

ORDINANCE NO. O-2019-14

AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING SECTION 33.025 OF THE CODE OF ORDINANCES "EMPLOYEES' RETIREMENT FUND", INCORPORATING CHANGES TO THE PENSION PLAN RECENTLY NEGOTIATED WITH AFSCME, LOCAL 2432, INCLUDING RESTORATION OF BENEFITS REDUCED WHEN CITY DECLARED FINANCIAL URGENCY; REQUIRING DISABILITY RETIREES TO SUBMIT FEDERAL INCOME TAX RETURNS WITHOUT SUPPORTING SCHEDULES; PROVIDING FOR CODIFICATION, SEVERABILITY AND CONFLICT.

WHEREAS, the City of Hollywood, Florida and American Federation of State, County and Municipal Employees, Local 2432 ("AFSCME"), recently negotiated new collective bargaining agreements (the "Agreements") for the general, professional and supervisory bargaining units; and

WHEREAS, the Agreements include a number of amendments to the pension plan (the "Plan") in which members of the bargaining units participate, including the restoration of benefits that were reduced when the City declared financial urgency; and

WHEREAS, it is necessary to incorporate these amendments into the Code of Ordinances; and

WHEREAS, Section 33.031 of the City's Code of Ordinances requires, as one of the two alternative procedures to amend the Plan, approval by a "majority plus one" vote of the City Commission and 50% plus one of the voting members of the Plan; and

WHEREAS, prior to the adoption of this Ordinance on second reading, 50% plus one of the voting members of the Plan approved the amendments contained in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That Subsection 33.025(A) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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(Coding: Words and figures underscored are additions to existing law; words and figures ~~struck through~~ are deletions from existing law.)

CHAPTER 33: CITY EMPLOYEES

* * *

RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

* * *

(A) *Establishment and purpose.*

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(4) A new contribution and benefit structure is hereby established for employees hired on or after July 15, 2009. Such employees will be members of the Employees Retirement Fund of the City of Hollywood; however, the contributions and benefits for such employees are as set forth in divisions (AA) and (JJ) of this section.

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Section 2: That Subsection 33.025(B) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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(B) *Definitions.* For purposes of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

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AVERAGE FINAL COMPENSATION. For a member hired prior to July 15, 2009, means monthly average compensation for the highest 78 consecutive bi-weekly pay periods of credited service. Payments for accumulated sick and annual leave received by such a member following separation from employment and included in compensation in accordance with the definition of **COMPENSATION** below, shall be deemed to have been received in the final pay period for the purpose of this definition. **AVERAGE FINAL COMPENSATION** for members hired on or after July 15, 2009 but prior to October 1, 2011, and separated from City service prior to June 19, 2019 for ~~members hired on or after July 15, 2009~~ is set forth in division (AA) below, and **AVERAGE FINAL COMPENSATION** for members hired on or after October 1, 2011 but prior to March 5, 2014, and separated from City Service prior to June 19, 2019 is set forth in division (CC) below. **AVERAGE FINAL COMPENSATION** for general fund members hired on or after October 1, 2011 and non-general fund members hired on or after March 5, 2014 is set forth in division (DD) below. The definition of **AVERAGE FINAL COMPENSATION** set forth above is frozen at midnight on September 30, 2011 for general fund members and at midnight on March 4, 2014 for non-general fund members. Under the benefit structure effective October 1, 2011 for general fund members and effective March 5, 2014 for non-general fund members, a definition of **AVERAGE FINAL COMPENSATION** for members hired prior to July 15, 2009, and separated from City service prior to June 19, 2019 is set forth in division (BB) below. **AVERAGE FINAL COMPENSATION** for members hired prior to March 5, 2014 and employed by the City as of June 19, 2019 is set forth in division (JJ) below.

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COMPENSATION. A member's gross wages received from the City, including overtime and payments for accumulated annual leave and accumulated sick leave, except as provided below:

* * *

(c) For members ~~most recently~~ hired after October 1, 2002 compensation shall include payments for accumulated annual leave, but no payment for accumulated sick leave shall be included in such member's compensation.

* * *

(e) Compensation for members hired on or after July 15, 2009 but prior to October 1, 2011 is set forth in divisions (AA) and (JJ) below, compensation for members hired on or after October 1, 2011 but prior to March 5, 2014 is set forth in divisions (CC) and (JJ) below, and compensation for members hired on or after March 5, 2014 is set forth in division (DD) below.

