GENERAL FACT SHEET

BILL NUMBER 11-165

BRIEF TITLE	APPROVAL DEADLINE	REASON
Amend LMC 2.62 with standard Tax-Qualified Plan language recommended by the IRS		To obtain a favorable letter of determination from the IRS.

DETAILS	POSITIONS/RECOMMENDATIONS	
An ordinance amending Lincoln Municipal Code Chapter 2.62 by amending: **2.62.230 (b) to provide that a member shall be 100% vested upon attainment of requirements for an age and service retirement.** **2.62.230 (e) to provide a deceased member's military service be counted for vesting purposes.** **2.62.120(b),(c) and (f) to provide, in the case of an eligible rollover distribution, to separately account for taxable and non-taxable amounts.**	**Sponsor: Personnel Dept.**	**Recommend approval: Yes.**
	Program Departments, or Groups Affected: Police and Fire Pension Members	
	Applicants/ Proponents: Personnel Dept.	
Discussion (Including Relationship to other Council Actions) The Internal Revenue Service ("IRS") issued a favorable determination letter on May 20, 2011 regarding the City of Lincoln Police and Fire Pension Plan. According to a May 27, 2011 letter from legal counsel Ice Miller LLP, the IRS letter is contingent upon the adoption of proposed amendments to achieve compliance. The amendments must be adopted no later than December 16, 2011 (210 days after the date of the IRS letter). Failure to timely adopt the amendments will essentially nullify the letter.	**Opponents**	**Groups or Individuals** **Basis of Opposition**
	Staff Recommendations	☒ **For** ❑ **Against** **Reason Against**
	Board or Commission Recommendation	**BY: None** ❑ **For** ❑ **Against** ❑ **No Action Taken** ❑ **For with revisions or conditions** **(See Details column for conditions)**
	CITY COUNCIL ACTIONS (For Council Use Only)	❑ **Pass** ❑ **Pass (As Amended)** ❑ **Council Sub.** ❑ **Without Recommendation** ❑ **Hold** ❑ **Do not Pass**

DETAILS	POLICY/PROGRAM IMPACT	
	POLICY OR PROGRAM CHANGE	☒ NO ❑ YES
	OPERATIONAL IMPACT ASSESSMENT	_____
	FINANCES	
	COST AND REVENUE PROJECTIONS	COST of total project: $ COST of this Ordinance/ Resolution $
		RELATED annual operating Costs $
		INCREASE REVENUE EXPECTED/YEAR $
	SOURCE OF FUNDS	CITY [Approximately] _____ $_____ % _____ $_____ % _____ $_____ % NON CITY [Approximately] _____ $_____ % _____ $_____ % _____ $_____ %
	BENEFIT COST ❑ Front Foot Assessment ❑ Square Foot	Average $_____ $

APPLICABLE DATES:

FACT SHEET PREPARED BY: Paul D. Lutomski PDL

REVIEW BY: Mark A. Koller MAK

REFERENCE NUMBER