

ORDINANCE NO. 1094 – 2017

**AN ORDINANCE OF THE CITY OF MIAMI SPRINGS,
FLORIDA, AMENDING SECTION 35-55,
“CONTRIBUTIONS” OF THE POLICE AND FIREMAN
PENSION PLAN OF THE CITY’S CODE OF
ORDINANCES; PROVIDING FOR CONFLICTS;
PROVIDING FOR SEVERABILITY; PROVIDING FOR
INCLUSION IN THE CODE; AND PROVIDING FOR AN
EFFECTIVE DATE**

WHEREAS, the City of Miami Springs (the “City”) has an established pension plan for the City’s Police and Firefighters, which is codified in Article II, Chapter 35 of the City’s Code of Ordinances (“Code”); and

WHEREAS, the City and the Florida State Lodge Fraternal Order of Police, Inc. recently entered into a Collective Bargaining Agreement (“Agreement”) for fiscal years 2017-2018 through and including 2019-2020; and

WHEREAS, the Agreement contains certain changes to the Police and Firefighters’ Retirement System, which require an amendment to Section 35-55 of the City’s Code in order to be implemented; and

WHEREAS, the City Council hereby finds that the adoption of this Ordinance is in the best interest and welfare of the residents of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MIAMI SPRINGS, FLORIDA, THAT: ¹

Section 1. Recitals Adopted. That the above-stated recitals are hereby adopted and confirmed.

Section 2. Amending Section 35-55 of the City Code. That the Code of Miami Springs, Florida is hereby amended by revising Section 35-55 “Contributions,” which section shall read as follows:

Section 35-55. Contributions

(A) *Member contributions.*

¹ Coding: ~~Strikethrough~~ words are deletions to the existing words. Underlined words are additions to the existing words. Changes between first and second reading are indicted with yellow highlight.

(B) *State contributions.*

(C) *City contributions.*

(1) On behalf of bargaining unit members and nonbargaining unit managerial employees employed in that capacity after the adoption of this amended provision. So long as this system is in effect, the City shall make an annual contribution to the trust fund in an amount equal to the difference in each year as between the total of aggregate member contributions for the year plus state contributions for the year, and the total cost for the year as shown by the most recent actuarial valuation and report for the system. The total cost for any year shall be defined as the total of normal cost plus the additional amount sufficient to fund the unfunded accrued past service liability over a 40-year period, commencing with the fiscal year in which the effective date of this system occurs. However, should the combined cost of the City's and the employee's contributions in any one year exceed 18 percent of the total budgeted payroll for police officers for that year, the excess over 18 percent shall be rounded to the nearest 0.1 percent of budgeted payroll, and the resulting excess rate over 18 percent shall be divided in two with members paying half the excess and the City paying the other half for that fiscal year. Should the combined cost of the City's and the employees' contributions of the total cost in a given fiscal year be less than 14 percent of the total budgeted payroll for police officers for that year, the difference under 14 percent shall be rounded to the nearest 0.1 percent of budgeted payroll. The resulting amount shall be divided in two with members reducing their contribution rates by half the difference, and the City reducing its contribution by the remaining half for that fiscal year.

(2) On behalf of the grandfathered nonbargaining unit managerial employees.

(a) Non-bargaining unit managerial employees employed in that capacity as to the date of the adoption of this amendment to this division of the police retirement system on September 27, 1993, shall continue to be covered by the provisions of the prior division (included hereinafter) as if the same has not been amended. New nonbargaining unit managerial employees, becoming employed in that capacity after the adoption of this amendment to this division of the police retirement system on September 27, 1993 shall be governed and/or continue to be

governed by the foregoing provision which shall also cover bargaining unit members.

(b) Those police retirement system members grandfathered pursuant to subdivision (a) above shall be governed by the following language as to City contributions:

So long as this system is in effect, the City shall make an annual contribution to the trust fund in an amount equal to the difference in each year as between the total of aggregate member contributions for the year plus state contributions for the year, and the total cost for the year as shown by the most recent actuarial valuation and report for the system. The total cost for any year shall be defined as the total of normal cost plus the additional amount sufficient to fund the unfunded accrued past service liability over a 40-year period, commencing with the fiscal year in which the effective date of this system occurs. However, should the City's portion of the total cost for grandfathered members in a given fiscal year exceed 23 percent of the total budgeted payroll for police officers for that year, the excess over 23 percent shall be rounded to the nearest 0.1 percent of budgeted payroll, and the resulting excess rate over 23 percent shall be divided in two with grandfathered members paying half the excess and the City paying the other half for that fiscal year. Should the City's portion of the total cost in a given fiscal year be less than 23 percent of the total budgeted payroll for grandfathered police officers for that year, the difference under 23 percent shall be rounded to the nearest 0.1 percent of budgeted payroll. The resulting amount shall be divided in two with the grandfathered members reducing their contribution rates by half the difference, and the City reducing its contribution by the remaining half for that fiscal year.

