

ORDINANCE NO. 2021-2204

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA, AMENDING THE CODE OF THE CITY OF LAKE CITY, FLORIDA, CHAPTER 70, ARTICLE IV, POLICE OFFICERS RETIREMENT FUND; PROVIDING FOR THE ADDITION OF A SECTION 70-106; PROVIDING FOR A SHARE ACCOUNT (DEFINED CONTRIBUTION COMPONENT); PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lake City has created a Police Officers' Pension Plan; and

WHEREAS, Section 185.35(6), Florida Statutes, provides that with respect to Police Officers' Pension Plans, "In addition to the defined benefit component of the local law plan, each plan sponsor must have a defined contribution plan component within the local law plan . . ."; and

WHEREAS, the City of Lake City Municipal Police Officers Retirement Fund has prepared this ordinance to implement the changes required by the Florida Statutes and establish a means to distribute the initial allocation; and

WHEREAS, the City Council of Lake City finds that the provisions of this Ordinance are in the best interests of the health, safety and welfare of the citizens and others within Lake City.

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

Section 1. Findings of Fact. The foregoing recital clauses are hereby adopted as findings of fact.

Section 2. Amended Code Language. Chapter 70 of the City of Lake City Code of Ordinances shall be amended by adding a new section (70-106) which shall read as follows:

Section 70-106. Share Account (Defined Contribution Component).

- (a) Pursuant to the requirements of Florida Statutes 185.35(6), a defined contribution plan component is established in addition to the defined benefit component of this local law Plan. This defined contribution component is not funded for Police Officers after the initial allocation provided for below. If the plan is funded, the Board of Trustees has the authority to adopt rules regarding the operation of the defined

contribution component of this local law plan.

- (b) Initial Allocation of 185 State Monies Reserve as of October 1, 2019
- (1) The accumulated unused 185 reserve money as of October 1, 2019 (\$10,333.56) is divided among the active Members as of October 1, 2019 based on the ratio that a Member's years of credited service as of that date bears to the total number of years of credited service of all of the Members employed on October 1, 2019.
 - (2) The share account balances will be credited quarterly with earnings and losses based on the net earnings of the Fund as a whole with the first allocation of earnings and losses as of December 31, 2019.
 - (i) "Net earnings" means the market return of the Fund less management fees and commissions.
 - (ii) Earnings and losses will be credited quarterly but statements will be produced annually and provided to the Members with the annual defined benefit statements.
 - (iii) If a Member retires other than at the end of a quarter, the Share Account balance will be the balance as of the end of the previous quarter.
 - (a) Last quarter earnings when quarter earnings are positive. Members who retire at the end of the quarter will be distributed the balance in the account as of the previous quarter and any positive earnings will be paid when the balance earnings are determined, usually six to eight weeks from the end of the quarter.
 - (b) Last quarter earnings when quarter earnings are negative. Members who retire at the end of the quarter will be distributed the balance in the account as of the previous quarter with a 15% holdback. The quarter losses will be deducted and any remaining balance paid when the balance earnings are determined, usually six to eight weeks from the end of the quarter.
 - (3) Any member who terminates without vesting in a benefit will forfeit the share account allocation which will be redistributed the October 1 following the date of termination to all active Members employed on that October 1. The redistribution will be allocated based on the ratio set forth in b(1), above.
 - (4) The individual Member balances must be distributed upon the Member's eligibility for and actual receipt of a pension from this

Plan. Provided the balance is more than \$200.00 it is eligible to be rolled over to another qualified retirement account.

Section 3. 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 4. 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 5. All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

[Remainder of this page intentionally left blank.]

Section 6. This Ordinance shall become effective immediately upon adoption, unless otherwise provided.

PASSED upon first reading this _____ day of _____, 2021.

NOTICE PUBLISHED on the ____ day of _____, 2021.

PASSED AND ADOPTED on the second and final reading this ____ 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