

City of Lake Alfred
120 E. Pomelo Street
Lake Alfred, FL 33850



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AGENDA
CITY COMMISSION MEETING
MONDAY OCTOBER 19, 2015
7:30 P.M.
CITY HALL

CALL TO ORDER: MAYOR CHARLES LAKE

INVOCATION AND PLEDGE OF ALLEGIANCE: REVEREND LEONARD

ROLL CALL: CITY CLERK AMEÉ BAILEY

CITY MANAGER & CITY ATTORNEY ANNOUNCEMENTS

RECOGNITION OF CITIZENS: ITEMS NOT ON AGENDA

PROCLAMATION – FLORIDA CITY GOVERNMENT WEEK
PROCLAMATION – COMMUNITY PLANNING MONTH

CONSENT AGENDA:

- 1.) CITY COMMISSION MEETING MINUTES FOR OCTOBER 5, 2015.
- 2.) CITY COMMISSION ANNOUNCEMENTS

AGENDA

- 1.) PUBLIC HEARING: ORDINANCE 1358-15: POLICE AND FIREFIGHTER RETIREMENT SYSTEM
- 2.) ORDINANCE 1359-15: TRAVEL & PER DIEM POLICY
- 3.) DISCUSSION: CIVIL CITATIONS FOR ULDC OFF-STREET PARKING VIOLATIONS

RECOGNITION OF CITIZENS (PLEASE LIMIT YOUR COMMENTS TO 5 MINUTES.)

COMMISSIONER QUESTIONS AND COMMENTS:

MAYOR LAKE
VICE MAYOR DALEY
COMMISSIONER DUNCAN
COMMISSIONER DEARMIN
COMMISSIONER MAULTSBY

ADJOURN



Proclamation

To recognize October 18th - 24th as City Government Week.

WHEREAS, city government is the government closest to most citizens, and the one with the most direct daily impact upon its residents; and

WHEREAS, city government is administered for and by its citizens, and is dependent upon public commitment to and understanding of its many responsibilities; and

WHEREAS, city government officials and employees share the responsibility to pass along their understanding of public services and their benefits; and

WHEREAS, Florida City Government Week is a very important time to recognize the important role played by city government in our lives. This week offers an important opportunity to spread the word to all the citizens of Florida that they can shape and influence this branch of government which is closest to them; and

WHEREAS, the Florida League of Cities and its member cities have joined together to teach students and other citizens about municipal government through a variety of different projects and information; and

WHEREAS, Florida City Government Week offers an important opportunity to convey to all the citizens of Florida that they can shape and influence government through their civic involvement.

THEREFORE, BE IT RESOLVED that the City of Lake Alfred formally recognize October 18th - 24th, 2015 as

"Florida City Government Week"

in the City of Lake Alfred and encourage all citizens, city government officials and employees to recognize this week, celebrate, and encourage educational partnerships between city government and schools.

IN WITNESS WHEREOF, I have hereunder set my hand this 19th day of October, 2015.

Charles O. Lake, Mayor

City of Lake Alfred, Florida



Proclamation

To recognize October as Community Planning Month.

WHEREAS, change is constant and affects all cities, towns, suburbs, counties, townships, rural areas, and other places; and

WHEREAS, community planning and plans can help manage this change in a way that provides better choices for how people work and live; and

WHEREAS, community planning provides an opportunity for all residents to be meaningfully involved in making choices that determine the future of their community; and

WHEREAS, the full benefits of planning requires public officials and citizens who understand, support, and demand excellence in planning and plan implementation; and

WHEREAS, the month of October is designated as National Community Planning Month throughout the United States of America and its territories, and

WHEREAS, The American Planning Association and its professional institute, the American Institute of Certified Planners, endorse National Community Planning Month as an opportunity to highlight the contributions sound planning and plan implementation make to the quality of our settlements and environment; and

WHEREAS, the celebration of National Community Planning Month gives us the opportunity to publicly recognize the participation and dedication of the members of planning commissions and other citizen planners who have contributed their time and expertise to the improvement of the City of Lake Alfred; and

WHEREAS, we recognize the many valuable contributions made by professional community and planners and extend our heartfelt thanks for the continued commitment to public service by these professionals

THEREFORE, BE IT RESOLVED that the City of Lake Alfred formally recognize October 2015 as

"Community Planning Month"

in the City of Lake Alfred and.

IN WITNESS WHEREOF, I have hereunder set my hand this 5th day of October, 2015.

Charles O. Lake, Mayor
City of Lake Alfred, Florida

**LAKE ALFRED CITY COMMISSION MEETING
OCTOBER 19, 2015**

CONSENT AGENDA

1.) OCTOBER 5, 2015 CITY COMMISSION MEETING MINUTES

ATTACHMENTS:

- Draft Minutes

ANALYSIS: Please review the minutes at your earliest convenience and if there are any questions, comments or concerns please contact the City Clerk, Ameé Bailey at (863) 291-5747.

2.) CITY COMMISSION ANNOUNCEMENTS

ANALYSIS: Each of the meetings/ events scheduled below may constitute a public meeting at which two or more City Commissioners or Planning Board Members may attend and discuss issues that may come before the City Commissioners.

- The Ridge League of Cities Board Meeting will be held on Thursday November 12th at 6:30 pm at the Winter Haven City Hall (451 Third St. NW, Winter Haven).
- The Local Delegation Meeting will be held on Monday November 9, 2015 at the County Administration Building (330 West Church Street, Bartow).
- The Florida League of Cities Legislative Policy Committee Meetings will be held on Thursday November 19, 2015 at the Embassy Suites Orlando Lake Buena Vista

STAFF RECOMMENDATION: Approval of the consent agenda.

DRAFT MINUTES
CITY OF LAKE ALFRED
CITY COMMISSION MEETING
MONDAY, OCTOBER 5, 2015
7:30 P.M.
CITY HALL

Call to Order: Mayor Charles Lake

Invocation and Pledge of Allegiance: Pastor Strawn

Roll Call: Those in attendance were Mayor Charles Lake, Vice Mayor Nancy Daley, Commissioner John Duncan, Commissioner Jack Dearmin, Commissioner Albertus Maultsby, City Manager Ryan Leavengood, Assistant City Attorney Seth Claytor, and City Clerk Ameer Bailey-Speck.

Staff attendance: Public Works Director John Deaton, Fire Chief Chris Costine, Police Chief Art Bodenheimer, Finance Director Amber Deaton, and Parks and Recreation Superintendent Richard Weed.

CITY MANAGER ANNOUNCEMENTS

City Manager Leavengood stated the Florida Licensing on Wheels staff will be at your Lake Alfred Public Library on Friday, Oct 9th from 10 am until 2 pm to provide a convenient method to renew, obtain or change driver license information or an identification card. Then the SPCA Wellness Wagon will visit on Saturday Oct. 10th from 8 till 10:30 am, offering vaccines and testing for every pet. Finally, the Mobile Career Source will visit on Tuesday Oct. 13th from 9 am until 3 pm to provide employment and training-related services. Please visit the Library for more information on these and other events.

A new Art Competition will be held inside Lake Alfred City Hall beginning on Friday Oct. 16th. The original drawings, oils, watercolors, acrylics, graphics, photography, mixed media, fiber, and sculptures will be on display until September of 2016. Please visit the website for more details.

The City to City 5 K and 1 mile Fun Walk will be held on October 29th. Participants will start in Auburndale and travel Adams Barn Road to Lake Alfred. All proceeds benefit Polk Training Center, Inc. The Center, a 501(c)(3) organization, and provides day training programs and employment to individuals with developmental disabilities. Visit www.citytocity5K.com for online registration and more information.

Centennial Celebration Good Old Days festival will be held on November 7th from 3 pm to 7 pm at the Lions Park. The event will feature family friendly events, old-fashioned sack races, horse shoe courts, apple bobbing, dunk tank, competitions, and fireworks. Contact Parks and Recreation for more details.

On November 11th at 11 am the Cities of Lake Alfred and Auburndale will honor all those who served in times of war and in times of peace. Please join us for this Veterans Day event at the Veterans Memorial, Frank C. Gardner Park.

The Parks and Recreation Department is now accepting applications for the 2015 Lake Alfred Christmas Parade. Application are due by November 20th. The application and more information can be found on the website or by calling the Parks and Recreation Department.

The City received a thank you letter from Charlotte Butler from Discovery Academy for the mock City Commission event.

On Wednesday October 7th the Bike to School event will be held for the elementary school. Students will meet at the entrance of the Mackay Preserve at 7 am.

CITY ATTORNEY ANNOUNCEMENTS

No announcements.

RECOGNITION OF CITIZENS

There were no citizen statements.

PROCLAMATION: FIRE PREVENTION WEEK

Mayor Lake read the proclamation for October 4-10 as Fire Prevention Week and encouraged all citizens to install smoke alarms in every bedroom, outside each sleeping area, and on every level of the home, and to support the many public safety activities and efforts of Lake Alfred's fire and emergency services. Fire Chief Chris Costine accepted the proclamation.

DISTINGUISHED BUDGET AWARD PRESENTATION – AMBER DEATON, FINANCE

Mayor Lake stated that the Government Finance Officers Association has awarded the City of Lake Alfred's Finance Department the Certificate of Achievement for excellence in financial reporting. This is presented to for the City's Comprehensive Annual Financial Report for the fiscal year ending September 30, 2014. The Certificate of Achievement is the highest form of recognition in the area of government accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. This is Lake Alfred's fourth consecutive year for receiving this award.

Finance Director Amber Deaton thanked City Manager Leavengood and the City Commission for their support. She also stated that it take a team effort and she has a fantastic staff.

EMPLOYEE OF THE THIRD QUARTER – PATSY ESPOSITO

Mayor Lake stated that Pat Esposito has been with the City of Lake Alfred since February 2014. Pat works in the Public Works Utility/Service Department. Pat is responsible for meter reading, customer service and meter change outs.

He also recently completed his Water Treatment Operator course and is in the process of scheduling his state exam. Pat has been an excellent addition to the Public Works department and we are honored to award Pat Esposito as Employee of the Quarter. He received a certificate, pin, gift certificate from citizen donation, and a day off with pay. Congratulations for a job well done.

DRAFT

CONSENT AGENDA:

Vice Mayor Daley commented that the Elected Leadership Summit held on Thursday October 8th will start at 3:30 pm.

Vice Mayor Daley moved to approve the consent agenda with the correction; seconded by **Commissioner Dearmin** and the motion was approved by unanimous voice call vote.

MAYOR LAKE	AYE
VICE MAYOR DALEY	AYE
COMMISSIONER DEARMIN	AYE
COMMISSIONER DUNCAN	AYE
COMMISSIONER MAULTSBY	AYE

AGENDA

1.) ORDINANCE 1358: POLICE AND FIREFIGHTER RETIREMENT SYSTEM

Assistant City Attorney Seth Claytor read the ordinance title.

