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ORDINANCE NO. 2027-___02___

CITY OF POMPANO BEACH
Broward County, Florida

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, AMENDING CHAPTER 34, "CITY POLICY," OF THE POMPANO BEACH CODE OF ORDINANCES, TO IMPLEMENT APPROVED PENSION CHANGES MEMORIALIZED IN THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS AND THE CITY OF POMPANO BEACH; BY AMENDING SECTION 34.050 "CONDITIONS OF ELIGIBILITY," TO MODIFY THE VESTING PERIOD FOR NEW FIREFIGHTERS; BY AMENDING SECTION 34.053 "NORMAL RETIREMENT DATE," TO MODIFY THE RETIREMENT DATE FOR NEW FIREFIGHTERS; BY CREATING SECTION 34.054 "EARLY RETIREMENT DATE," TO MODIFY THE EARLY RETIREMENT DATES FOR NEW FIREFIGHTERS; BY AMENDING SECTION 34.055 "NORMAL RETIREMENT BENEFIT," TO DECREASE THE RETIREMENT BENEFITS FOR NEW FIREFIGHTERS; BY AMENDING SECTION 34.059 "ACCRUED BENEFITS," TO CREATE A NEW TIER FOR NEW FIREFIGHTERS; BY AMENDING SECTION 34.0603 "DEFERRED RETIREMENT OPTION PLAN (DROP)," TO MODIFY THE BENEFITS FOR NEW FIREFIGHTERS AND TO ALLOW FOR THE PURCHASE OF PRIOR SERVICE CREDIT; AND BY AMENDING SECTION 34.073 "PENSION ADJUSTMENTS," TO DECREASE THE COLA FOR NEW FIREFIGHTERS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Pompano Beach has established a retirement plan for its police officers and firefighters, known as the Police and Firefighters' Retirement System and codified in Sections 34.045 through 34.073 of the City Code of Ordinances; and

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WHEREAS, the International Association of Firefighters and the City of Pompano Beach, Florida, have entered into a Collective Bargaining Agreement for the period of October 1, 2025, to September 30, 2028; and

WHEREAS, the Collective Bargaining Agreement includes changes to provisions of the City of Pompano Beach Police and Firefighters' Retirement System; and

WHEREAS, the City Commission wishes to change the terms of the City of Pompano Beach Police and Firefighters' Retirement System to implement the changes called for in the Collective Bargaining Agreement; and

WHEREAS, the City Commission has received and reviewed an actuarial impact statement from the Retirement Board's Actuary relating to the amendments set forth herein; and

WHEREAS, pursuant to law, ten (10) days' notice has been given by publication in a newspaper of general circulation in the City, notifying the public of this proposed ordinance and of a public hearing in the City Commission Chambers of the City of Pompano Beach; and

WHEREAS, a public hearing before the City Commission was held pursuant to the published notice described above, at which hearing the parties in interest and all other citizens so desiring had an opportunity to be and were, in fact, heard; now, therefore,

BE IT ENACTED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA:

SECTION 1. That Section 34.050 “Conditions of Eligibility” of Chapter 34, “City Policy” of the City of Pompano Beach Code of Ordinances, is hereby amended to read as follows:

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§ 34.050 CONDITIONS OF ELIGIBILITY.

(A) Police officers and dispatchers and firefighters who are members of the city's employee's pension plan at the time of adoption of this retirement system shall be eligible to become members of this system. Any other police officer, dispatcher, or firefighter shall be eligible to become a member if at least 18 years of age provided the following standards are met.

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(B)

(3) ~~Effective October 1, 2022,~~ The vesting period for members who are active firefighters prior to June 9, 2026, ~~October 1, 2022~~, excluding members who are participating in the Deferred Retirement Option Plan (DROP), ~~and firefighters hired on or after October 1, 2022, the vesting period~~ shall be seven (7) years of continuous service. The vesting period for firefighters hired on or after June 9, 2026, shall be ten (10) years of continuous service.

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SECTION 2. That Section 34.053 "Normal Retirement Date" of Chapter 34 "City Policy," of the Pompano Beach Code of Ordinances, is hereby amended to read as follows:

§ 34.053 NORMAL RETIREMENT DATE.

