

ORDINANCE 16-22

AN ORDINANCE OF THE CITY OF DUNEDIN AMENDING CHAPTER 58, PENSIONS AND RETIREMENT, ARTICLE II, RETIREMENT, DIVISION 2, FIREFIGHTERS' RETIREMENT SYSTEM, OF THE CODE OF ORDINANCES OF THE CITY OF DUNEDIN; AMENDING SECTION 58-77, DEFERRED RETIREMENT OPTION PLAN, BY AMENDING THE FUNDING DESCRIPTION; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:

Section 1: That Chapter 58, Pensions and Retirement, Article II, Retirement, Division 2, Firefighters' Retirement System, of the City of Dunedin Code of Ordinances, is hereby amended by amending Section 58-77(c), "Funding", to read as follows:

(c) Funding.

- (1) Establishment of DROP account. A DROP account shall be established for each member participating in the DROP. A member's DROP account shall consist of amounts transferred to the DROP under subsection (c)(2) of this section, and earnings, gains or losses on those amounts. The DROP account is a notional account, as all amounts remain commingled within the pension fund without any specific amounts being separated for individual members.
- (2) Transfers from retirement system.
 - a. As of the first day of each month of a member's period of participation in the DROP, the monthly retirement benefit he would have received under the system had he terminated his employment as a firefighter and elected to receive monthly benefit payments under the system shall be transferred to his DROP account, except as otherwise provided for in subsection (b)(4)b of this section. A member's period of participation in the DROP shall be determined in accordance with the provisions of subsections (b)(3) and (b)(4) of this section, but in no event shall it continue past the date he terminates his employment as a firefighter.
 - b. Except as otherwise provided in subsection (b)(4)b of this section, a member's DROP account under this subsection (c)(2) shall be debited or credited after each fiscal year quarter with earnings, gains or losses, determined as follows: The average daily balance in a member's DROP

account shall be credited or debited at a rate equal to the actual net rate of investment return realized by the system for that quarter.

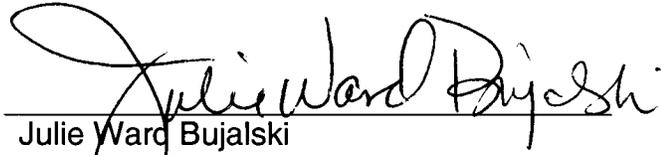
1. The term "net investment return," for the purpose of this subsection, is the total return of the assets in which the member's DROP account is invested by the board, net of brokerage commissions, transaction costs and management fees, which expenses are allocated proportionately in relation to the total assets in the Plan. Net investment return is reflected on statements that are generated for members.
 2. Total return of assets is all realized and unrealized gains and losses, dividends, capital gain distributions, coupon payments from bonds, and income distributions from the real estate investment.
- c. A member's DROP account shall only be credited or debited with earnings, gains or losses and monthly benefits while the member is a participant in the DROP. A member's final DROP account value for distribution to the member upon termination of participation in the DROP shall be the value of the account at the end of the quarter immediately preceding termination of participation plus any monthly periodic additions made to the DROP account subsequent to the end of the previous quarter and prior to distribution. If a member is employed by the city fire department after participating in the DROP for the permissible period of DROP participation, then beginning with the member's first month of employment following the last month of the permissible period of DROP participation, the member's DROP account will no longer be credited or debited with earnings or interest, nor will monthly benefits be transferred to the DROP account. All such nontransferred amounts shall be forfeited and continue to be forfeited while the member is employed by the city fire department. A member employed by the city fire department after the permissible period of DROP participation will still not be eligible for preretirement death or disability benefits under the system, nor will he accrue additional credited service.

Section 2: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

Section 3: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

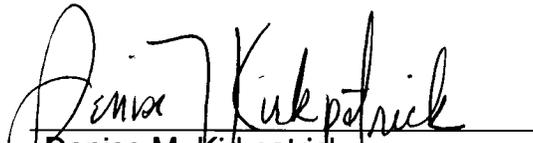
Section 4. That this Ordinance shall become effective immediately upon final passage and adoption.

PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 25th day of August, 2016.



Julie Ward Bujalski
Mayor

ATTEST:



Denise M. Kirkpatrick
City Clerk

READ FIRST TIME AND PASSED: July 14, 2016

READ SECOND TIME AND ADOPTED: August 25, 2016