

Temp. Ord. No.1580  
9/30/13  
10/8/13

**CITY OF MIRAMAR  
MIRAMAR, FLORIDA**

**ORDINANCE NO. 14-03**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA, AMENDING CHAPTER 15 "PENSIONS," ARTICLE III "FIREFIGHTERS' PENSION PLAN AND TRUST FUND" OF THE CITY CODE BY AMENDING SECTION 15-92 "DEFERRED RETIREMENT OPTION PLAN ("DROP")" AND SECTION 15-93 "CHAPTER 175 SHARE ACCOUNT" TO CHANGE THE CREDITING RATE FOR THE DROP BENEFIT AND SHARE ACCOUNT BENEFIT FOR CERTAIN PLAN MEMBERS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING A REPEALER; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Miramar (the "City") and the International Association of Firefighters, Local 2820 (the "Union") negotiated a successor collective bargaining agreement for the City's firefighters in effect from October 1, 2012 through September 30, 2015 (the "CBA"), which has been ratified by the Union and the City; and

**WHEREAS**, as a result of the CBA, the City and the Union agreed to amend the City Firefighter's Retirement Plan (the "Plan") to change the crediting rate for the DROP benefit and Share Account benefit for certain members of the Plan; and

**WHEREAS**, the City desires to amend the Plan to comply with the CBA.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA THAT:**

**Section 1: Recitals.** The above recitals are true and correct and incorporated herein by reference.

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**Section 2:** Section 15-92 "Deferred retirement option plan ("DROP")" of Chapter 15 "Pensions" of the City of Miramar Code is hereby amended as follows<sup>1</sup>:

**Sec. 15-92. – Deferred retirement option plan ("DROP").**

\* \* \*

(g) *DROP earnings.*

~~(1) At time of application to participate in the DROP, the member shall make an irrevocable election as to how his/her DROP contributions will be invested.~~

~~(2) The member shall choose one (1) of the following options:~~

~~a. Member accounts shall be credited/debited quarterly with the interest earned/lost at a rate equal to the fund's actual investment return, net of investment expenses.~~

~~b. Members shall be credited the then prevailing assumption rate minus one hundred fifty (150) basis points.~~

1) Members who enter the DROP on or after October 1, 2012 and who are not eligible for normal retirement on October 1, 2012 shall have their DROP accounts credited quarterly with the interest earned or lost at a rate equal to the fund's actual investment return, net of investment expenses. However, the annual rate credited shall be capped at 8% and have a 0% floor.

2) Members who entered the DROP prior to October 1, 2012 and/or who are eligible for normal retirement on October 1, 2012, shall continue to have two (2) options as to how their DROP contributions will be invested. At the time of application to the DROP, these unit members shall make an irrevocable election of one of the following options:

i. To have their DROP accounts credited/debited quarterly with the interest earned/lost at a rate equal to the fund's actual investment return, net of investment expenses; or

<sup>1</sup> Proposed additions to existing City Code text are shown by underlining. Proposed deletions from existing City Code text are shown by ~~strike-through~~, and changes between first and second readings are denoted by ~~shading~~.

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- ii. To have their DROP accounts credited at the then prevailing assumption rate minus one hundred and fifty (150) basis points.
- 3) If a member stays beyond the end of DROP eligibility, no interest shall be paid on any DROP account after termination of DROP eligibility and there shall be no future DROP deposits. No member shall receive DROP payment until actually separated from city employment.
- 4) There shall be no fee charged for DROP administration.

\* \* \*

**Section 3:** Section 15-93 "Chapter 175 share account" of Chapter 15 "Pensions" of the City of Miramar Code is hereby amended as follows:

**Sec. 15-93. - Chapter 175 share account.**

\* \* \*

(c) *Annual allocation of accounts.*

- (1) 175 Moneys shall be credited to each individual actively employed member account in an amount directly proportionate to the number of pay periods for which the actively employed member worked as compared to the total number of pay periods years of credited service for all actively employed members.
- (2) At the end of each fiscal quarter, each individual actively employed member account shall be adjusted to reflect the earnings or losses resulting from investments.
- (3) Members who are eligible for normal retirement on October 1, 2012 and/or entered the DROP prior to October 1, 2012 Effective beginning January 1, 2010, vested participants have the option to select between two (2) methods to credit investment earnings to their account. Thereafter, the method may be changed each year effective October 1, however, the method must be elected during the month of August on a form provided by the trustees. The initial investment election period shall be during the month of December, 2009 for the investment period from January 1, 2010 to September 30, 2010. The methods are:

