

ORDINANCE NO. C-18-21

AN ORDINANCE OF THE CITY OF FORT LAUDERDALE, FLORIDA, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FORT LAUDERDALE, FLORIDA, BY CREATING SECTION 20-135.1, FIREFIGHTER MEMBERS, IMPLEMENTING THE 2017 COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE CITY OF FORT LAUDERDALE AND FORT LAUDERDALE PROFESSIONAL FIREFIGHTERS INC., IAFF LOCAL 765, RELATING TO CONTRIBUTIONS, PRIOR FIRE SERVICE, AND THE DEFERRED RETIREMENT OPTION PLAN, CREATING SECTION 20-135.2, POLICE OFFICER MEMBERS, IMPLEMENTING THE 2017 COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE CITY OF FORT LAUDERDALE AND FORT LAUDERDALE FRATERNAL ORDER OF POLICE LODGE NO. 31 INC. RELATING TO CONTRIBUTIONS AND THE DEFERRED RETIREMENT OPTION PLAN, AND PROVIDING FOR SEVERABILITY, REPEAL OF CONFLICTING ORDINANCE PROVISIONS, AND AN EFFECTIVE DATE.

WHEREAS, on December 19, 2017, the City Commission of the City of Fort Lauderdale adopted Resolution Nos. 17-291, 17-292, 17-293, and 17-294, which approved and ratified Collective Bargaining Agreements between the City of Fort Lauderdale and Fort Lauderdale Fraternal Order of Police Lodge No. 31 Inc. and Fort Lauderdale Professional Firefighters, Inc. IAFF Local 765, for the period October 1, 2017, through September 30, 2020, regarding police officers and sergeants, police lieutenants and captains, firefighters, and battalion chiefs within the bargaining units, by which the parties agreed to certain amendments to the Police and Firefighters' Retirement System; and

WHEREAS, implementation of the collectively bargained amendments to the Police and 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:

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SECTION 1. Section 20-135.1 of the Code of Ordinances of the City of Fort Lauderdale, Florida, is hereby created to provide as follows:

Sec. 20-135.1. – Firefighter Members

Notwithstanding any other provision of this chapter, as applied to Firefighter Members only:

- (a) Firefighter Members may purchase up to five (5) years of prior service as a federal, state, county, fire district, or municipal firefighter; provided however that in accordance with section 112.65(2) Florida Statutes, a Member may not purchase prior service which is based on any period of employment with a prior employer for which the member is receiving or will receive a retirement benefit. Prior service purchased pursuant to this subsection (a) must be equivalent to the service required to meet the definition of firefighter in section 175.032, Florida Statutes, as determined by the Board of Trustees. In the case of a Member who participated in a defined contribution plan during the period of prior employment, for which no employer benefit was received, the Member may only transfer that portion of the defined contribution account which represents the member's contribution plus earnings thereon. Before prior service is credited, the member must pay, in either cash or in the form of a direct rollover from an eligible retirement plan as defined in this Plan, an amount equal to the full actuarial cost of the prior service, as determined by the actuary for the retirement system, such that the purchase of prior service results in no actuarial impact to the Plan; however, in no event may the cost of such prior service be less than the amount the member would have contributed for such period of service, based on the member's contribution rate and compensation with the City at the time of purchase. Members may use accumulated benefits from the supplemental share Plan for the purchase of military or fire service credits in the Fort Lauderdale Police and Fire Retirement System by rolling the necessary amount from this supplemental share Plan to the Police and Fire Retirement System in a trustee to trustee transfer as provided in this section. No Member may receive payment in cash for this purpose. Should any provision of this subsection conflict with applicable provisions of the Internal Revenue Code and/or regulations of the Department of the Treasury, this

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subsection shall be deemed void as if it had never been enacted and the remaining provisions of this supplemental share Plan shall remain in effect.

