



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#18-1239

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee Feldman, ICMA-CM, City Manager

DATE: November 20, 2018

TITLE: Ordinance Creating Section 20-84, Code of Ordinances of the City of Fort Lauderdale, Florida to Provide Post-Retirement Pay Steps for Members of the City of Fort Lauderdale Police and Firefighters' Retirement System

Recommendation

It is recommended that the City Commission adopt the attached Ordinance amending the Pay Plan by creating Section 20-84, Code of Ordinances of the City of Fort Lauderdale, Florida providing for post-retirement pay steps for retired members of the City of Fort Lauderdale Police and Firefighters' Retirement System.

Background

On December 19, 2017, the City Commission approved and ratified collective bargaining agreements between the City and Fort Lauderdale Fraternal Order of Police Lodge No. 31 and Fort Lauderdale Professional Firefighters, Inc., IAFF Local 765 regarding police officers and sergeants, police lieutenants and captains, firefighters, and battalion chiefs within the bargaining units. The parties agreed to amend the pay plan to provide for post-retirement pay steps effective the fiscal year beginning October 1, 2020 for police officer member retirees and October 1, 2021 for firefighter member retirees.

The proposed Ordinance, attached as Exhibit 1, creates Section 20-84, Code of Ordinances of the City of Fort Lauderdale, Florida providing for a post-retirement pay step plan for all retiree members of the City of Fort Lauderdale Police and Firefighters' Retirement System:

- 1) Member retirees who were or are employed by the City as police officers, as defined in Section 20-127 of the Code of Ordinances on or after October 1, 2017, are eligible to receive a post-retirement pay step (PPS) upon normal retirement (including the end of DROP) and separation from City service. The first PPS for police officer members shall not be due until the fiscal year beginning October 1, 2020.
- 2) Member retirees who were or are employed by the City as firefighters, as defined in Section 20-127 of the Code of Ordinances on or after October 1, 2018, are

eligible to receive the PPS upon normal retirement (including the end of DROP) and separation from City service. The first PPS for firefighter members shall not be due until the fiscal year beginning October 1, 2021.

- 3) For all member retirees, the PPS shall be paid annually by the City directly to the member. The value of the PPS shall be based on the normal retirement benefit of the member, exclusive of any amount paid from the DROP. The initial PPS shall equal three percent (3%) of the individual's base retirement benefit. Each subsequent PPS shall be three percent (3%) of the preceding step. Each step shall take effect every third year until five (5) steps have been achieved. Upon attainment of the highest PPS, the benefit shall remain at that amount and shall not increase for the life of the member and any survivor.

Resource Impact

The City's required contribution to the Police and Firefighters' Retirement System was reduced in Fiscal Year 2019 due to members contributing a higher percentage of their pay in order to qualify for the post-retirement pay step plan. The City's cost reduction is being used to fund a new Other Post-Retirement Pay Steps that will be used to pay for the post-retirement pay steps in future years. Any shortfall will be made up by the General Fund. The first year that a member is eligible for the benefit is the fiscal year beginning on October 1, 2020. Funds for the PPS in the amount of \$1,457,703 are available in the FY 2019 Budget in the accounts(s) listed below:

<i>Funds available as of November 8, 2018</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
001-FIR030101-4212	Fire-Rescue Support	Other Oper Expenditures/ PPS Post Retirement Step	\$12,827,783	\$12,432,758	\$641,156
001-POL030201-4212	Patrol	Other Oper Expenditures/ PPS Post Retirement Step	\$3,325,479	\$3,325,479	\$816,547
TOTAL AMOUNT ►					\$1,457,703

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2018 initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 11: Be a well-trained, innovative, and neighbor-centric workforce that builds community
 - Objective 1: Foster professional and rewarding careers
- Goal 12: Be a leading government organization, managing resources wisely and sustainably.
 - Objective 1: Ensure sound fiscal management

This item advances the Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community.

Attachments

Exhibit 1 - Ordinance

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