



CITY OF SUNRISE

AGENDA ITEM REQUEST

ORIGINATING DEPARTMENT: CITY ATTORNEY'S OFFICE

ROUTING:

CITY MANAGER: DATE: _____

CITY MANAGER APPROVAL TO BEGIN PROCEDURES.

SIGNATURE: _____

PURCHASING: DATE: _____

PURCHASING APPROVAL: SIGNATURE: _____

LEGISLATIVE AIDE: DATE: _____

CITY ATTORNEY: DATE: _____

ITEM REQUEST:

An Ordinance of the City of Sunrise, Florida, implementing certain terms of the 2008-2011 Collective Bargaining Agreement between the City and Lodge 80A, Fraternal Order of Police, for General Employees; revising certain provisions of the General Employees' Retirement Plan; implementing certain terms of the 2007-2010 Collective Bargaining Agreements between the City and Metro Broward Professional Firefighters Local 3080, I.A.F.F.; and implementing certain retirement plan changes for Management and Senior Management Personnel; amending Section 11-2 of the City Code by providing a Statement of Intent concerning new benefits and contributions for General Employees hired on or after October 1, 2009; amending Section 11-3 of the City Code concerning Retirement Ages and Vesting Period; amending Section 11-26 of the City Code by revising Member Contributions; amending Section 11-31 of the City Code by revising Normal Retirement Benefit Provisions; amending Section 11-38 of the City Code by revising a Buy-Back Provision; amending Section 11-39 of the City Code by revising an Employment After Retirement Provision; amending Section 11-53 of the City Code by revising Management and Senior Management Provisions; amending Section 11-59 of the City Code by revising the Deferred Retirement Option Program for General Employees; creating a new Section 11-62 providing Retirement Benefits and Member Contributions for General, Management and Senior Management Employees hired on or after October 1, 2009; creating a new Section 11-63 to provide a Supplemental Benefit for Firefighters; providing for conflict; providing for severability; providing for inclusion in the Code; and providing an effective date.

FUNDING SOURCE: N/A

BUDGET APPROVAL
SIGNATURE: _____

AMOUNT: N/A

ATTACHED EXHIBITS:

Ordinance

SUMMARY EXPLANATION/BACKGROUND INFORMATION/JUSTIFICATION:

This Ordinance amends the General Employees' Pension Plan based upon certain terms contained in the Collective Bargaining Agreement between the City and the Florida State Lodge, Fraternal Order of Police, Sunrise Lodge 80A, for general employees for the period of October 1, 2008 through September 30, 2011. This Amendment changes the pension plan for general employees, management, and senior management employees hired on or after October 1, 2009. These new hires will have changes in the contribution and benefit structure, including normal and early retirement ages, vesting period, member contributions, DROP plan, and normal retirement benefits. The Ordinance further revises the buy-back amount for re-hired employees to require payment of the applicable member contribution rate including any cost-sharing amount. The Ordinance revises the employment after retirement provision. The Ordinance provides for retroactive participation in the DROP plan for 6 (six) employees who were inadvertently excluded by a 2008 revision. Finally, the Ordinance maintains the current contribution level for management and senior management employees.

DEPARTMENT HEAD RECOMMENDATION:

Approval

PERSON WITH ADDITIONAL INFORMATION:

NAME: Stuart R. Michelson PHONE: (954) 746-3300

DEPARTMENT HEAD SIGNATURE: _____
Stuart R. Michelson, City Attorney

CITY MANAGER RECOMMENDATIONS:

APPROVED FOR AGENDA PLACEMENT.

