

**SUPPLEMENTAL
RETIREMENT SYSTEM**

for

GENERAL EMPLOYEES

**WHO ARE EMPLOYED
ON OR AFTER
OCTOBER 1, 1976**



AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, CREATING SECTIONS 24-66 THROUGH 24-76, CODE OF ORDINANCES, TO CREATE A SUPPLEMENTAL RETIREMENT SYSTEM FOR GENERAL EMPLOYEES OF THE CITY OF HOLLYWOOD WHO ARE EMPLOYED ON AND AFTER OCTOBER 1, 1976.

WHEREAS, the City Commission desires to establish a Supplemental Retirement System for General Employees hired on and after October 1, 1976.

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

Section 1: Sections 24-66 through 24-76, Code of Ordinances, are created to read:

Sec. 24-66. General Employees Supplemental Retirement System Established;
Purpose

There is hereby established a City of Hollywood General Employees Supplemental Retirement System comprising a comprehensive Retirement Plan for all persons employed by the City of Hollywood on and after October 1, 1976, other than Police Officers and Firemen employed by the City. The purpose of this Supplemental Plan is to establish terms and conditions under which retirement benefits will be provided to eligible General Employees of the City. The benefits under the Plan shall be in addition to amounts received as Federal Social Security benefits, and shall also be in addition to benefits received by any Member from any other private or public retirement system. The Supplemental Retirement System shall commence operation as of the first day of October, 1976.

Sec. 24-67. Definitions

As used herein, unless otherwise defined or required by the context, the following words and phrases shall have the meaning indicated:

- (a) Supplemental System means the City of Hollywood General Employees Supplemental Retirement System as contained herein and all amendments thereto.
- (b) Prior System means the City of Hollywood Retirement System for employees other than Police Officers and Firemen, as it existed on September 30, 1976, and amendments thereto.
- (c) City means City of Hollywood, Florida.
- (d) City Commission means the City Commission of the City of Hollywood.
- (e) Fund means the employees retirement fund originally established as part of the Prior System and which shall be continued as part of and for purposes of both the Prior and Supplemental Retirement Systems.

(f) Board means the Board of Trustees established for purposes of supervising, administering, and managing the Prior System and which is herewith empowered and authorized to perform the same functions for this Supplemental System.

(g) Member shall have the same meaning herein as such term is defined in the Prior System, except that henceforth all persons employed as General Employees on or after October 1, 1976, shall only be eligible to become Members of the Supplemental System.

(h) General Employee means any person directly employed by the City of Hollywood on or after October 1, 1976, whose services are compensated in whole or in part by the City and who is employed on a permanent basis, except a Policeman or Fireman.

(i) Earnings means basic compensation paid by the City to a Member excluding overtime, bonuses, and other non-regular payments.

(j) Average Monthly Earnings means 1/12th of the arithmetic average of annual Earnings for the highest consecutive five years of the ten full years immediately preceding the actual retirement or termination date of a member; provided that if a Member shall have been employed for fewer than five years, such average shall be taken only over the period of his actual employment.

(k) Beneficiary means the person or persons entitled to receive any benefits hereunder at the death of a Member who has or have been designated in writing by the Member, and filed with the Board. If no such designation is in effect at the time of death of the Member, or if no person so designated is living at that time, the Beneficiary shall be the Member's estate.

(l) Continuous Service means for the period subsequent to September 30, 1976, uninterrupted service by a Member (years and completed months) whose customary employment is permanent and on an annual basis; provided, however, the Continuous Service of a Member shall not be deemed to have been interrupted by:

(i) any authorized leave of absence of vacation, provided that all Members similarly situated in similar circumstances shall be treated alike pursuant to uniform, non-discriminatory rules.

(ii) any service, voluntary or involuntary, in the Armed Forces of the United States, provided the Member is legally entitled to re-employment under Federal law and that said Member returns to employment within the period prescribed by law.

And, provided further, no credit for vesting, participation or benefit computation purposes under the Plan shall be allowed during or for any period wherein a Member has been on an authorized leave of absence or vacation or in the Armed Forces of the United States in excess of three (3) months.

Sec. 24-68. Eligibility

All persons employed or becoming General Employees on or after October 1, 1976, shall become Members of the Supplemental System upon completing one year of Continuous Service and upon completing an application form if such is required by the Board.

Sec. 24-69. Retirement Dates and Benefits

(1) Normal Retirement Date

(a) A Member may retire on the first day of the month coincident with or next following that date on which such Member attains age sixty-five (65) or that date on which such Member attains age sixty (60) and completes twenty-five (25) years of Continuous Service, if earlier, or

(b) A Member may retire on the first day of the month coincident with or next following the completion of thirty (30) years of Continuous Service, regardless of age.

