

CITY OF CORAL GABLES, FLORIDA
ORDINANCE NO. 2021-XX

AN ORDINANCE AMENDING CHAPTER 46 OF THE "CODE OF THE CITY OF CORAL GABLES," ENTITLED "PENSIONS," IMPLEMENTING PROVISIONS OF THE 2020-2023 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY AND THE FRATERNAL ORDER OF POLICE ("FOP"); AMENDING SECTION 46-26, COMPULSORY PARTICIPATION; AMENDING SECTION 46-27, PURCHASE OF CREDITED SERVICE FOR PERIOD OF MILITARY SERVICE AND/OR EMPLOYMENT WITH OTHER PUBLIC EMPLOYERS; AMENDING SECTION 46-253, NORMAL RETIREMENT INCOME; AMENDING SECTION 46-262, LIMITATION ON PAYMENT OF RETIREMENT INCOME; AMENDING SECTION 46-269, DEFERRED RETIREMENT OPTION PLAN; AND PROVIDING FOR SEVERABILITY, REPEALER, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, the City recently entered into a collective bargaining agreement with the Fraternal Order of Police, Lodge No. 7 ("FOP") for the term October 1, 2020 through September 30, 2023; and

WHEREAS, the FOP collective bargaining agreement contains certain changes to the City of Coral Gables Retirement System ("Retirement System"); and

WHEREAS, to implement the Retirement System changes, an ordinance amending the City Code provisions governing the Retirement System is required.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. That 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. Section 46-26 of the "Code of the City of Coral Gables" pertaining to "Pensions" is hereby amended to read as follows:

Sec. 46-26. Compulsory participation.

(a) Except as otherwise provided herein, each employee in the service of the city shall, as a condition of employment, become a participant in the retirement system as of the employee's date of employment and will be subject to all provisions of the system beginning on such date.

(b) Provided, however, it shall not be mandatory for any appointed official of the city or any assistant city manager or deputy city attorney to participate in the system, but such official shall have the option of participation in the system. In the event that any of the appointed officials or assistant city manager or deputy city attorney elect to participate in any retirement plan other than the system, the city may contribute a sum not to exceed the maximum limit provided by law to that plan.

(c) Further provided, however, that it shall not be mandatory for any elected official of the city to participate in the system, but such elected official shall have the option of participation in the system. A member of the city commission may exercise his or her option to decline participation in the system at any time. In the event that any of the elected officials choose to participate in a retirement plan other than the system, the city will contribute a sum not to exceed six percent of the elected official's compensation to that plan. The effective date of the option to participate shall be the date the elected official takes office. Notwithstanding the foregoing, elected officials who take office on or after October 1, 2008, shall become members of the Florida Retirement System in accordance with applicable law, and shall not participate in the city retirement system.

(d) Further provided, however, it shall not be mandatory for any department director, hired on or after September 8, 2015, to participate in the system, but such department director shall have the option of participation in the system or in another retirement plan, and must exercise that option within 30 days following their date of hire. In the event that the department director elects to participate in any retirement plan other than the system, the city may contribute a sum not to exceed the maximum limit provided by law to that plan.

(e) Further provided, however, it shall not be mandatory for any employee other than a police officer or firefighter, hired on or after December 8, 2015, to participate in the system, but such employee shall have the option of participation in the system or in another retirement plan, and must exercise that option within 30 days following their date of hire. In the event that the employee elects to participate in any retirement plan other than the system, the city may contribute a sum not to exceed the maximum limit provided by law to that plan. The preceding two sentences shall apply to excluded employees immediately upon the effective date of the ordinance from which this section is derived, and shall apply to participants in the bargaining unit represented by Teamsters Local 769 upon agreement of the bargaining representative.

(f) Further provided, however, it shall not be mandatory for a non-bargaining unit police officer or firefighter hired from outside the city on or after September 26, 2017 to participate in the system, but such employee shall have the option of participation in the system or in another retirement plan, and must exercise that option within 30 days following their date of hire. In the event such employee elects to participate in any retirement plan other than the system, the city may contribute a sum not to exceed the maximum limit provided by law to that plan.

