

ORDINANCE NO. C-14-17

AN ORDINANCE OF THE CITY OF FORT LAUDERDALE, FLORIDA, AMENDING THE CITY OF FORT LAUDERDALE CODE OF ORDINANCES, CHAPTER 20, PERSONNEL, ARTICLE IV, PENSION, DIVISION 3, POLICE AND FIREFIGHTERS RETIREMENT SYSTEM, SECTION 20-127, "DEFINITIONS" TO REVISE THE DEFINITION OF AVERAGE MONTHLY EARNINGS; AMENDING SECTION 20-129 (b), "NORMAL RETIREMENT BENEFITS" REDUCING THE BENEFIT ACCRUAL FORMULA AND MAXIMUM BENEFIT ACCRUAL FOR CERTAIN POLICE OFFICERS; AMENDING SECTION 20-129 (b.1), "DEFERRED RETIREMENT OPTION PROGRAM," REGARDING REDUCTIONS IN THE 96-MONTH DROP PROGRAM FOR CERTAIN POLICE OFFICERS WHO DELAY ENTRY INTO THE 96-MONTH DROP PROGRAM AND REGARDING DISTRIBUTIONS OF DROP ACCOUNTS FOR CERTAIN POLICE OFFICERS AFTER TERMINATION OF THE DROP PERIOD AND PROVIDING FOR CALCULATION OF EARNINGS AFTER TERMINATION OF THE DROP PERIOD; AMENDING SECTION 20-129 (e), "VESTING," ELIMINATING THE PAYMENT OF INTEREST ON MEMBER CONTRIBUTIONS FOR CERTAIN POLICE OFFICERS WHO TERMINATE EMPLOYMENT WITH THE CITY ON OR AFTER DECEMBER 3, 2013 AND PRIOR TO ATTAINING THEIR NORMAL RETIREMENT DATE; AMENDING SECTION 20-129 (b) (2) g., "DURATION, SURVIVOR BENEFITS," LIMITING SURVIVOR BENEFITS TO THE TEN-YEAR CERTAIN FORMULA FOR CERTAIN POLICE OFFICERS AND RESERVING TO CERTAIN POLICE OFFICERS THE ABILITY TO ELECT SURVIVOR BENEFIT OPTIONS IN EXISTENCE DECEMBER 3, 2013 AT A REDUCED ACTUARIAL RATE EQUIVALENT TO THE ACTUARIAL RATE FOR THE TEN-YEAR CERTAIN FORMULA; AMENDING SECTION 20-129 (h), "PAYMENT OF BENEFITS" ELIMINATING FOR CERTAIN POLICE OFFICERS THE OPTION OF ELECTING PAYMENT OF BENEFITS UNDER THE DURATION, SURVIVOR BENEFIT FORMULA SET FORTH IN SECTION 20-129(b)(2)(c); AMENDING SECTION 20-129 (b.1) (10) PLACING CERTAIN

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LIMITATIONS ON DEATH BENEFITS UPON THE DEATH OF THE DROP PARTICIPANT DURING DROP RETIREMENT FOR CERTAIN POLICE OFFICERS; CREATING A NEW SECTION 20-135 (r), "TREATMENT OF CHAPTER 185 PREMIUM TAX REVENUES ON AND AFTER DECEMBER 31, 2013," REGARDING APPLICATION OF THE CHAPTER 185 PREMIUM TAX REVENUE RESERVE ACCOUNT ON DECEMBER 31, 2013 TO REDUCE THE CITY'S ANNUAL REQUIRED CONTRIBUTION TO THE PLAN FOR THE 2013-2014 PLAN YEAR AND APPLICATION OF CHAPTER 185 PREMIUM TAX REVENUES RECEIVED EACH YEAR IN THE FUTURE TO BE RETAINED BY THE PLAN TO REDUCE THE CITY'S ANNUAL REQUIRED CONTRIBUTION TO THE PLAN; INCREASING POLICE OFFICERS' MEMBER CONTRIBUTIONS TO THE PLAN TO REDUCE THE CITY'S ANNUAL CONTRIBUTION TO THE PLAN IN THE EVENT THE FLORIDA DIVISION OF RETIREMENT REQUIRES ADDITIONAL BENEFITS BE PROVIDED FOR THE CHAPTER 185 PREMIUM TAX REVENUES; PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING ORDINANCE PROVISIONS AND EFFECTIVE DATE.