SIGNATURE: _____ (CITY MANAGER)

SUNRISE, FLORIDA

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF SUNRISE, FLORIDA, IMPLEMENTING CERTAIN TERMS OF THE 2008-2011 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY AND LODGE 80A, FRATERNAL ORDER OF POLICE, FOR GENERAL EMPLOYEES; REVISING CERTAIN PROVISIONS OF THE GENERAL EMPLOYEES' RETIREMENT PLAN; IMPLEMENTING CERTAIN TERMS OF THE 2007-2010 COLLECTIVE BARGAINING AGREEMENTS BETWEEN THE CITY AND METRO BROWARD PROFESSIONAL FIREFIGHTERS LOCAL 3080, I.A.F.F.; AND IMPLEMENTING CERTAIN RETIREMENT PLAN CHANGES FOR MANAGEMENT AND SENIOR MANAGEMENT PERSONNEL; AMENDING SECTION 11-2 OF THE CITY CODE BY PROVIDING A STATEMENT OF INTENT CONCERNING NEW BENEFITS AND CONTRIBUTIONS FOR GENERAL EMPLOYEES HIRED ON OR AFTER OCTOBER 1, 2009; AMENDING SECTION 11-3 OF THE CITY CODE CONCERNING RETIREMENT AGES AND VESTING PERIOD; AMENDING SECTION 11-26 OF THE CITY CODE BY REVISING MEMBER CONTRIBUTIONS; AMENDING SECTION 11-31 OF THE CITY CODE BY REVISING NORMAL RETIREMENT BENEFIT PROVISIONS; AMENDING SECTION 11-38 OF THE CITY CODE BY REVISING A BUY-BACK PROVISION; AMENDING SECTION 11-39 OF THE CITY CODE BY REVISING AN EMPLOYMENT AFTER RETIREMENT PROVISION; AMENDING SECTION 11-53 OF THE CITY CODE BY REVISING MANAGEMENT AND SENIOR MANAGEMENT PROVISIONS; AMENDING SECTION 11-59 OF THE CITY CODE BY REVISING THE DEFERRED RETIREMENT OPTION PROGRAM FOR GENERAL EMPLOYEES; CREATING A NEW SECTION 11-62 PROVIDING RETIREMENT BENEFITS AND MEMBER CONTRIBUTIONS FOR GENERAL, MANAGEMENT AND SENIOR MANAGEMENT EMPLOYEES HIRED ON OR AFTER OCTOBER 1, 2009; CREATING A NEW SECTION 11-63 TO PROVIDE A SUPPLEMENTAL BENEFIT FOR FIREFIGHTERS; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE; AND PROVIDING AN EFFECTIVE DATE.

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WHEREAS, the City has entered into a collective bargaining agreement with the Lodge 80A, Fraternal Order of Police, for General Employees for the period October 1, 2008 through September 30, 2011; and

WHEREAS, the collective bargaining agreement provides for a new level of benefits and contributions for general employees hired on or after October 1, 2009; and

WHEREAS, the FOP collective bargaining agreement contains certain changes to the City of Sunrise General Employees' Retirement Plan for employees hired prior to October 1, 2009; and

WHEREAS, the City has entered into collective bargaining agreements with Metro Broward Professional Firefighters Local 3080, I.A.F.F., for the period October 1, 2007 through September 30, 2010; and

WHEREAS, the IAFF collective bargaining agreements contain certain changes to the City of Sunrise Firefighters' Retirement Plan;

WHEREAS, to implement the changes to the General Employees' Retirement Plan and Firefighters' Retirement Plan reflected in the collective bargaining agreements, an amendment to Chapter 11 of the City Code is necessary; and

WHEREAS, the City Commission has determined that it is in the best interest of the City and its employees to implement certain changes to retirement benefits and contributions for management and senior management personnel that are consistent with the changes for other City employees, and to make certain other changes to the plan; and

WHEREAS, the City has obtained an actuarial impact statement concerning the retirement plan changes in accordance with Article X, Section 14 of the Florida Constitution and Section 112.63, Florida Statutes;

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

Section 1. That section 11-2 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Sec. 11-2. Creation; intent.

(a) There are hereby created the following retirement plans within the city:

- (1) The firefighters' retirement plan;
- (2) The police officers' retirement plan;
- (3) The general employees' retirement plan.

