TAMARAC
The City For Your Life

AGENDA ITEM NO. 1.g

CITY COMMISSION WORKSHOP AGENDA ITEM REPORT

DATE: October 7, 2024

SUBMITTED BY: Kimberly Dillon

ITEM TYPE: Ordinance

TEMP. ORDINANCE NUMBER: TO 2573

AGENDA SECTION: Agenda

TITLE: TO2573 - An Ordinance of the City Commission of the City of Tamarac, Florida; amending Chapter 16, entitled Pensions and Retirement, Article IX, entitled Elected and Appointed Officers and Non-Represented Employees Retirement Plan; specifically amending Section 16-905 entitled "Service Retirement Benefits; Cost of Living adjustment; Disability Retirement" to provide for a Health Insurance Retirement Subsidy; providing for severability; providing for codification and providing for an effective date. *Presented by HR Director, Danielle Durgan*

RECOMMENDATION:

An Ordinance amending the Elected and Appointed Officers and Non-Represented Employees Retirement Plan to include a retirement subsidy effective September 30, 2024.

BACKGROUND:

As part of the City's strategic goal "Tamarac is a Dynamic Workplace," City staff has conducted surveys of the various employee benefit programs in an effort to attract and retain a skilled and committed workforce. As such, the City consists of three (3) pension plans; the General Employees' Pension Plan who comprises of the FPE (Federation of Public Employees) bargaining unit, the Firefighters' Pension Plan who includes the IAFF (International Association of Firefighters) bargaining unit, and the Non-Represented Employees who consists of the City's elected officials, City's appointed official, and non-bargaining employees.

Under the City's policy, in certain instances City retirees are eligible for continuation of certain benefits. Retirees may choose to continue their health insurance at the time they retire and separate from service, until the age of 65. Premiums are 100% retiree paid.

Currently the Firefighter Pension Plan offers a monthly health insurance subsidy of ten dollars ($10.00) for each completed year of credited service, to be not less than fifty dollars ($50.00) and not to exceed three hundred dollars ($300.00) per month. This subsidy is subject to an annual two and one-half (2 ½) percent increase with the current benefit at $17.65 per completed year of credited service. This subsidy continues until the participant attains Medicare eligibility.

With years of experience, education and certifications employees generally move from positions under the General Employees' Pension Plan to the Non-Represented Pension Plan. Presently, the General Employees' Pension Plan does not offer a subsidy to participants in the plan Therefore, to remain competitive and encourage development into management positions, the City wishes to apply a similar subsidy as Fire to participants under the Elected and Appointed Officers and Non-Represented Employees Retirement Plan. Employees under this plan will receive, upon retirement at separation of employment, a monthly subsidy of twenty dollars ($20.00) for each completed year of credited service to the Elected and Appointed Officers and Non-Represented Employees Retirement Plan, not to exceed five hundred dollars ($500.00) per month. This subsidy will continue until the participant attains Medicare eligibility (age 65 for non-disabled participants).

Deferred vested plan participants (i.e. those participants who separated service, elected to leave contributions in the plan and have deferred receipt of pension benefits until attainment or early or normal retirement age as defined herein) shall not be eligible for receipt of the retirement subsidy. Additionally, there is one (1) employee actively contributing to the City's 401(a) Plan that would be eligible for this health insurance subsidy, if approved.

ISSUE: Review and approval of changes made to the Elected and Appointed Officers and Non-Represented Employees Retirement Plan Ordinance, Article IX, Section 16.905k.

STRATEGIC GOALS: Goal #6: Tamarac is a Dynamic Workplace

ATTACHMENTS: