

ORDINANCE NO. 2003-4

AN ORDINANCE AMENDING THE POLICE OFFICERS AND FIREFIGHTERS RETIREMENT PLAN OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, CHANGING THE NORMAL RETIREMENT ELIGIBILITY FOR POLICE OFFICERS FROM THE COMPLETION OF 23 YEARS OF CREDITED SERVICE OR ATTAINMENT OF AGE 52 TO THE COMPLETION OF 20 YEARS OF CREDITED SERVICE OR ATTAINMENT OF AGE 52 (20 AND OUT); ENACTING TECHNICAL AMENDMENTS TO THE PLAN, ENABLING PLAN PARTICIPANTS TO TAKE FULL ADVANTAGE OF INTERNAL REVENUE CODE PROVISIONS REGARDING TRUST TO TRUST AND OTHER PERMISSIBLE TRANSFERS, INCLUDING TRANSFER OF SECTION 457, DEFERRED COMPENSATION ACCOUNTS, AS ENACTED BY THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 (EGTRRA); PROVIDING FOR SEVERABILITY, PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR THE CODIFICATION OF THIS ORDINANCE.

WHEREAS, the City of North Miami Beach provides a pension plan for its Police Officers, providing for Normal Retirement at age 52 or upon completion of 23 years of service; and

WHEREAS, the plan participants requested amendments to the plan to allow police officers to achieve normal retirement eligibility after completion of 20 years of credited service; and

WHEREAS, the police officer participants, in a ballot conducted pursuant to plan provisions, have voted overwhelmingly to increase their mandatory pension contribution from 8% to 10.5% to fully fund the additional cost to the plan for this benefit enhancement; and

WHEREAS, the Plan actuary prepared a study and analysis concluding that an additional 2.5% of pay contributed by the police officers would likely be sufficient to fully fund this benefit enhancement and that adding this benefit enhancement would be unlikely to increase the contributions required by the City for the foreseeable future.; and

WHEREAS, the City of North Miami Beach Police Officers and Firefighters Retirement Plan provides for the purchase of credited service, but does not specifically allow for trust to trust transfers to pay for such purchases; and

WHEREAS, it is in the best interest of all plan participants to have the ability to purchase credited service or accomplish any other lawfully provided purpose pursuant to plan provisions, on a tax-deferred basis to the full extent allowed by federal law, including Internal Revenue Code

Regulations recently enacted regarding such rollovers from Section 457 deferred compensation accounts; and

WHEREAS, it has been determined by the Plan Actuary that these required technical amendments will have no significant financial impact on the Retirement Plan or on the City's required contributions to the Retirement Plan; and

WHEREAS, the Mayor and City Council of the City of North Miami Beach wish to enact the technical amendments required to enable all employees who participate in the Police Officers and Firefighters Retirement Plan to take full advantage of all Internal Revenue Code interplan transfer provisions.

NOW, THEREFORE,

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

Section 1. The foregoing recitals are true and correct.

Section 2. **Article II Definitions** of the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach shall be amended as follows:

Normal Retirement Date for police officers means the first day of any month coincident with or next following the earlier of the completion of ~~23~~ 20 years of credited service or attainment of age 52.

Section 3. **Article IV, Section 4.01(b) Participants Contribution Account** of the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach shall be amended as follows:

§4.01 PARTICIPANTS CONTRIBUTION ACCOUNT

(b) **Amount of Contribution** - Each police officer will contribute toward the cost of the Plan an amount equal to 8% of his basic annual compensation as defined in Article II, effective as of his date of service. Effective upon adoption hereof, the rate of each police officer's contribution will increase from 8% to 10.5% of his basic annual compensation.

Section 4. **Article VI, Section 6.01(b) Normal Retirement Date** of the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach shall be amended as follows:

(b) **Normal Retirement Date**

Firefighters - The normal retirement date for each firefighter will be the first day of the month coincident with or next following the earlier of the date a member completes 22 years of service or attains the age of 52. However, a firefighter may continue in the service of the City or the County beyond his normal retirement date

and retire as of the first day of any month beyond his normal retirement date, which is coincident with or next following his actual termination of service.

Police Officers - The normal retirement date for each police officer will be the first day of the month coincident with or next following the earlier of the completion of ~~23~~ 20 years of credited service, or attainment of age 52. However, a police officer may continue in the service of the City beyond his normal retirement date and retire as of the first day or any month beyond his normal retirement date which is coincident with or next following his actual termination of service.

