

Summary of F&P Technical Changes Legislation

- **Grandfathering**

- Ordinance 10-306 requires 15 continuous years of service as an F&P member for a member to be grandfathered from the new age and service requirements, the change in “average final compensation” and the DROP 2 eligibility change.
- Proposed legislation would remove the requirement that the service be continuous.
- Proposed legislation would also allow purchased service to be used to satisfy the 15-year grandfathering rule.
- Members would have until December 31, 2010 to purchase service in order to satisfy the 15-year grandfathering.

- **Age and service for normal retirement benefit**

- Before July 1, 2010, the 20-year service requirement for the normal retirement benefit required that 10 years be service as an F&P member.
- Ordinance 10-306 requires that the new 25-year service requirement for the normal retirement benefit be continuous service as an F&P member.
- Proposed legislation would remove the requirement that the service be continuous.
- Proposed legislation would also require that only 15 years be service as an F&P member and would allow purchased service to be used to satisfy the remaining 10-year requirement.

- **DROP 2 interest**

- Ordinance 10-306 reduces interest rate on DROP 2 accounts from 5.5% to 3.0%.
- Proposed legislation clarifies that grandfathered members (i.e., members with at least 15 years of service as of 6/30/10) will continue to earn 5.5% interest.

- **Governance**

- Proposed legislation clarifies who can be the Fire Chief’s designee on the Board of Trustees if he is unavailable.