

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF HOLLYWOOD, FLORIDA, AMENDING CHAPTER 33 OF THE CODE OF ORDINANCES TITLED "FIREFIGHTER'S PENSION AND RETIREMENT" INCORPORATING VARIOUS CHANGES TO THE CHAPTER CONTAINED IN THE TENTATIVELY AGREED TO COLLECTIVE BARGAINING AGREEMENT WITH THE HOLLYWOOD PROFESSIONAL FIRE FIGHTERS, LOCAL #1375, INCLUDING CHANGES TO THE BENEFIT ACCRUAL RATE FOR FIREFIGHTERS WHO SEPARATE FROM SERVICE, ENTER THE DEFERRED RETIREMENT OPTION PLAN, OR ENTER THE REFORMED PLANNED RETIREMENT BENEFIT TO 3.4% OF AVERAGE FINAL COMPENSATION FOR EACH YEAR OF CREDITED SERVICE EARNED ON AND AFTER JULY 7, 2026, FOR BOTH TIER 1 AND TIER 2 MEMBERS; CHANGES TO THE NORMAL RETIREMENT DATE TO THE EARLIER OF THE FIRST DAY OF THE MONTH FOLLOWING THE ATTAINMENT OF AGE 50 AND THE COMPLETION OF TEN YEARS OF CREDITED SERVICE OR UPON THE COMPLETION OF 21 YEARS OF CREDITED SERVICE, REGARDLESS OF AGE; AND CHANGES TO THE MEMBER CONTRIBUTION RATE TO 9.85% FOR TIER 1 MEMBERS AND 11.35% FOR TIER 2 MEMBERS; PROVIDING FOR CONFLICT, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, the Hollywood Professional Fire Fighters, Local #1375 and the City have negotiated a Collective Bargaining Agreement ("Agreement") for the period commencing July 7, 2026, and terminating September 30, 2028; and

WHEREAS, included in the Agreement are changes to the benefit accrual rate for firefighters who separate from service, enter the deferred retirement option plan, or enter the referred planned retirement benefit to 3.40% of average final compensation for each year of credited service earned on and after July 7, 2026 for both Tier 1 and Tier 2 members; and

WHEREAS, included in the Agreement are changes to the normal retirement date to the earlier of the first day of the month following the attainment of age 50 and the completion of ten years of credited service or upon the completion of 21 years of credited service regardless of age; and

WHEREAS, included in the Agreement are changes to the member contribution rate to 9.85% for Tier 1 members; and

WHEREAS, included in the Agreement are changes to the member contribution rate to 11.35% for Tier 2 members; and

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

WHEREAS, Section 33.063 of the Code of Ordinances requires, as one of the two alternative procedures to amend the firefighters' pension plan, approval by a "majority plus one" vote of the City Commission and 50% plus one of the active members of the firefighters' pension plan; and

WHEREAS, prior to the adoption of this Ordinance on second reading, 50% plus one of the active members of the firefighters' 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:

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

Section 2: That Chapter 33 of the Code of Ordinances is hereby amended to read as follows¹:

TITLE III: ADMINISTRATION

* * *

CHAPTER 33: CITY EMPLOYEES

* * *

FIREFIGHTER'S PENSION AND RETIREMENT

* * *

§ 33.039 CONTRIBUTIONS.

(A) Member contributions.

(1) Tier 1 member contributions amount. Each Tier 1 member shall be required to make regular contributions to the Fund in the amount of 89.85% of his or her compensation, effective the first full pay period on or after July 7, 2026. Tier 1 member contributions picked up by the city on behalf of the Tier 1 member shall be deposited with

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the Board immediately after each pay period. The contributions made by each Tier 1 member to the Fund 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 Tier 1 members' gross income for Federal Income Tax purposes. For all other purposes of the system, such contributions shall be considered to be Tier 1 member contributions.

(2) Tier 2 member contributions amount. Each Tier 2 member hired on or after July 16, 2009 shall be required to make regular contributions to the Fund in the amount of ~~9.511.35%~~ of his or her compensation, effective the first full pay period on or after ~~March 20, 2019~~ July 7, 2026. Tier 2 member contributions picked up by the city on behalf of the Tier 2 member shall be deposited with the Board immediately after each pay period and 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 Tier 2 member's gross income for federal income tax purposes. For all other purposes, such contributions shall be considered to be Tier 2 member contributions.

[...]

§ 33.040 BENEFIT AMOUNTS AND ELIGIBILITY.

(A) Normal retirement date. A member's normal retirement date shall be the first day of the month following the attainment of age 50 and the completion of ten years of credited service or upon the completion of ~~23~~21 years of credited service, regardless of age. A member may retire on his or her normal retirement date or on the first day of any month thereafter, and each member shall become 100% vested in his or her accrued benefit upon completion of ten years of credited service. Normal retirement under the system is retirement from employment with the city on or after the normal retirement date.

