

**ORDINANCE NO. 2017-080**

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 4, MEMBERSHIP, IN PARTICULAR REVISING § 70-96 ENTITLED "DEFINITIONS" CHANGING THE MORTALITY RATE ASSUMPTION BY ADOPTING AN UPDATED MORTALITY TABLE IN THE DEFINITION OF ACTUARIAL EQUIVALENT; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR PENALTIES HEREOF; PROVIDING FOR INCLUSION IN THE CODE; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, the Plan currently uses the 1971 Group Annuity Mortality Table in its definition of actuarial equivalent when computing optional forms of benefit payments and any adjustments called for under the terms of the Plan where mortality assumptions are not otherwise provided, such as service credit purchases; and

**WHEREAS**, the net effect on the plan as a result of service purchases using outdated mortality assumptions results in a loss because the actuarial equivalent of the benefit purchase does not reflect the true cost to the plan if members are living longer; and

**WHEREAS**, the City has presented this ordinance to the Board of Trustees of the Retirement System for its review; and

**WHEREAS**, it is in the best interest of the plan, the members and the City that the definition of actuarial equivalent be updated to reflect more current mortality assumptions.

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, Division 4, Membership, of the Code of Ordinances of the City of Hialeah, Florida is hereby amended by revising Hialeah Code § 70-96 entitled "Definitions", to read as follows:

Chapter 70

**RETIREMENT AND PENSIONS**

\* \* \*

**ARTICLE IV. EMPLOYEES GENERAL  
RETIREMENT SYSTEM**

\* \* \*

**DIVISION 4. MEMBERSHIP**

\* \* \*

**Sec. 70-96. - 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:

\* \* \*

*Actuarial equivalent* means a benefit of equal value when computed at regular interest upon the basis of such mortality tables as the board shall from time to time adopt. The assumptions currently adopted by the board of trustees are seven percent interest compounded annually and the ~~male rates from the 1971 Group Annuity Mortality Table for participants and the female rates from the 1971 Group Annuity Table for beneficiaries~~ RP 2014 Mortality Table for Healthy Annuitants, projected from the base year 2014 to the year of retirement using Mortality Improvement Scale MP-2016, with the resulting rates blended using 50% male and 50% female rates.

\* \* \*

**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 convicted of a violation of any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be punished by 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.**

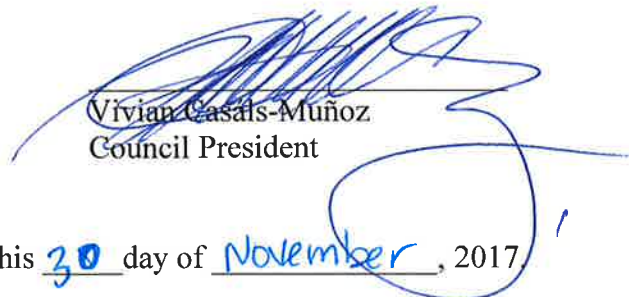
If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or 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 November, 2017.

THE FOREGOING ORDINANCE OF THE CITY OF HIALEAH WAS PUBLISHED IN ACCORDANCE WITH THE PROVISIONS OF FLORIDA STATUTE 166.041 PRIOR TO FINAL READING.

  
Vivian Casals-Muñoz  
Council President

Attest:

Approved on this 30 day of November, 2017.

  
Marbelys Fatjo, City Clerk

  
Mayor Carlos Hernandez

Approved as to form and legal sufficiency:

Ordinance was adopted by a (5-0-2) vote with Councilmembers, Caragol, Zogby, Cue-Fuente and Casals-Muñoz voting "Yes". Councilmember Hernandez and Garcia-Martinez absent.

  
Lorena Bravo, City Attorney

Strikethrough indicates deletion. Underline indicates addition.