

ORDINANCE NO. 2023 - 1740

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AMENDING CHAPTER 2. - ADMINISTRATION, ARTICLE V. - EMPLOYEE BENEFITS, DIVISION 2. - PENSION PLAN, OF THE TOWN OF SURFSIDE CODE OF ORDINANCES REGARDING THE RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF SURFSIDE; SPECIFICALLY, AMENDING SECTION 2-176 OF THE TOWN CODE TO CLARIFY NORMAL AND EARLY RETIREMENT AGES; ~~AMENDING SECTION 2-182(a) OF THE TOWN CODE TO PERMIT TERMINATED 100% VESTED MEMBERS TO RECEIVE BENEFITS BEGINNING AT AGE FIFTY FIVE;~~ AND AMENDING SECTION 2-193 OF THE TOWN CODE GOVERNING THE DROP PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Surfside ("Town") sponsors a defined benefit retirement plan for employees of the Town (the "Retirement Plan"); and

WHEREAS, in the year 2020, the Board of Trustees of the Retirement Plan (the "Pension Board") reviewed benefits in surrounding cities and recommended enhancing pension benefits to align retirement ages with the Retirement Plan's maximum benefit limitation; and

WHEREAS, Sections 2-176 and 2-182 of the Town Code were amended in 2020 by the Town based on the Pension Board's recommendations; and

WHEREAS, the Pension Board has identified housekeeping items which were not addressed in the 2020 Code amendments, thereby necessitating clarifications and amendments to the Code as set forth herein; and

WHEREAS, the Pension Board discussed and approved recommendations based on impact studies by the Pension Board's actuary; and

WHEREAS, the Town Commission finds that the adoption of these Code amendments to the Retirement Plan are in the best interests of the Town and its employees.

34           **NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF**  
35 **THE TOWN OF SURFSIDE, FLORIDA:<sup>1</sup>**

36           **Section 1. Recitals Adopted.** That the above-stated recitals are hereby adopted and  
37 confirmed.

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39           **Section 2. Town Code Amended.** Section 2-176 – “Service Retirement  
40 Allowance”, of Division 2. – “Pension Plan”, of Article V. – “Employee Benefits”, of Chapter 2. –  
41 “Administration”, of the Town Code is hereby amended, as follows:

42                                   Chapter 2 – Administration

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45                                   Article V. – Employee Benefits

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48                                   Division 2. – Pension Plan

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50           **Sec. 2-176. Service Retirement Allowance.**

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54           (a) *Normal retirement date.* Each member who retires or otherwise terminates employment  
55 with the town on or after his normal retirement date, as determined below, shall be entitled  
56 to receive a service retirement annuity in the amount provided in subsection (c) of this  
57 section. Effective January 1, 2020, the normal retirement date for each member shall be the  
58 first day of the month coincident with or next following the earlier of:  
59

- 60                   (1) For members who are police officers and retired on or before January 31 ~~February~~  
61 ~~1~~, 2020:
- 62                   a. The attainment of age 52 and the completion of 20 years of creditable  
63                   service; or
  - 64                   b. The attainment of age 62 and the completion of 5 years of credited service;  
65                   or
  - 66                   c. The completion of 25 years of creditable service;
  - 67                   d. The completion of 15 years and four months of service if hired on a  
68                   full-time basis in March 2003.

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<sup>1</sup> **Coding:** ~~Strikethrough~~ words are deletions to the existing words. Underlined words are additions to the  
existing words. Changes between first and second reading are indicated with grey highlighted ~~striketrough~~  
and double underline.

72 (3) For members who are not sworn law enforcement officers, who retire on or after  
73 January 1, 2020, the earliest of:

- 74
- 75 a. The attainment of age 50 and the completion of 20 years of service;
- 76
- 77 b. The attainment of age 52 and the completion of 15 years of service; or
- 78
- 79 c. The attainment of age 55 and the completion of 10 years of service.
- 80

81 (b) *Early retirement date.* The early retirement date of each member shall be the first day of the  
82 month coincident with or next following the earlier of:

83

84 (1) The completion of 20 years of creditable service for all members, or;

85

86 (2) The attainment of age 55 and the completion of 15 years of creditable service for  
87 Police officers.

