ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING CHAPTER 33 OF THE CODE OF ORDINANCES TITLED "POLICE OFFICER'S RETIREMENT SYSTEM"; INCORPORATING VARIOUS CHANGES TO THE RETIREMENT SYSTEM CONTAINED IN THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE FRATERNAL ORDER OF POLICE, LODGE #24 AND THE CITY OF HOLLYWOOD, INCLUDING CHANGES RELATING TO DEFINITIONS, NORMAL RETIREMENT BENEFITS, AND MILITARY SERVICE BUY BACK; FURTHER AMENDING CHAPTER 33 BY REMOVING OUTDATED AND OBSOLETE PROVISIONS.

WHEREAS, the Fraternal Order of Police ("FOP"), Lodge #24 and the City of Hollywood, Florida, have negotiated a Collective Bargaining Agreement for the period commencing October 1, 2022, and terminating September 30, 2025; and

WHEREAS, included in the agreement are changes to the Police Officer's Retirement System; and

WHEREAS, to make the changes to the pension plan official, it is necessary to incorporate them into the Code of Ordinances; and

WHEREAS, Section 33.138 of the City's Code of Ordinances requires, as one of the two alternative procedures to amend the police officers' pension plan, approval by a 5/7 vote of the City Commission and 50% plus one of the active members of the police officers' pension plan; and

WHEREAS, prior to the adoption of this Ordinance on second reading, 50% plus one of the active members of the police officers' pension plan will have to approve the amendments contained in this Ordinance.

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

<u>Section 1</u>: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Ordinance.

<u>Underlined</u> text are additions to existing text; struck through text has been removed from existing text.

<u>Section 2</u>: That Chapter 33 of the Code of Ordinances is hereby amended to read as follows:

TITLE III: ADMINISTRATION

* * *

CHAPTER 33: CITY EMPLOYEES

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POLICE OFFICER'S RETIREMENT SYSTEM

* * *

§ 33.126 DEFINITIONS.

EARNINGS. For purposes of Group One restored members and Group Two restore members only, EARNINGS, also referred to as "compensation,", shall include salary, overtime pay not to exceed 300 hours per year, longevity pay, assignment pay, payments for accrued holiday time, payments for accrued blood time, and payments for accrued compensatory time, but shall not include payments for unused sick time or for unused vacation time. For purposes of Group Two Restored Members only, EARNINGS shall include salary, overtime pay not to exceed 300 hours per year, longevity pay, assignment pay, payments for accrued holiday time not to exceed 130 hours, payments for accrued blood time, and payments for accrued compensatory time, but shall not include payments for unused sick time or for unused vacation time. For purposes of Group Three members only, EARNINGS shall include salary, overtime pay not to exceed 200 hours per year, longevity pay, assignment pay, payments for accrued holiday time not to exceed 130 hours per year but shall not include payments for accrued blood time, annual "cash out' payments for vacation time, payments for accrued compensatory time, and payments for unused sick time or for unused vacation time. be the sum of the following amounts actually paid to a member: salary; longevity pay; and assignment pay, but shall not include overtime pay, payments for accrued holiday time, payments for accrued blood time, annual "cash-out" payments for accrued vacation time, payments for accrued compensatory time, and payments for unused sick time or for unused vacation time which is paid upon retirement or termination. For purposes of Group One restored members and Group Two restored members only, the definition of EARNINGS shall include shall include salary, overtime pay not to exceed 300 hours per year, longevity pay, assignment pay, payments for accrued holiday time, payments for accrued blood time, and payments for accrued compensatory time, but shall not include payments for unused sick time or for unused vacation time.

. . .

§ 33.128 NORMAL RETIREMENT.

...

(B) Normal retirement benefit.

(1) Amount.

(c) Group Three members. Effective October 1, 2020 2022, the following pension benefits changes will be made for apply to Group Three members as specifically provided in the following divisions.

1. Maintain the 3% multiplier for the first 21 years of continuous service, but allow Group Three members to retire upon completion of 22 years of creditable service at an accrued benefit of 75% of their average final compensation.

2. <u>Group Three restored members employed who do not participate in the</u> <u>DROP plan shall receive a 2.5% annual increase in benefits commencing three years</u> <u>after the date retirement benefits begin and continuing every other year thereafter. Group</u> <u>Three restored members who participate in the DROP plan shall receive a 2.5% annual</u> <u>increase in benefits commencing upon the later of (i) separation of employment and (ii)</u> <u>three years after the member entered the DROP plan and continuing every other year</u> <u>thereafter.</u>

2 3. A maximum normal retirement benefit of 75% of average final compensation.

 $3 \underline{4}$. Increase the maximum participation period for Group Three members in the reformed planned retirement benefit from five years to eight years at any time upon attainment of normal retirement date as defined in division (A), subject to the other existing limitation of 30 years of service with the city.

5. Eligibility to participate in the DROP plan, with the Group Three restored member to select an entry date on or after the day the member attained or attains age 55 with 10 years of service or completed or completes 22 years of continuous service, subject to the existing limitation of 30 years of service with the city. Upon reaching a normal retirement date, a Group Three member may elect to participate in the reformed planned retirement benefit as an alternative to choosing DROP plan participation, but cannot participate in both. The member's decision shall be irrevocable.

