

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

10-02-07

**OFFICIAL FILE COPY  
CLERK OF THE BOARD  
OF COUNTY COMMISSIONERS  
MIAMI-DADE COUNTY, FLORIDA**

RESOLUTION NO. R-1108-07

**RESOLUTION AUTHORIZING THE CITY OF HOMESTEAD TO  
AMEND THE HOMESTEAD FIREFIGHTER RETIREMENT PLAN  
TO CREATE A SUPPLEMENTAL RETIREMENT BENEFIT  
FUNDED FROM EXCESS STATE PREMIUM TAX FUNDS**

**WHEREAS**, the City of Homestead and Miami-Dade County have entered into an interlocal agreement concerning the funding for the Homestead Firefighter Retirement Plan, which is the retirement plan for Miami-Dade Fire Rescue employees that were employees of the City of Homestead prior to the merging of the two fire departments; and

**WHEREAS**, the interlocal agreement requires approval from the Miami-Dade County Board of County Commissioners prior to any changes in the Homestead Firefighter Retirement Plan; and

**WHEREAS**, the City of Homestead has requested approval from the County to amend the Homestead Firefighter Retirement Plan to create a supplemental retirement benefit for distribution of excess premium state tax monies; and

**WHEREAS**, this board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that the City of Homestead is authorized to amend the Homestead Firefighter Retirement Plan by creating a supplemental benefit, as outlined in the attached City of Homestead ordinance, funded by excess state premium tax monies.



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

**DATE:** October 2, 2007

**FROM:**   
R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Agenda Item No. 9(A)(17)(A)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

The foregoing resolution was offered by Commissioner **Jose "Pepe" Diaz** who moved its adoption. The motion was seconded by Commissioner **Dennis C. Moss** and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman	aye		
Barbara J. Jordan, Vice-Chairwoman	aye		
Jose "Pepe" Diaz	aye	Audrey M. Edmonson	aye
Carlos A. Gimenez	aye	Sally A. Heyman	aye
Joe A. Martinez	aye	Dennis C. Moss	aye
Dorrrin D. Rolle	aye	Natacha Seijas	absent
Katy Sorenson	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 2nd day of October, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF COUNTY  
COMMISSIONERS

HARVEY RUVIN, CLERK

By: **KAY SULLIVAN**  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency. *JK*

Lee Kraftchick

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# Memorandum



**Date:** October 2, 2007

**To:** Honorable Chairman Bruno A. Barreiro and  
Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager

**Subject:** Resolution Authorizing the City of Homestead to Amend the Homestead Firefighter Pension Plan

Agenda Item No. 9(A)(17)(A)

## **Recommendation**

It is recommended that the Board approve the attached resolution authorizing the City of Homestead to amend the Homestead Firefighter Retirement Plan (Plan) to create a supplemental retirement benefit funded from excess state premium tax funds.

## **Scope**

This item impacts the 13 County employees covered under the Homestead Firefighter Retirement Plan.

## **Fiscal Impact/Funding Source**

The proposed resolution has no fiscal impact on Miami-Dade County.

## **Track Record/Monitor**

The Miami-Dade Fire Rescue Department Chief Financial Officer, Scott Mendelsberg, tracks and monitors the Homestead Firefighter Retirement Plan.

## **Background**

The Miami-Dade Fire and Rescue Service District was created in 1980 after 15 municipal fire departments were consolidated into the County from 1968 through 1981. One of the municipalities to merge into the County was the City of Homestead, and on September 19, 1978, the County entered into an Agreement with the City of Homestead whereby fire protection and rescue services relating to the City were transferred from the City to the County. All 20 of the City's firefighters chose to remain in the City plan where their pension benefits would continue to be paid by the City of Homestead Fireman's Relief and Pension Fund. The original merger agreement called for the County to continue contributions to the city retirement fund but these contributions were insufficient to maintain the benefits paid to retirees. Eventually, the Board of Trustees for the retirement fund filed suit against the county to recover sufficient funds to provide the required plan benefits.

In October 2002, the City and the County entered into an Interlocal Agreement in an effort to settle litigation concerning the Homestead Firefighter Retirement Plan (Attachment I). This Interlocal Agreement provided for continuing contributions from the County to the Plan in order to make future benefit payments to retirees. The Agreement also required the City of Homestead to comply with various terms and conditions set by the County, including strengthening management and oversight of Plan assets as well as ongoing concerns cited by the State of Florida, Department of Management Services, regarding data contained in Annual Reports.