* * *

The definition of compensation set forth above is frozen at midnight on September 30, 2011 for general fund members hired prior to July 15, 2009 and at midnight on March 4, 2014 for non-general fund members hired prior to July 15, 2009. Under the benefit structure effective October 1, 2011 for general fund members hired prior to July 15, 2009 and effective March 5, 2014 for non-general fund members hired prior to July 15, 2009, a definition of compensation is set forth in divisions (BB) and (JJ).

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GENERAL FUND MEMBER. Any member paid out of the eCity's general fund and/or other eCity funds, with the exception of the water and sewer utility, stormwater utility, parking and sanitation funds.

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Section 3: That Subsection 33.025(D) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

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(D) *Credited Service.* Each member shall receive credit for service rendered as an employee as follows:

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(4) A member may receive additional credited service for up to six months in the last year of city employment by paying into the Fund the member contributions that normally would have been paid to the Fund had the employee worked the necessary time

to complete the year. Additional credited service purchased in accordance with this division may not be used to obtain the minimum service required for vesting or participation in the DROP plan or planned retirement benefit.

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Section 4: That Subsection 33.025(E) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

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(E) *Normal retirement date.*

(1) A member hired prior to July 15, 2009 who separates from eCity employment on or after July 1, 1999 may retire with normal retirement benefits upon attaining 25 years of credited service regardless of age, or upon reaching age 55 with at least five years of credited service, subject, however, to the additional provisions applicable to such a member under the benefit structure effective October 1, 2011 for general fund members and effective March 5, 2014 for non-general fund members as specified in divisions (BB) and (JJ) below.

* * *

(4) The normal retirement date for members hired on or after July 15, 2009 but prior to October 1, 2011 is specified in divisions (AA) and (JJ) below.

(5) The normal retirement date for members hired on or after October 1, 2011 but prior to March 5, 2014 is specified in divisions (CC) and (JJ) below.

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Section 5: That Subsection 33.025(F) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

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(F) *Normal retirement benefit.*

(1) The retirement benefit payable to a member hired prior to July 15, 2009 who separates from eCity employment on or after October 1, 1998 shall be 3% of average final compensation multiplied by years of credited service, up to a maximum of 27 years of credited service and a maximum pension rate of 81%. Such benefit shall be payable on the member's normal retirement date and separation from eCity employment. The normal retirement benefit specified in this paragraph is frozen at midnight on September 30, 2011 for general fund members and at midnight on March 4, 2014 for non-general fund members. The normal retirement benefit for general fund members hired prior to July 15, 2009, under the benefit structure effective October 1, 2011, and for non-general fund members hired prior to July 15, 2009, under the benefit structure effective March 5, 2014, is specified in divisions (BB) and (JJ) below.

* * *

(3) The normal retirement benefit for members hired on or after July 15, 2009 but prior to October 1, 2011 is specified in divisions (AA) and (JJ) below.

(4) The normal retirement benefit for members hired on or after October 1, 2011 but prior to March 5, 2014 is specified in divisions (CC) and (JJ) below.

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Section 6: That Subsection 33.025(G) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

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(G) *Deferred vested retirement.*

(1) Any member hired prior to July 15, 2009, irrespective of age, who separates from eCity employment on or after July 1, 1999 after having completed at least five years of credited service prior to October 1, 2011 and does not receive a refund of contributions, and any member hired prior to July 15, 2009, irrespective of age, who separates from city employment on or after October 1, 2011 after having completed at least five years of credited service consisting of any combination of credited service (i) as a member of any kind prior to October 1, 2011 and (ii) as a member other than a general fund member on or after October 1, 2011 but prior to March 5, 2014, shall have the right to receive a service retirement benefit beginning at age 55 based on the benefit formula in effect on the date of separation from eCity employment and years of credited service and average final compensation on that date. Deferred vested retirement for members hired prior to July 15, 2009 is further specified in divisions (BB) and (JJ) below.

* * *

(3) Deferred vested retirement for members hired on or after July 15, 2009 but prior to October 1, 2011 is set forth in divisions (AA) and (JJ) below.

(4) Deferred vested retirement for members hired on or after October 1, 2011 but prior to March 5, 2014 is set forth in divisions (CC) and (JJ) below.

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Section 7: That Subsection 33.025(H) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

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(H) *Deferred retirement option plan.*

(1) A deferred retirement option plan ("DROP plan") is hereby created.

