

ORDINANCE NO. 2020-016

ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA AMENDING CHAPTER 70 ENTITLED "RETIREMENT AND PENSION", ARTICLE IV. EMPLOYEES GENERAL RETIREMENT SYSTEM, DIVISION I ENTITLED "GENERALLY", DIVISION 4 ENTITLED "MEMBERSHIP", DIVISION 5 ENTITLED "BENEFITS", AND DIVISION 7 ENTITLED "DEFERRED RETIREMENT OPTION PROGRAM"; IMPLEMENTING THE CHANGES TO THE RETIREMENT PLAN CONTAINED IN 2019-2022 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY AND IAFF FOR FIREFIGHTER MEMBERS, IN PARTICULAR REVISING § 70-96, ENTITLED "DEFINITIONS"; REVISING § 70-210 ENTITLED "MEMBER CONTRIBUTIONS TO RETIREMENT PLAN"; REVISING § 70-238 ENTITLED "SERVICE RETIREMENT ALLOWANCE"; REVISING § 70-260 ENTITLED "ELIGIBILITY;" REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR PENALTIES HEREOF; PROVIDING FOR INCLUSION IN THE CODE; PROVIDING FOR AN INTERPRETATION AND SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Hialeah (City) and the International Association of Fire Fighters, Local 1102 (IAFF) recently ratified a collective bargaining agreement effective October 1, 2019 through September 30, 2022; and

WHEREAS, the collective bargaining agreement includes certain changes to the City of Hialeah Retirement System concerning firefighters; and

WHEREAS, to implement the Retirement System changes it is necessary to adopt an ordinance to amend said Retirement System; and

WHEREAS, the plan's actuary has prepared a statement of the actuarial impact of the proposed benefit changes dated May 21, 2020 and certified compliance with Part VII, of Chapter 112, Florida Statutes; and

WHEREAS, the City has presented this ordinance to the Board of Trustees of the Retirement System for its review at a duly noticed virtual meeting of the Board on April 23, 2020 pursuant to the procedures and guidelines adopted by emergency order of the Mayor as a result of COVID-19.

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

Section 1: Chapter 70 entitled "Retirement and Pensions", Article IV. Employees General Retirement System is hereby amended as follows:

Chapter 70

RETIREMENT AND PENSIONS

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**ARTICLE IV. EMPLOYEES GENERAL
RETIREMENT SYSTEM**

DIVISION 1. GENERALLY

Sec. 70-96. Definitions.

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Compensation means base salary plus any longevity and/or special assignment pay prescribed in the personnel board's annual basic salary schedule as revised from time to time, and/or any pay received in connection with the state's law enforcement special incentive program or firefighters' supplemental compensation program, F.S. § 633.382. Effective [effective date of this ordinance], compensation for firefighter members shall include specialty pay received by the member up to 5% of base salary.

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DIVISION 4. MEMBERSHIP

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Sec. 70-210. Member contributions to retirement plan.

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(b) Firefighter members shall make pension contributions as follows:

(1) ~~Effective October 1, 2013 through September 30, 2014, firefighter members hired prior to November 15, 2013 shall contribute five percent of compensation to the retirement plan. Effective October 1, 2014 and thereafter through [insert date that is the day before the effective date of this ordinance], firefighter members shall contribute four percent of compensation to the retirement plan. Effective [effective date of this ordinance], firefighter members, except those who became eligible for normal retirement on or before November 15, 2013, shall contribute six percent of compensation to the retirement plan; effective October 1, 2020, such firefighter members shall contribute eight percent of compensation to the retirement plan; and effective October 1, 2021, such firefighter members shall contribute ten percent of compensation to the retirement plan. If the retirement plan funding level as reported in the actuarial valuation, exceeds 80 percent, effective the month next following the actuarial valuation in which the funding level was reported, firefighter members shall contribute three percent of compensation to the retirement plan. If the retirement plan funding level as reported in the actuarial valuation, exceeds 100 percent, effective the month next following the actuarial valuation in which the funding level was reported, no member contribution shall be required.~~

(2) Notwithstanding paragraph (1) above, firefighter members who are eligible for full retirement benefits as of November 15, 2013 (i.e., members who have 20 years of credited service and 70 points when age plus years of credited service are combined) shall not be required to contribute to the retirement plan. Effective [effective date of this ordinance], firefighter members who became eligible for full retirement benefits on or before November 15, 2013 shall contribute two percent of compensation to the retirement plan; effective October 1, 2020 such firefighter members shall contribute 4% of compensation to the retirement plan; and effective October 1, 2021 such firefighter members shall contribute 6% of compensation to the retirement plan.