As previously reported, County staff continues to attend the Homestead Firefighter Pension Board meetings to monitor Board activities and review financial reports. The Pension Board focused on getting state acceptance of numerous prior year pension reports and made substantial progress in that

effort. The Board also retained new investment advisors and hired an outside firm to oversee the performance of the new advisors.

On February 1, 2006, the City of Homestead received a letter from the Department of Management Services confirming release of State pension funds, contingent upon the Homestead Firefighter Pension Board receiving delinquent amounts from Miami-Dade County. On February 24, 2006, the County transferred \$2,023,830 to the Homestead Retirement Plan to pay its share of outstanding liabilities. The Plan subsequently received more than \$1.1 million in Chapter 175 and Supplemental monies from the State. As previously reported, the City of Homestead contributed \$990,000 in 2005, and \$688,694 in 2006. The City made an additional payment of \$686,063 in 2007 to cover the entire remaining unfunded liability for the plan. In the opinion of the Plan Actuary, the fund is now on sound actuarial ground, and the lawsuit has been dropped (Attachment II).

The City of Homestead is required to seek County approval prior to any changes in the Homestead Firefighter Retirement Plan. Previous changes approved by the BCC include establishment of a DROP benefit and revisions to the normal retirement age to comply with state pension rules. The City is now requesting County approval to amend the plan by creating a supplemental benefit to distribute excess Chapter 175 premium tax monies currently held as reserve funds.

The Homestead Firefighter Retirement Plan receives fire insurance premium tax monies each year based upon the value of the insurance premiums paid by residents of the city. Since 1998, the Plan has received a total of \$1,143,316 from premium tax monies. State pension regulations require that all funds received annually in excess of the 1997 base year (\$92,425) be used for additional plan benefits. The cumulative total of excess premium tax monies received is \$405,778 (Attachment III).

The proposed plan amendment (Attachment IV) would create a supplemental benefit fund and authorize the transfer of \$405,778 in excess premium tax monies into that fund. The fund would distribute 80% of that amount to plan members or beneficiaries that have been retired at least 5 years, according to a formula based upon each member's or beneficiary's months of retirement relative to all other members or beneficiaries. This formula was approved at the most recent Homestead Firefighter Pension Board meeting and is designed to provide maximum benefit to those members and beneficiaries that have been retired for the greatest length of time and have never received a cost of living adjustment. The plan amendment would also authorize future contributions to the supplemental benefit fund from annual excess premium insurance monies, above the 1997 base year, received by the plan. The excess 2006 premium monies are \$153,230 of the total \$405,778 available for plan benefits.

Attached is a letter from the actuarial firm that reviews the Homestead Firefighter Retirement Plan (Attachment V). This letter confirms that there is no actuarial impact using the Chapter 175 reserves of \$405,778 and the annual additional revenue that exceeds the 1997 base amount of \$92,425.

  
Alina T. Hudak  
Assistant County Manager

**INTER-LOCAL AGREEMENT BETWEEN  
MIAMI-DADE COUNTY AND THE CITY OF HOMESTEAD  
REGARDING FUNDING AND ADMINISTRATION OF  
THE CITY OF HOMESTEAD FIREMAN'S RELIEF AND PENSION FUND**

**THIS AGREEMENT** made by and between MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter called the "County", and the CITY OF HOMESTEAD, a municipal corporation, hereinafter called the "City".

**WHEREAS**, on September 19, 1978, the County and the City entered into an Agreement (the 1978 Agreement) whereby fire protection and rescue services relating to the City were transferred from the City to the County; and

**WHEREAS**, pursuant to Section 8 of the 1978 Agreement each employee transferred from the City to the County had the right to either remain in the City of Homestead Retirement Income Plan for Firemen (the City Plan) or join the Florida Retirement System (FRS); and

**WHEREAS**, all 20 Homestead firefighters chose to remain in the City Plan whereby their pension benefits would continue to be paid from the City of Homestead Fireman's Relief and Pension Fund (the Fund); and

**WHEREAS**, under said Section 8 the County has agreed to make certain contributions on behalf of those firefighters who chose to remain in the City Plan; and