(2) An employee covered by this plan and hired prior to July 15, 2009 may enter into the DROP plan on the earlier of the first day of any month following the employee's 55th birthday and tenth-year anniversary of credited service, or the first day of any month following the completion of a total of 25 years of credited service.

Notwithstanding anything to the contrary contained in this retirement plan, any member hired prior to July 15, 2009 who was a member continuously from July 14, 2009 to June 19, 2019 and who has not yet attained normal retirement date on June 19, 2019, shall be eligible to participate in the DROP plan by selecting an entry date on or after the day the member attains normal retirement date.

Notwithstanding anything to the contrary contained in this retirement plan, any member employed on June 19, 2019 and hired prior to July 15, 2009 who was a member continuously from July 14, 2009 to June 19, 2019 who attained normal retirement date and who was not already participating in the planned retirement benefit before June 19, 2019 who wants to participate retroactively in the DROP plan must submit an irrevocable written election/decision within 60 days after June 19, 2019 to participate retroactively in the DROP plan starting on or after the date the member attained normal retirement date. Such members shall receive a return of their contributions made from the dates they designate as the commencement of their DROP plan participation period, and continuing through the dates of their election/decision, which shall be added to the participant's DROP plan account.

Notwithstanding anything to the contrary contained in this retirement plan, any member employed on June 19, 2019 and hired prior to July 15, 2009 who was a member continuously from July 14, 2009 to June 19, 2019 who became eligible to retire with normal retirement benefits and who was already participating in the planned retirement

benefit before June 19, 2019 who wants to change from the planned retirement benefit to the DROP plan must submit an irrevocable written election/decision within 60 days after June 19, 2019 to change retroactively to the DROP plan starting on or after the date the member attained normal retirement date. Such members shall receive a return of their contributions made from the dates they designate as the commencement of their DROP plan participation period, and continuing through the dates of their election/decision, which shall be added to the participant's DROP plan account.

No member shall receive any benefits from both the DROP plan and the planned retirement benefit. An employee hired on or after July 15, 2009 shall not be eligible to participate in the DROP plan.

(3) An employee electing to participate in the DROP plan must complete and execute the proper forms supplied by the pension coordinator. ~~The election to participate in the DROP plan must be exercised~~ The effective date of participation in the DROP plan must commence prior to the attainment of 30 years of credited service, or the right of election to participate in the DROP plan shall be forfeited.

(4) The duration and participation in the DROP plan shall be specified and shall not exceed a number of years which, when added to the number of years of all credited service ~~which~~ that the member has in the retirement system, exceeds a total of 32 years. In any event, the total participation in the DROP plan shall not exceed five years and participation will end if the employee is terminated for just cause, dies or retires.

* * *

(8) DROP payments shall earn interest at a rate set by the Board of Trustees, through the date of termination of the member's participation in the DROP. Notwithstanding the preceding sentence, effective July 1, 2006 for members included in the AFSCME General bargaining unit, May 1, 2007 for members included in the AFSCME Professional and Supervisory units, and July 1, 2007 for members not included in any bargaining unit, DROP payments shall earn interest at the same rate as the net rate of investment return on plan assets. Upon termination of a member's participation in the DROP and separation from eCity employment, the DROP account balance credited to the member shall be distributed to the member under one or a combination of the following options selected by the member in accordance with procedures established by the Board:

(a) A single lump sum payment equal to the balance in the member's DROP account as of the date of termination from the DROP plan; or

(b) A direct rollover to a qualified plan or a direct trustee to trustee transfer to an eligible plan.

(9) The member's selection of a distribution option shall be irrevocable. If the member does not select a distribution option within 60 days following separation

from eCity employment, the DROP account shall be distributed in accordance with option (a), above.

(10) If a participant dies during the period of participation in the DROP plan, a lump sum equal to DROP payments including earned interest to the date of the member's death shall be paid to the named beneficiary or, if no beneficiary is named, to the estate of the employee in addition to any other normal survivorship benefits which that would be paid.

(11) A DROP participant may terminate DROP participation and resign from eCity employment prior to the end of the maximum DROP period. Upon termination of DROP participation and separation from eCity employment, a member shall receive a distribution of his/her DROP account balance in accordance with division (H)(8) above, and regular monthly service retirement benefit payments shall thereafter commence. If a DROP participant does not separate from eCity employment at the end of the maximum DROP period, the DROP account will not be credited with additional interest and the member's monthly retirement benefit will not be paid until the member separates from eCity employment.