(b) It is hereby declared to be the intent of the city commission that each retirement plan shall be maintained and administered by a separate retirement board which shall be responsible for investing the funds of its respective plan.

(c) The city commission recognizes that in many instances the regulations affecting each of the plans will be the same. It is therefore declared to be the intention of the city commission that there shall be one (1) set of regulations governing the

retirement plans. Where differences among the regulations of the systems exist, they will be clearly indicated. Otherwise, unless so indicated, each provision of this article shall be deemed to apply to all retirement plans of the city.

(d) A new contribution and benefit structure is hereby established for general employees, including management and senior management personnel, hired on or after October 1, 2009. Such employees will be members of the general employees' retirement plan; however, the contributions and benefits for such employees are as set forth in section 11-62.

Section 2. That section 11-3 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Sec. 11-3. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

* * *

Retirement ages for the respective plans shall be as follows:

* * *

(3) a. For the city general employees' retirement plan, the normal retirement age for members who separate from city employment or retire prior to January 1, 2004, shall be sixty (60) years. The early retirement age for such members is fifty-five (55) years.

b. For members of the city general employees' retirement plan hired prior to October 1, 2009 who separate from city employment or retire on or after January 1, 2004, the normal retirement age shall be fifty-eight (58) years. The early retirement age for such members is fifty-three (53) years.

c. For members of the city general employees' retirement plan hired prior to October 1, 2009 who separate from city employment and retire, or enter the DROP, on or after October 1, 2007 with at least thirty (30) years of creditable service, the normal retirement age shall be fifty-three (53) years.

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(d) The normal and early retirement ages for members of the general employees' retirement plan, including management and senior management personnel, hired on or after October 1, 2009, are specified in section 11-62.

* * *

Vested interest, vested benefit means that length of creditable service that establishes a present or future benefit to a member pursuant to the plan. Vesting shall occur upon a total of ten (10) years of full-time employee regular contributions since April 10, 1972 for police and firefighters. Vesting shall occur upon a total of five (5) years of full-time employee regular contributions since April 10, 1972 for general employees hired prior to October 1, 2009. The vesting period for members of the general employees' retirement plan, including management and senior management personnel, hired on or after October 1, 2009, is specified in section 11-62. In the event of the termination or partial termination of any of the city retirement plans, the participant's accrued pension benefit in the terminated or partially terminated plan shall become non-forfeitable, i.e., one hundred (100) percent vested, to the extent funded.

Section 3. That section 11-26 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Sec. 11-26. Contributions.

* * *

(a) *Member contributions.* Regular contributions of each member of the plan shall be made each pay period as follows:

* * *

(3) Effective the first full pay period after October 1, 2005, contributions to the pension plan by members of the general employees' plan who are not management or senior management personnel will be eight (8) percent of their salaries, unless the city's portion of the total cost of the plan exceeds fourteen (14) percent of the covered payroll for contributing plan members, in which case the excess shall be divided equally between the city and contributing plan members as provided in subsection (b). Beginning with the first pay period following June 12, 2001, members of the general employees' plan who are

management or senior management personnel hired prior to October 1, 2009 shall pay seven and one-fourth (7.25) percent of their salaries, unless total required contributions exceed fifteen (15) percent of budgeted payroll for plan members in a given fiscal year, in which case such members shall pay seven and one-fourth (7.25) percent of their salaries plus the amount of any excess. Notwithstanding any provisions of this paragraph (3) and subsection (b) below, effective the first full pay period after October 1, ~~2009~~2007, the member contribution for general employees hired prior to October 1, 2009 who are not management or senior management shall not exceed nine and fifty-one hundredths (9.51) percent for the term of the ~~2008-2011~~2007-2008 collective bargaining agreement between the city and Fraternal Order of Police, Lodge 80A (including any time periods after contract expiration but prior to a successor agreement becoming effective). The member contributions of general employees, including management and senior management personnel, hired on or after October 1, 2009, shall be as specified in section 11-62.