**WHEREAS**, in the intervening years a number of factors have adversely affected the financial condition of the Fund including the City Plan being a "closed plan" dependent upon contributions by a declining number of active firefighters and a number of firefighters electing disability retirement status in advance of their normal retirement dates; and

**WHEREAS**, during such time the City and the County have been in dispute as to any obligations of the County to make up Fund shortfalls; and

**WHEREAS**, the County maintains that it has at all times been in compliance with the terms of the Agreement, but retains an interest in preserving promised benefits to retired and active firefighters dependent upon the City Plan and the Fund; and

**WHEREAS**, the County and City contributions will, based on sound actuarial assumptions set forth in the Actuarial Consultant Report (Exhibit I) to this Agreement (the "Agreement"), be adequate to meet the pension payment requirement (the "Pension Requirement") under the City Plan;

**IT IS HEREBY AGREED:**

**Section 1.** The preamble to this Agreement is hereby incorporated by reference and made a part of this Agreement.

**Section 2.** The County agrees to make a one-time payment to the Fund of \$1,411,259, representing the aggregate difference, plus accumulated interest, between the County's 13.95% Fund contribution rate from 1979 through 2001 and the prevailing FRS contribution rate during corresponding years, as set forth in Exhibit II to this Agreement. Payment is expected on or before October 1, 2002, and shall be adjusted for accumulated interest, from January 1, 2002 through remittance date. Remittance of this payment by the County is specifically conditioned on compliance of the Fund and its Board of Trustees (Pension Board) with the terms set forth below, and may be withheld for non-compliance.

**Section 3.** For each of the years 2002 through the year in which the last employee member of the Plan retires (projected 2009), the County shall contribute on behalf of each Fund participant then employed by the County, the same percentage of eligible gross earnings contributed on behalf of similarly situated firefighters in the FRS, at the prevailing *Special Risk* contribution rate. Any additional contributions that may be required to make the Plan actuarially sound shall be made by the City in accordance with Section 5.

**Section 4.** The Pension Fund shall make no further demands upon the County for the payment of any contributions other than the amounts set forth herein.

**Section 5.** In consideration for the County's obligation undertaken herein, the City agrees to make contributions to the Fund in each of the years 2002 through the year in which the last employee member of the Plan retires (projected 2009), inclusive, equal to the difference between the Fund's benefit payments and administrative expenses (Normal Cost) and the sum of contributions received from the County, State, and participating employee members of the Plan. The City recognizes that its contribution as a percentage of employee compensation will vary, subject to fluctuations in Fund expenses and asset yield. The projections presented in the attached Exhibit I, prepared by a professional actuarial consultant, are based on specific assumptions that may differ from actual experiences and market conditions. Notwithstanding, the County's sole Fund contribution obligations are reflected in Sections 2 and 3, and will under no circumstances be altered in the event Plan funding assumptions presented in Exhibit I are not realized. The City acknowledges that future County contributions are limited by this Agreement, and the City hereby agrees to fund, to the extent mandated by State law, any and all shortfalls that may result from differences between assumptions and actual experiences or market conditions. Beyond the date of the last retirement, the City shall, to the extent mandated by State law, continue to make contributions. The City is responsible for complying with all applicable requirements of Chapters 112 and 175, Florida Statutes, imposed on municipal employers maintaining pension plans, including but not limited to, the consistent and timely submission of annual actuarial reports to the Division of Retirement (the Division) and the County, substantiating the adequacy of current contribution levels as outlined in Section 112.63(1), Florida Statutes; and the submission of supplemental contributions, if necessary, on a quarterly

basis to alleviate funding shortfalls identified in the actuarial report, in accordance with and to the extent required by Section 175.131 Florida Statutes.

**Section 6.** Firefighter contributions to the Plan shall be maintained at the current level; each active Firefighter participating in the Plan shall contribute 5% of eligible gross earnings to the Fund.

**Section 7.** Upon termination of the Plan, all excess funds shall be returned to the State, County or City in accordance with State law.