WHEREAS, on December 3, 2013, the City Commission of the City of Fort Lauderdale adopted Resolution No. 13-215 which approved and ratified a Collective Bargaining Agreement between the City of Fort Lauderdale and the Fort Lauderdale Fraternal Order of Police Lodge No. 31, Inc. for the period December 3, 2013 through September 30, 2016 regarding Police Officers and Sergeants within the bargaining unit, by which the parties agreed to certain amendments to the City of Fort Lauderdale's Police & Firefighters' Retirement System; and

WHEREAS, on December 3, 2013, the City Commission of the City of Fort Lauderdale adopted Resolution No. 13-216 which approved and ratified a Collective Bargaining Agreement between the City of Fort Lauderdale and the Fort Lauderdale Fraternal Order of Police Lodge No. 31, Inc. for the period December 3, 2013 through September 30, 2016 regarding Police Captains and Lieutenants within the bargaining unit, by which the parties

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agreed to certain amendments to the City of Fort Lauderdale's Police & Firefighters' Retirement System; and

WHEREAS, implementation of the bargained amendments to the Police & Firefighters' Retirement system serves a valid municipal purpose and is in the best interests of the City of Fort Lauderdale;

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA:

SECTION 1. That Chapter 20, "Personnel", Article IV, "Pensions", Division 3, "Police and Firefighters Retirement System" amending Section 20-127, "Definitions", of the Code of Ordinances of the City of Fort Lauderdale, Florida (hereinafter "Code") to read as follows:

Sec. 20-127. Definitions.

As used herein, unless otherwise defined or required by the context the following words or phrases shall have the meanings indicated:

. . .

Average Monthly Earnings means one-twelfth (1/12) of the arithmetic average of annual Earnings for the highest two (2) years preceding the actual Retirement or Termination Date of a Member, or the DROP Retirement Date of a DROP Participant; provided, however, for Police Officers hired on or after April 1, 2014, Average Monthly Earnings means one-twelfth (1/12) of the arithmetic average of annual Earnings for the highest five (5) years preceding the actual Retirement or Termination Date of a Member, or the DROP Retirement Date of a DROP Participant.

. . .

SECTION 2. That Chapter 20, "Personnel", Article IV, "Pensions", Division 3, "Police and Firefighters Retirement System," amending Section 20-129, "Retirement Dates", subsection (b), "Normal Retirement Benefits", of the Code to read as follows:

Sec. 20-129. Retirement dates and benefits.

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(a) *Retirement Dates:*

...

(b) *Normal Retirement Benefits:*

- (1) *Amount.* The monthly normal Retirement benefit for Members shall be determined in accordance with one of the following benefit accrual formulas set forth in subsections (b)(1) a., (b)(1)b., (b)(1)b.1, (b)(1)c., or (b)(1)d. below:

...

- c. For Police Officers, an amount equal to three (3) percent of Average Monthly Earnings as defined in section 20-127 for all years of Creditable Service ("police 3 + 3 benefit accrual formula"), with any final fractional year to be prorated. The maximum benefit accrual permitted under this police 3 + 3 benefit accrual formula is eighty-one (81) percent of Average Monthly Earnings, except as may otherwise be specifically provided herein.
- i. Police Officers who became Members of the Plan on or after October 1, 1994 shall have their normal Retirement benefit calculated in accordance with the police 3 + 3 benefit accrual formula set forth in subsection (b)(1)c. above.
- ii. Police Officers who became Members of the Plan prior to October 1, 1994 and who have not retired shall have their normal Retirement benefit calculated in accordance with the police 3 + 3 benefit accrual formula set forth in subsection (b)(1)c. above, for all years of Creditable Service prior to October 19, 1994, unless they deliver a written election to the Office of the Retirement System and the City's Finance Director prior to March 31, 1995 or Retirement, whichever shall first occur, electing to continue to accrue benefits in

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accordance with the 3 + 2 benefit accrual formula set forth in subsection (b)(1)a. above.