City Manager Leavengood stated the proposed ordinance cleans up the pension regulations within the City's Police & Fire Pension in accordance with the recent adoption by the Florida Legislature of Chapter 2015-39, Laws of Florida; changes to the Internal Revenue Code (IRC); and guidance from the Internal Revenue Service (IRS).

The item of note is the inclusion of a "Share Plan" that allows for the distribution of surplus insurance premium tax monies provided to the public safety pensions from the State as a defined contribution benefit to its members. The City currently receives approximately \$52,000 per year to fund existing public safety retirement benefits. The surplus funding, if and as it is provided, shall be disbursed in accordance with governing Florida Statutes and/or mutual agreement between the City and the plan members. The pension fund has approximately \$4,000 set aside from these surplus insurance funds. The recommendation from the plan members is to utilize this funding and future service tax funding to offset the costs of the defined benefit pension plan (in the same manner the base funds are being used).

City staff has no objections to the proposed surplus insurance premium tax funding being used in this manner.*

*This funding will likely be included in conjunction with increased member contributions and/or other protections to eventually propose an increase to the public safety multiplier from 2.75% to 3.0% consistent with the Florida Retirement System's high risk category (e.g. police and fire). The 3% is consistent with the Florida Retirement System's high risk category. Changes to the rate would need to be approved by the Pension Board and City Commission. The Lake Alfred Public Safety Pension is currently funded at 104% of its liabilities according to a 10/1/14 Foster & Foster report. The typical goal for pension funding is 80%.

Staff recommendation is for approval of Ordinance 1358-15 on first reading.

Commissioner Dearmin stated it is good that the City can support staff.

Mayor Lake stated it is nice to hear that Lake Alfred is providing services that other cities may not be able to support.

Commissioner Maultsby asked if the City raised the multiplier would retired members benefit.

City Manager Leavengood stated that that the changes would affect current members. He would discuss the changes with the Pension Board to determine if it would retroactively apply to current years of service. That would cause the pension to possibly have an unfunded liability. It may be that it would accrue moving forward. Another item of discussion is whether the members want to provided more than the 5% contribution. The City's contribution varies, but is offset by the insurance premium tax. Any changes could take up to six months to implement.

Commissioner Dearmin moved to approve Ordinance 1358-15 on first reading; seconded by **Commissioner Maultsby**. The motion was approved by unanimous voice call vote. There were no citizen statements.

MAYOR LAKE	AYE
VICE MAYOR DALEY	AYE
COMMISSIONER DEARMIN	AYE
COMMISSIONER DUNCAN	AYE
COMMISSIONER MAULTSBY	AYE

2.) CENTRAL FLORIDA REGIONAL PLANNING COUNCIL PLANNING (CFRPC) ADVISORY SERVICES AGREEMENT

City Manager Leavengood stated the Central Florida Regional Planning Council (CFRPC) currently and historically has provided planning services for the City of Lake Alfred. The proposed agreement with the CFRPC continues planning services for the City through FY 15/16 with a funding requirement of \$15,000. The proposed agreement is a \$3,000 reduction from the previous year due to GIS mapping being performed in-house (by the City Clerk) and the contract amount has been included in the FY 15/16 Budget.

Staff recommendation is for approval of Planning Advisory Services Agreement with CFRPC for a term of one year in the amount of \$15,000.00.

Vice Mayor Daley stated that the relationship with the CFRPC is good and the City could not afford a planner on the contract amount until there is a need for a full time planner. The CFRPC also provides consistency.

City Manager Leavengood stated that the City could look at a part-time or shared planner if there was a building boom. However, the CFRPC is a great resource with lots of experience. They were invaluable during the CRA process.

Mayor Lake stated it was great seeing the Buchanan Building come down as a first step towards the realization towards the Vision Plan.

Michael Strawn 149 Cypress Way, asked what type of services the CFRPC provides.

City Manager Leavengood stated that the CFRPC provides review services for building project, permitting and Land Development Regulations. Since the represent other cities, they know what is going on regionally. The review and assist with Future Land Use and Zoning processes. A full-time planner with benefits would cost approximately \$60,000 per year for one person. It is a good value for the price to have all their years of experience.

Mayor Lake stated that Mr. Strawn should come by and review the Vision Plan for the City.

Vice Mayor Daley moved to approve of Planning Advisory Services Agreement with CFRPC for a term of one year in the amount of \$15,000.00; seconded by **Commissioner Dearmin**. The motion was approved by unanimous voice call vote.

MAYOR LAKE	AYE
VICE MAYOR DALEY	AYE
COMMISSIONER DEARMIN	AYE
COMMISSIONER DUNCAN	AYE
COMMISSIONER MAULTSBY	AYE

3.) BID PROPOSAL: LION'S PARK DECK REPLACEMENT

City Manager Leavengood stated the deck at Lion's Park has reached the end of its service life and is in need of replacement. He showed several pictures of the deck with patches. The deck will be replaced with composite material (recycled plastic) that should have a much longer service life than regular wood. The goal is to spend a little more up front for a product that will last longer.

The project was identified in the City's Capital Improvement Program (CIP) and \$30,000 has been set aside in the current FY 15/16 annual budget to fund the project. In addition the CIP proposes \$20,000 for replacement of other docks at boat ramps around the City.

The City has received quotes from the following companies to replace the deck:

- Gator Construction: \$27,575
- LTO Construction: \$27,715
- Larry Gohn Marine Construction: \$28,400

Staff was pleased with the quotes for the composite material. Also the contractor is aware of the timeline to have the project complete prior to the November event. Staff recommendation is to accept bid from Gator Construction (in the amount of \$27,575).

Mayor Lake asked when the project would be complete.

Commissioner Duncan asked about the tree and stairs

Parks and Recreation Director Richard Weed stated there is a two week production period. The trees would remain but the stairs will not be replaced. The material is available in grey and tan.

Vice Mayor Daley thanked staff for stepping up to collect the recycling and for making the fees cost neutral.

City Manager Leavengood stated that the other decking projects would use the same material in the natural wood color.

Commissioner Dearmin moved to approve the bid from Gator Construction in the amount of \$27,575; seconded by **Commissioner Maultsby**. The motion was approved by unanimous voice call vote. There were no public comments. There were no citizen statements.

MAYOR LAKE	AYE
VICE MAYOR DALEY	AYE
COMMISSIONER DEARMIN	AYE
COMMISSIONER DUNCAN	AYE
COMMISSIONER MAULTSBY	AYE

RECOGNITION OF CITIZENS

No Citizen comments.

COMMISSIONER QUESTIONS AND COMMENTS

Mayor Lake stated Mae Long enjoyed her Retirement Party. He will be attending several meetings on Thursday including a TPO, Leadership Summit, and the Ridge League dinner meeting. He thanked Commissioner Duncan for the script for the mock City Commission training for the students. Lastly he mentioned the sale at the Polk Training Center on Saturday.

Vice Mayor Daley stated she attended the Eagle presentation at Mackay on Saturday. Over 50 people attended the informative presentation. Pictures are on the Friends of Mackay Facebook page. She also mentioned that tomorrow the School Board will make their final decision about the Discovery High School. The Committee recommended denial but the Superintendent suggest approval. She also congratulated Amber Deaton and the Finance Department on achieving the financial reporting award.

Commissioner Duncan gave kudos to Public Works staff for the seamless transition to recycle services. He is looking forward to the Art Show Competition on October 29th.

Commissioner Dearmin thanked Amber Deaton and the Finance Department and the Public Works Staff for their hard work. He is excited about the Centennial Celebration and has been asked about the Fireworks. It is a first for Lake Alfred in a while.

Commissioner Maultsby had a citizen comment and asked about spraying or cutting the vegetation by the City docks.

Mayor Lake asked about Echo Lake.

Public Works Director John Deaton stated that waterfront by Rochelle Park was sprayed by Roger Griffith with the Lake Commission for the fishing tournaments. The City will go in after them to clean-up. The City has contacted the County to spray some of the other locations, but the water is too high right now. City Staff cleaned out vegetation at Echo Lake some time ago.

City Manager Leavengood stated that staff will access all the dock locations and it may be a good time to clean up those areas.

With there being no further business to discuss, Mayor Lake adjourned the meeting at 8:10 pm.

Respectfully Submitted,

Ameé N. Bailey
City Clerk

**LAKE ALFRED CITY COMMISSION MEETING
OCTOBER 19, 2015**

1.) PUBLIC HEARING: ORDINANCE 1358: POLICE AND FIREFIGHTER RETIREMENT SYSTEM

ISSUE: The City Commission will consider an ordinance cleaning and adding a defined contribution share plan consistent with Florida Statutes and other cleanup items.

ATTACHMENTS:

- Summary of Changes
- Letter form Foster & Foster
- Letter from Christiansen & Dehner, P.A.
- Ordinance 1358-15 with Exhibit A

ANALYSIS: The proposed ordinance cleans up the pension regulations within the City's Police & Fire Pension in accordance with the recent adoption by the Florida Legislature of Chapter 2015-39, Laws of Florida; changes to the Internal Revenue Code (IRC); and guidance from the Internal Revenue Service (IRS).

STAFF RECOMMENDATION: Approval of Ordinance 1358-15 on second and final reading.

Summary of Changes

1. Section 1, Definitions, is being amended for IRC changes and requirements, to amend the definitions of:
 - a. Actuarial Equivalent - to amend the definition to incorporate the Mortality Table and interest rate currently being used by the plan's actuary
 - b. Credited Service - to clarify IRC regulations on leave conversions
 - c. Firefighter - to update a reference in Florida Statutes.
 - d. Spouse - To clarify the definition in accordance with a recent US Supreme Court ruling
2. Section 6, Benefit amounts and eligibility, is being amended to change the Normal Retirement Date to include IRC required language regarding Normal Retirement Age and Normal Retirement Date.
3. Section 8, Disability, is being amended to more clearly identify those individuals who may be eligible to apply for a disability pension who have been terminated by the City due to medical reasons.
4. Section 15, Maximum Pension, has had several subsections amended to comply with IRC changes.
5. Section 16, Minimum Distribution of Benefits, is being amended for a reference clarification in subsection 2.B.(4).
6. Section 27, Prior Police or Fire Service, subsection 5, is being amended to correct a reference.
7. Section 28, Deferred Retirement Option Plan, is being amended in accordance with recent direction from the IRS in connection with the issuance of several recent Favorable Determination Letters to:
 - i) clarify investment returns on DROP accounts,
 - ii) clarify when interest and earnings are calculated and paid, and iii) add several sections clarifying the DROP provisions as required by the IRS.
8. Section 30, Supplemental Benefit Component for Special Benefits; Chapters 175 and 185 Share Accounts, is a new Section being added to the plan. This Section "creates a 'Share Plan', or defined contribution component, and the addition of a share plan is a requirement of recently adopted Chapter 2015-39, Laws of Florida, for all pension plans that are subject to the provisions of Chapters 175 and 185.