~~(3) Firefighter members hired on or after November 15, 2013 shall contribute four percent of compensation to the retirement plan. If the retirement plan funding level as reported in the actuarial valuation, exceeds 80 percent, effective the month next following the actuarial valuation in which the funding level was reported, firefighter members shall contribute three percent of compensation to the retirement plan. If the retirement plan funding level as reported in the actuarial valuation, exceeds 100 percent,~~

~~effective the month next following the actuarial valuation in which the funding level was reported, no member contribution shall be required.~~

(3) A firefighter member who separates from city employment prior to vesting may obtain a refund of member contributions made on and after [effective date of this ordinance], with interest at the rate of three percent per annum, in lieu of receiving any benefits from the retirement plan.

(45) Firefighter member contributions may be made in lieu of or in addition to annuity fund contributions as provided in section 70-203.

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DIVISION 5. BENEFITS

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Sec. 70-238. Service retirement allowance.

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(u) Notwithstanding any other provision of the retirement plan, firefighter members who entered the DROP on or after February 28, 2016 and prior to November 12, 2019 ~~[insert effective date of ordinance]~~ shall have the option of extending their DROP participation period by up to two years, for a total maximum DROP participation period of five years. Firefighter members who entered the DROP on or after February 28, 2016, reached the 36 month maximum DROP participation period and separated from City employment, may apply for reemployment, and upon reemployment may reinstate their DROP participation and City employment for up to a maximum of two additional years. Such members may be required to repay any benefits received from the retirement plan following separation from employment. The maximum DROP participation period shall be 60~~36~~ months for firefighter members who enter the DROP on or after February 28, 2016 ~~[effective date of this ordinance]~~.

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(w) The provisions of subsections (r) and (s) above shall not apply to any firefighter member who has at least 16 years of actual service with the city (excluding any service credit purchased pursuant to section 70-208 of the Plan) and has at least 66 points on November 12, 2019, except that the 2.75 percent benefit multiplier shall apply after such member attains 20 years of credited service. However, if such member has more than 20 years of credited service on November 12, 2019, the three percent benefit multiplier shall apply to all years of credited service earned before [November 12, 2019], and the benefit multiplier shall be 2.75 percent for credited service earned on and after [November 12, 2019], up to the 79.5 percent maximum benefit multiplier; provided, in no event shall a firefighter member's benefit (including the basic pension) be less than 2.75 percent of average final compensation for all years of credited service. Firefighter members who have at least 16 years of actual service and 66 points on November 12, 2019 shall be eligible to participate in the DROP for a maximum of five years.

(x) In addition to the normal retirement date provided in paragraph (s)(4) above, firefighter members who have at least 16 years of actual service with the city (excluding any service credit purchased pursuant to section 70-208) but do not have 66 points on November 12, 2019 shall be eligible for normal retirement upon completion of 27 years of credited service, regardless of age; and such members shall be eligible to purchase up to two years of membership credit service time upon reaching 25 years of actual service (not to exceed a maximum of four years of membership credit service time purchased altogether), contingent on paying the full actuarial cost of such membership credited service time and immediate separation from city employment. Members who have at least 16 years of actual service with the city but do not have 66 points on November 12, 2019 shall be eligible to participate in the DROP for a maximum of five years upon completion of 27 years of actual service. All other benefit reductions in subsections (r) and (s) above shall apply to such members.

(y) In addition to the normal retirement date provided in paragraph (s)(4) above, firefighter members who have at least ten years of actual service with the city (excluding any service credit purchased pursuant to section 70-208) but do not have 16 years of

actual service on November 12, 2019 shall be eligible for normal retirement upon completion of 27 years of credited service, regardless of age. Firefighter members who have at least ten years of actual service with the City on November 12, 2019 shall be eligible to participate in the DROP for a maximum of five years upon completion of 27 years of actual service. All other benefit reductions in subsections (r) and (s) above shall apply to such members.