* * *

Section 4. That section 11-31 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Sec. 11-31. Normal retirement benefits.

(a) General employee members of the plan hired prior to October 1, 2009, firefighter members who terminated employment prior to January 1, 2004, and police officer members who terminated employment prior to January 1, 2006, who retire at or after reaching the normal retirement age and who have attained a vested interest in the plan shall be entitled to a retirement benefit of four (4) percent of average final compensation for each of the first ten (10) years of creditable service, plus two (2) percent of average final compensation for each year thereafter. Effective January 1, 2004 for members of the general employees pension plan hired prior to October 1, 2009 who separate from city employment and retire with normal retirement benefits on or after January 1, 2004~~that date~~, the multiplier for employees who retire after that date shall be increased by one (1) percent of average final compensation after the first ten (10) years of creditable service (i.e., raising the multiplier from forty (40) percent to forty-one (41) percent), and by increasing the multiplier an additional one (1) percent

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of average final compensation after twenty (20) years of creditable service (i.e., raising the multiplier from sixty-one (61) percent to sixty-two (62) percent). Completed months of partial years of service shall be included in the benefit calculation. Members retiring under this section shall receive monthly benefits which shall commence on their retirement dates and be continued thereafter during the members' lifetime, ceasing upon death, unless a survivor option has been selected pursuant to section 11-36. The normal retirement benefits of general employees, including management and senior management personnel, hired on or after October 1, 2009, shall be as specified in section 11-62.

* * *

Section 5. That section 11-38 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Sec. 11-38. Termination of employment and buy-back provisions.

* * *

(b) *Buy-back provisions (the following section is applicable only to members of the general employees' retirement plan).*

(1) Any member who has terminated employment with the city and has received a return of contributions may, upon regaining employment with the city, buy-back prior service, including up to five (5) years of intervening, non-pensionable government service, by restoring to the plan the full amount of the employee contribution refunded; and, for each year of intervening, non-pensionable government service claimed, an amount equal to the applicable member contribution rate in effect for the plan, including any cost-sharing amount, for each year of such intervening service, based on the member's city salary at the time of reemployment; ~~five (5) percent of the member's annual compensation rate at the time of re-employment, or an annual amount corresponding to the salary the member would have received had he or she remained with the city, if known,~~ together with interest at the board's assumed rate of investment return at the time the buy back is completed. Credit for one (1) year of intervening government service may be purchased for each year of prior creditable service a member elects to buy back up to a maximum of five (5) years.

(2) Members who wish to buy-back prior service must file with the board a notification of their intention to participate in

the buy-back within sixty (60) days after reinstatement of employment where the right to buy-back prior service credit is irrevocably waived. In the case of a member who has not previously bought back prior service credit, but who has been employed for more than sixty (60) days as of the effective day of this section, such member shall have sixty (60) days from the effective date of this section to provide the notification to the board of the intention to buy-back prior service credits or the right to the buy-back is irrevocably waived.

(3) The buy-back must be completed within one (1) year following notification to the board of the intention to participate in the buy-back. Interest due on the buy-back shall be at the board's assumed rate of investment return for the period from the date of reemployment to the date of repayment. Failure to complete the buy-back within one (1) year period shall result in a forfeiture of the right to the buy-back and an immediate refund of all buy-back contributions, without interest. The buy-back contribution may be made by a cash payment to the fund, through authorization of additional pickup contributions, or by transfer of assets from another qualified retirement plan.

(4) No credit for prior service shall be granted nor may any benefit be based on prior service until full repayment is made in accordance with this section.

(5) The cost attributable to buy-backs under this section shall be in addition to the maximum cost attributable to the city under section 11-26(b)(3) of the City Code.

