



## Legislation Text

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**File #:** 2018-20, **Version:** 3

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### MOTION TO ADOPT PROPOSED ORDINANCE 2018-20 ON SECOND AND FINAL READING.

PROPOSED ORDINANCE 2018-20 IS AN ORDINANCE OF THE CITY OF PEMBROKE PINES, FLORIDA, REVISING THE CITY'S POLICE AND FIRE PENSION PLAN PURSUANT TO THE TERMS AND CONDITIONS OF COLLECTIVE BARGAINING AGREEMENT WITH THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS AND THE POLICE BENEVOLENT ASSOCIATION BY AMENDING § 34.43 OF THE CITY'S CODE OF ORDINANCES TO CREATE A TIER OF RETIREMENT BENEFITS EXCLUSIVELY FOR EMPLOYEES HIRED AFTER OCTOBER 1, 2018; AMENDING 34.52 SECTION (C)(3) TO PROVIDE FOR A EIGHT YEAR DROP OPTION; AMENDING § 34.37 TO INCORPORATE THE MUTUAL AGREEMENTS REGARDING USE OF 175 AND 185 FUNDS; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

### SUMMARY EXPLANATION AND BACKGROUND:

1. The Ordinance creates a third tier for Police Officers and Firefighters hired on/or after October 1, 2018 as follows:

- Multiplier - 3%
- Maximum Benefit - 80%
- Average Compensation Calculation - determined by using the best five out of the last ten years of service

2. DROP - up to eight years

- Individual Pension Contracts -

- Members Hired Prior to October 1, 2018 - yes

- Members Hired On/Or After October 1, 2018 - no

- COLA - None

- Member Contribution - 3%

### FINANCIAL IMPACT:

There is no additional cost to the City as a result of the proposed Addendum for this year. However, based on the actuarial report, the cumulative reduction in cost over the next ten years is estimated to be \$2,381,000 and over the next thirty years the cumulative reduction in cost is estimated to be \$21,906,000 (combined for Police and Fire)