September 4, 2015

Chief Art Bodenheimer
City of Lake Alfred
Police Officers' and Firefighters' Pension Board
190 North Seminole Street
Lake Alfred, FL 33850

Re: City of Lake Alfred
Police Officers' and Firefighters' Retirement System

Dear Art:

In response to Scott Christiansen's letter dated August 28, 2015, we have reviewed the proposed Ordinance (identified on page 18 as dm/LA/PF/08-17-15.ord) amending the Plan to comply with recent changes to the Internal Revenue Code, to implement a Share Plan, and to make other miscellaneous changes. We have determined that this ordinance and its adoption therein will have no impact on the assumptions used in determining the funding requirements of the program.

Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Patricia Shoemaker
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P. O. Box 3010
Tallahassee, FL 32315-3010

If you have any questions, please let me know.

Sincerely,

Patrick T. Donlan

Cc via email: Scott R. Christiansen, Plan Attorney

Law Offices

Christiansen & Dehner, P.A.

63 Sarasota Center Blvd. Suite 107 Sarasota, Florida 34240 • 941-377-2200 • Fax 941-377-4848

August 28, 2015

Chief Art Bodenheimer
Lake Alfred Police and Fire Retirement System
190 North Seminole Street
Lake Alfred, Florida 33850

Re: City of Lake Alfred Police Officers' and Firefighters' Retirement System - Proposed Ordinance

Dear Art:

Enclosed please find a proposed ordinance amending the City of Lake Alfred Police Officers' and Firefighters' Retirement System. With the recent adoption by the Florida Legislature of Chapter 2015-39, Laws of Florida, and changes to the Internal Revenue Code (IRC) and its associated Regulations, as well as guidance from the Internal Revenue Service (IRS), the following amendments to the pension plan are proposed:

1. Section 1, Definitions, is being amended for IRC changes and requirements, to amend the definitions of:
 - a. Actuarial Equivalent - to amend the definition to incorporate the Mortality Table and interest rate currently being used by the plan's actuary
 - b. Credited Service - to clarify IRC regulations on leave conversions
 - c. Firefighter - to update a reference in Florida Statutes.
 - d. Spouse - To clarify the definition in accordance with a recent US Supreme Court ruling
2. Section 6, Benefit amounts and eligibility, is being amended to change the Normal Retirement Date to include IRC required language regarding Normal Retirement Age and Normal Retirement Date.
3. Section 8, Disability, is being amended to more clearly identify those individuals who may be eligible to apply for a disability pension who have been terminated by the City due to medical reasons.
4. Section 15, Maximum Pension, has had several subsections amended to comply with IRC changes.

5. Section 16, Minimum Distribution of Benefits, is being amended for a reference clarification in subsection 2.B.(4).
6. Section 27, Prior Police or Fire Service, subsection 5., is being amended to correct a reference.
7. Section 28, Deferred Retirement Option Plan, is being amended in accordance with recent direction from the IRS in connection with the issuance of several recent Favorable Determination Letters to: i) clarify investment returns on DROP accounts, ii) clarify when interest and earnings are calculated and paid, and iii) add several sections clarifying the DROP provisions as required by the IRS.
8. Section 30, Supplemental Benefit Component for Special Benefits; Chapters 175 and 185 Share Accounts, is a new Section being added to the plan. This Section creates a 'Share Plan', or defined contribution component, and the addition of a share plan is a requirement of recently adopted Chapter 2015-39, Laws of Florida, for all pension plans that are subject to the provisions of Chapters 175 and 185.

This Share Plan provides for a share account for each member of the plan. The Share Plan is to be funded solely and entirely by Chapters 175 and 185 premium tax monies for each plan year that funding is made available to it in accordance with governing Florida Statutes and/or mutual agreement between the City and the plan members. This supplemental benefit, therefore, may or may not be funded.

If the share plan is funded, at retirement, termination (vested), disability or death, there is an additional lump sum benefit paid to the eligible member. Available share plan funding is allocated to the members' accounts based on a formula which provides an allocation based on years of credited service. Each share account receives its proportionate share of the income or loss on the assets in the plan.

By copy of this letter to the Board's actuary, Foster & Foster, Inc., I am requesting that they provide you with a letter indicating the cost, if any, associated with the adoption of this ordinance. If you have any questions with regard to this ordinance, please feel free to give me a call.

Yours very truly,



Scott R. Christiansen

SRC/dm
enclosure

cc: Patrick Donlan, with enclosure

ORDINANCE NO. 1358-15

AN ORDINANCE OF THE CITY OF LAKE ALFRED, FLORIDA, AMENDING APPENDIX B, POLICE OFFICERS' AND FIREFIGHTERS' RETIREMENT SYSTEM, OF THE CODE OF ORDINANCES OF THE CITY OF LAKE ALFRED; AMENDING SECTION 1, DEFINITIONS; AMENDING SECTION 6, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 8, DISABILITY, AMENDING SECTION 15, MAXIMUM PENSION; AMENDING SECTION 16, MINIMUM DISTRIBUTION OF BENEFITS; AMENDING SECTION 27, PRIOR POLICE OR FIRE SERVICE; AMENDING SECTION 28, DEFERRED RETIREMENT OPTION PLAN; ADDING SECTION 30, SUPPLEMENTAL BENEFIT COMPONENT FOR SPECIAL BENEFITS; CHAPTERS 175 AND 185 SHARE ACCOUNTS; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LAKE ALFRED, FLORIDA;

SECTION 1: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 1, Definitions, to amend the definitions of "*Actuarial Equivalent*", "*Credited Service*", "*Firefighter*" and "*Spouse*", to read as follows:

* * * * *

Actuarial equivalent means a benefit or amount of equal value, based upon the RP-2000 Combined Healthy Unisex Mortality Table and interest rate of seven and ~~three-quarters~~ one-half percent (7.75 7.5%) per annum. This definition may only be amended by the city pursuant to the recommendation of the board using the assumptions adopted by the board with the advice of the plan's actuary, such that actuarial assumptions are not subject to city discretion.

* * * * *

Credited service means the total number of years and fractional parts of years of service as a police officer or firefighter with member contributions, when required, omitting intervening years or fractional parts of years when such member was not employed by the city as a police officer or firefighter. In addition, any new firefighter member as of the effective date of this ordinance shall also receive credited service for the time he was a certified firefighter and a member of the City of Lake Alfred General Employees' Retirement System. A member may voluntarily leave his accumulated contributions in the fund for a period of five years after leaving the employ of the police or fire department pending the possibility of being reemployed as a police officer or firefighter, without losing credit for the time that he was a member of the system. If a vested member leaves the employ of the police or fire department, his accumulated contributions will be returned only upon his written request. If a member who is not vested is not reemployed as a police officer or firefighter with the police or fire department within five years, his accumulated contributions, if \$1,000.00 or less, shall be returned. If a member who is not vested is not reemployed within five (5) years, his accumulated contributions, if more than \$1,000.00, will be returned only upon the written request of the member and upon completion of a written election to

receive a cash lump sum or to rollover the lump sum amount on forms designated by the board. Upon return of a member's accumulated contributions, all of his rights and benefits under the system are forfeited and terminated. Upon any reemployment, a police officer or firefighter shall not receive credit for the years and fractional parts of years of service for which he has withdrawn his accumulated contributions from the fund, unless the police officer or firefighter repays into the fund the contributions he has withdrawn, with interest, as determined by the board, within 90 days after his reemployment.

The years or fractional parts of years that a member performs "Qualified Military Service" consisting of voluntary or involuntary "service in the uniformed services" as defined in the Uniformed Services Employment and Reemployment Rights Act (USERRA) (P.L.103-353), after separation from employment as a police officer or firefighter with the city to perform training or service, shall be added to his years of credited service for all purposes, including vesting, provided that:

- A. The member is entitled to reemployment under the provisions of USERRA.
- B. The member returns to his employment as a police officer or firefighter within one year from the earlier of the date of his military discharge or his release from active service, unless otherwise required by USERRA.
- C. The maximum credit for military service pursuant to this paragraph shall be five years.
- D. This paragraph is intended to satisfy the minimum requirements of USERRA. To the extent that this paragraph does not meet the minimum standards of USERRA, as it may be amended from time to time, the minimum standards shall apply.

In the event a member dies on or after January 1, 2007, while performing USERRA Qualified Military Service, the beneficiaries of the member are entitled to any benefits (other than benefit accruals relating to the period of qualified military service) as if the member had resumed employment and then died while employed.

Beginning January 1, 2009, to the extent required by Section 414(u)(12) of the Code, an individual receiving differential wage payments (as defined under Section 3401(h)(2) of the Code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under Section 415(c) of the Code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

Leave conversions of unused accrued paid time off shall not be permitted to be applied toward the accrual of credited service either during each plan year of a member's employment with the City or in the plan year in which the member terminates employment.

* * * * *

Firefighter means an actively employed full-time person employed by the city, including his initial probationary employment period, who is certified as a firefighter as a condition of employment in accordance with the provisions of F.S. §633.35 ~~408~~, and whose duty it is to extinguish fires, to protect life and to protect property. The term includes all certified,

supervisory, and command personnel whose duties include, in whole or in part, the supervision, training, guidance, and management responsibilities of full-time firefighters, part-time firefighters, or auxiliary firefighters but does not include part-time firefighters or auxiliary firefighters.

* * * * *

Spouse means the ~~lawful wife or husband of a member or retiree~~ member's or retiree's spouse under applicable law at the time benefits become payable.

* * * * *

SECTION 2: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 6, Benefit Amounts and Eligibility, subsection 1., Normal Retirement Date, to read as follows:

* * * * *

1. *Normal retirement age and date.* ~~A member's normal retirement date shall be the first day of the month coincident with, or next following the earlier of attainment of age 55 and the completion of ten years of credited service or attainment of age 52 and the completion of 25 years of credited service. A member may retire on his normal retirement date or on the first day of any month thereafter, and each member shall become 100 percent vested in his accrued benefit on the member's normal retirement date. Normal retirement under the system is retirement from employment with the city on or after the normal retirement date. A member's normal retirement age is the earlier of the attainment of age 55 and the completion of 10 years of credited service or the attainment of age 52 and the completion of 25 years of credited service. Each member shall become one hundred percent (100%) vested in his accrued benefit at normal retirement age. A member's normal retirement date shall be the first day of the month coincident with or next following the date the member retires from the City after attaining normal retirement age.~~

* * * * *

SECTION 3: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 8, Disability, subsection 1., Disability Benefits In-Line of Duty, and subsection 3., Disability Benefits Not-in-Line of Duty, to read as follows:

* * * * *

1. *Disability benefits in line of duty.* Any member who shall become totally and permanently disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a police officer or firefighter which disability was directly caused by the performance of his duty as a police officer or firefighter, shall, upon establishing the same to the satisfaction of the board, be entitled to a monthly pension equal to 2.75 percent of his average final compensation multiplied by the total years of credited service, but in any event the minimum amount paid to the member shall be 42 percent of the average final compensation of the member. Terminated persons, either vested or non-vested, are not eligible for disability benefits, ~~except that those terminated by the city for medical reasons may apply for a disability within 30 days after termination.~~ Notwithstanding the previous sentence, if a member is terminated by the city for medical reasons, the terminated person may apply for a disability benefit if the application is filed with the board within thirty (30)

days from the date of termination. If a timely application is received, it shall be processed and the terminated person shall be eligible to receive a disability benefit if the board otherwise determines that he is totally and permanently disabled as provided for above.