(c) Any sitting city commissioner, any future city commissioner, and the city manager shall be eligible to buy-back service in accordance with the provisions of subsection (b)(3), (4) and (5) above from the date the commissioner or manager was first elected or employed, including up to five (5) years of intervening, non-pensionable government service, and upon payment of the full amount of the contributions the city commissioner or manager would have made if a plan member, together with interest at the board's assumed rate of investment return at the time the buy back is completed. If commissioners or the city manager wish to buy-back, they must file with the board a notification of their intention to participate in the buy-back within sixty (60) days from the effective date of this ordinance for sitting commissioners and the city manager and within sixty (60) days from their re-election for any future commissioners. If notice is not given, the right to buy-back is irrevocably waived.

(d) No police officer or firefighter will receive credit for years or fractional parts of years of service if he or she has

withdrawn his or her contributions to the fund for those years or fractional parts of years of service, unless the police officer or firefighter repays into the fund the amount he or she has withdrawn, plus interest as determined by the board, within ninety (90) days after his or her employment.

Section 6. That section 11-39 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Sec. 11-39. Employment after retirement.

(a) Any member of the plan who has accepted and is receiving retirement compensation under this article shall have compensation suspended during any period of reemployment in any capacity whatsoever by the city. Any member receiving retirement compensation under this article who becomes reemployed by the city shall furnish timely notice in writing to the city and the board of the fact that he is prohibited from receiving retirement compensation and salary at the same time and should he fail to do so, and should he receive and retain both benefits and compensation, his future benefits may be reduced pursuant to section 11-43.

(b) The reemployment by the city of any person who has accepted and is receiving retirement compensation under this section shall have no effect on the average final compensation or the aggregate number of years of service of such person, nor shall any deductions for retirement contributions be made from the salary paid such person with respect to such reemployment.

(c) Any member eligible to receive benefits under this article and workers' compensation benefits may receive both so long as the total plan benefits and workers' compensation benefits does not exceed the average final compensation. If such total exceeds the average final compensation, the benefits shall be reduced by the amount of such excess.

(d) The provisions of (a) above shall not apply to retired police officers who are re-employed as reserve officers to provide traffic control and security at the Broward Civic Arena.

(e) The provisions of subsection (a) above shall not apply to any retired member of the firefighters' retirement plan who is appointed as city manager.

Section 6. That section 11-53 of the Code of the City of Sunrise, Florida is hereby amended to read as follows:

Sec. 11-53. Retirement benefits for management and senior management personnel hired prior to October 1, 2009.

(a) Management personnel hired prior to October 1, 2009 who terminate employment and begin receiving normal or early retirement benefits on or after September 13, 1999, shall receive the same retirement benefits as general employees, except as follows:

* * *

(b) Senior management personnel hired prior to October 1, 2009 who terminate employment and begin receiving normal or early retirement benefits on or after September 13, 1999, shall receive the same retirement benefits as general employees and management personnel, except as follows:

* * *

(c) Notwithstanding the provisions of section 11-26(a)(3), beginning with the first pay period following March 12, 2002, members of the general employees' plan who are management or senior management personnel hired prior to October 1, 2009 shall pay regular contributions of eight and seven-tenths (8.70) percent of their salaries. Notwithstanding the provisions of section 11-26(b), if the additional benefits for such senior management and management personnel in this section cause the city's annual contribution to the plan to exceed ten (10) percent of total budgeted payroll for members of the system for any year, the city shall fund the amount of the excess. Notwithstanding the provisions of sections 11-26(a)(3), 11-26(b), or this subsection (c), members of the general employees' plan who are management or senior management personnel hired prior to October 1, 2009 shall pay regular contributions of eleven and three-quarters (11.75) percent for the term of the 2008-2011 collective bargaining agreement between the city and Fraternal Order of Police, Lodge 80A (including any time periods after contract expiration but prior to a successor agreement becoming effective).

* * *

(h) Deferred retirement option plan.

