

ORDINANCE NO. 2024 - _____

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING PART I, SUBPART B, ARTICLE IX, RELATED SPECIAL ACTS, OF THE MIAMI BEACH CITY CODE ENTITLED "PENSION SYSTEM FOR DISABILITY AND RETIREMENT OF MEMBERS OF POLICE AND FIRE DEPARTMENTS"; AMENDING SECTION 66, "SERVICE AND DISABILITY BENEFITS GENERALLY", RELATED TO SALARY AND MINIMUM LINE-OF-DUTY DISABILITY BENEFITS; AMENDING SECTION 79, ENTITLED "DEFERRED RETIREMENT OPTION PLAN (DROP)", RELATED TO THE MAXIMUM DROP PARTICIPATION PERIOD; AMENDING SECTION 88, "BENEFITS FOR MEMBERS HIRED ON OR AFTER SEPTEMBER 30, 2013 AND PRIOR TO JUNE 8, 2016 FOR INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 1510 (IAFF) AND JULY 20, 2016 FOR FRATERNAL ORDER OF POLICE, WILLIAM NICHOLS LODGE NO. 8 (FOP)", RELATED TO AVERAGE MONTHLY SALARY; AMENDING SECTION 89, "BENEFITS FOR MEMBERS HIRED ON OR AFTER JUNE 8, 2016 AND PRIOR TO MAY 8, 2019 FOR INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 1510 (IAFF) AND HIRED ON OR AFTER JULY 20, 2016 AND PRIOR TO JULY 31, 2019 FOR FRATERNAL ORDER OF POLICE, WILLIAM NICHOLS LODGE NO. 8 (FOP)", RELATED TO AVERAGE MONTHLY SALARY; AMENDING SECTION 90, ENTITLED "BENEFITS FOR MEMBERS HIRED ON OR AFTER MAY 8, 2019 FOR INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 1510 (IAFF) AND ON OR AFTER JULY 31, 2019 FOR FRATERNAL ORDER OF POLICE, WILLIAM NICHOLS LODGE NO. 8 (FOP)", RELATED TO CREDITED SERVICE; PROVIDING FOR SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, On July 11, 2024, the Administration and the International Association of Firefighters (IAFF) Local 1510 reached a tentative agreement on a union contract covering the period from October 1, 2024, through September 30, 2027; and

WHEREAS, the IAFF bargaining unit employees held a ratification vote, whereby the proposed 2024-2027 Agreement was approved by a majority (99.3%) of the bargaining unit members who voted; and

WHEREAS, on October 30, 2024, the City Commission ratified the three-year Agreement with the IAFF, which covered the contract period of October 1, 2024 through September 30, 2027; and

WHEREAS, the Administration seeks to allow Fire and Police management employees to continue to have pay for off-duty services received through the City included in their pensionable salary, up to the applicable maximum allowed under the ordinance, as such pay was previously included for these employees as IAFF and FOP bargaining unit members; and

WHEREAS, the ratified Agreement between the City and the IAFF lowers the minimum

benefit for line-of-duty permanent and total disability from 85% of the member's salary to 50% of salary; and

WHEREAS, the ratified Agreement between the City and the IAFF extends the maximum Deferred Retirement Option Program (DROP) participation period for firefighter members from 8 years (96 months) to 10 years (120 months), and

WHEREAS, the ratified Agreement between the City and the IAFF reduces the averaging period for calculating final average monthly salary, upon which the pension benefit is based, from five years to three years for multiple tiers of firefighter members; and

WHEREAS, on February 1, 2023, the City passed and adopted Ordinance 2023-4533, which incorporated the Memorandum of Understanding executed on October 20, 2022, allowing firefighters to receive service credit under the Fire & Police Pension Plan for their prior service under the Miami Beach Employees' Retirement Plan ("Employees' Retirement Plan"); and the ratified agreement between the City and the International Association of Firefighters (IAFF) formalizes these changes, and

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

SECTION 1.

