upon the surviving spouse's death. If the surviving spouse is eligible for the~~
24 ~~death benefit provided under subsection (c) of this section, the spouse shall receive the larger of~~
25 ~~the death benefits provided under subsection (c) or (e) of this section. The surviving spouse, if~~
26 ~~designated as beneficiary, may elect to receive in lieu hereof the benefit provided in subsection (a)~~
27 ~~of this section. Election and receipt of the benefit provided in subsection (a) shall be final and~~
28 ~~conclusive, and the surviving spouse shall have no right to later claim the benefit provided herein.~~
29

30 ~~(ef) *Single lump-sum payment.* Upon the death of a retired member, a single lump-sum payment~~
31 ~~shall be paid, if the member retired within one (1) month after the date of the member's termination~~
32 ~~of employment, to the beneficiary designated by the member if the beneficiary is living, otherwise~~
33 ~~to the member's estate. The benefit payment shall be made in accordance with the following~~
34 ~~schedule:~~
35

36 ~~(1) For members employed before July 1, 2011, for normal retirement except where the~~
37 ~~member has fewer than five (5) years of credited service: \$5,000.00. No death benefit shall~~
38 ~~be paid to a member that is age sixty-five (65) or older who retires having less than five (5)~~
39 ~~years of credited service. For members first employed on or after July 1, 2011, no death~~
40 ~~benefit shall be paid to a member that has not vested in the plan. Members first employed~~
41 ~~on or after July 1, 2011, who vest with the plan and who are awarded a normal retirement,~~
42 ~~shall receive a death benefit of \$5,000.00. If a member is re-employed pursuant to section~~
43 ~~18-408(j) the member shall not be entitled to a subsequent single lump-sum death benefit~~
44 ~~payment for the re-employment period. The single lump-sum death benefit payment sum~~
45 ~~calculated at the time of the original retirement shall be the death benefit to which the re-~~
46 ~~employed member is entitled.~~

47 ~~(2)~~
48 ~~a. For members employed before July 1, 2011, for early retirement at age:~~
49

64 \$4,750.00	59 \$3,500.00
63 4,500.00	58 3,250.00
62 4,250.00	57 3,000.00
61 4,000.00	56 2,750.00
60 3,750.00	55 2,500.00

b. For members first employed on or after July 1, 2011 for early retirement at age:

64 \$4,500.00
63 4,000.00
62 3,500.00
61 3,000.00
60 2,500.00

(3) For temporary early retirement pending approval of disability application, limited to ~~two~~ three (32) years after the effective date of the temporary early retirement: ~~\$5,000.00~~ the amount which is calculated for an early retirement pursuant to section 18-411(e)(2)(a) or section 18-411(e)(2)(b). Upon approval of a disability retirement the lump-sum death benefit payment will be adjusted pursuant to section 18-411(e)(4) or section 18-411(e)(5), whichever is applicable.

(4) For disability retirement at or after age sixty-five (65): \$5,000.00.

(5) For disability retirement before age sixty-five (65) a sum equal to one and one-half (1.5) times the member's annualized average monthly salary, limited to fifty thousand dollars (\$50,000.00). This amount shall be reduced to five thousand dollars (\$5,000.00) upon the date the disabled member reaches age sixty-five (65).

This benefit under this subsection (e) is in addition to all other benefits listed within this article.

In lieu of the single lump-sum payment of this subsection (e) that would be paid upon death, except for a member who is receiving a temporary early retirement, a retired member may elect to receive the appropriate death benefit limited to five thousand dollars (\$5,000.00) in the form of periodic payments. These payments shall be based on one-fiftieth (0.02) or one-one-hundredth (0.01) of the appropriate amount as elected by the member. In the event of the member's death before the amount has been paid out, the balance remaining shall thereupon be paid within sixty (60) days of death to the surviving spouse, if any, in lump sum, or, if there is no surviving spouse, to the member's designated beneficiary. If the member leaves neither a spouse nor a named beneficiary, the balance shall be paid to the decedent's estate. The payments may be started upon any regular retirement check payment date as selected by the member. The payments may be changed or stopped once each calendar year. These payments shall be added to the member's regular retirement benefit, and the dates for making payment of retirement benefits shall govern the payment of any combined benefit. The option to receive periodic payments of this benefit shall not be available to an applicant for disability retirement receiving an early retirement pending

1 approval of his or her disability application.

2

3 (fg) *Death with surviving children under twenty-one (21) and no surviving spouse.* If a member
4 of the plan dies without a surviving spouse, but has children under age twenty-one (21), then any
5 benefit payable to a spouse or a surviving spouse under subsections (c), or (d) ~~or (e)~~ of this
6 section shall be paid to the guardian or other legal representative for the children under age
7 twenty-one (21) at the date of the member's death. Monthly benefit payments shall continue
8 unabated, per stirpes, for those children under age twenty-one (21) until the end of the month in
9 which the youngest child becomes age twenty-one (21), at which time all benefits shall cease.