* * * * *

3. *Disability benefits not-in line-[of] duty.* Any member with ten years or more credited service who shall become totally and permanently disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a police officer or firefighter, which disability is not directly caused by the performance of his duties as a police officer or firefighter shall, upon establishing the same to the satisfaction of the board, be entitled to a monthly pension equal to 2.75 percent of his average final compensation multiplied by the total years of credited service. Terminated persons, either vested or nonvested, are not eligible for disability benefits, ~~except that those terminated by the city for medical reasons may apply for a disability within 30 days after termination.~~ Notwithstanding the previous sentence, if a member is terminated by the city for medical reasons, the terminated person may apply for a disability benefit if the application is filed with the board within thirty (30) days from the date of termination. If a timely application is received, it shall be processed and the terminated person shall be eligible to receive a disability benefit if the board otherwise determines that he is totally and permanently disabled as provided for above.

* * * * *

SECTION 4: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 15, Maximum Pension, subsections 6., 8., 12.B., and adding subsection 13., to read as follows:

* * * * *

6. *Less than Ten (10) Years of Participation ~~or Service.~~* The maximum retirement benefits payable under this section to any member who has completed less than ten (10) years of ~~credited service with the City participation~~ shall be the amount determined under subsection 1. of this section multiplied by a fraction, the numerator of which is the number of the member's years of ~~credited service~~ participation and the denominator of which is ten (10). The reduction provided by this subsection cannot reduce the maximum benefit below 10% of the limit determined without regard to this subsection. The reduction provided for in this subsection shall not be applicable to pre-retirement disability benefits paid pursuant to Section 8, or pre-retirement death benefits paid pursuant to Section 7.

* * * * *

8. *Ten Thousand Dollar (\$10,000) Limit; Less Than Ten Years of Service.* Notwithstanding anything in this Section 15, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this subsection 8. of Section 15 if the benefits payable, with respect to such member under this system and under all other qualified defined benefit pension plans to which the city contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year ~~and or~~ and for any prior limitation year, and the city has not at any time maintained a qualified defined contribution plan in which the member participated; provided, however, that if the Member has completed less than ten (10) years of credited service with the city, the limit under this subsection 8. of Section 15 shall be a reduced limit equal to ten

thousand dollars (\$10,000) multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10).

* * * * *

12. B. No member of the system shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the member is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter ~~67~~ 1223, Title 10, U.S. Code.

13. *Effect of Direct Rollover on 415(b) Limit.* If the plan accepts a direct rollover of an employee's or former employee's benefit from a defined contribution plan qualified under Code Section 401(a) which is maintained by the employer, any annuity resulting from the rollover amount that is determined using a more favorable actuarial basis than required under Code Section 417(e) shall be included in the annual benefit for purposes of the limit under Code Section 415(b).

SECTION 5: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 16, Minimum Distribution of Benefits, subsection 2.B.(4), to read as follows:

* * * * *

2. B. (4) If the member's surviving spouse is the member's sole designated beneficiary and the surviving spouse dies after the member but before distributions to the surviving spouse begin, this subsection 2.B., other than subsection 2.B.(1), will apply as if the surviving spouse were the member.

For purposes of this subsection 2.B. ~~and subsection 5.~~, distributions are considered to begin on the member's required beginning date or, if subsection 2.B.(4) applies, the date of distributions are required to begin to the surviving spouse under subsection 2.B.(1). If annuity payments irrevocably commence to the member before the member's required beginning date (or to the member's surviving spouse before the date distributions are required to begin to the surviving spouse under subsection 2.B.(1)), the date distributions are considered to begin is the date distributions actually commence.

* * * * *

SECTION 6: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 27, Prior Police or Fire Service, subsection 5., to read as follows:

* * * * *

5. In no event, however, may credited service be purchased pursuant to this section for prior service with any other municipal, county or state law enforcement department, if such prior service forms or will form the basis of a retirement benefit or pension from another retirement system or plan as set forth in section 15, subsection ~~44.B~~ 12.B.

* * * * *

SECTION 7: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by amending Section 28, Deferred Retirement Option Plan, to read as follows:

Section 28. Deferred Retirement Option Plan.

1. *Definitions.*

As used in this section, the following definitions apply:

- A. *DROP* means the Lake Alfred Police Officers' and Firefighters' Retirement System Deferred Retirement Option Plan.
- B. *DROP account* means the account established for each DROP participant under subsection 3.
- C. "Total return of the assets" -- For purposes of calculating earnings on a member's DROP account pursuant to subsection 3.B.(2)(b), for each fiscal year quarter, the percentage increase (or decrease) in the interest and dividends earned on investments, including realized and unrealized gains (or losses), of the total Plan assets.

2. *Participation.*

- A. *Eligibility to participate.* In lieu of terminating his employment as a police officer or firefighter, any member who is eligible for normal retirement under the system may elect to defer receipt of such service retirement pension and to participate in the DROP.
- B. *Election to participate.* A member's election to participate in the DROP must be made in writing in a time and manner determined by the board and shall be effective on the first day of the first calendar month which is at least 15 business days after it is received by the board.
- C. *Period of participation.* A member who elects to participate in the DROP under subsection 2.B., shall participate in the DROP for a period not to exceed 60 months beginning at the time his election to participate in the DROP first becomes effective. An election to participate in the DROP

shall constitute an irrevocable election to resign from the service of the city not later than the date provided for in the previous sentence. A member may participate only once.

D. *Termination of participation.*

- (1) A member's participation in the DROP shall cease by:
 - (a) continuation of his employment as a police officer or firefighter at the end of his period of participation in the DROP as determined under subsection 2.C.; or
 - (b) termination of his employment as a police officer or firefighter.
- (2) Upon the member's termination of participation in the DROP, pursuant to subsection (a) above, all amounts provided for in subsection 3.B., including monthly benefits and investment earnings and losses or interest, shall cease to be transferred from the system to his DROP account. Any amounts remaining in his DROP account shall be paid to him in accordance with the provisions of subsection 4, when he terminates his employment as a police officer or firefighter.
- (3) A member who terminates his participation in the DROP under this subsection 2.D. shall not be permitted to again become a participant in the DROP.

E. *Effect of DROP participation on the system.*

- (1) A member's credited service and his accrued benefit under the system shall be determined on the date his election to participate in the DROP first becomes effective. For purposes of determining the accrued benefit, the Member's Salary for the purposes of calculating his Average Final Compensation shall include an amount equal to any lump sum payments which would have been paid to the Member and included as Salary as defined herein, had the Member retired under normal retirement and not elected DROP participation. Member contributions attributable to any lump sums used in the benefit calculation and not actually received by the Member shall be deducted from the first payments to the Member's DROP Account. The member shall not accrue any additional credited service or any additional benefits under the system (except for any supplemental benefit payable to DROP participants or any additional benefits provided under any cost-of-living adjustment in the system) while he is a participant in the DROP. After a member commences participation, he shall not be permitted to again contribute to the system nor shall he be eligible for disability or pre-retirement death benefits, except as provided for in Section 29.

- (2) No amounts shall be paid to a member from the system while the member is a participant in the DROP. Unless otherwise specified in the system, if a member's participation in the DROP is terminated other than by terminating his employment as a police officer or firefighter, no amounts shall be paid to him from the system until he terminates his employment as a police officer or firefighter. Unless otherwise specified in the system, amounts transferred from the system to the member's DROP account shall be paid directly to the member only on the termination of his employment as a police officer or firefighter.

3. *Funding.*

A. *Establishment of DROP account.* A DROP account shall be established for each member participating in the DROP. A member's DROP account shall consist of amounts transferred to the DROP under subsection 3.B., and earnings or interest on those amounts.

B. *Transfers from retirement system.*

- (1) As of the first day of each month of a member's period of participation in the DROP, the monthly retirement benefit he would have received under the system had he terminated his employment as a police officer or firefighter and elected to receive monthly benefit payments thereunder shall be transferred to his DROP account, except as otherwise provided for in subsection 2.D.(2). A member's period of participation in the DROP shall be determined in accordance with the provisions of subsections 2.C. and 2.D., but in no event shall it continue past the date he terminates his employment as a police officer or firefighter.

- (2) Except as otherwise provided in subsection 2.D.(2), a member's DROP account under this subsection 3.B. shall be debited or credited ~~after each fiscal year quarter~~ with either:

- (a) Interest at an effective rate of six and one-half percent per annum compounded monthly determined on the last business day of the prior month's ending balance and credited to the member's DROP account as of such date (to be applicable to all current and future DROP participants);
or

- (b) Earnings, to be credited or debited to the member's DROP account, determined as of the last business day of each fiscal year quarter and debited or credited as of such date, determined as follows:

The average daily balance in a member's DROP account shall be credited or debited at a rate equal to the net investment return realized by the system for that quarter.

"Net investment return" for the purpose of this paragraph is the total return of the assets in which the member's DROP account is invested by the board net of brokerage commissions, transaction costs and management fees.

For purposes of calculating earnings on a member's DROP account pursuant to this subsection 3.B.(2)(b), brokerage commissions, transaction costs, and management fees shall be determined for each quarter by the investment consultant pursuant to contracts with fund managers as reported in the custodial statement. The investment consultant shall report these quarterly contractual fees to the board. The investment consultant shall also report the net investment return for each manager and the net investment return for the total plan assets.

Upon electing participation in the DROP, the member shall elect to receive either interest or earnings on his account to be determined as provided above. The member may, in writing, elect to change his election only once during his DROP participation. An election to change must be made prior to the end of a quarter and shall be effective beginning the following quarter.

