

2023 NOV 17 PM 12: 36

SUNRISE, FLORIDA

ORDINANCE NO. <u>124-X-23-A</u>

AN ORDINANCE OF THE CITY OF SUNRISE, FLORIDA, IMPLEMENTING CERTAIN TERMS OF THE 2023-2026 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF SUNRISE AND THE FLORIDA STATE LODGE FRATERNAL ORDER OF POLICE, INC. FOR POLICE OFFICERS AND SERGEANTS COVERING THE PERIOD OCTOBER 1, 2023 THROUGH SEPTEMBER 30, 2026 BY AMENDING CHAPTER 11 "RETIREMENT AND PENSIONS;" TO AMEND PROVISIONS OF THE POLICE OFFICERS' RETIREMENT PLAN; AMENDING SECTION 11-66, "PROVISIONS FOR POLICE OFFICERS HIRED OR REHIRED ON OR AFTER SEPTEMBER 30, 2015;" PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CITY CODE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Sunrise recently entered into a collective bargaining agreement with the Florida State Lodge Fraternal Order of Police, Inc. for police officers and sergeants covering the period from October 1, 2023 through September 30, 2026; and

WHEREAS, the collective bargaining agreement contains certain changes to the Police Officers' Retirement Plan; and

WHEREAS, to implement the retirement changes in the collective bargaining agreement, an ordinance amending the Police Officers' Retirement Plan is necessary; and

WHEREAS, the City has obtained an actuarial impact statement concerning the retirement plan changes in accordance with Article X, Section 14 of the Florida Constitution and Section 112.63, Florida Statutes.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SUNRISE, FLORIDA:

<u>Section 1</u>. That section 11-66 of the Code of the City of Sunrise, Florida, is hereby amended to read as follows:

Section 11-66. Provisions for police officers hired or rehired on or after September 30, 2015.

- (a) Benefits. Members of the police officers' retirement plan hired or rehired on or after September 30, 2015 shall be entitled to the applicable benefits provided in sections 11-2 through 11-61, except as follows:
 - (1)The normal retirement age for police officers hired or rehired on or after September 30, 2015 shall be age fifty-five (55) or older with ten (10) years of creditable service or age fifty-two (52) with completion of twenty-five (25) vears of creditable service, regardless of age.
- (b) Contributions. Effective September 15, 2015, Mmembers of the police officers' plan hired or rehired on or after September 30, 2015 shall make regular contributions to the plan of eight (8%) percent of salary. Effective November 27, 2023, members of the police officers' plan hired or rehired on or after September 30, 2015 shall make regular contributions to the plan of eight and one-half (8.5%) percent of salary.

Section 2. Conflict. All ordinances or parts of ordinances, all City Code sections or parts of City Code sections, and all resolutions or parts of resolutions in conflict with this Ordinance are hereby repealed to the extent of such conflict.

Section 3. Severability. Should any provision of this Ordinance be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of the Ordinance as a whole, or any part thereof, other than the part declared to be invalid.

Section 4. Inclusion in the Code. It is the intention of the City Commission, and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of the City of Sunrise, Florida.

Section 5. Effective Date. This Ordinance shall be effective the first full pay period following its passage.

PASSED AND ADOPTED upon this first reading this 24TH DAY OF OCTOBER, 2023.

PASSED AND ADOPTED upon this second reading this 14TH DAY OF NOVEMBER, 2023.

Mayor Michael J. Ryan

Authentication:

Felicia M. Bravo

City Clerk

FIRST READING

SCUOTTO MOTION:

SECOND: **KERCH**

DOUGLAS: YEA GUZMAN: YEA

KERCH: YEA SCUOTTO: YEA

RYAN: YEA

Approved by the City Attorney as to Form and Legal Sufficiency SECOND READING

MOTION:

SCUOTTO

SECOND:

GUZMAN

DOUGLAS: YEA

GUZMAN: YEA

KERCH: **ABSENT**

SCUOTTO: YEA RYAN: YEA

Mullely C. Juse
Kimberly A. Kisslan

ARTICLE 33

RETIREMENT

SECTION 1. Except as provided for below, the City will maintain the existing pension ordinance provisions regarding benefits and contributions for bargaining unit employees for the duration of this Agreement.

SECTION 2. The City agrees to amend as necessary, Section 11-66 11-3 (and/or any other applicable sections that may be required) of the Police Pension Plan ordinance within sixty (60) calendar days after the ratification date of the 2023-2026 2018-2021 Agreement, in order to allow police officer members hired or rehired on or after September 30, 2015, to qualify for normal retirement after attaining age 55 with 10 years of creditable service, or after attaining 25 years of creditable service, regardless of age; and to adjust member contributions for police officer members hired or rehired on or after September 30, 2015, from eight percent (8%) of salary to eight and one-half percent (8.5%) of salary, effective the first pay period following adoption of the ordinance amending the Plan for qualifying Police Pension Plan members to complete the payment of a buy-back of creditable military or prior law enforcement service within sixty (60) months, but no later than DROP entry or separation from employment, whichever occurs first; and allowing for payment to be deducted from the employee's paycheck on a biweekly basis. Failure of the qualifying member to complete his/her buy-back within the established sixty (60) month period shall result in an immediate refund of all buy-back contributions, without interest to the employee/member. Any/all costs of any such buy-back, including interest as calculated by the plan actuary using the assumed investment rate of return, but excluding City administrative staff time, shall be borne/paid by the employee/member.

