

ORDINANCE O-2025-12

A BILL FOR AN ORDINANCE AMENDING SECTION 3.04.885 OF THE LONGMONT
MUNICIPAL CODE ADOPTING AMENDMENTS TO THE MONEY ACCUMULATION
PENSION PLAN FOR EMPLOYEES OF THE CITY OF LONGMONT

THE COUNCIL OF THE CITY OF LONGMONT, COLORADO, ORDAINS:

Section 1

The Council finds:

Pursuant to sections 4.9 and 4.10 of the Home Rule Charter, the Longmont City Council has, by section 3.04.885 of the Longmont Municipal Code, previously adopted certain pension plans and trust agreements for City employees promulgated by the City and its pension attorneys; and

The City, in consultation with the City Attorney's Office and its pension attorneys, has amended the Money Accumulation Pension Plan for Employees of the City of Longmont; and

The Council has determined to adopt the amendments to the Money Accumulation Pension Plan for Employees of the City of Longmont now before the Council.

Section 2

In this Ordinance, ellipses indicate material not reproduced as the Council intends to leave that material in effect as it now reads.

Section 3

The Council approves and authorizes execution of the amendments of the Money Accumulation Pension Plan for Employees of the City of Longmont as described herein.

1 Section 4

2 Effective January 1, 2025, the Council amends Article IV, Section 7 of the Money
3 Accumulation Pension Plan for Employees of the City of Longmont by adding the italicized
4 language and deleting the struck language to read as follows:

5 Application of Forfeitures. Any amount forfeited because of termination of
6 employment of a Member prior to his being fully vested in his City Contributions
7 Account, shall be applied as soon as possible, but no later than 12 months following
8 the close of the Plan Year in which the forfeitures were incurred, to pay Plan
9 administrative expenses designated by the City and to reduce the contributions
10 required to be made by the City. Any forfeitures which shall occur prior to the
11 termination of this Plan but which have not been applied to reduce City
12 Contributions or to pay administrative expenses, shall be distributed pro-rata to
13 those Members who were Employees in Covered Employment on the effective date
14 of the termination of this Plan in the same proportion that each such Member's
15 account balance bears to the sum of the account balances of all such Members.

16 Section 5

17 Effective January 1, 2024, the Council amends Article VII, Section 4 of the Money
18 Accumulation Pension Plan for Employees of the City of Longmont by adding the italicized
19 language and deleting the struck language to read as follows:

20 Minimum Distribution Requirements . . .

22 b. Time and Manner of Distribution.

1 (i) Required Beginning Date. The Member's entire interest will be distributed,
2 or begin to be distributed, to the Member no later than the Member's Required
3 Beginning Date, as defined in subsection 4.e.

4 (ii) Death of Member Before Distributions Begin. If the Member dies before
5 distributions begin, the Member's entire interest will be distributed, or begin to be
6 distributed, no later than as follows:

7 (a) Spouse Beneficiary. Effective January 1, 2024, if the Member's surviving
8 spouse is the Member's sole Designated Beneficiary, as defined in subsection 4.e.,
9 then, distributions to the surviving spouse will begin by the later of: December 31
10 of the calendar year immediately following the calendar year in which the Member
11 died, or by December 31 of the calendar year in which the surviving spouse would
12 attain the applicable age as defined in Code section 401(a)(9)(C)(v), as provided
13 under Code section 401(a)(9) and the related regulations. Notwithstanding the
14 foregoing, the date on which the distributions are required to begin under this
15 Section 7.10(b)(ii)(A) shall not be earlier than the December 31 of the calendar
16 year immediately preceding the year in which the Member would have attained the
17 applicable age as defined in Code section 401(a)(9)(C)(v).

18 (b) Non-Spouse Beneficiary. If the Member's surviving spouse is not the
19 Member's sole Designated Beneficiary, as defined in subsection 4.e, then,
20 distributions to the Designated Beneficiary, as defined in subsection 4.e, the
21 Member's entire interest will be distributed by December 31 of the calendar year
22 containing the tenth anniversary of the Member's death.

1 (c) No Designated Beneficiary. If there is no Designated Beneficiary, as
2 defined in subsection 4.e, as of September 30 of the year following the year of the
3 Member's death, the Member's entire interest will be distributed by December 31
4 of the calendar year containing the fifth anniversary of the Member's death.

5 (d) Surviving Spouse Dies Prior to Receiving Benefits. If the Member's
6 surviving spouse is the Member's sole Designated Beneficiary, as defined in
7 subsection 4.e, and the surviving spouse dies after the Member but before
8 distributions to the surviving spouse begin, subsection 4.b(ii), other than subsection
9 4.b(ii)(a), will apply as if the surviving Spouse were the Member.

10 For purposes of subsection 4.b(ii) and subsection 4.d, unless subsection 4.b(ii)(d)
11 applies, distributions are considered to begin on the Member's Required Beginning
12 Date, as defined in subsection 4.e. If subsection 4.b(ii)(d) applies, distributions are
13 considered to begin on the date distributions are required to begin to the surviving
14 spouse under subsection 4.b(ii)(a). If distributions under an annuity purchased from
15 an insurance company irrevocably commence to the Member before the Member's
16 Required Beginning Date, as defined in subsection 4.e (or to the Member's
17 surviving spouse before the date distributions are required to begin to the surviving
18 spouse under subsection 4.b(ii)(A)), the date distributions are considered to begin
19 is the date distributions actually commence.

20 . . .

21 d. Required Minimum Distributions After Member's Death.

22 (i) Death On or After Date Distributions Begin.

