



Legislation Text

File #: 120218., **Version:** 2

GENERAL EMPLOYEE'S PENSION PLAN ORDINANCE AMENDMENTS (B)

Ordinance No. 120218

An ordinance of the City of Gainesville, Florida, amending Chapter 2, Article VII, Division 5 (Employees Pension Plan) of the Code of Ordinances of the City of Gainesville; amending Section 2-521, Definitions; amending the definition of credited service related to sick leave and personal critical leave bank; amending the definition of earnings related to overtime pay and termination vacation pay; amending the definition of final average earnings related to the computation of such earnings; amending the definition of service credit rules to conform and clarify the Plan with regard to a member's death while performing qualified military service; amending Section 2-523, Membership and service, related to the computation of final average earnings for participants in the Gainesville Gas Group Pension Plan; amending Section 2-524, Contributions and funding, related to member contributions, by changing the term gross pay to earnings; amending Section 2-526, Benefits, related to years of service and age required for normal retirement and early retirement, payment of accrued benefit with an actuarial present value of \$5,000.00 or less, the timing of termination benefits, and the amount of monthly pension benefit; amending Section 2-534, Deferred Retirement Option Program (DROP), related to eligibility, sick leave and personal critical leave bank, and interest rate; amending Section 2-535, Cost of living adjustment of benefits; non-eligibility during DROP participation, related to age and years of service; providing directions to the codifier; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

The City Commission adopt the proposed ordinance.

The City Commission, at its meeting of Thursday, August 16, 2012, authorized the preparation and advertisement of this Ordinance. The Ordinance amends the City's General Employees Pension Plan (Plan) in accord with the collective bargaining process between the City and the Communication Workers of America, Local No. 3170 (CWA). The changes negotiated with the CWA include modifications to the length and components of final average earnings, eligibility for normal and early retirement, adjustment to the multiplier and cost of living allowance, elimination of DROP for new members and a reduction of the DROP return for existing members, and other changes mandated by Florida Statutes, as more specifically described in the title and body of the Ordinance. These changes will apply to members of the Plan to varying degrees depending on whether the member is a new City employee, non-vested, vested, or retirement eligible. City employees who are members of the CWA and the Amalgamated Transit Union, Local No. 1579 (ATU), as well as City employees classified as a Manager, Administrative, or Professional (MAP), are members of the Plan and will be affected by the changes. The changes, together with other collectively bargained for changes to members' terms and conditions of employment, were ratified by the members of the CWA on August 14, 2012 and should be ratified by the City Commission at the same time as the Second Reading of this Ordinance for the Plan changes to take effect on October 1, 2012. The City's bargaining team has attempted to bargain changes to the Plan with the ATU on many occasions for over a year, but the ATU has refused to bargain such changes. Pursuant to Article 34.5 of the Collective Bargaining Agreement between the City and the ATU, the City may make changes in the Plan subject to the ATU's right to demand impact bargaining prior to the effective date of such changes. On August 15, 2012, a representative from the City's bargaining team provided the ATU with a copy of this Ordinance, a summary of the Plan changes, written notice that the City intends to implement changes to the Plan in accordance with Article 34.5, and a reasonable opportunity to bargain the impact of the changes before their implementation. These changes have also been discussed with MAP employees at several pension meetings over the past year.

CITY ATTORNEY MEMORANDUM

This ordinance requires two public hearings. If adopted on first reading, second and final reading of the ordinance is scheduled for Monday, September 10, 2012.