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Section 8: That Subsection 33.025(J) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

* * *

(J) *Benefit adjustments.*

(1) Effective January 1, 1970, a member who retired prior to January 1, 1968, shall have his or her monthly retirement adjusted so as to result in a minimum payment of \$100 per month, unless he or she has elected to receive his or her benefit under any of the options enumerated ~~herein~~ above, in which case a proportionate adjustment shall be made in accordance with the actuarial tables provided by the actuary.

(2) Effective January 1, 1970, a member retiring after January 1, 1968, shall have his or her monthly retirement benefit adjusted to the greater of either 2½% of his or her highest average monthly salary for any three consecutive years within his or her last ten years of service, multiplied by the number of years of service, or \$100 per month. If, however, the member has elected to receive his or her benefit under the options enumerated hereinabove, the adjustment shall be made in accordance with the actuarial tables provided by the actuary.

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Section 9: That Subsection 33.025(L) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

* * *

(L) *Disability retirement.*

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(2) Except as set forth in division (3) below, upon total and permanent disability of a member hired prior to July 15, 2009 having at least five years of credited service, from causes other than the performance of an act of duty as an employee of the eCity, resulting in the inability of the member to perform the specific duties of his or her position in the service of the eCity, such member shall be entitled to a disability retirement benefit equal in rate to that provided for service retirement, but not less than 20% of average salary. Based on the available medical information, the Human Resources Director shall make the final determination regarding the ability of the member to perform the specific duties of his or her position. The eligibility of members hired on or after July 15, 2009 but prior to October 1, 2011 for non-duty disability benefits is specified in divisions (AA) and (JJ) below. The eligibility of members hired on or after October 1, 2011 but prior to March 5, 2014 for non-duty disability benefits is specified in divisions (CC)

and (JJ) below. The eligibility of members hired on or after March 5, 2014 for non-duty disability benefits is specified in divisions (DD) below. If a general fund member hired prior to October 1, 2011 is entitled to a non-duty disability benefit and the date of disability, defined as the date the member becomes disabled, as opposed to the date on which the determination of disability is made, is on or after October 1, 2011, the amount of the non-duty disability benefit to which the member is entitled shall equal the sum of (i) a benefit for the period prior to October 1, 2011 calculated in accordance with the benefit structure frozen as of September 30, 2011, and (ii) a benefit for the period on and after October 1, 2011 calculated in accordance with the benefit structure effective October 1, 2011. If a non-general fund member hired prior to March 5, 2014 is entitled to a non-duty disability benefit and the date of disability, defined as the date the member becomes disabled, as opposed to the date on which the determination of disability is made, is on or after March 5, 2014, the amount of the non-duty disability benefit to which the member is entitled shall equal the sum of (i) a benefit for the period prior to March 5, 2014 calculated in accordance with the benefit structure frozen as of March 4, 2014, and (ii) a benefit for the period on and after March 5, 2014 calculated in accordance with the benefit structure effective March 5, 2014.

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(6) The amount of a disability retirement benefit shall be reduced annually by the amount of salary received by the member, and by the amount of net earnings from self-employment income received by the member. Neither social security nor workers' compensation benefits shall be deemed salary or net earnings from self-employment income under this division. Not later than April 15 of the year following any calendar year in which a member received a disability retirement benefit for the entire year, the member shall submit to the Board ~~the first page of~~ his or her federal income tax return without supporting schedules or documentation. Commencing with the first monthly payment thereafter to which the reduction can be applied, the member's disability retirement benefit for 12 consecutive monthly payments shall be reduced by an amount equal to 1/12 of the salary received by the member and 1/12 of the net earnings from self-employment income received by the member during the preceding calendar year. This division shall not apply to any member who was injured or disabled prior to July 1, 1999. Notwithstanding any other provision of this division, effective October 1, 2005, the provisions of this division shall apply only to disability retirement benefits payable by reason of injuries sustained while in the performance of an act of duty as an active employee of the eCity, and any member who was receiving non-duty disability retirement benefits on June 1, 2001, or who commenced receiving non-duty disability retirement benefits after that date, shall not be subject to the benefit reduction provided in this division.

