AGENDA
TAVARES CITY COUNCIL

SEPTEMBER 18 2013
4:00 P.M.
TAVARES CITY HALL COUNCIL CHAMBERS

I. CALL TO ORDER

II. INVOCATION & PLEDGE OF ALLEGIANCE

Carlos Colon, Fire Department Chaplain

III. APPROVAL OF AGENDA

(The City Council Agenda is subject to change at the time of the Tavares City Council Meeting)

IV. APPROVAL OF MINUTES

Tab 1) City Council Regular Meeting, August 7, 2013

V. PROCLAMATIONS/PRESENTATIONS

VI. SWEARING IN BY CITY ATTORNEY AND DISCLOSURE OF EXPARTE CONTACTS

VII. READING OF ALL ORDINANCES/RESOLUTIONS - GENERAL GOVERNMENT

VIII. CONSENT AGENDA

IX. PUBLIC HEARING – FISCAL YEAR 2014 MILLAGE & BUDGET – 5:05 P.M.

Tab 2) Resolution #2013-12 – Final Millage Rate – FY 2013-14 Lori Houghton

Tab 3) Resolution #2013-13 – Final Budget – FY 2013-14 Lori Houghton

X. ORDINANCES/RESOLUTIONS

FIRST READING

None

SECOND READING

Tab 4) Ordinance #2013-14 – Amendment to Police Pension Plan Chapter 15 re: Credited Service, Benefit Amounts & Maximum Pension — **Stoney Lubins**

Tab 5) Ordinance #2013-15 – Amendment to Fire Pension Plan Chapter 15 re: Maximum Pension — **Richard Keith**

RESOLUTIONS

X. GENERAL GOVERNMENT

Tab 6) Approval of Contract with Retirement Consultant — **Lori Tucker**

Tab 7) Public Input Policy — **Attorney Williams**

Tab 8) Report on FDOT Approval of Wayfinding Signs on State Roads — **Jacques Skutt**

XII. OLD BUSINESS

XII NEW BUSINESS

XIV. AUDIENCE TO BE HEARD

XV. REPORTS

Tab 9) City Administrator — **John Drury**

Tab 10) Council Reports — **City Councilmembers**

F.S. 286.0105 If a person decides to appeal any decision or recommendation made by Council with respect to any matter considered at this meeting, he will need record of the proceedings, and that for such purposes he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Individuals with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk at least two (2) working days in advance of the meeting date and time at (352) 253-4546.

CITY OF TAVARES
MINUTES OF REGULAR COUNCIL MEETING
AUGUST 7, 2013
CITY COUNCIL CHAMBERS
4:00 p.m.

COUNCILMEMBERS PRESENT **ABSENT**

Robert Wolfe, Mayor
Kirby Smith, Vice Mayor
Bob Grenier, Councilmember
Norman Hope, Councilmember
Lori Pfister, Councilmember

STAFF PRESENT

John Drury, City Administrator
Robert Q. Williams, City Attorney
Nancy Barnett, City Clerk
Lori Houghton, Finance Director
Chris Thompson, Public Works Director
Joyce Ross, Communications Director
Bill Neron, Economic Development Director
Tammey Rogers, Community Services Director
Richard Keith, Fire Department
Stoney Lubins, Police Department
Brad Hayes, Utility Director

I. CALL TO ORDER

Mayor Wolfe called the meeting to order at 4:00 p.m.

II. INVOCATION AND PLEDGE OF ALLEGIANCE

Pastor Doug Dykstra, Adventure Christian Church, gave the invocation and those present recited the pledge of allegiance.

III. APPROVAL OF AGENDA

MOTION

Kirby Smith moved to approve the agenda, seconded by Norman Hope. The motion carried unanimously 5-0.

IV. APPROVAL OF MINUTES

MOTION

Norman Hope moved to approve the minutes for July 3, 2013 and July 10, 2013, seconded by Bob Grenier. The motion carried unanimously 5-0.

V. PROCLAMATIONS/PRESENTATIONS

Tab 2) Florida Water Professionals Week

Mayor Wolfe read a proclamation designating August 12-16 as Florida Water Professionals Week.

Tab 3) Update for the Single Stream/Recycle bank Program

Mr. Thompson introduced Janie Coleman, Municipal Services Manager for Waste Management of Florida.

Ms. Coleman reported that over 5700, 64 gallon recycling carts were delivered in late January and the program started February 1st. The transition went well and the Waste Management Staff and City staff met with residents and homeowner groups. She described the recycling cart and noted that previously the average was about 182 pounds per resident per year and as of this date the average is about 405 pounds per resident per year. She noted the recycle bank rewards program helps to motivate people to get involved, save dollars and contribute to the environment. She said many national retailers are part of the program and they have also discussed with the Tavares Chamber ways to encourage more local businesses to participate in the program.

Ms. Coleman said the registered participants in the City of Tavares in the first six months at 37%. She said Recycle Bank expects in a normal community to have registered participants is at approximately 20% in the first six months.

Councilmember Pfister asked how Tavares compares to other cities. Ms. Coleman said Tavares is ahead.

VI. QUASI JUDICIAL AND DISCLOSURE OF EXPARTE CONTACTS

None.

VII READING OF ALL ORDINANCES/RESOLUTIONS

Ms. Barnett read the following ordinances/resolutions by title only:

ORDINANCE 2013-12

AN ORDINANCE AMENDING SECTION 17-57 OF THE CITY OF TAVARES LAND DEVELOPMENT REGULATIONS RELATING TO LIENS FOR UNPAID WATER, WASTEWATER, RECLAIMED WATER CHARGES; PROVIDING THAT SAID LIEN, WHEN RECORDED, SHALL ALSO INCLUDE AND SECURE SUBSEQUENT UTILITY CHARGES, BASE RATES AND PENALTIES UNTIL SATISFIED; PROVIDING AN EFFECTIVE DATE.

ORDINANCE 2013-10

AN ORDINANCE OF THE CITY OF TAVARES, FLORIDA AMENDING THE LAND DEVELOPMENT REGULATIONS BY AMENDING CHAPTER 16, SECTION 16.9, ACCEPTANCE OF PUBLIC INFRASTRUCTURE, BY ADDING CLAUSE (D), ABANDONED SUBDIVISIONS, REQUIRING THE REINSPECTION OF PUBLIC INFRASTRUCTURE BEFORE BEING PUT INTO USE; SUBJECT TO THE RULES, REGULATIONS AND OBLIGATIONS ORDAINED BY THE CITY OF TAVARES COUNCIL; PROVIDING AN EFFECTIVE DATE.

ORDINANCE 2013-13

AN ORDINANCE AMENDING SECTION 294, 297 AND 298 OF ARTICLE IX OF CHAPTER 10.5 OF THE CITY OF TAVARES CODE OF ORDINANCES RELATING TO THE APPROVAL OF STREET CLOSURES FOR SPECIAL EVENT PERMITS; PROVIDING DEFINITIONS; PROVIDING FOR AUTHORITY; PROVIDING FOR PROCEDURES; PROVIDING FOR A FEE; PROVIDING FOR PUBLICATION ACCORDING TO LAW; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; AND PROVIDING FOR AN EFFECTIVE DATE

RESOLUTION 2013-08

A RESOLUTION OF THE CITY OF TAVARES, FLORIDA, GRANTING A VARIANCE TO THE CITY OF TAVARES LAND DEVELOPMENT REGULATIONS, TABLE 8-3, DEVELOPMENT STANDARDS, MINIMUM SIDEYARD SETBACKS FOR AN RSF-1 ZONING FOR PROPERTY LOCATED AT 1024 LAKE ELSIE DRIVE IN OAK HAVEN SUBDIVISION; SUBJECT TO THE RULES, REGULATIONS AND OBLIGATIONS ORDAINED BY THE CITY OF TAVARES COUNCIL; PROVIDING AN EFFECTIVE DATE.

RESOLUTION NO. 2013-09

A RESOLUTION OF THE CITY OF TAVARES, FLORIDA ACCEPTING THE PROPOSAL OF BRANCH BANKING AND TRUST COMPANY TO PURCHASE THE CITY'S NOT TO EXCEED $2,750,000 CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2013 TO ACQUIRE AND CONSTRUCT A CITY OWNED AND OPERATED CONFERENCE CENTER AND PAVILION TO BE LOCATED AT WOOTON PARK; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH SAID BANK TO SECURE THE REPAYMENT OF SAID NOTE; PROVIDING FOR THE PAYMENT OF SUCH NOTE ON PARITY WITH THE CITY'S OUTSTANDING CAPITAL IMPROVEMENT REFUNDING REVENUE NOTE, SERIES 2012, FROM THE PUBLIC SERVICE TAXES LEVIED AND COLLECTED BY THE CITY PURSUANT TO SECTION 166.231, FLORIDA STATUTES, ALL AS PROVIDED IN THE LOAN AGREEMENT; AUTHORIZING THE PROPER OFFICIALS OF THE CITY TO DO ANY OTHER ADDITIONAL

THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE LOAN AGREEMENT, THE NOTE, AND THE SECURITY THEREFOR; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION WITH SAID LOAN; DESIGNATING THE NOTE AS "BANK QUALIFIED;" PROVIDING FOR SEVERABILITY AND OTHER MATTERS IN REGARD THERETO; AND PROVIDING AN EFFECTIVE DATE.

VIII. CONSENT AGENDA

None

IX. ORDINANCES/RESOLUTIONS

Tabs 4, 5, and 6) Ordinances 2013-12, 2013-10 and 2013-13

Mayor Wolfe noted these ordinances will be discussed at the following council meeting.

Tab 7) Resolution #2013-08 – Variance for Reduced Side yard Setback – 1024 Lake Elsie Drive

Mr. Skutt noted this is a variance application for LDK Builders for a reduction of the required minimum side yard setback of 10 feet on property that is located at 1024 Lake Elsie Drive. The owner wishes to build a new single family dwelling on his vacant lot with a proposed northerly side yard setback of 5.49 feet. The mandatory 50 ft. environmental setback from Lake Elsie limits the buildable area of this property. The proposed reduced side yard is adjacent to property in which a city lift station is located so that the requested reduction will not impact an abutting residential neighbor. No public objections have been received. The Planning & Zoning Board voted unanimously to recommend approval and staff is recommending approval.

MOTION

Kirby Smith moved to approve Resolution #2013-08, seconded by Bob Grenier. The motion carried unanimously 5-0.

Tab 8) Resolution #2013-09 – Award of Funding to BB&T – Approval of Closing Documents for Pavilion Funding

Ms. Houghton advised that this resolution authorizes Capital Improvement Revenue Note Series 2013 to complete funding for the Tavares Pavilion on the Lake construction project and authorizes execution of the financing documents with BB&T Bank in the amount of $2,750,000. Ms. Houghton reviewed the past process on the funding of this project for Phase II.

The loan is based on a 19 year amortization rate of 2.69%. Interest payments commence February 1, 2014; principal payments commence six months thereafter in 2015. There is a prepayment penalty of 1%. The revenue pledge is from utility taxes and there is a

requirement to maintain a 1.25% additional bonds test which means the total revenue must exceed by 1.25% times the amount of the debt service for both issues. After 10 years BB&T has the option of reprising the note based on market conditions.

Mr. Drury noted that the City Clerk will be having the City Council sign a No Conflict of Interest form regarding this loan.

MOTION

Lori Pfister moved to approve Resolution #2013-09, seconded by Bob Grenier. The motion carried unanimously 5-0.

X. GENERAL GOVERNMENT

Tab 9) Request from Lake County to Submit Report for Time Capsule

Mayor Wolfe read a letter from Commissioner Leslie Campion regarding the VIVA 500 Celebration of Florida's 500th birthday in which she has requested that each city in Lake County provide a five page article on a momentous event in its history.

Councilmember Grenier said he believed the renaissance of Tavares beginning with the preservation of the Woodlea House through the development of America's Seaplane Brand should be the milestone event. Mayor Wolfe mentioned the creation of the County seat in Tavares. Councilmember Smith noted that the deadline to submit the information is August 16th. He said there are many people in attendance that know a lot about the history of the city. He asked Councilmember Grenier if he had time to consult with the Historical Society.

Councilmember Pfister said she would like to see the emphasis on the Seaplane City as that is the most positive story.

Mr. Drury noted he believed they are looking for an event unique to Tavares. He said he believed that Councilmember Grenier as a historical writer could develop the report as a collaborative effort with the Historical Society. Councilmember Grenier said he thought the due date is flexible.

Mr. Drury suggested that Councilmember Grenier bring back his report at the next Council Meeting for review.

Councilmember Grenier agreed to do the report. He said he has a meeting with VIVA Florida in about two weeks.

Mayor Wolfe asked for comment from the Historical Society.

Brenda Smith of the Tavares Historical Society said she would be glad to work with Councilmember Grenier noting there is a lot of colorful and significant history in Tavares. Councilmember Grenier discussed the Woodlea House and transition to the Visioning

Process. Ms. Smith acknowledged the role of past Mayor Clutts in developing the Visioning process.

MOTION

Norman Hope moved that Councilmember Grenier prepare the document jointly with the Tavares Historical Society of Tavares and bring it back for approval, seconded by Kirby Smith. The motion carried unanimously 5-0.

Tab 10) Approval of Jet Ski Event August 23-25

Mr. Neron noted in June the City hosted its first Hydro Jet Ski drag racing event and it was very successful bringing in people from all over the State. The promoter has contacted the City because of a cancellation of one of their events at another venue, asking if the City would consider hosting it as this late date. They will offer it to the city at a cost of $2500 and the County has agreed to pay $1500 of that amount. The City has identified its $1000 portion from within the existing budget.

Councilmember Hope asked about the in kind expenses. Mr. Neron said the in kind expenses are minimal—use of the picnic pavilion and a few barricades. The boat ramp will be closed for the event.

Councilmember Smith asked how many participants there were at the last event. Mr. Neron said he did not have the numbers at hand but there were two events: the regular Jet Ski and the drag racing. He said the drag racing far surpassed the regular Jet Ski event in attendance.

Mr. Drury commented on the value of such events during the off season.

Councilmember Grenier noted the upcoming Rifles and Rails event in September is also promoting tourism already through hotel reservations, etc.

MOTION

Norman Hope moved to approve the Jet Ski Event, seconded by Kirby Smith. The motion carried unanimously 5-0.

Tab 11) Request to Award RFQ for Independent Retirement Plan Advisory Servcies to the Bodghan Group

Ms. Tucker advised that Council previously selected Edd Holder & Associates as its retirement plan advisor. Edd Holder & Associates has resigned due to some insurance related issues.

Ms. Tucker said with Edd Holder & Associates' resignation it is recommended that Council select the Bodghan Group, which was included in the previous ranking. She noted there are two ordinances that need to be reviewed.

MOTION

Bob Grenier moved to approve award of the Independent Retirement Advisory RFQ to the Bogdan Group and authorize staff to negotiate and enter into a contract with the firm, seconded by Norman Hope.

Councilmember Smith asked if the Bodghan Group is willing to continue. Ms. Tucker responded affirmatively.

The motion carried unanimously 5-0.

Tab 12) Discussion of Code Enforcement Notification Process

Attorney Williams said he is recommending a change to the code enforcement notification process that had previously been approved by Council. He said the policy had grown out of concern that Code enforcement was citing people for violations and was notifying them in a manner that did not give the property owner personal service. He said Council had adopted a blanket policy requiring personal service that is proving in its application to be a hindrance to the Code enforcement officer in the ability to process code enforcement violations. The statutory process authorizes the officer to initiate the violation by serving a notice based on the address of record with the Property Appraiser's office. It can also be initiated through personal service which is preferable but if this is not possible, the statute also authorizes this service through the mail.

Attorney Williams noted the recession brought about a lot of abandoned properties that has made it very difficult to find the actual land owner in many cases. He said at the last Code Enforcement meeting Mr. McCormick reported that he had 16 properties to initiate action but had been unable to do personal service. Attorney Williams noted the process in some other states can be more costly than in Florida. He suggested that Council revisit the process to allow Code Enforcement cases to be initiated as the statute requires through either personal service or certified mail service on the property owner but reserve the requirement only for foreclosure cases if City Council takes action to foreclose. He added it is important to have the lien recorded so the property can be brought into compliance which is the goal of code enforcement.

Mr. Drury discussed the history behind the original policy. Councilmember Pfister asked about the state statute on foreclosure. Attorney Williams said requiring it for foreclosure may be somewhat stricter than state statutes as there is a way that the owner can potentially be notified through "constructive service", i.e. through a legal ad that can be published in the newspaper. He said there are limited instances which have to be approved by a court. Attorney Williams said any foreclosure would have to be approved by Council and Council can set the standards for notification.

MOTION

Bob Grenier moved to approve the City Attorney's recommendation to allow Code Enforcement to initiate Code Enforcement action by either mail to the property owner's address of record with the Property Appraiser or by personal service, and to continue to do personal service for foreclosures, seconded by Lori Pfister. The motion carried unanimously 5-0.

Tab 13) Board Appointment – Lake Community Action Agency

Mayor Wolfe said that previously Council approved the replacement of the City Administrator as the designated representative to the Lake Community Action Agency. He said he had received an application from Peter Harrison and wished to recommend his appointment.

MOTION

Bob Grenier moved to approve the Mayor's recommendation of Peter Harrison, seconded by Norman Hope. The motion carried unanimously 5-0.

Tab 14) Interlocal Agreement with Lake County for TDC Funding for Partial Costs of Wooton Park Boat Ramp Expansion

Mr. Neron stated on February 20, 2013, Council authorized staff to apply for a grant with the TDC to assist in the funding of the boat ramp as part of the Wooton Park Expansion project. Staff submitted a grant application in the amount of $400,000 and with subsequent review by TDC staff, it was recommended based on their formula, that the City receives a grant in the amount of $248,000. This has received approval by the County Commission.

Councilmember Hope asked for confirmation that the $248,000 is for enhancements over and above what the cities voted for in the bond referendum. Mr. Neron confirmed.

MOTION

Kirby Smith moved to accept the TDC grant of $248,000, seconded by Norman Hope. The motion carried unanimously 5-0.

Tab 15) Request to Purchase Property from Duke Energy adjacent to Caroline Street Plant

Mr. Hayes said this is a request to purchase this property in the amount of $20,800 (per its assessed value) from Duke Energy. The company had a long range plans to build a substation on the property adjacent to the Caroline Street Plant many years ago. Over the years various departments began utilizing the easement for storage of equipment, vehicles, etc. The city has the first right of refusal to purchase the property. The cost of purchasing the property has been included in the FY 2014 budget.

Staff recommends approval of the purchase contingent on approval of the 2014 budget with the closing to occur after October 1st.

MOTION

Kirby Smith moved to approve purchase of the property next to the Caroline Street Plant for $20,800, seconded by Norman Hope. The motion carried unanimously 5-0.

XII. OLD BUSINESS

XIII. NEW BUSINESS

XIV. AUDIENCE TO BE HEARD

Brenda Smith asked Mayor Wolfe if the audience would be able to speak during the Budget Workshop. Mayor Wolfe stated there would be audience participation.

XV. REPORTS

Tab 14) City Administrator

Mr. Drury said in addition to his meeting report, he wished to give an update on the Blue Rhino incident. He said four blue Rhino employees remain in the hospital. The City Administrator, the City Attorney, Fire Chief and Public Communications Director met recently with the President of Blue Rhino, Todd Brown. Mr. Brown advised the company is 1) focused on full cooperation with the investigation from OSHA and the Fire Marshall to determine cause and any safety issues; 2) supporting the families and families of the injured; 3) continuing to support all of the existing employees paying them 40 hours per week during this closure time so that the employees can keep up with their financial obligations; and 4) are focusing on the clean up of the site. They have hired an expert company to do the clean up. He said Mr. Brown also advised that once they get further along on these four issues they will discuss the re-opening plans. At this time the plant remains closed.

Mr. Drury added the city continues to wait on the Fire Marshall's report on cause. He asked Chief Keith if there is an estimate on when the report will be provided. Chief Keith said he had contacted the Fire Marshall but they are not ready to comment on when that would be provided.

Mr. Drury said the first Responders in his opinion did a flawless job in responding to the incident. He said a unified command post was established at the Lake County Training Center. The Fire Chief, Lake County Fire Chief, Tavares Police Chief, and Lake County EMS, and Public Information Officers from Tavares, the Sheriff, Lake County and Blue Rhino were all there that evening working the scene. The mobile incident command post was established quickly at the scene. Lake County EOC was activated at a Level Three Tier (support). Homes in the immediate area were evacuated. All roads leading to the scene were shut down and posted with law enforcement redirecting traffic. A victim's family area was established next to the unified command post with a pastor at the post. A media staging was established next to the incident command post. He noted Councilmember Hope with his affiliation with the United Methodist

Church had enabled them to open up their Center to receive evacuated families. Mayor Wolfe, the City Administrator, and the County manager responded to the site. Afterwards site visits and community visits were done by Commissioner Leslie Campione, District Representative Jimmy Conner, Congressman Daniel Webster, and Governor Rick Scott.

XV. REPORTS

Tab 15) City Council

Councilmember Pfister

Councilmember Pfister thanked both the Fire Chief and Police Chief for a job well done.

Councilmember Hope

Councilmember Hope noted he had 27 years in public safety/FBI and worked the Oklahoma City bombing. He said while at the UMAC that night he had calls from England, two or three times from the media and he was very glad to be able to say that the City of Tavares was on top of the incident and that it was being handled appropriately. He said they had asked if the city had enough manpower for a town of 14,000 and he advised that the city had excellent Interlocal agreements with the surrounding cities for assistance.

He commended both Chiefs and said he had only received positive feedback from the community. He commended Chief Keith for his communications with the media.

Councilmember Grenier

Councilmember Grenier noted that although it was unfortunate that some people were injured, that the incident could have been much worse and he appreciated how the event was handled.

Vice Mayor Smith

Vice Mayor Smith said a true sign of professionalism is how a team works together in the midst of chaos and that both Chiefs handled the set up very well at a very high professional standard. He also thanked the Lake County Fire Department, Eustis Fire Department, and Mt. Dora Fire Department, EMS, and all the supporting communities for their assistance. He also thanked Mr. Drury for his response and communications.

Mayor Wolfe

Mayor Wolfe commended the Fire Chief and Police Chief for doing outstanding jobs. He also noted Astatula and the Florida Wildlife Department had some staff respond. He noted there were helicopters ready in case the explosion had been worse. He commended Councilmember Hope and the Methodist Church for their assistance.

(At 5:18 p.m. the Mayor adjourned the meeting for a 10 minute break before the Budget Workshop.)

XI. FISCAL YEAR BUDGET WORKSHOP 2014 - 5:36 p.m.

Mr. Drury noted there will be one more Budget workshop after this meeting and then in September there will be two Public Hearings on the budget.

Mr. Drury gave an update as follows:

Council has been given an updated Budget Book based on the changes made up to this time.

Changes from last meeting:

- Shuffleboard Court refurbishing – added $16,190
- Revenue side – lowered the $3.00 fee for Splash Park entrance to $2.00 (revenues reduced by $19,287)

Budget questions:

- What effect would instituting a Fire Assessment have on the millage rate if not for profits paid their fair share of fire protection at 100%, 75%, 50%, and 25% of the cost to provide that service. Ms. Houghton has provided that information and the answer is as follows:

  $128,986 at .2194 mil at 100%; $96,739 or .1646 mil at 75%; $64,493 at 50% or .1097 mil; and $32,246 at 25% or .0549 mil.

- One flagged item was left for discussion which was healthcare access for councilmembers which is currently reflected in the budget.
- The changes in the budget book show a balanced budget of $13,393,537 at a millage rate of 6.4095 which is less than a half a mil increase over the current rate. The actual rate reflected at this point is .425 of a mil.
- Council has sent a tentative maximum millage rate of 1 mill above the current rate as a placeholder which can be set at the September meetings.
- Police Union and Fire Department Union Negotiations have just been finalized and negotiations with Blue Cross/BlueShield Health Care plan have been finalized. Those fiscal impacts will be brought to the next Budget workshop.

Health Care Access for Councilmembers

Vice Mayor Smith asked Council to vote "no" on this issue. Councilmember Hope stated he also wished to encourage Council to vote no because of the perception from the public considering the present remuneration that exists for Council. Councilmember Pfister stated she had volunteered for the job knowing the benefits but it has changed since she first started on Council. She thanked Councilmember Grenier for suggesting that the matter be postponed to this meeting. She then went on to discuss the IRS rules that affect Council similar to employees, the proposed changes to the health care law that may impact Council in the future, comparison to other cities that offer this benefit, and support she had received from speaking to some residents. She noted Council would still have pay a portion of the cost themselves to receive the benefit.

Vice Mayor Smith stated the only way he would approve this benefit is if it could be done as a referendum.

Mayor Wolfe agreed with Councilmember Pfister. He noted it will not be a free benefit. He said he would not be opposed to putting this on the ballot as a referendum next year. He said he was elected knowing it was not offered however it had been included in the budget and it would be a benefit to him. He said he did not want to continue to debate the matter.

