ORDINANCE NO. 2023- 74

CITY OF POMPANO BEACH Broward County, Florida

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, AMENDING CHAPTER 34, "CITY POLICY," OF THE POMPANO BEACH CODE OF ORDINANCES, RELATING TO THE GENERAL EMPLOYEES' RETIREMENT SYSTEM, BY AMENDING SECTION 34.025 "CONTRIBUTIONS" TO EXTEND THE PERIOD TO PAY MEMBER CONTRIBUTIONS FOR PAST SERVICES; AND BY AMENDING SECTION 34.0263, "DEFERRED RETIREMENT OPTION PLAN (DROP)," BY MODIFYING TERMS OF PARTICIPATION IN DROP; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, certain general employees of the City of Pompano Beach have a pension system provided as a benefit of employment, which terms and conditions are codified in Sections 34.010 through 34.039 of the City Code of Ordinances (the "General Employees Retirement System"); and

WHEREAS, some of these general employees are represented by the Federation of Public Employees (the "Union") for the purposes of collectively bargaining the terms and conditions of employment; and

WHEREAS, the City's Administration and the Union have negotiated certain changes to the General Employees Retirement System, namely to allow employees an extended time period to apply unused vacation and/or sick leave to pay for the additional 3% member contribution for past services and to modify the terms of participation for entry into DROP and where applicable, to allow for the extension of participation in DROP to a maximum term of ninety-six (96) months; and WHEREAS, both the Union and the Board of Trustees of the General Employees Retirement System have agreed to the language of this Ordinance; and

WHEREAS, pursuant to law, ten (10) days' notice has been given by publication in a paper of general circulation in the City, notifying the public of this proposed ordinance and of a public hearing in the City Commission Chambers of the City of Pompano Beach; and

WHEREAS, a public hearing before the City Commission was held pursuant to the

published notices described above, at which hearing the parties in interest and all other citizens so

desiring had an opportunity to be and were, in fact heard; now, therefore,

BE IT ENACTED BY THE CITY OF POMPANO BEACH, FLORIDA:

SECTION 1. That Section 34.025, "Contributions," of Chapter 34, "City Policy," of the

City of Pompano Beach Code of Ordinances is hereby amended as follows:

GENERAL EMPLOYEES' RETIREMENT SYSTEM

§ 34.025 CONTRIBUTIONS.

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(D) Members hired on or after June 8, 2011 and before December 8, 2020 who make an additional 3% member contribution for past service retroactive to the date the member became eligible to participate in the pension plan shall be eligible for the same benefits as members hired before June 8, 2011 as provided in §§ 34.010 (definition of "average monthly earnings"), 34.020 (normal retirement benefit) and 34.038 (pension adjustments). Such members may make the additional 3% member contribution for past service in any one or a combination of the following ways:

(1) Cash lump sum payment (single payment).

. . .

(5) For members with more than 160 hours of unused vacation leave or more than 320 hours of unused sick leave on December 31, 2020, a combined total of 100 hours of unused vacation and/or sick leave may be applied toward the additional 3% member contribution for past service under the Retirement Plan. A member must elect to apply unused vacation and/or sick leave pursuant to this paragraph no later than January 31, 2021. Such election shall be irrevocable. The application of unused vacation and/or sick leave pursuant to this paragraph is intended to be pre-tax if possible, but in any event will be subject to IRS requirements.

For the Plan's fiscal year 2022-23, members with more than 160 hours of unused vacation leave or more than 320 hours of unused sick leave on December 31, 2022, a combined total of 100 hours of unused vacation and/or sick leave may be applied toward the additional 3% member contribution for past service under the Retirement Plan. A member must elect to apply unused vacation and/or sick leave pursuant to this paragraph no later than September 30, 2023. Such election shall be irrevocable. For the Plan's fiscal year 2023-2024, members with more than 160 hours of unused vacation leave or more than 320 hours of unused sick leave on December 31, 2023, a combined total of 100 hours of unused vacation and/or sick leave may be applied toward the additional 3% member contribution for past service under the Retirement Plan. A member must elect to apply unused vacation and/or sick leave pursuant to this paragraph no later than September 30, 2024. Such election shall be irrevocable. The application of unused vacation and/or sick leave pursuant to this paragraph is intended to be pre-tax if possible, but in any event will be subject to IRS requirements.

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SECTION 2. That Section 34.0263, "Deferred Retirement Option Plan (DROP)," of

Chapter 34, "City Policy," of the City of Pompano Beach Code of Ordinances is hereby amended

as follows:

§ 34.0263 DEFERRED RETIREMENT OPTION PLAN (DROP).

(A) *Eligibility*

(1) An active member shall be eligible to elect to enter DROP upon or after he or she has reached age 55 and completed 20 or more years of service, or <u>upon or after he or she</u> has reached age 62 with three or more years of service.

. . .

(C) DROP election

(1) Any member who elects to participate in the DROP shall provide the city and the board at least 30 days' notice and make the election on a form prescribed and retained by the Board. On that form the member shall do all of the following:

(2) Members of the retirement system who entered the DROP before December 8, 2020 and members who enter the DROP on or after December 8, 2020 with less than 20 years of service on the date of DROP entry shall designate a DROP period that will not exceed <u>96</u> 60-months of elapsed time, irrevocably agree to terminate covered employment under the system no later than the end of that designated period, and acknowledge that participation in the DROP is not a guarantee of continued employment for any period.

. . .

(4) Members of the retirement system who are participating in the DROP on December 8, 2020 and had completed 20 years of service prior to entering DROP may extend their DROP period up to a maximum of 96 months from the date of DROP entry. Members who elect to extend their DROP period must submit a completed DROP extension form to the city and pension board by January 31, 2021, agree to terminate city employment no later than the end of the extended DROP period, and acknowledge that participation in DROP is not a guarantee of continued employment for any period.

Members of the retirement system who enter DROP upon or after attaining the age of 62 with at least three years of service, or members who are currently participating in DROP upon or after having attained the age of 62 with at least three years of service, may participate in the DROP for a maximum of 96 months. Members who elect to extend their DROP period must submit a completed DROP extension form to the city and pension board by January 31, 2024, agree to terminate city employment no later than the end of the extended DROP period, and acknowledge that participation in DROP is not a guarantee of continued employment for any period.

. . .

SECTION 3. If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect any provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

SECTION 4. This Ordinance shall become effective October 1, 2023 and shall apply to

all retirements on or after that date.

PASSED FIRST READING this <u>12th</u> day of <u>September</u>, 2023.

PASSED SECOND READING this <u>26th</u> day of <u>September</u>, 2023.

DocuSigned by: Res Hardin -502CB780EB3E480 **REX HARDIN, MAYOR**

ATTEST:

-DocuSigned by: kennin Alfred

KERVIN ALFRED, CITY CLERK

TAL:jrm 8/17/23 l:ord/ch34/2023-231