- (3) A member's DROP Account shall only be credited or debited with earnings or interest and monthly benefits while the member is a participant in the DROP. A member's final DROP account value for distribution to the member upon termination of participation in the DROP shall be the value of the account at the end of the quarter immediately preceding termination of participation for participants electing the net plan return and at the end of the month immediately preceding termination of participation for participants electing the flat interest rate return, plus any monthly periodic additions made to the DROP account subsequent to the end of the previous quarter or month, as applicable and prior to distribution. If a member is employed by the city police or fire department after participating in the DROP for the permissible period of DROP participation, then beginning with the member's first month of employment following the last month of the permissible period of DROP participation, the member's DROP account will no longer be credited or debited with earnings or interest, nor will monthly benefits be transferred to the DROP account. All such non-transferred amounts shall be forfeited and continue to be forfeited while the member is employed by the city police or fire department. A member employed by the city police or fire department after the permissible period of DROP participation will still not be eligible for pre-retirement death or disability benefits, nor will he accrue additional credited service, except as provided for in Section 29.

4. *Distribution of DROP accounts on termination of employment.*

- A. *Eligibility for benefits.* A member shall receive the balance in his DROP account in accordance with the provisions of this subsection 4.E., upon his termination of employment as a police officer or firefighter. Except as provided in subsection 4.D., no amounts shall be paid to a member from

the DROP prior to his termination of employment as a police officer or firefighter.

B. *Form of distribution.*

(1) Unless the member elects otherwise, distribution of his DROP account shall be made in a cash lump sum, subject to the direct rollover provisions set forth in subsection 4.F. Elections under this paragraph shall be in writing and shall be made in such time or manner as the board shall determine.

(2) If a member dies before his benefit is paid, his DROP account shall be paid to his beneficiary in such optional form as his beneficiary may select. If no beneficiary designation is made, the DROP account shall be distributed to the member's estate.

C. *Date of payment of distribution.*

(1) Except as otherwise provided in this subsection 4., distribution of a member's DROP account shall be made as soon as administratively practicable following the member's termination of employment. Distribution of the amount in a Member's DROP account will not be made unless the Member completes a written request for distribution and a written election, on forms designated by the Board, to either receive a cash lump sum or a rollover of the lump sum amount.

D. *Proof of death and right of beneficiary or other person.* The board may require and rely upon such proof of death and such evidence of the right of any beneficiary or other person to receive the value of a deceased member's DROP account as the board may deem proper and its determination of the right of that beneficiary or other person to receive payment shall be conclusive.

E. *Distribution limitation.* Notwithstanding any other provision of this subsection 4., all distributions from the DROP shall conform to the "Minimum Distribution of Benefits" provisions as provided for herein.

F. *Direct rollover of certain distributions.* This subsection applies to distributions made on or after January 1, 2002. Notwithstanding any provision of the DROP to the contrary, a distributee may elect, to have any portion of an eligible rollover in a direct rollover as otherwise provided under the system in section 24.

5 *Administration of DROP.*

A. *Board administers the DROP.* The general administration of the DROP, the responsibility for carrying out the provisions of the DROP and the responsibility of overseeing the investment of the DROP's assets shall be placed in the board. The members of the board may appoint from their number such subcommittees with such powers as they shall determine; may adopt such administrative procedures and regulations as they deem desirable for the conduct of their affairs; may authorize one or more of their number or any agent to execute or deliver any instrument or make any

payment on their behalf; may retain counsel, employ agents and provide for such clerical, accounting, actuarial and consulting services as they may require in carrying out the provisions of the DROP; and may allocate among themselves or delegate to other persons all or such portion of their duties under the DROP, other than those granted to them as trustee under any trust agreement adopted for use in implementing the DROP, as they, in their sole discretion, shall decide. A trustee shall not vote on any question relating exclusively to himself.

- B. *Individual accounts, records and reports.* The board shall maintain, or cause to be maintained, records showing the operation and condition of the DROP, including records showing the individual balances in each member's DROP account, and the board shall keep, or cause to be kept, in convenient form such data as may be necessary for the valuation of the assets and liabilities of the DROP. The board shall prepare or cause to be prepared and distributed to members participating in the DROP and other individuals or filed with the appropriate governmental agencies, as the case may be, all necessary descriptions, reports, information returns, and data required to be distributed or filed for the DROP pursuant to this Code and any other applicable laws.
- C. *Establishment of rules.* Subject to the limitations of the DROP, the board from time to time shall establish rules for the administration of the DROP and the transaction of its business. The board shall have discretionary authority to construe and interpret the DROP (including but not limited to determination of an individual's eligibility for DROP participation, the right and amount of any benefit payable under the DROP and the date on which any individual ceases to be a participant in the DROP). The determination of the board as to the interpretation of the DROP or its determination of any disputed questions shall be conclusive and final to the extent permitted by applicable law. The board shall also oversee the investment of the DROP'S assets.
- D. *Limitation of liability.*
 - (1) The trustees shall not incur any liability individually or on behalf of any other individuals for any act or failure to act, made in good faith in relation to the DROP or the funds of the DROP.
 - (2) Neither the board nor any trustee of the board shall be responsible for any reports furnished by any expert retained or employed by the board, but they shall be entitled to rely thereon as well as on certificates furnished by an accountant or an actuary, and on all opinions of counsel. The board shall be fully protected with respect to any action taken or suffered by it in good faith in reliance upon such expert, accountant, actuary or counsel, and all actions taken or suffered in such reliance shall be conclusive upon any person with any interest in the DROP.

6. *General provisions.*

- A. *The DROP is not a separate retirement plan. Instead, it is a program under which a member who is eligible for normal retirement under the*

system may elect to accrue future retirement benefits in the manner provided in this section 28 for the remainder of his employment, rather than in the normal manner provided under the plan. Upon termination of employment, a member is entitled to a lump sum distribution of his or her DROP account balance or may elect a rollover. The DROP account distribution is in addition to the member's monthly benefit.

- B. *Notional account.* The DROP account established for such a member is a notional account, used only for the purpose of calculation of the DROP distribution amount. It is not a separate account in the system. There is no change in the system's assets, and there is no distribution available to the member until the member's termination from the DROP. The member has no control over the investment of the DROP account.
- C. *No employer discretion.* The DROP benefit is determined pursuant to a specific formula which does not involve employer discretion.
- D. *IRC limit.* The DROP account distribution, along with other benefits payable from the system, is subject to limitation under Internal Revenue Code Section 415(b).
- A E. *Amendment of DROP.* The DROP may be amended by an ordinance of the city at any time and from time to time, and retroactively if deemed necessary or appropriate, to amend in whole or in part any or all of the provisions of the DROP. However, except as otherwise provided by law, no amendment shall make it possible for any part of the DROP's funds to be used for, or diverted to, purposes other than for the exclusive benefit of persons entitled to benefits under the DROP. No amendment shall be made which has the effect of decreasing the balance of the DROP account of any member.
- B E. *Facility of payment.* If the board shall find that a member or other person entitled to a benefit under the DROP is unable to care for his affairs because of illness or accident or is a minor, the board may direct that any benefit due him, unless claim shall have been made for the benefit by a duly appointed legal representative, be paid to his spouse, a child, a parent or other blood relative, or to a person with whom he resides. Any payment so made shall be a complete discharge of the liabilities of the DROP for that benefit.
- C G. *Information.* Each member, beneficiary or other person entitled to a benefit, before any benefit shall be payable to him or on his account under the DROP, shall file with the board the information that it shall require to establish his rights and benefits under the DROP.
- D H. *Prevention of escheat.* If the board cannot ascertain the whereabouts of any person to whom a payment is due under the DROP, the board may, no earlier than three years from the date such payment is due, mail a notice of such due and owing payment to the last known address of such person, as shown on the records of the board or the city. If such person has not made written claim therefor within three months of the date of the mailing, the board may, if it so elects and upon receiving advice from counsel to the DROP, direct that such payment and all remaining payments otherwise

due such person be canceled on the records of the DROP. Upon such cancellation, the DROP shall have no further liability therefor except that, in the event such person or his beneficiary later notifies the board of his whereabouts and requests the payment or payments due to him under the DROP, the amount so applied shall be paid to him in accordance with the provisions of the DROP.

E I. *Written elections; notification.*

(1) Any elections, notifications or designations made by a member pursuant to the provisions of the DROP shall be made in writing and filed with the board in a time and manner determined by the board under rules uniformly applicable to all employees similarly situated. The board reserves the right to change from time to time the manner for making notifications, elections or designations by members under the DROP if it determines after due deliberation that such action is justified in that it improves the administration of the DROP. In the event of a conflict between the provisions for making an election, notification or designation set forth in the DROP and such new administrative procedures, those new administrative procedures shall prevail.

(2) Each member or retiree who has a DROP account shall be responsible for furnishing the board with his current address and any subsequent changes in his address. Any notice required to be given to a member or retiree hereunder shall be deemed given if directed to him at the last such address given to the board and mailed by registered or certified United States mail. If any check mailed by registered or certified United States mail to such address is returned, mailing of checks will be suspended until such time as the member or retiree notifies the board of his address.

F J. *Benefits not guaranteed.* All benefits payable to a member from the DROP shall be paid only from the assets of the member's DROP account and neither the city nor the board shall have any duty or liability to furnish the DROP with any funds, securities or other assets except to the extent required by any applicable law.

G K. *Construction.*

(1) The DROP shall be construed, regulated and administered under the laws of Florida, except where other applicable law controls.

(2) The titles and headings of the subsections in this section are for convenience only. In the case of ambiguity or inconsistency, the text rather than the titles or headings shall control.

H L. *Forfeiture of retirement benefits.* Nothing in this section shall be construed to remove DROP participants from the application of any forfeiture provisions applicable to the system. DROP participants shall be subject to forfeiture of all retirement benefits, including DROP benefits.

4. M *Effect of DROP participation on employment.* Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.

SECTION 8: That Appendix B, Police Officers' and Firefighters' Retirement System, of the Code of Ordinances of the City of Lake Alfred, is hereby amended by adding Section 30, Supplemental Benefit Component for Special Benefits; Chapters 175 and 185 Share Accounts; to read as follows:

Section 30. Supplemental benefit component for special benefits; Chapters 175 and 185 share accounts.

There is hereby established an additional plan component to provide special benefits in the form of a supplemental retirement, termination, death and disability benefits to be in addition to the benefits provided for in the previous Sections of this Plan, such benefit to be funded solely and entirely by F.S. Chapters 175 and 185, premium tax monies for each plan year which are allocated to this supplemental component as provided for in F.S. §§175.351 and 185.35. Amounts allocated to this supplemental component ("Share Plan") shall be further allocated to the members and DROP participants as follows:

1. *Individual Member Share Accounts.* The board shall create individual "member share accounts" for all actively employed plan members and DROP participants and maintain appropriate books and records showing the respective interest of each member or DROP participant hereunder. Each member or DROP participant shall have a member share account for his share of the F.S. Chapters 175 and 185 tax revenues described above, forfeitures and income and expense adjustments relating thereto. The board shall maintain separate member share accounts, however, the maintenance of separate accounts is for accounting purposes only and a segregation of the assets of the trust fund to each account shall not be required or permitted.