- (b) Effective October 1, 2017, Members electing DROP on or after the Member completes twenty (20) years of Creditable Service agree to contribute such amounts as required by this Plan. For those Members who elect DROP upon completion of twenty (20) years, the Member's participation in DROP shall terminate upon the earlier of (i) ninety-six (96) months of DROP participation; (ii) death of a Member during the 96-Month DROP; or (iii) termination of employment with the City.
- (c) Members who are participating in the DROP with a DROP period of less than ninety-six (96) months on October 1, 2017, may extend their DROP period to ninety-six (96) months subject to the following conditions. An extension of a member's DROP period under this subsection (c) is permissible only if the extension will result in no negative actuarial impact on the Plan, as determined by the Plan actuary. In order to extend to a ninety-six (96) Month DROP, a Member must (i) make all applicable employee contributions, (ii) execute and file with the Plan administrator and director of human resources an election to extend DROP on forms promulgated by the Board of Trustees and the City's director of human resources and (iii) execute a voluntary election, irrevocable resignation and waiver form, the form and content of which shall be acceptable to the City Attorney and which meets the requirements of the Plan.
- (d) A DROP Member, or a DROP Member's beneficiary or beneficiaries, upon the Member's death, 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 Member attaining age seventy and one-half (70½), or, in the event of the Member's death, the date the Member would have attained age seventy and one-half (70½). No later than the Member attaining age seventy and one-half (70½), or, in the event of the Member's death, the date the Member would have attained age seventy and one-half (70½), the DROP Account, together with accrued DROP Earnings, shall be distributed in the following manner:

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1. Lump sum distribution to the Member (which may be used at the Member's discretion to purchase an annuity); or
2. Roll over the balance to another eligible recipient.

After termination of the DROP Period, a Member who has not yet attained the age of seventy and one-half (70½), or a Member's beneficiary or beneficiaries upon the death of a Member who would not yet have attained the age of seventy and one-half (70½); (i) may request, and upon request, shall receive partial distribution of such portion of the Member's DROP Account as the Member or beneficiary designates (subject to reasonable limitations by the Plan's Board of Trustees on the frequency and minimum amounts of such partial distribution) or (ii) may request and receive a full distribution of the amount remaining in the Member's DROP Account before or after any partial distributions.

When the DROP account described in this Plan 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 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.

- (e) Effective October 1, 2018, for all Firefighter Members, the Member contribution rate by payroll deduction shall be ten (10%) percent of the Member's Earnings.
- (f) ~~Except as otherwise provided,~~ Members commencing participation in the DROP on or after October 1, 2018, shall contribute 1.75% of the member's earnings. Such contributions by DROP participants shall continue until termination of the Member's DROP period. The City shall receive a credit toward its required contribution for the plan year beginning October 1, 2018, in an amount equal to the additional employee contributions required pursuant to this paragraph between October 1, 2017, and August 21, 2018.

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- (g) Tier 2 members, who shall be defined as Members hired after April 10, 2010, electing DROP upon the completion of twenty (20) years of creditable service, shall contribute ten (10%) percent of the Member's Earnings for the first sixty (60) months of the Member's ninety-six (96) Month DROP Period. The Member shall thereafter for the remainder of the DROP period contribute 1.5%. In the event the Member terminates his or her ninety-six (96) Month DROP Period after the completion of sixty (60) months of DROP, but prior to the completion of ninety-six (96) months, contributions made during the first sixty (60) months of the DROP period shall not be refunded to the Member.
- (h) Effective October 1, 2018, a Tier 1 member, defined as a Member hired on or before April 10, 2010, who is currently in DROP following the completion of twenty (20) years of creditable service, and who elects to extend the Member's DROP period to ninety-six (96) months shall contribute one and three-quarters (1.75%) percent of the Member's Earnings during the entire DROP period. In the event the Member begins an extended DROP period, but terminates employment prior to the completion of ninety-six (96) months, the contributions under this paragraph shall not be refunded.

SECTION 2. Section 20-135.2 of the Code of Ordinances of the City of Fort Lauderdale, Florida, is hereby created to provide as follows:

Sec. 20-135.2. – Police Officer Members

Notwithstanding any other provision of this chapter, as applied to Police Officer Members only:

- (a) Effective October 1, 2017, members electing DROP on or after completing twenty (20) years of Creditable Service shall contribute such amounts as required by this Plan. For those Members who elect DROP upon completion of twenty (20) years, the Member's participation in DROP shall terminate upon the earlier of (i) ninety-six (96) months of DROP participation; (ii) death of a Member during the 96-Month DROP; or (iii) termination of employment with the City.