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Section 10: That Subsection 33.025(M) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

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(M) *Death benefits.*

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(3) Upon death of a vested member after separation from city employment but before retirement, if such member had elected to receive an optional benefit form pursuant to division (I)(1) above, benefit payments shall be made to the beneficiary designated by the member commencing on the date the member would have become eligible for benefit payments in accordance with division (E) above. If such member did not elect to receive an optional benefit form pursuant to division (I)(1) above, or upon election of the member's designated beneficiary, the beneficiary shall receive payment of the member's contributions to the fund, plus simple interest at the rate of 4% per year to the date of separation from employment, in lieu of any other benefit. If no beneficiary is designated, the member's contributions to the fund, plus simple interest at the rate of 4% per year to the date of separation from employment, shall be paid to the member's estate.

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Section 11: That Subsection 33.025(O) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

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(O) *Financing.*

(1) The Fund shall be financed in accordance with actuarial requirements by the following revenues:

(a) Contributions by employees hired prior to July 15, 2009 of 7% of compensation prior to October 1, 2009, 8% of compensation as of October 1, 2009, 9% of compensation as of October 1, 2010, and 8% of compensation effective no later than the first day of a pay period that begins within 30 days (i.e., one month) after March 5, 2014, to be deducted from members' pay at regular payroll periods. Effective for the first full pay period after June 19, 2019, contributions by general fund members hired prior to October 1, 2011, shall be 9% of compensation; and by general fund members hired on or after October 1, 2011, contributions shall be 8% of compensation. Effective for the first full pay period after June 19, 2019, contributions by non-general fund members hired prior to March 5, 2014, shall be 9% of compensation; and by non-general fund members hired on or after March 5, 2014, contributions shall be 8% of compensation. Contributions deducted from a member's pay, including contributions deducted from a member's pay to purchase credited service in accordance with division (D)(6) and (7) above, shall be designated as employer contributions pursuant to section 414(h) of the Internal Revenue Code. Such designation is contingent upon the contributions being excluded from the member's gross income for federal income tax purposes in accordance with the code and applicable regulations. For all other purposes of the plan, such contributions shall be considered to be member contributions. A member's election to purchase credited service through payroll deduction in accordance with division (D)(6) and (7) above shall be irrevocable. The employee contributions for members hired on or after July 15, 2009 but prior to October 1, 2011 is specified in divisions (AA) and (JJ) below;

(b) Contributions by the eCity in an amount which, when added to the members' contributions, will be sufficient to fund the plan on a sound actuarial basis, which contributions shall be made concurrently with contributions by the members according to rates established by the Board upon recommendation of the actuary;

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Section 12: That Subsection 33.025(AA) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

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(AA) *Benefits and employee contributions for members hired on or after July 15, 2009 but prior to October 1, 2011, and separated from City service prior to June 19, 2019.*

(1) Notwithstanding any other provision of the plan, members hired on or after July 15, 2009 but prior to October 1, 2011 shall receive the same retirement benefits as members hired prior to July 15, 2009 ~~that date~~, except as follows:

* * *

(e) Compensation shall include only the member's base pay, which includes longevity pay, and certification pay, but no other payments shall be included;

* * *

(g) A member who separates from eCity employment prior to his or her normal retirement date after having completed at least seven years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age 60 based on the benefit formula in effect on the date of separation from eCity employment and years of credited service and average final compensation on that date; provided, however, that general fund members shall have their years of credited service and average final compensation frozen under the benefit structure in effect as of September 30, 2011 and non-general fund members shall have their years of credited service and average final compensation frozen under the benefit structure in effect as of March 4, 2014; also provided, however, that under the benefit structure effective October 1, 2011 for general fund members and effective March 5, 2014 for non-general fund members, the right to receive a service retirement benefit under that benefit structure shall begin at age 65.

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Section 13: That Subsection 33.025(BB) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

* * *

RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

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(BB) Benefits for members hired prior to July 15, 2009, and separated from City service prior to June 19, 2019.

(1) Members hired prior to July 15, 2009 shall continue to receive the same retirement benefits under the benefit structure effective October 1, 2011 that they received immediately prior to October 1, 2011, except as follows:

* * *

(f) Under the benefit structure effective October 1, 2011 for general fund members and effective March 5, 2014 for non-general fund members, compensation shall include only the member's base pay, which includes longevity pay, and certification pay, but no other payments shall be included.

* * *

(h) A member who separates from eCity employment prior to his or her normal retirement date after having completed at least five years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age 55 based on the benefit formula in effect on the date of separation from eCity employment and years of credited service and average final compensation on that date; provided, however, that general fund members who are not eligible for normal retirement as of September 30, 2011 shall have their years of credited service and average final compensation frozen under the benefit structure in effect as of

September 30, 2011 and non-general fund members who are not eligible for normal retirement as of March 4, 2014 shall have their years of credited service and average final compensation frozen under the benefit structure in effect as of March 4, 2014; also provided however that under the benefit structure effective October 1, 2011 for general fund members and effective March 5, 2014 for non-general fund members, the right to receive a service retirement benefit under that benefit structure shall begin at age 65.