(1) A deferred retirement option plan (DROP) is established for management and senior management personnel, effective ~~upon passage of this section~~ [June 12, 2001].

(2) Management and senior management personnel who attain age fifty (50) with five (5) more years of creditable service shall be eligible to participate in the DROP.

(3) A member's election to participate in the DROP shall be irrevocable. A member who elects to participate in the DROP can elect to terminate DROP participation and city employment sooner than the maximum DROP period, with thirty (30) days advance written notice to the city.

(4) An eligible management member may participate in the DROP for a maximum of sixty (60) months. An eligible senior management member who is not participating in the DROP on the effective date of this ordinance may participate in the DROP for a maximum of seventy-two (72) months. With respect to any senior management member who is in the DROP as of the effective date of this ordinance, such member's DROP period may, at the member's request, be extended to a maximum of seventy-two (72) months. An eligible member may elect to participate in the DROP with thirty (30) days advance written notice to the city at any time after attaining age fifty (50). Notwithstanding any provision of this section to the contrary, an eligible management or senior management member who enters the DROP on or after October 1, 2008 may elect to participate in the DROP within five (5) years following the member's earliest normal retirement age, with thirty (30) days advance written notice to the city, for a maximum of seventy-two (72) months. Any such member who delays entry into the DROP beyond sixty (60) months after reaching the earliest normal retirement age may elect to enter the DROP, upon thirty (30) days' advance written notice to the city, and for every month the member delays entry into the DROP beyond sixty (60) months after reaching the earliest normal retirement age, the maximum DROP period shall be reduced by one (1) month. Notwithstanding the two preceding sentences, any management or senior management member who was eligible to enter the DROP on September 30, 2008, but was not participating in the DROP on that date may elect to enter or participate in the DROP retroactive to such date, in accordance with the provisions of this section 11-53(d) in effect on that date. Such election must be submitted in writing on a form provided by the city to the City Finance Department within sixty (60) days after this ordinance takes effect. A management or senior management member

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who was eligible to enter the DROP on September 30, 2008, and who does not submit a written election in accordance with the preceding sentence shall forfeit the right to enter or participate in the DROP retroactive to September 30, 2008, in accordance with the provisions of this section 11-53(d) in effect on that date. With respect to any management member who is participating in the DROP on October 1, 2008, such member's DROP period may, at the member's request, be extended to a maximum of seventy-two (72) months. A management member who is participating in the DROP on October 1, 2008 and wishes to extend DROP participation pursuant to the preceding sentence must submit an extension request to the City Finance Department prior to the end of the member's original DROP period, and on or before December 31, 2008, on a form provided by the city.

(5) An eligible member who elects to participate in the DROP will be considered to have retired for purposes of the pension plan. The member's monthly retirement benefit, determined in accordance with the plan based on years of creditable service and average final compensation at the time the member enters the DROP, will be paid into his or her DROP account every month during the DROP period. No member contributions shall be required after a member enters the DROP, and the member will not accrue any additional creditable service or any additional benefits under the pension plan after entering the DROP.

(6) A member who elects to participate in the DROP shall not be eligible for disability or preretirement death benefits under the pension plan.

(7) As a condition of participating in the DROP, an eligible member who is not a member of the city commission or a Charter officer must agree to terminate city employment at the conclusion of the DROP period and to submit an irrevocable letter of resignation stating this prior to entering the DROP. Eligible members who are city commissioners or Charter officers shall not be required to terminate city employment at the conclusion of the DROP period, and may elect to resume participation in and accrue additional benefits under the general employees' retirement plan.

(8) Participation in the DROP is not a guarantee of employment, and DROP participants will be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.

(9) During a member's participation in the DROP, the member's monthly retirement benefit will be paid into the DROP account. The member's DROP account of a member who enters the DROP prior to October 1, 2009 will earn interest at the same rate as the investment earnings assumption for the pension plan. The

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investment earnings assumption may be adjusted up or down during a member's participation in the DROP, which will result in a change in the prospective interest rate credit on the member's DROP account. The DROP account of a member who enters the DROP on or after October 1, 2009 will earn interest at the rate of four (4) percent per year, compounded annually.