88

89 Each member who retires from service on or after his early retirement date shall be entitled to  
90 receive a service retirement annuity in the amount provided in subsection (c) of this section. Early  
91 retirement benefits shall commence on the date which would have been the member's normal  
92 retirement date had he continued in employment with the town. Alternatively, and at the option of  
93 the member, reduced early retirement benefits may commence at an earlier date, but no earlier than  
94 the attainment of age 55 for Police officers, with the reduction being equal to one-half of one  
95 percent for each month by which the benefit commencement date precedes the date which would  
96 have been the member's normal retirement date had he continued in employment with the town.

97

98 ~~Section 3. Section 2-182. "Vested rights; effect of salary payments, deduction for~~  
99 ~~plan," of Division 2. "Pension Plan", of Article V. "Employee Benefits", of Chapter 2.~~  
100 ~~"Administration", of the Town Code is hereby amended, as follows:~~

101 ~~Chapter 2. Administration~~

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105 ~~Article V. Employee Benefits~~

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109 ~~Division 2. Pension Plan~~

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113 ~~Sec. 2-182. Vested rights; effect of salary payments, deductions for plan.~~

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115 ~~(a) Members who are not police officers, by virtue of the payment of the contributions~~  
116 ~~required to be paid to the plan, receive a vested interest in the accrued benefits earned by such~~

117 ~~members upon completion of ten years of creditable service, regardless of age. The vested interest~~  
 118 ~~in the accrued benefits earned by all employees who are or become members on or after February~~  
 119 ~~1, 2003 varies by completion of years of creditable service, regardless of age, as follows:~~  
 120

Completed Years of Creditable Service	Vested Interest,
	%
<del>Less than 5</del>	<del>0</del>
<del>5 or more, but less than 6</del>	<del>50</del>
<del>6 or more, but less than 7</del>	<del>60</del>
<del>7 or more, but less than 8</del>	<del>70</del>
<del>8 or more, but less than 9</del>	<del>80</del>
<del>9 or more, but less than 10</del>	<del>90</del>
<del>10 or more</del>	<del>100</del>

121  
 122 ~~If separated from service, such vested members shall be entitled to a service retirement annuity~~  
 123 ~~commencing on the attainment of 65, provided such members have not received a refund of their~~  
 124 ~~contributions to the plan. Effective May 1, 2023, general employee and senior management~~  
 125 ~~members who are 100% vested shall be entitled to a service retirement annuity commencing at the~~  
 126 ~~attainment of age 55, provided such members have not received a refund of their contributions to~~  
 127 ~~the plan.~~

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 129 ~~\*\*\*~~  
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132 **Section 43.** Section 2-193, “Deferred retirement option plan (DROP)”, of Division 2. –  
 133 “Pension Plan”, of Article V. – “Employee Benefits”, of Chapter 2. – “Administration”, of the  
 134 Town Code is hereby amended, as follows:

135  
 136 Chapter 2 – Administration

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 140 Article V. – Employee Benefits

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 144 Division 2. – Pension Plan

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 148 **Sec. 2-193. – Deferred retirement option plan.**

149 A deferred retirement option plan ("DROP") is hereby created as follows:

150 (1) *Eligibility.* A member of the plan who reaches normal retirement age shall be eligible to  
151 participate in the DROP ("eligible member"). An eligible member may participate in  
152 the DROP for a maximum of 60 months from the date the member reaches his or her  
153 ~~earliest~~ normal retirement date. Anything herein to the contrary notwithstanding, if an  
154 eligible member has reached his or her normal retirement date on or before the date the  
155 DROP plan is implemented, then the eligible member shall have 60 days from the date  
156 the DROP plan is implemented to elect in writing to participate in the DROP for the  
157 maximum DROP participation period of 60 months.

158 (2) *Participation.*

159 a. An eligible member may elect to become a participant in the DROP ("participant")  
160 with 30 days advance written notice to the town and the board during the applicable  
161 DROP period; however, in no event shall the DROP period be extended beyond the  
162 60 months ~~from the date the police officer or dispatcher member is first eligible to~~  
163 ~~participate in the DROP.~~ As a condition of participating in the DROP, the eligible  
164 member must agree to terminate town employment at the conclusion of the DROP  
165 period and must submit a letter of resignation to the town, which letter shall be  
166 coupled with an interest and shall be irrevocable, prior to entering the DROP.