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Section 14: That Subsection 33.025(CC) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

§ 33.025 PENSIONS AND RETIREMENT

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(CC) Benefits for members hired on or after October 1, ~~the 2011 plan freeze~~ but prior to March 5, ~~the 2014 plan freeze~~, and separated from City service prior to June 19, 2019.

(1) Members hired on or after October 1, 2011 but prior to March 5, 2014 shall receive the same retirement benefits as members hired on or after July 15, 2009 but prior to October 1, 2011, except as follows:

* * *

(e) Compensation shall include only the member's base pay, which includes longevity pay, and certification pay, but no other payments shall be included;

* * *

(g) A general fund member who separates from eCity employment prior to his or her normal retirement date after having completed at least

seven years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age 65 based on the benefit formula in effect on the date of separation from eCity employment and years of credited service and average final compensation on that date;

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Section 15: That Subsection 33.025(DD) of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

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RETIREMENT

EMPLOYEES' RETIREMENT FUND

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(DD) Benefits for *general fund* members hired on or after October 1, 2011 and non-general fund members hired ~~after the~~ on or after March 5, 2014. *plan freeze*

(1) General fund members hired on or after October 1, 2011 and non-general fund members hired on or after March 5, 2014 shall receive the same retirement benefits as members hired prior to October 1, 2011 and March 5, 2014, respectively, except as follows:

* * *

(e) Compensation shall include only the member's base pay, which includes longevity pay, and certification pay, but no other payments shall be included. Compensation shall not include the one-time, lump sum \$1500.00 payment made to any participant as a result of the collective bargaining agreements ratified on June 19, 2019.

* * *

(g) A member who (i) separates from city employment prior to his or her normal retirement date after having completed at least seven years of credited service and (ii) does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age 65 based on the benefit formula in effect on the date of separation from eCity employment and years of credited service and average final compensation on that date;

* * *

Section 16: That Subsections 33.025 (FF), (GG), (HH) and (II) of the Code of Ordinances are hereby reserved (tentatively earmarked for Ordinance No. O-2019-06).

Section 17: That Subsection 33.025(JJ) of the Code of Ordinances is hereby created to read as follows:

TITLE III: ADMINISTRATION

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CHAPTER 33: CITY EMPLOYEES

* * *

RETIREMENT

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(JJ) *Benefits for members hired prior to March 5, 2014 and employed by the City as of June 19, 2019.*

Notwithstanding any provision contained in this §33.025, general fund members hired prior to October 1, 2011 and employed on June 19, 2019 shall continue to receive the same retirement benefits under the benefit structure effective October 1, 2011 that they received immediately prior to October 1, 2011.

Notwithstanding any provision contained in this §33.025, non-general fund members hired prior to March 5, 2014 and employed on June 19, 2019 shall continue to receive the same retirement benefits under the benefit structure effective March 5, 2014 that they received immediately prior to March 5, 2014.

Notwithstanding any provision contained in this §33.025, general fund members hired on or after October 1, 2011 but prior to March 5, 2014 and employed on June 19, 2019 shall continue to receive the same retirement benefits under the benefit structure effective March 5, 2014 that they received immediately prior to March 5, 2014.

Notwithstanding any provision contained in this §33.025, members hired prior to July 15, 2009, shall not be obligated to make payment of contributions for overtime hours that were earned by general fund members on and after October 1, 2011 through June 19, 2019, and for overtime hours that were earned by non-general fund members on and after March 5, 2014 through June 19, 2019.