(10) Within thirty (30) days following a DROP participant's termination of city employment or death, the member, or in the event of the member's death the member's designated beneficiary, may submit a written election on a form approved by the board, to receive the member's entire DROP account balance, which shall be distributed to the member (or in the event of the member's death, to the member's designated beneficiary or estate in accordance with paragraph (11), below) in a cash lump sum, unless the member elects to have all or any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the member in a direct rollover. Any such direct rollover will be accomplished in accordance with section 11-50 of the pension plan. In the event a member or designated beneficiary does not submit a written election to receive a distribution of the member's DROP account balance within thirty (30) days following the member's termination of city employment or death, the DROP account shall be maintained but shall not earn interest.

(11) If a DROP participant dies before his or her DROP account is distributed, the participant's designated beneficiary shall have the same rights as the participant with respect to the distribution of the DROP account. If the member has not designated a beneficiary, the DROP account balance shall be paid to the member's estate.

(12) The pension board shall adopt any necessary rules for administering the DROP.

(i) The contributions and benefits for management and senior management personnel hired on or after October 1, 2009 shall be as specified in section 11-62.

Section 7. That section 11-59 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Sec. 11-59. Deferred retirement option program for general employees.

* * *

(3) DROP plan features:

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- a. An eligible member who elects to participate in the DROP will be considered to have retired for purposes of the pension plan. The member's monthly retirement benefit, determined in accordance with the plan based on years of creditable service and average final compensation at the time the member enters the DROP, will be paid into his or her other DROP account every month during the DROP period. No member contributions shall be required after a member enters the DROP, and the member will not accrue any additional creditable service or any additional benefits under the pension plan after entering the DROP.
- b. A member who elects to participate in the DROP shall not be eligible for disability or preretirement death benefits under the pension plan.
- c. As a condition of participating in the DROP, the member must agree to terminate city employment at the conclusion of the DROP period, and to submit an irrevocable letter of resignation stating this prior to entering the DROP. Employees who elect to participate in the DROP must also submit an irrevocable written DROP election on forms provided by the city prior to entering the DROP.
- d. Participation in the DROP is not a guarantee of employment, and DROP participants will be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.
- e. During a member's participation in the DROP, the member's monthly retirement benefit will be paid into the DROP account. The member's DROP account of a member who enters the DROP prior to October 1, 2009 will earn interest at the same rate as the investment earnings assumption for the pension plan. The investment earnings assumption may be adjusted up or down during a member's participation in the DROP, which will result in a change in the prospective interest rate credit on the member's DROP account. The DROP account of a member who enters the DROP on or after October 1, 2009 will earn interest at the rate of four (4) percent per year, compounded annually.
- f. Within thirty (30) days following a DROP participant's termination of city employment or death, the member, or in the event of the member's death the member's designated beneficiary, may submit a written election on a form approved by the board, to receive the member's entire DROP account balance, which shall be distributed to the member (or in the event of the member's death to the member's designated beneficiary or estate in accordance with paragraph (2)g. below) in a cash lump sum, unless the member elects to have all or any portion of an eligible rollover distribution paid directly to an eligible

retirement plan specified by the member in a direct rollover. Any such direct rollover would be accomplished in accordance with section 11-50 of the pension plan. In the event a member or designated beneficiary does not submit a written election to receive a distribution of the member's DROP account balance within thirty (30) days following the member's termination of city employment or death, the DROP account shall be maintained but shall not earn interest.

g. If a DROP participant dies before his or her DROP account is distributed, the participant's designated beneficiary shall have the same rights as the participant with respect to the distribution of the DROP account. If the member has not designated a beneficiary, the DROP account balance shall be paid to the member's estate.

h. The pension board shall adopt any necessary rules for administering the DROP.

