

**ORDINANCE NO. 98-2**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORTH MIAMI BEACH, FLORIDA AMENDING THE RETIREMENT PLAN FOR GENERAL EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH TO PROVIDE A LOWERED REQUIRED PERCENTAGE MAJORITY VOTE (FROM 75% TO 66 2/3%) OF PLAN PARTICIPANTS TO EFFECT PLAN AMENDMENTS; TO PROVIDE AN ADDITIONAL 1% CONTRIBUTION FROM EMPLOYEES (RAISING EMPLOYEE CONTRIBUTION RATE FROM 6% TO 7%); TO PROVIDE BENEFIT IMPROVEMENTS BY ALLOWING FULL RETIREMENT AT AGE 55 WITH 20 YEARS OF SERVICE AND BY RAISING THE BENEFIT MULTIPLIER FROM 2.5% TO 2.6%; TO PROVIDE AN ADDITIONAL ("JOINT & CONTINGENT") OPTIONAL FORM OF BENEFIT AT RETIREMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND TO PROVIDE FOR CODIFICATION OF THIS ORDINANCE.**

**WHEREAS,** the Mayor and City Council of the City of North Miami Beach desire to provide enhanced retirement benefits to its General Employees and are prepared to commit the additional contribution of City funds, actuarially determined to be approximately one percent of payroll, to support the additional benefits as required by the plan & State law; and

**WHEREAS,** the General Employees of the City voted by an overwhelming majority of 94% to increase their own pension contributions in order to facilitate augmented retirement benefits as well as to add another ("Joint & Contingent") benefit option, and to lower the voting percentage of plan participants required to amend the plan; and

**WHEREAS,** the General Employees Retirement Committee at its regularly scheduled meeting of December 8, 1997, reviewed and recommended the various plan amendments and benefit improvements proposed herein; and

**WHEREAS,** the Mayor and City Council desire to adopt other technical amendments to conform the plan document to requirements of law.

**NOW, THEREFORE,**

**BE IT ORDAINED** by the City Council of the City of North Miami Beach, Florida.

**Section 1.** Section 1.05(a)(1) of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended as follows:

**§1.05 Amendment of Plan.**

**(a) Resolution of City.**

- (1) **Approval of Participants** - Approval of 75% ~~66 2/3%~~ of the active participants shall be required before the Plan may be amended by the City Council.

**Section 2.** Article II of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended as follows:

**Definitions.**

**Normal Retirement Date** means the first day of the month coincident with or next following the date a member attains the age of 62, or, effective July 1, 1998, completes 20 years of service after having reached the age of 55.

**Section 3.** Section 4.01(b) of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended as follows:

**§4.01 Participant's Contribution Account.**

- (b) **Amount of Contribution.** Effective July 1, 1998, each participant will contribute toward the cost of the Plan an amount equal to 6% ~~7%~~ of his basic annual compensation as defined in Article II. effective as of January 1, 1973.

**Section 4.** Section 6.01(b)(1) of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended as follows:

**§6.01 Normal Retirement.**

**(b) Normal Retirement Date.**

- (1) The normal retirement date of each participant will be the first day of the month coincident with or next following the date he attains age 62, or, effective July 1, 1998, completes 20 years of service after having reached the age of 55.

**Section 5.** Section 6.01(c) of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended by the addition of subsection (v) which shall state the following:

**§6.01 Normal Retirement.**

(c) **Amount of Retirement Income.** The monthly amount of retirement income payable to a participant who retires on or after his normal retirement date shall be an amount as follows:

- (v) For participants retiring after July 1, 1998, 2.60% (.026) of final monthly compensation, multiplied by years and completed calendar months of credited service.

**Section 6.** Section 6.02(b)(2) of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended by the addition of Subsection (v) which shall state the following:

**§6.02 Early Retirement and Retirement Income**

(b)(2) **Amount of Retirement Income.** The monthly amount of retirement income payable to a participant who retires prior to his normal retirement date under the provisions of this section shall be an amount as follows:

- (v) For participants retiring after July 1, 1998, 2.60% (.026) of final monthly compensation, multiplied by years and completed calendar months of credited service. This amount is multiplied by the actuarial reduction factor to reflect the early retirement age.

**Section 7.** Section 6.06(a) of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended by the addition of Option 3 which shall state the following:

**§6.06 Optional Forms of Retirement Income.**

(a) **Options.**

Option 3: A retirement income of modified monthly amount, payable to the participant during the joint lifetime of the participant and a joint pensioner designated by the participant; and following the death of the participant, a percentage of such monthly benefit (either 50%, 66.667%, 75% or 100% as selected by the participant) to the joint pensioner for his or her lifetime. There shall be no reduction of the participant's benefits in case of death of the joint pensioner.