- iii. Police officers who are Members of the Plan and who have, as of October 18, 1994, attained or exceeded the maximum benefit accrual permitted under the police 3 + 3 benefit set forth in subsection (b)(1)c. above, shall be permitted to retain benefit accruals earned through October 18, 1994, but shall not be permitted any further benefit accrual after October 18, 1994, unless they have timely elected, as set forth in subsection (b)(1)c.ii. above, to continue to accrue benefits under the 3 + 2 benefit accrual formula set forth in subsection (b)(1)a. above.
- d. Police Officers, who were accruing Service as of October 1, 2000 pursuant to the "Police 3 + 3 benefit accrual formula" as set forth in Section 20-129 (b)(1)c. above, shall accrue an amount equal to 3.38% of Average Monthly Earnings as defined in Section 20-127 for all years of Creditable Service ("Police 3.38% benefit accrual formula"), with any final fractional year to be prorated. The maximum benefit accrual permitted under this Police 3.38% benefit accrual formula is eighty-one (81%) percent of Average Monthly Earnings, except as may otherwise be specifically provided below:
 - i. Police Officers converting from a Police 3 + 3 benefit accrual formula to a Police 3.38% benefit accrual formula as set forth in Section 20-129 (b)(1)d. above and who (i) first attained forty-seven (47) years of age and twenty (20) years of Service on or before October 1, 1997 and (ii) failed to elect to participate in DROP, shall be permitted to exceed the maximum benefit accrual of 81% for Creditable Service earned on or before October 1, 2000, but not to exceed a maximum benefit accrual of 91.26%. Police Officers in Section 20-129(b)(1)d.i. who, on the date of converting to a 3.38% benefit accrual formula exceed the otherwise applicable maximum accrual rate of 81% shall not continue to accrue Creditable Service for Service after October 1, 2000.

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- ii. Police Officers converting from a Police 3 + 3 benefit accrual formula to a Police 3.38% benefit accrual formula as set forth in Section 20-129 (b)(1) d. above and who as of October 1, 2000 (i) had twenty-four (24) or more years of Creditable Service, but (ii) had not attained 47 years of age, shall be permitted to exceed the maximum benefit accrual of 81% for Creditable Service earned on or before October 1, 2000, but not to exceed a maximum benefit accrual of 91.26%. Police Officers in Section 20-129 (b)(1)d.ii. who, on the date of converting to a 3.38% benefit accrual formula exceed the otherwise applicable maximum accrual rate of 81% shall not continue to accrue Creditable Service for Service after October 1, 2000.
- iii. Police Officers converting from a Police 3 + 3 benefit accrual formula to a Police 3.38% benefit accrual formula as set forth in Section 20-129 (b)(1)d. above who (i) first became DROP Participants on or after March 1, 1998 and (ii) are still in the employ of the City on October 1, 2000, shall have their normal Retirement benefits adjusted in accordance with the increase in benefit accrual rate under Section 20-129 (b)(1)d. above, and shall be permitted to exceed the maximum benefit accrual of 81% for Creditable Service earned prior to becoming DROP Participants, but not to exceed a maximum benefit accrual of 91.26%.
- iv. For Police Officers hired on or after April 1, 2014, the multiplier shall be 3% of Average Monthly Earnings as defined in Section 20-127 for all years of Creditable Service, with any final fractional year to be prorated. The maximum benefit accrual permitted for such Police Officers under this provision shall be 75% of Average Monthly Earnings.

...

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SECTION 3. That Chapter 20, "Personnel," Article IV, "Pensions", Division 3, "Police and Firefighters Retirement System," amending Section 20-129, "Retirement Dates and Benefits", subsection (b.1), "Deferred Retirement Option Program", of the Code to read as follows:

Sec. 20-129. *Retirement dates and benefits.*

(a) Retirement Dates:

. . .

(b) Normal Retirement Benefits:

. . .

(b.1) *Deferred Retirement Option Program.* A Deferred Retirement Option Program ("DROP") is hereby created for eligible Members. The DROP is intended to comply with all the provisions of the Internal Revenue Code applicable to this Plan and to all provisions of F.S. Chs. 175 and 185, applicable to this local Plan receiving state premium tax monies Notwithstanding anything to the contrary herein, neither the Board nor the City shall take any action contrary to the Internal Revenue Code provisions applicable to this Plan, the tax qualification status of this Plan, or contrary to any provisions of F.S. Chs. 175 and 185, applicable to this local Plan receiving state premium tax monies.

. . .

