NORTH MIAMI
FLORIDA
776 N.E. 125 Street, North Miami, Florida 33161

Council Report

To: The Honorable Mayor and City Council

From: Guithele Ruiz-Nicolas, Personnel Administration Manager

Date: ~~March 25, 2014~~ April 8, 2014

RE: **PROPOSED RESOLUTION AUTHORIZING THE EXECUTION OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF NORTH MIAMI AND DADE COUNTY POLICE BENEVOLENT ASSOCIATION (PBA)**

RECOMMENDATION

Staff is recommending approval of this resolution.

BACKGROUND

The City of North Miami and PBA agree to amend the Pension Plan to implement a voluntary retirement incentive program for Bargaining Unit employees who meet the following eligibility requirements: 1) has a total of at least nineteen (19) years of total credited services; **OR** 2) is at least age 50 years old with at least 10 years of total credited service as of January 1, 2014. Eligible employees who participate in the retirement incentive program will be entitled to the benefits currently available upon normal retirement (e.g., payouts, retiree badge and leave payouts). If they were eligible to retire as of December 31, 2012, they will also be entitled to a monthly retiree health insurance subsidy.

SUMMARY

The PBA met with its membership, ratified and agreed to the terms of the attached MOU.

Attachments
Memorandum of Understanding

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF NORTH MIAMI AND THE DADE COUNTY POLICE BENEVOLENT ASSOCIATION, INC., TO IMPLEMENT A VOLUNTARY RETIREMENT INCENTIVE FOR ELIGIBLE BARGAINING UNIT EMPLOYEES AND AUTHORIZING THE CITY MANAGER TO TAKE ALL NECESSARY STEPS TO EFFECTUATE THE PLAN; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.

WHEREAS, the City of North Miami "City" adopted the 2013-14 Fiscal Year Budget; and

WHEREAS, the City's newly adopted budget required substantial costs savings and a decrease in spending; and

WHEREAS, since the beginning of the fiscal year, the City implemented a Retirement Incentive Plan ("RIP"), which allowed certain eligible non-union employees the option of retiring early; and

WHEREAS, the RIP was also made available and implemented for Blue and White Collar Union Members; and

WHEREAS, eligible members of the City's Police Pension Plan desire to take advantage of the RIP as well; and

WHEREAS, the Dade County Police Benevolent Association ("PBA"), representing the eligible members of the Police Department voted to ratify the terms set forth in the attached Memorandum of Understanding ("MOU") attached hereto as Exhibit A; and

WHEREAS, the City and the PBA desire to amend the Plan to implement a voluntary retirement incentive for Bargaining Unit Employees who meet the eligibility requirements outlined in the MOU; and

WHEREAS, the Mayor and City Council believe that the RIP is in the best interest of the City.

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

Section 1. **Adoption.** The Mayor and City Council of the City of North Miami, Florida, hereby adopt the Retirement Incentive Plan, attached as Exhibit "A."

Section 2. **Direction to City Manager.** The City Manager is directed to take all steps to effectuate the implementation of the Retirement Incentive Plan as outlined in the MOU.

Section 3. **Effective Date.** This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by a _____ vote of the Mayor and City Council of the City of North Miami, Florida, this _____ day of April, 2014.

_____
LUCIE M. TONDREAU
MAYOR

ATTEST:

_____
MICHAEL A. ETIENNE, ESQ.
CITY CLERK

APPROVED AS TO FORM:

_____
REGINE M. MONESTIME
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: _____

Seconded by: _____

Vote:

Mayor Lucie M. Tondreau	_____ (Yes)	_____ (No)
Vice Mayor Philippe Bien-Aime	_____ (Yes)	_____ (No)
Councilperson Scott Galvin	_____ (Yes)	_____ (No)
Councilperson Carol Keys, Esq.	_____ (Yes)	_____ (No)
Councilperson Marie Erlande Steril	_____ (Yes)	_____ (No)

EXHIBIT A

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF NORTH MIAMI AND THE DADE COUNTY POLICE BENEVOLENT ASSOCIATION, INC.

This Memorandum of Understanding ("MOU") is entered into this ____ day of March, 2014 by the City of North Miami, Florida, a Florida municipal corporation (the "City"), and the Dade County Police Benevolent Association ("PBA") (collectively referred to as the "Parties").

WHEREAS, the City and PBA are parties to a Collective Bargaining Agreement ("CBA") for the period October 1, 2012 through September 30, 2014 covering the City's police officers and sergeants ("Bargaining Unit Employees");

WHEREAS, Bargaining Unit Employees are members of the City's Police Pension Plan ("Plan");

WHEREAS, the Parties desire to amend the Plan to implement a voluntary retirement incentive ("Retirement Incentive") for Bargaining Unit Employees who meet the eligibility requirements set forth herein.