2. *Share Account Funding.*

A. Individual member share accounts shall be established as of September 30, 2015 for all members and DROP participants who were actively employed as of October 1, 2014. Individual member share accounts shall be credited with an allocation as provided for in the following subsection 3. of any premium tax monies which have been allocated to the share plan for that plan year, beginning with the plan year ending September 30, 2015.

B. In addition, any forfeitures as provided in subsection 4., shall be allocated to the individual member share accounts in accordance with the formula set forth in subsection 4.

3. *Allocation of Monies to Share Accounts.*

A. *Allocation of Chapters 175 and 185 Contributions.*

(1) Effective as of September 30, 2015, the amount of any premium tax monies allocated to the share plan shall be allocated to individual member share accounts as provided for in this subsection. Members retiring on or

after October 1, 2014 and prior to September 30, 2015 shall receive an allocation. In addition, all premium tax monies allocated to the share plan in any subsequent plan year shall also be allocated as provided for in this subsection. Available premium tax monies shall be allocated to individual Member share accounts at the end of each plan year on September 30 (a "valuation date").

- (2) On each valuation date, each current actively employed member of the plan not participating in the DROP, each DROP participant and each retiree who retires or DROP participant who has terminated DROP participation in the plan year ending on the valuation date (including each disability retiree), or beneficiary of a deceased member(not including terminated vested persons) who is otherwise eligible for an allocation as of the valuation date shall receive a share allocation as follows:
- (3) The total funds subject to allocation on each valuation date shall be allocated to each member share account of those eligible for an allocation in an amount equal to a fraction of the total amount, the numerator of which shall be the individual's total years and fractional parts of years of credited service as of the valuation date, and the denominator of which shall be the sum of the total years and fractional parts of years of credited service as of the valuation date of all individuals to whom allocations are being made. Beneficiaries shall receive an allocation based on the years of credited service of the deceased member or DROP participant.
- (4) Re-employed retirees shall be deemed new employees and shall receive an allocation based solely on the credited service in the reemployment period.

B. Allocation of Investment Gains and Losses. On each valuation date, each individual member share account shall be adjusted to reflect the net earnings or losses resulting from investments during the year. The net earnings or losses allocated to the individual member share accounts shall be the same percentage which is earned or lost by the total plan investments, including realized and unrealized gains or losses, net of brokerage commissions, transaction costs and management fees.

Net earnings or losses are determined as of the last business day of the fiscal year, which is the valuation date, and are debited or credited as of such date.

For purposes of calculating net earnings or losses on a member's share account pursuant to this subsection, brokerage commissions, transaction costs, and management fees for the immediately preceding fiscal year shall be determined for each year by the investment consultant pursuant to contracts with fund managers as reported in the custodial statement. The investment consultant shall report these annual contractual fees to the board. The investment consultant shall also report the net investment return for each manager and the net investment return for the total plan assets.

C. Allocation of Costs, Fees and Expenses. On each valuation date, each individual member share account shall be adjusted to allocate its pro rata share of the costs, fees and expenses of administration of the share plan. These fees shall be

allocated to each individual member share account on a proportionate basis taking the costs, fees and expenses of administration of the share plan as a whole multiplied by a fraction, the numerator of which is the total assets in each individual member share account (after adding the annual investment gain or loss) and the denominator of which is the total assets of the fund as a whole as of the same date.

D. *No Right to Allocation.* The fact of allocation or credit of an allocation to a member's share account by the board shall not vest in any member, any right, title, or interest in the assets of the trust or in the Chapters 175 and 185 tax revenues except at the time or times, to the extent, and subject to the terms and conditions provided in this Section.

(5) Members and DROP participants shall be provided annual statements setting forth their share account balance as of the end of the plan year.

4. *Forfeitures.* Any member who has less than ten (10) years of service credit and who is not otherwise eligible for payment of benefits after termination of employment with the city as provided for in subsection 5. shall forfeit his individual member share account or the non-vested portion thereof. Forfeited amounts shall be redistributed to the other individual member share accounts on each valuation date in an amount determined in accordance with subsection 3.A.

5. *Eligibility For Benefits.* Any member (or his beneficiary) who terminates employment as a police officer or firefighter with the City or who dies, upon application filed with the board, shall be entitled to be paid the value of his individual member share account, subject to the following criteria:

A. *Retirement Benefit.*

(1) A member shall be entitled to one hundred percent (100%) of the value of his share account upon normal or early retirement pursuant to Section 6, or if the member enters the DROP, upon termination of employment.

(2) Such payment shall be made as provided in subsection 6.

B. *Termination Benefit.*

(1) In the event that a member's employment as a police officer or firefighter is terminated by reason other than retirement, death or disability, he shall be entitled to receive the value of his share account only if he is vested in accordance with Section 9.

(2) Such payment shall be made as provided in subsection 6.

C. *Disability Benefit.*

(1) In the event that a member is determined to be eligible for either an in-line of duty disability benefit pursuant to Section 8, subsection (a) or a not-in-line of duty disability benefit pursuant to Section 8, subsection (c), he shall be entitled to one hundred percent (100%) of the value of his share account.

(2) Such payment shall be made as provided in subsection 6.

(4) *Death Benefit.*

(1) In the event that a Member or DROP participant dies while actively employed as a police officer or firefighter, one hundred percent (100%) of the value of his member share account shall be paid to his designated Beneficiary as provided in Section 7.

(2) Such payment shall be made as provided in subsection 6.

6. *Payment of Benefits.* If a member or DROP participant terminates employment for any reason or dies and he or his beneficiary is otherwise entitled to receive the balance in the member's share account, the member's share account shall be valued by the plan's actuary on the next valuation date as provided for in subsection 3. above, following termination of employment. Payment of the calculated share account balance shall be payable as soon as administratively practicable following the valuation date, but not later than one hundred fifty (150) days following the valuation date and shall be paid in one lump sum payment. No optional forms of payments shall be permitted.

7. *Benefits Not Guaranteed.* All benefits payable under this Section 30 shall be paid only from the assets accounted for in individual member share accounts. Neither the City nor the board shall have any duty or liability to furnish any additional funds, securities or other assets to fund share account benefits. Neither the board nor any trustee shall be liable for the making, retention, or sale of any investment or reinvestment made as herein provided, nor for any loss or diminishment of the member share account balances, except due to his or its own negligence, willful misconduct or lack of good faith. All investments shall be made by the board subject to the restrictions otherwise applicable to fund investments.

8. *Notional account.* The member share account is a notional account, used only for the purpose of calculation of the share distribution amount. It is not a separate account in the system. There is no change in the system's assets, and there is no distribution available to the member or DROP participant until the member's or DROP participant's termination from employment. The member or DROP participant has no control over the investment of the share account.

9. *No employer discretion.* The share account benefit is determined pursuant to a specific formula which does not involve employer discretion.

10. *Maximum Additions.* Notwithstanding any other provision of this Section, annual additions under this Section shall not exceed the limitations of Section 415(c) of the code pursuant to the provisions of Section 15, subsection 11.

11. *IRC limit.* The share account distribution, along with other benefits payable from the system, is subject to limitation under Internal Revenue Code Section 415(b).

SECTION 9: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Lake Alfred.

SECTION 10: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 11: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 12: That this Ordinance shall become effective upon adoption.

INTRODUCED AND PASSED on First Reading this 5th day of October, 2015.

PASSED AND ADOPTED on Second Reading, this 19th day of October, 2015.

CITY OF LAKE ALFRED, FLORIDA

Charles O. Lake, Mayor

ATTEST:

Amee Bailey-Speck, City Clerk

APPROVED AS TO FORM:

Frederick J. Murphy, Jr., City Attorney

**LAKE ALFRED CITY COMMISSION MEETING
OCTOBER 19, 2015**

2.) ORDINANCE 1359-15: TRAVEL & PER DIEM POLICY

ISSUE: The City Commission will consider an ordinance amending the City's travel and per diem policies on first reading.

ATTACHMENTS:

- Ordinance No. 1359-15 with Exhibit A.
- Supplemental Information (GSA Table & Receipt)

ANALYSIS: As a part of a comprehensive review of City codes and policies, city staff has identified an opportunity to clean up and update the City's travel and per diem policy. The current policy was adopted back in 2007 and provided for up to a \$60 per day reimbursement for meals and incidental expenses as well as the IRS mileage reimbursement for use of personal vehicles.

The proposed ordinance removes the fixed per day reimbursement and ties the total per diem allowance to the Meals and Incidental Expenses (M&IE) breakdown published by the General Services Administration (GSA). Similar to the IRS mileage reimbursement, this allows for the per diem allowance to scale with inflation or deflation and makes it consistent with federal agency travel guidelines and other governmental agencies that utilize the GSA's standards.

STAFF RECOMMENDATION: Approval of Ordinance No. 1359-15 on first reading.

ORDINANCE NO. 1359-15

AN ORDINANCE AMENDING CHAPTER 2 ARTICLE X OF THE CODE OF ORDINANCES OF THE CITY OF LAKE ALFRED, FLORIDA, BY REVISING THE CITY OF LAKE ALFRED TRAVEL AND PER DIEM POLICY; PROVIDING FOR SEVERABILITY AND THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS ; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Commission of the City of Lake Alfred adopted Resolution No 03-92 in 1992 which established a Travel and Per Diem Policy for reimbursement of travel expenses for elected officials, employees and board members of the City of Lake Alfred; and

WHEREAS, the City Commission of the City of Lake Alfred adopted Ordinance No 1183-07 in February, 2007 amending and codifying the Travel and Per Diem Policy for reimbursement of travel expenses for elected officials, employees and board members of the City of Lake Alfred ; and

WHEREAS, the City Commission of the City of Lake Alfred adopted Ordinance No 1225-08 in May, 2008 further amending the City of Lake Alfred Travel and Per Diem Policy;

WHEREAS, in accordance with Section 166.021(9)(b) of the Florida Statutes the City Commission of the City of Lake Alfred desires to further amend said Travel and Per Diem policy which shall supersede any conflicting provisions within Section 112.061, Florida Statutes (2014); and

WHEREAS, the City of Lake Alfred desires to streamline the Travel and Per Diem policy and provide a Per Diem Allowance based upon the Federal Government's General Services Administration's Meal & Incidental Expenses (M&IE) breakdown.

NOW, THEREFORE, BE IT ENACTED by the City Commission of the City of Lake Alfred, Florida:

Section 1: That Chapter 2 of the Code of Ordinances of the City of Lake Alfred, Florida shall be amended by adding the following section to read as follows(provisions being deleted are shown as ~~strikethrough~~ and provisions being added are shown as underlined):

ARTICLE X. TRAVEL AND PER DIEM POLICY

Section 2-380 Travel Expenses for Elected Officials, Employees and Board Members.

