

ORDINANCE NO. 2022 - _____

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING PART I, SUBPART B, ARTICLE IX, RELATED SPECIAL ACTS, OF THE MIAMI BEACH CITY CODE ENTITLED "PENSION SYSTEM FOR DISABILITY AND RETIREMENT OF MEMBERS OF POLICE AND FIRE DEPARTMENTS"; AMENDING SECTION 62, "DEFINITIONS", RELATED TO ACTUARIAL ASSUMPTIONS; AMENDING SECTION 65, ENTITLED "COMPUTATION OF CREDITABLE SERVICE; SERVICE RECORD"; AMENDING SECTION 76, "BOARD OF TRUSTEES", TO PROVIDE FOR STAGGERED THREE (3) YEAR TERMS; AMENDING SECTION 90, ENTITLED "BENEFITS FOR MEMBERS HIRED ON OR AFTER MAY 8, 2019 FOR INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 1510 (IAFF) AND ON OR AFTER JULY 31, 2019 FOR FRATERNAL ORDER OF POLICE, WILLIAM NICHOLS LODGE NO. 8 (FOP)"; PROVIDING FOR SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on October 20, 2022, the City and the IAFF have entered into a Memorandum of Understanding to allow Firefighters to receive service credit under the Fire & Police Plan for prior service under the Miami Beach Employees' Retirement Plan ("Employees' Retirement Plan"), regardless of date of hire; and

WHEREAS, the Parties agree that this upon ratification, this ordinance change shall be in effect, notwithstanding any provision in the Parties' 2021-2024 Collective Bargaining Agreement; and

WHEREAS, On May 21, 2020, the Fire and Police Pension Board voted to change the plan's definition of actuarial equivalence by adopting the recommended mortality tables and long-term interest rate; and

WHEREAS, On August 18, 2022, the Fire and Police Pension Board voted to extend the elected Trustees length of term from 2 years to 3 years, and to stagger the election for each individual Fire and Police Trustee; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AS FOLLOWS:

SECTION 1.

That Article IX, Related Special Acts of the Miami Beach City Code, is amended to read:

**ARTICLE IX. - PENSION SYSTEM FOR DISABILITY AND RETIREMENT
OF MEMBERS OF POLICE AND FIRE DEPARTMENTS**

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Sec. 62. - Definitions.

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

Actuarial Assumptions (for the calculation of optional forms of benefits) means the following interest rates compounded annually:

- (a) 8.5% for plan years prior to October 1, 2009; 8.4% effective for the plan year beginning October 1, 2009; 8.3.% effective for the plan year beginning October 1, 2010; 8.2.% effective for the plan year beginning October 1, 2011; 8.1.% effective for the plan year beginning October 1, 2012; and 8.0.% effective for the plan years beginning October 1, 2013, and October 1, 2014;
- (b) 7.75% effective for plan years beginning on and after October 1, 2015;
- (c) 7.50% effective for plan years beginning on or after October 1, 2020.

Actuarial Assumptions (for the calculation of optional forms of benefits) also means the following mortality tables:

- (a) For plan years beginning prior to October 1, 2010, the 1983 Group Annuity Mortality Table; for plan years beginning on October 1, 2010, and October 1, 2011: for Pre-Retirement Mortality the RP-2000 Combined Mortality Table with a blue-collar adjustment, for Post-Retirement Healthy Mortality the RP-2000 Combined Mortality Table with a blue-collar adjustment, and for Post-Retirement Disabled Mortality the RP-2000 Combined Mortality Table.
- (b) For plan years beginning on or after October 1, 2012: for Pre-Retirement Mortality the RP-2000 Combined Mortality Table with blue-collar adjustment projected 15 years from valuation date, for Post-Retirement Healthy Mortality the RP-2000 Combined Mortality Table with a blue-collar adjustment projected 7 years from valuation date, and for Post-Retirement Disabled Mortality the RP-2000 Combined Mortality Table. For purposes of determining the period that benefits are paid to a widow or widower who was married to a deceased member for less than ten years, the 1994 Life Expectancy Table shall be used.
- (c) For plan years beginning on or after October 1, 2015: for Pre-Retirement and Post-Retirement Mortality, the RP-2000 Combined Healthy Participant Mortality Tables with a fixed blend of 90% male mortality rates – 10% female mortality rates, with full generational mortality improvements projected to the year of commencement with Scale BB for healthy participants; and for disabled participants, the RP-2000 Disabled Mortality Table with a fixed blend of 90% male mortality rates – 10% female mortality rates, with no projection for disabled participants. For purposes of determining the period that benefits are paid to a widow or widower who was married to a deceased member for less than ten years, the following mortality tables shall be used: RP-2000 Combined Healthy Participant Mortality Tables with a fixed blend of 90% male mortality

rates – 10% female mortality rates, with full generational mortality improvements projected to the year of commencement with Scale BB for healthy participants; and RP-2000 Disabled Mortality Tables with a fixed blend of 90% male mortality rates – 10% female mortality rates, with no projection for disabled participants.