(g) Further provided, however, it shall not be mandatory for a police officer who is retired and receiving retirement benefits from another agency, and hired as a full-time

police officer on or after July 13, 2021 to participate in the system, but such police officer shall have the option of participation in the system or in a defined contribution plan established by the city as described herein. Such police officer must submit a written election to participate in the system or the defined contribution plan within thirty (30) days following their date of hire, and the election shall be irrevocable. A police officer who does not submit a timely written election as provided in the preceding sentence shall participate in the defined contribution plan. Retired City of Coral Gables police officers may be reemployed by the city as full-time police officers on or after July 13, 2021, following a break in service of at least six months, and upon reemployment shall participate in a defined contribution plan established by the city as described herein. The defined contribution plan for police officers as provided in this subsection (g) shall include the following provisions: city contribution of 7% of the police officer's base pay; no required employee contribution, but employees may voluntarily contribute up to 7% of their base pay in 1% increments; a five (5) year vesting period with twenty percent (20%) vesting for each complete year of service; and a normal retirement age of fifty-five (55). Police officers who participate in the defined contribution plan as provided in this subsection (g) shall not participate in, contribute to or accrue benefits under the system.

SECTION 3. Section 46-27 of the "Code of the City of Coral Gables" pertaining to "Pensions" is hereby amended to read as follows:

Sec. 46-27. Purchase of credited service for period of military service and/or employment with other public employers.

(a) The definitions of section 46-25 to the contrary notwithstanding, participants of the system shall have the option to receive credited service for all purposes of this system for the time while in the active United States military service prior to city employment under the following conditions. Participants who wish to receive credit for this service will be required to make a contribution for such service in an amount established by a formula and by payment methods determined by the retirement board. Notwithstanding the preceding sentence, effective September 30, 2010, participants, other than police officers or firefighters, who wish to receive credit for military service prior to city employment will be required to make a contribution for such service in an amount equal to the full actuarial cost of the service as determined by the plan actuary. Each participant shall make an irrevocable election to purchase military service credit within 180 days following the date the participant attains five years of credited service under this system. Notwithstanding the preceding sentence, firefighters hired on April 18, 2011, who wish to receive credit for military service prior to city employment shall make an irrevocable election to purchase military service credit within 180 days following the date the participant attains seven years of credited service under this system. If an election to purchase service credits is not received in this time period, no future election will be allowed. To be eligible to purchase credit for military service time, a participant must be an employee of the city at the date of the election and must have a total of five years of credited service with the city immediately prior to the date of application. If eligible to purchase credit for military service time, a participant may purchase United States military service time up to a maximum of five

years, on a day-for-day basis. Under no circumstances may a participant purchase more military service credit (on a day-for-day basis) than actually spent in active United States military service. Once a time period is chosen for purchase, the period cannot be adjusted.

(b) Purchase of credited service for periods of service with other public employers. The definitions of section 46-25 to the contrary notwithstanding, participants of the system shall have the option to receive credited service for all purposes of this system, except section 46-256(c) and (e), for periods of service with other public employers under the following conditions and subject to any restrictions established by applicable law:

(1) A participant may purchase other employer service time for purposes of certain terms defined in sections 46-25, 46-253(a) and (d), 46-255(a)(2), and 46-256(a) and (b) on a day-for-day basis and up to a maximum of five years. The purchase of another public employer's service time is subject to the retirement board's receipt of proof of the employee's employment with the other public employer and participation in the other public employer's pension plan. Under no circumstances may the participant purchase more service time (on a day-for-day basis) than actually credited under the other public employer's pension plan.

(2) To be eligible to elect to receive credit for other public employer service time, a participant must be an employee of the city at the date of the election and must have a total of five years of credited service with the city immediately prior to the date of election.

(3) Each participant who desires to receive credits for any or all other public service time shall make an irrevocable election to do so and shall elect the amount of other public employer service time being purchased within 180 days following the attainment of five years of credited service under this system. Notwithstanding the preceding sentence, firefighters hired on April 18, 2011, who wish to receive credited service for service with other public employers prior to city employment shall make an irrevocable election to do so and shall elect the amount of other public employer service time being purchased within 180 days following the attainment of seven years of credited service under this system.

(c) Limitation on combined purchases of credited service for periods of military service and periods of service with other public employers. Notwithstanding any other provision of subsections (a) and (b) of this section, the combined maximum number of years of credited service which a participant can purchase for periods of military service and periods of service with other public employers cannot exceed a total of five years.

(d) There is no age limit for any participant who wishes to purchase eligible service time.

(e) Notwithstanding any other provision of this Section 46-27, effective July 13, 2021:

(1) Police officers hired prior to October 1, 2019 who were not eligible to purchase credit for military service time or other public employer service time as of October 1, 2019 because they had not attained five years of credited service as of October 1, 2019 under this system will be eligible to purchase such service at the rate of 18% of the employee's pensionable earnings earned during his or her first year of

service multiplied by the number of years being purchased, up to a maximum of 5 years. Such police officers must submit an irrevocable written election to purchase credit for service which includes the amount of military or other public employer service time being purchased on or before September 13, 2021. If a written election to purchase service time pursuant to this subsection (e) is not received on or before September 13, 2021, no future election or purchase of service shall be allowed.