(B) Normal retirement benefit.

[...]

(2) The monthly retirement benefit for a Tier 1 member shall equal ~~3.33.4%~~ of average final compensation for each year of credited service, up to a maximum benefit of 86%, effective the first full pay period on or after July 7, 2026.

(3) The monthly retirement benefit for a Tier 2 member shall equal ~~3.23.4%~~ of average final compensation for each year of credited service up to a maximum benefit of 80%, effective the first full pay period on or after July 7, 2026.

[...]

§ 33.061 DEFERRED RETIREMENT OPTION PLAN.

(A) In lieu of terminating employment and accepting a service retirement allowance under the system, any Tier 1 member who has reached age 50 and who has completed ten years of credited service or who has completed not less than ~~23~~21 years and not

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more than 30 years of credited service and who is eligible to receive a service retirement allowance may elect to participate in the deferred retirement option plan and defer the receipt of benefits in accordance with the provisions of this section.

[...]

§ 33.062 PLANNED RETIREMENT BENEFIT; REFORMED PLANNED RETIREMENT BENEFIT.

(A) This section creates a benefit known as the planned retirement benefit. Any member who retired or entered DROP prior to July 3, 2013 is not eligible for this benefit. Effective May 2, 2018, there is hereby created a benefit to be known as the reformed planned retirement benefit. Any member who retired or entered DROP prior to May 2, 2018 is not eligible for the benefit. Any member who on or after May 2, 2018 becomes eligible for DROP due to an amendment to the plan and affirmatively elects participation in the reformed planned retirement benefit in lieu of DROP shall be permitted to participate in that benefit.

(B) In order to be eligible for the planned retirement benefit, a member must have submitted a form created for this purpose declaring the member's intent to participate at any time on or after reaching the member's normal retirement date but no later than May 1, 2018. After that date, to be eligible for the reformed planned retirement benefit, a member must have submitted a form created for that purpose declaring the member's intent to participate at any time on or after reaching the member's normal retirement date. The form will identify the maximum number of years the member may participate in planned retirement benefit or the reformed planned retirement benefit and the member's latest employment termination date based on the maximum number of years identified. The form to participate in the reformed planned retirement benefit will also require the member to make an irrevocable election of one of the following two options:

(1) During the period of participation in the reformed planned retirement benefit, continuation of contributions equal to 89.85% or 9-511.35%, as applicable, of the member's compensation until termination of employment and, upon termination of employment, election of one of the distribution options set forth in this section for the planned retirement benefit; or

[...]

(K) If an eligible member who is participating in the planned retirement benefit dies during the participation period, the surviving spouse or, in the case of no surviving spouse, the beneficiary designated in writing by the member, shall make the election provided in division (E)(1) above with respect to the planned retirement benefits earned. If an eligible member who is participating in the reformed planned retirement benefit elects option (1) (continuation of the 89.85% or 911.35% contribution, as applicable) under division (B) above and dies during the participation period, the surviving spouse or, in the case of no surviving spouse, the beneficiary designated in writing by the member, shall make the

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election provided in division (B)(1) above with respect to the reformed planned retirement benefits earned.

[. . .]

(N) Upon reaching DROP eligibility, Tier 1 members shall be eligible to participate in the DROP plan, with the Tier 1 member to select an entry date on or after the day the member attained (or attains) age 50 or completed (or completes) ~~23~~21 years of credited service subject to the existing limitation of 33 years of service with the city. Any member who attained age 50 with ten years of credited service or completed 23 years of credited service before March 20, 2019 and who was not already participating in the reformed planned retirement benefit before March 20, 2019, who wants to participate retroactively in the DROP plan, must submit his or her irrevocable written election/decision within 60 days after March 20, 2019. Any member who attained age 50 with ten years of credited service or completed years of credited service before March 20, 2019 and who was already participating in the reformed planned retirement benefit before March 20, 2019 and who wants to change from the reformed planned retirement benefit to the DROP plan must submit his or her irrevocable written election/decision within 60 days after March 20, 2019. No member shall receive any benefits from both the DROP and the reformed planned retirement benefit. Participants in the reformed planned retirement benefit who transition to DROP shall receive a return of the 0.5% employee contribution, which shall be added to the participant's DROP account.

* * *

Section 3: 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.

Section 4: 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.

Section 5: 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.

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

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ADVERTISED on _____, 2026.

PASSED on first reading this _____ day of _____, 2026.

PASSED AND ADOPTED on second reading this _____ day of _____, 2026.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

DAMARIS Y. HENLON
CITY ATTORNEY