(1) *Benefits and employee contributions for members hired prior to July 15, 2009.*

(a) Notwithstanding any other provision contained in this § 33.025 to the contrary, members hired prior to July 15, 2009 and employed by the City on June 19, 2019 shall receive as follows:

1. The normal retirement dates shall be age 55 with five years of service or 25 years of credited service regardless of age;

2. The vesting period shall be five years of credited service;

3. Upon reaching the normal retirement date, a member is entitled to a normal retirement benefit of 3% of average final compensation for each year of credited service, up to a maximum benefit of 81% of average final compensation;

4. Average final compensation shall be based on the member's highest 78 consecutive bi-weekly pay periods of credited service. Payments for accumulated sick and annual leave received by such member following separation from employment and included in compensation in accordance with the definition of compensation below shall be deemed to have been received in the final pay period;

5. Compensation. A member's gross wages received from the City, including overtime and payments for accumulated annual leave and accumulated sick leave (subject to limitations set forth in state law), except as provided below:

A. For members hired prior to October 1, 2002 and employed by the City on that date, compensation shall include payments for accumulated annual leave, but the amount of accumulated sick leave included in such member's compensation shall not exceed the amount accumulated as of October 1, 2002 (including the maximum limitation as of October 1, 1994). Such accumulated sick and annual leave shall be calculated at the member's total rate of pay at the time of retirement, or entry into the DROP plan or planned retirement benefit.

B. For members hired after October 1, 2002 compensation shall include payments for accumulated annual leave, but no payment for accumulated sick leave shall be included in such member's compensation. Such accumulated annual leave shall be calculated at the member's total rate of pay at the time of retirement, or entry into the DROP plan or planned retirement benefit.

C. For members hired prior to July 15, 2009 who retire or enter the DROP on or after August 17, 2009, compensation shall exclude all earnings and payouts for blood time and compensatory time. In addition, the payouts for accumulated annual leave that may be counted as compensation for such members shall not exceed 125 hours for employees who retire from a position covered by the general employees' bargaining unit; and shall not exceed 60 hours per year for employees who retire from a position not covered by the general employees' bargaining unit.

D. Employee-elective salary reductions or deferrals to any salary reduction, deferred compensation, or tax-sheltered annuity program authorized under the rules of the Internal Revenue Service Code shall be included in compensation for retirement purposes. Compensation in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue Code, adjusted in accordance with U.S. Treasury Department regulations, shall be disregarded.

E. For the purposes of this division 5, the terms accumulated annual leave and accumulated sick leave shall be capped at the amount reflected in the payroll records of the City for each member of the plan in the first full pay period of March 2014.

6. Eligibility for non-duty disability benefits shall commence upon attaining five years of credited service. Except as set forth in division (L)(3) above, upon total and permanent disability of a member hired prior to July 15, 2009 having at least five years of credited service, from causes other than the performance of an act of duty as an employee of the City, resulting in the inability of the member to perform the specific duties of his or her position in the service of the City, such member shall be entitled to a disability retirement benefit equal in rate to that provided for service retirement, but not less than 20% of average salary. Based on the available medical information, the Human Resources Director shall make the final determination regarding the ability of the member to perform the specific duties of his or her position.

7. A member who separates from city employment prior to his or her normal retirement date after having completed at least five years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age 55 based on the benefit formula in effect on the date of separation from city employment and years of credited service and average final compensation on that date;

8. A member shall be eligible to participate in the DROP plan or the planned retirement benefit;

9. For members hired prior to July 15, 2009 who retire on or after August 17, 2009 without entering the DROP, a 2% COLA shall be payable annually commencing three years after retirement benefits begin. For members hired prior to July 15, 2009 who enter the DROP on or after August 17, 2009, a 2% COLA will be payable annually, commencing the later of three years after retirement benefits begin or one year after separation from employment following participation in the DROP.

(b) Notwithstanding any other provision of the plan, such members shall contribute 9% of their compensation to the plan.

(2) Benefits and employee contributions for general fund members hired on or after July 15, 2009 but prior to October 1, 2011.

(a) Notwithstanding any other provision contained in this § 33.025 to the contrary, members hired on or after July 15, 2009 but prior to October 1, 2011 shall receive the same retirement benefits as members hired prior to July 15, 2009, except as follows:

1. The normal retirement dates shall be age 57 or older with 25 years of credited service; age 60 or older with seven years of credited service; or 30 years of credited service, regardless of age;

2. The vesting period shall be seven years of credited service;

3. Upon reaching the normal retirement date, a member is entitled to a normal retirement benefit of 2.5% of average final compensation for each year of credited service, up to a maximum benefit of 81% of average final compensation;

4. Average final compensation shall be based on the member's highest 104 consecutive bi-weekly pay periods of credited service;

5. Compensation shall include only the member's base pay, which includes longevity pay, and certification pay, but no other payments shall be included;

6. Eligibility for non-duty disability benefits shall commence upon attaining seven years of credited service. Except as set forth in division (L)(3) above, upon total and permanent disability of a member hired as defined in this subdivision (2) having at least seven years of credited service, from causes other than the performance of an act of duty as an employee of the City, resulting in the inability of the member to perform the specific duties of his or her position in the service of the City, such member shall be entitled to a disability retirement benefit equal in rate to that provided for service retirement, but not less than 20% of average salary. Based on the available medical

information, the Human Resources Director shall make the final determination regarding the ability of the member to perform the specific duties of his or her position.

