

ARTICLE 30: RETIREMENT

Retirement benefits and employee contributions for employees covered by this Agreement shall be as provided in the City of North Miami Beach Retirement Plan for Police Officers and Firefighters (the "Plan"), except as provided below. All changes to the existing Plan shall take effect on April 1, 2013, or upon implementation, whichever is later (the "effective date").

1. The benefit multiplier shall be 2.0% for all service after the effective date. Members who are employed on the effective date shall retain their accrued benefits based on service prior to the effective date.
2. The definition of basic compensation will be revised to exclude all overtime payments after the effective date.
3. There shall be no automatic cost of living adjustment applied to benefits based on service after the effective date. An AD HOC cost of living adjustment may be applied to benefits based on service after the effective date, whenever the cumulative net actuarial gain is sufficient to fund the adjustment, and the funded ratio of the Plan is 100% or more.
4. The normal retirement date will be age 62 with 10 or more years of service, or age 55 with 25 years of service. Current employees may retire at the current normal retirement date of age 52 or 20 years of service regardless of age, and receive a benefit based on service prior to the effective date. Such employees will be eligible to receive a benefit based on service after the effective date at the new normal retirement date of age 62 with 10 or more years of service or age 55 with 25 years of service.
5. The DROP plan shall be closed to new members on the effective date. Any current member who is not participating in the DROP on the effective date shall not be eligible to participate in the DROP after the effective date. Employees hired on or after the effective date shall not be eligible to participate in the DROP.
6. The foregoing provisions shall not apply to any member who is employed on the effective date and has attained age 52 or 20 years of service regardless of age on that date.
7. The procedure for Plan amendments will be revised to provide for amendment by ordinance of the City Council subject only to applicable requirements of federal and state law, and to eliminate the requirement that amendments be approved by 60 percent of

active participants as well as the exception to that requirement. In addition, the Plan will be amended to provide that the City Council may consider the report and recommendation of the City Manager, actuary and/or pension board or consultant prior to amending the Plan.

8. The Plan provisions providing for purchase of credited service for prior military or law enforcement service, purchase of permissive service credit, and voluntary supplemental benefit will be deleted.
9. The early retirement incentive provided in section 6.01(f) of the Plan is outdated, and will be deleted.