

ORDINANCE NO. 2015- 037

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF COCONUT CREEK, FLORIDA, AMENDING THE CITY'S CODE OF ORDINANCES, BY AMENDING CHAPTER 21, "PERSONNEL ADMINISTRATION," ARTICLE I, "CIVIL SERVICE CODE," SECTION 21-9, "EMPLOYEE BENEFITS"; BY AMENDING ARTICLE II, "AT-WILL EMPLOYEES POLICIES AND PROCEDURES MANUAL," SECTION 21-24, "EMPLOYEE BENEFITS" TO PROVIDE FOR EXTENSION OF THE CITY'S 457 CONTRIBUTION RELATING TO THE EMPLOYEES AS SPECIFIED HEREIN AND SUBJECT TO THE LIMITATIONS AS SPECIFIED HEREIN; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, the City Manager has recommended certain amendments to the Civil Service Code and the At-Will Employees Policies and Procedures Manual; and

**WHEREAS**, the City Commission finds and determines that these amendments are in the best interest of the City; and

**WHEREAS**, the changes shall be retroactive to October 1, 2015 for all affected employees in order to correlate with the start of the 2015-2016 fiscal year.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF COCONUT CREEK, FLORIDA:**

**Section 1:** The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and correct and are hereby made a part of this Ordinance.

**Section 2:** That the Code of Ordinances of the City of Coconut Creek shall be amended by amending Chapter 21, "Personnel Administration," Article I, "Civil Service Code," Section 21-9, "Employee Benefits" to read as follows:

**SECTION 21-9. EMPLOYEE BENEFITS**

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Sec. 21-9.2. - Retirement plan.

9.2.1. Employees hired into full-time positions prior to May 1, 2002 elected to either remain in the ICMA Retirement Corporation's 401(a) Money Purchase Plan or to become a participant in the Florida Retirement System (FRS). This election was irrevocable. Full-time employees hired on or after May 1, 2002, and part-time employees, regardless of hire date, shall be participants of the FRS unless prohibited by state law. All FRS terms and conditions, including the required City contribution and the required Employee contribution, if applicable, are as provided by Chapter 121, Florida Statutes and the Florida Administrative Code, as may be amended from time to time. If any conflict arises between Section 21-9.2. and State and/or Federal law, the State and/or Federal law shall prevail.

A. Employees Hired into Full-Time Positions prior to May 1, 2002.

1. ICMA 401(a) Money Purchase Plan. This defined contribution plan is only available to those who were employed in full-time positions prior to May 1, 2002 and who elected to remain in the ICMA 401(a) plan. The City's contribution shall be fourteen percent (14%) of the employee's gross wages. Employees shall be required to make a mandatory contribution to the plan. Once each year, on or before the first pay in October, participants remaining in the ICMA Retirement Corporation's 401(a) plan, based on a majority vote, shall have the right to increase or decrease the percentage of their mandatory contribution into the ICMA 401(a) Account, provided that the total contribution shall not exceed the limits mandated by the Internal Revenue Code. The retirement age from City service and other plan provisions shall be defined in the ICMA plan documents.
2. Florida Retirement System (FRS). ~~For those who were employed in full time positions prior to May 1, 2002 and who elected to join the FRS, 2.a. below shall apply. For Fiscal Years 2014 and 2015 only, either 2.a. or 2.b. below shall apply only for eligible employees enrolled in the Regular Class or Special Risk Class of FRS, whichever provides the greater employee benefit:~~
  - a.—For those who were employed in full-time positions prior to May 1, 2002 and who elected to join the FRS, there may be a Residual Amount, which is defined as the difference between fourteen percent (14%) of their eligible earnings and the percentage of eligible earnings the City is required to contribute to the FRS. The City shall contribute any Residual Amount into the employee's ICMA Retirement Corporation's 457 Deferred Compensation Plan account.

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If the amount to be contributed to the FRS as determined by the State of Florida increases to an amount equal to or exceeding fourteen percent (14%) of the employee's eligible earnings, the Residual Amount shall be reduced to zero percent (0%), and there shall be no additional contribution into an employee's 457 account unless the City's required FRS contribution subsequently decreases to less than fourteen percent (14%) of the employee's eligible earnings. Employees who effectively retire by entering the FRS Deferred Retirement Option Program (DROP) cease eligibility for any City 457 contribution.

B. Employees Hired into Full-Time positions on or after May 1, 2002 but before July 1, 2011; Employees Hired into Part-time positions before July 1, 2011 shall be participants in the FRS unless participation is prohibited by Florida Statutes. There shall be no City contribution to the employee's ICMA 457 account, ~~except that~~ ~~However, for Fiscal years 2014 and 2015 only,~~ in the event of a mandatory employee contribution to the FRS, the City shall contribute an equivalent percentage only for eligible employees enrolled in the Regular Class or Special Risk Class of FRS, not to exceed three percent (3%) of eligible earnings to the employee's ICMA 457 account. If the City's required FRS contribution exceeds 7.77% for Regular Class or 20.25% for Special Risk Class, the City's 457 contribution shall be decreased or eliminated so that the combined City payment does not exceed 10.77% or 23.25%, respectively, of eligible earnings. Once the City's 457 contribution is eliminated, any future reduction to the City's required FRS contribution shall not result in reinstatement of the 457 contribution.

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**Section 3:** That the Code of Ordinances of the City of Coconut Creek shall be amended by amending Chapter 21, "Personnel Administration," Article II, "At-Will Employees Policies and Procedures Manual," Section 21-24, "Employee Benefits" to read as follows:

**SECTION 21-24. EMPLOYEE BENEFITS**

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Sec. 21-24.1. - Retirement plan.