7. A member who separates from city employment prior to his or her normal retirement date after having completed at least seven years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age 60 based on the benefit formula in effect on the date of separation from city employment and years of credited service and average final compensation on that date;

8. The member shall not be eligible to participate in the DROP plan or the planned retirement benefit;

9. The member shall not be eligible for a COLA.

(b) Notwithstanding any other provision of the plan, such members shall contribute 9% of their compensation to the plan.

(3) *Benefits and employee contributions for non-general fund members hired after July 15, 2009 but prior to March 5, 2014.*

(a) Notwithstanding any other provision contained in this § 33.025 to the contrary, members hired after July 15, 2009 but prior to March 5, 2014 shall receive the same retirement benefits as members hired prior to July 15, 2009, except as follows:

1. The normal retirement dates shall be age 57 or older with 25 years of credited service; age 60 or older with seven years of credited service; or 30 years of credited service, regardless of age;

2. The vesting period shall be seven years of credited service;

3. Upon reaching the normal retirement date, a member is entitled to a normal retirement benefit of 2.5% of average final compensation for each year of credited service, up to a maximum benefit of 81% of average final compensation;

4. Average final compensation shall be based on the member's highest 104 consecutive bi-weekly pay periods of credited service;

5. Compensation shall include only the member's base pay, which includes longevity pay, and certification pay, but no other payments shall be included;

6. Eligibility for non-duty disability benefits shall commence upon attaining seven years of credited service. Except as set forth in division (L)(3) above, upon total and permanent disability of a member hired as defined in this subdivision (3) having

at least seven years of credited service, from causes other than the performance of an act of duty as an employee of the City, resulting in the inability of the member to perform the specific duties of his or her position in the service of the City, such member shall be entitled to a disability retirement benefit equal in rate to that provided for service retirement, but not less than 20% of average salary. Based on the available medical information, the Human Resources Director shall make the final determination regarding the ability of the member to perform the specific duties of his or her position.

7. A member who separates from city employment prior to his or her normal retirement date after having completed at least seven years of credited service and does not receive a refund of contributions shall have the right to receive a service retirement benefit beginning at age 60 based on the benefit formula in effect on the date of separation from city employment and years of credited service and average final compensation on that date;

8. The member shall not be eligible to participate in the DROP plan or the planned retirement benefit;

9. The member shall not be eligible for a COLA.

(b) Notwithstanding any other provision of the plan, such members shall contribute 9% of their compensation to the plan.

Section 16: That it is the intention of the City Commission that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Hollywood, Florida, and the provisions of this Ordinance may be renumbered to accomplish such intention.

Section 17: That if any word, phrase, clause, subsection or section of this Ordinance is for any reason held unconstitutional or invalid, such invalidity shall not affect the validity of any remaining portions of this Ordinance.

Section 18: That all sections or parts of sections of the Code of Ordinances, all ordinances or parts of ordinances, and all resolutions or parts of resolutions in conflict are repealed to the extent of such conflict.

Section 19: That this Ordinance shall be in full force and effect immediately upon its approval by a "majority plus one" vote of the City Commission and 50% plus one of the voting members of the Employees' Retirement Fund.

ADVERTISED on June 6, 2019.

PASSED on first reading this 5 day of June, 2019.

ORDINANCE AMENDING SECTION 33.025 OF THE CODE OF ORDINANCES;
PROVIDING RESTORATION OF PENSION BENEFITS REDUCED IN FINANCIAL
URGENCY; REQUIRING DISABILITY RETIREES TO SUBMIT FEDERAL INCOME TAX
RETURNS.

PASSED AND ADOPTED on second reading this 19 day of
June, 2019.



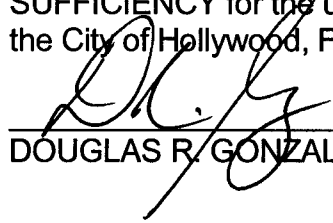
JOSH LEVY, MAYOR

ATTEST:



PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY for the use and reliance of
the City of Hollywood, Florida, only:



DOUGLAS R. GONZALES, CITY ATTORNEY *af*