That Article IX, Related Special Acts of the Miami Beach City Code, is amended to read:

**ARTICLE IX. - PENSION SYSTEM FOR DISABILITY AND RETIREMENT
OF MEMBERS OF POLICE AND FIRE DEPARTMENTS**

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Sec. 66. - Service and disability benefits generally

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- (d) For purposes of determining a member's benefit, the average monthly Salary of members who attains eligibility for retirement under subsection (a) above on or before September 30, 2015, shall be based on the average of the two highest-paid years of the member prior to the date of retirement or termination, or the average of the last two paid years of the member prior to the date of retirement or termination, whichever produces the greater benefit for members employed by the City before May 19, 1993, and shall be based on the average of the three highest paid years of the member prior to the date of retirement or termination for May 1993 Members. Effective September 30, 2015, the average monthly salary for members hired before July 14, 2010, who do not attain eligibility for retirement under subsection (a) above on or before September 30, 2015, shall be based on the average of the three highest paid years or the average of the last three (3) years of the member prior to the date of retirement or termination, whichever produces the greater benefit. The average

monthly salary for Members hired on or after July 14, 2010, but prior to September 30, 2013, shall be based on the average of the three highest paid years or the average of the last three (3) years of the member prior to the date of retirement or termination, whichever produces the greater benefit. The average monthly salary for police officer Members hired on or after September 30, 2013, shall be based on the average of the five (5) highest paid years or the average of the last five (5) years of the member prior to the date of retirement or termination, whichever produces the greater benefit. For purposes of such calculation, Salary shall be the Salary upon which the member's contribution to the System was computed, as provided in paragraphs (1) and (2) below:

- (1) With respect to a firefighter member employed before May 19, 1993, and retiring on or after October 1, 1994, the inclusion of overtime in the member's Salary for the applicable average monthly salary period, shall be limited in each year to an amount which, when combined with compensation for off-duty services and the value of any accrued sick and/or vacation leave that is included in a member's Salary for pension contribution and benefit purposes, is equal to 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement. Effective July 14, 2010, all compensation received by a firefighter member who is eligible for overtime pay and who receives pay for off-duty services performed after that date for which compensation is received through the City shall be included in such member's Salary for pension contribution and benefit purposes; provided, in no event shall such compensation for off-duty services, in combination with any overtime pay and the value of any accrued sick and/or vacation leave included in a member's Salary for pension contribution and benefit purposes, exceed 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement. For firefighter members who are eligible for overtime pay and who retire on or after September 30, 2010, upon reaching eligibility for retirement, a member may elect to apply unused sick and/or vacation leave for inclusion in the member's Salary for pension contribution and benefit purposes, at a cost of 10% of the value of the unused sick and/or vacation leave (at the member's current hourly rate). Provided, in no event shall the value of such unused sick and/or vacation time, when combined with any overtime pay and compensation for off-duty services included in a member's Salary for pension contribution and benefit purposes, exceed 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement. Notwithstanding the foregoing, effective September 30, 2013, overtime pay in excess of 300 hours per calendar year, payments for unused sick and vacation leave, hazardous duty pay (when paid), and payments relating to the domestic partner tax credit reimbursement, shall be excluded from a firefighter member's Salary for pension contribution and benefit purposes. Effective [Effective date of this ordinance], for firefighter members who are not eligible for overtime pay, pay for off-duty services performed on or after that date for which compensation is received through the City, shall be included in such member's Salary for pension contribution and benefit purposes; provided, in no event shall such compensation for off-duty services, in combination with the value of any accrued sick and/or vacation leave included in a member's Salary for pension contribution and benefit purposes, exceed 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement.

