

ORDINANCE NO. 1397

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AMENDING CHAPTER 15, OF THE CITY OF NORTH MIAMI CODE OF ORDINANCES, ENTITLED "PERSONNEL, PENSIONS AND RETIREMENT", BY AMENDING ARTICLE IV, ENTITLED "CLAIR T. SINGERMAN EMPLOYEES RETIREMENT SYSTEM; ORD. NO. 691," BY AMENDING SECTION 15-61 "DEFINITIONS," BY CREATING A NEW SECTION 15-64 "PLAN CLOSED TO NEW MEMBERS; PARTICIPATION IN THE FLORIDA RETIREMENT SYSTEM," BY AMENDING SECTION 15-80 "ELIGIBILITY GENERALLY," SECTION 15-81 "MEMBER CONTRIBUTIONS," SECTION 15-84 "REEMPLOYED PERSON; CHANGE IN EMPLOYER," SECTION 15-90 "RETIREMENT BENEFITS," AND SECTION 15-95.1 "COST-OF-LIVING ADJUSTMENT OF BENEFITS"; PROVIDING FOR CONFLICTS, SEVERABILITY, CODIFICATION AND FOR AN EFFECTIVE DATE.

WHEREAS, the City of North Miami ("City") has established the Clair T. Singerman Employees Retirement System (the "Retirement System" or the "Plan") for members of the Plan as defined in Section 15-61 of the City's Code of Ordinances ("Members"); and

WHEREAS, the City has entered into collective bargaining agreements ("CBAs") with the International Union of Police Associations, AFL-CIO (the "Union"), for the term October 1, 2015 through September 30, 2018; and

WHEREAS, the CBAs contain certain changes to the Retirement System and provide for joining the Florida Retirement System ("FRS"); and

WHEREAS, the City desires to close the Retirement System to new members and provide retirement benefits through the FRS; and

WHEREAS, to implement the pension changes contained in the CBAs and accomplish the goal of joining the FRS, it is necessary to adopt an ordinance amending the Retirement System as set forth in Article IV of the City's Code of Ordinances; and

WHEREAS, the City Council finds that it is in the best interest of the City and its employees to amend the City Code and to implement the aforementioned changes.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

Section 1. Recitals. The following recitals are true and correct and are incorporated herein by reference.

Section 2. City Code Amended. That Section 15-61 "Definitions" of Article IV, entitled "Clair T. Singerman Employees Retirement System; Ord. No. 691" of Division 1 "Generally" of the City Code is hereby amended to read as follows:

Sec. 15-61. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

* * *

Average final compensation means the annual average of the highest two (2) of the last ten (10) years of credited service for members who have reached the normal retirement date on or before September 29, 2016. Effective September 30, 2016, average final compensation for members who did not reach the normal retirement date on or before September 29, 2016 means the annual average of the highest three (3) of the last ten (10) years of credited service. Effective September 30, 2017, average final compensation for members who did not reach the normal retirement date on or before September 29, 2016 means the annual average of the highest four (4) of the last ten (10) years of credited service. Effective September 30, 2018, average final compensation for members who did not reach the normal retirement date on or before September 29, 2016 means the annual average of the highest five (5) of the last ten (10) years of credited service.

Section 3. City Code Amended. That Section 15-64 "Plan closed to new members; participation in the Florida Retirement System" of Article IV "Clair T. Singerman Employees Retirement System; Ord. No. 691" of Division 1 "Generally" of the City Code is hereby created to read as follows:

Sec. 15-64. ~~Reserved~~ - Plan closed to new members; participation in the Florida Retirement System.

- (a) Effective February 1, 2016 or as soon thereafter as administratively practical, the City will join the Florida Retirement System ("FRS") for general employees. The City's Retirement System shall be closed to new members on the day before the City joins FRS.
- (b) All employees hired by the City on or after the date the City joins FRS who would otherwise have been members of the City's Retirement System will participate in FRS, in accordance with Chapter 121, Florida Statutes, and rules promulgated thereunder, as such statutes and rules may be amended in the future.