(a) Definitions

- 1) Local Travel: Travel that is within Polk County and which occurs during a single work day.

- 2) Remote Travel: Travel which is outside Polk County.
 - 3) Emergency Travel: Travel which results from an emergency declared by the City Manager or the City Commission.
 - 4) Travel Status: The status of one who is authorized by the City to attend a meeting, conference, seminar, convention or conducting business for the benefit of the City and at the City's expense. Departure and arrival can be from or to whatever location is convenient to the City as long as the location does not present an unfair burden to the employee.
 - a) Airline: Travel status begins two hours before an airline's departure to two hours after an airline's return arrival at a local airport.
 - b) Automotive: Travel status begins when the employee departs for the destination and ends upon an employee's return from the location.
- (b) Limitations and Restrictions: Payment made under this policy are subject to the following:
- 1) Airfare: Excludes the cost of first-class airfare. Reservations should be made as far in advance as possible to allow for the lowest possible fare. Quotes for fares must be made from at least two airlines.
 - a) Even when there are cancellations penalties, the use of the lowest air fares is recommended and when the traveler is reasonably sure of being able to make the trip and scheduling allows such a reservation.
 - b) If a reservation is made which has a cancellation penalty and the traveler cannot make the trip due to serious personal or work related problems, the traveler must document these problems in writing. Under these circumstances the City will be responsible for the penalty.
 - 2) Rental Cars.
 - a) Automobiles may be rented for remote or emergency travel if the location of the meeting, seminar, conference, or convention is different from that of the lodging accommodations and the rental of the automobile is less expensive than other forms of transportation to and from the lodging or meeting.
 - b) Rental car insurance is a reimbursable expense.

- 3) Reimbursement for use of Personal Vehicle: Whenever possible a city vehicle should be used for Local Travel. When the logistics are such that the cost and time require the employee to use a personal vehicle on City business, the City shall reimburse for mileage costs at the current IRS rate in effect as of the date of travel. Payments to employees who use their personal vehicle for Local Travel will be made in accordance with Federal Internal Revenue Service Guidelines and will be subject to the insurance requirements of Paragraph (p) of this Section.
 1. No more than one (1) payment per private vehicle is authorized, regardless of the number of passengers.
 2. Reimbursement may not exceed the most cost efficient round trip airfare to the destination.
 3. Additional reimbursement for expenditures other than tolls and parking, related to the operation, maintenance and ownership of a vehicle shall not be allowed when privately owned vehicles are used on public business.
 4. Direct mileage from the City and to and from the destination will be the mileage as shown on the official Florida road map or computer program as designated by the City manager or her/his designee. Reasonable local mileage will be allowed for the use of personal vehicles.
- 4) Use of City Vehicles.
 1. With proper receipts, a reimbursement for gasoline will be made for use of City Vehicle.
 2. City owned vehicles shall not be used for trips out of state unless prior approval is granted from the City Manager or her/his designee, for such use.
 3. If a City vehicle is used, the car or truck number must be shown on the expense report.
- 5) Taxis, parking and tolls: Payment will be allowed for taxis, parking and tolls provided that the costs are documented and reasonable.
- 6) Conference and Seminar Registration Fees: Payment shall be made directly to the vendor. Employees are encouraged to take advantage of the lower advanced registration fees whenever possible.
- 7) Lodging shall be ~~regulated pursuant to Chapter 112.061, Florida Statutes~~provided to travelers for each night of lodging required for travel and training, providing however, the City shall not pay for overnight

accommodations in Polk, Osceola, Lake and Hillsborough counties unless prior written approval is given by the City Manager or her/his designee.

~~Meals Reimbursement:~~

~~i. Travelers will be allowed reimbursement of actual expenses up to the following limits:~~

- ~~1. Full Day \$55.00~~
- ~~2. Partial Day~~
 - ~~Breakfast \$10.00~~
 - ~~Lunch \$15.00~~
 - ~~Dinner \$30.00~~

~~ii. This reimbursement will be reduced proportionately for partial days as indicated above or meals provided through registration. The per diem is inclusive of all meals, beverages (excluding alcoholic beverages), local taxes, and tips. Meals offered at additional cost as part of a seminar or conference to all attendees at seminars and conference, particularly when a speaker or program business is presented, are fully reimbursable for travelers.~~

~~iii.~~

- ~~1. In order to claim breakfast, travel must begin before 8:00 a.m.~~
- ~~2. In order to claim lunch, travel must begin before 12:00 noon and extend beyond 2:00 p.m.~~
- ~~3. In order to claim dinner, travel must begin before 6:00 p.m. and extend beyond 8:00 p.m.~~
- ~~4. Receipts will be required for all meals.~~

8) Per Diem Allowance: In lieu of reimbursement for meals and incidental expenses and providing receipts travelers will be provided with an allowance for each "Full Day" of travel based upon the Meals and Incidental Expenses (M&IE) breakdown published by the Federal Government's General Services Administration (GSA) each year. An allowance equal to sixty (60%) of the foregoing rate will be provided for each "Partial Day" of travel. In recognition of the increased cost of meals and incidental expenses at typical travel and training locations the allowance shall be equal to the highest tiered rate from the M&IE breakdown (e.g. tier six). A "Prorated Full Day" allowance may be provided for full travel days that deduct amounts for meals that are paid in advance through conference or training registration in accordance with the M&IE breakdown. For the purposes of this section a "partial day" shall be defined as travel that begins after 10:00 am or that concludes prior to 3:00 pm. The foregoing per diem allowance may be

received in advance and based upon the anticipated duration of the travel.

~~8)9) Monthly Ridge League of Cities meetings and Chamber of Commerce events are deemed to be in the performance of the duties of the elected and appointed city officials, the expense of which shall be incurred by the City. ~~reimbursement for the specific meeting may be made up to the amount of the meal for the elected official or appointed city official.~~~~

~~9) Miscellaneous Expenses: The City will pay a daily allowance of actual costs up to \$5.00 per day, for the total days or partial days spent in travel status. This standard daily allowance will cover non-meal tips, personal phone calls and other incidental expenses. Written document is required but receipts are not required.~~

10) Telephone calls: Business telephone calls, fax charges and internet connection charges will be reimbursed with receipts and proper documentation. Such documentation must be submitted with the Expense Report within the time limits specified. If the hotel adds a service charge for each telephone call, even when those calls are made on a credit card or “800” or “888” number, the City will reimburse the traveler for the service charge(s) related to business calls only.

11) Grants: When traveling expenses are incurred which are eligible for reimbursement under federal and state grant agreements, these regulations will apply except when federal and state grant guidelines are more restrictive. If an elected or appointed official anticipates travel expenses in excess of what can be reimbursed to the City by federal or state agency, the Finance Director shall be notified prior to the trip if additional reimbursement will be requested.

12) Travel Advancements: Costs of lodging, registration, and airfare should be prepaid directly to the vendor by the City whenever possible and upon return the traveler must provide receipts. Travelers should provide a copy of the City’s tax exempt certificate when lodging within the State of Florida. An advance check may be made payable to travelers for the estimated meal allowance and estimated travel expenses upon the approval of the City Manager or her/his designee on the “Travel Expense Report”. After the trip, any amount due the City or the traveler which is equal to or less than \$1.00 will not be processed.

~~13) Other Requirements: Prior authorization does not entitle the traveler to spend up to the authorized amount. Such authorization only identifies the limitation should such expenses become necessary. No traveler shall be allowed either mileage or transportation expense when she/he is gratuitously transported by another person, or when she/he is~~

~~transported by another traveler who is reimbursed for mileage or transportation expenses.~~

~~14~~13) Approval for “Travel Expense Report” Form: The traveler must submit the “Travel Expense Report” in the format established by the Finance Director. All travel and transportation costs of attending meetings, seminars, conferences, and conventions, as well as the cost of registration, must be documented on the “Travel Expense Report”. A copy of available brochures and literature showing lodging and registration rates, and prepaid meals, if any, must be attached to the form. Airfare must have two quotes attached.

- i. Time Limitations: Extended travel may be requested by the traveler or may be dictated by significantly lower air fares.
- ii. The City does encourage travelers to travel on weekends when it will result in a significantly lower net cost of travel.
- iii. If requested by the traveler, extended travel may be allowed at the beginning or the end of the trip in order to provide savings.
- iv. Extended travel will not occur during the traveler’s normal working hours. The traveler will be reimbursed for expenses during extended travel time as long as the total net cost resulted in savings to the City.
- v. In the event the employee desires to extend the period for personal reasons, the extra time shall be charged to vacation or leave without pay. This shall be subject to approval by the Department Director and specifically require the City Manager’s approval.

~~15~~14) Fiscal Year Overlap: Travel which occurs in the next fiscal year will be approved out of the current year’s fund only if the travel occurs within the first thirty (30) days of the next fiscal year, and the required prior payment is processed in September of the current fiscal year in accordance with the fiscal year end closing procedures.

- i. Reporting and documentation:
 1. Reporting: Following the trip, the “Travel Expense Report” and/or requisition form must be submitted for approval to the Department Director within five (5) working days after the employee returns to work. The Finance Department must receive the “Travel Expense Report” and/or requisition form with all receipts attached, within ten (10) working days after the employee returns to work.
 2. Documentation: Original receipts for the hotel bill, car rental, and the used airline ticket stub must accompany the “Travel Expense Report” for and/or requisition and all other receipts submitted to

the Finance Department. Receipts will be required for all meals. Gratuities are included in the upper limit in the meal allowance.

3. Receipts shall be submitted in a neat and orderly fashion in order to facilitate the audit process.

~~16~~15) Implementation: The City Manager is authorized to implement procedural regulations for business travel covered in this Ordinance.

~~17~~16) Exceptions: If warranted by unusual circumstances or conditions, exceptions to the foregoing standards and rules may be allowed but only upon the approval of the City Manager.

~~18~~17) Family: No reimbursement for expenses of spouses, children, or other is permitted unless specifically provided elsewhere in this ordinance.

~~19~~18) Conduct of Travelers: The conduct of City officers and employees attending conferences, training programs, or conducting official business out of town is a reflection of the standards of City government at Lake Alfred. The fact the City is bearing the major portion of the expense is recognition of the principle that the benefits accrue to the City as well as the individual. Travelers will therefore obtain a maximum amount of beneficial training and information of value for the purpose of improving local administration and services.

~~20~~19) Authorization to use private vehicles for Travel: Requests for use of privately owned vehicles outside Polk County on City Business will be denied if the driver of the vehicle and the vehicle itself are not insured for the following basic limits:

- i. At least a combined limit of \$50,000 per occurrence for bodily injury and property damage liability, and
- ii. Personal Injury Protection (PIP) as required by State Law.
- iii. Employees applying for mileage reimbursement shall certify that they have motor vehicle insurance as required by this ordinance.

