

CITY OF LAKE CITY, FLORIDA

ORDINANCE NUMBER 2025-2343

AN ORDINANCE OF THE CITY OF LAKE CITY, FLORIDA; AMENDING CHAPTER 70, ARTICLE IV OF THE CITY OF LAKE CITY CODE OF ORDINANCES ENTITLED "POLICE OFFICERS' PENSION PLAN AND TRUST FUND"; AMENDING SECTION 70-96 OF THE CITY OF LAKE CITY CODE OF ORDINANCES ENTITLED "SERVICE RETIREMENT BENEFITS; COST OF LIVING ADJUSTMENT" BY ADDING OPTION FOR PARTIAL LUMP SUM BENEFIT; ADDING SECTION 70-106 FOR THE PURPOSE OF PURCHASING PRIOR MILITARY SERVICE; ADDING A NEW SECTION 70-107 FOR THE PURPOSE OF PURCHASING PRIOR POLICE SERVICE; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; PROVIDING FOR CORRECTION OF SCRIVENER'S ERRORS; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the Board of Trustees of the Pension Plan finds it is in the best interest of the participants and beneficiaries to offer a partial lump sum option as one of the optional forms for the benefits; and

WHEREAS, the City of Lake City desires to offer participants in the Pension Plan the opportunity to purchase prior military and prior police officer service as a recruiting tool; and

WHEREAS, the ability to purchase service is recognized as permissible in both Chapter 175 and the Internal Revenue Code; and

WHEREAS, amending the Code in the foregoing form and substance is in the public interests and in the interests of the City; and

WHEREAS, the City Council desires to add these provisions to the City of Lake City Code now, therefore:

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF LAKE CITY, FLORIDA, THAT:

SECTION1: ADDING OPTION FOR PARTIAL LUMP SUM BENEFIT

Chapter 70, Article IV, Section 70-96(g) of the City of Lake City Code of Ordinances is hereby amended by adding paragraph (5) as follows:

Sec. 70-96. - Service retirement benefits; cost of living adjustment.

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- (g) A member entitled to a normal or early service retirement benefit shall have the right at any time prior to the date upon which the first payment is received to elect to have the benefit payable under one of the options provided in this plan. A member shall be permitted to revoke any such election and to elect a new option at any time prior to the receipt of the first payment. Each retirement option shall be the actuarial equivalent of the other retirement options available.

The present value of payments to a retiring member must be equal to at least 50 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%, 66 2/3%, 75% or 100%) 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.

- (5) For members who do not participate in the DROP pursuant to section 70-103, the member may elect a percentage of benefit in a lump sum as follows:
- a. Five (5) percent of the total actuarial equivalent value of the benefit paid as a lump sum with the remaining ninety-five (95) percent paid under the normal form or as per subsection (g)(1), (2), or (3) of this section.
 - b. Ten (10) percent of the total actuarial equivalent value of the benefit paid as a lump sum with the remaining ninety (90) percent paid under the normal form or as per subsection (g)(1), (2), or (3) of this section.
 - c. Fifteen (15) percent of the total actuarial equivalent value of the benefit paid as a lump sum with the remaining eighty-five (85) percent paid under the normal form or as per subsection (g)(1), (2), or (3) of this section.
 - d. Twenty (20) percent of the total actuarial equivalent value of the benefit paid as a lump sum with the remaining eighty (80) percent paid under the normal form or as per subsection (g)(1), (2), or (3) of this section.

SECTION 2. PURCHASE OF PRIOR MILITARY SERVICE

Chapter 70, Article IV, Section 70-106 of the City of Lake City Code of Ordinances is hereby created as follows (words stricken are deletions; words underlined are additions):

Sec. 70-106. MILITARY SERVICE PRIOR TO EMPLOYMENT.

The years or fractional parts of years that a Police Officer serves or has served on active duty in the military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily and honorably or under honorable conditions, prior to first and initial employment with the District Police Department shall be added to years of Credited Service provided that:

1. The Member contributes to the Fund the sum that he/she would have contributed, based on his/her Salary and the Member contribution rate in effect at the time that the Credited Service is requested, had he/she been a Member of the System for the years or fractional parts of years for which he/she is requesting credit plus amounts actuarially determined such that the crediting of service does

not result in any cost to the Fund plus payment of costs for all professional services rendered to the Board in connection with the purchase of years of Credited Service.

