

ORDINANCE NO. BL2021-830

An ordinance amending Title 3 of the Metropolitan Code to delete obsolete provisions and add certain Department of Emergency Communications employees to the Fire and Police Service Pension Plan.

WHEREAS, the Council of the Metropolitan Government of Nashville and Davidson County has adopted a system of employee benefits which includes pension benefits for employees and officers; and,

WHEREAS, in its February 17, 2021 Final Report, the Study & Formulating Committee recommended that certain Department of Emergency Communications (“DEC”) personnel be aligned to the public safety pension plan; and,

WHEREAS, the recommendation of the Study & Formulating Committee applies to the following eight DEC positions: (i) Emergency Telecommunication Officer Trainee; (ii) Emergency Telecommunication Officer 1; (iii) Emergency Telecommunication Officer 2; (iv) Emergency Telecommunication Officer 3; (v) Emergency Telecommunication Officer 4; (vi) Emergency Telecommunication Trainer; (vii) Emergency Telecommunication Supervisor; and (viii) Emergency Telecommunication Manager; and,

WHEREAS, at its June 1, 2021 meeting, the Metropolitan Employee Benefit Board unanimously approved the recommendation of the Study & Formulating Committee that certain DEC personnel be aligned to the public safety pension plan; and,

WHEREAS, an actuarial study of the recommended pension modification to add DEC telecommunication employees to the Fire and Police Service Pension Plan has been performed; and,

WHEREAS, the Department of Law recommends that the obsolete language requiring compulsory retirement also be deleted from the Metropolitan Code; and,

WHEREAS, it is in the best interest of the Metropolitan Government to implement the recommendations made by the Study & Formulating Committee and approved by the Benefit Board regarding service pension benefits for DEC emergency telecommunication employees.

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. Section 3.08.010 of the Metropolitan Code is hereby amended by adding the following new definition:

“Emergency communications officer” means an eligible employee in the Department of Emergency Communications during the time that the eligible employee holds the position of Emergency Telecommunication Officer Trainee, Emergency Telecommunication Officer 1, Emergency Telecommunication Officer 2, Emergency Telecommunication Officer 3, Emergency Telecommunication Officer 4, Emergency

Telecommunication Trainer, Emergency Telecommunication Supervisor, or Emergency Telecommunication Manager. This definition of "emergency communications officer" shall apply to a member who is a metropolitan employee on or after December 1, 2021.

Section 2. Section 3.08.010 of the Metropolitan Code is hereby amended by deleting the definition of "current police and fire service" in its entirety and adding the following new definition:

"Current police and fire service" means all continuous, uninterrupted service after April 1, 1963, of an eligible employee during which time he is a fireman, policeman, sheriff's officer, or an emergency communications officer and is a member.

With regard to a member who was not a metropolitan employee on or after May 1, 2008, "current police and fire service" means all continuous, uninterrupted service after April 1, 1963, of an eligible employee during which time he is a fireman, policeman, or correctional officer and is a member.

Section 3. Section 3.36.020 of the Metropolitan Code is hereby amended by deleting subsection A in its entirety and renumbering the remaining subsections accordingly.

Section 4. Section 3.37.020 of the Metropolitan Code is hereby amended by deleting subsection A in its entirety and renumbering the remaining subsections accordingly.

Section 5. This ordinance shall take effect from and after its final passage, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

RECOMMENDED BY:

INTRODUCED BY:

DocuSigned by:

Shannon Hall

Shannon Hall, Director
Department of Human Resources

Sharon W. Hurt

Kymie Jooss

[Signature]

Member(s) of Council

Jennifer Jable

[Signature]

APPROVED AS TO AVAILABILITY OF FUNDS:

DocuSigned by:

Kevin Crumbo

Kevin Crumbo, Director of Finance

APPROVED AS TO FORM AND LEGALITY:

DocuSigned by:

Niki Eke

Assistant Metropolitan Attorney



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February 8, 2021

Mr. Justin Stack
Metro Employee Benefit Board
222 3rd Avenue North
Nashville, TN 37201

Re: Study and Formulating Committee
Area: Pension Benefits – Emergency Telecommunication Employees (911 Operators)

The purpose of this letter is to provide financial information related to benefit improvement proposals under consideration by the Study and Formulating Committee. The financial information contained in this letter pertains to changes to the plan benefits for certain employees within the Emergency Communications Group.

Expected liability and cost implications for the proposal are outlined below together with a discussion of the proposed change. Calculations are based upon census data and actuarial assumptions utilized in preparing the June 30, 2020 actuarial valuation for the Metro Open Plan (the “Plan”), for which an actuarial valuation is performed annually. Calculations implicitly assume that the proposed plan change is effective on July 1, 2020.

Overview of the Proposed Change

Under the current provisions of the plan, Emergency Telecommunication Officers (and related employees) are covered under the General Government portion of the Plan. Under the proposed plan change, the positions specified below would be covered under the Fire/Police portion of the Plan. The Fire/Police portion of the Plan provides greater benefits and are available at an earlier age compare with the General Government portion.

Positions Included-

- Emergency Telecommunication Officer Trainee
- Emergency Telecommunication Officer 1
- Emergency Telecommunication Officer 2
- Emergency Telecommunication Officer 3
- Emergency Telecommunication Officer 4
- Emergency Telecommunication Trainer
- Emergency Telecommunication Supervisor
- Emergency Telecommunication Manager

The proposed change would apply to currently active Division B participants who will retire in the future and would include all of their past service.

Actuarial Assumptions

The benefits under the Fire/Police portion of the Metro Open plan permit an unreduced normal retirement benefit once the member reaches 75 age/service points, but not earlier than age 53. This compares with an unreduced benefit at 85 age/service points, but not before age 60 for the General Government portion of the

Mr. Justin Stack
February 8, 2021
Page Two

plan. For purposes of this cost analysis, we have assumed that the retirement ages for the impacted employees moving to the Fire/Police portion of the plan would be the same ages that we currently assume for all other members covered by the Fire/Police portion of the plan.

All other valuation assumptions with respect to rates of termination, disability and mortality for the impacted employees would be the same as the current Fire/Police population.

Cost Impact of the Proposed Change

We estimate this enhancement would increase the total plan liabilities (present value of benefits) by roughly \$11,200,000 and result in an increase in the total plan employer contribution of 0.172% of metro wide covered compensation.

Impact on other Proposed Changes

Note that the cost information contained in this letter assumes that the proposed change discussed in this letter is the only plan change implemented. If more than one plan change is implemented, the cost implications may be different than the sum of each respective change. Additional analysis should be prepared to determine the cumulative cost of multiple plan changes.

If you need further information, please let us know.

Sincerely,



S. Kevin Sullivan, F.S.A.