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a. Member accounts shall be credited/debited quarterly with the interest earned/lost at a rate equal to the fund's actual investment return, net of investment expenses, subject to costs fees and expenses of administration of the share accounts, which shall be debited from the individual accounts on a proportionate basis in accordance with the procedure developed by the board of trustees.

b. A fixed annual rate that is equal to the then prevailing actuarial funding assumption rate minus one hundred fifty (150) basis points.

(4) Members who enter the DROP on or after October 1, 2012 and who are not eligible for normal retirement on October 1, 2012 shall have their accounts credited quarterly with the interest earned or lost at a rate equal to the fund's actual investment return, net of investment expenses. However, the annual rate credited shall be capped at 8% and have a 0% floor.

\* \* \*

**Section 4:** If any clause, section or other part or application of this Ordinance shall be held in any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or invalid part or application shall be considered as eliminated and shall not affect the validity of the remaining portions or applications which shall remain in full force and effect.

**Section 5:** It is the intention of the City Commission, and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of the City of Miramar, that the sections of the Ordinance may be renumbered or re-lettered to accomplish such intentions; and that the word "Ordinance" shall be changed to "Section" or other appropriate word.

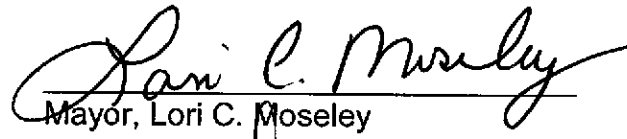
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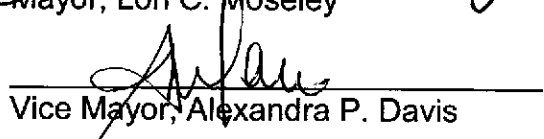
**Section 6:** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**Section 7:** This Ordinance shall become effective immediately upon adoption, except as provided by the text of the amendments.

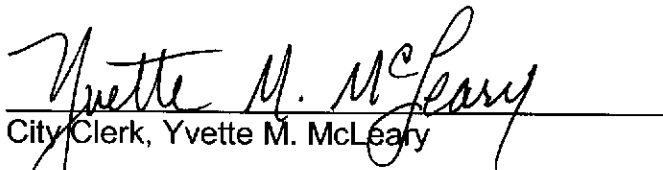
**PASSED FIRST READING:** October 16, 2013

**PASSED AND ADOPTED ON SECOND READING:** November 18, 2013

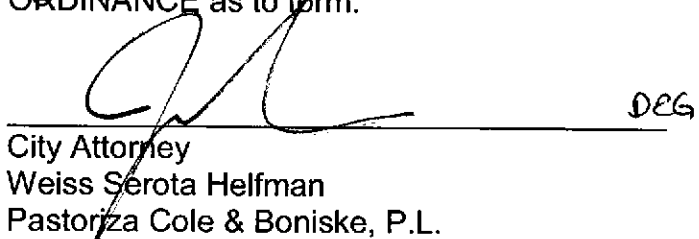
  
\_\_\_\_\_  
Mayor, Lori C. Moseley

  
\_\_\_\_\_  
Vice Mayor, Alexandra P. Davis

ATTEST:

  
\_\_\_\_\_  
City Clerk, Yvette M. McLeary

I HEREBY CERTIFY that I have approved this ORDINANCE as to form:

  
\_\_\_\_\_  
City Attorney  
Weiss Serota Helfman  
Pastoriza Cole & Boniske, P.L.

<u>Requested by Administration</u>	<u>Voted</u>
Commissioner Winston F. Barnes	<u>Yes</u>
Commissioner Yvette Colbourne	<u>Yes</u>
Vice Mayor Alexandra P. Davis	<u>Yes</u>
Commissioner Wayne M. Messam	<u>Yes</u>
Mayor Lori C. Moseley	<u>Yes</u>