(A) A member may elect to retire on or after the day of attainment of age 47, age 50 for firefighters hired after May 27, 2014, and the completion of 20 years of continuous service or attainment of age 55 and the completion of ten years of continuous service. However, employees who are eligible to, and become, members as of the effective date of this system shall be eligible to retire on the attainment of age 47 regardless of the number of years of continuous service. A police officer Member who attains 25 years of continuous service prior to attaining 47 years of age may elect to purchase, at the Member's sole expense, a normal retirement age and unreduced normal benefit commencing the first of the month following or coincident with completion of 25 years of continuous service. In order to purchase this earlier normal retirement age, the police officer Member must pay to the Fund the full actuarial cost of the earlier normal retirement age, as determined by the Fund's actuary. Payment shall be made by cash lump sum payment, direct transfer or rollover of an eligible rollover distribution from a qualified or eligible plan in accordance with Section 34.0602 herein, or a combination of both. Additionally, a firefighter member who was hired after March 1, 2015, who has attained the age of 55 and completed six or more years of continuous service as of August 1, 2021, may elect, no later than July 31, 2021, to retire on August 1, 2021. Notwithstanding the foregoing sentences, members who were active firefighters on October 1, 2022 or were hired on or after October 1, 2022 and prior to June 9, 2026, may elect to retire upon the completion of 20 years of continuous

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service or the attainment of age 47 with seven years of continuous service. A firefighter member hired on or after June 9, 2026, may elect to retire on or after the day of attainment of age fifty (50) with the completion of twenty (20) years of continuous service, or the attainment of age fifty-five (55) with the completion of ten (10) years of service.

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SECTION 3. That Section 34.054 "Early Retirement Date," of Chapter 34 "City Policy," of the City of Pompano Beach Code of Ordinances, is hereby created to read as follows:

§ 34.054 EARLY RETIREMENT DATE

Firefighters hired on or after June 9, 2026, shall be eligible for early retirement benefits upon the attainment of age fifty (50) with the completion of ten (10) years of uninterrupted service.

SECTION 4. That Section 34.055 "Normal Retirement Benefit" of Chapter 34 "City Policy," of the City of Pompano Beach is hereby amended to read as follows:

§ 34.055 NORMAL RETIREMENT BENEFIT.

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(B) Firefighters.

(1) A firefighter retiring on his or her normal retirement date shall receive a monthly benefit which shall commence on his or her normal retirement date and be continued thereafter during his or her lifetime. If the member dies after retirement but before he or she has received benefits for a period of ten years, the same monthly benefit will be paid to the beneficiary (or beneficiaries) as designated by the member for the balance of such ten-year period. Upon reaching normal retirement age a member's benefits shall be fully vested.

(2) For firefighters who separated from city employment or who were not part of the DROP prior to September 1, 2003, the amount of the normal retirement benefit is 3.0% of average monthly earnings for each year of continuous service, subject in any event to a maximum of 75% of average monthly earnings, plus 2% of average monthly earnings for each year of continuous service in excess of 37.5 years. However, members who are eligible for normal retirement as of the effective date provided in § 34.053 shall receive the greater of the benefit provided by the formula of this subsection or 50% of average monthly earnings.

(3) For firefighters who separate from city employment or who were part of the DROP on or after September 1, 2003, and before October 1, 2022, the

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amount of the normal retirement benefit is 3.0% of average monthly earnings for each year of continuous service for the first ten years of service, 4.0% of average monthly earnings for each year of continuous service for the second ten years of service, and 2% of average monthly earnings for each year of continuous service for the next five years of service subject in any event to a maximum of 80% of average monthly earnings upon attaining 25 years of continuous service, plus 2% of average monthly earnings for each year of continuous service in excess of 40 years. Notwithstanding the foregoing sentences, effective October 1, 2022, for members who were active firefighters on October 1, 2022, excluding members who were participating in the DROP on that date, and firefighters hired on or after October 1, 2022 and prior to June 9, 2026, the normal retirement benefit is 4% of average monthly earnings as defined in § 34.045, up to a maximum of 80% of average monthly earnings upon attaining 20 years of continuous service; subject to the limitations contained in City Ordinance § 34.0571 or as may be limited by the Internal Revenue Code. For firefighter members hired on or after June 9, 2026, the normal retirement benefit is 3.25% of average monthly earnings as defined in § 34.045, up to a maximum of 80% of average monthly earnings.