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- (b) Members who are participating in the DROP with a DROP period of less than ninety-six (96) months may extend their DROP period to ninety-six (96) months subject to the following conditions. An extension of a member's DROP period is permissible only if the extension will result in no negative actuarial impact on the Plan, as determined by the Plan actuary.
- (c) A DROP Member, or a DROP Member's beneficiary or beneficiaries, upon the Member's death, 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 Member attaining age seventy and one-half (70½), or, in the event of the Member's death, the date the Member would have attained age seventy and one-half (70½). No later than the Member attaining age seventy and one-half (70½), or, in the event of the Member's death, the date the Member would have attained age seventy and one-half (70½), the DROP Account, together with accrued DROP Earnings, shall be distributed in the following manner:
1. Lump sum distribution to the Member (which may be used at the Member's discretion to purchase an annuity); or
 2. Roll over the balance to another eligible recipient.

After termination of the DROP Period, a Member who has not yet attained the age of seventy and one-half (70½), or a Member's beneficiary or beneficiaries upon the death of a Member who would not yet have attained the age of seventy and one-half (70½); (i) may request, and upon request, shall receive partial distribution of such portion of the Member's DROP Account as the Member or beneficiary designates (subject to reasonable limitations by the Plan's Board of Trustees on the frequency and minimum amounts of such partial distribution) or (ii) may request and receive a full distribution of the amount remaining in the Member's DROP Account before or after any partial distributions.

When the DROP account described in this Plan 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

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Investment Return for the fiscal year is less than three (3) percent 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.

- (d) Effective October 1, 2017, for all Police Officer Members, the Member contribution rate by payroll deduction shall be ten (10%) percent of the Member's Earnings.
- (e) ~~Except as otherwise provided, e~~Effective October 1, 2017, Members entering and the DROP and Current DROP members shall contribute 1.75% of the member's earnings. Such contributions by DROP participants shall continue until termination of the Member's DROP period. The contribution rate under this paragraph shall be effective retroactive to October 1, 2017, for Police Officer Members. The retroactive portion of Member contribution rate increase between October 1, 2017, and the effective date of this section shall be deducted in one lump sum amount from payment of those Members' retroactive pay increase pursuant to the Collective Bargaining Agreements effective through September 30, 2020. The City shall receive a credit toward its required contribution for the plan year beginning October 1, 2018, in an amount equal to the additional employee contributions required pursuant to this paragraph between October 1, 2017, and the effective date of this section.
- (f) Tier 2 members, who are defined as Members hired after April 10, 2010, electing DROP upon the completion of twenty (20) years of creditable service, shall contribute ten (10%) percent of the Member's Earnings for the first sixty (60) months of the Member's ninety-six (96) Month DROP Period. The Member shall thereafter for the remainder of the DROP period contribute 1.5%. In the event the Member terminates DROP Period after the completion of sixty (60) months of DROP, but prior to the completion of ninety-six (96) months, contributions made during the first sixty (60) months of the DROP period shall not be refunded to the Member.

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- (g) Effective October 1, 2017, Tier I members, who are defined as Members hired on or before April 10, 2010, electing DROP, upon the completion of twenty (20) years of creditable service, shall contribute one and three-quarters (1.75%) percent of the Member's Earnings during the remainder of the DROP period. In the event the Member begins an extended DROP period, but terminates employment prior to the completion of ninety-six (96) months, the contributions under this paragraph shall not be refunded.

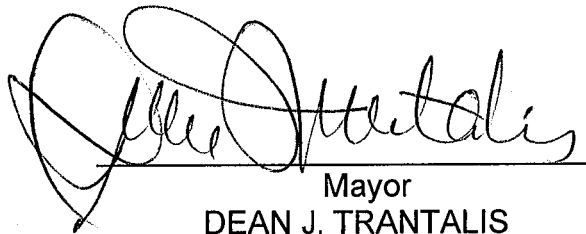
SECTION 3. That if any clause, section or other part of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby, but shall remain in full force and effect.

SECTION 4. That all ordinances or parts of ordinances in conflict herewith, be and the same are hereby repealed.

SECTION 5. That this Ordinance shall be in full force and effect upon final passage.

PASSED FIRST READING this the 10th day of July, 2018.

PASSED SECOND READING this the 21st day of August, 2018.



Mayor
DEAN J. TRANTALIS

ATTEST:



City Clerk
JEFFREY A. MODARELLI

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