**Section 8.** Section 6.03(e)(1)(A) of the Retirement Plan for General Employees of The City of North Miami Beach is hereby amended as follows:

**§6.03. Disability Retirement and Retirement Income.**

(e) **Disability Retirement Income.**

(1) **Monthly Income Payable Prior to Normal Retirement Date.**

A. **Formula** - The monthly benefit payable prior to the normal retirement date of a participant who retires from the service of the City under the provisions of this section due to total and permanent disability is the monthly income equal to the excess, if any, of:

- (i) an amount equal to 60% of the participant's final monthly compensation at the date of termination of his service due to disability; over
- (ii) an amount equal to 64% of the actual monthly disability benefit, if any, which the participant (and not his spouse or other dependents) is entitled to receive under the provisions of the Social Security Act

as in effect on the date of commencement of his disability retirement income payments, in accordance with Section 6.03(f) hereof; payable for the life of the participant, or the participant's accrued benefit as of the date of termination, whichever is greater.

**Section 9.** Section 6.03(e)(2) of the Retirement Plan for General Employees of the City of North Miami Beach is hereby amended by deleting same in its entirety.

**Section 10.** Any cross-references in the Retirement Plan which are affected by changes in section number designations shall be adjusted accordingly.

**Section 11.** All ordinances and parts of ordinances in conflict herewith be and the same are hereby repealed.

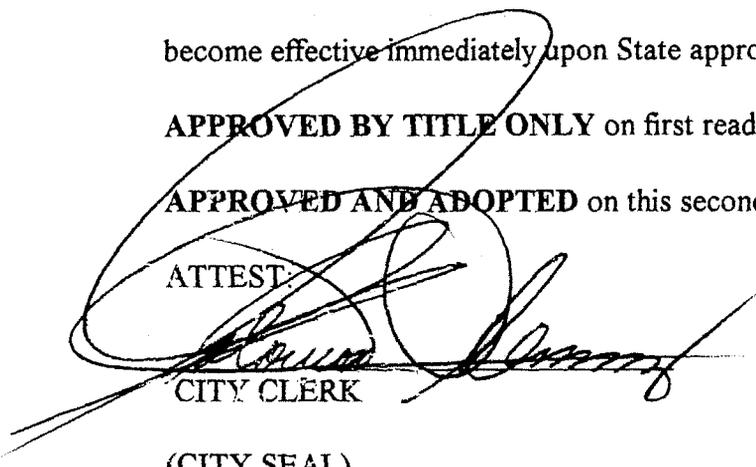
**Section 12.** If any section, subsection, clause or provision of this Ordinance be held invalid, the remainder shall not be affected by such invalidity.

**Section 13.** Unless provided otherwise herein, provisions of this Ordinance shall become effective immediately upon State approval, where required, and adoption hereof.

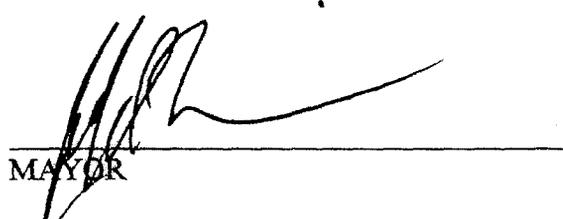
**APPROVED BY TITLE ONLY** on first reading this 17th day of March, 1998.

**APPROVED AND ADOPTED** on this second reading this 7th day of July, 1998.

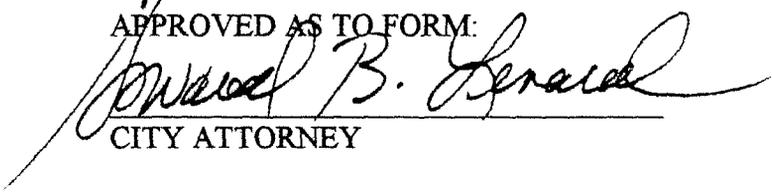
ATTEST:

  
CITY CLERK

(CITY SEAL)

  
MAYOR

APPROVED AS TO FORM:

  
CITY ATTORNEY

SPONSORED BY: General Employees Retirement Committee  
Mayor and City Council

COUNCILPERSON	YES	NO	ABSTAIN	ABSENT
Mayor Jeffrey A. Mishcon	x			
Councilman Jay R. Chernoff	X			
Councilman Kenneth A. DeFillipo	x			
Councilman John Kurzman				x
Councilman Jule Littman	X			
Councilman Raymond F. Marin	X			
Councilwoman Jacqueline H. Smith	X			