MOTION

Kirby Smith moved to remove the health care [for councilmembers] from the budget, seconded by Norman Hope.

The motion carried 4-1 as follows:

Robert Wolfe	**Yes**
Lori Pfister	**No**
Bob Grenier	**Yes**
Norman Hope	**Yes**
Kirby Smith	**Yes**

Mr. Drury said at the next Budget Meeting staff will be bringing the final clean up items which will include the action taken today and any results from union negotiations and health care costs. He asked if Council had any other items for discussion.

Splash Park

Vice Mayor Smith said he had previously said he would bring back costs of the Splash Park to support the raising of the participant charge to $3.00. He said in 2011 the operating costs for the Splash Park were $62,660 when the $2.00 charge and $15.00 annual fee for residents was put in place. This year in the proposed budget the chemical and operating expenses are $97,402. The increase is about $35,000 over those years.

Mayor Wolfe noted there are related benefits from residents who attend the Splash Park and then come back to visit the City.

PUBLIC COMMENT

Mayor Wolfe asked if anyone in the audience wished to address Council on the budget.

Fire Assessment for Not for Profits

Vice Mayor Smith said he had noticed that the revenue from the fire assessment did not increase. Mr. Drury said the City will have to update the study to add additional properties which will be done next year. In the meantime any additional money that comes in is put into a special fund that cannot be used. He suggested that this issue be looked at in the 2014 budget

workshops when the assessment update can be done. At this point any changes in the assessment would not affect the General Fund this year.

New Police Cars and Policy on Take Home Vehicles

Councilmember Pfister suggested discussion should be held on take home cars. She said she agreed except that she thinks residents want the cars to stay in the city and if they go out of the city, the employee should pay some amount back to the city for this benefit.

Mayor Wolfe asked Chief Lubins to comment. Chief Lubins said there is a 15 mile limit on taking the cars outside the city. There are some other cities that have a cost differential but he did not know who or what they charge. Councilmember Pfister said one city charges $25.00 per pay period for vehicles outside the city.

Mayor Wolfe noted there are also other vehicles that come from other cities into the Tavares neighborhoods and he thinks they help to be a deterrent to crime.

Mr. Drury noted this has been discussed with the Union and the agreement currently reflects that at such time as the Council offers a take home program it will be available to the officers. The nature of the program at this time is up to the Council and in future years, once the price has been set that item will be part of the bargaining process. Mr. Drury said the take home policy will not begin until it has been approved by Council.

Councilmember Pfister said most of the residents she spoke to disagreed with the vehicles going outside the city but there was more support if the officers contributed to this benefit.

Mr. Drury noted there are a list of pros and cons on this policy and he will have the Chief list those issues.

New Years Eve

Mayor Wolfe suggested in next year's budget process for 2015, Council may want to consider having some kind of celebration at New Year's Eve with fireworks at 9:00 for families followed by other events in the park.

Adjournment

There was no further business and the meeting was adjourned at 6:16 p.m.

Respectfully submitted,

Nancy A. Barnett

Nancy A. Barnett, C.M.C.
City Clerk

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TAVARES

America's Seaplane City™

AGENDA SUMMARY
TAVARES CITY COUNCIL
DATE OF MEETING: September 18, 2013

AGENDA TAB NO. 2

SUBJECT TITLE: Public Hearing to Adopt Resolution 2013-12 Adopting the Final Millage Rate for FY 2014

OBJECTIVE:
To receive public input and consider the approval of Resolution 2013-12 to adopt the Final Millage Rate for Fiscal Year 2014

SUMMARY:
The Final Millage Rate for the General Fund is proposed at **6.4531** mills which is **.4681** mills over the Current FY 2013 Millage rate of 5.985 mils. The final Millage Rate for Voted Debt Service is **.4533** mills. The Final Millage is based on the following assumptions and details:

- Ad valorem millage rate of 6.4531 mills is 5.22% above the rollback rate of 6.1332 mills, and .4681 mills more than the current millage rate of 5.9850 mills.
- An assessed taxable property value of $599,061,342 which is a decrease of 1.19% from the prior year.
- A Fire Assessment at 100% of assessed costs. Rates remain unchanged from the prior year..
- A balanced Tentative Budget of $13,398,786.
- 2.5% Pay Increase for employees
- PBA & IAFF Union Negotiation Changes (IAFF-$3,211.78; PBA-$23,473.32
- FRS employer contributions are budgeted at blended rates as rate increases are effective July 1, 2013 (*7.095% Regular Class & 18.742% Senior Management Class*).
- Staffing level decreases – Part-time Library Page
- Increase Part-time Budget Position in Finance Department to Full-time.
- Increase Fire Services by one entry level Firefighter/ALS position effective April 1, 2013
- Increase Police Services by one entry level Police Officer effect September 1, 2013.
- The Fire Pension contribution rate is budgeted at 22.46%
- The Police Pension contribution rate is budgeted at to 21.10%.
- Health insurance is budgeted at an overall increase of 5.57% over prior year and reflects a negotiated package for single and family coverage, life, short and long term disability.
- A workers' compensation rate increase of 5%.

- A general liability rate increase of 10%.
- The Tentative Budget includes the acquisition of 12 new police vehicles (6 replacements, 6 new).
- The Tentative Budget funds only operational costs critical to the service delivery mission.
- The Tentative Budget maintains a similar level of service.
- The Tentative Budget maintains an estimated reserve balance of $1,137,988 or 8.5% of the Tentative Budget to be broken out as follows:
  (Assumes all revenue budgeted in FY 2013 will be received.)
  Reserves for unforeseen Emergencies: $1,024,189 (90%)
  Reserves for unforeseen Contingencies: $ 113,970 (10%)

Previously the City Council discussed the proposed Fiscal Year 2013 Budget at the following public meetings:

- March 6th – City Council Meeting – City Council set broad budget goals
- June 20th - Draft Budget To City Council
- July 3rd – Draft Budget Presentation to City Council
- July 10th – City Council Budget Workshop
- July 17th – City Council Budget Workshop – Council sets Tentative Maximum Millage
- July 24th – City Council Budget Workshop
- August 7th – City Council Budget Workshop
- August 21st – City Council Budget Workshop

A Final Budget has been prepared for the City Council based on discussions at the previous City Council Budget Workshops and the Proposed Budget presented on July 3, 2013.

A summary of changes made to the FY 2014 DRAFT Budget for the General Fund and Enterprise Funds to arrive at the Final Budget are shown below:

FUND NAME	NUMBER	DRAFT BUDGET	TENTATIVE BUDGET	CHANGE
GENERAL	001	13,467,555	13,397,526	(70,029)
WATER/SEWER	401	7,462,910	7,478,448	15,538
SOLID WASTE	402	2,772,427	2,773,629	1,202
STORMWATER	403	632,450	634,437	1,987
SEAPLANE BASE	405	729,811	708,929	(20,882)
PAVILION	406	532,972	311,341	(221,631)
TOTAL		**25,598,125**	**25,304,310**	**(293,815)**

The Tentative Budget is balanced at $13,397,526 and reflects a Final Millage Rate of 6.4531 mills with a Fire Assessment at 100% of the assessable Fire budget to fund Fire Services.

OPTIONS:

1. Take Public input and approve the Final Millage for Fiscal Year 2014 as reflected in Resolution 2013-12.

2. Take Public input and approve the Final Millage for Fiscal Year 2014 as reflected in Resolution Number 2013-12 and to reflect additional revisions to the Final Budget.

STAFF RECOMMENDATION:

Take public input and move to approve the Final Millage for Fiscal Year 2014 as reflected in Resolution No. 2013-12.

FISCAL IMPACT: At this point all budgets are balanced assuming a Final Millage Rate of 6.4531, a Final Voted Debt Service Millage of .4533, and a 100% Fire Assessment.

RESOLUTION 2013 - 12

A RESOLUTION ADOPTING A FINAL MILLAGE RATE OF 6.4531 FOR THE CITY OF TAVARES, FLORIDA, FOR AD VALOREM TAXES FOR FISCAL YEAR 2013-2014; SETTING FORTH THE PERCENT BY WHICH THE MILLAGE RATE IS GREATER THAN THE "ROLLED-BACK" RATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TAVARES, FLORIDA:

WHEREAS, the City of Tavares of Lake County, Florida on September 4, 2013, adopted the 2013-2014 Fiscal Year Tentative Millage Rate following a public hearing as required by Florida Statute 200.065.

WHEREAS, the City of Tavares of Lake County, Florida, following due public notice as required by law, held a second public hearing on September 18, 2013, as required by Florida Statute 200.065 on the 2013-2014 Millage Rate; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation within Lake County has been certified by the County Property Appraiser to the City of Tavares as $599,061,342.

NOW THEREFORE, BE IT RESOLVED by the City of Tavares of Lake County, Florida, that:

1. The City of Tavares Fiscal Year 2013-2014 operating millage rate to be levied is hereby set at 6.4531 mills, which millage rate is greater than the rolled back rate of 6.1332 by 5.22%.

2. The voted debt service millage is .4533.

3. This Resolution will take effect immediately upon its adoption.

PASSED AND RESOLVED this 18th day of September 2013 by the City Council of the City of Tavares, Florida. Time Adopted:_____.

_____
Robert Wolfe, Mayor
Tavares City Council

ATTEST:

_____
Nancy A. Barnett
City Clerk

_____
Approved as to form:
Robert Q. Williams,
City Attorney

Trim Ad

NOTICE OF PROPOSED TAX INCREASE

The City of Tavares has tentatively ADOPTED a measure to increase its property tax levy.

Last year's property tax levy:

A.	Intially proposed tax levy.....	$	5,135,234
B.	Less tax reductions due to Value Adjustment Board and other assessment changes.....	$	1,592,052
C.	Actual Property tax levy.....	$	3,543,182

This year's property tax levy..... $ 3,865,803

All concerned citizens are invited to attend a public hearing on the tax increase to be held on:

DATE: Wednesday, September 18, 2013
TIME: 5:05 P.M.
PLACE: CITY HALL COUNCIL CHAMBERS at 201 East Main Street
TOWN: TAVARES, FL 32778

A **FINAL DECISION** on the proposed tax increase and the budget will be made at this hearing.

BUDGET SUMMARY
CITY OF TAVARES - FISCAL YEAR 2013-2014

THE PROPOSED OPERATING BUDGET EXPENDITURES OF THE CITY OF TAVARES ARE 6.9% MORE THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.

General Fund	6.4531
Voted Debt Service	0.4533

ESTIMATED REVENUES	Millage per $1000	GENERAL FUND	ENTERPRISE FUNDS	PUBLIC SAFETY SPECIAL REVENUE	GENERAL GOVERNMENT SPECIAL REVENUE FUNDS	CAPITAL PROJECT FUND	DEBT SERVICE	TRUST & AGENCY FUNDS	PERM FUNDS	TOTAL ALL FUNDS
Taxes:										
Ad Valorem Taxes	**6.4531**	**3,797,346**			124,941					3,922,287
Ad Valorem Taxes	**.4533 (voted debt)**	**271,554**								271,554
Local Option Gas Tax		337,644								337,644
Infrastructure Surtax					1,146,020					1,146,020
Franchise Fees		970,151								970,151
Utility Tax Revenue		1,859,873								1,859,873
Other Taxes		61,128								61,128
License & Permits		544,100								544,100
Grant/Intergovernmental Revenue		1,366,987	-		300,978	250,000				1,917,965
Fine & Forfeitures		33,475		1,500						34,975
Interest Income		3,100	6,348	-	2,395		-	668,278	379	680,500
Other Income		113,966	-					957,754		1,071,720
Debt Proceeds		320,000	255,000							575,000
Charges for Services		133,875	11,159,991							11,293,866
Assessment Income				1,569,134						1,569,134
TOTAL SOURCES		**9,813,199**	**11,421,339**	**1,570,634**	**1,574,334**	**250,000**	**-**	**1,626,032**	**379**	**26,255,917**
Reimbursements & Transfers In		3,595,064	1,743,327	-	-	-	271,554	-	-	5,609,945
Fund Balances/Reserves/Net Assets		1,162,901	8,806,343	21,638	253,183	0	176,659	8,987,091	34,521	19,442,343
TOTAL REVENUES, TRANSFERS & BALANCES		**14,571,164**	**21,971,009**	**1,592,272**	**1,827,517**	**250,000**	**448,213**	**10,613,123**	**34,900**	**51,308,205**
EXPENDITURES:										
Executive		39,729								39,729
Administration		1,103,240				-				1,103,240
Community Development		546,484								546,484
Finance & Technology		1,138,515				-				1,138,515
Police		3,316,316		1,500				244,675		3,562,491
Fire		2,247,168			347,872	-		210,672		2,805,712
Parks & Recreation		1,713,255			-	250,000			196	1,963,451
Fleet Maintenance		467,681				-				467,681
General Services (Hwy & Streets)		1,143,048				-				1,143,048
Library		493,225							50	493,275
Economic Development		287,816								287,816
Water			1,887,334							1,887,334
Wastewater			2,880,625							2,880,625
Sanitation			2,024,981			-				2,024,981
Stormwater			406,864							406,864
W&S Impact Fee			854,300							854,300
W&S Renewal & Replacement			149,000							149,000
Marina/Seaplane Base			708,929							708,929
Pavilion			217,010							217,010
Community Redevelopment					86,780					86,780
Debt Service		23,516	1,686,654	-	1,244,637		271,508			3,226,315
TOTAL EXPENDITURES		12,519,993	10,815,697	1,500	1,679,289	250,000	271,508	455,347	246	**25,993,580**
Reimbursements & Transfers Out		877,533	3,370,859	1,569,134	65,034	-	-	-	-	5,882,560
Fund Balance/ Reserves		1,173,638	7,784,453	21,638	83,194	-	176,705	10,157,776	34,654	19,432,065
TOTAL APPROPRIATED EXPENDITURES, TRANSFERS, RESERVES & BALANCES		**14,571,164**	**$21,971,009**	**$1,592,272**	**$1,827,517**	**$250,000**	**$448,213**	**$10,613,123**	**$34,900**	**$51,308,205**

THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD

AGENDA SUMMARY
TAVARES CITY COUNCIL
DATE OF MEETING: September 18, 2013

AGENDA TAB NO. 3

SUBJECT TITLE: Public Hearing to Adopt Resolution 2013-13 Adopting the Final Budget for FY 2014

OBJECTIVE:

To receive public input and consider the approval of Resolution 2013-13 to adopt the Final Budget for Fiscal Year 2014

SUMMARY:

The Final Budget for the General Fund is balanced at $13,397,526, and is based on the following assumptions and details:

- Ad valorem millage rate of 6.4531 mills is 5.22% above the rollback rate of 6.1332 mills, and .4681 mills over the current millage rate of 5.9850 mills.
- An assessed taxable property value of $599,061,342 which is a decrease of 1.19% from the prior year.
- A Fire Assessment at 100% of assessed costs. Rates remain unchanged from the prior year..
- A balanced Final Budget of $13,398,786.
- 2.5% Pay Increase for employees
- PBA & IAFF Union Negotiation Changes (IAFF-$3,211.78; PBA-$23,473.32
- FRS employer contributions are budgeted at blended rates as rate increases are effective July 1, 2013 (*7.095% Regular Class & 18.742% Senior Management Class*).
- Staffing level decreases – Part-time Library Page
- Increase Fire Services by one entry level Firefighter/ALS position effective April 1, 2013
- Increase Police Services by one entry level Police Officer effect September 1, 2013.
- The Fire Pension contribution rate is budgeted at 22.46%
- The Police Pension contribution rate is budgeted at to 21.10%.
- Health insurance is budgeted at an overall increase of 5.57% over prior year and reflects a negotiated package for single and family coverage, life, short and long term disability.
- A workers' compensation rate increase of 5%.
- A general liability rate increase of 10%.

- The Final Budget includes the acquisition of 12 new police vehicles (6 replacements, 6 new).
- The Final Budget funds only operational costs critical to the service delivery mission.
- The Final Budget maintains a similar level of service.
- The Final Budget maintains an estimated reserve balance of $1,137,988 or 8.5% of the Final Budget to be broken out as follows: *(Assumes all revenue budgeted in FY 2013 will be received.)*
  Reserves for unforeseen Emergencies: $1,024,189 (90%)
  Reserves for unforeseen Contingencies: $ 113,970 (10%)

Previously the City Council discussed the proposed Fiscal Year 2014 Budget at the following public meetings:

- March 6th – City Council Meeting – City Council set broad budget goals
- June 20th - Draft Budget To City Council
- July 3rd – Draft Budget Presentation to City Council
- July 10th – City Council Budget Workshop
- July 17th – City Council Budget Workshop – Council sets Final Maximum Millage
- July 24th – City Council Budget Workshop
- August 7th – City Council Budget Workshop
- August 21st – City Council Budget Workshop

A Final Budget has been prepared for the City Council based on discussions at the previous City Council Budget Workshops and the Proposed Budget presented on July 3, 2013.

The following table provides a brief overview of changes made to the General Fund and the Enterprise funds to arrive at the Final Budget for Fiscal Year 2014.

FUND NAME	NUMBER	DRAFT BUDGET	TENTATIVE BUDGET	CHANGE
GENERAL	001	13,467,555	13,397,526	(70,029)
WATER/SEWER	401	7,462,910	7,478,448	15,538
SOLID WASTE	402	2,772,427	2,773,629	1,202
STORMWATER	403	632,450	634,437	1,987
SEAPLANE BASE	405	729,811	708,929	(20,882)
PAVILION	406	532,972	311,341	(221,631)
TOTAL		**25,598,125**	**25,304,310**	**(293,815)**

The Final Budget is balanced at $13,397,526 and reflects a Final Millage Rate of 6.4531 mills with a Fire Assessment at 100% of the assessable Fire budget to fund Fire Services.

OPTIONS:

1. Take Public input and approve the Final Budget for Fiscal Year 2014 as reflected in Resolution 2013-13.

2. Take Public input and approve the Final Budget for Fiscal Year 2014 as reflected in Resolution Number 2013-13 and to reflect additional revisions to the Final Budget.

STAFF RECOMMENDATION:

Take public input and move to approve the Final Budget for Fiscal Year 2014 as reflected in Resolution No. 2013-13.

FISCAL IMPACT: At this point all budgets are balanced.

RESOLUTION 2013 - 13

A RESOLUTION ADOPTING THE FINAL BUDGET FOR THE CITY OF TAVARES, FLORIDA, FOR THE FISCAL YEAR 2013 - 2014.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TAVARES, FLORIDA:

WHEREAS, a public hearing on the proposed 2013-2014 budget was held at the Tavares City Hall Council Chambers in the City of Tavares, Florida, Lake County, Florida on September 4th 2013, at 5:05 p.m., as required by Florida Statutes 200.065; and

WHEREAS, the general public was given an opportunity to express its views pertaining to the proposed budget, and

WHEREAS, the City Council approved the tentative budget for 2013-2014, and

WHEREAS, a second public hearing on the proposed 2013-2014 budget was held in the Council Chambers at the Tavares City Hall, 201 East Main Street in the City of Tavares, Florida, on September 18, 2013, at 5:05 p.m.,

NOW, THEREFORE, BE IT RESOLVED that the Budget for 2013-2014 fiscal year for the City of Tavares, Florida is hereby adopted by the Tavares City Council in the amount of $31,876,140, at public hearing this 18th day of September, 2013.

Fund Name	Fund Number	Estimated Revenues [1]	Reserve Appropriations or (Non-Appropriated Revenues) [2,3]	Estimated Appropriations/ Expenditures
General Fund	001	$ 13,408,263	$ (10,737)	$ 13,397,526
Water/Wastewater Utility	401	7,639,961	(161,513)	7,478,448
Water/Wastewater Impacts	441	-	1,054,300	1,054,300
W/WW RR&I Fund	443	300,000	(151,000)	149,000
SRF Construction Fund	444	-	-	-
W/WW SRF Loan	445	1,076,472	-	1,076,472
Solid Waste	402	2,785,522	(11,893)	2,773,629
Stormwater	403	685,325	(50,888)	634,437
Seaplane Base Fund	405	708,929	-	708,929
Pavilion Fund	406	261,179	50,162	311,341
Police Education	102	1,500	-	1,500
Police Automation	103	-	-	-
Community Redevelopment	105	157,960	(6,146)	151,814
Police Impacts	110	-	-	-
Fire Impacts	111	-	-	-
Forfeiture Fund	112	-	-	-
Park Impacts	114	-	-	-
Fire Assessment Fund	122	1,569,134	-	1,569,134
Infrastructure Sales Tax	150	1,385,763	(61,732)	1,324,031
Grant Fund	151	268,478	-	268,478
Debt Service Fund	201	271,508	-	271,508
Capital Project Fund	301	250,000	-	250,000
Dental Insurance Fund	501	-	-	-
Municipal Police Pension	601	715,841	(505,169)	210,672
Firefighter's Pension	602	910,191	(665,516)	244,675
Mildred Hunter Trust	605	183	(133)	50
Woodlea Park Playground Trust	606	196	-	196
		$ 32,396,405	$ (520,265)	$ 31,876,140

[1] *Estimated Revenues = anticipated revenue collections*

[2] *Negative Reserve Appropriations assumes unappropriated revenues*

[3] *Positive Reserve Appropriations assumes appropriating (spending) an amount of reserves.*

This resolution will take effect immediately upon its adoption.

PASSED AND RESOLVED this18th day of September, 2013, by the City Council of the City of Tavares, Florida. Time Adopted: _____P.M.

_____

Robert Wolfe, Mayor
Tavares City Council

ATTEST:

_____
Nancy A. Barnett
City Clerk

_____
Approved as to form:
Robert Q. Williams
City Attorney

AGENDA SUMMARY
TAVARES CITY COUNCIL
DATE OF MEETING: September 18, 2013

AGENDA TAB NO. 4

SUBJECT TITLE: Ordinance #2013-14 – Amendment to Chapter 15 of the Police Pension Plan – Sections 15-71, 15-76 and 15-85 – Second Reading

OBJECTIVE:

To approve Ordinance #2013-14 amending Chapter 15 of the Police Pension Plan

SUMMARY:

Ordinance #2013-14 has been prepared by the Police Pension Attorney and reviewed and approved by the Board. It amends Section 15-71 to amend the definition of Credited Service and Section 15-85 to comply with recent changes to the Internal Revenue Code relating to tax qualified pension plans. The changes must be approved by October 1 to ensure the continuation of the plan's tax qualified status.

In addition to the mandatory changes a proposed amendment is being made to Section 15-76, Benefit Amounts and Eligibility to allow for a prorated initial cost-of-living adjustment to retirees who have been retired more than twelve months on the July 1 of their first adjustment. At the current time if an employee retires just before July 1st they are required to wait a full year before receiving any COLA increases.

This ordinance has been reviewed by the Board Actuarial Foster & Foster who has indicated its adoption will have no impact on the assumptions used in determining the funding requirements of the program. (See attached letter.)

In addition the retirement benefits consultant for the City has reviewed the ordinance and determined there are no financial impacts to the city. The Consultant will be in attendance at the meeting to answer questions. See attached letter.

OPTIONS:

1. Move to approve Ordinance #2013-14 amending Chapter 15 of the Police Pension Plan
2. Do not approve Ordinance #2013-14.

STAFF RECOMMENDATION:

Option 1: Move to approve Ordinance 2013-14 in compliance with changes to the Internal Revenue Code

FISCAL IMPACT: See report from the Bogdahn Group.

LEGALLY SUFFCIENCY: The ordinance is legally sufficient

ORDINANCE NO. 2013-14

AN ORDINANCE OF THE CITY OF TAVARES AMENDING CHAPTER 15, PENSIONS AND RETIREMENT, ARTICLE IV, POLICE OFFICERS' PENSION TRUST FUND, OF THE CODE OF ORDINANCES OF THE CITY OF TAVARES; AMENDING SECTION 15-71, DEFINITIONS TO AMEND THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 15-76, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 15-85, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TAVARES, FLORIDA;

SECTION 1: That Chapter 15, Pensions and Retirement, Article IV, Police Officers' Pension Trust Fund, of the Code of Ordinances of the City of Tavares, is hereby amended by amending Section 15-71, Definitions, to amend the definition of "*Credited Service*" to read as follows:

* * * * *

Credited service means the total number of years and fractional parts of years of service as a police officer 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. A member may voluntarily leave his accumulated contributions in the fund for a period of five (5) years after leaving the employ of the Tavares Police Department pending the possibility of being reemployed as a police officer, without losing credit for the time that he was a member of the system. If a vested member leaves the employ of the Tavares Police 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 with the Tavares Police Department within five (5) years, his accumulated contributions, if one-thousand dollars ($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 one-thousand dollars ($1,000.00), will be returned only upon written request 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 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 repays into the fund the contributions he has withdrawn, with interest, as determined by the board, within ninety (90) days after his reemployment.

The years or fractional parts of a year 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 with the city to perform training or service, shall be added to his years of credited service for all purposes, including vesting, provided that:

(1) The member is entitled to reemployment under the provisions of USERRA.

