

January 20, 2015
January 23, 2015

ORDINANCE 15-008

AN ORDINANCE OF THE CITY OF BOYNTON BEACH, FLORIDA, AMENDING ARTICLE III, OF CHAPTER 18 OF THE BOYNTON BEACH CODE OF ORDINANCES, ENTITLED "EMPLOYEES' PENSION PLAN;" AMENDING SECTION 18-55 THE DEFINITION OF ANNUAL EARNINGS TO CLARIFY THE EXCLUSIONS OF ELEMENTS OF PAY PER FLORIDA STATUTES §112.66(11); AMENDING SECTION 18-82 REEMPLOYMENT TO ALLOW FOR THE PURCHASE OF PRIOR CITY SERVICE ON A FULL ACTUARIAL BASIS AFTER ONE YEAR OF REEMPLOYMENT BY THE CITY; PROVIDING FOR CODIFICATION; CONFLICT; SEVERABILITY; AND, AN EFFECTIVE DATE.

WHEREAS, the Board of Trustees ("Trustees") of the Employees' Pension Plan of the City of Boynton Beach, Florida ("Pension Plan") recommends amendment of the Ordinance to clarify the plan provision implementing Florida Statutes §112.66(11);

WHEREAS, the Trustees of the Plan recommended permitting members to purchase service at the full actuarial cost if the member requests to purchase such time more than one year after reemployment; and

WHEREAS, the City Commission of the City of Boynton Beach, Florida, desires to so amend the Employees' Pension Plan of the City of Boynton Beach, Florida;

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

Section 1. The foregoing "WHEREAS" clauses are hereby certified as being true and correct and are incorporated herein by this reference.

Section 2. The definition of *Annual Earnings* of Section 18-55 of Article II of Chapter 18 of the Boynton Beach Code of Ordinances is hereby amended as follows:

1
2 Sec. 18-55. Definitions.

3 The following words and phrases, as used in this article, unless a different meaning is
4 plainly required by the context, shall have the following meanings, and the same and similar
5 terms when used in connection with any civil service system or any other ordinance of the
6 city shall not necessarily apply to the members of the retirement system hereby created except
7 when specifically adopted:

8
9 * * *

10
11 Annual earnings. Gross earnings received by the employee as compensation for
12 services to the city, including overtime pay. Bonuses shall be excluded. Flexible benefits shall
13 be excluded. Effective June 18, 2013 overtime included in pensionable compensation is
14 limited to 300 hours per Member per year. Prior to June 18, 2013 all overtime is included in
15 the definition of pensionable compensation, ~~effective June 18, 2013, no~~ No hours of unused
16 accumulated sick and vacation leave earned after June 18, 2013 shall be considered *Annual*
17 *Earnings*. However, ~~prior to June 18, 2013~~ members may include all unused hours earned
18 prior to June 18, 2013 provided that the amount of hours is ~~were~~ cashed in at retirement.
19 Beginning with annual earnings after December 31, 2008, and pursuant to Internal Revenue
20 Code Section 414(u)(7), the definition of annual earnings includes amounts paid by the city as
21 differential wages to members who are absent from employment while in qualified military
22 service.

23 Section 3. Section 18-82 of Article II of Chapter 18 of the Boynton Beach Code of

Ordinances is hereby amended as follows:

Sec. 18-82. Reemployment.

When any former employee of the city is reemployed, he or she will become a member of the plan upon reemployment as a full-time permanent general city employee. When a former employee of the city is reemployed and said employee had withdrawn contributions previously made to the plan, he or she may have forfeited credited service reinstated upon satisfaction of each of the following conditions:

- (1) The break in city employment is not more than 60 months; and
- (2) The plan is paid the total amount previously withdrawn (consisting of accumulated member contributions plus any interest previously paid by the plan on those contributions). This total amount is brought forward with interest for the total number of months from the date of withdrawal to the date of repayment, calculated to the nearest month. This calculated amount equals the amount to be repaid to the plan in a lump sum. The interest to bring forward the total amount will be at the equivalent compound monthly rate derived from the earning rate assumed by the actuary in the most recent actuarial valuation submitted to the Division of Retirement pursuant to Florida Statute Chapter 112, part VII.
- (3) Repayment of withdrawn contributions, interest thereon, and administrative processing fee, must be made no later than one year from the date the fund's actuary delivers a repayment calculation to the employee.

1 (4) The application is made within one year of reemployment by the city.
2 Should a member fail to make application within one year of
3 reemployment for the purchase of prior city time, then the member
4 may within five years of reemployment by the city request the
5 purchase of the prior city time. This time may be purchased at the
6 full actuarial impact of the purchase of service, plus the cost of the
7 actuarial services to calculate the buyback.

8 When a former employee of the city is reemployed and said employee had
9 previously terminated his or her employment with a vested right to a deferred annuity,
10 provided he or she had not withdrawn contributions previously made to the plan, he or
11 she will again become a member of the plan as of the date of his or her reemployment
12 as a full-time permanent general city employee. The credited service which such
13 reemployed member had accumulated as of the date of his or her prior termination of
14 employment shall be reinstated and he or she shall accrue additional credited service
15 from the date of his or her reemployment. Any benefits to which such reemployed
16 member subsequently becomes entitled shall be based on the sum of his or her
17 credited service prior to his or her previous termination of employment plus credited
18 service subsequently to his or her reemployment.

19 Section 4. It is the intention of the City Commission of the City of Boynton Beach
20 that the provisions of this Ordinance shall become and be made a part of the Code of
21 Ordinances of the City of Boynton Beach, Florida. The Sections of this ordinance may be
22 renumbered, re-lettered and the word "Ordinance" may be changed to "Section," "Article" or
23 such other word or phrase in order to accomplish such intention.

1 Section 5. All Ordinances or parts of Ordinances, Resolutions or parts of Resolutions
2 in conflict herewith be and the same are hereby repealed to the extent of such conflict.

3 Section 6. If any clause, section, or other part or application of this Ordinance shall be
4 held by any court of competent jurisdiction to be unconstitutional or invalid, such
5 unconstitutional or invalid part or application shall be considered as eliminated and so not
6 effecting the validity of the remaining portions or applications remaining in full force and
7 effect.

8 Section 7. This Ordinance shall become effective upon passage, unless otherwise
9 provided for in this amendment.

10 FIRST READING THIS 17th DAY OF FEBRUARY, 2015.

11 SECOND, FINAL READING and PASSAGE THIS 2 DAY OF MARCH, 2015.

12 CITY OF BOYNTON BEACH, FLORIDA

	YES	NO
15 Mayor – Jerry Taylor	<u>✓</u>	_____
18 Vice Mayor – Joe Casello	<u>✓</u>	_____
20 Commissioner – David T. Merker	<u>✓</u>	_____
22 Commissioner – Mack McCray	<u>✓</u>	_____
24 Commissioner – Michael M. Fitzpatrick	<u>✓</u>	_____

27 VOTE 5-0

28 ATTEST:

30 Janet M. Prainito
31 Janet M. Prainito, MMC
32 City Clerk