- (2) With respect to a police officer member employed before May 19, 1993, and retiring on or after October 1, 1994, the inclusion of overtime in the member's Salary for the applicable average monthly salary period, shall be limited in each year to an amount which, when combined with compensation for off-duty services and the value of any accrued sick and/or vacation leave that is included in a member's Salary for pension contribution and benefit purposes, is equal to 70% of the difference between the member's annualized pay rate at retirement and the highest annualized pay rate for the next higher salary rank; but in no event shall such member's accrued benefit on his date of retirement be less than the benefit he had accrued as of September 30, 1994, determined under the terms of the System in effect on that date. Effective July 14, 2010, all compensation received by a police officer member who is eligible for overtime pay and who receives pay for off-duty services performed after that date for which compensation is received through the City, shall be included in such member's Salary for pension contribution and benefit purposes; provided, in no event shall such compensation for off-duty services, in combination with any overtime pay and the value of any accrued sick and/or vacation leave included in a member's Salary for pension contribution and benefit purposes, exceed 70% of the difference between the member's annualized pay rate at retirement and the highest annualized pay rate for the next higher salary rank; but in no event shall such member's accrued benefit on his date of retirement be less than the benefit he had accrued as of September 30, 1994, determined under the terms of the System in effect on that date. For police officer members who are eligible for overtime pay and who retire on or after September 30, 2010 and before September 30, 2013, upon reaching eligibility for retirement, a member may elect to apply unused sick and/or vacation leave for inclusion in the member's Salary for pension contribution purposes, at a cost of 10% of the value of the unused sick and/or vacation leave (at the member's current hourly rate). Provided, in no event shall the value of such unused sick and/or vacation time, when combined with any overtime pay and compensation for off-duty services included in a member's Salary for pension contribution and benefit purposes, exceed 70% of the difference between the member's annualized pay rate at retirement and the highest annualized pay rate for the next higher salary rank; but in no event shall such member's accrued benefit on his date of retirement be less than the benefit he had accrued as of September 30, 1994, determined under the terms of the System in effect on that date. Notwithstanding the foregoing, effective September 30, 2013, overtime pay in excess of 300 hours per calendar year, payments for unused sick and vacation leave, hazardous duty pay (when paid), payments relating to the domestic partner tax credit reimbursement, and payments for voluntarily participating in a physical fitness assessment program offered by the City shall be excluded from a police officer member's Salary for pension contribution and benefit purposes; and in no event shall compensation for off-duty services, in combination with overtime pay not exceeding 300 hours per calendar year, exceed 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement. Provided, the 11% limitation in the preceding sentence shall not apply to any member who holds the rank of sergeant or lieutenant on September 30, 2013, or any police officer who is promoted into the position of police sergeant prior to the date the 2013 Certified Police Sergeant Promotional Register expires in 2015. Notwithstanding any other provision of this paragraph (2), effective June 8, 2016 for International

Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP), with respect to any member excluded from the eleven percent (11%) limitation by operation of the preceding sentence, if such member self-demotes the amount of compensation for off-duty services, in combination with overtime pay not exceeding 300 hours per calendar year, included in such member's Salary shall not exceed 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement; and overtime, off-duty or any other compensation shall not be applied to produce a benefit that exceeds the eleven percent (11%) limitation. Effective [Effective date of this ordinance], for police officer members who are not eligible for overtime pay, pay for off-duty services performed on or after that date for which compensation is received through the City, shall be included in such member's Salary for pension contribution and benefit purposes; provided, in no event shall such compensation for off-duty services, in combination with the value of any accrued sick and/or vacation leave included in a member's Salary for pension contribution and benefit purposes, exceed 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement.

- (e) Notwithstanding anything in this section to the contrary, the benefits provided in this section shall not exceed 90% of the member's average monthly Salary as defined in subsection (d) of this section; provided, however, that the benefits for May 1993 Members shall not exceed 80% of such Salary. Notwithstanding the foregoing, effective September 30, 2013, the benefits provided in this section shall not exceed 85% of the member's average monthly Salary as defined in subsection (d) of this section; provided, however, that the benefits for May 1993 Members shall not exceed 80% of such Salary; and provided further, the benefit of any member who has an accrued benefit in excess of 85% of average monthly Salary as defined in subsection (d) of this section on September 30, 2013 shall not exceed 90% of such Salary.
- (f) The minimum pension for a member retiring for permanent and total disability under subsection (a)(2) of this section shall be 85% of the member's Salary at the time of disability retirement; provided, however, that the minimum pension for a May 1993 Member shall be 75% of such Salary; and provided further that the minimum pension for a firefighter member retiring for permanent and total disability under subsection (a)(2) on or after October 1, 2024, shall be 50% of such member's Salary at the time of disability retirement. The minimum pension for a May 1993 Member retiring for permanent and total disability under subsection (a)(3) of this section shall be 50% of the member's Salary at the time of the disability retirement.

* * *

- (h) (1) Notwithstanding anything in this section to the contrary, the minimum monthly pension payable for the life of any member who was employed prior to July 1, 1976 and who retires after attaining age 50 and completing at least 15 years of Creditable Service or after meeting the requirements of subsection (a)(3) or (a)(4) of this section 66 shall be equal to:

* * *

(4) The minimum pension for a member retiring under this subsection (h) for permanent and total disability shall be 75% of the member's Salary at the time of his disability retirement. Notwithstanding the preceding sentence, the minimum pension for a firefighter member retiring under this subsection (h) for permanent and total disability on or after October 1, 2024, shall be 50% of the member's Salary at the time of his disability retirement.

