



Legislation Details (With Text)

File #: PO-2015-22 **Version:** 2 **Name:** PBA Pension Changes
Type: Ordinance **Status:** Passed
File created: 8/10/2015 **In control:** Regular City Commission Meeting
On agenda: 10/7/2015 **Final action:** 10/7/2015
Title: 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"; Incorporating Various Changes To The Retirement System Contained In The Collective Bargaining Agreement Between The Broward County PBA And The City Of Hollywood, Including Changes Relating To Membership, Eligibility, Normal Retirement Date, Normal Retirement Benefit, The Creation Of A Reformed Planned Retirement Benefit, Interest On Refunds Of Employee Contributions, And Employee Contributions.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Final Pension Ordinance 9-4-15.pdf, 2. Proposed benefit changes impact 08 19 15 - Revised (2).pdf, 3. BIS 15-255.pdf

Date	Ver.	Action By	Action	Result
10/7/2015	2	Regular City Commission Meeting	adopt on second and final reading	Pass
9/16/2015	1	Regular City Commission Meeting	adopt on first reading	Pass

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"; Incorporating Various Changes To The Retirement System Contained In The Collective Bargaining Agreement Between The Broward County PBA And The City Of Hollywood, Including Changes Relating To Membership, Eligibility, Normal Retirement Date, Normal Retirement Benefit, The Creation Of A Reformed Planned Retirement Benefit, Interest On Refunds Of Employee Contributions, And Employee Contributions.

Staff Recommends: Approval of the attached Ordinance

Explanation:

The City of Hollywood and the Broward County Police Benevolent Association have negotiated a Collective Bargaining Agreement covering the period from October 1, 2014 to September 30, 2017 (the "Agreement"). Included in the Agreement are changes to the Police Officer's Retirement System ("Pension Plan"). The terms of the Pension Plan are found in subchapter of chapter 33 of the Code of Ordinances titled "Police Officer's Retirement System." To make the changes to the Pension Plan official, it is necessary to incorporate them into the Code of Ordinances.

Below is a summary of the Pension Plan changes included in the Agreement:

- Amend the definition of normal retirement date so that an employee hired prior to October 1, 2011 with less than ten years of credited service as of September 30, 2011 and an employee hired on or after October 1, 2011 may retire on the day he or she attains age 55 and completes 10 years of creditable service or on the day he or she completes 25 years of creditable service.
- For employees who had less than 10 years of creditable on September 30, 2011, add 0.3% to each year of creditable service an employee had through September 30, 2011.
- Police officers become members of the Police Pension Plan and begin contributing into the Police Pension Plan upon their hire date as a certified law enforcement officer.
- If an employee terminates his/her employment with the Police Department with less than ten years of service, either voluntarily or by discharge, and is not eligible for any other benefit under the Police Pension Plan, he/she shall receive a refund of his/her contributions without interest.
- Create a benefit to be known as the Reformed Planned Retirement Benefit. Employees, upon entering the Reformed Planned Retirement Benefit, to elect one of the following two (2) options. The election shall be irrevocable:
 - 1) While participating in Reformed Planned Retirement benefit, contribute 8% of earnings as that term is defined in Section 33.126 of the City Code until termination of employment and upon termination continue to have the three options currently allowed under Planned Retirement and set forth in Section 33.128(G)(4) of the City Code; or
 - 2) While participating in Reformed Planned Retirement, contribute 0.5% of earnings as that term is defined in Section 33.126 of the City Code and upon termination only be provided with the first option set forth in Section 33.128(G)(4) of the City Code, which is taking a lump sum payment that would be valued based on the number of years the employee worked after electing to participate in Planned Retirement. For employees who choose this option, any earnings/losses calculated into the employee's lump sum payment shall be based upon the Pension Plan's actual investment rate of return as set forth in more detail in the Agreement.
- Employees currently in the Planned Retirement Benefit will be given 60 days from the implementation of the Reformed Planned Retirement Benefit to make their election. If they elect the new option, they will receive a refund of their contribution into Planned Retirement (7.5%) for the time spent in planned retirement that the employee elects to take as a lump sum upon termination.
- Upon termination employees will be allowed to leave the lump sum payment in the Pension Plan. The Pension Plan's actual investment rates of return (whether positive or negative) shall be applied to the lump sum payment for as long as any portion thereof remains in the Pension Plan.

Recommended for inclusion on the agenda by:

Wazir Ishmael, Ph.D., City Manager

Mel Standley, Assistant City Manager, Public Safety

George Keller, Assistant City Manager, Finance & Administration

Raquel Elejabarrieta, Director, Labor Relations
Tomas Sanchez, Chief of Police
Matt Lalla, Director, Financial Services