(2.3) *96-Month DROP.* Effective April 18, 2010 and thereafter, a Member who has completed twenty-three (23) years of Creditable Service, but less than twenty-three and 96/100 (23.96) years of Creditable Service, shall be eligible to participate in DROP up to a maximum DROP period of ninety-six (96) months.

a. For those Members who elect to participate in the 96-Month DROP, eligibility to participate in the 96-Month DROP shall terminate and the 96-Month DROP shall likewise terminate upon the earlier of (i) ninety-six (96) months of DROP participation; (ii) completion of thirty-one and 96/100 (31.96) years of Creditable Service; (iii) death of a

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Member during the 96-Month DROP; or (iv) termination of employment with the City.

- b. For each month or fraction thereof a Member delays entry into the 96-Month DROP following the Member's attainment of twenty-three and 96/100 (23.96) years of Creditable Service, the ninety-six (96) month maximum DROP Period shall be correspondingly reduced by one (1) month or fraction thereof.
- c. For Police Officers hired on or after April 1, 2014, for each month or fraction thereof such Police Officer delays entry into the 96-Month DROP following the Police Officer's attainment of twenty-five (25) years of Creditable Service, the ninety-six (96) month maximum DROP Period shall be correspondingly reduced by one (1) month or fraction thereof.

...

- (9) *DROP Earnings After Termination of DROP Period on or after April 18, 2010.* For a DROP Period that terminates on or after April 18, 2010, a Member may elect to continue to have the DROP Account remain on deposit with the Plan, provided the DROP Account is distributed no later than the Police Officer Member attaining age 70 ½ ~~59-½~~. No later than the Police Officer Member attaining age 70 ½, the The DROP Account, together with accrued DROP Earnings, shall be distributed in the following manner:
 - a. Lump sum distribution to the Police Officer (which may be used at the Police Officer's discretion to purchase an annuity); or
 - b. Roll over the balance to another eligible recipient.

After termination of the DROP Period, a Police Officer who has not yet attained the age of 70 ½ (i) may request, and upon request, shall receive partial distribution of such portion of the Police Officer's DROP Account as the Police Officer designates (subject to reasonable limitations by the Plan's Board of Trustees on the frequency and minimum amounts of such partial

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distribution or (ii) may request and receive a full distribution of the amount remaining in the Police Officer's DROP Account before or after any partial distributions.

When the DROP account described in this section 20-129 (b.1) (9) remains on deposit with the Plan after termination of the DROP Period, the DROP Account will continue to be credited annually with simple interest, or debited, at the end of the Plan Year, based on the Plan's Net Rate of Investment Return for the corresponding Plan year, regardless of whether the Plan's Net Rate of Investment Return for the fiscal year is less than three (3%) percent of or greater than six (6%) percent per annum, provided, however, that the Plan's Board of Trustees shall have the discretion to set the frequency of calculation of Earnings, but not less frequently than annually and not more frequently than monthly.

SECTION 4. That Chapter 20, "Personnel," Article IV, "Pensions", Division 3, "Police and Firefighters Retirement System", amending Section 20-129, "Retirement Dates and Benefits", subsection (e), "Vesting", of the Code to read as follows:

Sec. 20-129. Retirement dates and benefits.

...

- (e) *Vesting.* If a Member terminates his employment with the police or fire department, either voluntarily or by lawful discharge, and is not eligible for any other benefits under this System, he shall be entitled to the following:
- (1) With less than ten (10) years of Credited Service. Refund of Member contributions plus three (3) percent interest; provided, however, Police Officers who separate employment with the City on or after December 3, 2013 shall not receive interest upon the refund of Member contributions.
 - (2) With ten (10) to fifteen (15) years of Credited Service:
 - a. The pension benefits accrued to his date of termination, payable commencing at his Normal Retirement Date, provided he does not

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elect to withdraw his Member contributions, and, Police Officers electing to withdraw Member contributions shall receive refund of such contributions plus three (3%) percent interest, provided they terminate employment with the City before December 3, 2013, provided further that Police Officers who separate employment with the City on or after December 3, 2013 shall not receive interest upon the refund of contributions; or