{Language deleted due to codification under section 11-3 of the Police Plan Ordinance.}

SECTION 3. The purpose of this section is to implement the provisions of Chapter 185, Florida Statutes, as amended by Chapter 2015-39, Laws of Florida. Section 185.35(6) requires that a defined contribution plan ("share plan") be established as a

component of the pension plan, but does not require that the share plan be funded. The parties have agreed that all Chapter 185 premium tax revenues received during each fiscal year up to \$2,137,895 shall be used to reduce the City's annual required contribution to the pension fund. The parties have further agreed that any premium tax revenues received during any fiscal year in excess of \$2,137,895 shall be held in reserve in the pension fund, and may be used to provide defined contribution benefits through a share plan that has been established as a component of the Pension Plan. Accordingly, the parties agree that a share plan was established as a component of the Pension Plan, to be funded solely with Chapter 185 premium tax revenues, but the share plan shall not be funded until premium tax revenues received in any fiscal year exceed \$2,137,895. The parties agree to negotiate the use of Chapter 185 premium tax revenues received in any fiscal year that exceed \$2,137,895, as well as the provisions of the share plan, and their resulting agreement shall determine the "available funds" that will be used to fund the share plan, as well as the provisions of the share plan

SECTION 4. It is understood and agreed that implementation of the wage increases in this Agreement is contingent on the City and Police Pension Board reaching agreement on actuarial assumptions, cost methods and procedures to be utilized during the term of that agreement, procedures for pension board action or plan interpretation that may result in an increase in plan liabilities or required by employer contributions, as well as the use of premium tax revenues as set forth in Section 3, above, which agreement will be incorporated as Appendix D to this Agreement. Any changes in assumptions, cost methods and procedures during this time period will only be made in accordance with the agreement between the City and the Police Pension Board (Appendix D). All actuarial assumptions, cost methods and procedures, and any pension board action or plan interpretation that results in an increase in plan liabilities or required employer contributions shall be individually realistic and based on the actuary's best estimates of anticipated future experience under the plan. In the event the Police Pension Board should at any time take action that is contrary to the agreement on the use of premium tax revenues as set forth in Section 3, above, the employee contribution shall immediately be increased by the amount required to offset the cost of the Police Pension Board's action.

SECTION 5. The parties acknowledge that there may be changes in state laws affecting the City's police pension plan during the term of this Agreement. Should such legislation become law while this Agreement is in effect (including any time periods after contract expiration but prior to a successor agreement becoming effective), regardless of the effective date of the legislation, or if the police pension board attempts to use the income from the Chapter 185 premium tax for any purpose other than as provided by this Article, it is agreed that the City may reopen any provisions of this Agreement for negotiations. Re-opener negotiations shall commence upon the City's request, and the parties agree to meet and negotiate the issues raised by the City within two (2) weeks following a request from the City for such negotiations. Re-opener negotiations will be limited to the items raised by the City. If negotiations reach an impasse, the impasse will be resolved utilizing statutory impasse resolution procedures. The City may proceed to impasse on re-opener issues even if collective bargaining negotiations on other issues are ongoing. In accordance with Chapter 185, Florida Statutes, effective with the date of ratification of the 2012-2015 Agreement, payments for accrued unused sick and annual leave shall be excluded from salary for pension purposes effective upon ratification of that Agreement.

SECTION 6. The City agrees to amend, as necessary Section 11-52(c) of the Police Pension Plan ordinance within sixty (60) calendar days after the ratification date of this the 2018-2021 Agreement, to provide that police officers hired prior to September 30, 2015 who terminate employment and begin receiving normal or early retirement benefits on or after the ratification date of the 2018-2021 FOP Agreement, shall receive a supplemental monthly benefit in the initial amount of thirty-five dollars (\$35.00) per year of creditable service up to a maximum of seven hundred dollars (\$700.00) per month until age sixty-five (65), and fifteen dollars (\$15.00) per year of creditable service up to a maximum of three hundred dollars (\$300.00) per month thereafter; contingent on the annual adjustment described in Section 11-52(d). The prior value(s) of the supplemental payments for members who retired before this Agreement is ratified shall remain unchanged.

{Language deleted due to codification under section 11-52 of the Police Plan Ordinance.}

SECTION 7. Effective upon ratification of this 2021-2023 2023-2026 Agreement, if the Police Pension Board takes any action or interprets the pension plan in a manner that does not change the actuarial assumptions, cost methods and procedures, but results in an increase in Plan liabilities or required employer contributions to the pension plan, the City may re-open the Retirement Article of this Agreement to negotiate changes to the pension plan benefits and/or employee contributions to offset the increases in Plan liabilities or employer contributions.