**Section 8.** In consideration of the payments the County has agreed to make, the Fund agrees to make the following changes to its Board and Pension Plan:

(a) **Pension Board Membership, Responsibilities, and Oversight**

- 1) The Pension Board shall discharge its fiduciary responsibilities as set forth in the provisions of Sections 175.061 and 175.071, Florida Statutes and membership shall be reviewed to ensure compliance therewith. If the Board is not presently in compliance, it will be brought into compliance within sixty days. The Board agrees to include among its members persons with substantial experience in pension-related financial matters.
  
- 2) The City shall appoint a representative from the City Manager's office to monitor the Pension Board's meetings and actions and to ensure that any future amendments or other decisions affecting the Plan are financially sound and properly authorized. The City and the Board shall be jointly responsible for ensuring that the Board complies with all provisions of Chapter 175, Florida Statutes, including but not limited to the composition of the governing Board, terms of office, meetings, and legal structure. The City and Board shall also be

responsible for review and payment of any professional service fee, attorney's fees and other costs associated with the Plan, from the Fund.

- 3) The County shall be entitled to appoint an ex-officio, non-voting County representative to the Board, who shall be entitled to attend all Board meetings, receive copies of all Board correspondence and otherwise be kept fully and promptly informed of all Fund matters.
- 4) A qualified firm or firms shall be hired to provide professional custodial, trust, and investment management services, as well as distribution of benefit payments. At least once every three years, the Board shall retain a professionally qualified independent consultant, who shall evaluate the performance of any existing professional money manager as required by Section 175.071(6), Florida Statutes.
- 5) The Board is the Plan Administrator, with ultimate responsibility for Plan administration issues and overseeing investment of Plan assets in accordance with Chapter 175, Florida Statutes and in accordance with the Plan. The Board's responsibility includes, but is not limited to, hiring an enrolled actuary to perform an annual actuarial valuation, using the techniques and assumptions that meet the requirements of Part VII, Chapter 112 of the Florida Statutes; the results of which must be filed in a report to the Florida Division of Retirement, in accordance with requirements detailed in Sections 112.63 and 175.261(2)(b), Florida Statutes; a copy of the annual actuarial report shall also be provided to the County. Further, the Board shall be responsible for assuring disbursement of all Plan benefits, including disability benefits, in accordance with Section 175.191, Florida Statutes.

(b) **Past Disability Benefit Approvals**

The Parties agree that the enhanced disability benefit the Pension Board previously permitted, as well as any other Plan changes the Board made without City or County approval, have not been provided to new retirees since at least January 11, 1994 and shall not be provided to new retirees after that date. The revised Pension Plan will incorporate this term and limit benefits accordingly.

(c) **Pension Board Reporting and Documentation Requirements**

- 1) The Pension Board shall abide by all financial and reporting provisions of Chapters 112, Part VII and 175.261, Florida Statutes. All outstanding fund and audit reporting obligations shall be fully satisfied, including completion and submission of delinquent annual audit reports (for 1998, 1999, 2000, and 2001) and annual reports to the State of Florida (for 1998, 1999, 2000, and 2001) within sixty days of this Agreement, with copies provided to the City and County.
- 2) The Pension Board shall meet a minimum of once each quarter as prescribed in Chapter 175.061, Florida Statutes, and minutes of all Board meetings shall be formally documented as public record and copies filed with the Homestead City Clerk.
- 3) The Pension Board shall be responsible for insuring that future Actuarial Valuation Reports are completed by an enrolled actuary and made available to the City and County no later than June 30<sup>th</sup> each year. The Pension Board shall provide the Plan Actuary all required information within sixty days following the close of each calendar year.

- 4) No future amendments to the Plan shall be implemented unless and until reviewed and approved by the City of Homestead and the County.

**Section 9. Plan Changes**

Any proposed changes to the Plan must be submitted to the State of Florida, Division of Retirement, for review, accompanied by a corresponding actuarial impact statement in accordance with Chapter 175, Florida Statutes, prior to final reading. Proposed changes shall also be provided to the County before they are implemented. If the County determines that the changes will affect the Plan's ability to meet its obligations, the County may reject the changes.

**Section 10.** Should the City or Pension Board fail to comply with any provisions specified herein, the County reserves the right to withhold contributions to the Fund.

**Section 11. Municipal Loan Provision**

The County shall make available sufficient funds for the City to meet contribution obligations to the Fund by providing a line of credit to the City, funded from non-ad valorem tax revenues, in an amount not to exceed \$550,000, at an interest rate equal to the average monthly return on pooled cash earned by the County. At no time shall the outstanding balance on this line of credit exceed the yearly obligation of the City to the Fund and the outstanding balance shall be reduced to zero in the next succeeding fiscal year.