- b. Provided the Member has not elected to withdraw his Member contributions, upon attaining age fifty (50) years or more the Member may retire at the actuarial equivalent of the amount of such Retirement income otherwise payable to him, as provided for Firefighters in § 175.162(4), Florida Statutes (1999), or as provided for Police Officers in § 185.16(4), Florida Statutes (1999), or, alternatively, upon attaining age fifty-five (55) years, the Member may retire at the actuarial equivalent of the amount of such Retirement income otherwise payable to him, as provided for Firefighters in § 175.162(1), Florida Statutes (1999), or as provided for Police Officers in § 185.16(2), Florida Statutes (1999); or
- c. In the event of the Member's death prior to reaching his Normal Retirement Date, the Member's contributions plus three (3) percent interest shall be paid in a lump sum to his designated Beneficiary, and if there be none, to his estate; provided, however, in the event of a Police Officer's death (i) on or after December 3, 2013 and (ii) prior to reaching his Normal Retirement Date, such Police Officer's Member contributions shall be paid in a lump sum, without interest, to his designated Beneficiary, and if there be none, to his estate.

(3) With more than fifteen (15) years of Credited Service:

- a. The pension benefits accrued to his date of termination, payable commencing at his Normal Retirement Date, provided he does not elect to withdraw his Member contributions, and, as to a Police Officer electing to withdraw his Member contributions, such Police Officer shall receive a refund of his Member contributions, plus three (3%) percent interest, provided he terminates his employment with

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the City prior to December 3, 2013; provided, further, that as to a Police Officer who terminates his employment with the City on or after December 3, 2013, such Police Officer shall receive a refund of his contributions without interest; or

- b. Provided the Member has not elected to withdraw his Member contributions, upon attaining age fifty (50) years or more the Member may retire at the actuarial equivalent of the amount of such Retirement income otherwise payable to him, as provided for Firefighters in § 175.162(4), Florida Statutes (1999), or as provided for Police Officers in § 185.16(4), Florida Statutes (1999), or, alternatively, upon attaining age fifty-five (55) years, the Member may retire at the actuarial equivalent of the amount of such Retirement income otherwise payable to him, as provided for Firefighters in § 175.162(1), Florida Statutes (1999), or as provided for Police Officers in § 185.16(2), Florida Statutes (1999); or
 - c. In the event of the death of Member prior to reaching his Normal Retirement Date, the Member's Spouse and children shall receive those benefits as provided for in section 20-129(b)(2) of this division, which benefits shall be paid as specified therein, commencing on the Member's Normal Retirement Date.
- (4) Former Police Officers and former Firefighters who terminated on or after October 1, 1991 with ten (10) or more years of Credited Service shall be eligible to receive benefits under this subsection (e) upon reaching age forty-seven (47), provided he did not elect to withdraw his Member contributions.

SECTION 5. That Chapter 20, "Personnel," Article IV, "Pensions," Division 3, "Police and Firefighters Retirement System" amending Section 20-129, "Retirement Dates," subsection (b) (2), "Duration, Survivor Benefits" of the Code to read as follows:

Sec. 20-129. Retirement Dates and Benefits.

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(a) *Retirement Dates.*

....

(b) *Normal Retirement Benefits.*

(1) *Amount.*

....

(2) *Duration, survivor benefits.*

- a. Except as is otherwise provided under section 20-129(b.1)(10) for Deferred Retirement Option Program, and under Section 20-131, Optional Forms of Retirement Benefits, a Member retiring hereunder on or after his Normal Retirement Date shall receive a monthly benefit which shall commence on or after his Normal Retirement Date and be continued thereafter during his lifetime.
- b. For Members who are in DROP Retirement, as to the balances in a DROP Account, duration and survivor benefits payable upon the death of a DROP Participant shall be as provided in section 20-129(b.1)(10).
- c. Upon the death of a Member who is not a DROP Participant, where either (i) the Member has died after receiving ten (10) years of Retirement benefits, or (ii) the Member has elected treatment under the duration, survivor benefit formula in lieu of the ten-year certain formula in section 29-129(h)(1)a., then the full Retirement benefit shall be continued to his spouse as of the date of death for one (1) year and sixty (60) percent of said amount continued thereafter until the earlier of death or remarriage of such spouse.
- d. In addition, there shall be paid to each child of such deceased Member until the earlier of such child marrying, dying or attaining age eighteen (18), in equal monthly installments, an amount equal to

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twenty (20) percent of the Member's Retirement benefit, subject to an overall maximum (spouse and children) of one hundred (100) percent of such deceased Member's monthly benefit.