~~21~~20) Use of personal credit cards: Employees are permitted to use personal credit cards for travel expenses. However, no reimbursement for charges will be made until after the trip is finalized. The City will not reimburse the employee for annual credit card dues or fees and will not reimburse for interest expense incurred.

Section 2: This ordinance shall be codified and made a part of the official Code of Ordinance of the City of Lake Alfred.

Section 3: All ordinances or parts of ordinances and resolutions in conflict or inconsistent with the provisions of this ordinance are hereby repealed to the extent necessary to give this ordinance full force and effect.

Section 4: If any provision or portion of this Ordinance is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of this Ordinance shall remain in full force and effect.

Section 5: This Ordinance shall be codified and made a part of the Code of Ordinances of the City of Lake Alfred. It is the intention of the City Commission that the provisions of this ordinance shall become and be made a part of the City of Lake Alfred Code of Ordinances; and that sections of this ordinance may be renumbered or relettered and the word ordinance may be changed to section, article, or such other appropriate word or phrase in order to accomplish such intentions; and regardless of whether such inclusion in the code is accomplished, sections of this ordinance may be renumbered or relettered and typographical errors which do not affect the intent may be authorized by the City Manager or his/her designee without need of public hearing, by filing a corrected or recodified copy of same with the City Clerk.

Section 56: This Ordinance shall take effect immediately upon passage on second reading.

INTRODUCED AND PASSED on first reading at the regular meeting of the Lake Alfred City Commission held on the 19th day of October, 2015.

PASSED AND ENACTED ON SECOND READING, with a quorum present and voting, the City Commission of Lake Alfred, Florida, this 2nd day of November, 2015.

**CITY OF LAKE ALFRED, FLORIDA
CITY COMMISSION**

ATTEST:

Charles O. Lake, Mayor

Amee Bailey-Speck, City Clerk

APPROVED AS TO FORM:

Frederick J. Murphy, Jr., City Attorney

Meal and Incidental Expenses (M&IE) Breakdown

Total	Continental Breakfast/ Breakfast	Lunch	Dinner	IE
\$46	\$7	\$11	\$23	\$5
\$51	\$8	\$12	\$26	\$5
\$56	\$9	\$13	\$29	\$5
\$61	\$10	\$15	\$31	\$5
\$66	\$11	\$16	\$34	\$5
\$71	\$12	\$18	\$36	\$5

- Updated per diem policy proposes to utilize the tier 6 rate; \$71 per day for meals and incidental expenses (Current total rate: \$60 per day from 2007). This amount would be reduced by meals prepaid as a part of the conference registration.
- Tier 6 is the most consistent rate for the types of expenses that are incurred for meals at typical travel and training locations. The reduced “partial day rate” at 60% (lower than the 75% rate for federal employees) accounts for the reduced cost of meals on the road at typical restaurants.

Lunch at World Center Marriot for FLC Conference

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Orlando World Center Marriott
**** Solaris ****

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CHK 1063 TBL 2/1 GST 1
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1 ROASTED TURKEY SAND	16.00
1 SOFT DRINK	4.00
SUBTOTAL	\$20.00
FOOD	\$20.00
TAX	\$1.30
Total	\$21.30
Total Due	\$21.30

PLEASE COMPLETE FOR ROOM CHARGES

GRATUITY _____

TOTAL

**LAKE ALFRED CITY COMMISSION MEETING
OCTOBER 19, 2015**

**3.) DISCUSSION: CIVIL CITATIONS FOR ULDC OFF-STREET PARKING
VIOLATIONS**

ISSUE: The City Commission will have a discussion on the opportunity to amend the code of ordinances to allow for issuance of civil citations (e.g. parking tickets) for off-street parking vehicle violations that are currently regulated through the Unified Land Development Code and the Special Magistrate process.

ATTACHMENTS:

- Community Development Staff Analysis

ANALYSIS: The City has received several complaints regarding off-street parking of heavy commercial vehicles and trailers on residential property. Off-street parking is currently regulated through the Unified Land Development Code (ULDC) and is enforced by the code enforcement officer and the Special Magistrate hearing process.

Code enforcement is unable to effectively remediate these issues as the Magistrate does not have the authority to hear cases where evidence proves that the violation does not exist as of the day of the hearing (i.e. the vehicle is moved).

There is an opportunity to bring elements of the ULDC vehicle restrictions into the City's code of ordinances that can be enforced as a civil citation through the police department; essentially writing a parking ticket for these violations instead of going through the code enforcement process.

STAFF RECOMMENDATION: Pleasure of the City Commission. If desired, staff would draft language to be reviewed by the City Attorney and presented to the Commission for formal consideration in an ordinance.

PARKING

ISSUE: City staff has experienced difficulty in the enforcement of its off-street parking restrictions. Code Enforcement may observe a violation, provide a notice of violation to the register owner of the property, and the case can be closed all within a matter of 24 hours. Essentially, code enforcement staff has focused on abandoned or derelict vehicles with no current tag visible, as well as commercial vehicles, trailers or RVs that are left parked in front of a residence. For those vehicles that are not permitted in residential districts and are generally only parked overnight while the driver comes home for the evening, City staff has investigated other cities' ordinances as well as enforcement procedures in order to address this concern.

CURRENT ORDINANCES (Excerpts attached):

Code of Ordinances

- Provides for violations and penalty up to \$500 per day
- Establishes Special Magistrate and grants authority to impose administrative fines and noncriminal penalties for violations of ordinances.
- States that code inspectors are appointed by the city manager
- Provides for an appeal of Magistrate's order through circuit court within 30 days
- Prohibits any truck or commercial vehicle from parking in residential zoning districts.
- Allows for temporary parking in conjunction with making deliveries, construction, tree trimming, etc.
- Provides definitions

Unified Land Development Code

- Prohibits parking in front lawns
- Prohibits heavy truck, commercial motor vehicles, trailers and semitrailers that exceed 25 feet from parking in residential areas, at all, even if only parked overnight
- Allows RVs and trailers less than 25 feet to be parked on side of home or in back yard (behind front of home) for an indefinite amount of time
- Provides definitions

CODE ENFORCEMENT PROCESS

The current Code Enforcement Special Magistrate process follows City ordinances and Florida Statutes Ch. 162, which provides for the following procedure:

- 1) A citation is provided to the legal owner of the property providing adequate time to correct violation;
- 2) If not corrected within the first timeframe, code officer has discretion to allow more time or may recommend case be sent to a hearing of the Special Magistrate;
- 3) Legal notice of hearing must be provided to property owner 15 days prior to hearing;
- 4) Hearing is conducted by Magistrate who hears evidence from code officer and testimony from property owner if they choose to attend. The Magistrate has authority to impose an order finding that a violation exists, provide an additional time to correct, and impose a fine after the additional time has passed;
- 5) Time elapses and code officer verifies if violation still exists. If violation is corrected, case is closed and no fine is imposed. If violation is not corrected, fine is imposed beginning the day the violation was first cited.
- 6) At the next hearing, the Magistrate will file an order imposing the lien and any administrative costs incurred by the City. This includes the # days of the violation existed multiplied by the daily fine amount set by the Magistrate. Also, administrative costs include inspections by code officer, administrative filing costs, postage, legal notice, and if any abatement costs were incurred by the City's contractor to bring the property into compliance (mowing, removing debris, securing unsafe structure, demolition, etc.)
- 7) The fine continues until either 1) Code officer takes note that property is in compliance after contractor cleanup; or 2) property owner notifies code officer that property is in compliance, which is verified by code officer. The fine remains on the property as a lien.
- 8) The lien amount is generally settled at the time of property sale, however any abatement costs incurred by the City to clean-up the site is placed on the property tax bill, which is collected after November each year.
- 9) If a new owner requests a reduction in the fine amount, they can request to be heard by the Special Magistrate for any extenuating circumstances they have that prevents them from settling the lien during the sale of property.
- 10) Once a lien is paid and satisfied, city staff prepares a satisfaction of lien which is filed with Polk County public records.

SUMMARY: It is well within the City's authority to provide citation to any property owner who has a violation on their property. It is evident that any type of vehicle parking in the front yard is a violation of the ULDC, not the Code of Ordinances. However, in both Codes heavy trucks and commercial motor vehicles are prohibited in residential zoning districts, unless associated work that is temporary in nature. The authority also lies with the Special Magistrate to impose fines or a noncriminal penalty (such as a civil citation) to the property owner for any violation that exists. The issues with the current Code Enforcement process prevents the case to ever be heard by the Special Magistrate as the violation can be corrected within 24 hours in most cases. Repeat offenses, according to Florida Statutes Ch. 162, do not exist until the violation has been ordered

by the Magistrate. In regards to parking violations, code enforcement will be unable to effectively address nuisance violators who repeatedly have a violation. The Magistrate does not have authority to hear cases where the evidence proves that the violation does not exist as of the day of the hearing, thereby no fine can be ordered or lien imposed.

Prior to proceeding, there are two issues that need further review by City Administration: 1) develop ordinance that will provide for civil citation process, including fine amounts and types of violations; and 2) assign responsibilities to Police Officers and cross-train for attendance and providing testimony at Special Magistrate Hearing.

On a side note, there is some discrepancy between the two Codes which should be clarified and amended to maintain consistency regardless. The Land Development Code is intended for zoning, building and other regulations controlling development of land. Perhaps the parking regulations for enforcement purposes can be rewritten and located in the Code of Ordinances.

Draft code language comments:

- 1) Codes used from Auburndale, Haines City, Winter Haven to prepare draft language
- 2) Draft language to be inserted under existing Chapter 54, Article III of Code of Ordinances relating to parking.
- 3) Copied various vehicle/trailer definitions from Unified Land Development Code for consistency
- 4) Draft language will only apply to residential zoning districts
- 5) Addressed recreational vehicles and equipment, allowing parking in side and rear yards. No parking in front yards.
- 6) No commercial motor vehicles, semitrailers or truck tractors permitted in any residential district.
- 7) No vehicle or trailer can be parked or stored on a vacant lot, must be parked on a lot with a principal structure
- 8) Clarified temporary parking in residential districts, which already allowed any delivery-type vehicles, service trucks, and heavy duty equipment for a period of 48 hours while they are in-use at the residence
- 9) Parking violation fine of ~\$50 per offense
- 10) Penalty for not responding to violation of an additional ~\$25, for a total of ~\$75
- 11) Each time violation is observed, it is a separate violation (~\$50 each time)
- 12) Citation provided to registered owner of vehicle/trailer
- 13) Owner can request hearing by special magistrate, but they will be subject to higher fine of ~\$100 plus any cost to City to schedule hearing.