

**ORDINANCE NO. 2021-2209**

**AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA; AMENDING THE CODE OF THE CITY OF LAKE CITY, FLORIDA; PROVIDING FOR AMENDMENTS TO CHAPTER 70, ARTICLE V (“FIREFIGHTERS’ RETIREMENT”); PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of Lake City, Florida (hereinafter the “City”) has created a Firefighters’ Retirement Plan (hereinafter the “Plan”); and

**WHEREAS**, the Death Benefit contained in the Plan only provides for a death benefit to be paid for ten (10) years; and

**WHEREAS**, the Board of Trustees of the Plan recommends that the benefit be amended to allow flexibility in the form of payment so long as the value is actuarially equivalent;

**WHEREAS**, the City Council finds that the adoption of the aforementioned recommendation is in the best interests of the City.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, THAT:**

**Section 1.** The above recitals are all true and accurate and are hereby incorporated herein and made a part of this ordinance.

**Section 2.** Section 70-126 Service retirement benefits; cost of living adjustment is hereby amended to read as follows (words ~~stricken~~ are deletions; words underlined are additions):

Sec. 70-126. - Service retirement benefits; cost of living adjustment.

- (a) A member may retire on the first day of the month coincident with or next following the date upon which the member completes ten years of credited service and attains age 55 or completes 25 years of credited service and attains age 52. There shall be no mandatory retirement age.
- (b) A normal retirement benefit shall be determined by multiplying two and three quarters percent of final monthly compensation by the number of years of credited service.

(c) The monthly retirement income payable in the event of normal retirement shall be payable on the first day of each month. The first payment shall be made on the member's normal retirement date, or on the first day of the month coincident with or next following his or her actual retirement, if later, and the last payment will be the payment due next preceding his or her death; except that, in the event the member dies after retirement, but before he or she has received retirement 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.

(1) If a member continues in the service of the city beyond his or her normal retirement date and dies prior to his or her date of actual retirement, without an option made pursuant to F.S. § 175.171, being in effect, monthly retirement income payments will be made for a period of ten years to a beneficiary, or beneficiaries, designated by the member as if the member had retired on the date on which his or her death occurred.

(2) In lieu of payments for 10 years, a beneficiary, or beneficiaries, may elect to have the benefits paid on such other actuarial equivalent basis as approved by the Board so long as the benefit is paid in accordance with the required minimum distribution rules of Section 70-130 of this Plan. If there is more than one beneficiary designated, the benefit will be calculated using the age of the youngest recipient to determine the equivalence, if necessary.

(3) If there is no designated beneficiary(ies), one will be determined based on the priority of distribution set forth in Section 70-129 of this Plan.

(d) Early retirement shall be available to a member on the first day of the month coincident with or next following completion of ten years of credited service and attainment of age 50. There shall be an actuarial reduction of three percent for each year of service prior to normal retirement for member's electing an immediate receipt of early retirement benefits. if a member defers receipt of benefits until what would have been normal retirement age, there shall be no actuarial reduction.

(e) The payment of the early retirement income shall be subject to the same conditions as normal retirement income.

(f) In the event a member elects early retirement, the benefit formula in

effect on the early retirement date shall be applicable to the member.

- (g) In lieu of the amount and form of retirement income payable to the member in the event of normal or early retirement as specified in subsection (c), a member, upon written request to the board of trustees and subject to the approval of the board of trustees, may elect to receive a retirement income or benefit of equivalent actuarial value payable in accordance with one of the options provided for in F.S. § 175.171.

The present value of payments to a retiring member must be equal to at least fifty percent of the total value of payments to a retiring member and designated beneficiary. Election of the retirement option shall be on a form prescribed by the board.