- e. If there is no spouse, or if upon the spouse's death or remarriage there is such a child or children surviving, each child shall receive a monthly amount equal to twenty-five (25) percent of the Member's full monthly benefit, subject to an overall maximum of one hundred (100), payable until the earlier of such child's death, marriage or the attaining of age eighteen (18).
- f. Notwithstanding anything herein to the contrary, as to a Member retiring prior to December 31, 1999, upon the death of the Member and subsequent remarriage of the deceased Member's surviving spouse on or after the effective date of this Ordinance, the surviving spouse's benefit shall continue until death, provided, however, that for Members retiring on or after December 31, 1999, upon the death of the Member the subsequent remarriage of the surviving spouse will be an event that terminates the surviving spouse's survival benefit under Section 20-129(b)(2).
- g. For Police Officers hired on or after April 1, 2014, survivor benefits shall be limited to the ten-year certain formula in Sec. 20-129 (h) 1. a. and the duration, survivor benefits under Sec. 20-129 (b) (2) c. through f. shall not be available to such Police Officers, provided, however, that for Police Officers hired on or after April 1, 2014, such Police Officers shall still have the option to choose any of the benefit levels in existence on December 3, 2013 at a reduced actuarial rate which is the equivalent of the actuarial rate for the ten-year certain formula in Sec. 20-129 (h) 1. a.

SECTION 6. That Chapter 20, "Personnel," Article IV, "Pensions", Division 3, "Police and Firefighters Retirement System," amending Section 20-129, "Retirement Dates and Benefits", subsection (h), "Payment of Benefits", of the Code to read as follows:

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Sec. 20-129. *Retirement Dates and Benefits.*(a) *Retirement Dates:*

. . .

(h) *Payment of Benefits.*

(1) The monthly Retirement income payable in the event of Normal Retirement will be payable on the first day of each month. The first payment will be made on the first day of the month coincident with or next following his or her actual Retirement, if later, and the last payment will be the payment due next preceding the Member's death.

- a. However, in the event the Member dies after Retirement but before he or she has received Retirement benefits for a period of ten (10) years, the same monthly benefit will be paid to the Beneficiary (or Beneficiaries) as designated by the Member for the balance of such ten-year period, provided the Member has not elected an optional form of Retirement income under section 20-131. If a Police Officer dies after Retirement but before he or she has received Retirement benefits for a period of ten (10) years and no Beneficiary is designated, the monthly benefit will be paid to the estate of the deceased Police Officer, as provided in § 185.161, Florida Statutes (1999).

For Police Officers hired prior to April 1, 2014, in lieu of the formula provided in subsection a. above, a Member may elect payment of benefits under the duration, survivor benefit formula in section 20-129(b)(2), but only for the period specified in section 20-129(b)(2). For Police Officers hired on or after April 1, 2014, such Police Officers do not have the option of electing payment of benefits under the duration, survivor benefit formula in section 20-129 (b)(2) c. For Police Officers hired on or after April 1, 2014, such Police Officers shall have the option to choose any of the benefit levels in existence on December 3, 2013 at a reduced actuarial rate which is

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the equivalent to the actuarial rate for the ten-year certain formula in Sec. 20-129 (h) 1. a.

- (2) In the event of Early Retirement, payment of Retirement income shall be governed as follows: The monthly amount of Retirement income payable to a Member who retires prior to his or her Normal Retirement Date shall be in the amount computed as applicable to a normal Retirement, taking into Account the Member's Credited Service to his or her date of actual Retirement and Average Monthly Earnings as of such date, such amount of Retirement income to be actuarially reduced to take into Account the Member's younger age and the earlier commencement of Retirement income benefits. The amount of monthly income payable in the event of early Retirement will be paid in the same manner as in normal Retirement income. In no event shall the early Retirement reduction exceed three (3%) percent for each year by which the Member's age at Retirement preceded the Member's Normal Retirement Date.
- (3) Unless a Member elects earlier payment, distribution of the benefits to which he or she is eligible shall commence within sixty (60) days from close of the Plan Year after the later of a Member's:
 - a. Termination of employment;
 - b. Attainment of Normal Retirement Date; or
 - c. Tenth anniversary of the date on which the Member commenced participation in the Plan.
- (4) The entire interest of each Member shall be distributed not later than as required by Section 401(a)(9), I.R.C., as same may be amended from time to time.
- (5) A Member shall be one hundred (100%) percent vested at his or her Normal Retirement Date.

...