**Section 12. City Repayment of Loan**

At any point if the City does not meet its deposit obligations to the Plan, or if the City does not reduce its letter of credit outstanding balance to zero as required under Section 11 of this Agreement, the County may withhold, to the extent legally permissible, tax revenue collected by or distributed through the County Finance Department on behalf of the City. Any tax revenue subject to such withholding shall either be transferred to the Fund to satisfy City

obligations or transferred to the County's general fund to reimburse the County for letter of credit draw-downs.

**Section 13.** This Agreement shall constitute a settlement of any and all disputes related to the respective pension funding obligations of the County and the City pursuant to the 1978 Agreement and neither party shall have the power to pursue any claim related to such pension funding obligation in any court or administrative tribunal, other than an action to enforce this Agreement.

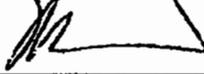
**Section 14.** Subject to the County's compliance with this Agreement, the Plan also agrees not to bring any suit, claim, demand or action or litigation in any forum or court, whether administrative, judicial or quasi-judicial, state or federal, against Miami-Dade County or the Miami-Dade Fire District and/or any of their employees or agents on any issue or matter or cause of action arising or allegedly arising out of the County's contributions to the Pension Plan.

**Section 15.** The above provisions numbered Sections 1 through 14 constitute the entire agreement between the parties. No promise, inducement or agreement not herein expressed has been made.

The parties have read the foregoing agreement and fully understand it. - - - - -

DATED this <sup>4th</sup> 10 day of October, 2002.

MIAMI-DADE COUNTY

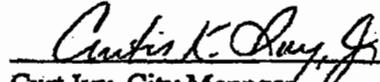


Thomas David, Chief of Staff,  
Assistant County Manager

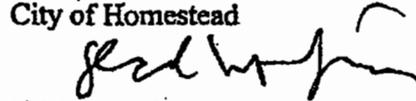
Neil Flaxman  
Attorney for Miami-Dade Fire Board



James Adams, Board of Trustees  
City of Homestead Fireman's Relief and  
Pension Fund



Curt Ivy, City Manager  
City of Homestead

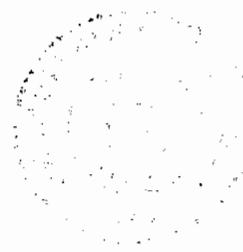


David Wolpin, Esq.  
Attorney for City of Homestead

Affest Sharon C. Cramer  
City Clerk

**ATTACHMENT II:  
Stipulation and Order of Dismissal**

**ATTACHMENT I:  
Inter-local Agreement**



IN THE CIRCUIT COURT OF THE 11<sup>TH</sup>  
JUDICIAL CIRCUIT IN AND FOR DADE  
COUNTY, FLORIDA

GENERAL JURISDICTION DIVISION

CASE NO. 98-10285 CA 06

BOARD OF TRUSTEES OF CITY  
OF HOMESTEAD FIREMEN'S  
RELIEF AND PENSION FUND,

Plaintiff,

vs.

MIAMI-DADE COUNTY, formerly  
known as DADE COUNTY,

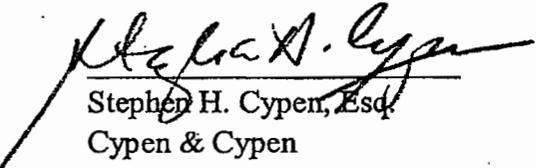
Defendant.

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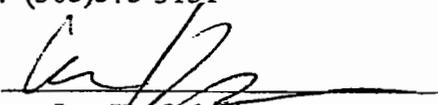
**STIPULATION AND ORDER OF DISMISSAL**

Plaintiff, Board of Trustees of City of Homestead Firemen's Relief and Pension Fund, and Defendant, Miami-Dade County, hereby stipulate that this proceeding including all claims have been amicably settled. The parties, therefore, jointly request the entry of an order of dismissal with prejudice, each party to bear its own costs.

Dated this 2<sup>nd</sup> day of March, 2006.