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DIVISION 7. DEFERRED RETIREMENT OPTION PLAN (DROP)

Sec. 70-260. - Eligibility.

A member of the city's retirement system, except as provided in section 70-261, who is employed by the city may enter into the deferred retirement option program (DROP), on the first day of any month following completion of 25 years of membership service credit, provided that the sum of the member's age and years of service is 70 points or more; or for police officer members hired on or after March 2, 2014 and firefighter members hired on or after November 15, 2013, the sum of the member's age and years of service is 76 points or more. The member must have actually worked for at least 25 years of civil service and the member shall not be allowed to buy time in order to be eligible for the DROP. The maximum duration for participation in the DROP shall not exceed 36 months, and participation will end if the employee resigns, dies, or is terminated for good cause prior to completion of the 36 months. Participation in the DROP shall not violate section 70-237(2)b. of the Hialeah Code. Effective on the effective date of this ordinance, firefighter members must be in full duty status to elect to participate in the DROP, and DROP participation will end if such a member is placed on permanent light duty status. Effective on the effective date of this ordinance, police officer members must be in full duty status or temporary or permanent light duty status based on a job-related injury to elect to participate in the DROP, and DROP participation will end if such a member is placed on permanent light duty status for a nonjob-related injury. Notwithstanding any provision of this section, effective October 1, 2018 police officer members shall be eligible to participate in the

DROP as provided in section 70-238, for up to five years; and police officer members who are participating in the DROP on October 1, 2018 shall have the option of extending their DROP participation period by up to two years, for a total maximum DROP participation period of five years. Notwithstanding any provision of this section, firefighter members who entered the DROP on or after February 28, 2016 and prior to November 12, 2019 shall have the option of extending their DROP participation period by up to two years, for a total maximum DROP participation period of five years, as provided in section 70-238(u). The maximum DROP participation period shall be ~~60~~³⁶ months for firefighter members who enter the DROP on or after February 28, 2016 ~~November 12, 2019~~.

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Section 2: Repeal of Ordinances in Conflict. All ordinance or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

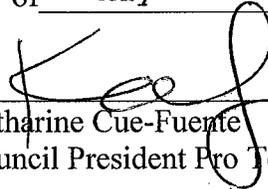
Section 3: Penalties. Every person violating any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be assessed a civil penalty not to exceed \$500.00 within the discretion of the court or administrative tribunal having jurisdiction. Each act of violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty prescribed above, the City may pursue other remedies such as abatement of nuisance, injunctive relief, administrative adjudication and revocation of licenses or permits.

Section 4: Inclusion in Code. The provisions of this ordinance shall be included and incorporated in the Code of Ordinances of the City of Hialeah, as an addition or amendment thereto, and the sections of this ordinance shall be renumbered to conform to the uniform numbering system of the Code.

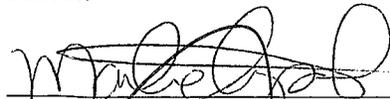
Section 5: Severability Clause. If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance.

Section 6: Effective Date. This ordinance shall become effective when passed by the City Council and signed by the Mayor or at the next regularly scheduled City Council meeting, if the Mayor's signature is withheld or if the City Council overrides the Mayor's veto.

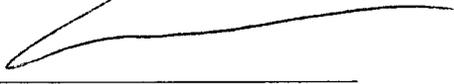
PASSED AND ADOPTED this 28 day of May, 2020.


Katharine Cue-Fuente
Council President Pro Tem

Attest:


Marbelys Fatjo, City Clerk

Approved on this 4 day of June, 2020.


Mayor Carlos Hernandez

Approved as to form and legal sufficiency:


Lorena Bravo, City Attorney

Ordinance was adopted by a 5-0-2 vote with Councilmembers, Cue-Fuente, Garcia-Roves, Perez, Tundidor and Zogby, voting "Yes" and with Council President Hernandez and Council Vice President De la Rosa absent.

Strikethrough indicates deletion. Underline indicates addition.