- (c) All members who are employed by the City on the date the City joins FRS will have the option to remain in the Retirement System or participate in FRS. For those members who have not reached the normal retirement date as of November 10, 2015 and elect to remain in the system, average final compensation, benefit levels and employee contributions shall be as provided in sections 15-61, 15-81, 15-90 and 15-95.1, as amended by this ordinance. However, in no event shall a member's annual retirement benefit be less than the member's accrued benefit earned as of November 10, 2015, determined in accordance with the provisions of the Plan in effect as of November 9, 2015. Upon retirement from the system, members who elect to continue participating in the system may elect to receive their accrued benefit as of November 10, 2015, or their benefit calculated on the date of retirement in accordance with the plan provisions in effect on that date. For those members who have reached the normal retirement date as of November 10, 2015 and elect to remain in the system, benefits and contributions shall be based on the provisions of the system in effect on November 9, 2015.
- (d) Members hired prior to the date the City joins FRS who elect to join FRS will have the option of retaining their accrued benefit in the system, or receiving a refund of their accumulated contributions. Such member's accrued benefit shall be calculated based on the member's average final compensation and the system provisions in effect on the date the City joins FRS, and credited service through the day before the date the member joins FRS. Members who elect to receive a refund of their accumulated contributions may purchase prior service in the FRS at the member's expense, in accordance with applicable Florida statutes and rules.
- (e) Regardless of whether a member elects to join FRS or continues participating in the system, in order to receive any benefit from this system (other than disability or death benefits) a member must reach the early or normal retirement date and terminate employment with the City.

Section 4. City Code Amended. That Section 15-80 "Eligibility generally" of Article IV "Clair T. Singerman Employees Retirement System; Ord. No. 691" of Division 4 "Eligibility and Member Contributions" of the City Code is hereby amended to read as follows:

Sec. 15-80. - Eligibility generally.

- (a) All general employees hired before the date the City joins the Florida Retirement System (FRS) shall be eligible for membership and shall become members of the system immediately upon being employed on a full-time permanent basis pursuant to the City's administrative rules and regulations. All general employees who are members and employed by the City on the date the City joins FRS will have the option to remain in the system or participate in the FRS. The city attorney shall not be a member of any City retirement system, but shall participate in FRS if such participation is required by applicable law. For a city manager appointed before the date the City joins FRS, membership of the city manager in the city retirement system shall be optional upon the appointment to of the position by the mayor and city council, provided he or she has been a city employee and plan member for at least ten (10) years. Upon such appointment, the

city manager may elect to stay in the plan, if already a member. A city manager who is appointed after the date the City joins FRS shall become a member of the FRS, unless he or she elects not to participate in FRS in accordance with applicable law. ~~or if not already a member, elect to join the membership of the plan with all rights, benefits, obligations and duties of the plan that are in effect at the date of election. Effective upon the date the City joins FRS, all general employees, sworn police personnel and firefighters who were members of this plan on or before April 3, 1994, shall~~ may remain members of this plan or instead may elect to join the regular or senior management class of FRS, as applicable. ~~Effective April 3, 1994, all general employees who are members of Pension Ordinance 748 on that date, shall become members under Pension Ordinance 691; and credited service for these members under Pension Ordinance 748 shall be credited service under Pension Ordinance 691.~~

* * *

- (b) The deputy or assistant city managers, and the deputy or assistant city attorneys employed on or after the date the City joins the FRS ~~[insert the effective date of this Ordinance]~~ shall become a member of have FRS. ~~thirty (30) days from [insert the effective date of this Ordinance] to submit his or her written election to become a member of the plan to the board. Any person appointed or promoted to the position of deputy city manager, assistant city manager, deputy city attorney, or assistant city attorney on or after [insert the effective date of this Ordinance] shall have thirty (30) days from the date of such appointment or promotion to submit his or her written election to become a member of the plan to the board. Elections made pursuant to this paragraph are irrevocable. Any person electing to join the plan pursuant to this paragraph may elect to receive membership service credit for prior service with the city. Such prior membership service credit shall be at no cost to the plan and shall be paid within six (6) months of the employee's election to become a member of the plan. Any employee covered by this paragraph who has been making contributions to the plan pursuant to section 15-81 shall be deemed to be a member of the plan from the date the employee began making contributions to the plan.~~

Section 5. City Code Amended. That Section 15-81 "Member contributions" of Article IV "Clair T. Singerman Employees Retirement System; Ord. No. 691" of Division 4 "Eligibility and Member Contributions" of the City Code is hereby amended to read as follows:

Sec. 15-81. - Member contributions.

