



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 9/28/10

SUBJECT: Membership GENERAL EMPLOYEES' RETIREMENT SYSTEM

To approve Ordinance No. 2010-29 Proposing Revisions to Chapter 54, ARTICLE IV, Section 54-147, Membership GENERAL EMPLOYEES' RETIREMENT SYSTEM, City of Port Orange Code of Ordinances.

DEPARTMENT: Human Resources 1700

RECOMMENDED MOTION:

Staff recommends approval of Ordinance No. 2010-29 amending Chapter 54, ARTICLE VI, Section 54-147, Membership GENERAL EMPLOYEES' RETIREMENT SYSTEM, City of Port Orange Code of Ordinances providing that all new eligible employees be enrolled in the ICMA-RC Money Purchase Plan and Trust for general employees (401A Defined Contribution Plan) effective October 1, 2010 and not be offered participation in the City of Port Orange General Employees Defined Benefit Plan.

SUMMARY:

At their June 22, 2010 meeting, the City Council authorized the City Manager to bring back an amendment to the General Employees Pension Ordinance whereby all new eligible employees hired after the effective date of the revised Ordinance would be included in the City's 401 Defined Contribution Program. They would also be eligible for the City's 457 Deferred Compensation Program.

ATTACHMENTS: Ordinance Resolution Budget Resolution

Other Support Documents/Contracts Available for Review in Manager's Office

DEPARTMENT HEAD *[Signature]* Robert Zicker, Human Resources Director Date 9.22.10

FINANCE DEPARTMENT Approved as to Budget Requirements Date

CITY ATTORNEY *[Signature]* Approved as to Form and Legality Date 9.22.10

CITY MANAGER *[Signature]* Approved Agenda Item For: 9/28/10

COUNCIL ACTION: Approved as Recommended Disapproved Tabled Indefinitely
 Continued to Date Certain Approved with Modification:

ORDINANCE NO. 2010-29

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING CHAPTER 54, ARTICLE VI, CODE OF ORDINANCES, CITY OF PORT ORANGE FLORIDA, ENTITLED GENERAL EMPLOYEES' RETIREMENT SYSTEM; AMENDING SECTION 54-147, PARTICIPATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING RIGHTS OF SEPARATED EMPLOYEES NOT AFFECTED; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Port Orange, Florida has determined that it is in the best interest of the City and its employees to close the General Employees' Retirement System to new members effective September 30, 2010, and to require all general employees hired after that date to participate in the ICMA-RC Money Purchase Plan and Trust for general employees (401A Defined Contribution Plan); and

WHEREAS, for purposes of this Ordinance text with underlined (underlined) type shall constitute additions to the original text and text with strike-through (~~strike-through~~) type shall constitute deletions to the original text.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA:

Section 1. Section 54-147 of Article VI of Chapter 54 of the Code of Ordinances, City of Port Orange, Florida, is hereby amended to read as follows:

Sec. 54-147. Participation.

The date of participation for each employee employed prior to October 1, 2003, shall be as follows:

- (1) Each employee in the service of the city on October 1, 2003, who was a participant in the superseded plan shall participate in the plan on that date, providing such employee executes the Election to Participate-Current Employee form.
- (2) Each employee in the service of the city on October 1, 2003, who was not a participant in the superseded plan and who had not attained the age of 60 years as of his date of employment, shall be eligible to participate in the plan on October 1, 2003 providing such employee executes the participation agreement.

Each employee employed ~~on or after~~ between October 1, 2008, and September 30, 2010, inclusive shall as a condition of employment, participate in the plan by executing the participation agreement.

Each such employee who meets the eligibility requirements as set forth above shall, as a condition of continued employment, become a participant in the plan, make contributions to the plan as required in section 54-148 hereof, and will be subject to all other provisions in the plan beginning on such date of participation.

If an employee was a participant in the superseded plan and he or she does not want to be a participant in the City of Port Orange General Employees Defined Benefit Retirement Plan they shall execute the Election to Waive Participation form and the vested amount they had in the superseded plan on September 30, 2003 shall be transferred to the International City Management Retirement Association (ICMA-RC) Money Purchase Plan and Trust.

If an employee had elected to participate in the International City Management Retirement Association (ICMA-RC) Money Purchase Plan and Trust in lieu of participation in the superseded plan and now wants to participate in the City of Port Orange General Employees Defined Benefit Retirement Plan effective October 1, 2003 they must execute the Election to Participate--Transferring ICMA Employees form which shows the amount that must be deposited in the trust fund. By depositing the amount in the trust fund the employee will be credited with credited service from date of employment. The amount so deposited shall be the minimum amount the employee shall receive under the plan upon termination of employment for any reason. The employees who are transferring on October 1, 2003 shall be identified on a list by name and amount compiled by the city manager.

Notwithstanding any provision of this plan to the contrary, this plan shall be closed to new members effective September 30, 2010, and general employees hired on or after October 1, 2010, shall not be eligible for participation in the City of Port Orange General Employees' Retirement System. General employees hired on or after October 1, 2010 shall be enrolled in the ICMA-RC Money Purchase Plan and Trust for general employees (401A Defined Contribution Plan). The provisions of this paragraph shall take effect September 30, 2010 for members in positions not included in a bargaining unit, and shall become effective for members in bargaining unit positions upon implementation through the collective bargaining process.

Section 2. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

Section 3. If any provisions of this ordinance or the application thereof to any person or circumstance are held invalid, the invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared severable.

Section 4. Nothing herein shall affect the rights or obligations of any general employee who separated from employment as a general employee with the City of Port Orange prior to the date this ordinance is passed and adopted.

Section 5. This ordinance shall become effective upon adoption, except as otherwise specifically provided herein.

Mayor Allen Green

ATTEST:

Kenneth W. Parker, City Manager

Passed on first reading, this ____ day of _____, 2010.

Passed and adopted on second and final reading, this ____ day of _____, 2010.

Reviewed and Approved: 
City Attorney