10

11 (gh) *Death of a deferred member.* If a deferred member, employed before July 1, 2011, having
12 such credited service as required in this article dies before applying for retirement benefits as
13 provided for in section 409(e), there shall be paid to the surviving spouse, if living at the time the
14 member reached or would have reached age fifty-five (55) (the earliest date the member would
15 have been eligible to receive benefits under this division), a survivor annuity calculated in
16 accordance with this section 18-411 for the life of the surviving spouse. If a deferred member, first
17 employed on or after July 1, 2011, having such credited service as required in this article dies
18 before applying for retirement benefits as provided for in section 409(e), there shall be paid to the
19 surviving spouse, if living at the time the member reached or would have reached age sixty (60)
20 (the earliest date the member would have been eligible to receive benefits under this division), a
21 survivor annuity calculated in accordance with this section 18-411 for the life of the surviving
22 spouse.

23

24 If a member under this section dies without a surviving spouse, but has children under the age of
25 twenty-one (21) at the time of death, then any benefit which would have been payable to the
26 member under this section shall be paid beginning the month following the member's death to the
27 guardian or other legal representative for the children under age twenty-one (21) at the date of the
28 member's death. For members first employed before July 1 2011, tThe survivor's benefit for
29 children under the age of twenty-one (21) shall be equal to the sum which the member would have
30 received if the member had attained the age of fifty-five (55). For members first employed on or
31 after July 1, 2011, the survivor's benefit for children under the age of twenty-one (21) shall be
32 equal to the sum which the member would have received if the member had attained the age of
33 sixty (60). Monthly benefits shall continue, unabated, per stirpes, for those children under age
34 twenty-one (21) until the end of the month in which the youngest child becomes age twenty-one
35 (21), at which time all benefits shall cease.

36

37 If a member under this section dies without a surviving spouse and without children under the age
38 of twenty-one (21), but who during the course of covered employment had a committed partner as
39 that term is defined in Section 28-200 (sometimes known and cited as Section 200, Chapter 28) of
40 the Revised Municipal Code, or had a spousal equivalent as that term is defined in Section 18-171
41 (sometimes known and cited as Section 171, Chapter 18) of the Revised Municipal Code, and
42 submits a copy of the certified certificate of committed partnership or the affidavit of spousal
43 equivalency previously filed with the employee benefits section of the Career Service Authority to
44 the Plan and named the committed partner or spousal equivalent as the member's named
45 beneficiary, and had not terminated the committed partnership or spousal equivalency and
46 continued to be in the relationship with the committed partner or spousal equivalent at the time of
47 the member's death, then there shall be paid to the committed partner or spousal equivalent, if, for
48 members employed before July 1, 2011, the individual is living at the time the member reached or
49 would have reached age fifty-five (55), or if, for members first employed on or after July 1, 2011,

1 the individual is living at the time the member would have reached age sixty (60) (the earliest date
2 the member would have been eligible to receive benefits under this division), a survivor annuity
3 calculated in accordance with this section 18-411 for the life of the committed partner.
4

5 For members employed prior to January 1, 1979, if there is no surviving spouse or children under
6 the age of twenty-one (21), there shall be paid to the beneficiary designated by the member, if the
7 beneficiary is living, otherwise to the member's estate, the amount of accumulated contributions
8 paid by the member to the Plan prior to January 1, 1979, if any, as of the applicable date of death.
9

10 (h) *Unmarried active members.* Unmarried active members may designate a beneficiary who
11 shall be eligible to receive an equivalent benefit available to surviving spouses, subject to the
12 requirements of the Internal Revenue Code, under the terms of this section. However, such
13 designation of a beneficiary by an unmarried active member shall be void for all purposes should
14 the member die with a surviving spouse. And, further, this subsection (h) shall not apply to
15 members who die without leaving a surviving spouse but who die leaving surviving children any
16 one (1) of whom is under the age of twenty-one (21) at the date of the member's death, except that
17 such beneficiary may serve as the guardian or the legal representative for such children as
18 provided in subsection (f) of this section.

19 **Section 6.** The effective date of the amendments set forth herein shall be July 1, 2011.

20 COMMITTEE APPROVAL DATE: June 1, 2011

21 MAYOR-COUNCIL DATE: June 7, 2011

22 PASSED BY THE COUNCIL: _____, 2011

23 _____ - PRESIDENT

24 APPROVED: _____ - MAYOR _____, 2011

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

28 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2011; _____, 2011

29 PREPARED BY: Victoria A. Hale, GENERAL COUNSEL,
30 DENVER EMPLOYEES RETIREMENT PLAN, June 6, 2011
31

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

36 David W. Broadwell, City Attorney

37 BY: _____, City Attorney DATE: _____, 2011