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SECTION 7. That Chapter 20, "Personnel," Article IV, "Pensions," Division 3, "Police and Firefighters Retirement System" amending Section 20-129, "Retirement Dates," subsection (b.1), "Deferred Retirement Option Program", sub-subsection (10) thereof of the Code to read as follows:

Sec. 20-129. Retirement Dates and Benefits.

(a) *Retirement Dates.*

....

(b.1) *Deferred Retirement Option Program.*

....

- (10) Upon the death of a DROP Participant during DROP Retirement, the DROP Retirement shall cease and the benefits payable thereafter shall be the normal monthly Retirement Benefits as modified by the duration and survivor benefits formula provided in section 20-129(b)(2). However, as to Police Officers hired on or after April 1, 2014, upon the death of such a DROP Participant during DROP Retirement, the DROP Retirement shall cease and the benefits payable thereafter shall be the normal monthly Retirement Benefits modified by the ten-year certain formula in Sec. 20-129 (b) (2) g. and Sec. 20-129 (h) 1. a. provided, however, Police Officers hired on or after April 1, 2014 shall still have the option to choose any of the benefit levels in existence on December 3, 2013 at a reduced actuarial rate which is the equivalent the actuarial rate for the ten-year certain formula in Sec. 20-129 (h) 1. a. If a DROP Participant dies before the DROP Account balances are distributed in full, the Beneficiary or Beneficiaries duly designated by the DROP Participant on forms promulgated by the Board shall receive the DROP Account balances in accordance with the DROP beneficiary form in effect and on file with the Board at the time of the DROP Participant's death. If no designation of DROP Beneficiary form is on file with the Board

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upon the death of the Member with a DROP Account balance remaining, the DROP Account shall be paid to the Member's estate.

...

SECTION 8. That Chapter 20, "Personnel," Article IV, "Pensions", Division 3, "Police and Firefighters Retirement System," amending Section 20-129, "Retirement Dates and Benefits", subsection (h), "Payment of Benefits", of the Code to create a new subsection 20-135 (r), "Treatment of Chapter 185 Premium Tax Revenues on and after December 31, 2013" to read as follows:

Sec. 20-135. Miscellaneous Provisions.

...

(r) Treatment of Chapter 185 Premium Tax Revenues on and after December 31, 2013.

- (1) The entire balance of the Chapter 185 premium tax revenue reserve account in the Plan on December 31, 2013 shall be applied to reduce the City's annual required contributions to the Plan for the 2013-14 Plan Year. In addition, all Chapter 185 premium tax revenues received each year in the future shall be retained by the Plan and applied to reduce the City's annual required contribution to the Plan.
- (2) In the event the Florida Division of Retirement requires that an additional pension benefit be paid using Chapter 185 premium taxes, those premium taxes shall be used to pay the cost of additional employee contributions, as described in this paragraph. There shall be a simultaneous increase in the employee contribution which, when expressed as a percentage of payroll subject to employee contributions, is equal to the amount of the Chapter 185 premium taxes. The increased employee contribution shall be paid using the Chapter 185 premium taxes which maintain the current net effect on employee compensation, net of contributions. The amount of the increased employee contributions will automatically be adjusted without further action of the City Commission to reflect the level of available Chapter 185 premium taxes required for this purpose.

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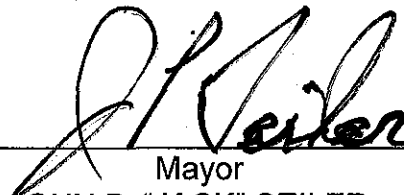
SECTION 9. That if any clause, section or other part of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby, but shall remain in full force and effect.

SECTION 10. That all ordinances or parts of ordinances in conflict herewith, be and the same are hereby repealed.

SECTION 11. That this Ordinance shall be in full force and effect upon final passage.

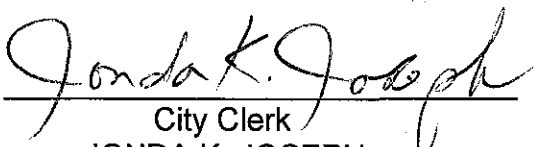
PASSED FIRST READING this the 4th day of March, 2014.

PASSED SECOND READING this the 18th day of March, 2014.



Mayor
JOHN P. "JACK" SEILER

ATTEST:



City Clerk
JONDA K. JOSEPH

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