



February 4, 2020

Ms. Patti McLauchlin
Administrator, City of Key West
Employees' Retirement Plan
City of Key West
P.O. Box 1409
Key West, Florida 33041

Re: Actuarial Impact Statement

Dear Patti:

As requested, we have performed an actuarial review of the attached proposed ordinance under the City of Key West Employees' Retirement Plan (*Plan*).

Based upon our review, the proposed Ordinance amends the Plan document to:

- Extend all Trustee terms to four years.
- Provides for severability.
- Provides for codification.
- Provides for an effective date.

In our opinion, based upon the actuarial assumptions and methods employed in the October 1, 2018 Actuarial Valuation, the proposed Ordinance is a *no cost* Ordinance under State funding requirements.

Please provide a signed copy of the Ordinance upon passage at second reading for our records.

If you should have any question concerning the above, please do not hesitate to contact us.

Sincerest regards,

A handwritten signature in black ink that reads "Jennifer Borregard". The signature is written in a cursive, flowing style.

Jennifer M. Borregard, E.A.
Consultant and Actuary

Enclosure

AN ORDINANCE OF THE CITY OF KEY WEST, FLORIDA, AMENDING THE RETIREMENT SYSTEM FOR GENERAL EMPLOYEES; AMENDING CHAPTER 46, SECTION 63 OF THE CODE OF ORDINANCES EXTENDING TRUSTEE TERMS TO FOUR YEARS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of Trustees of the Retirement System for General Employees has recommended certain revisions to the plan; and

WHEREAS, the City Commission finds that the recommendations are in the best interest of the City, the taxpayers, and the plan participants;

NOW, THEREFORE, be it ordained by the City Commission of the City of Key West:

Section 1. Chapter 46, Article II, Section 46-63 of the Key West City Code is hereby amended to read as follows:

Sec. 46-63. Terms; vacancy.

- (a) ~~The elected active employee representative position expiring next after the passage of this ordinance shall be appointed for a term of three years. The two remaining elected active employee representatives shall be elected to a term of two years. The member appointed by the mayor and city commission shall be appointed to a term of three years. The member appointed by a majority of the board shall be appointed to a term of two years.~~ **All members of the board of trustees shall serve a four year term.**
- (b) If a vacancy shall occur prior to the expiration of a trustee's term, a replacement trustee shall be chosen in the same manner as the trustee who has left office. A replacement trustee shall serve a full term measured from the date of replacement.
- (c) All trustees shall serve until their replacements are selected.

Section 2. Should any section of this ordinance be held invalid by a court of competent jurisdiction, the remaining provisions shall be in full force and effect as if the invalid provision had not been adopted.

Section 3. This ordinance shall be codified in the Key West City Code. The editor of the Code shall be authorized to renumber or re-letter sections as may be necessary.

Section 4. This ordinance shall take effect immediately upon passage.

Read and passed on first reading at a regular meeting held this _____ day of

_____, 2019.

Read and passed on final reading at a regular meeting held this _____ day of _____, 2019.

Authenticated by the presiding officer and the Clerk of the Commission on this _____ day of _____, 2019.

Filed with the Clerk on this _____ day of _____, 2019.

TERI JOHNSTON, MAYOR

ATTEST:

CHERI SMITH, CITY CLERK