1 (a) Member Survived by Designated Beneficiary. If the Member dies on or
2 after the date distributions begin and there is a Designated Beneficiary, as defined
3 in subsection 4.e, the minimum amount that will be distributed for each Distribution
4 Calendar Year, as defined in subsection 4.e, after the year of the Member's death is
5 the quotient obtained by dividing the Member's Account Balance, as defined in
6 subsection 4.e, by the longer of the remaining Life Expectancy, as defined in
7 subsection 4.e, of the Member or the remaining Life Expectancy, as defined in
8 subsection 4.e, of the Member's Designated Beneficiary, as defined in
9 subsection 4.e, determined as follows:

10 (1) The Member's remaining Life Expectancy, as defined in subsection 4.e, is
11 calculated using the age of the Member in the year of death, reduced by one for
12 each subsequent year.

13 (2) If the Member's surviving spouse is the Member's sole Designated
14 Beneficiary, as defined in subsection 4.e, the remaining Life Expectancy, as
15 defined in subsection 4.e, of the surviving spouse is calculated for each Distribution
16 Calendar Year, as defined in subsection 4.e, after the year of the Member's death
17 using the surviving spouse's age as of the Spouse's birthday in that year. For
18 Distribution Calendar Years, as defined in subsection 4.e, after the year of the
19 surviving spouse's death, the remaining Life Expectancy, as defined in
20 subsection 4.e, of the surviving spouse is calculated using the age of the surviving
21 spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced
22 by one for each subsequent calendar year. Effective January 1, 2024, Life

1 Expectancy for the surviving spouse will be computed using the Uniform Life
2 Table as set forth in Treasury Regulation section 1.401(a)(9)-9.

3 (3) If the Member's surviving spouse is not the Member's sole Designated
4 Beneficiary, as defined in subsection 4.e, the Designated Beneficiary's remaining
5 Life Expectancy, as defined in subsection 4.e, is calculated using the age of the
6 Beneficiary in the year following the year of the Member's death, reduced by one
7 for each subsequent year.

8 (b) No Designated Beneficiary. If the Member dies on or after the date
9 distributions begin and there is no Designated Beneficiary, as defined in
10 subsection 4.e, as of September 30 of the year after the year of the Member's death,
11 the minimum amount that will be distributed for each Distribution Calendar Year,
12 as defined in subsection 4.e, after the year of the Member's death is the quotient
13 obtained by dividing the Member's Account Balance, as defined in subsection 4.e,
14 by the Member's remaining Life Expectancy, as defined in subsection 4.e,
15 calculated using the age of the Member in the year of death, reduced by one for
16 each subsequent year.

17 (ii) Death Before Date Distributions Begin.

18 (a) Member Survived by Surviving Spouse. If the Member dies before the date
19 distributions begin and the Member's surviving spouse is the Member's Designated
20 Beneficiary the minimum amount that will be distributed for each Distribution
21 Calendar Year, as defined in subsection 4.e, after the year of the Member's death is
22 the quotient obtained by dividing the Member's Account Balance, as defined in

1 subsection 4.e, by the remaining Life Expectancy, of the Member's surviving s
2 pouse, determined as provided in subsection 4.d(i).

3 . . .

4 Section 6

5 The Council amends paragraph C of section 3.04.885 of the Longmont Municipal Code,
6 by adding italicized material, to read as follows:

7 3.04.885 Pension plans adopted by reference.

8 Under sections 4.9 and 4.10 of the Charter, the city council adopts the following,
9 all as promulgated by the city and its pension attorneys:

10 . . .

11 C. The money accumulation pension plan for employees of the city, as amended
12 and restated effective January 1, 1998, and as amended by Amendment No. One,
13 effective April 1, 1999, and as amended and restated effective January 1, 2001, and
14 as amended and restated effective January 1, 2002, and as amended by Amendment
15 No. One, effective January 1, 2003, and as amended and restated effective January
16 1, 2006, and as amended effective January 1, 2008; and as amended effective
17 January 1, 2012, by Ordinance Nos. O-2011-92 and O-2011-93; and as amended
18 by Ordinance No. O-2013-02; and as amended and restated effective January 1,
19 2014; and as amended and restated effective January 1, 2015; and as amended
20 effective January 1, 2020, January 1, 2022, and January 1, 2024 by Ordinance O-
21 2024-09; and as amended effective January 1, 2024 and January 1, 2025 by
22 Ordinance O-2025-12.

23 . . .

1 Section 7

2 To the extent only that they conflict with this ordinance, the Council repeals any conflicting
3 ordinances or parts of ordinances. The provisions of this ordinance are severable, and invalidity of
4 any part shall not affect the validity or effectiveness of the rest of this ordinance.

5 Introduced this 28th day of January, 2025.

6 Passed and adopted this _____ day of _____, 2025.

7
8
9
10 _____
11 MAYOR

12 ATTEST:

13
14
15 _____
16 CITY CLERK

17
18
19 NOTICE: THE COUNCIL WILL HOLD A PUBLIC HEARING ON THIS ORDINANCE AT
20 7:00 P.M. ON 11TH DAY OF FEBRUARY, 2025, AT THE LONGMONT CITY COUNCIL
21 MEETING.

22
23
24 APPROVED AS TO FORM:

25
26
27 /s/ Christopher Robbie 1/24/2025
28 ASSISTANT CITY ATTORNEY DATE

29
30
31 /s/ Katy Kubier 1/24/2025
32 PROOFREAD DATE

33
34
35 APPROVED AS TO FORM AND SUBSTANCE:

36
37
38 /s/ Teresa Molloy 1/24/2025
39 ORIGINATING DEPARTMENT DATE

40
41 CA File: 25-003298