(2) The member returns to his employment as a police officer within one (1) year from the earlier of the date of his military discharge or his release from active service, unless otherwise required by USERRA.

(3) The maximum credit for military service pursuant to this paragraph shall be five (5) years.

(4) 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.

* * * * *

SECTION 2: That Chapter 15, Pensions and Retirement, Article IV, Police Officers' Pension Trust Fund, of the Code of Ordinances of the City of Tavares, is hereby amended by amending Section 15-76, Benefit Amounts and Eligibility, subsection (e), *Cost of Living Adjustment*, to read as follows:

* * * * *

(e) *Cost of living adjustment.* On July 1 of each year, following the receipt of benefits (or crediting of benefits for DROP participants) for at least one full year, the monthly benefit of all current and future retirees, including disability retirees and DROP participants, terminated vested persons (in pay status) and the beneficiaries and joint pensioners of these benefit recipients, shall, be increased by two (2) percent. In the event that the first adjustment as determined above is more than twelve (12) months following the actual retirement date, the first adjustment shall be increased by a fraction, the numerator of which is the number of whole months that the first adjustment date exceeds twelve (12) months and the denominator of which shall be twelve (12). Beneficiaries and joint pensioners of Retirees described in this subsection shall receive the adjustment on the date that the deceased Retiree would have been eligible.

* * * * *

SECTION 3: That Chapter 15, Pensions and Retirement, Article IV, Police Officers' Pension Trust Fund, of the Code of Ordinances of the City of Tavares, is hereby amended by amending Section 15-85, Maximum Pension, to read as follows:

Sec. 15-85. Maximum pension.

(a) *Basic limitation.* Notwithstanding any other provisions of this system to the contrary, the member contributions paid to, and retirement benefits paid from, the system shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A) ($160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this System. For purposes of this section, "limitation year" shall be the calendar year.

For purposes of Code Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code Section 415(n) and to rollover contributions (as defined in Code Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

(b) *Adjustments to Basic Limitation for Form of Benefit.* ~~If the form of benefit without regard to any benefit increase feature is not a straight life annuity, then the Code Section 415(b) limit applicable at the annuity starting date is reduced to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the death benefits under the form of benefit.~~ If the benefit under the plan is other than the annual benefit described in subsection (a), then the benefit shall be adjusted so that it is the equivalent of the annual

benefit, using factors prescribed in Treasury Regulations. If the form of the benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the additional benefits under the form of benefit as follows:

(1) For a benefit paid in a form to which section 417(e)(3) of the code does not apply (generally, a monthly benefit), the actuarially equivalent straight life annuity benefit that is the greater of:

a. The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

b. The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a 5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation Section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

(2) For a benefit paid in a form to which section 417(e)(3) of the code applies (generally, a lump sum benefit), the actuarially equivalent straight life annuity benefit that is the greatest of:

a. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

b. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

c. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation Section 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1, 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate in effect for the first day of the plan year with a one-year stabilization period)) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality

table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code), divided by 1.05.

(3) The actuary may adjust the 415(b) limit at the annuity starting date in accordance with subsections (1) and (2) above.

(c) Benefits Not Taken into Account. For purposes of this Section, the following benefits shall not be taken into account in applying these limits:

(1) Any ancillary benefit which is not directly related to retirement income benefits;

(2) Any other benefit not required under §415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1)); and

(3) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity.

(d) *COLA Effect*. Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

(1) A member's applicable limit will be applied to the member's annual benefit in the member's first ~~calendar~~ limitation year of benefit payments without regard to any automatic cost of living adjustments;

(2) thereafter, in any subsequent ~~calendar~~ limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code

Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but

(3) in no event shall a member's benefit payable under the system in any ~~calendar~~ limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the system, for purposes of applying the limits under Code Section 415(b), a Member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Internal Revenue Code and applicable Treasury Regulations.

(e) *Other Adjustments in Limitations.*

(1) In the event the member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar ($160,000) annual benefit beginning at age sixty-two (62).

(2) In the event the member's benefit is based on at least fifteen (15) years of credited service as a full-time employee of the fire or police department of the City, the adjustments provided for in (e)(1) above shall not apply.

(3) The reductions provided for in (e)(1) above shall not be applicable to disability benefits pursuant to Sec. 15-78, or pre-retirement death benefits paid pursuant to Sec. 15-77.

(4) In the event the member's retirement benefit becomes payable after age sixty-five (65), for purposes of determining whether this benefit meets the limit set forth in subsection (a) herein, such benefit shall be adjusted so that

it is actuarially equivalent to the benefit beginning at age sixty-five (65). This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

(f) *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 shall be the amount determined under subsection (a) of this section 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). 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 Sec. 15-78, or pre-retirement death benefits paid pursuant to Sec. 15-77.

(g) *Participation in Other Defined Benefit Plans.* The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the City shall apply as if the total benefits payable under all City defined benefit plans in which the member has been a member were payable from one plan.

(h) *Ten Thousand Dollar ($10,000) Limit; Less Than Ten Years of Service.* Notwithstanding ~~the foregoing~~ anything in this Sec. 15-85, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this subsection (h) of Sec. 15-85 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 ~~plan~~ limitation year and for any prior ~~plan~~ limitation year and the City has not 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 (h) of Sec. 15-85 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).

(i) *Reduction of Benefits.* Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

(j) *Service Credit Purchase Limits.*

(1) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the system, as allowed in Sections 15-96 and 15-97, then the requirements of this section will be treated as met only if:

a. the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or

b. the requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

~~c.~~ For purposes of applying subparagraph (j)(1)a., the System will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of

this subparagraph ~~c.~~, and for purposes of applying subparagraph (j)(1)b. the System will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Internal Revenue Code solely by reason of this subparagraph ~~c.~~.

(2) For purposes of this subsection the term "permissive service credit" means service credit—

a. recognized by the system for purposes of calculating a member's benefit under the plan,

b. which such member has not received under the plan, and

c. which such member may receive only by making a voluntary additional contribution, in an amount determined under the system, which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the system, include service credit for periods for which there is no performance of service, and, notwithstanding clause (j)(2)b., may include service credited in order to provide an increased benefit for service credit which a member is receiving under the system.

(k) *Contribution Limits.*

(~~3~~ 1) For purposes of applying the Code Section 415(c) limits ~~in this subsection (j).~~ which are incorporated by reference and for purposes of this subsection (k), only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a ~~calendar~~ limitation year, except as noted below and as permitted by Treasury Regulations Section 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury

Regulations Section 1.415(c)-2, or successor regulation, is specified by the system, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2).

a. However, for ~~calendar~~ limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For ~~calendar~~ limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).

b. For limitation years beginning on and after January 1, 2007, compensation for the ~~calendar~~ limitation year will also include compensation paid by the later of 2½ months after an employee's severance from employment or the end of the ~~calendar~~ limitation year that includes the date of the employee's severance from employment if:

1. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from

employment, the payments would have been paid to the employee while the employee continued in employment with the employer; or

2. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

c. Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(4 2) Notwithstanding any other provision of law to the contrary, the board may modify a request by a member to make a contribution to the system if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

a. If the law requires a lump sum payment for the purchase of service credit, the board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).

b. If payment pursuant to subparagraph ~~(j)(4)a~~ (k)(2)a. will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution.

(3) If the annual additions for any member for a limitation year exceed the limitation under section 415(c) of the code, the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).

(4) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this subsection (k) shall not exceed the annual limit under section 401(a)(17) of the code.

(~~k~~ l) *Additional Limitation on Pension Benefits.* Notwithstanding anything herein to the contrary:

(1) The normal retirement benefit or pension payable to a retiree who becomes a member of the system and who has not previously participated in such system, on or after January 1, 1980, shall not exceed one hundred percent (100%) of his average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

(2) 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, Title 10, U.S. Code.

SECTION 4: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Tavares.

SECTION 5: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 6: 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 7: That this Ordinance shall become effective upon its adoption.

PASSED AND ORDAINED ON this _____ day of _____, 2013, by the City Council of the City of Tavares, Florida.

_____
Robert Wolfe, Mayor
Tavares City Council

Passed First Reading:_____

Passed Second Reading:_____

ATTEST:

_____
Nancy A. Barnett
CITY CLERK

Approved as to form:

_____
Robert Q. Williams
CITY ATTORNEY

Law Offices
Christiansen & Dehner, P.A.
63 Sarasota Center Blvd. Suite 107 Sarasota, Florida 34240 • 941-377-2200 • Fax 941-377-4848

June 11, 2013

Mr. Sean Dison
Tavares Police Officers' Pension Trust Fund
P. O. Box 1068
Tavares, Florida 32778-1068

Re: City of Tavares Police Officers' Pension Trust Fund

Dear Sean:

Enclosed please find a proposed ordinance amending the City of Tavares Police Officers' Pension Trust Fund. This ordinance amends Section 15-71, Definitions to amend the definition of Credited Service, and Section 15-85, Maximum Pension, to comply with recent changes to the Internal Revenue Code (IRC) relating to tax qualified pension plans such as this plan. These amendments clarify language required by the IRC and are mandatory amendments that must be made by September 30, 2013 to ensure the continuation of the plan's tax qualified status. With these additional changes, the pension plan will comply with all required applicable IRC changes and updates.

In addition to the above mandatory changes, a proposed amendment is being made to Section 15-76, Benefit Amounts and Eligibility, to allow for a prorated initial cost-of-living adjustment to retirees who have been retired more than twelve months on the July 1 of their first adjustment.

Please provide a copy of this ordinance to each member of the board for review and approval at the next meeting.

By copy of this letter to the plan's actuary, Foster & Foster, Inc., I am requesting that they provide you with a letter indicating that there is no cost associated with the adoption of this ordinance.

If you have any questions, please feel free to give me a call.

Yours very truly,

Scott R. Christiansen

SRC/dm
enclosure

cc: Doug Lozen, with enclosure
Nancy Barnett

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

June 26, 2013

VIA EMAL AND MAIL

Mr. Sean Dison
City of Tavares Police Officers' Pension Trust Fund
PO Box 1068
Tavares, FL 32778

Re: City of Tavares Police Officers' Pension Trust Fund

Dear Sean:

In response to the letter from Scott Christiansen dated June 11, 2013, we have reviewed the proposed Ordinance (identified on page 14 as dm/tav/pol/06-07-13.ord) modifying the language to comply with changes in the Internal Revenue Code, and also amending the Plan to allow for a prorated initial cost-of-living adjustment. We have determined that its adoption 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,

Douglas H. Lozen, EA, MAAA
DHL/lke

cc: Scott R. Christiansen, Plan Attorney
cc: Captain David Myers
cc: Nancy Barnett, City Clerk

THE BOGDAHN GROUP
simplifying your investment and fiduciary decisions

MEMORANDUM

FROM:	The Bogdahn Group;
	Daniel Johnson, Steve Gordon, and Mike Welker, CFA
TO:	**City of Tavares Police Officers' Pension Trust Fund**
DATE:	August 16, 2013
RE:	Summary of Proposed Pension Ordinance Revisions

We have provided below our initial review of the proposed ordinance revisions for the City of Tavares Police Officers' Pension Trust Fund ("Police Plan"). The review encompasses a proposed ordinance which covers mandatory changes to the Police Plan per Internal Revenue Code requirements but additionally introduces a revision to language in the Plan to indicate a prorated initial cost-of living adjustment. We have indicated our review of this ordinance to cover each section of the ordinance separately including "Internal Revenue Code Changes" as well as "Prorated Initial Cost of Living Adjustment"

AN ORDINANCE OF THE CITY OF TAVARES AMENDING CHAPTER 15, PENSIONS AND RETIREMENT, ARTICLE IV, POLICE OFFICERS' PENSION TRUST FUND, OF THE CODE OF ORDINANCES OF THE CITY OF TAVARES; AMENDING SECTION 15-71, DEFINITIONS TO AMEND THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 15-76, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 15-85, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS

Items pertaining to Internal Revenue Code Changes:

It is important to note that this ordinance has been provided by the legal counsel from the Pension Boards along with indication that it needs to be adopted by September 30, 2013 for each of the plans.

The ordinance revisions have been provided separately for each of the Police and Fire Plans, but each represents the same compliance language that is requested to be revised. As the Police and Fire Plans are tax-exempt entities, they each must comply with certain Internal Revenue Code regulations to continue to maintain this tax-exempt status. Periodically, IRS regulatory requirements will require compliance changes to local ordinance and plan descriptions even though the language itself does not create any financial impact to the Plan.