...

(D) Pre-retirement death.

(1) <u>Service-Related</u> Death with at least ten years of service.

(a) Effective October 1, 2000, if <u>If</u> a member having at least ten years of continuous service who is killed or dies as a direct result of an occurrence arising in the performance <u>of service</u> dies prior to retirement, his or her beneficiary is entitled, until death, to a monthly benefit equal to the greater of the earned benefit or the benefit otherwise payable under $\frac{(D)(2) \text{ or }}{(D)(3)}$ below, as applicable; provided, however, that, if the beneficiary dies

before having received such benefit for a period of ten years, the estate of the member is entitled to the same monthly benefit for the balance of such ten-year period.

(b) Effective October 1, 2000, if <u>If</u> a member having at least ten years of continuous service who is killed or dies as a direct result of an occurrence arising in the performance of service dies prior to retirement and fails to designate a beneficiary, the estate of the member is entitled, for a period of ten years, to a monthly benefit equal to the greater of the earned benefit or the benefit otherwise payable under (D)(2) or (D)(3) below, as applicable.

(2) Service incurred death with less than ten years of service. A death benefit shall be payable in behalf of any member having less than ten years of continuous service who is killed or dies within five years as a direct result of an occurrence arising in the performance of service. Effective October 1, 2000, the benefits shall be payable as follows:

(a) If the member is not married at the time of his or her death, then his or her designated beneficiary is entitled, for a period of ten years, to a monthly benefit equal to 50% of the member's earnings at the time of death; provided, however, that, if the beneficiary dies before having received such benefit for a period of ten years, the estate of the member is entitled to the same monthly benefit for the balance of such ten-year period.

(b) If the member is not married at the time of his or her death, the member has surviving children, and the member fails to designate a beneficiary, then a monthly benefit equal to 50% of the member's earnings at the time of death shall be paid to the member's surviving children for a period of ten years or until the youngest child reaches the age of 18 years, whichever is later. If the monthly benefit to the surviving children ceases before benefit payments have been made for a total of ten years, the estate of the member is entitled to the same monthly benefit for the balance of such ten-year period.

(c) If the member is not married at the time of his or her death, the member has no surviving children, and the member fails to designate a beneficiary, then a monthly benefit equal to 50% of the member's earnings at the time of death shall be paid to the member's estate for a period of ten years.

(d) If the member is married at the time of his or her death, the member's spouse is entitled, until the earlier of death or remarriage, to a monthly benefit equal to 50% of the member's earnings at the time of death. 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. If the monthly benefit to the widow(er) or surviving children ceases before benefit payments have been made for a total of ten years, the estate of the member is entitled to the same monthly benefit for the balance of such ten-year period.

(ec) The manner of handling and administering the pension 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 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.

(32) Non-service incurred death within less than ten years of service. A death benefit shall be payable in behalf of any member having less than ten years of continuous service who is killed or dies within five years from causes not related to performance of duty. The benefits shall be payable as follows:

(4<u>3</u>) For the purpose of benefits under this division (D), the date of death of any member shall be established as the end of the calendar month in which such member dies.

§ 33.136 MISCELLANEOUS PROVISIONS.

(I) Continuous service credit.

(1) In computing any benefit based upon service, continuous service shall include all periods of time of actual work for which earnings were received by members in service of the Police Department, and notwithstanding anything to the contrary in this subchapter.

(2) In the event that the Board of Trustees may permit a former member of the system to "buy back" past service, such former member must return his or her withdrawn contributions with interest, as determined by the Board from time to time, not later than 90 days after his or her reemployment.

(J) (Reserved). Military Service Buy-Back. A member may purchase up to a total of four years of credit for military service prior to employment, or prior service as a full-time municipal, county, state, or federal police officer which meets the definition of "police officer" as provided in this plan, or a combination of the two types of service. In the case of prior police service, the member shall certify that no retirement benefit is or will be paid on account of the prior police service. Members purchasing credit for prior service under this section shall pay the full actuarial cost of the credited service as determined by the actuary for the plan. Credited service purchased pursuant to this section shall not count toward a member's vesting. The Board of Trustees shall provide uniform rules for the administration of this benefit.

* * *

<u>Section 3</u>: That it is the intention of the City Commission that the provisions of this Ordinance shall be made a part of the Code of Ordinances of the City of Hollywood, Florida, and the sections of the Code may be renumbered to accomplish such intention.

<u>Section 4</u>: That if any word, phrase, clause, subsection or section of this ordinance is for any reason held unconstitutional or invalid, the invalidity thereof shall not affect the validity of any remaining portions of this ordinance.

<u>Section 5</u>: 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 herewith be and the same are hereby repealed to the extent of such conflict.

AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING THE SUBCHAPTER OF CHAPTER 33 OF THE CODE OF ORDINANCES TITLED "POLICE OFFICER'S RETIREMENT SYSTEM."

<u>Section 6</u>: That this ordinance shall be in full force and effect immediately upon its passage and adoption.

ADVERTISED on _____, 2023.

PASSED on first reading this _____ day of _____, 2023.

PASSED AND ADOPTED on second reading this _____ day of ______

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC CITY CLERK

APPROVED AS TO FORM:

DOUGLAS R. GONZALES CITY ATTORNEY