24.1.1. Employees hired into full-time positions prior to May 1, 2002 elected to either remain in the ICMA Retirement Corporation's 401(a) Money Purchase Plan or to become a participant in the Florida Retirement System (FRS). This election was irrevocable. Full-time employees hired on or after May 1, 2002, and part-

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time employees, regardless of hire date, shall be participants of the FRS unless prohibited by state law. All FRS terms and conditions, including the required City contribution and the required Employee contribution, if applicable, are as provided by Chapter 121, Florida Statutes and the Florida Administrative Code, as may be amended from time to time. If any conflict arises between Section 21.24.1. and State and/or Federal law, the State and/or Federal law shall prevail.

A. Employees Hired into Full-Time Positions prior to May 1, 2002.

1. ICMA 401(a) Money Purchase Plan. This defined contribution plan is only available to those who were employed in full-time positions prior to May 1, 2002 and who elected to remain in the ICMA 401(a) plan. The City's contribution shall be fourteen percent (14%) of the employee's gross wages. Employees shall be required to make a mandatory contribution to the plan. Once each year, on or before the first pay in October, participants remaining in the ICMA Retirement Corporation's 401(a) plan, based on a majority vote, shall have the right to increase or decrease the percentage of their mandatory contribution into the ICMA 401(a) Account, provided that the total contribution shall not exceed the limits mandated by the Internal Revenue Code. The retirement age from City service and other plan provisions shall be defined in the ICMA plan documents.
2. Florida Retirement System (FRS). ~~For those who were employed in full time positions prior to May 1, 2002 and who elected to join the FRS, 2.a. below shall apply. For Fiscal Years 2014 and 2015 only, either 2.a. or 2.b. below shall apply only for eligible employees enrolled in the Regular Class or Special Risk Class of FRS, whichever provides the greater employee benefit:~~
  - a. ~~For those who were employed in full-time positions prior to May 1, 2002 and who elected to join the FRS, there may be a Residual Amount, which is defined as the difference between fourteen percent (14%) of their eligible earnings and the percentage of eligible earnings the City is required to contribute to the FRS. The City shall contribute any Residual Amount into the employee's ICMA Retirement Corporation's 457 Deferred Compensation Plan account. If the amount to be contributed to the FRS as determined by the State of Florida increases to an amount equal to or exceeding fourteen percent (14%) of the employee's eligible earnings, the Residual Amount shall be reduced to zero percent (0%), and there shall be no additional contribution into an employee's 457 account unless the City's required FRS contribution subsequently decreases to less than fourteen percent (14%) of the employee's eligible earnings. Employees~~

who effectively retire by entering the FRS Deferred Retirement Option Program (DROP) cease eligibility for any City 457 contribution.

~~b. For Fiscal Years 2014 and 2015 only, in the event of a mandatory employee contribution to the FRS, the City shall contribute an equivalent percentage only for eligible employees enrolled in the Regular Class or Special Risk Class of FRS, not to exceed three percent (3%), of eligible earnings to the employee's ICMA 457 account.~~

B. Employees Hired into Full-Time positions on or after May 1, 2002 but before July 1, 2011; Employees Hired into Part-time positions before July 1, 2011 shall be participants in the FRS unless participation is prohibited by Florida Statutes. There shall be no City contribution to the employee's ICMA 457 account, except that ~~However, for Fiscal years 2014 and 2015 only,~~ in the event of a mandatory employee contribution to the FRS, the City shall contribute an equivalent percentage only for eligible employees enrolled in the Regular Class or Special Risk Class of FRS, not to exceed three percent (3%) of eligible earnings to the employee's ICMA 457 account. If the City's required FRS contribution exceeds 7.77% for Regular Class or 20.25% for Special Risk Class, the City's 457 contribution shall be decreased or eliminated so that the combined City payment does not exceed 10.77% or 23.25%, respectively, of eligible earnings. Once the City's 457 contribution is eliminated, any future reduction to the City's required FRS contribution shall not result in reinstatement of the 457 contribution.

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**Section 4: Codification.** That the provisions of this Ordinance shall be codified within the Code of Ordinances of the City of Coconut Creek, Florida, and any paragraph or section may be renumbered to conform with the Code of Ordinances.

**Section 5: Severability.** That should any section or provision of this Ordinance or any portion thereof, any paragraph, sentence, clause or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder hereof as a whole or part hereof other than the part declared to be invalid.

**Section 6: Conflicts.** That 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 herewith are hereby repealed to the extent of such conflict.

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**Section 7: Effective Date.** That this Ordinance shall become effective immediately upon its passage on second and final reading; however changes shall be applied retroactively to October 1, 2015 for all affected employees to correlate with the start of the 2015-2016 fiscal year.

PASSED FIRST READING THIS 10<sup>th</sup> DAY OF SEPTEMBER, 2015.

PASSED SECOND READING THIS 8th DAY OF October , 2015.

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Rebecca A. Tooley, Mayor

Attest:

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Leslie Wallace May, MMC  
City Clerk

	<u>1<sup>st</sup></u>	<u>2<sup>nd</sup></u>
Tooley	<u>Aye</u>	<u>Aye</u>
Belvedere	<u>Aye</u>	<u>Aye</u>
Sarbone	<u>Aye</u>	<u>Aye</u>
Welch	<u>Aye</u>	<u>Aye</u>
Rydell	<u>Aye</u>	<u>Aye</u>

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