(3) Notwithstanding paragraphs (1) and (2) above, for the plan years beginning October 1, ~~2017-2014 through September 30, 2020~~ 2015, the maximum employee contribution calculated in accordance with paragraphs (1) and (2) above shall be ~~12.5~~ 16 percent, and for the plan year beginning October 1, 2016, the maximum employee contribution shall be 15.5 percent. All accumulated excess and annual excess Chapter 185 premium tax monies shall be used to fund the reduction in employee contributions provided in the preceding sentence, and to the extent that excess Chapter 185 premium tax revenues are not sufficient to fully fund the reduction, the City's contribution shall be increased. ÷ Effective October 1, ~~2020~~ 2017, employee contributions shall be determined in accordance with paragraphs (1) and (2) above.

Section 3. **Conflict.** 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 with this Ordinance are repealed to the extent of such conflict.

Section 4. **Severability.** That the provisions of this Ordinance are declared to be severable and if any section, sentence, clause or phrase of this Ordinance shall for any reason be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Ordinance but they shall remain in effect, it being the legislative intent that this Ordinance shall stand notwithstanding the invalidity of any part.

Section 5. **Inclusion in Code.** That it is the intention of the City Council and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the City Code, that the sections of this Ordinance may be renumbered or relettered to accomplish such intentions, and that the word Ordinance shall be changed to Section or other appropriate word.

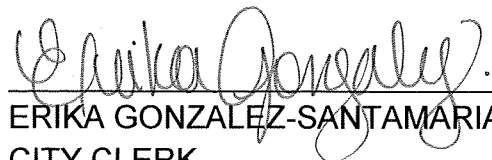
Section 6. **Effective Date.** That this Ordinance shall become effective immediately upon adoption on second reading.

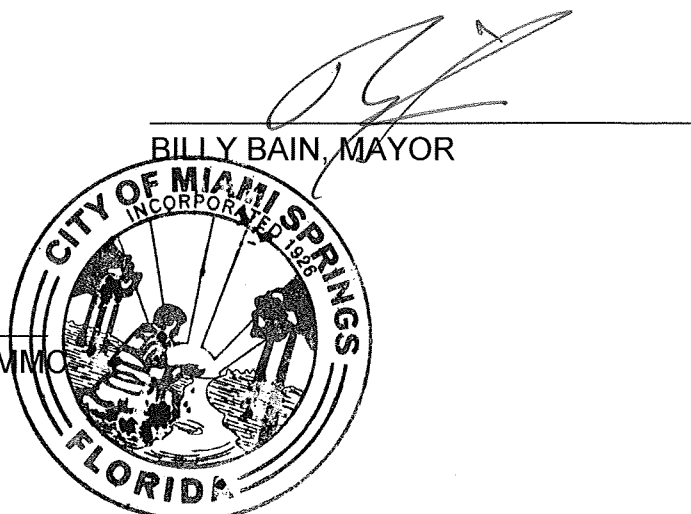
PASSED ON FIRST READING this 28th day of September, 2017, on a motion made by Councilwoman Zapata and seconded by Vice Mayor Best.

PASSED AND ADOPTED ON SECOND READING this 9th day of October, 2017, on a motion made by Councilman Best and seconded by Councilman Petralanda.

Vice Mayor Maria Puente Mitchell	<u>YES</u>
Councilman Bob Best	<u>YES</u>
Councilwoman Mara Zapata	<u>YES</u>
Councilman Jaime Petralanda	<u>YES</u>
Mayor Billy Bain	<u>YES</u>

ATTEST:


ERIKA GONZALEZ-SANTAMARIA, MMOC
CITY CLERK



APPROVED AS TO FORM AND LEGAL SUFFICIENCY
FOR THE USE AND RELIANCE OF THE CITY OF MIAMI SPRINGS ONLY:

A handwritten signature in black ink, appearing to read "Hayden", written over a horizontal line.

WEISS, SEROTA, HELFMAN, COLE & BIERMAN, P.L.
CITY ATTORNEY