SECTION 5. That Section 34.059 "Accrued Benefits" of Chapter 34, "City Policy," of the City of Pompano Beach is hereby amended to read as follows:

§ 34.059 ACCRUED BENEFITS.

(A) If a member terminates his employment with the Police, or Fire Departments, either voluntarily or by lawful discharge, and is not eligible for any other benefits under this system, he shall be entitled to the following.

(1) With less than ten years of continuous service as a police officer, ~~or~~ seven years of continuous service as a firefighter, if hired prior to June 9, 2026, and ten years of continuous service as a firefighter, if hired on or after June 9, 2026: refund of member contributions plus 3% interest.

(2) With ten or more years of continuous service as a police officer, ~~or~~ seven years of continuous service as a firefighter, if hired prior to June 9, 2026, and ten years of continuous service as a firefighter, if hired on or after June 9, 2026: the pension benefit accrued to his date of termination, payable commencing at his or her otherwise normal retirement date or payable in accordance with § 34.056, provided he or she does not elect to withdraw his or her member contributions, or refund of member contributions plus 3% interest.

(B) Any member of this system who, for whatever reason, has his or her employment with the city as a police officer, police dispatcher, or firefighter terminated, but who remains or was previously employed by the city in some other capacity so that his or her total continuous period of employment with the city is ten years or more for police

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officers, ~~or~~ seven years or more for firefighters~~,~~ hired prior to June 9, 2026, and ten or more years of continuous service for firefighters hired on or after June 9, 2026, shall have all benefits accrued under this system preserved, provided he or she does not elect to withdraw his or her member contributions. The accrued benefits shall be paid at his or her otherwise normal retirement date in accordance with the provisions of this system or in accordance with § 34.056.

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SECTION 6. That Section 34.0603 "Deferred Retirement Option Plan (DROP)," of Chapter 34, "City Policy," of the City of Pompano Beach is hereby amended to read as follows:

§ 34.0603 DEFERRED RETIREMENT OPTION PLAN (DROP).

A deferred retirement option plan (DROP) is hereby authorized. The DROP is to be administered by the Board of Trustees. Police officer members may elect to enter the DROP upon reaching normal retirement as set forth and in accordance with the terms and conditions of the DROP document in existence as negotiated in the collective bargaining agreements between the Broward County Police Benevolent Association of Pompano Beach, Florida and the City or Broward County Sheriff's Office. In no event shall the Board administer a plan which results in the disqualification of the system under the Internal Revenue Code.

(A) Eligibility. Any active member of the Pompano Beach Police and Firefighters' Retirement System who is eligible to receive a normal retirement pension, may elect to participate in the DROP. However, said election must be made at or before the employee has attained 25 years of continuous service with the city. Except as provided below, after an employee has exceeded 25 years of continuous service, he or she would no longer be eligible to participate in the DROP. In cases where an employee has reached 25 years of continuous service, but still has not become eligible for normal retirement, that employee will be eligible to elect to participate in the DROP upon (but not after) reaching eligibility for normal retirement. Firefighter members will "retire" for purposes of the pension plan, but may continue their employment with the city for a maximum 96 months from the effective date of the member's DROP election. Notwithstanding the foregoing, firefighter members hired prior to June 9, 2026, who reach the normal retirement date on or after October 1, 2022 may elect to enter the DROP upon attaining age 47 with seven years of continuous service, and must elect to enter the DROP no later than the date the member attains 20 years of continuous service. Firefighter members who are hired on or after June 9, 2026, may elect to enter the DROP upon attaining age 55 with ten years of continuous service, and must elect to enter the DROP no later than the date the member attains 20 years of continuous service. A firefighter member who ~~reaches the normal retirement date on or after October 1, 2022 and~~ does not elect to participate in the DROP before or upon attaining the member's normal retirement date ~~20 years of continuous service~~ shall not be eligible to participate in the DROP.