(c) In no event shall a Member retire on a date later than age sixty-five (65), unless the City Manager, with the approval of the City Commission, extends such Member's retirement date by written authorization, on a year-to-year basis.

(2) Normal Retirement Benefit

(a) Amount

The monthly retirement benefit shall be an amount equal to one percent (1%) of Average Monthly Earnings times years and completed months of Continuous Service.

(b) Duration, Survivor Benefit

A Member retiring hereunder on his Normal Retirement Date shall receive a monthly benefit which shall commence on his Normal Retirement Date and be continued thereafter during his lifetime and cease upon his death, unless an optional form of benefit payment providing a survivor's benefit had been selected in writing by the Member prior to actual retirement.

(3) Early Retirement Date

A Member may retire on the first day of the month coincident with or next following the attainment of age fifty-five (55) and the completion of fifteen (15) years of Continuous Service.

(4) Early Retirement Benefit

A Member retiring hereunder on his Early Retirement Date may receive either a deferred or an immediate monthly retirement benefit as follows:

(a) A deferred monthly retirement benefit which shall commence on his Normal Retirement Date and shall be continued on the first day of each month thereafter during his lifetime. The amount of the benefit shall be determined and paid in the same manner as for retirement at his Normal Retirement Date except that Average Monthly Earnings and Continuous Service shall be determined as of his Early Retirement Date, or

(b) An immediate monthly retirement benefit which shall commence on his Early Retirement Date and shall be continued on the first day of each month thereafter during his lifetime. The benefit payable shall be as determined in subparagraph (a) above, reduced by 1/15th for each of the first five (5) years and 1/30th for each of the next five (5) years by which the starting date of the benefit precedes the Normal Retirement Date.

(5) Delayed Retirement Date

The Delayed Retirement Date shall be that date following Normal Retirement Date on which a Member actually retires.

In no event shall a Member retire later than age sixty-five (65), unless the City Manager, with the approval of the City Commission, extends such Member's retirement date by written authorization, on a year-to-year basis.

(6) Delayed Retirement Benefit

A Member retiring hereunder at his Delayed Retirement Date shall receive a monthly retirement benefit which shall commence on the first day of the month coincident with or next following such Delayed Retirement Date. The amount of each such monthly retirement benefit shall be determined in the same manner as for Normal Retirement except that Average Monthly Earnings and Continuous Service shall be determined as of the Members actual retirement date. The benefit shall be paid during such Member's lifetime and cease upon his death, unless an optional form of benefit payment providing a survivor's benefit had been selected in writing by the Member prior to actual retirement.

(7) Disability - Service and Non-Service Incurred

(a) Eligibility requirements for Disability benefits for Members shall be as follows:

- (i) Service Incurred: eligible from entry date as a Member of the System.
- (ii) Non-Service Incurred: five (5) years of Continuous Service.

Any Member otherwise eligible as stated above who receives a service or non-service incurred injury, illness, disease or disability, and which illness, injury, disease or disability, permanently incapacitates him physically or mentally from his regular and continuous duty as a General Employee shall receive from the Fund in equal monthly installments an amount equal to thirty percent (30%) of his rate of Earnings in effect on the date of disability, or if greater, the monthly benefit accrued to date of disability (with no actuarial reduction). The benefit shall commence on the 91st day following the date of disability and shall continue until the earlier of death or recovery from such disability. In the event of recovery prior to the otherwise Normal Retirement Date, credit for service during the period of disability shall be granted for purposes of subsequent retirement benefits.

Provided further, the provisions of subparagraph (7)(b) of this Section 24-69 shall apply to any such Disabled Member.

(b) Additional Provisions re Disability Retirees

(i) Any Disability Retiree (whether Service or Non-service connected) shall have the right to elect prior to his Disability Retirement Date to have his benefit payable in an optional form pursuant to the provisions on Optional Forms of Benefit Payments as provided in the Prior System, and

(ii) If the City of Hollywood provides or makes available any City job or position which can be undertaken and performed by a Disability Retiree, such job or position must be accepted and fulfilled by such Disability Retiree unless the Board, pursuant to its established procedures, determines that such Disability Retiree is unable to perform such job or position. In the event that any such job or position provides less compensation than was payable in the job or position occupied by such Disabled Member at the time of his disability, there shall be paid from the System to the Member on a regular basis during the period of employment an amount equal to the differential in compensation as regards the respective positions of employment, further, in such event no disability benefit shall be payable during such period of employment.