  
Stephen H. Cypen, Esq.  
Cypen & Cypen  
825 Arthur Godfrey Road  
P.o. Box 402099  
Miami Beach, Florida 33140

MURRAY A. GREENBERG  
Miami-Dade County Attorney  
111 N.W. 1<sup>st</sup> Street  
Suite 2810  
Miami, Florida 33128  
Tel: (305)375-5151

By: 

Lee Kraftchick  
Assistant County Attorney  
Florida Bar No. 313726

**ORDER OF DISMISSAL**

In consideration of the foregoing Stipulation, it is,

ORDERED AND ADJUDGED that the above cause be and the same is hereby dismissed with prejudice as to Plaintiff, Trustees of City of Homestead Firemen's Relief and Pension Fund, and Defendant Miami-Dade County, each party to bear its own costs.

DONE AND ORDERED in Chambers at Miami, Miami-Dade County, Florida, on this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

Conformed Copy  
MAR 6 - 2006  
SCOTT J. SILVERMAN  
CIRCUIT COURT JUDGE

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CIRCUIT COURT JUDGE

Copies furnished to:

Stephen H. Cypen, Esq.  
Lee Kraftchick, Esq.

**ATTACHMENT III**

**ATTACHMENT III:  
Homestead Firefighter Pension Plan 175 Revenue**

HOMESTEAD FIREFIGHTER PENSION PLAN 175 REVENUE

BASE YEAR

	1997	1998	1999	2000	2001	2002	2003	2004	2005
Fire 175	\$63,819	\$58,578	\$75,510	\$65,630	\$77,474	\$84,560	\$93,262	\$116,406	\$153,527
Fire Supplemental	\$28,606	\$37,225	\$43,085	\$34,487	\$42,948	\$47,117	\$56,010	\$67,230	\$92,128
Total Received	\$92,425	\$95,803	\$118,595	\$100,117	\$120,422	\$131,677	\$149,272	\$183,636	\$245,655
Less 1997 BASE		-\$92,425	-\$92,425	-\$92,425	-\$92,425	-\$92,425	-\$92,425	-\$92,425	-\$92,425
Available for Benefit Enhancement		\$3,378	\$26,170	\$7,692	\$27,997	\$39,252	\$56,847	\$91,211	\$153,230
Cumulative Available		\$3,378	\$29,548	\$33,862	\$65,237	\$104,489	\$161,337	\$252,548	\$405,778

**ATTACHMENT IV**

**ATTACHMENT IV:  
Proposed Plan Amendment**

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ORDINANCE NO 2007-\_\_\_\_\_

**AN ORDINANCE OF THE CITY OF HOMESTEAD, FLORIDA, AMENDING THE FIREFIGHTERS' RETIREMENT PLAN AT ARTICLE IV OF CHAPTER 22.5 "RETIREMENT PROGRAMS" OF THE CITY CODE BY AMENDING SECTION 22.5-257 "RETIREMENT DATES AND BENEFITS" TO PROVIDE A SUPPLEMENTAL RETIREMENT BENEFIT FOR MEMBERS OF THE PLAN; PROVIDING FOR INCLUSION IN THE CODE; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City Council desires to amend the Firefighters' Retirement Plan ("Plan") to provide additional benefits using state premium tax monies as required by Chapter 175, Florida Statutes; and

WHEREAS, the City Council finds that amending the Plan to provide a new supplemental retirement benefit using state premium tax monies is in the best interest of the City and its former firefighter employees.

**IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOMESTEAD, FLORIDA AS FOLLOWS:<sup>1</sup>**

**Section 1. Recitals.** The above are true and correct and are incorporated herein by this reference.

**Section 2. City Code Amended.** Section 22.5-257, "Retirement Dates and Benefits," of Article IV of Chapter 22.5 "Retirement Plans," of the City Code is hereby amended to read as follows:

**Sec. 22.5-257. Retirement dates and benefits.**

\* \* \* \*

**(c) Supplemental retirement benefit for calendar year 2007.**

**(1) Eligibility.** Any member who has been retired and receiving benefits for at least 5 years as of January 1, 2007, shall be eligible to receive a supplemental retirement benefit. Effective January 1, 2007, a beneficiary shall be eligible to receive a supplemental retirement benefit if the retired member's benefits have been paid for at least 5 years as of January 1, 2007.