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(B) Limitations and disqualifications for other benefits. A member may participate in the DROP only once. After commencement of participation, the member shall not again have the right to be a contributing member of the retirement system. Police officer members shall not be eligible for disability or pre-retirement death benefits as provided for by the retirement system. Firefighter members who commence participation in DROP prior to June 9, 2026, shall not be eligible for pre-retirement death benefits, but shall be eligible~~, effective October 1, 2004,~~ for service connected disability retirement, calculated pursuant to § 34.057(A), or non-service connected disability retirement, calculated pursuant to § 34.057(B), when a determination is made by the Pension Board that an existing benefit should be reclassified as a disability benefit subject to Article 16 of the I.A.F.F. Local 1549 Collective Bargaining Agreement. Effective after October 1, 2004, the reclassified service-incurred disability benefit shall be equal to 75% of the member's monthly rate of pay in effect at the time of entry into the DROP. If the benefit the member accrued prior to DROP entry exceeds the disability benefit, such excess benefit will be treated as a normal retirement benefit. Firefighter members who commence participation in DROP on or after June 9, 2026, shall not be eligible for pre-retirement death benefits, service-connected disability retirement, or non-service-connected disability retirement during DROP participation.

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(O) Service Credit Purchase. Effective June 9, 2026, current active firefighters who are not participating in DROP, and firefighters hired on or after June 9, 2026, may purchase up to five (5) years of service credit under the Plan for prior firefighter service or military service prior to employment with the City, subject to the following provisions:

(1) Prior Firefighter Service may include service as a firefighter with the City of Pompano Beach, in which the firefighter withdrew his or her member contributions; or, prior service as a full-time combat firefighter with any other municipal, county, state, city, federal firefighter department or district. If the prior service is recognized as service as a firefighter by the Division of State Fire Marshal, as provided in chapter 633, or the firefighter provides proof to the board of trustees that the prior service is equivalent to the service required to meet the definition of a firefighter. A member shall not purchase credit for any prior service that is or will be the basis of a benefit from another retirement system, and a member shall not buy credit for volunteer firefighter service. A member may purchase up to a combined maximum of five (5) years of service. A member must provide the City with documentation demonstrating they separated from prior service in good standing.

(2) Payment for the purchase of service credit may be made over time, with a maximum repayment period of five (5) years. Notwithstanding the foregoing, payment must be completed prior to separation from service or entry into DROP. Payment must begin within 90 days of the member’s receipt of the actuarial cost statement. The interest rate on installment payments will be 3%

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annually. Members who do not complete payment for the requested service credit will receive credit only for the portion of the service for which payment has been received. If a member discontinues payments or fails to make payment in full, in accordance with the policy, payment cannot be reimbursed or restarted.

(3) All costs, including actuarial costs, associated with the purchase of credit for prior service will be borne by the member. Such costs are not reimbursable if the member is terminated, retires, resigns, enters the DROP, separates from service before completing the purchase, or if the member fails to complete the buyback of prior service within the five (5) year timeframe.

(4) If a member is terminated for serious misconduct that results in the forfeiture of the employee's pension, the member shall not receive any credit for the years of service they purchased prior to the date the termination becomes effective. Such a member shall only receive a refund of his or her contributions, without interest.

(5) Payment may be made by one-time cash lump-sum payment; by installment payments or payroll deductions (up to 5 years); or by direct transfer (rollover) from an IRA or another qualified retirement plan. Provided, however, that members may not rollover funds representing employer contributions or earnings on such employer contributions under a defined contribution retirement plan, if those funds were contributed during any period of service for which credit is being requested under this provision.

(6) A member purchasing service credit for prior service with the City of Pompano Beach may elect to include one or more of those purchased years in the calculation of their final average salary. Provided, however, that such election must be made at the time the member submits his or her request to purchase credit for prior service; and, once the election is made, it cannot be changed. If a member elects to include (and completes payment for) a year of prior service in their final average salary calculation, both the retirement eligibility date and the final average salary will be adjusted.

(7) Disputes concerning the buyback process set forth under this Policy shall not be subject to the Grievance Procedure set forth in the collective bargaining agreement between the City of Pompano Beach and the IAFF.

SECTION 7. That Section 34.073 "Pension Adjustments," of Chapter 34, "City Policy," of the Pompano Beach Code of Ordinance is hereby amended to read as follows:

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§ 34.073 PENSION ADJUSTMENTS.