* * *

Section 8. That the Code of the City of Sunrise, Florida, is hereby amended by adding a section to be numbered 11-62, which section reads as follows:

Sec. 11-62. Benefits and member contributions for general employees, including management and senior management personnel, hired on or after October 1, 2009.

(a) Notwithstanding any other provision of the plan, general employees, including management and senior management personnel, hired on or after October 1, 2009, shall receive the same retirement benefits as general employees hired prior to that date who are not management or senior management personnel, except as follows:

- (1) The normal retirement age shall be age sixty-two (62) or older with six (6) years of creditable service
- (2) The early retirement age shall be age fifty-seven (57) with six (6) years of creditable service.
- (3) The vesting period shall be six (6) years of full-time contributing employment with the city.
- (4) Upon reaching normal retirement age, a member is entitled to a normal retirement benefit of two and one-half percent (2.5%) of average final compensation for each year of creditable service, up to a maximum benefit of eighty percent (80%) of average final compensation.

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(b) Notwithstanding any other provision of the plan, general employees, excluding management and senior management personnel, hired on or after October 1, 2009 shall contribute eight (8) percent of their salary to the plan for the term of the 2008-2011 collective bargaining agreement between the city and Fraternal Order of Police, Lodge 80A (including any time periods after contract expiration but prior to a successor agreement becoming effective). Thereafter, the member contribution shall be subject to adjustment in accordance with the cost-sharing provisions found in Section 11-26 of the plan.

(c) Notwithstanding any other provision of the plan, management and senior management personnel hired on or after October 1, 2009 shall contribute eight (8) percent of their salary to the plan.

Section 9. That the Code of the City of Sunrise, Florida, is hereby amended by adding a section to be numbered 11-62, which section reads as follows:

Sec. 11-63. Supplemental benefit for firefighters.

(a) Effective October 1, 2009, firefighters who terminate employment and begin receiving normal or early retirement benefits on or after October 1, 2007, shall receive a supplemental monthly benefit in the initial amount of twenty-five dollars (\$25.00) per year of creditable service, up to a maximum of five hundred dollars (\$500.00) per month until age sixty-five (65), and fifteen dollars (\$15.00) per year of creditable service up to a maximum of three hundred dollars (\$300.00) per month thereafter, contingent on the annual adjustment described in section 11-57. Each retiree's supplemental benefit shall be in addition to the normal or early retirement benefit paid under the plan, and shall be paid only if the retiree is then alive. Each retiree's supplemental benefit shall be determined on an annual basis, and the amount of the benefit may vary from year to year or the benefit may be discontinued entirely, based on the adjustment described in section 11-57.

Section 10. Conflict. All ordinances or parts of ordinances, all City Code Sections or parts of City Code

sections, and all resolutions or parts of resolutions in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 11. Severability. Should any provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of the Ordinance as a whole, nor any part thereof, other than the part declared to be invalid.

Section 12. Inclusion in the City Code. 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 Sunrise, Florida.

Section 13. Effective Date. This Ordinance shall be effective immediately upon its passage, except as otherwise specifically provided herein.

PASSED AND ADOPTED upon this first reading this ____ day of _____ 2009.

PASSED AND ADOPTED upon this second reading this ____ day of _____ 2009.

Roger B. Wishner, Mayor

Authentication:

Felica M. Bravo
City Clerk

FIRST READING

Motion: _____
Second: _____

ALU: _____
ROSEN: _____
SCUOTTO: _____
SOFIELD: _____
WISHNER: _____

SECOND READING

Motion: _____
Second: _____

ALU: _____
ROSEN: _____
SCUOTTO: _____
SOFIELD: _____
WISHNER: _____

Approved by the City Attorney
as to Form and Legal Sufficiency.

Stuart R. Michelson

SRMRG0828

C09294

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Underscored words are additions