(2) Police officers hired prior to October 1, 2019 who have not attained five years of credited service under this system on July 13, 2021 will be eligible to purchase such service within 180 days following the attainment of five years of credited service under this system, at the rate of 18% of the employee's pensionable earnings earned during his or her first year of service multiplied by the number of years being purchased, up to a maximum of 5 years.

SECTION 4. Section 46-253 of the "Code of the City of Coral Gables" pertaining to "Pensions" is hereby amended to read as follows¹:

Sec. 46-253 Normal Retirement Income

(a) Amount of monthly normal retirement income.

* * *

(8) Notwithstanding any other provision of this subsection (a), effective February 28, 2017, the monthly amount of normal retirement income payable to a police officer shall be as provided in this subsection (8). The monthly amount of normal retirement income payable to a police officer shall equal three percent of average final compensation multiplied by the total years of credited service as of September 30, 2012, not to exceed 75 percent of average final compensation. For credited service on and after October 1, 2012, the monthly amount of normal retirement income payable to a police officer shall equal three percent of average final compensation multiplied by the first ten years of credited service, 2½ percent of average final compensation multiplied by the years of credited service in excess of the first ten years of credited service up to the completion of 24 years of credited service, and up to ten percent of average final compensation for the 25th year of credited service, such that the total normal retirement income does not exceed the applicable maximum benefit provided in this subsection (8). The total normal retirement income as provided in the preceding two sentences payable to bargaining unit members at retirement in the normal form of benefit shall not to exceed the lesser of 75 percent of average final compensation or \$95,000.00; and the total normal retirement income as provided in the preceding two sentences payable to non-bargaining unit members at retirement in the normal form of benefit shall not exceed 75 percent of average final compensation. Effective September 30, 2019 the total normal retirement income payable to bargaining unit members at retirement in the normal form of benefit shall not exceed the lesser of 75 percent of average final

¹ Words and figures underscored are additions to existing law; words and figures struck through are deletions.

compensation or \$96,900.00. Notwithstanding the foregoing provisions of this subsection (8), the maximum benefit limit of \$95,000.00 shall not apply to any bargaining unit member who has reached normal retirement eligibility as of February 28, 2017 or whose normal retirement income payable in the normal form of benefit based on average final compensation and credited service as of February 28, 2017 exceeds \$95,000.00; provided such member's normal retirement income payable in the normal form of benefit shall not exceed 75 percent of average final compensation. Notwithstanding the foregoing provisions of this subsection (8), effective October 1, 2022, the total normal retirement income payable to bargaining unit members at retirement in the normal form of benefit shall not exceed the lesser of 75 percent of average final compensation or \$98,838.00. Provided, the maximum benefit limit of \$98,838.00 shall not apply to any bargaining unit member who reached normal retirement eligibility as of February 28, 2017 or whose normal retirement income payable in the normal form of benefit based on average final compensation and credited service as of February 28, 2017 exceeds \$95,000.00; provided such member's normal retirement income payable in the normal form of benefit shall not exceed 75 percent of average final compensation. The maximum benefit limits provided in this subsection (8) shall be applied to the normal form of benefit, and any optional form of benefit selected by the member shall be the actuarial equivalent of the normal form of benefit after the maximum benefit limits are applied.

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SECTION 5. Section 46-262 of the "Code of the City of Coral Gables" pertaining to "Pensions" is hereby amended to read as follows:

Sec. 46-262. - Limitation on payment of retirement income.

(a) Notwithstanding the fact that the monthly retirement income is payable for life, if any person receiving a monthly retirement income, other than a retired police officer or firefighter, should receive or become entitled to receive any compensation for personal services currently performed under substantially full-time continuous employment by the city at the regular compensation for the type services being performed, the monthly retirement income shall cease during the period for which such compensation is payable. Such monthly retirement income shall, however, be resumed again at the same rate when such compensation thereafter ceases to be payable. The monthly retirement income payable to a retired police officer or firefighter shall cease during any period of re-employment as a city police officer or firefighter and, upon subsequent retirement, the monthly retirement benefit shall be adjusted to reflect the additional credited service and compensation earned during such period of re-employment. A city employee may retire from full-time employment with the city, and following a break in service of at least 30 days may be rehired in a part-time capacity with the city, and continue to receive monthly retirement income during such part-time employment. Notwithstanding any provision of this subsection:

- (1) An employee other than a police officer or firefighter who retires under the normal retirement provisions of the system may, following a break in service of at least six months, be reemployed in a full-time capacity with the city and continue to receive monthly retirement income during such re-employment; provided, such employee shall not be eligible to participate in or earn additional benefits under the system during the period of re-employment, but shall be eligible to participate in a 401(a) defined contribution plan or 457 plan as determined by the city manager. The preceding sentence shall apply to excluded employees immediately upon the effective date of the ordinance from which this division is derived, and shall apply to participants in the bargaining unit represented by Teamsters Local 769 upon agreement of the bargaining representative.
- (2) A police officer or firefighter who retires under the normal retirement provisions of the system may, following a break in service of at least six months, be re-employed in a full-time capacity with the city other than as a police officer or firefighter, and continue to receive monthly retirement income during such re-employment; provided, such employee shall not be eligible to participate in or earn additional benefits under the system during the period of re-employment, but shall be eligible to participate in a 401(a) defined contribution plan or 457 plan as determined by the city manager. The preceding sentence shall apply to police officers and firefighters who are not in a bargaining unit immediately upon the effective date of the ordinance from which this division is derived, and shall apply to police officers in the bargaining unit represented by the Fraternal Order of Police, Coral Gables Lodge Number 7, and firefighters in the bargaining unit represented by the International Association of Firefighters, Local 1210, upon agreement of the bargaining representative for the respective unit.
- (3) Notwithstanding the provisions of paragraph (2) above, effective July 13, 2021 a police officer who retires under the normal retirement provisions of the system may, following a break in service of at least six months, be re-employed in a full-time capacity as a police officer and continue to receive monthly retirement income during such re-employment. Such reemployed police officers shall participate in a defined contribution retirement plan as provided in Section 46-26(g), and shall not participate in, contribute to or accrue benefits under the system.
- (4) The provisions above for cessation of a rehired retiree's retirement income and restrictions on rehire of retirees shall not apply to a police officer or communications officer who retires from full-time employment with the city after March 21, 2020 under the normal retirement provisions of the system who is rehired as a part-time police officer or part-time communications officer, subject to the limitations herein. Retired employees rehired under this paragraph (a)(3) shall not

accrue additional retirement benefits during the period of part-time re-employment. This paragraph shall apply with respect to re-employment only until 30 days after the expiration of State of Florida Executive Order 20-52, including any extension thereof, but in no event will it apply to such re-employment beyond August 1, 2022.

(b) The provisions of this section will not operate to prohibit payments into a DROP participant's DROP account while the participant remains employed with the city for the DROP period.

SECTION 6. Section 46-269 of the "Code of the City of Coral Gables" pertaining to "Pensions" is hereby amended to read as follows :

Sec. 46-269. – Deferred Retirement Option Plan.

(a) Eligibility.

* * *

(4) Except as otherwise provided in ~~paragraph~~subsection (3) of this subsection, the maximum DROP participation period will be a fixed 60-month period for all participants, except firefighter and police officer participants. The maximum DROP participation period for firefighter participants shall be a fixed 96-month period. Effective July 13, 2021 the maximum DROP participation period for police officer participants shall be a fixed 96-month period.

* * *

(9) Notwithstanding any other provision of this subsection (a), effective July 13, 2021 for police officers who are participating in the DROP on that date and police officers who enter the DROP on or after that date, the maximum DROP participation period shall be a fixed 96-month period commencing on the employee's date of entry into the DROP. Police officers who have completed 84 months of DROP participation shall be assigned to the uniform patrol division for the remaining 12 months of their DROP period unless otherwise directed by the police chief in his or her sole discretion.

* * *

SECTION 7. That all sections or parts of sections of the Code of the City of Coral Gables, all ordinances or parts of ordinances, and all laws of the City of Coral Gables in conflict herewith shall be and are hereby repealed insofar as there is a conflict or inconsistency.

SECTION 8. That it is the intention of the Commission of the City of Coral Gables, Florida, that the provisions of this Ordinance shall become and be made a part of the City of Coral Gables Code of Ordinances; and that the sections of this Ordinance may be renumbered or re-

lettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrases in order to accomplish such intentions.

SECTION 9. This Ordinance shall become effective upon its passage and adoption herein, unless otherwise set forth in the Ordinance.

PASSED AND ADOPTED THIS ____ DAY OF JULY, A.D., 2021.

APPROVED:

VINCE LAGO
MAYOR

ATTEST:

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

BILLY Y. URQUIA
CITY CLERK

MIRIAM SOLER RAMOS
CITY ATTORNEY