(A) Retirees who have been retired from the Police and Firefighters' Pension Plan for a period of five or more years prior to or on October 1, 2000 shall be granted an increase in pension benefits, effective October 1, 2000, and each October 1 thereafter. Annual pension benefits shall be increased by a "fixed" (guaranteed) percentage equal to 2%. In addition to the "fixed" increase, pension benefits shall be increased by a "variable" percentage, in an amount certified by the pension plan actuary as supportable and funded solely by the pension plan assets, but not more than 1%. The "variable" component of the cost-of-living adjustment may be granted only when the plan is sufficiently funded and only if all other provisions of this section are satisfied. The sum of the "fixed" and "variable" portions of the adjustment shall not exceed 3% per year, nor be less than 2%. Notwithstanding the previous sentences, ~~effective October 1, 2024,~~ annual pension benefits for members who are active firefighters or participating in the Deferred Retirement Option Plan (DROP) on or after October 1, 2022, and prior to June 9, 2026, shall be increased by a "fixed" (guaranteed) percentage equal to 3%. In addition to the "fixed" increase, pension benefits shall be increased by a "variable" percentage, in an amount certified by the pension plan actuary as supportable and funded solely by the pension plan assets, but not more than 1%. The "variable" component of the cost-of-living adjustment may be granted only when the plan is sufficiently funded and only if all other provisions of this section are satisfied. The sum of the "fixed" and "variable" portions of the adjustment shall not exceed 4% per year, nor be less than 3%. For members who are hired on or after June 9, 2026, annual pension benefits shall be increased by a "fixed" (guaranteed) percentage equal to 2%. In addition to the "fixed" increase, pension benefits shall be increased by a "variable" percentage, in an amount certified by the pension plan actuary as supportable and funded solely by the pension plan assets, but not more than 1%. The "variable" component of the cost-of-living adjustment may be granted only when the plan is sufficiently funded and only if all other provisions of this section are satisfied. The sum of the "fixed" and "variable" portions of the adjustment shall not exceed 3% per year, nor be less than 2%.

(B) Retirees who reach the fifth anniversary of retirement after October 1, 2000 shall be granted an annual increase in pension benefits effective on the fifth retirement anniversary date, payable on the following October 1, and each October 1 thereafter, in the percentage amount paid the previous October 1 under subsection (A) above. Notwithstanding the previous sentence, a firefighter employee who participates in the DROP for five or more years shall be eligible for an annual increase in pension benefits on the October 1 following his or her separation from the city, and on each subsequent October 1 in accordance with this article. Notwithstanding the previous sentences, effective October 1, 2024, retirees shall be granted an annual increase in the pension benefits commencing after the first year of retirement, payable on the following October 1, and each October 1 thereafter, in the percentage amount paid the previous October 1 under subsection (A).

(C) In the event the pension plan is not sufficiently funded so as to provide a full 1% "variable" COLA in any year, a retroactive "variable" COLA, retroactive to the first year in which the full 1% "variable" COLA was not paid, shall be provided in subsequent

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years in which the plan is sufficiently funded, in order to provide an average compounded "variable" COLA of 1% per year, to the extent such amount is certified by the pension fund actuary to be supportable solely by the assets of the plan. The purpose of the retroactive additional COLA is to make retirees whole for any years in which the full 1% "variable" COLA could not be granted because the pension plan was not sufficiently funded.

(D) The annual actuarial valuation shall assume that the "fixed" ~~2%~~ annual COLA will be repeated on an annual basis for future years. The "variable" COLA will not be assumed to be granted every year for future years because it is granted only in those years when the plan is sufficiently funded.

SECTION 8. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance that can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are declared to be severable.

SECTION 9. This Ordinance shall be codified and made a part of the official Code of Ordinances of the City of Pompano Beach.

SECTION 10. This Ordinance shall become effective upon passage.

PASSED FIRST READING this 13th day of October, 2026.

PASSED SECOND READING this 27th day of October, 2026.

Signed by:
Rex Hardin
502CB780EB3F480...

REX HARDIN, MAYOR

Signed by:

ATTEST:

DocuSigned by:
Kervin Alfred
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KERVIN ALFRED, CITY CLERK

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