- (1) Ten year certain and life thereafter. A member may elect to receive a reduced life annuity with 120 guaranteed payments. If the member shall die prior to receiving 120 payments, the remaining benefits shall be paid to the beneficiary designated by the member. In the event that no beneficiary has been designated, the member's estate shall be the recipient of the remaining balance of payments. This shall be the normal form of retirement.
- (2) Life annuity. A member may elect to receive an unreduced annuity payable for life. There shall be no guaranteed payment in excess of the accumulated contributions of the member, which contributions shall be paid to the member's estate or designated beneficiary should the member die prior to receiving payments equal to said contributions.
- (3) Joint and last survivor option. A member may elect to receive a benefit for life and to have the benefit (or a designated fraction of the benefit of 50 percent, 66 2/3 percent, 75 percent or 100 percent) continued after the member's death and during the lifetime of a designated survivor. A designated survivor may be any natural person, but need not be the spouse of the member. In the event that the designated survivor dies, or in the case of a spouse, the marriage is dissolved, before the member's benefit payments begin, this option shall be canceled automatically and a retirement income shall be payable to the member as if the election had never been made. A member may, at that time, elect an unreduced life annuity or a ten year certain and life thereafter benefit.
- (4) Other options. The retirees may, by uniform rule, establish any

other optional form of payment, which is the actuarial equivalent of any other form of retirement provided for in this plan, or which optional form of payment is cost neutral to the plan. An interest only option or an option providing guaranteed payments over a period in excess of 20 years or beyond age 85 may not be offered. The board, in its sole discretion, may make a lump sum distribution which is the actuarial equivalent of the monthly benefit if the lump sum is not greater than \$1,750.00.

- (h) A monthly retirement supplement equal to \$5.00 times years of credited service shall be added to the retirement benefit payable to each retired member who retires after he or she has become eligible for normal, early, or disability retirement benefits.
- (i) On October ~~October~~ 1 of each year after a member who is in receipt of a retirement benefit, who retired from active service after becoming eligible for normal, early or disability retirement, and has obtained the age of 60 years, an annual cost of living adjustment of two percent shall be added to such member's annual retirement benefit, excluding the health insurance premium subsidy, payable in monthly installments. Such cost-of-living adjustment shall also be payable to beneficiaries who are receiving payments, commencing on the October 1 following the date the deceased retiree would have attained age 60. For drop participants, this cost-of-living adjustment shall not be applicable until the later of attainment of age 60 or the end of the DROP period.

**Section 3.** Section 70-129 Death Benefits is hereby amended to read as follows (words ~~stricken~~ are deletions; words underlined are additions):

Sec. 70-129. - Death benefits.

- (a) In the event of the death of a member with less than ten years of service, the member's designated beneficiary shall be paid from the fund an amount equal to the member's accumulated contributions. In the event of a member's death with more than ten years of credited service, the member's designated beneficiary shall receive, at the beneficiary's option, the benefits payable at early or normal retirement date.
- (b) In the event of the death of a retiree, death benefits shall be payable in accordance with the optional form of benefit chosen at the time of retirement.
- (c) If a member fails to designate a beneficiary, or if the beneficiary predeceases the member, and benefits are due as a result of the

member's death, the benefits will be paid in the following order:

- (1) To the spouse;
- (2) If the spouse is not alive, the member's surviving child or children on a pro rata basis;
- (3) If no child is alive, the member's surviving parent or parents on a pro rata basis; or
- (4) If no parent is alive, the estate of the member.

If there is more than one beneficiary designated, the benefit will be calculated using the age of the youngest recipient to determine the equivalence, if necessary.

**Section 4.** It is the intention of the City Council, and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Lake City, that the sections of the Ordinance may be renumbered or relettered to accomplish such intentions; and that the word "Ordinance" shall be changed to "Section" or other appropriate word.

**Section 5.** If any clause, section, or other part or application of this Ordinance shall be held in any court of competent jurisdiction to be unconstitutional or invalid, such unconstitutional or invalid part or application shall be considered as eliminated and shall not affect the validity of the remaining portions or applications which shall remain in full force and effect.

**Section 6.** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

*[The remainder of the page has been left blank intentionally.]*

**Section 7.** This Ordinance shall become effective retroactive to September 1, 2021.

**PASSED** upon first reading the \_\_\_\_ day of \_\_\_\_\_ 2021.

**NOTICE PUBLISHED** on the \_\_\_\_ day of \_\_\_\_\_ 2021.

**PASSED AND ADOPTED** on second and final reading the \_\_\_\_ day of \_\_\_\_\_ 2021.

**CITY OF LAKE CITY, FLORIDA**

By: \_\_\_\_\_  
Stephen M. Witt, Mayor

ATTEST:

APPROVED AS TO FORM AND  
LEGALITY:

By: \_\_\_\_\_  
Audrey E. Sikes, City Clerk

By: \_\_\_\_\_  
Frederick L. Koberlein, Jr.,  
City Attorney