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Sec. 79. - Deferred Retirement Option Plan (DROP)

- (a) *Eligibility.* Any active member of the System may enter into the DROP on the first day of any month following the date upon which the member first becomes eligible for a normal service retirement, subject to the provisions of this section 79.
- (b) *Conditions of eligibility.* Upon becoming eligible to participate in the DROP, a member who enters the DROP before September 1, 2012, may elect to enter that program for a period not to exceed 36 months. Notwithstanding, DROP participation for members who enter the DROP before September 1, 2012, may not continue beyond the date when the member's combined years of creditable service and time in the DROP equals 352 months (387 months for members who were members prior to July 1, 1976). Members who enter the DROP on or after September 1, 2012, shall be eligible to participate for a period not to exceed sixty (60) months. Notwithstanding, for those members who enter the DROP on or after September 1, 2012, participation may not continue beyond the date when the member's combined years of creditable service and time in the DROP equals 456 months. Provided, members who enter the DROP on or before September 30, 2015, may extend their DROP participation period by 12 months, for a total maximum DROP participation period not to exceed seventy-two (72) months; provided further, members who enter the DROP on or after October 1, 2015, but prior to June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP), may extend their DROP participation period by up to 36 months, for a total maximum DROP participation period not to exceed ninety-six (96) months; and provided further, members who enter the DROP on or after June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) may participate in the DROP for a period not to exceed ninety-six (96) months. Notwithstanding any other provision of this subsection (b), members in the bargaining units represented by International Association of Firefighters, Local 1510 (IAFF), who entered the DROP on or after June 8, 2016, but prior to [Effective date of this ordinance], may extend their DROP participation period by up to twenty-four (24) months, for a total maximum DROP participation period not to exceed one-hundred twenty (120) months; and provided further, such bargaining unit members who enter the DROP on or after [Effective date of this ordinance] may participate in the DROP for a period not to exceed one-hundred twenty (120) months. Provided also that participation in DROP shall require the member to complete and submit the following prior to start of DROP payments:
1. Such forms as may be required by the Board or Plan Administrator. Election of the DROP is irrevocable once DROP payments begin. Members in the bargaining units represented by International Association of Firefighters, Local

1510 (IAFF) who are participating in the DROP on [effective date of this ordinance] June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) and elect to extend their DROP participation period must complete such forms as are required by the Board no later than February 20, 2025-September 1, 2019.

2. A waiver and an irrevocable resignation from employment with the actual date of termination being the date designated by the member as the end of his/her DROP participation. The administration and timing of execution and delivery of the waiver and resignation forms shall meet the requirements of the Age Discrimination in Employment Act and the Older Worker's Benefits Protection Act, as same may be amended from time to time.
- (c) *Conditions of employment for DROP participants.* Members shall be subject to termination of employment while in DROP to the same extent as they were in their pre-DROP status. A member who has elected the DROP remains an employee during the DROP period and receives all the benefits of being an employee during the DROP period, except any form of pension contribution.
- (d) *Effect of DROP participation.*
1. A member's creditable service and his/her accrued benefit under the System shall be determined on the date of his/her election to participate in the DROP first becomes effective.
 2. The member shall not accrue any additional creditable service while he/she is a participant in the DROP, or after termination of participation in the DROP.
 3. A DROP participant is not eligible for disability benefits from the Plan.
 4. A member may participate in the DROP only once.
 5. Effective with the start date of a member's DROP participation, contributions to the Pension Plan by the member and the normal cost contribution to the Pension Plan by the City, on behalf of the member, shall cease.
- (e) *Payments to DROP account.* A DROP account shall be created for each member who elects to participate in the DROP. A DROP account shall consist of amounts transferred to the DROP from the Plan, which include the monthly retirement benefits, including any future cost of living increases, that would have been payable had the member elected to cease employment and receive a normal retirement benefit upon commencing participation in the DROP, and earnings on those amounts. Provided, members who enter the DROP on or after September 1, 2012, and before September 30, 2013, shall receive a zero percent (0%) cost of living adjustment for the third (3rd) and fourth (4th) annual adjustment dates, regardless of whether the member remains in the DROP for the maximum DROP participation period. Provided further, and notwithstanding any other provision of the System, any member who enters the DROP on or before September 30, 2015, and elects to extend their DROP participation period by up to 12 months shall receive a zero percent (0%) cost of living adjustment for the sixth (6th) annual adjustment date; and if such member thereafter separates from city employment at any time during the sixth year of DROP participation, he/she shall not receive a cost of living adjustment on the sixth annual adjustment date, but shall receive a cost of living adjustment on the seventh annual adjustment date and each annual adjustment date thereafter. Provided further, and

