

FIRST READING: September 15, 2020

SECOND READING: October 6, 2020

ORDINANCE NO. 6426

**AN ORDINANCE AMENDING LOVELAND MUNICIPAL CODE CHAPTER
2.70 CONCERNING THE EMPLOYEE RETIREMENT PLAN**

WHEREAS, the City of Loveland, Colorado ("City") offers retirement benefits to its benefit eligible employees in accordance with Section 401(a) of the Internal Revenue Code (26 U.S.C. § 401(a)) and established a Money Purchase Plan where the City and the employee each contribute a defined percentage as set forth in the Loveland Municipal Code (the "Municipal Code"); and

WHEREAS, the City also offers a Deferred Compensation Plan as a voluntary retirement benefit for all employees in accordance with Section 457(b) (26 U.S.C. § 467(b)) of the Internal Revenue Code; and

WHEREAS, the City is the Plan administrator for the retirement plans, and every benefit eligible employee is a participant in the Money Purchase Plan and all employees may voluntarily participate in the Deferred Compensation Plan; and

WHEREAS, the Municipal Code is outdated and references state statutes that are no longer in existence and needs updating; and

WHEREAS, the City has an employee Retirement Board that reviewed the changes to the Municipal Code and recommends the ordinance to update the Municipal Code; and

WHEREAS, the City Council determines that these proposed amendments are desirable to update the Municipal Code and in the best interest of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That Chapter 2.70 of the Loveland Municipal Code is repealed and reenacted to read as follows:

Chapter 2.70

EMPLOYEE RETIREMENT PLAN

Sections:

2.70.010 Establishment.

2.70.020 Employees not covered.

2.70.030 Funds for plan.

2.70.040 Employees' Board of Retirement.

2.70.050 Employees' retirement fund.

2.70.060 Retirement plan forfeiture proceeds.

2.70.070 Longevity incentives.

2.70.080 Alternative police retirement program.

2.70.010 Establishment.

The City establishes a defined contribution retirement plan for the employees of the city pursuant to C.R.S. §24-54-101 et seq. The plan will be known as the "City of Loveland Employees' Retirement Plan." The City may offer additional retirement plans as an employee benefit.

2.70.020 Employees not covered.

The retirement plan shall not apply to or include: Sworn Police Personnel employed by the city; or other employees of the city who are eligible for exemption from the plan and who are exempted from the plan by resolution of the city council.

2.70.030 Funds for plan.

The retirement plan shall be funded by contributions from the city and from the employees covered by the plan. Each employee will contribute to the plan an amount equal to three percent of his or her base salary. The city shall contribute to the plan an amount equal to five percent of the base salary of each employee covered by the plan.

2.70.040 Employees' Board of Retirement.

Duties and Responsibilities:

The management of the city employees' retirement plan shall be vested in an employees' board of retirement, which board is hereby established. The Board shall determine plan fees or revenues sufficient to cover all plan expenses. Membership on the board shall consist of the Chief Financial Officer or designee, Human Resources Director or designee, two current employee plan participants elected by an employee vote, and a fifth member who is a previous employee and active plan participant or an individual who is a taxpaying elector of the City appointed by the Board. The Board shall by its own rules establish staggered four year terms for its members, other than the Chief Financial Officer and Human Resources Director.

2.70.050 Employees' retirement fund.

There is established an "employees' retirement fund." Contributions from the city and from city employees to the retirement plan shall be paid into the fund. Management of this fund is vested in the employees' board of retirement.

2.70.060 Retirement plan forfeiture proceeds.

All moneys forfeited by participants in the city employees' retirement plan due to termination or change of status in employment prior to full vesting in the employee shall be first applied to plan expenses and the remainder transferred to the city's retirement plan funding obligations.

2.70.070 Longevity incentives.

A. There shall be paid to the fund established in Section 2.70.050, an additional sum equal to the percentage of base salary set forth in the following table according to the number of years of employment with the city completed:

No. of Years Completed	Up Through Year	Percentage of Base Salary
7	10	1%

10	15	2%
15	20	3%
20 or more	Retirement	4%

- B. Upon retirement after completion of not less than 25 years of employment with the city, there shall be paid to each such employee a one-time payment of \$100.00 times the number of complete years of employment with the city. For the purposes of this subsection, employment with the city means permanent, full-time employment, and any interruptions in employment other than for vacation and sick leave shall not count in computing the number of years.

The benefits set forth in this section shall not apply to or include fire or police personnel employed by the city.

2.70.080 Alternative police retirement program.

There is established an alternative police retirement program as an employee benefit.

Section 2. Severability. If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect the remaining provisions of this ordinance.

Section 3. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect (10) days after publication following final adoption, as provided in City Charter Section 4-8(b).

ADOPTED this 6th day of October, 2020.

Jacki Marsh, Mayor

ATTEST:

City Clerk



Ordinance 6426

I, Patti Garcia, City Clerk of the City of Loveland, Colorado, hereby certify that the above and foregoing Ordinance was introduced at a regular (or special) meeting of the City Council, held on September 15, 2020 and was initially published in the Loveland Daily Reporter-Herald, a newspaper published within the city limits, in full on September 19, 2020 and by title except for parts thereof which were amended after such initial publication which parts were published in full in said newspaper on October 10, 2020.

City Clerk

Effective Date: October 20, 2020