

ORDINANCE NO. 2015-23

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF VENICE, FLORIDA, CHAPTER 50, PERSONNEL, ARTICLE III, PENSIONS AND RETIREMENT; DIVISION 2, MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND; SECTION 50-81, DEFINITIONS; SECTION 50-86, BENEFIT AMOUNTS AND ELIGIBILITY; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Venice and Suncoast Professional Firefighters and Paramedics, Local 2546, International Association of Firefighters (IAFF), recently entered into a collective bargaining agreement; and

WHEREAS, the collective bargaining agreement contains certain changes to the Firefighters' Pension Trust Fund; and

WHEREAS, to clarify the parties intended changes to the Firefighters' Pension Trust Fund as provided in the collective bargaining agreement it is necessary to amend the Firefighters' Pension Trust Fund ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA as follows:

SECTION 1. The above whereas clauses are ratified and confirmed as true and correct.

SECTION 2. Chapter 50, Personnel, Article III, Pensions and Retirement, Division 2, Municipal Firefighters' Pension Trust Fund, Section 50-80, Definition for Salary, is hereby amended as follows:

50-81. Definitions.

- (a) The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Salary means the total monthly compensation for services rendered to the city as a firefighter, reportable on the firefighter's W-2 form, plus all tax-deferred, tax-sheltered or tax exempt items of income derived from elective employee payroll deductions or salary reductions as well as any employer final pay contribution and employer accrued leave contribution made to the City of Venice Non-Bargaining Retirement Plan for the member's benefit. Compensation in excess of the limitations set forth in section 401(a)(17) of the Internal Revenue Code as of the first day of the plan year shall be disregarded for any purpose, including employee contributions or any benefit calculations. The annual compensation of each member taken into account in determining benefits or employee contributions for any plan year beginning on or after January 1, 2002, may not exceed

\$200,000.00, as adjusted for cost-of-living increases in accordance with Internal Revenue Code Section 401(a)(17)(B). Compensation means compensation during the fiscal year. The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year. If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a member's contributions or benefits for the current plan year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period. The limitation on compensation for an eligible employee shall not be less than the amount which was allowed to be taken into account under this paragraph as in effect on July 1, 1993. For purposes of this paragraph, the term "eligible employee" means an individual who was a member before the first plan year beginning after December 31, 1995. Notwithstanding the foregoing, effective October 1, 2014 for members who are employed and have not reached normal retirement eligibility on that date, and elect to continue participating in this system, salary for service after October 1, 2014 shall mean base pay, excluding overtime and all other compensation. Sick or vacation time which is accrued, but for which a member has not been paid prior to October 1, 2014, shall not be considered in determining the value of any future retirement benefit, including the calculation of any frozen benefit provided for in Section 50-86, subsections (h) and (i).

- (b) *Masculine gender.* The masculine gender, where used herein, unless the context specifically requires otherwise, shall include both the feminine and masculine genders.

SECTION 3. Chapter 50, Personnel, Article III, Pensions and Retirement, Division 2, Municipal Firefighters' Pension Trust Fund, Section 50-86, Benefit amounts and eligibility, is amended as follows:

Sec. 50-86. Benefit amounts and eligibility.

- (a) *Normal retirement date.* A member's normal retirement date shall be the first day of the month coincident with or next following the earlier of the attainment of age 55 and the completion of ten years of credited service, or the completion of 25 years of credited service, regardless of age. A member may retire on his normal retirement date or on the first day of any month thereafter, and each member shall become 100 percent vested in his accrued benefit on the member's normal retirement date. Notwithstanding the preceding sentence, members who were employed on October 1, 2014, had less than ten years of credited service as of that date, and elected to continue participating in the retirement system, are 100% vested in their accrued benefit as of October 1, 2014. Normal retirement under the system is retirement from employment with the city on or after the normal retirement date.
- (b) through (d) No change.

(e) *Cost of living adjustment.* The pension benefit payable to all normal and early service retirees who retire after October 1, 1998, shall be increased beginning on the first October 1st following commencement of retirement benefits, and each October 1st thereafter, by an amount equal to three percent until the adjustment date next following attainment of age 65 after which such adjustments shall cease. However, the first adjustment amount of each retiree shall be prorated based on the number of months of retirement as of the first adjustment date. Notwithstanding the foregoing, effective October 1, 2014 for members who are employed and have not reached normal retirement eligibility on that date, and elect to continue participating in this system, the benefit payable upon retirement will not include a cost of living adjustment for that portion of the member's benefit based on credited service earned on or after October 1, 2014. For such members who are employed on October 1, 2014, the benefit payable upon retirement will include ~~receive~~ a cost of living adjustment of three percent on that portion of the member's benefit based on all years and partial years of credited service earned prior to October 1, 2014, regardless of whether the member subsequently elected to continue participating in this system or join FRS. On October 1st following retirement and each October 1st thereafter, such members shall receive a blended cost of living adjustment based on their years of credited service earned before and after October 1, 2014. Beneficiaries and joint annuitants of deceased service retirees shall receive adjustments as provided for herein, based on the age of the deceased retiree.

(f) through (g) No change.

(h) *Participation in the Florida Retirement System.* Effective October 1, 2014, or as soon thereafter as administratively feasible, the city will join the Florida Retirement System (FRS), and this system will be closed to new members. Firefighters hired on or after the date the city joins FRS shall become compulsory members of the Florida Retirement System and shall not be eligible for membership in this system. Firefighters hired before the date the city joins FRS who are members of this system on the date the city joins FRS may elect to participate in FRS or continue participating in this system. The accrued benefits earned under this system prior to the date the city joins FRS by members who are employed on the date the city joins FRS and elect to join the Florida Retirement System will be frozen on that date, based on the member's average final compensation and credited service on the date the city joins FRS. Such members shall be 100 percent vested in their frozen accrued benefit under this system. The frozen accrued benefit shall be payable when the member reaches the early retirement date, if applicable, or normal retirement date, and separates from city employment. For a member who elects to join FRS, the calculation of the member's early retirement date or normal retirement date shall include service after the member joined FRS. Eligibility for participation in the FRS, as well as FRS benefits and contributions, will be determined in accordance with F.S. ch. 121, as that statute now exists and as it may be amended in the future.

SECTION 4. All Ordinances or parts of Ordinances in conflict herewith shall be and the same are hereby repealed.

SECTION 5. If any part, section, subsection, or other portion of this ordinance or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, such part, section, subsection, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this ordinance, and all applications thereof not having been declared void, unconstitutional, or invalid, shall remain in full force and effect. The city council specifically declares that no invalid or prescribed provision or application was an inducement to the enactment of this ordinance, and that it would have enacted this ordinance regardless of the invalid or prescribed provision or application.

SECTION 6. This Ordinance shall take effect immediately upon its adoption as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA THIS 8TH DAY OF DECEMBER 2015.

First Reading: November 18, 2015

Final Reading: December 8, 2015

Adoption: December 8, 2015

John W. Holic, Mayor

ATTEST:

Lori Stelzer, MMC, City Clerk

Approved as to form:

David Persson, City Attorney