NOW, THEREFORE, in light of the foregoing recitals, the Parties intending to be legally bound, do hereby stipulate and agree as follows:

1. The above recitals are true and correct and incorporated herein by reference.

2. The Parties acknowledge and agree that Bargaining Unit Employees shall be offered the opportunity to voluntarily participate in the Retirement Incentive, the terms of which are summarized below:

   (a) A Bargaining Unit Employee who meets the following requirements will be eligible to participate in the Retirement Incentive (hereinafter, "Eligible Employee"): (i) he/she has a total of at least nineteen (19) years of Total Credited Service, which includes Credited Service as defined in Section 15-101 of the City's Code of Ordinances plus any military credited service purchased by the Bargaining Unit Employee in accordance with Sections 15-126 – 15-126.2 of the City's Code of Ordinances and any prior law enforcement credit purchased in accordance with Section 15-126.3 of the City's Code of Ordinances (hereinafter, "Total Credited Service") as of January 1, 2014; or (ii) he/she is at least age 50 with at least 10 years of Total Credited Service as of January 1, 2014.

   (b) An Eligible Employee that is only eligible for early retirement in accordance with Section 15-128 of the City's Code of Ordinances and elects to participate in the Retirement Incentive may only receive an immediate monthly benefit as set forth in Section 15-129(3)(b) of the City's Code of Ordinances and not a deferred monthly benefit as set forth in Section 15-129(3)(a) of the City's Code of Ordinance. Furthermore, Eligible Employees who have 19 years of

Total Credited Service but are not currently eligible for early retirement under Section 15-128 of the City's Code of Ordinances may participate in the Retirement Incentive provided that they receive an immediate monthly benefit as set forth in Section 15-129(3)(b) of the City's Code of Ordinance and not a deferred monthly benefit as set forth in Section 15-129(3)(a) of the City's Code of Ordinance.

(c) The regular retirement benefit that Eligible Employees who elect to participate in the Retirement Incentive shall be 4% of final average compensation for each of the last 20 years of Credited Service as well as to any Eligible Employee's military service after the Eligible Employee commenced employment with the City. The 4% regular retirement benefit shall not apply to pre-City employment military service purchased under the Plan and to prior law enforcement service purchased under the Plan. The regular retirement benefit for pre-City employment military service purchased under the Plan and prior law enforcement service purchased under the Plan shall be calculated in accordance Section 15-129 of the City's Code of Ordinances.

(d) In selecting the method of retirement payment under the Plan, an Eligible Employee participating in the Retirement Incentive may not elect the single lump sum payment option or the partial lump sum/annuity option set forth in Section 15-134 of the City's Code of Ordinances.

3. All other terms and conditions of the Plan as set forth in Article IV "North Miami Police Pension Plan" of the City's Code of Ordinances not specifically amended by the aforementioned provisions, shall remain in effect and applicable to all Eligible Employees electing to participate in the Retirement Incentive.

4. Eligible Employees who wish to participate in the Retirement Incentive must make their election to participate in the Retirement Incentive by April 30, 2014. The election is irrevocable and must be in writing on a form approved by the City including a waiver and release of all claims against the City, the Plan, the Plan's Board of Trustees, the Police Officers' Retirement Fund; Ord. 592.1.1 (aka the Special Police Officers' Fund) and the Special Police Officers' Fund Committee.

5. Eligible Employees who participate in the Retirement Incentive must retire from the City on or before May 31, 2014.

6. Eligible Employees who participate in the Retirement Incentive shall be entitled to all benefits currently available to Bargaining Unit Employees upon normal retirement (e.g., payouts, retiree badge and leave payouts), but shall only be entitled to a monthly retiree health insurance subsidy pursuant to Article 30 of the CBA if they were eligible to retire as of December 31, 2012.

7. This MOU represents the Parties' entire agreement as it relates to the Retirement Incentive and it cannot be amended or modified without the express written consent of the Parties.

8. This MOU shall become effective upon ratification by the PBA and the City. In the event that this MOU is not fully ratified for any reason, it shall have no force or effect upon either party.

9. The parties signify their agreement with this MOU by affixing their signatures below.

Dade County Police Benevolent Association, Inc.	City of North Miami
By: _____	By: _____
Title: PRESIDENT	Title: _____
Dated: 3/18/14	Dated: _____