Provided further, any job or position offered to a disabled member shall constitute employment commensurate with the ability of and the previous position occupied by such disability retiree prior to the onset of his disability condition; it being the expressed intent of the City Commission that no disability retiree be forced or required to fulfill a position, job or employment of any type with the City which would fail to recognize the prior established ability and position of such disabled person. In the event of an irreconcilable situation arising as a result of an unsuitable position being offered to a disabled retiree, such retiree may, upon application, have the matter finally resolved by the City Commission and the decision of the City Commission in any such case to be final and binding on both the disabled member, the City of Hollywood and the Board of Trustees of the Retirement System."

(8) Pre-Retirement Death

(a) Service Incurred Death

A death benefit shall be payable in behalf of any Member who is killed or dies as a direct result of an occurrence arising in the performance of service. The benefits shall be payable as follows:

- (i) To the Widow(er), until the earlier of death or remarriage, a monthly benefit equal to thirty Percent (30%), of the Member's Earnings at the time of death.
- (ii) If there be no Widow(er), the benefit shall be paid to the Member's surviving children, until the youngest child reaches the age of 18 years.

(iii) Upon remarriage or death of the Widow(er) the benefit shall be paid to the Member's surviving children until the youngest child reaches the age of 18 years.

(b) Non-Service Incurred Death Benefit For Members Eligible For Early, Normal, or Delayed Retirement Benefit.

A death benefit shall be payable on behalf of any Member who at time of death is actively employed and who at such time is eligible for an Early, Normal, or Delayed Retirement benefit. The benefit shall be determined as though the Member had retired as of date of death. The benefit shall be as follows:

- (i) If at time of death such Member has a spouse, the benefit shall be determined and paid as a fifty percent (50%) joint and survivor annuity, the reduced benefit to be payable to the Widow(er) until death or marriage. Upon remarriage or death of the Widow(er) the benefit shall be paid to or in behalf of the Member's surviving children until the youngest child reaches the age of 18 years.

- (ii) If at time of death there is no spouse, the benefit shall be determined on a 10 Year Certain and Life Option basis. The benefit shall be paid to the Member's surviving children, if any, until the youngest child reaches the age of 18 years. If there are no children under 18 years of age, the benefit shall be paid to such Member's designated Beneficiary, so that in any event the benefit is payable for a period of 10 Years Certain.

(c) Additional Provisions Applicable to All Pre-Retirement Death Benefits

- (i) The manner of handling and administering the pension benefit to any child or children shall be determined by the Board including the establishment of a trust for the benefit of said child or children. However, funds payable by the Board to any such trust shall be for maintenance, health, and education of said child or children during the period of existence of any such trust. No survivor pension shall be paid to any stepchild of a deceased Member who had not been legally adopted by such Member.

- (ii) For the purpose of benefits under this act, the date of death of any Member shall be established as the end of the calendar month in which such Member dies.

Sec. 24-70. Vesting

If a Member terminates his employment with the City, either voluntarily or by discharge, and is not eligible for any other benefits under this System, he shall be entitled to the following:

- (a) With less than ten (10) years of Continuous Service, a refund of Member contributions, if any, plus 3% interest compounded annually.
- (b) With ten (10) or more years of Continuous Service,
- (i) The pension benefits accrued to his date of termination, payable for the life of the Member and commencing upon the Member's attainment of his otherwise Normal Retirement Age, provided he does not elect to withdraw his Member contributions, or, in the discretion of the Member.
- (ii) Refund of Member contributions, if any, plus 3% interest compounded annually, in which event no pension benefit shall be payable.

Sec. 24-71. Optional Forms of Retirement Benefits

The provisions of the Prior System pertaining to Optional Forms of Retirement Benefits and a Member's right to elect an Option shall apply herein to the Supplemental System and Members thereof.

Sec. 24-72. Financing of the Supplemental System

- Except as changed, modified, or supplemented by the provisions of this Section, the provisions of the Prior System pertaining to Financing shall be applicable to this Supplemental System. The following additional provisions shall apply:
- (a) No contributions from Members of the Supplemental System shall be required.
- (b) The amount necessary to fund the annual Normal Cost of the Supplemental System plus an amount sufficient to amortize the Unfunded Accrued Liability over a period of not to exceed forty (40) years shall be paid by the City and deposited annually in the Fund.
- (c) All monies from whatever source required for the funding of benefits under both the Prior and Supplemental Systems may be commingled in the Fund for investment purposes. At all times records shall be maintained by the City, or by designated agents in its behalf, reflecting the respective amounts and sources of contributions as respects the Prior and Supplemental Systems, as well as earnings and gains (or loss) in asset value properly allocable to such amounts.