Considerations: It is our understanding the Pension Plans utilize legal counsel that provides oversight to these required compliance updates from the IRS. Accordingly, this proposed revision to the ordinance covers current changes needed to amend the language in the ordinance to allow the Plans to continue to maintain compliance with the current Internal Revenue Code. Similar language has been proposed across the State of Florida for other local government clients of The Bogdahn Group in accordance with these compliance provisions, and we would not understand the requested provisions to be unique.

Conclusion: This ordinance revision, in our opinion, should include a ***"no-cost" impact letter*** from the actuary. With the understanding that these revisions are proposed by legal counsel for the purpose of maintaining compliance with the Internal Revenue Code and have a no-cost impact to the Plan; we would recommend adoption of the "Compliance" ordinances by the requested timeframe of September 30, 2013.

Cost of Living Modification per letter dated June 11, 2013. This letter was addressed to Mr. Sean Dison, from Scott R. Christiansen.

<u>Items pertaining to Prorated Initial Cost of Living Adjustment:</u>

The ordinance revision for the Police Plan indicates a proposed modification to the interpretation of the Cost-of Living Adjustment "COLA" in the Plan. Currently the Plan offers a 2% COLA to members on July 1st of each year following the receipt of benefits for 1 full year. The clarification proposed in the Ordinance Changes would address the time prior to the members full year of service and the first July 1st COLA adjustment. While the ordinance does propose a revision to the language, we cannot be certain as to the true intended nature of the COLA benefit.

Considerations: We agree that there is a need for clarification of this item. A contrasting point of view to the proration of the initial time period could be that the language was written to indicate a two-fold criteria:

1) member must be retired for twelve months, and
2) realization of July 1st COLA adjustment time period.

As the letter from the Plan's legal counsel indicates that this language is accompanied by a no-cost impact letter from the actuary, we are led to believe that the proration methodology may have been used for historical calculations and accordingly the change is intended to be a language clarification.

Conclusion: Since we cannot attest to the intention of the original benefit, the City must consider if this provision is consistent with historical applications and/or determine if it wishes to apply the COLA for all members equally regardless of calendar date of entry into retirement service. If so, then the revision would properly clarify future interpretations of the ordinance.

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www.bogdahngroup.com

Orlando Sentinel/Lake Sentinel
Sunday, September 8, 2013 Edition
Ordinance 2012-14

CITY OF TAVARES

NOTICE IS HEREBY GIVEN that the Tavares City Council will consider the Ordinance 2013-14, Second Reading, on September 18, 2013 at 4:00 p.m. Tavares City Hall, 201 E. Main Street, Tavares, FL 32778.

ORDINANCE NO. 2013-14

AN ORDINANCE OF THE CITY OF TAVARES AMENDING CHAPTER 15, PENSIONS AND RETIREMENT, ARTICLE IV, POLICE OFFICERS' PENSION TRUST FUND, OF THE CODE OF ORDINANCES OF THE CITY OF TAVARES; AMENDING

Legal Notices

Public Hearing Notices

SECTION 15-71, DEFINITIONS TO AMEND THE DEFINITION OF "CREDITED SERVICE"; AMENDING SECTION 15-76, BENEFIT AMOUNTS AND ELIGIBILITY; AMENDING SECTION 15-85, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

The Ordinance may be inspected by the public at the Office of the City Clerk, at the Tavares City Hall, 201 E. Main Street, Tavares, Florida, between the hours of 8 a.m. and 5 p.m. on business days. All interested parties may appear at the meeting and be heard or submit their comments prior to the meeting.

LAK1253074 9/8/2013

AGENDA SUMMARY
TAVARES CITY COUNCIL
DATE OF MEETING: September 18, 2013

AGENDA TAB NO. 5

SUBJECT TITLE: Ordinance #2013-15 – Amendment to Chapter 15 of the Fire Pension Plan – Sections 15-01 and 15-115 – Second Reading

OBJECTIVE:

To approve Ordinance #2013-15 amending Chapter 15 of the Fire Pension Plan

SUMMARY:

Ordinance #2013-15 has been prepared by the Police Pension Attorney and reviewed and approved by the Board. It amends Section 15-101 to amend the definition of Credited Service and Section 15-115, Maximum Pension to comply with recent changes to the Internal Revenue Code relating to tax qualified pension plans. The changes must be approved by October 1 to ensure the continuation of the plan's tax qualified status.

This ordinance has been reviewed by the Board Actuarial Foster & Foster who has indicated its adoption will have no impact on the assumptions used in determining the funding requirements of the program. See attached letter.

In addition the retirement benefits consultant for the City has reviewed the ordinance and determined there are no financial impacts to the city. See attached letter.

OPTIONS:

1. Move to approve Ordinance #2013-15 amending Chapter 15 of the Fire Pension Plan
2. Do not approve Ordinance #2013-15.

STAFF RECOMMENDATION:

Option 1: Move to approve Ordinance 2013-15 in compliance with changes to the Internal Revenue Code

FISCAL IMPACT: - See report from the Bogdahn Group.

LEGALLY SUFFCIENCY: The ordinance is legally sufficient

ORDINANCE NO. 2013-15

AN ORDINANCE OF THE CITY OF TAVARES AMENDING CHAPTER 15, PENSIONS AND RETIREMENT, ARTICLE V, FIREFIGHTERS' PENSION TRUST FUND, OF THE CODE OF ORDINANCES OF THE CITY OF TAVARES; AMENDING SECTION 15-101, DEFINITIONS; AMENDING SECTION 15-115, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TAVARES, FLORIDA;

SECTION 1: That Chapter 15, Pensions and Retirement, Article V, Firefighters' Pension Trust Fund, of the Code of Ordinances of the City of Tavares, is hereby amended by amending Section 15-101, Definitions, to amend the definitions of "*Credited Service*" and *"Salary"*, to read as follows:

* * * * *

Credited service means the total number of years and fractional parts of years of service as a 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 firefighter. A member may voluntarily leave his accumulated contributions in the fund for a period of five (5) years after leaving the employ of the Tavares Fire Department pending the possibility of being reemployed as a firefighter, without losing credit for the time that he was a member of the system. If a vested member leaves the employ of the Tavares 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 firefighter with the Tavares Fire Department within five (5) years, his accumulated contributions, if one-thousand dollars ($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 one-thousand dollars ($1,000.00), will be returned only upon written request 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 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 firefighter repays into the fund the contributions he has withdrawn, with interest, as determined by the board, within ninety (90) days after his reemployment.

The years or fractional parts of a year 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 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:

(1) The member is entitled to reemployment under the provisions of USERRA.

(2) The member returns to his employment as a firefighter within one (1) year from the earlier of the date of his military discharge or his release from active service, unless otherwise required by USERRA.

(3) The maximum credit for military service pursuant to this paragraph shall be five (5) years.

(4) 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.

* * * * *

Salary means total compensation paid to a member for services rendered to the City as Firefighter reportable on the Member's W-2 form plus all tax deferred, tax sheltered, or tax exempt items of income derived from elective employee payroll deductions or salary reductions, but not including lump sum payments of vacation and sick time ~~or any payments for extra duty or a special detail work performed on behalf of a second party employer~~. For service earned after November 21, 2012 (the "effective date"), Salary shall not include more than three hundred (300) hours of overtime per fiscal year. Provided however, in any event, payments for overtime in excess of three hundred (300) hours per year accrued of the effective date and attributable to service earned prior to the effective date, may still be included in Salary for pension purposes even if the payment is not actually made until on or after the effective date. Additional hours worked pursuant to the Fair Labor Standards Act (FLSA) shall not be deemed to be overtime.

Compensation in excess of the limitations set forth in Section 401(a)(17) of the Code as of the first day of the plan year shall be disregarded for any purpose, including employee contributions or any benefit calculations. The annual compensation of each member taken into account in determining benefits or employee contributions for any plan year beginning on or after January 1, 2002, may not exceed $200,000, as adjusted for cost-of-living increases in accordance with Code Section 401(a)(17)(B). Compensation means compensation during the fiscal year. The cost-of-living adjustment in effect for a

calendar year applies to annual compensation for the determination period that begins with or within such calendar year. If the determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12. If the compensation for any prior determination period is taken into account in determining a member's contributions or benefits for the current plan year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period. The limitation on compensation for an "eligible employee" shall not be less than the amount which was allowed to be taken into account hereunder as in effect on July 1, 1993. "Eligible employee" is an individual who was a Member before the first Plan Year beginning after December 31, 1995.

SECTION 2: That Chapter 15, Pensions and Retirement, Article V, Firefighters' Pension Trust Fund, of the Code of Ordinances of the City of Tavares, is hereby amended by amending Section 15-115, Maximum Pension, to read as follows:

* * * * *

Sec. 15-115. Maximum pension.

(a) *Basic limitation.* Notwithstanding any other provisions of this system to the contrary, the member contributions paid to, and retirement benefits paid from, the system shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A) ($160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this System. For purposes of this section, "limitation year" shall be the calendar year.

For purposes of Code Section 415(b), the "annual benefit" means a benefit payable annually in the form of a straight life annuity (with no ancillary benefits) without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code Section 415(n) and to rollover contributions (as defined in Code Section 415(b)(2)(A)). The "benefit attributable" shall be determined in accordance with Treasury Regulations.

(b) *Adjustments to Basic Limitation for Form of Benefit.* ~~If the form of benefit without regard to any benefit increase feature is not a straight life annuity, then the Code Section 415(b) limit applicable at the annuity starting date is reduced to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the death benefits under the form of benefit.~~ If the benefit under the plan is other than the annual benefit described in subsection (a), then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors prescribed in Treasury Regulations. If the form of the benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount (determined using the assumptions specified in Treasury Regulation Section 1.415(b)-1(c)(2)(ii)) that takes into account the additional benefits under the form of benefit as follows:

(1) For a benefit paid in a form to which section 417(e)(3) of the code does not apply (generally, a monthly benefit), the actuarially equivalent straight life annuity benefit that is the greater of:

a. The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the form of benefit to the member, or

b. The annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value

as the form of benefit payable to the member, computed using a 5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables described in Treasury Regulation Section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Rulings 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

(2) For a benefit paid in a form to which section 417(e)(3) of the code applies (generally, a lump sum benefit), the actuarially equivalent straight life annuity benefit that is the greatest of:

a. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

b. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a 5.5 percent interest assumption (or the applicable statutory interest assumption) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years

after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code); or

c. The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable (computed using the applicable interest rate for the distribution under Treasury Regulation Section 1.417(e)-1(d)(3) (the 30-year Treasury rate (prior to January 1, 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate in effect for the first day of the plan year with a one-year stabilization period)) and (i) for years prior to January 1, 2009, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), and (ii) for years after December 31, 2008, the applicable mortality tables described in section 417(e)(3)(B) of the code (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing section 417(e)(3)(B) of the code), divided by 1.05.

(3) The actuary may adjust the 415(b) limit at the annuity starting date in accordance with subsections (1) and (2) above.

(c) *Benefits Not Taken into Account.* For purposes of this Section, the following benefits shall not be taken into account in applying these limits:

(1) Any ancillary benefit which is not directly related to retirement income benefits;

(2) Any other benefit not required under §415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1); and

(3) That portion of any joint and survivor annuity that constitutes a qualified joint and survivor annuity.

(d) *COLA Effect.* Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

(1) A member's applicable limit will be applied to the member's annual benefit in the member's first ~~calendar~~ limitation year of benefit payments without regard to any automatic cost of living adjustments;

(2) thereafter, in any subsequent ~~calendar~~ limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but

(3) in no event shall a member's benefit payable under the system in any ~~calendar~~ limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the system, for purposes of applying the limits under Code Section 415(b), a Member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Code and applicable Treasury Regulations.

(e) *Other Adjustments in Limitations.*

(1) In the event the member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such

limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to a one hundred sixty thousand dollar ($160,000) annual benefit beginning at age sixty-two (62).

(2) In the event the member's benefit is based on at least fifteen (15) years of credited service as a full-time employee of the fire or police department of the City, the adjustments provided for in (e)(1) above shall not apply.

(3) The reductions provided for in (e)(1) above shall not be applicable to disability benefits pursuant to Sec. 15-108, or pre-retirement death benefits paid pursuant to Sec. 15-107.

(4) In the event the member's retirement benefit becomes payable after age sixty-five (65), for purposes of determining whether this benefit meets the limit set forth in subsection (a) herein, such benefit shall be adjusted so that it is actuarially equivalent to the benefit beginning at age sixty-five (65). This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

(f) *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 shall be the amount determined under subsection (a) of this section 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). 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 Sec. 15-108, or pre-retirement death benefits paid pursuant to Sec. 15-107.

(g) *Participation in Other Defined Benefit Plans.* The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the City shall apply as if the total benefits payable under all City defined benefit plans in which the member has been a member were payable from one plan.

