

ORDINANCE NO. 200-02-109

AN ORDINANCE AMENDING THE CITY OF LAUDERHILL CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION, ARTICLE II, OFFICERS AND EMPLOYEES, DIVISION 3, RETIREMENT, PART 2, GENERAL EMPLOYEES PENSION FUND, SECTION 2-73, DEFERRED RETIREMENT OPTION PLAN; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Board of Trustees of the City of Lauderhill General Employees Pension Fund has determined that the passage of this ordinance is in the best interest of the citizens of the City of Lauderhill; and

WHEREAS, the Plan was recently amended by ordinance 190-03-102. This ordinance changed normal service retirement eligibility for members of all tiers; and

WHEREAS, the Plan should be amended to revise deferred retirement option plan ("DROP") eligibility resulting from the changes to normal service retirement eligibility found in ordinance 190-03-102;

NOW, THEREFORE, BE IT ENACTED BY THE CITY COMMISSION OF THE CITY OF LAUDERHILL, FLORIDA THAT:

Section 1: That The Code of Ordinances, Chapter 2, Administration, Article II, Officers and Employees, Division 3, Retirement, Part 2, General Employees Pension Fund, Section 2073, Deffered Retirement Option Plan is hereby amended to read as follows:

Section 2-73 – Deferred retirement option plan.

- (a) A deferred retirement option plan ("DROP") is hereby created.
- (b) Eligibility to participate in the DROP is limited to tier one members and is based upon eligibility for normal service retirement. ~~with twenty (20) years of service, regardless of age.~~ Tier two and tier three members are not entitled to participate in the DROP.

(c) Tier one members who have attained Employees with more than twenty (20) years of service on or before December 31, 2018 shall be eligible to participate in the DROP.

(d) The maximum period of DROP participation is sixty (60) months.

Participation in DROP is not a guarantee of continued employment. Upon entry into the DROP, the member's average monthly earnings and accrued benefits shall be calculated. No change in the plan benefits made subsequent to entry into the DROP shall apply to the member unless otherwise applicable to retired members. Members shall choose any applicable survivorship benefit option at the time of entry into the DROP.

(e) Payment shall be made into the employee's DROP account as if the employee had terminated employment with the city in an amount determined by the employee's selection of the payment option.

(f) An employee's account in the DROP program shall earn or lose interest, based on the actual investment returns, whether positive or negative, earned by the plan.

(g) An employee shall terminate service with the city at the conclusion of the sixty (60) month DROP.

(h) Interest on a member's DROP account shall be calculated annually and evidenced on the annual statements issued by the Plan actuary.

(i) Upon termination of service with the city, an employee may receive payment within sixty (60) days of the member requesting payment or may defer payment until a time not later than the latest date authorized by Section 401(a)(9) of the Internal Revenue Code at the option of the member.

(j) Payments from the DROP may be received as a lump sum, installment payments, plan-to-plan rollover, or a combination of payment options; provided, however, that at all times, the DROP shall be subject to the minimum distribution provisions of the Internal Revenue Code.

~~(k)~~ No payment may be made from the DROP until the employee actually separates from service with the city.

~~(l)~~ If an employee shall die during participation in the DROP, the employee shall be treated as any other retired member in the plan who dies prior to retirement.

~~(m)~~ Upon commencement of participation in the DROP, the member shall no longer be eligible for disability retirement from the pension plan. If a member becomes disabled during the DROP period, the member shall be treated as if he/she retired on the day prior to the date of disability.

~~(n)~~ A DROP participant shall be deemed retired for all purposes in this plan. In all other respects, a DROP participant shall be deemed an active employee until separated from city service.

~~(o)~~ The board may promulgate uniform administrative rules for the implementation and application of the DROP.

Section 2: Should this ordinance or any part thereof be declared invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed to have been enacted without the invalid provision.

Section 3: It is the intention of the City Commission of the City of Lauderhill that the provisions of this ordinance shall become and be made a part of the Code of the City of Lauderhill, and that the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase in order to accomplish such intentions.

Section 4: All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5: This provision of this ordinance shall become effective as of the date of passage.

DATED this ____ day of _____, 2020.

PASSED on first reading this ____ day of _____, 2020.

PASSED AND ADOPTED on second reading this ____ day of _____,
2020.

PRESIDING OFFICER

ATTEST:

CITY CLERK

FIRST READING SECOND READING

MOTION	_____	_____
SECOND	_____	_____
M. BATES	_____	_____
H. BERGER	_____	_____
R. CAMPBELL	_____	_____
D. GRANT	_____	_____
K. THURSTON	_____	_____