

Several substantive changes to the Port St. Lucie Municipal Police Officers' Retirement Trust fund (the "Plan") were made in accordance with Ordinance 16-28. Among these changes included establishing a benefits rate of 3.27% for those Plan members who retired with a Normal Retirement Benefit on or after October 1, 2015. It was recently discovered that Ordinance 16-28 did not amend the Plan to specifically provide for disabled members to receive a benefits rate for disability retirement that is consistent with the benefits rate for the Normal Retirement benefits provided therein. Because statutory law requires that disability retirees receive the "accrued retirement benefit," which is the 3.27% benefits rate, the Plan needs to be changed for compliance purposes.

The enclosed Ordinance amends the Plan in a manner consistent with statutory requirements, which will result in changing the benefits rate for disability retirement for any disabled member, effective October 1, 2015. Since the passage of Ordinance 16-28, the Plan's actuary appears to have assumed that the benefits rate for disability retirees was consistent with the benefits rate for Normal Retirement benefits so these changes will have no actuarial impact. The actuarial impact letter is attached hereto.

The enclosed Ordinance has been prepared by the Plan's pension attorney and the City's outside labor counsel, and has been reviewed by the police union's legal counsel. The City Attorney's Office has reviewed it for legal form. As such, the attached Ordinance has been prepared for presentment to the City Council for review and approval. The revisions of the Plan are as follows:

- **In Line of Duty Disability**. For members who retire on or after October 1, 2015 due to an in-line of duty disability, they shall receive a 3.27% benefits multiplier. Members who retired before October 1, 2015 receive a 3.09% benefits multiplier.
- **Not-In-Line of Duty Disability**. For members who retire on or after October 1, 2015 due to a not-in-line of duty disability, they shall receive a 3.27% benefits multiplier. Members who retired before October 1, 2015 receive a 3.09% benefits multiplier.

In addition, it is being recommended by the police union and the City that the Plan review all previously submitted disability applications during the effective period of this change and ascertain whether any members are entitled to a retroactive modification of the benefits multiplier from 3.09% to 3.27%. Though it is the parties' respective understanding that no members will require a retroactive modification, they nevertheless request that the Plan undertake a confirmatory review.