(h) *Ten Thousand Dollar ($10,000) Limit; Less Than Ten Years of Service.* Notwithstanding ~~the foregoing~~ anything in this Sec. 15-115, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this subsection (h) of Sec. 15-115 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 ~~plan~~ limitation year and for any prior ~~plan~~ limitation year and the City has not 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 (h) of Sec. 15-115 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).

(i) *Reduction of Benefits.* Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures for defined contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other

plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

(j) *Service Credit Purchase Limits.*

(1) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the system, as allowed in Sections 15-126 and 15-127, then the requirements of this section will be treated as met only if:

a. the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or

b. the requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

~~c.~~ For purposes of applying subparagraph (j)(1)a., the System will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of this subparagraph ~~c.~~, and for purposes of applying subparagraph (j)(1)b. the System will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Code solely by reason of this subparagraph ~~c.~~.

(2) For purposes of this subsection the term "permissive service credit" means service credit—

a. recognized by the system for purposes of calculating a member's benefit under the plan,

b. which such member has not received under the plan, and

c. which such member may receive only by making a voluntary additional contribution, in an amount determined under the system,

which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the system, include service credit for periods for which there is no performance of service, and, notwithstanding clause (j)(2)b., may include service credited in order to provide an increased benefit for service credit which a member is receiving under the system.

(k) *Contribution Limits.*

(~~3~~ 1) For purposes of applying the Code Section 415(c) limits ~~in this subsection (j).~~ which are incorporated by reference and for purposes of this subsection (k), only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a ~~calendar~~ limitation year, except as noted below and as permitted by Treasury Regulations Section 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury Regulations Section 1.415(c)-2, or successor regulation, is specified by the system, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2).

a. However, for ~~calendar~~ limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections

125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For ~~calendar~~ limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).

b. For limitation years beginning on and after January 1, 2007, compensation for the ~~calendar~~ limitation year will also include compensation paid by the later of 2½ months after an employee's severance from employment or the end of the ~~calendar~~ limitation year that includes the date of the employee's severance from employment if:

1. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the employee while the employee continued in employment with the employer; or
2. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

c. Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(~~4~~ 2) Notwithstanding any other provision of law to the contrary, the board may modify a request by a member to make a contribution to the system if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

a. If the law requires a lump sum payment for the purchase of service credit, the board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).

b. If payment pursuant to subparagraph ~~(j)(4)a~~ (k)(2)a. will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution.

(3) If the annual additions for any member for a limitation year exceed the limitation under section 415(c) of the code, the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).

(4) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this subsection (k) shall not exceed the annual limit under section 401(a)(17) of the code.

(~~k~~ l) *Additional Limitation on Pension Benefits.* Notwithstanding anything herein to the contrary:

(1) The normal retirement benefit or pension payable to a retiree who becomes a member of the system and who has not previously participated in such system, on or after January 1, 1980, shall not exceed one hundred percent (100%) of his average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

(2) 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, Title 10, U.S. Code.

* * * * *

SECTION 3: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Tavares.

SECTION 4: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 5: 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 6: That this Ordinance shall become effective upon its adoption.

PASSED AND ORDAINED ON this _____ day of _____, 2013, by the City Council of the City of Tavares, Florida.

_____
Robert Wolfe, Mayor
Tavares City Council

Passed First Reading:_____

Passed Second Reading:_____

ATTEST:

_____
Nancy A. Barnett
CITY CLERK

Approved as to form:

_____
Robert Q. Williams
CITY ATTORNEY

dm/tav/fire/06-06-13.ord

Law Offices
Christiansen & Dehner, P.A.
63 Sarasota Center Blvd. Suite 107 Sarasota, Florida 34240 • 941-377-2200 • Fax 941-377-4848

June 11, 2013

Chief Richard Keith
Tavares Firefighters Pension Trust Fund
424 E. Alfred St.
Tavares, Florida 32778

Re: City of Tavares Firefighters' Pension Trust Fund

Dear Rich:

Enclosed please find a proposed ordinance amending the City of Tavares Firefighters' Pension Trust Fund. This ordinance amends Section 15-101, Definitions to amend the definition of Credited Service, and Section 15-115, Maximum Pension, to comply with recent changes to the Internal Revenue Code (IRC) relating to tax qualified pension plans such as this plan. These amendments clarify language required by the IRC and are mandatory amendments that must be made by September 30, 2013 to ensure the continuation of the plan's tax qualified status. With these additional changes, the pension plan will comply with all required applicable IRC changes and updates. Please provide a copy of this ordinance to each member of the board for review and approval at the next meeting.

By copy of this letter to the plan's actuary, Foster & Foster, Inc., I am requesting that they provide you with a letter indicating that there is no cost associated with the adoption of this ordinance.

If you have any questions, please feel free to give me a call.

Yours very truly,

Scott R. Christiansen

SRC/dm
enclosure

cc: Doug Lozen, with enclosure

7.B.1

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

June 26, 2013

VIA EMAL AND MAIL

Chief Richard Keith
City of Tavares Firefighters' Pension Trust Fund
424 E. Alfred St.
Tavares, FL 32778

Re: City of Tavares Firefighters' Pension Trust Fund

Dear Chief Keith:

In response to the letter from Scott Christiansen dated June 11, 2013, we have reviewed the proposed Ordinance (identified on page 14 as dm/tav/fire/06-06-13.ord) modifying the language to comply with changes in the Internal Revenue Code, and have determined that its adoption 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,

Douglas H. Lozen, EA, MAAA
DHL/lke

Cc: Scott R. Christiansen, Plan Attorney

13420 Parker Commons Blvd., Suite 104 Fort Myers, FL 33912 · (239) 433-5500 · Fax (239) 481-0634 · www.foster-foster.com

THE BOGDAHN GROUP
simplifying your investment and fiduciary decisions

MEMORANDUM

FROM:	The Bogdahn Group;
	Daniel Johnson, Steve Gordon, and Mike Welker, CFA
TO:	**City of Tavares Firefighters' Pension Trust Fund**
DATE:	August 30, 2013
RE:	Summary of Proposed Pension Ordinance Revisions

We have provided below our initial review of the proposed ordinance revisions for the City of Tavares Firefighters' Pension Trust Fund "Fire".

AN ORDINANCE OF THE CITY OF TAVARES AMENDING CHAPTER 15, PENSIONS AND RETIREMENT, ARTICLE V, FIREFIGHTERS' PENSION TRUST FUND, OF THE CODE OF ORDINANCES OF THE CITY OF TAVARES; AMENDING SECTION 15-101, DEFINITIONS; AMENDING SECTION 15-115, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS

It is important to note that this ordinance has been provided by the legal counsel from the Pension Boards along with indication that it needs to be adopted by September 30, 2013 for each of the plans.

The ordinance revisions have been provided separately for each of the Police and Fire Plans, but each represents the same compliance language that is requested to be revised. As the Police and Fire Plans are tax-exempt entities, they each must comply with certain Internal Revenue Code regulations to continue to maintain this tax-exempt status. Periodically, IRS regulatory requirements will require compliance changes to local ordinance and plan descriptions even though the language itself does not create any financial impact to the Plan.

Considerations: It is our understanding the Pension Plans utilize legal counsel that provides oversight to these required compliance updates from the IRS. Accordingly, this proposed revision to the ordinance covers current changes needed to amend the language in the ordinance to allow the Plans to continue to maintain compliance with the current Internal Revenue Code. Similar language has been proposed across the State of Florida for other local government clients of The Bogdahn Group in accordance with these compliance provisions, and we would not understand the requested provisions to be unique.

Conclusion: This ordinance revision, in our opinion, should include a ***"no-cost" impact letter*** from the actuary. With the understanding that these revisions are proposed by legal counsel for the purpose of maintaining compliance with the Internal Revenue Code and have a no-cost impact to the Plan; we would recommend adoption of the "Compliance" ordinances by the requested timeframe of September 30, 2013.

Orlando Sentinel/Lake Sentinel
Sunday, September 8, 2013 Edition
Ordinance 2012-15

Public Hearing Notices

CITY OF TAVARES

NOTICE IS HEREBY GIVEN that the Tavares City Council will consider the Ordinance 2013-15, Second Reading, on September 18, 2013 at 4:00 p.m. Tavares City Hall, 201 E. Main Street, Tavares, FL 32778.

ORDINANCE NO. 2013-15

AN ORDINANCE OF THE CITY OF TAVARES AMENDING CHAPTER 15, PENSIONS AND RETIREMENT, ARTICLE V, FIREFIGHTERS' PENSION TRUST FUND, OF THE CODE OF ORDINANCES OF THE CITY OF TAVARES; AMENDING SECTION 15-101, DEFINITIONS; AMENDING SECTION 15-115, MAXIMUM PENSION; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING AN EFFECTIVE DATE.

The Ordinance may be inspected by the public at the Office of the City Clerk, at the Tavares City Hall, 201 E. Main Street, Tavares, Florida, between the hours of 8 a.m. and 5 p.m. on business days. All interested parties may appear at the meeting and be heard or submit their comments prior to the meeting.

LAK1253050 9/8/2013

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TAVARES

America's Seaplane City™

AGENDA SUMMARY
September 18, 2013

AGENDA TAB NO. 6

SUBJECT TITLE: Contract with Independent Retirement Plan Advisor

OBJECTIVE: To obtain Council approval of the negotiated contract for Independent Retirement Plan Advisor annual services provided by the Bogdahn Group

SUMMARY:

On August 7, 2013, the Tavares City Council approved the selection of and contract negotiation with the Bogdahn Group to provide independent retirement plan consulting for the Tavares Police Officers Pension Plan, Tavares Firefighters Pension Plan, Hartford Retirement Plan and the Florida Retirement System; and for the current ICMA, Hartford and Nationwide voluntary pre-tax retirement savings plans.

Contract negotiations with the firm provided a clear understanding of the value and advantage to the City of an annual fee schedule model, which provides access to an unlimited scope of services for an annual cost of $25,000.

OPTIONS:

Option 1: That Council approve the negotiated contract with the Bogdahn Group for independent retirement plan services in the amount of $25,000.
Option 2: That Council does not approve the negotiated contract with the Bogdahn Group for independent retirement plan services in the amount of $25,000.

STAFF RECOMMENDATION:

Staff recommends Option 1, that Council approve the negotiated contract with the Bogdahn Group for independent retirement plan services in the amount of $25,000.

FISCAL IMPACT:

As previously authorized by Council, services rendered by the independent retirement plan advisor will be contracted for a 5-year period.

The contract will be funded through available sources in the following accounts:

• Human Res. Contractual Services	001-1701-513-34-10	$12,400
• General Gov. Regular Wages	001-1202-512-12-10	7,000
• General Gov. Health Insurance	001-1202-512-23-10	5,600

FOR PROFESSIONAL SERVICES PROVIDED TO

CITY OF TAVARES, FLORIDA

BY

THE BOGDAHN GROUP

August ____, 2013

CONTRACT BETWEEN THE CITY OF TAVARES AND THE BOGDAHN GROUP

This Contract is made this _____ day of August, 2013, by and between the CITY OF TAVARES, hereinafter called "CITY" and BOGDAHN CONSULTING, LLC D/B/A THE BOGDHAN GROUP, hereinafter called "CONSULTANT".

WHEREAS, the CONSULTANT has specialized skill in providing professional services in connection with the municipal pension and investment plans and regulations; and,

WHEREAS, the CONSULTANT has been selected by the CITY to perform certain professional services by providing consulting services to the CITY on its various municipal pension plans including, but not limited to, the CITY's General Employee Pension Plan, the Police Pension Plan, the Firefighters' Pension Plan, and the Florida Retirement System,

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto agree as follows:

SECTION ONE: Scope of Work. CONSULTANT agrees to perform all work necessary for providing professional consulting in connection with the CITY's various pension plans, as more particularly set forth in attached Exhibit "A". The CONSULTANT's work shall be provided on an as needed basis, based on written work orders issued by the City Administrator.

SECTION TWO: Term. The term of this Contract shall be for five (5) years, or until earlier terminated as provided herein.

SECTION THREE: Termination. This contract may be terminated by the CITY for its convenience upon thirty (30) days prior written notice to the CONSULTANT. In the event of termination, the CONSULTANT shall be paid as compensation in full for services completed to the day of such termination, an amount prorated in accordance with services substantially completed under this contract.

SECTION FOUR: Compensation. Fee for professional services provided by CONSULTANT under this contract shall be an all-inclusive annual fee, billed quarterly in arrears, of $25,000.00.