Sec. 24-73. The Board of Trustees

The general administration and responsibility for the proper operation of the Supplemental System and for making effective and implementing the provisions of this Act are hereby vested in the Board of Trustees authorized and established for purposes of the Prior System. The authority and responsibility of said Board, as well as its composition, as specified in the provisions pertaining thereto for the Prior System shall apply in like manner to the Supplemental System.

Sec. 24-74. Termination of Plan and Distribution of Fund

Upon termination of the Supplemental Plan for any reason, or upon written notice to the Board that contributions thereunder are being permanently discontinued, Fund assets attributable to Supplemental Plan Members shall be apportioned and distributed in accordance with the following procedures:

- (a) The Board shall determine the date of distribution and the asset value to be distributed after taking into account expenses of distribution.
- (b) The Board shall determine the method of distribution, that is, whether distribution shall be by payment in cash, the maintenance of another or substituted trust fund, by the purchase of insured annuities or otherwise, for each Member entitled to benefits under the plan.
- (c) The Board shall apportion the asset value as of date of termination in the manner set forth below, on the basis that the amount required to provide any Member's retirement income shall mean, the actuarially computed single sum value thereof, except that if the method of distribution determined under subsection (ii) involves the purchase of an insured annuity, the amount required shall mean the single premium payable for such annuity.
- (i) Apportionment shall first be made in respect of each retired Member receiving a retirement income hereunder on such date, each person receiving a retirement income on such date on account of a retired (but since deceased) Member and each Member who has, by such date, become eligible for Normal Retirement but has not yet retired, in the amount required to provide such retirement income, provided that if such asset value be less than the aggregate of such amounts, such amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such asset value.
- (ii) If there be any asset value remaining after the apportionment under paragraph (i), apportionment shall next be made in respect of each Member in the service of the City on such date who has completed at least ten years of Continuous Service and who

is not entitled to an apportionment under paragraph (i), in the amount required to provide the actuarial equivalent of the accrued normal retirement income, based on the Member's Continuous Service and Earnings to such date, and each former Member then entitled to a benefit under the provisions of this act who has not, by such date.

- (iii) If there be any asset value after the apportionments under paragraphs (i) and (ii), apportionment shall lastly be made on a proportionate basis so as to reflect the relative accrued service of each of the remaining Members in service of the City on such date who are not otherwise entitled to a benefit per paragraphs (i) and (ii);
- (iv) In the event that there be asset value remaining after full apportionment specified in paragraphs (i) and (ii) and (iii), such excess shall be returned to the City.

(d) The Board shall distribute, in accordance with the manner of distribution determined under Subsection (b), the amounts apportioned under Subsection (c).

Sec. 24-75. Investment of Funds

The provisions of the Prior System pertaining to Fund Investments shall apply herein to the Supplemental System and assets thereof, provided that appropriate records are maintained at all times so as to reflect respective asset values and earnings and gain (or loss) on such assets. Subject to the above, all Fund assets may be commingled for investment purposes.

Sec. 24-76. Limited Election Period for Prior System Members

All General Employees who are members of the Prior System on the Effective Date of this Supplemental System shall have to option to elect in writing to transfer their pension coverage and membership from the Prior to the Supplemental System. The option period for making such election shall extend for 180 days from the date upon which the ordinance establishing the Supplemental System becomes law.

Except as hereinafter specified, the benefits for any General Employee electing to become a Member hereunder shall thereafter be determined under the provisions of this Supplemental System; provided that, regular retirement benefits for service under the Prior System up to October 1, 1976, shall be determined on the basis of two and one-half percent (2-1/2%) of Average Monthly Earnings as defined under the Prior System times years and completed months of Continuous Service, and thereafter under this System on the basis of one percent (1%) of Average Monthly Earnings as defined under the Supplemental System times years and completed months of Continuous Service. Provided further, any employee electing to become a Member under this System shall be required to leave his own contributions in the System in order to receive said 2-1/2% of benefit credit for service prior to October 1, 1976.

Section 2: That all sections or parts of sections of the Code of Municipal Ordinances, all ordinances or parts of ordinances, and all resolutions or parts of resolutions, in conflict herewith, be and the same are hereby repealed to the extent of such conflict.

Section 3: That this ordinance shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED on first reading this 3rd day of November, 1976.

PASSED AND ADOPTED on second reading this 1st day of December, 1976.

David R. Keating
MAYOR

ATTEST:

Betty L. Perigo
CITY CLERK