notwithstanding any other provision of the System, a member who enters the DROP on or after October 1, 2015, but prior to June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP), and elects to extend their DROP participation period by up to 36 months, shall receive a zero percent (0%) cost of living adjustment for the sixth (6th), seventh (7th) and eighth (8th) annual adjustment dates; and if such member separates from city employment at any time within the sixth, seventh or eighth year of DROP participation, he/she shall not receive a cost of living adjustment on the annual adjustment date next following separation of employment, but shall receive a cost of living adjustment on each annual adjustment date thereafter. Provided further, and notwithstanding any other provision of the System, a member hired before June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) who enters the DROP on or after June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) shall receive a zero percent (0%) cost of living adjustment for the sixth (6th), seventh (7th) and eighth (8th) annual adjustment dates; and if such member separates from city employment at any time within the sixth (6th), seventh (7th) or eighth (8th) year of DROP participation, he/she shall not receive a cost of living adjustment on the annual adjustment date next following separation of employment, but shall receive a cost of living adjustment on each annual adjustment date thereafter. Provided further, and notwithstanding any other provision of the System, members hired on or after June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) who enter the DROP shall receive a zero percent (0%) cost of living adjustment for the first (1st), second (2nd), third (3rd) and fourth (4th) annual adjustment dates; and if such a member separates from city employment at any time within the first (1st), second (2nd), third (3rd) or fourth (4th) year of DROP participation, he/she shall not receive a cost of living adjustment on the annual adjustment date next following separation of employment, but shall receive a cost of living adjustment on each annual adjustment date thereafter.

(f) *DROP account earnings.*

1. Members may direct their DROP account balance to any of the investment options offered and approved by the Board. Any losses incurred by the participant shall not be made up by the City or the Pension Plan. The selection of these programs shall be made by the participant on forms provided by the Board. Any and all interest and/or earnings shall be credited to the participant's DROP account.
2. A member's DROP account shall only be credited or debited with earnings while the member is a participant in the DROP and, depending on the DROP Account Payment Options selected, after the member dies, retires, or terminates employment with the City of Miami Beach.

(g) *Payment of DROP account funds.* Upon termination of a member's employment (for any reason, whether by retirement, resignation, discharge, disability, or death), the retirement benefits payable to the member or to the member's beneficiary shall be paid to the member or beneficiary and shall no longer be paid to the member's DROP account. No payments will be made from the DROP account until the member

terminates employment. In the event of the member's death, payment shall be made directly to the member's beneficiary.

- (h) *DROP account payment options.* Following the termination of a member's employment, the member shall select one of the following options to begin to receive payment from his/her DROP account. Said selection shall occur no later than 30 days prior to the end of the DROP participation period or within 30 days following the final transfer of monthly retirement benefits to the member's DROP account following the termination of a member's employment if said termination of employment occurs prior to the end of the DROP participation period:
1. Lump sum: All accrued DROP benefits, plus interest, shall be paid from the DROP in a single lump sum payment.
 2. Partial lump sum: A member designated portion of accrued DROP benefits, plus interest, shall be paid from the DROP in a partial lump sum payment with the remainder being directly rolled over into an eligible retirement plan.
 3. Direct rollover: All accrued DROP benefits, plus interest, shall be paid from the DROP directly to the custodian of an eligible retirement.
 4. Other method(s) of payment that are in compliance with the Internal Revenue Code and adopted by the Board.
- (i) *Death of DROP participant.* If a DROP participant dies before his/her account balances are paid out in full, the participant member's designated beneficiary shall have the same rights as the member to elect and receive the pay-out options set forth in Paragraph (h), above. DROP payments to a beneficiary shall be in addition to any other retirement benefits payable to the beneficiary.

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Sec 82. - Military service

- (a) Any member of the System or any probationary employee in the fire or police department who is absent from the service of the City because of service in the uniformed services of the United States (as defined in the Uniformed Services Employment and Reemployment Rights Act of 1994) who returns to the service of the City having applied to return while his reemployment rights were protected by law, shall be entitled to all retirement rights and privileges under this system if such member, or such probationary employee after he becomes a member, contributes the amount such member or probationary employee would have contributed had he been a member during the period of service in the uniformed services for which credit is being purchased, and creditable toward service retirement as provided in this section. The amount of any such contributions shall be determined based on the member's Salary in effect immediately prior to such period of absence and the terms of the System in effect at that time. The member shall make any such payments to the System during a repayment period equal to the lesser of (i) three times the member's period of absence for service in the uniformed services or (ii) five years. The repayment period shall begin on the later of (i) the date the member is reemployed by the City and (ii) the date the City notifies the member of his rights under this section.

