

ORDINANCE NO. 09- 02

AN ORDINANCE OF THE CITY OF MARCO ISLAND, FLORIDA, AMENDING CHAPTER 22, ARTICLE III, OF THE CITY CODE RELATING TO THE CITY OF MARCO ISLAND FIREFIGHTERS' PENSION PLAN TO PROVIDE FOR AN ANNUAL SUPPLEMENTAL BENEFIT TO BE FUNDED ONLY FROM THE ANNUAL RECEIPTS OF ADDITIONAL PREMIUM TAX REVENUES MANDATED UNDER CHAPTER 175, FLORIDA STATUTE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 175.351(1)(b), Florida Statutes, mandates that, after all minimum benefits are provided, "additional premium tax revenues" be used only to provide extra benefits for the City's firefighters; and

WHEREAS, the Board of Trustees of the City of Marco Island Firefighters' Pension Plan in order to comply with the aforementioned statute, recommends and approves providing such extra benefits in the form of an annual share of the additional premium tax revenue for participants and their beneficiary survivors to be funded each year only by additional premium tax revenues; and

WHEREAS, the City Council has received and reviewed an actuarial impact statement related to this change and attached as such; and

WHEREAS, the City Council of the City of Marco Island has deemed it to be in the best interest of the citizens of the City of Marco Island to amend its Firefighters' Pension Plan to reflect these changes.

NOW THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA THAT:

Section 1. The City of Marco Island Firefighters' Pension Plan was established as a local law pension plan pursuant to Chapter 175, Florida Statutes, by adopting the City of Marco Island Ordinance No. 00-08.

Section 2. Chapter 22, Article III, Section 22-61, of the City of Marco Island Firefighters' Pension Plan be amended by adding the underlined language as follows:

...

(h) "Supplemental Retirement Benefit": There is hereby provided, in addition to all other benefits provided in this Article, an annual supplemental retirement benefit, which shall consist of an individual share account for each active firefighter for the City of Marco Island on or after the effective date hereof. The amount of which shall be determined annually, based upon the receipt by the Plan of any "additional premium tax revenues," as defined in Paragraph 175.351(1)(b), Florida Statutes. By December 1st of each year (or, if the premium tax revenues are received after October 2nd, within 60 days after receipt of the premium tax revenues from the state), each actively employed Firefighter for the City of Marco Island on or after the effective date hereof shall be paid a supplemental retirement benefit determined as follows:

Initial crediting: No later than 180 days after the adoption of this ordinance, each active firefighter's share account shall be credited retroactively from his date of hire to September 30, 2007. Each member who was employed during this time as a firefighter shall receive one share for each month of credited service as defined in §22-52, earned during the preceding fiscal year. The total value of each share shall be determined annually based on the total number of active firefighters at that time divided into the total additional premium tax revenues received during said fiscal year to determine the amount to be initially credited to the share account of each eligible firefighter. It is the intent of the City Council that the initial payment under this section shall be made based on each separate year's accumulation and the status of each eligible Member in those years. The crediting of shares for each year shall be based on the excess premium taxes received in that particular year and shall be payable only to persons who were eligible to receive a payment in the particular year in which the taxes were received.

Crediting effective December 2008 and thereafter: No later than December 1, 2008 and December 1st of each year thereafter, or as soon thereafter as practicable, each eligible active firefighter's share account shall be credited as follows. Each active firefighter who was employed during the preceding fiscal year shall receive one share for each month of credited service, as defined in §22-

52, earned during the preceding fiscal year. The total number of shares thus determined shall be divided into the additional premium tax revenues received during said year, plus the Pension Plan's actual rate of investment return, calculated from the Pension Plan's receipt of said revenue to September 30th of that year, to determine the amount to be credited to the share account of each eligible member.

Effective January 1st of each year, each active firefighter's share account shall be credited or debited with earnings based upon the amount in the share account at the close of the immediate preceding fiscal year at a rate equal to the Pension Plan's actual investment return for the preceding fiscal year. Upon attaining 12 years of credited service, a member may thereafter make a one-time irrevocable election to have interest credited to his or her share account at the rate earned by the Pension Plan from a money market mutual fund selected by the Board of Trustees rather than credited or debited at the Pension Plan's actual rate of return.

An active firefighter with 20 years of credited service upon termination of employment shall be eligible to receive one hundred percent (100%) of the balance in his share account. An active firefighter with 15 but less than 20 years of credited service upon termination of employment shall be eligible to receive seventy-five percent (75%) of the balance in his share account. An active firefighter with 6 but less than 15 years of credited service upon termination of employment shall be eligible to receive fifty percent (50%) of the balance in his share account. No benefit shall be payable to an active firefighter who terminates covered employment with less than 6 years of credited service. The share account balances of such non-vested terminated members shall be redistributed into the allocation for the next fiscal year. The designated beneficiary of an active firefighter who dies shall receive the accumulated total of his share account and an active firefighter awarded a disability pension from the Pension Plan shall receive the accumulated total of his share account. There shall be no forfeiture of a member's share account based on member's death, disability or lay-off. Payment of share account benefits shall be by lump sum, which shall consist of the accumulated total of the active firefighter's share account or can be rolled over in accordance with Section 22-7 of the Internal Revenue Code, with an additional payment made for any amount credited in the year following termination of employment. Any additional costs of additional minimum or mandated pension benefits required by changes to state law that take effect after the date of this ordinance shall be paid from the additional premium tax revenues before any remaining additional premium tax revenues are allocated to the share accounts hereunder.

Section 3. Conflict and Severability.

If any word, phrase, clause, subsection, or section of this Ordinance is for any reason held unconstitutional or invalid, the invalidity thereof shall not affect the validity of any remaining portions of this Ordinance. That all sections or parts of sections of all ordinances or parts of ordinances in conflict herewith, be and the same are hereby repealed to the extent of such conflict.

Section 4. Incorporation.

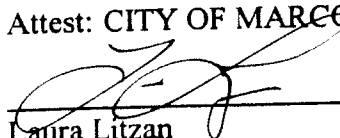
It is the intention of the City Council and is hereby ordained that the provision of this Ordinance shall become and be made a part of the Code of Ordinance of the City of Marco Island, Florida and that the sections of this Ordinance may be renumbered or relettered and that the word "ordinance" may be changed to "section," "article," or other appropriate word.

Section 5. Effective Date.


This Ordinance shall take effect immediately upon adoption.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND THIS 19th
day of February, 2009.

Attest: CITY OF MARCO ISLAND, FLORIDA

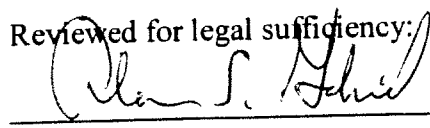


Laura Litzan
City Clerk



William D. Trotter, Chairman

Reviewed for legal sufficiency:



Alan L. Gabriel
City Attorney