- (d) For plan years beginning on or after October 1, 2020, mortality based upon the PUB-2010 Headcount Weighted Safety Mortality Tables with a fixed blend of 85% Below Median Healthy Retiree male mortality rates- 15% Healthy Retiree female mortality rates, both set forward one year, with generational mortality improvements projected to the fiscal year of benefit commencement date with Scale MP-2018 for healthy participants; Mortality based upon 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, with a fixed blend of 85% male and 15% female mortality rates, with no projection for disabled participants. For purposes of determining the period that benefits are paid to a widow or widower who was married to a deceased member for less than ten years, the following life expectancy tables shall be used: Mortality based upon the PUB-2010 Headcount Weighted Safety Mortality Tables with a fixed blend of 85% Below Median Healthy Retiree male mortality rates- 15% Healthy Retiree female mortality rates, both set forward one year, with generational mortality improvements projected to the fiscal year of benefit commencement date with Scale MP-2018 for healthy participants; Mortality based upon 80% PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table/20% PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, with a fixed blend of 85% male and 15% female mortality rates, with no projection for disabled participants.

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Sec. 65. - Computation of creditable service; service record.

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(b) Employees who become members of this System in order to receive credit for service rendered prior to their becoming a member shall make contributions to the Fund in the amount such member would have contributed had he been a member during the period of service for which credit is being purchased. In order to receive such credit, employees shall make payment within six months after becoming a member or within such other period as may be provided in a bargaining agreement covering the member. Notwithstanding the foregoing, any firefighter member ~~hired before May 8, 2019~~ and any police officer member hired before July 31, 2019 who transfers to this System whereby the accumulated total credit in any other pension system of the City is transferred to this System, then and in that event, all of the creditable service time in such other system shall be considered Creditable Service time under this System, and such employee need make no additional contribution for time credited. ~~Firefighter members hired on or after May 8, 2019 and police~~ Police officer members hired on or after July 31, 2019 shall not be credited with any service under this System for service as a member of the Miami Beach Employees' Retirement Plan.

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Sec. 76. - Board of trustees.

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(b) The election of the trustees from the Employees of the fire department and the police department shall be held by per capita vote of all active and retired Employees of each of the respective departments who come within the purview of this article. An election to elect the members of the fire department and police department to serve as trustees shall be held every two years. Notwithstanding the foregoing, effective for the first election held after January 1, 2023, one fire department and one police department trustee shall be elected for a period of two years, one fire department and one police department trustee shall be elected for a period of three years, and one fire department and one police department trustee shall be elected for a period of four years. Commencing with the election held in 2025, there shall be an election every year for the expiring terms of one firefighter trustee and one police officer trustee position, with all elected firefighter and police officer trustee terms being three years.

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Sec. 90. - Benefits for members hired on or after May 8, 2019 for International Association of Firefighters, Local 1510 (IAFF) and on or after July 31, 2019 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP).

Notwithstanding any other provision of the System, the pension benefits for members hired on or after May 8, 2019 for International Association of Firefighters, Local 1510 (IAFF), and on or after July 31, 2019 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP), shall be as provided in section 89, except that such members shall be vested upon completion of ten years of creditable service, and police officer members shall not be credited with any service under this System for service as a member of the Miami Beach Employees' Retirement Plan.

SECTION 2. REPEALER.

All ordinances or parts of ordinances and all section and parts of sections in conflict herewith are hereby repealed.

SECTION 3. CODIFICATION.

It is the intention of the City Commission, and it is hereby ordained, that the provisions of this Ordinance shall become and be made part of the Code of the City of Miami Beach, as amended; that the sections of this Ordinance may be re-numbered or re-lettered to accomplish such intention; and that the word "ordinance" may be changed to "section" or other appropriate word.

SECTION 4. SEVERABILITY.

If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

SECTION 5. EFFECTIVE DATE.

This Ordinance shall take effect ten days following adoption.


PASSED and ADOPTED this _____ day of _____, 2022.

Dan Gelber, Mayor


ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM AND LANGUAGE
& FOR EXECUTION



City Attorney


Date