Section 5. Article VI, Section 6.01A Deferred Retirement Option Program

(DROP) of the Retirement Plan for Police Officers and Firefighters of the City of North

Miami Beach shall be amended as follows:

5. A police officer is eligible to enter the DROP upon attaining ~~twenty-three (23)~~ twenty (20) years of service and reaching age forty-five (45); ~~or attaining twenty (20) years of service and reaching age fifty-two (52).~~

Section 6. Article III, Section 3.04 Credited Service of the Retirement Plan for Police Officers and Firefighters of the City of North Miami Beach shall be amended by the addition of Section 3.04(f) which shall state as follows:

§3.04 Credited Service

(f) Inter-Plan Transfers. On or after April 1, 2003, in addition to direct payment methods available as determined by the Retirement Committee, and all other allowable payment provisions established herein, the plan will accept permissible member requested transfer of funds from other retirement or pension plans, member rollover cash contributions and/or direct cash rollovers of distributions to fund the purchase of Credited Service under this section, or to fund any other allowable contributions provided by plan provisions, as follows:

A. Transfers and Direct Rollovers or Member Rollover Contributions from Other Plans. The System will accept either a direct rollover of an eligible rollover distribution or a Member contribution of an eligible rollover distribution from a qualified plan described in section 401(a) or 403(a) of the Code, from an annuity contract described in section 403(b) of the Code, or from an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state. The System will also accept legally permissible Member requested transfers of funds from other retirement or pension plans.

B. Member Rollover Contributions from IRAs. The system will accept a Member rollover contribution of the portion of a distribution from an individual retirement account or annuity described in section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income.

C. All purchases must be made and fully funded prior to retirement.

Section 7. All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

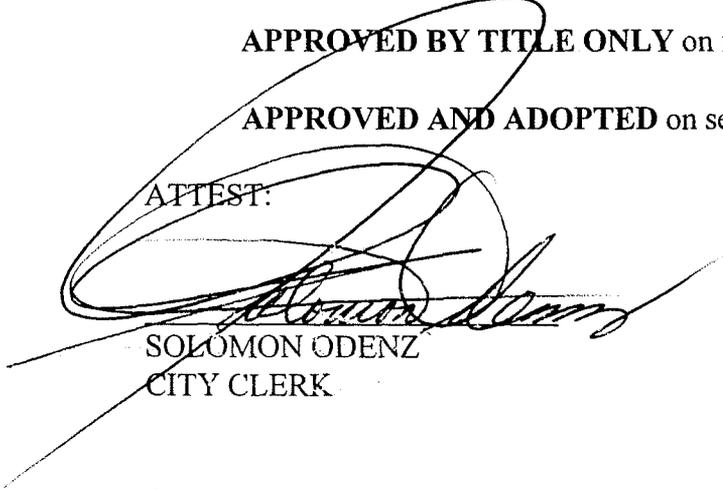
Section 8. If any section, subsection, clause or provision of this ordinance is held invalid the remainder shall not be affected by such invalidity.

Section 9. It is the intention of the City Council of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of North Miami Beach, Florida. The Sections of this Ordinance may be renumbered or relettered to accomplish this intention and the word "Ordinance" may be changed to "Section", "Article" or other appropriate word as the codifier may deem fit.

APPROVED BY TITLE ONLY on first reading this **3rd day of June, 2003.**

APPROVED AND ADOPTED on second reading this **17th day of June, 2003.**

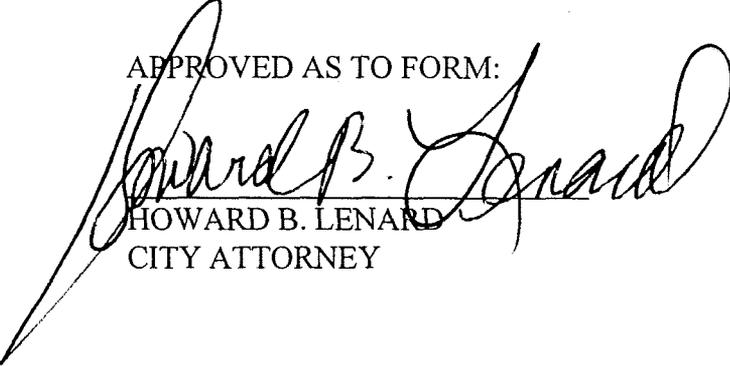
ATTEST:


SOLOMON ODENZ
CITY CLERK


JEFFREY A. MISHCON
MAYOR

(CITY SEAL)

APPROVED AS TO FORM:


HOWARD B. LENARD
CITY ATTORNEY

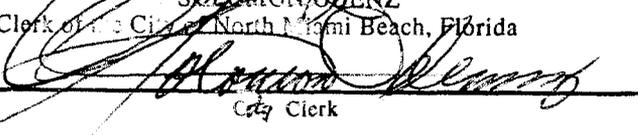
SPONSORED BY: Mayor and City Council

STATE OF FLORIDA
COUNTY OF MIAMI-DADE
CITY OF NORTH MIAMI BEACH:

I, SOLOMON ODENZ, City Clerk of the City of North Miami Beach, do hereby certify that the attached and foregoing is a true and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF I have hereunto set my hand and official seal on this 22nd day of June, A.D. 2003.

SOLOMON ODENZ
City Clerk of the City of North Miami Beach, Florida

By: 
City Clerk

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