

ORDINANCE NO. 2022-XX

AN ORDINANCE AMENDING THE RETIREMENT PLAN FOR POLICE OFFICERS AND FIREFIGHTERS OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, PROVIDING CLARIFICATION WITH REGARD TO CERTAIN IN-SERVICE DISTRIBUTIONS BY AMENDING ARTICLE VI, “RETIREMENT BENEFITS”, SECTION 6.01 “NORMAL RETIREMENT”; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HERewith; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Mayor and City Commission desire to clarify the plan provisions relating to certain in-service distributions when a retired member becomes re-employed by the City in certain circumstances; and

WHEREAS, the trustees of the City of North Miami Beach Police Officers’ and Firefighters’ Retirement Plan have requested and approved such amendment as being in the best interests of the participants and beneficiaries as well as improving the administration of the plan; and

WHEREAS, the Mayor and City Commission have received, reviewed and considered an actuarial impact statement describing the actual impact of the amendments provided for herein; and

WHEREAS, the Mayor and City Commission deem it to be in the public interest to provide this change to the Retirement Plan for its police officers and firefighters.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Commission of the City of North Miami Beach, Florida, as follows:

Section 1. The foregoing WHEREAS clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon adoption hereof.

Section 2. Article VI, entitled “Retirement Benefits,” of the Retirement Plan for Police Officers’ and Firefighters’ of the City of North Miami Beach is hereby amended as follows (underlined language is added; deleted language is ~~stricken through~~).

S. 6.01 Normal Retirement

* * *

- (f) **Payment of Retirement Income** - The monthly retirement income payable in the event of normal retirement will be payable on the first day of each month. The first payment will be made on the participant's normal retirement date (or on the first day of the month coincident with or next following his or her actual retirement, if later). The last payment will be the payment due next preceding the retired participant's death. In the event the participant dies after his or her retirement but before he or she has received retirement income payments for a period of ten (10) years, the same monthly benefit will be paid for the remainder of such 10-year period to the beneficiary (or beneficiaries) designated by the participant; or, if no designated beneficiary is surviving, the same monthly benefit shall be payable for the remainder of such 10-year period as provided in Sections 7.02 (Beneficiaries) and 7.03 (Contingent Beneficiaries) hereof.

Except as otherwise provided by the Internal Revenue Code, nothing herein shall be construed to require the suspension or reduction of the benefits provided under this Section 6.01 merely on account of a retired member becoming re-employed by the City:

- (1) working as a Reserve Officer; or
- (2) to perform off-duty police service (also known as “details”) for which payment is made to the City by a third-party; or
- (3) during a state of emergency declared by the Mayor of the City, the Mayor of Miami-Dade County, and/or the Governor of the State of Florida.

~~(g) Notwithstanding any of the foregoing, distributions under the Plan shall commence not later than the "required beginning date", in accordance with IRC Section 401(a)(9).~~

- (hg) **Benefit Alternate Computation - Deferred Retirement Option Plan for Firefighters (BAC-DROP").**

All firefighters retiring on or after January 1, 1996, who, at the time of retirement, are past normal retirement age, shall have the option of receiving a benefit

computed in the following manner instead of a benefit computed in the manner set forth in Section 6.01(c) hereof. Upon retirement, the monthly benefit which the member would have received had the member retired five years earlier or upon reaching normal retirement age, whichever is later (which date shall hereinafter be referred to as "DROP date") shall be determined. This monthly benefit will be determined using final monthly compensation based upon the highest eighteen (18) successive months of compensation earned in fiscal years ended September 30, 1996 and September 30, 1997. The amount of benefits which the member would have received from his or her DROP date until his or her retirement date, including the cost of living adjustment provided by Section 6.01(c) hereof, together with the member and Dade County contributions received by the Retirement Plan during that time period, shall be accrued, together with interest thereon credited at the actual rate of net investment earnings realized by the Retirement Plan during the DROP period. The total amount so calculated shall be made available to the member on or after the member's retirement date pursuant to rules and regulations adopted by the Board of Trustees and shall continue to be credited or debited quarterly in an amount equal to the net investment earnings of the Retirement Plan's assets. Upon retirement, the member shall receive the monthly pension benefit payable as of the member's DROP date together with any cost of living adjustments to that benefit, as provided herein. This Bae-DROP plan must be administered by the Board of Trustees in such a way as to not increase the City's contributions to the Retirement Plan.

Section 3. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. If any section, subsection, clause or provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 5. It is the intention of the Mayor and City Commission of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of North Miami Beach, Florida. The Sections of this Ordinance may be renumbered or relettered to accomplish this intention and the word

“Ordinance” may be changed to “Section”, “Article” or other appropriate word as the codifier may deem fit.

Section 6. This Ordinance shall become effective ten (10) days after adoption on second reading.

APPROVED on this first reading this **24th day of March, 2022.**

APPROVED AND ADOPTED on second reading this ____ day of _____, 2022.

ATTEST:

ANDRISE BERNARD, MMC
CITY CLERK

(CITY SEAL)

ANTHONY F. DEFILLIPO
MAYOR

APPROVED AS TO FORM, LANGUAGE
AND FOR EXECUTION

HANS OTTINOT
INTERIM CITY ATTORNEY

Sponsored by: Mayor and City Commission