2. Multiple requests to purchase Credited Service pursuant to this Section may be made at any time prior to Retirement.
3. Payment by the Member of the required amount shall be made within six months of the request for credit, but not later than the retirement date, and shall be made in one (1) lump sum payment upon receipt of which Credited Service shall be given.
4. The maximum credit under this Section shall be four (4) years.
5. Credited Service purchased pursuant to this Section shall count for all purposes, except vesting and eligibility for not-in-line of duty disability benefits.

SECTION 3: PURCHASE OF PRIOR POLICE SERVICE

Chapter 70, Article IV, Section 70-107 of the City of Lake City Code of Ordinances is hereby created as follows (words stricken are deletions; words underlined are additions):

Sec. 70-107. PRIOR POLICE OFFICER SERVICE.

Unless otherwise prohibited by law, and except as provided for in Section 1, the years or fractional parts of years that a Member previously served as a full-time Police Officer with the City during a period of previous employment and for which period Accumulated Contributions were withdrawn from the Fund, or the years and fractional parts of years that a member served as a Police Officer for any other municipal, county or state law enforcement department or as a Police Officer for any other municipal, county, or state shall be added to years of Credited Service provided that:

1. The Member contributes to the Fund the sum that they would have contributed, based on his/her Salary and the Member contribution rate in effect at the time that the Credited Service is requested, had he/she been a Member of the System for the years or fractional parts of years for which he/she is requesting credit plus amounts actuarially determined such that the crediting of service does not result in any cost to the Fund plus payment of costs for all professional services rendered to the Board in connection with the purchase of years of Credited Service. Members who were formerly employed by the City as a Police Officer and withdrew their contributions from the Fund have 1 year from date of employment to repay into the fund the amount he or she has withdrawn, plus interest as determined by the board.
 - a. The member salary used as the initial salary for the projected salary will be

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- the salary for the member for the year preceding each purchase of service credits.
- b. The calculation of the full actuarial cost will be made using the assumptions used in the actuarial valuation performed prior to the purchase of the service credits.
2. Multiple requests to purchase Credited Service pursuant to this Section may be made at any time prior to Retirement.
3. Payment by the Member of the required amount shall be made within six (6) months of the request for credit, but not later than the retirement date, and shall be made in one (1) lump sum payment upon receipt of which Credited Service shall be given.
4. The maximum credit under this Section for service other than with City shall be five (5) years of Credited Service and shall count for all purposes, except vesting and eligibility for not-in-line of duty disability benefits. There shall be no maximum purchase of credit for prior service with the City and such credit shall count for all purposes, including vesting.
5. In no event, however, may Credited Service be purchased pursuant to this Section for prior service with any other municipal, county police department, if such prior service forms or will form the basis of a retirement benefit or pension from a different employer's retirement system or plan as set forth in Florida Statutes §112.65.
6. For purposes of determining credit for prior service as a Police Officer as provided for in this Section, in addition to service as a Police Officer in this State, credit may be purchased by the Member in the same manner as provided above for federal, other state, county or municipal service if the prior service is recognized by the Criminal Justice Standards and Training Commission within the Department of Law Enforcement as provided in chapter 943 or the Police Officer provides proof to the Board that such service is equivalent to the service required to meet the definition of a Police Officer under Section 70-92, above.

SECTION 4: PROVIDING FOR CODIFICATION

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: PROVIDING FOR SEVERABILITY

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: PROVIDING FOR REPEAL OF ORDINANCES AND RESOLUTIONS IN CONFLICT

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

SECTION 7: PROVIDING FOR AN EFFECTIVE DATE

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

APPROVED, UPON FIRST READING, by the City Council of the City of Lake City at a regular meeting on the ____ day of November, 2025.

PUBLICALLY NOTICED, in a newspaper of general circulation in the City of Lake City, Florida, by the City Clerk of the City of Lake City, Florida, on the ____ day of November, 2025.

APPROVED AND ADOPTED UPON SECOND READING, by an affirmative vote of a majority of a quorum present of the City Council of the City of Lake City, at a regular meeting this ____ day of December, 2025.

BY THE MAYOR OF THE CITY OF LAKE CITY,
FLORIDA

Noah E. Walker, Mayor

ATTEST, BY THE CLERK OF THE CITY COUNCIL
OF THE CITY OF LAKE CITY, FLORIDA:

Audrey E. Sikes, City Clerk

APPROVED AS TO FORM AND LEGALITY:

Clay Martin, City Attorney