

ORDINANCE 2010-16

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF LAKE WALES, FLORIDA, AMENDING CHAPTER 16, ARTICLE IV OF THE LAKES WALES CODE, TO PROVIDE THAT PARTICIPANTS OF THE MUNICIPAL POLICE OFFICERS' PENSION PLAN MAY PARTIALLY ALLOCATE DROP BENEFIT PAYMENTS INTO EITHER OR BOTH OF THE STATED OPTONS; PROVIDING FOR CODIFICATION; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 1: Section 16-236 of the City of Lake Wales Code be amended by deleting the stricken through language and adding the underlined language as follows:

Sec. 16. 236 – Benefits amounts and eligibility

(k) Deferred retirement option plan (DROP).

(1) Operation. Any member of the system who has satisfied the requirement for normal retirement as set forth herein may elect to withdraw from the system while continuing to be an employee of the city for a period of up to five (5) years. During this period, the member and employer shall cease to make contributions to the fund and benefit accruals shall cease at the date of withdrawal from the system. At the time of the withdrawal, the member may elect any optional form of retirement income as allowed by the plan. The amount of the monthly pension which would otherwise be paid shall be maintained as a co-mingled DROP account(s) in the name of the member within the fund and shall be segregated from other trust assets on a bookkeeping basis only.

a. Upon electing participation in the DROP, the member shall elect to receive, by designating full or partial allocation of the monthly benefit amount, either interest or earnings on his or her accounts to be determined as provided below. The member may elect, in writing, to change his or her election on a quarterly basis during DROP participation. An election to change must be made at least thirty (30) days prior to the beginning of a calendar quarter and shall be effective on the first day of the calendar quarter immediately following such notice of election. There shall be no limit on the number of such transfers.

1. Earnings election. Quarterly the DROP account shall share in the investment gains and losses for the quarter at the same rate of the return earned by the total trust fund; and/or

2. Interest election. The DROP account shall be credited interest based on the trust fund's money market interest rate compounded quarterly.

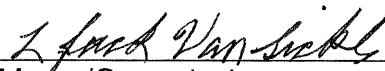
3. Any additional cost arising for the election of partial allocation of the monthly benefit amount shall be paid by the member.

SECTION 2: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3: If any clause, section or provision of this ordinance shall be declared unconstitutional or invalid for any reason or cause, the remaining portion of said ordinance shall be in full force and effect and be valid as if such invalid portion thereof had not been incorporated herein.

CERTIFIED AS TO PASSAGE this 19th day of October 2010.

**CITY COMMISSION OF THE
CITY OF LAKE WALES, FLORIDA**



Mayor/Commissioner
City of Lake Wales, Polk County, Florida

ATTEST: 

City Clerk