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168 (7) *Distribution of DROP account.*

169 a. Within ~~30~~ 120 days following the participant's termination of the employment or  
170 death, the participant's entire DROP account balance shall be distributed to the  
171 participant (or in the event of the death, to the participant's designated beneficiary  
172 or estate) in a cash lump sum, unless the participant elects to have all or any portion  
173 of an eligible rollover distribution paid directly to an eligible retirement plan  
174 specified by the participant. Regardless of the option selected by the participant, the  
175 board has the right to accelerate or defer payments to comply with the Internal  
176 Revenue Code. The DROP is intended to comply with the Internal Revenue Code  
177 and the board shall take no action which would jeopardize the tax qualification of  
178 the plan.

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180 **Section 54.** **Conflicts.** All sections or parts of sections of the Town Code, all  
181 ordinances or parts of ordinances, and all resolutions or parts of resolutions in conflict herewith, be  
182 and the same, are hereby repealed to the extent of such conflict.

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185 **Section 65.** **Severability.** Should this ordinance or any part thereof be declared  
186 invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not  
187 otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed  
188 to have been enacted without the invalid provision.

189 **Section 76.** **Codification.** It is the intention of the Town Commission that the  
190 provisions of this ordinance shall become and be made a part of the Code of the Town of Surfside,  
191 and that the word “ordinance” may be changed to “section,” “article,” or such other appropriate  
192 word or phrase in order to accomplish such intentions.

193 **Section 87.** **Effective Date.** This ordinance shall become effective upon adoption at  
194 second reading.

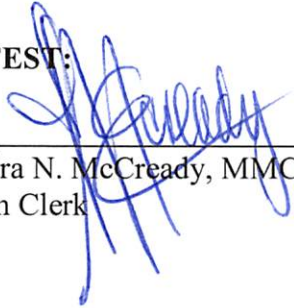
195  
196 **PASSED** on first reading this 18<sup>th</sup> day of April 2023.  
197 **PASSED** and **ADOPTED** on second reading this 9<sup>th</sup> day of May 2023.  
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199 **First Reading:**  
200 Motion by: Mayor Danzinger  
201 Second by: Commissioner Velasquez  
202

203 **Second and Final Reading:**  
204 Motion by: Commissioner Landsman  
205 Second by: Commissioner Velasquez  
206

207 **FINAL VOTE ON ADOPTION**  
208 Commissioner Fred Landsman Yes  
209 Commissioner Marianne Meisheid Yes  
210 Commissioner Nelly Velasquez Yes  
211 Vice Mayor Jeffrey Rose Yes  
212 Mayor Shlomo Danzinger Yes  
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\_\_\_\_\_  
Shlomo Danzinger, Mayor

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215 **ATTEST:**  
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219 Sandra N. McCready, MMC  
220 Town Clerk  
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**APPROVED AS TO FORM AND LEGALITY FOR THE USE  
AND BENEFIT OF THE TOWN OF SURFSIDE ONLY:**



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Weiss Serota Helfman Cole & Bierman, P.L.  
Town Attorney



May 1, 2023

Ms. Mayte Gamiotea  
Pension Administrator  
Retirement Plan for Employees of the  
Town of Surfside  
9293 Harding Avenue  
Surfside, Florida 33154-3009

**Re: Retirement Plan for Employees of the Town of Surfside  
Actuarial Impact Statement**

Dear Mayte:

As requested, we have performed an actuarial review of the proposed Ordinance.

Based upon our review, the proposed Ordinance:

1. Clarifies the description of normal and early retirement ages.
2. Amends Section 2-193 governing the DROP for administrative changes.
3. Repeals all Ordinances or parts of Ordinances in conflict herewith.
4. Provides for severability.
5. Provides for codification.
6. Provides for an effective date.

In our opinion, based upon the actuarial assumptions and methods employed in the October 1, 2021 Actuarial Valuation, the proposed Ordinance is a *no cost* Ordinance under State funding requirements.

If you should have any question concerning the above, please do not hesitate to contact us.

Sincerest regards,  
Gabriel, Roeder, Smith & Company

A handwritten signature in black ink that reads 'Michelle Jones'. The signature is written in a cursive, flowing style.

Shelly L. Jones, A.S.A., E.A.  
Consultant and Actuary

cc: Ms. Yamileth Slate-McCloud  
Adam Levinson, Esq.