

ORDINANCE 2013-19

AN ORDINANCE OF THE CITY OF OCALA, FLORIDA CONCERNING THE GENERAL EMPLOYEES' RETIREMENT SYSTEM; AMENDING SECTION 43-87, DEFERRED RETIREMENT OPTION PLAN; PROVIDING FOR THE CLOSING OF THE DEFERRED RETIREMENT OPTION PLAN TO NEW PARTICIPANTS AND ALLOWING EXISTING PARTICIPANTS TO COMPLETE THEIR PARTICIPATION IN THE DEFERRED RETIREMENT OPTION PLAN; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OCALA, FLORIDA:

Section 1. Subsection 43-87(b) of the Code of Ordinances of the City of Ocala, Florida is hereby amended to read:

Sec. 43-87. - Deferred retirement option plan.

* * *

(b) *Participation.*

(1) *Eligibility to participate.* In lieu of terminating his employment as a general employee, any member who is eligible for normal retirement under the system prior to March 1, 2013 may elect to defer receipt of such service retirement pension and to participate in the DROP. Members who are not eligible for normal retirement under the system on March 1, 2013, members hired on or after March 1, 2013, and members who are eligible for normal retirement on March 1, 2013 but who are not participating in the DROP on that date shall not be eligible to participate in the DROP. Members who are participating in the DROP on March 1, 2013 may continue participating in the DROP in accordance with the provisions of the DROP in effect at the time they entered the DROP.

(2) *Election to participate.* A member's election to participate in the DROP must be made in writing in a time and manner determined by the board and shall be effective on the first day of the first calendar month which is at least 15 business days after it is received by the board.

(3) *Period of participation.* A member who elects to participate in the DROP under subsection (b)(2), shall participate in the DROP for a period not to exceed ninety-six (96) months beginning at the time his election to participate in the DROP first becomes effective, if participation begins prior to February 1, 2011. A member whose participation begin on or after February 1, 2011 and prior to March 1, 2013, shall participate in the DROP for a period not to exceed sixty (60) month beginning at the time his election to participate in the DROP first becomes effective. An election to participate in the DROP shall constitute an irrevocable election to resign from the service of the city not later than the date provided for in the previous sentence. A member may participate only once.

(4) *Termination of participation.*

- a. A member's participation in the DROP shall cease the earlier of:
 1. The end of his period of participation in the DROP as determined under subsection (b)(3); or
 2. Termination of his employment as a general employee.
- b. Upon the members termination of participation in the DROP, pursuant to subsection (a) above, all amounts provided for in subsection (c)(2), including monthly benefits and investment earnings and losses or interest, shall cease to be transferred from the system to his DROP account. Any amounts remaining in his DROP account shall be paid to him in accordance with the provisions of subsection (d). when he terminates his employment as a General Employee.
- c. A member who terminates his participation in the DROP under this subsection (b)(4). shall not be permitted to again become a participant in the DROP.

(5) *Effect of DROP participation on the system.*

- a. A member's credited service and his accrued benefit under the system shall be determined on the date his election to participate in the DROP first becomes effective. For purposes of determining the accrued benefit, the member's salary for the purposes of calculating his average final compensation shall include an amount equal to any lump sum payments which would have been paid to the member and included as salary as defined herein, had the member retired under normal retirement and not elected DROP participation. Member contributions attributable to any lump sums used in the benefit calculation and not actually received by the member shall be deducted from the first payments to the member's DROP account. The member shall not accrue any additional credited service or any additional benefits under the system (except for any additional benefits provided under any cost-of-living adjustment for retirees in the system) while he is a participant in the DROP. After a member commences participation, he shall not be permitted to again contribute to the system nor shall he be eligible for disability or pre-retirement death benefits, except as provided for in section 43-89, reemployment after retirement.
- b. No amounts shall be paid to a member from the system while the member is a participant in the DROP. Unless otherwise specified in the system, if a member's participation in the DROP is terminated other than by terminating his employment as a general employee, no amounts shall be paid to him from the system until he terminates his employment as a general employee. Unless otherwise specified in the system, amounts transferred from the system to the member's DROP account shall be paid directly to the member only on the termination of his employment as a general employee.

Section 2. Severability Clause: Should any provision or section of this ordinance be held by a court of competent jurisdiction to be unconstitutional or invalid, such decision shall not affect the validity of this ordinance as a whole, or any part thereof, other than the part so declared to be unconstitutional or invalid.

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall take effect upon approval by the mayor, or upon becoming law without such approval.

ATTEST:

By: Angel B. Jacobs
Angel B. Jacobs
City Clerk

CITY OF OCALA

By: Mary S. Rich
Mary S. Rich
President, Ocala City Council

Approved/Denied by me as Mayor of the City of Ocala, Florida, on 2/11, 2013.

By: Reuben Kent Guinn
Reuben Kent Guinn
Mayor

Approved as to form and legality:

By: W. James Gooding III
~~Patrick G. Gilligan~~
~~City Attorney~~ W. James Gooding III
Assistant City Attorney

Ordinance No: 2013-19
Introduced: 1/22/2013
Adopted: 2/5/2013
Legal Ad No: A000774229 - 1/25/13