- (b) Effective September 30, 2013, members who have at least 5 years but not more than 10 years of Creditable Service under the System on that date, may contribute an additional amount to the System in order to receive service credit for years of active military service in the U.S. Army, Navy, Air Force, Marines or Coast Guard occurring prior to their date of employment with the City. A member may purchase up to two years of such service. The price for each such year shall be 10% (10.5% for members hired on or after September 30, 2013) of the aggregate of the member's Salary during the 12 calendar months immediately preceding the date of such purchase; and such price shall be prorated accordingly if a member's election includes a fractional year of service. Any additional benefits attributable to service purchased under this subsection (b) shall be at the benefit multiplier rate of 3% per year of Creditable Service, with a total maximum additional benefit of 6% based on two years of Creditable Service purchased. The purchase of Creditable Service under this subsection (b) for police officer members with 5 or more years of credited service on September 30, 2013 must be completed within 36 months September 30, 2013. The purchase of Creditable Service under this subsection (b) for police officer members with less than 5 years of credited service on September 30, 2013 must be completed within 36 months following the date the member completes 5 years of Creditable Service. The purchase of Creditable Service under this subsection (b) for firefighter members with 5 or more years of credited service on September 30, 2013 must be completed within 24 months following September 30, 2013. The purchase of Creditable Service under this subsection (b) for firefighter members with less than 5 years of credited service on September 30, 2013 must be completed within 24 months following the date the member completes 5 years of Creditable Service. A member who does not complete and fully pay for the purchase of Creditable Service under this subsection (b) within the applicable time period specified herein shall not receive Creditable Service for more than the amount for which payment has been made, and shall not be eligible to purchase Creditable Service for prior military service in the future.
- (c) Effective [~~effective date of ordinance~~] October 14, 2020, members who have at least five (5) years Creditable Service under the System (ten years of Creditable Service for firefighter members hired after May 8, 2019 and police officer members hired after July 31, 2019) may contribute an additional amount to the System in order to receive service credit for up to two years of active military service in the U.S. Army, Navy, Air Force, Marines or Coast Guard occurring prior to their date of employment with the City, at the benefit multiplier rate of 3% per year of Creditable Service, provided in no event shall the total aggregate amount of Creditable Service purchased pursuant to this section 82 and section 65 exceed a combined total of two (2) years or 6% additional multiplier. The price for each year of prior military service purchased shall be 10% (10.5% for members hired on or after September 30, 2013) of the member's pensionable salary during the twelve (12) calendar months immediately preceding the date of such purchase, and such price shall be prorated accordingly if a member's purchase includes a fractional year of service. For the purpose of purchases of Creditable Service under this subsection (c), a member may use the value of accrued sick and/or annual leave valued at the member's hourly rate at the time of purchase, with the cost prorated for fractional

years of service. The purchase of Creditable Service under this subsection (c) must be completed within twenty-four (24) months following a member's completion of five years of Creditable Service under the System (ten years of Creditable Service for firefighter members hired after May 8, 2019 and police officer members hired after July 31, 2019). A member who does not complete and fully pay for the purchase of Creditable Service under this subsection (c) within the twenty-four (24) month period shall not receive Creditable Service for more than the amount for which payment has been made, and shall not be eligible to purchase Creditable Service for prior military service in the future. Service credit purchased pursuant to this subsection (c) may be used for purposes of benefit calculation and eligibility for normal retirement; however, in no event may such purchased service credit be used for purposes of vesting.

- (d) Notwithstanding any provision of this plan to the contrary, effective as of December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Internal Revenue Code of 1986, as amended, and USERRA, as applicable.

* * *

Sec. 88. - Benefits for members hired on or after September 30, 2013 and prior to June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP).