(a) **Mandatory contribution rate.**

- a. All employees ~~Members who have reached their normal retirement date on or before November 10, 2015 shall contribute to the fund at a rate of seven (7) percent of their annual compensation, or at a subsequent rate established by the board of trustees and city council on advice from the actuary for the fund and approved by a two-thirds (2/3) vote of the members of the system.~~

- b. Members with 15 or more complete years of credited service who have not reached their normal retirement date on or before November 10, 2015 shall contribute to the fund at a rate of eight (8) percent of their annual compensation.

- c. Members with 10 or more complete years and less than 15 complete years of credited service who have not reached their normal retirement date on or before November 10, 2015 shall contribute to the fund at a rate of seven (7) percent of their annual compensation.
- d. Members with less than 10 complete years of credited service who have not reached their normal retirement date on or before November 10, 2015 shall contribute to the fund at a rate of six (6) percent of their annual compensation.

Section 6. City Code Amended. That Section 15-84 “Reemployed person; change in employer” of Article IV “Clair T. Singerman Employees Retirement System; Ord. No. 691” of Division 4 “Eligibility and Member Contributions” of the City Code is hereby amended to read as follows:

Sec. 15-84. - Reemployed person; change in employer.

- (a) If a general employee who was previously employed by the City is ~~Should a person be~~ reemployed by the city on or after the date the City joins FRS, such employee shall participate in FRS and not in this system. he shall for the purposes of this article be deemed to be a new employee as of his date of reemployment; provided, however, that in event of reemployment an employee may have his continuous credited service restored for his membership under the system during his last period of employment provided he pays into the fund the accumulated contributions and prior vested benefit which he received upon such termination plus accrued interest for the period of absence. Upon such payment to the fund such employee shall continue as a member under the system and shall be credited with additional membership service beginning with the date of such payment to the fund.

Section 7. City Code Amended. That Section 15-90 “Retirement benefits” of Article IV “Clair T. Singerman Employees Retirement System; Ord. No. 691” of Division 5 “Benefits” of the City Code is hereby amended to read as follows:

Sec. 15-90. - Retirement benefits.

The retirement benefits for members shall be as follows:

- (1) Normal retirement benefit for Members who have reached their normal retirement date on or before November 10, 2015:
 - * * *
- (2) Normal retirement benefit for Members who have not reached their normal retirement date on or before November 10, 2015:
 - (a) Benefit percentage per year of service for members with 15 or more complete years of credited service as of November 10, 2015: The regular monthly normal retirement

benefit shall be an amount equal to three (3) percent of average final compensation times all years of credited service.

(b) Benefit percentage per year of service for members with 10 or more complete years and less than 15 complete years of credited service as of November 10, 2015: The regular monthly normal retirement benefit shall be an amount equal to three (3) percent of average final compensation times all years of credited service prior to November 10, 2015, and two and one-half (2 ½) percent of average final compensation times all years of credited service on or after November 10, 2015.

(c) Benefit percentage per year of service for members with less than 10 complete years of credited service as of November 10, 2015: The regular monthly normal retirement benefit shall be an amount equal to three (3) percent of average final compensation times all years of credited service prior to November 10, 2015, and two (2) percent of average final compensation times all years of credited service on or after November 10, 2015.

(3)(2) Delayed retirement benefit. A member shall upon retirement at his delayed retirement date receive a monthly retirement benefit which shall commence on such delayed retirement date and shall be continued on the first day of each month thereafter during the lifetime of the member. The amount of each such monthly retirement benefit shall be determined in the same manner as for retirement at his normal retirement date except that credited service shall be determined as of actual retirement date.

(4)(3) Early retirement benefit. A member shall receive upon retirement at his early retirement date either a deferred or an immediate monthly retirement benefit, as follows:

* * *

Section 8. City Code Amended. That Section 15-95.1 "Cost-of-living adjustment of benefits" of Article IV "Clair T. Singerman Employees Retirement System; Ord. No. 691" of Division 5 "Benefits" of the City Code is hereby amended to read as follows:

Sec. 15-95.1. - Cost-of-living adjustment of benefits.

