

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2024-267

A RESOLUTION OF THE CITY COMMISSION ACCEPTING THE FINANCE DIRECTOR'S RECOMMENDATION TO REJECT THE RETIREMENT BOARD'S DETERMINATION TO GRANT A COST OF LIVING INCREASE (COLA) OF EIGHT (8) PERCENT AND APPROVING A REDUCED COLA IN THE AMOUNT OF FOUR (4) PERCENT TO THE MEMBERS OF THE CLASS IN MURRHEE V. CITY OF CORAL GABLES (TREATING GAP AND OPT-OUTS IN THE SAME FASHION) UNDER THE ALTERNATIVE DISPUTE RESOLUTION MECHANISM ESTABLISHED IN ORDINANCE NOS. 2018-11, 2018-25, AND 2018-35.

WHEREAS, on February 26, 2018, the Circuit Court in and for Miami-Dade County, Florida entered a Final Judgment approving a Class Action Settlement Agreement ("Settlement Agreement") in Murrhee v. City of Coral Gables, Case No. 13-20731 CA (13) (Fla. 11th Cir. Ct.); and

WHEREAS, in accordance with the Settlement Agreement, in Ordinance No. 2018-11 (the "Ordinance"), Section 46-253 of the City Code was amended to include the terms of the settlement agreement which include the Alternative Dispute Resolution Mechanism ("ADRM") for determination of future cost of living increases ("COLAs"); and

WHEREAS, on July 10, 2018, the City Commission adopted Ordinance No. 2018-25 establishing that GAP employees (current and former city employees who retired, entered the DROP, or reached eligibility for normal retirement after January 1, 2013 but before the February 2015 Retirement Plan Amendment) were to be treated in the same fashion as class members; and

WHEREAS, on September 11, 2018, the City Commission adopted Ordinance No. 2018-35 establishing that opt-outs (former city employees who opted out of the class) were to be treated in the same fashion as class members; and

WHEREAS, the ADRM allows the City Commission, after a hearing, by supermajority four-fifths (4/5) vote, to reject the Retirement Board's determination that class members are entitled to a COLA or reduce the amount of the proposed COLA, considering certain factors set forth in the Settlement Agreement; and

WHEREAS, on October 25, 2024, the Retirement Board, in accordance with the Settlement Agreement and the Ordinance, voted to approve a COLA of eight percent (8%); and

WHEREAS, in accordance with the Settlement Agreement and the Ordinance and since the net Actuarial Experience is negative, the City Attorney invoked the ADRM within the prescribed time period and requested a hearing before the City Commission within the prescribed time period; and

WHEREAS, the City's Finance Director, relying on the factors set forth in the Settlement Agreement and the Ordinance, presented the City Commission with a memorandum (attached hereto as Exhibit A) recommending that the COLA be rejected; and

WHEREAS, the figures relied upon by the Finance Director in coming to her conclusion, were verified by the City's actuary; and

WHEREAS, on November 12, 2024, the ADRM hearing was held and all parties wishing to speak were afforded an opportunity to do so; and

WHEREAS, the City Commission, based upon the factors set forth in the Settlement Agreement and the Ordinance, approved two motions by a four-fifths vote eliminating the COLA of eight percent (8%) and instead approving a reduced COLA of four percent (4%);

NOW, THEREFORE, BE IT RESOLVED 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 Resolution upon adoption hereof.

SECTION 2. That, based on the factors in the Settlement Agreement and the Ordinance, the Finance Director's recommendation to reject the Retirement Board's determination is accepted and the grant of an eight percent (8%) COLA to the class members, GAP employees, and opt-outs is rejected and instead, a reduced COLA in the amount of four percent (4%) is approved for the class members, GAP employees, and opt-outs.

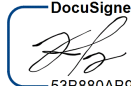
SECTION 3. A supermajority four-fifths (4/5) vote of the City Commission was required in order to reject the COLA of eight percent (8%) and approve a reduced COLA and the City Commission voted four-fifths (4/5) in favor of rejecting the eight percent (8%) COLA and approving a reduced COLA of four percent (4%).

SECTION 4. That this Resolution shall become effective upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS TWELFTH DAY OF NOVEMBER, A.D., 2024.

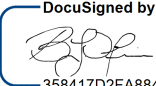
(Moved: Menendez / Seconded: Fernandez)
(Yeas: Anderson, Castro, Fernandez, Menendez)
(Nays: Lago)
(Majority: 4-1) Vote)
(Agenda Item: I-1)

APPROVED:

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VINCE LAGO
MAYOR

ATTEST:

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BILLY Y. URQUIA
CITY CLERK

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

DocuSigned by:

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CRISTINA M. SUÁREZ
CITY ATTORNEY