Notwithstanding any other provision of the System, the pension benefits for members hired on or after September 30, 2013 and prior to June 8, 2016 for International Association of Firefighters, Local 1510 (IAFF) and July 20, 2016 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) shall be as provided in the sections 61 through 86, except as follows:

- (a) The benefit multiplier shall be three percent (3%) for each year of creditable service for the first 20 years of service, and four percent (4%) for each year of creditable service after 20 years of creditable service.
- (b) The normal retirement date shall be as provided in sec. 66, except that a member must compete at least five years of creditable service, and must attain age 48 to be eligible for "Rule of 70" retirement or reach the 85% maximum pension benefit regardless of age.
- (c) Final average monthly salary shall be based on the five (5) highest paid years or last five (5) years ~~as the case may be~~, prior to retirement or separation from employment, whichever is of greater benefit to the employee. Notwithstanding the preceding sentence, final average monthly salary for firefighter members who retire or enter the DROP on or after [Effective date of this ordinance] shall be based on the three (3) highest paid years or last three (3) years prior to retirement or separation from employment, whichever is of greater benefit to the employee.
- (d) The cost of living adjustment shall be one and one-half percent (1.5%) annually.
- (e) A member shall be vested upon completion of five years of creditable service.
- (f) The maximum pension benefit shall be as provided in section 11-66(e).

Sec. 89. - Benefits for members hired on or after June 8, 2016 and prior to May 8, 2019 for International Association of Firefighters, Local 1510 (IAFF) and hired on or after July 20, 2016 and prior to July 31, 2019 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP).

Notwithstanding any other provision of the System, the pension benefits for members hired on or after June 8, 2016 and prior to May 8, 2019 for International Association of Firefighters, Local 1510 (IAFF) and hired on or after July 20, 2016 and prior to July 31, 2019 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP) shall be as provided in sections 61 through 86, except as follows:

- (a) The benefit multiplier shall be three percent (3%) for each year of creditable service for the first 20 years of service, and four percent (4%) for each year of creditable service after 20 years of creditable service.
- (b) The normal retirement date shall be upon attainment of age 52 with five or more years of creditable service, or when the sum of a member's age plus years of creditable service equal 70 or more, provided the member has attained age 48 or reach the 85% maximum pension benefit regardless of age.
- (c) Final average monthly salary shall be based on the five (5) highest paid years or the last five (5) years prior to retirement or separation from employment (whichever is of greater benefit to the employee). Notwithstanding the preceding sentence, final average monthly salary for firefighter members who retire or enter the DROP on or after [Effective date of this ordinance] shall be based on the three (3) highest paid years or last three (3) years prior to retirement or separation from employment, whichever is of greater benefit to the employee.
- (d) The cost of living adjustment shall be one and one-half percent (1.5%) annually.
- (e) The maximum pension benefit shall be as provided in section 11-66(e).
- (f) A member shall be vested upon completion of five years of creditable service.
- (g) The member contribution shall be ten and one-half percent (10.5%) of Salary.

Sec. 90. - Benefits for members hired on or after May 8, 2019 for International Association of Firefighters, Local 1510 (IAFF) and on or after July 31, 2019 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP).

Notwithstanding any other provision of the System, the pension benefits for members hired on or after May 8, 2019 for International Association of Firefighters, Local 1510 (IAFF), and on or after July 31, 2019 for Fraternal Order of Police, William Nichols Lodge No. 8 (FOP), shall be as provided in section 89, except that such members shall be vested upon completion of ten years of creditable service and police officer members shall not be credited with any service under this System for service as a member of the Miami Beach Employees' Retirement Plan. Notwithstanding any other provision of the System, firefighter members hired on or after May 8, 2019 who participated in another city pension system prior to becoming a member of this System shall, upon transfer of funds attributable to up to 10 years of the member's accumulated total service credit in the other system to this System, receive credited service under this System for the same period of service, and such member need make no additional contribution for time credited.

SECTION 2. REPEALER.

All ordinances or parts of ordinances and all section and parts of sections in conflict herewith are hereby repealed.

SECTION 3. CODIFICATION.

It is the intention of the City Commission, and it is hereby ordained, that the provisions of this Ordinance shall become and be made part of the Code of the City of Miami Beach, as amended; that the sections of this Ordinance may be re-numbered or re-lettered to accomplish such intention; and that the word "ordinance" may be changed to "section" or other appropriate word.

SECTION 4. SEVERABILITY.

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

SECTION 5. EFFECTIVE DATE.

This Ordinance shall take effect ten days following adoption.

PASSED and ADOPTED this ____ day of _____, 2024.

Steven Meiner, Mayor

ATTEST:

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM AND LANGUAGE
& FOR EXECUTION

 _____ 11/5/2024
City Attorney Date