* * *

(3) Effective on and after October 1, 2004 and for Members who have reached their normal retirement date on or before November 10, 2015, such a member who, prior to retirement, selects any form of benefit other than the lump-sum option as provided in subsection 15-95(4), shall be entitled to make an election, which shall be irrevocable, as follows:

* * *

(4) Effective on and after November 10, 2015, a Member who has not reached the normal retirement date as of that date and selects any form of benefit other than the lump-sum option as provided in subsection 15-95(4), shall be entitled to the following:

(a) The annuity portion of the benefit of each Member shall be adjusted on April 1st of each year on which the Member is so eligible as set forth below, and shall be subject

to pro-ration based on the number of months that the Member has been retired during the twelve (12) months preceding each April 1st, as follows:

- (1) *Members with 15 or more complete years of credited service as of November 10, 2015.* The amount of the monthly benefit payable for the 12-month period, commencing on the date coincident with the date on which the retired member has been retired for five (5) years, shall be the amount of the Member's benefit the preceding month, plus an amount equal to two and one-half (2.5) percent of the Member's benefit; or
- (2) *Members with 10 or more complete years and less than 15 complete years of credited service as of November 10, 2015.* The amount of the monthly benefit payable for the 12-month period, commencing on the date coincident with the date on which the retired Member has been retired for five (5) years, shall be the amount of the Member's benefit the preceding month, plus an amount equal to two (2) percent of the member's benefit; or
- (3) *Members with less than 10 complete years of credited service as of November 10, 2015.* The amount of the monthly benefit payable for the 12-month period, commencing on the date coincident with the date on which the retired member has been retired for five (5) years, shall be the amount of the member's benefit the preceding month, plus an amount equal to one and one half (1.5) percent of the member's benefit.

(b) In case of a beneficiary becoming entitled to COLA benefits hereunder, the date of the retired Member's retirement shall govern.

Section 9. Conflicts. All ordinances or parts of ordinances in conflict or inconsistent with the provisions of this Ordinance are hereby repealed.

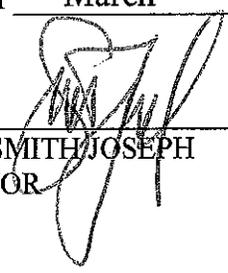
Section 10. Severability. The provisions of this Ordinance are declared to be severable, and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

Section 11. Codification. The provisions of this Ordinance may become and be made a part of the Code of Ordinances of the City of North Miami, Florida. The sections of the Ordinance may be renumbered or re-lettered to accomplish such, and the word "ordinance" may be changed to "section," "article" or any other appropriate word.

Section 12. Effective Date. This Ordinance shall become effective immediately upon adoption on second reading.

PASSED AND ADOPTED by a 5 - 0 vote of the Mayor and City Council of the City of North Miami, Florida, on first reading this 26th day of January, 2016.

PASSED AND ADOPTED by a 5 - 0 vote of the Mayor and City Council of the City of North Miami, Florida, on second reading this 8th day of March, 2016.



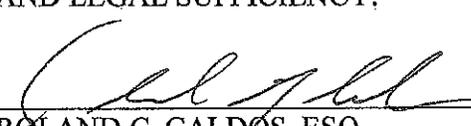
DR. SMITH JOSEPH
MAYOR

ATTEST:



MICHAEL A. ETIENNE, ESQ.
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:



ROLAND C. GALDOS, ESQ.
INTERIM CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: Galvin

Seconded by: Desulme

Vote:

Mayor Smith Joseph, D.O., Pharm. D.
Vice Mayor Alix Desulme
Councilman Scott Galvin
Councilwoman Carol Keys, Esq.
Councilman Philippe Bien-Aime

<u>X</u>	(Yes)	_____	(No)
<u>X</u>	(Yes)	_____	(No)
<u>X</u>	(Yes)	_____	(No)
<u>X</u>	(Yes)	_____	(No)
<u>X</u>	(Yes)	_____	(No)

Additions shown by underlining. Deletions shown by ~~overstriking~~.