<sup>1/</sup> Proposed additions to existing City Code text are indicated by underline; proposed deletions from existing City Code text are indicated by ~~strikethrough~~.

(2) Supplemental Benefit Fund. A Supplemental Benefit Fund is hereby created into which shall be transferred \$405,778.00 of Chapter 175 state premium tax monies.

(3) Benefit Ratio. An eligible member's or beneficiary's benefit ratio shall be the ratio of the number of months since the member's retirement date as of January 1, 2007, to the total number of months since the retirement date of all eligible members or beneficiaries receiving benefits for at least 5 years as of January 1, 2007.

(4) Benefit Amount. A member's or beneficiary's supplemental retirement benefit for calendar year 2007 shall be equal to eighty percent (80%) of the Supplemental Benefit Fund multiplied by the member's or beneficiary's Benefit Ratio.

(5) Benefit Payment. Benefits shall be paid in a lump sum as soon as practicable as determined by the Board.

(d) Supplemental retirement benefit for calendar year 2008 and each calendar year thereafter.

(1) Eligibility. Effective January 1, 2008, and each January 1<sup>st</sup> thereafter, any member who has been retired and receiving benefits for at least 5 years as of each such January 1<sup>st</sup> shall be eligible to receive a supplemental retirement benefit. Effective January 1, 2008, and each January 1<sup>st</sup> thereafter, a beneficiary shall be eligible to receive a supplemental retirement benefit if the retired member's benefits have been paid for at least 5 years as of each such January 1<sup>st</sup>.

(2) Supplemental Benefit Fund. Effective January 2, 2007, and thereafter, the Chapter 175 annual state premium tax monies received by the City that exceed \$92,425 (the 1997 base amount) shall be deposited in the Supplemental Benefit Fund established pursuant to Section 22.5-257(c)(2) of the City Code.

(3) Benefit Ratio. Effective January 1, 2008, and each January 1<sup>st</sup> thereafter, an eligible member's or beneficiary's benefit ratio shall be the ratio of the number of months since the member's retirement date as of January 1<sup>st</sup> to the total number of months since the retirement date of all members (or their beneficiaries) receiving benefits for at least 5 years as of January 1<sup>st</sup>.

(4) Benefit Amount. Each member's or beneficiary's annual supplemental retirement benefit shall be equal to eighty percent (80%) of the Supplemental Benefit Fund multiplied by the member or beneficiary's Benefit Ratio.

(5) Benefit Payment. Benefits shall be paid in a lump sum as soon as practicable as determined by the Board.

**Section 3. Inclusion In The Code.** It is the intention of the City Council that the provisions of this ordinance shall become and be made a part of the Code of Homestead, Florida. The sections of this ordinance may be renumbered or relettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate word.

**Section 4. Effective Date.** This ordinance shall become effective immediately upon adoption at second reading.

PASSED AND ADOPTED on first reading this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

PASSED AND ADOPTED on second reading this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
ROSCOE WARREN, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

\_\_\_\_\_  
WEISS SEROTA HELFMAN PASTORIZA COLE & BONISKE, P.A.  
City Attorney

Motion to adopt by:

Seconded by:

*FINAL VOTE AT ADOPTION*

- Mayor Roscoe Warren*
- Vice Mayor Steven D. Losner*
- Councilwoman Amanda S. Garner*
- Councilman Norman L. Hodge, Jr.*
- Councilman Lynda Bell*
- Councilman Jeffrey D. Porter*
- Councilwoman Judy Waldman*

**ATTACHMENT V**

**ATTACHMENT V:**

**Letter from Gabriel Roeder Smith & Company,  
Consultants & Actuaries**

A handwritten mark or signature, possibly initials, located at the bottom center of the page.



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June 5, 2007

Alison S. Bieler, Esq.  
Cypen & Cypen  
777 Arthur Godfrey Road, Suite 320  
Miami Beach, Florida 33140

Re: Homestead Fire Ordinance

Dear Alison:

We have determined that the proposed ordinance that provides for a supplemental benefit using Chapter 175 reserves of \$405,778 and additional annual revenue that exceeds the 1997 base amount of \$92,425 has no actuarial impact on the Plan.

We welcome your questions and comments.

Sincerely yours,

J. Stephen Palmquist, ASA  
Senior Consultant and Actuary

JSP/tb