SECTION FIVE: Project Records. All records in any manner whatsoever to the assigned project, or any designated portion thereof, which are in possession of the CONSULTANT, shall be made available, upon request by the CITY, for inspection and copying upon written request of the CITY, Additionally, said records shall be made available, upon request by the CITY to any state, federal or other regulatory authorities and any such authority may review. Said records include, but are not limited to, all submittals, correspondence, minutes, memoranda, tape recordings, videos, or other writings which document the project. The CONSULTANT shall maintain and protect those records for no less than three (3) years

after final completion of the Contract, or for any longer period of time as may be required by applicable law.

SECTION SIX: Ownership of the Preliminary and Final Records. All preliminary and final reports, documentation and other records prepared by the CONSULTANT shall become and be the sole property of the CITY. The CONSULTANT shall maintain original documents thereof and for its future professional endeavors and provide reproducible copies to the CITY.

SECTION SEVEN: Contract Documents. The term "Contract Documents" means and includes the following:

A. The Scope of Work attached hereto as Exhibit "A".

B. The fee schedule submitted by the CONSULTANT to the CITY (attached as Exhibit "B").

C. This Contract as well as all other documents attached hereto and/or referenced herein.

SECTION EIGHT: Indemnity. CONSULTANT shall defend, indemnify and hold harmless CITY and all of CITY'S officers, agents and employees from and against all claims, liability, loss and expense, including reasonable costs, collection expenses, attorneys' fees and courts costs which may arise because of the negligence (whether active or passive), misconducts, or other fault, in whole or in part (whether joint, concurrent or contributing), of CONSULTANT, its officers, agents or employees in performance or non-performance of its obligations under the CONTRACT. CONSULTANT recognizes the broad nature of this indemnification and hold harmless clause, as well as the provision of a legal defense to CITY when necessary, and voluntarily makes this covenant and expressly acknowledges the receipt of such good and valuable consideration provided by CITY in support of these indemnifications, legal defense and hold harmless contractual obligations in accordance with the laws of the State of Florida. This clause shall survive the termination of this CONTRACT. Compliance with any insurance requirements stated elsewhere in this CONTRACT shall not relieve CONSULTANT of its liability and obligation to defend, hold harmless and indemnify CITY as set forth in this section of the CONTRACT.

Nothing herein shall be construed to extend CITY'S liability beyond that provided in Section 768.28, Florida Statutes.

SECTION NINE: Insurance. CONSULTANT shall, at its sole cost and expense, procure and maintain throughout the term of this contract, Comprehensive General Liability protecting CONSULTANT and CITY from claims which may arise from or in connection with the performance of CONSULTANT'S services by CONSULTANT'S officers, directors, agents, and employees; Workers' Compensation insurance (unless exempt), including Employer Liability insurance, with minimum policy limits of $1,000,000 combined single limits, or to the extent and in such amounts as required by Florida law; and (c) professional liability insurance with minimum policy limits of $5,000,000, protecting CITY from errors and omissions of

CONSULTANT from or in connection with the performance of CONSULTANT services hereunder.

CONSULTANT will provide endorsed certificates of insurance generated and executed by a licensed insurance broker, brokerage or similarly licensed insurance professional evidencing such coverage, and specifically adding the CITY as additional insured on all policies with the exception of Workers' Compensation and professional liability.

All policies shall provide a 30-day notification clause in the event of cancellation or modification to the policy. All certificates of insurance must be on file with and approved by CITY before commencement of any work activities.

Said insurance coverages procured by CONSULTANT as required herein shall be considered as primary insurance over and above any other coverage or self-insurance available to CITY, and that any other insurance or self-insurance available to CITY shall be considered secondary to or in excess of the insurance coverage(s) procured by CONSULTANT as required within.

Nothing herein shall be construed to extend CITY'S liability beyond that provided in Section 768.28, Florida Statutes.

SECTION TEN: Assignment. This contract may not be assigned except with the written consent of the CITY, and if so assigned, shall bind and be binding upon the successors and assigns of the CONSULTANT.

SECTION ELEVEN: Administration of Contract. The City Administrator or his representative shall administer this contract for the CITY.

SECTION TWELVE: Venue. This contract shall be interpreted, construed, and governed according to the laws of the State of Florida. The parties agree to venue in Lake County, Florida for any litigation pertaining to this Contract. In the event there is litigation, the prevailing party shall be entitled to reasonable attorney's fees.

SECTION THIRTEEN: Amendments. No Amendments or variation of the terms or conditions of this Contract shall be valid unless in writing and signed by all parties.

SECTION FOURTEEN: Entire Contract. This contract constitutes the entire agreement between the parties and supercedes any and all prior communications, discussions, negotiations, understandings and agreements.

SECTION FIFTEEN: Invalid Provision. The invalidity or unenforceability of any particular provision of this Contract shall not affect the other provisions hereof, and the Contract shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

SECTION SIXTEEN: Audit Information. The CONSULTANT shall maintain auditable records concerning the procurement adequate to account for all receipts and expenditures, and to document compliance with the specifications. These records shall be kept in accordance with generally accepted accounting principles, and the CITY reserves the right to determine the

record-keeping method in the event of non-conformity. These records shall be maintained for three (3) years after final payment has been made and shall be readily available to CITY personnel with reasonable notice, and to other persons in accordance with the Florida Public Disclosure Statutes.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duty authorized officials this Contract in three counterparts which shall be deemed an original on the date last signed as below written.

(SEAL)

ATTEST:

_____
Nancy Barnett
City Clerk

LEGAL REVIEW:

_____
Robert Q. Williams
City Attorney

CITY

City of Tavares, Florida, a Florida Municipal Corporation

_____
John A. Drury
City Administrator

CONSULTANT:

Bogdahn Consulting, LLC, d/b/a The Bogdahn Group

_____
Witness Signature

_____
Printed Name

_____
Witness Signature

_____
Printed Name

_____
By: _____
Its: _____

EXHIBIT "A"

SCOPE OF SERVICES

Scope of services may include, but is not limited to the following:

1. Conduct an annual assessment, prepare and present a comprehensive report of all plans/funds.

2. Ensure the City's regulatory and fiduciary compliance with each plan is sufficiently maintained.

3. Analyze current plans as compared to other available governmental plans.

4. Review plan fees and make recommendations regarding fees.

5. Provide overview and guidance on any recommended plan changes.

6. Review and recommend a mechanism for transition of current account balance and accrued years of service for any plan type recommended as a replacement for the current plan.

7. Project annual funding requirements for any replacement plan(s), based on a group of financial market investment return scenarios which will be developed in consultation with the selected provider.

8. Survey/review plan types offered by similar/peer organizations to provide retirement benefits to long-term employees, and recommend plan changes or enhancements to adequately provide retirement benefits for long-term employees in each plan group.

9. Provide a detailed report, listing the justification for specific details for the plan type recommended, in order to provide the adequate level of benefits noted above.

10. Project administrative costs of transition to an alternate plan type.

11. Provide information useful to the Human Resources Department in developing a transition plan and Requests for Proposal for implementation of any selected plan.

12. Assist in preparing RFPs for news plans as needed.

13. Negotiate with plan providers as needed.

14. Provide recommendations for changes to City Plans due to changes in tax law.

15. Review plans annually for IRS qualified status compliance.

16. Review required documentation for IRS Qualified Plan Status for all City Pension Plans.

17. Review and advise forfeiture distributions annually for all City 401 plans; provide recommended changes for same if needed.

18. Provide guidance to the Finance Director as needed for plan reporting.

19. Provide recommended Resolutions for 401 and 457 plan changes.

EXHIBIT "B"

FEE SCHEDULE

Fee for professional services provided by CONSULTANT under this contract shall be an all-inclusive annual fee, billed quarterly in arrears, of $25,000.00.

AGENDA SUMMARY
TAVARES CITY COUNCIL
DATE OF MEETING: September 18, 2013

AGENDA TAB NO. 7

SUBJECT TITLE: Public Input at Council Meetings

OBJECTIVE:

To adopt a policy regarding receiving public input at City Council Meetings

SUMMARY:

The Florida Legislature during the last session adopted F.S. 286.0114 requiring that a member of the public be given a reasonable opportunity to be heard by a board or commission before it takes official action on a proposition. Previously Boards falling under the Sunshine Law had the option to take public input except during specific hearings such as quasi-judicial hearings and budget hearings. The statute states that if a board adopts rules or policies in compliance with this statute and follows such rules or policies, the board is deemed to be acting in compliance with this new state law. The law takes effect October 1, 2013.

The attached policy has been developed to address this new legislation. The City Attorney has reviewed the policy and it is presented to Council for discussion.

The policy states that the public shall be given a reasonable opportunity to be heard subject to the rules adopted in the policy. Official acts that need to be taken to deal with an emergency and those that are only ministerial (such as approving Minutes or Board appointments) do not require public input. In addition matters that fall under the quasi-judicial process, such as hearings regarding land issues (annexations/rezoning, etc.) and the City's annual millage and budget hearings, will continue to require public input with the option to fill out a form.

The policy stipulates that a Request to Speak form shall be filled out and submitted to the Clerk during the period from when the Agenda is officially posted up until noon on the day of the meeting. After noon, on the day of the meeting the form should be placed in the public speak form receiving box at the City Council meeting until such time as the Mayor convenes the meeting.

If no forms have been turned in on a specific issue, the Mayor will have the option to call for official action without taking public comment.

OPTIONS:

1) Approve the public input policy as submitted by the City Attorney
2) Approve the public input policy with revisions
3) Do not approve at this meeting and schedule a special meeting before October 1st

STAFF RECOMMENDATION:

That Council discuss and make any changes or approve as submitted.

FISCAL IMPACT:

None

LEGAL SUFFICIENCY: This policy has been reviewed by the City Attorney.

CITY OF TAVARES – ADMINISTRATION POLICY/PROCEDURE

TITLE: PUBLIC INPUT AT BOARD MEETINGS	EFFECTIVE DATE:
	SUPERCEDES:
ADMINISTRATION POLICY #	
PAGE 1 OF 2	
AUTHORIZED BY:	JOHN H. DRURY, CITY ADMINISTRATOR
REVIEWED FOR LEGAL SUFFICIENCY:	ROBERT Q. WILLIAMS, CITY ATTORNEY

PURPOSE:

This policy codifies the rules on public input at all public board meetings per F.S. 286.004. The policy applies to the City Council as well as all boards created by the City Council or that fall under the public meeting law Chapter 286, including, but not limited to:

Planning & Zoning Board
Police Pension Board
Fire Pension Board
Library Board

Each board may develop their own policy specific to their meeting requirements.

POLICY

1) **Members of the public shall be given a reasonable opportunity to be heard on a proposition before a board or commission.**

2) **The opportunity to be heard is subject to the rules adopted in this policy.**

3) **The requirements in #2) do not apply to:**

   a. **An official act that must be taken to deal with an emergency situation affecting the public health, welfare, or safety, if compliance with the requirements would cause an unreasonable delay in the ability of the board or commission to act;**

b. An official act involving no more than a ministerial act, including, but not limited to, approval of minutes, board appointments, and ceremonial proclamations;

c. A meeting that is exempt from F.S. 286.011; or

d. A meeting during which the board or commission is acting in a quasi-judicial capacity. This paragraph does not affect the right of a person to be heard as otherwise provided by law.

4) If no audience member has completed a Request to Speak form, the board may take action on a specific item without taking public comment. Rules regarding Request to Speak forms are addressed under Procedures and Rules #2.

PROCEDURES AND RULES:

1) Input and comments by the public for items not on the agenda can be made during the Audience to be Heard segment of the meeting.

2) The presiding officer may limit public comment to three minutes per person. If a large number of audience members wish to speak the presiding officer has the ability to limit repetitive comments. In addition a large group may designate a representative to speak on behalf of the group.

3) For items on the agenda, which has been posted, a Request to Speak form shall be filled out indicating the name of the speaker or representative, address, and Tab # with contact information optional. (See attached sample.)

4) The form may be submitted at the City Council meeting at a designated location until such time as the presiding officer calls the meeting to order. In addition, it may be submitted in person or through email to the City Clerk up until noon on the day of the meeting.

5) For items at which a large number of audience members wish to speak, a representative may be designated to represent that group. The form will include a place that indicates the name of the speaker and the group or organization they are representing.

6) Public Comment will be taken after the issue has been presented by the staff or board member introducing the subject matter upon invitation by the presiding officer, and before a vote by the Board is taken, if the Request to Speak form has been submitted.

7) The Presiding Officer may invite public comment if a form has not been submitted.

c: Request to Speak forms

America's Seaplane City

REQUEST TO SPEAK

Tavares City Council Meeting

Meeting Date: _____

Agenda Tab Number(s)_____

Name of Speaker: _____
Representing Self _____
Representing Group_____ **(name of group)**

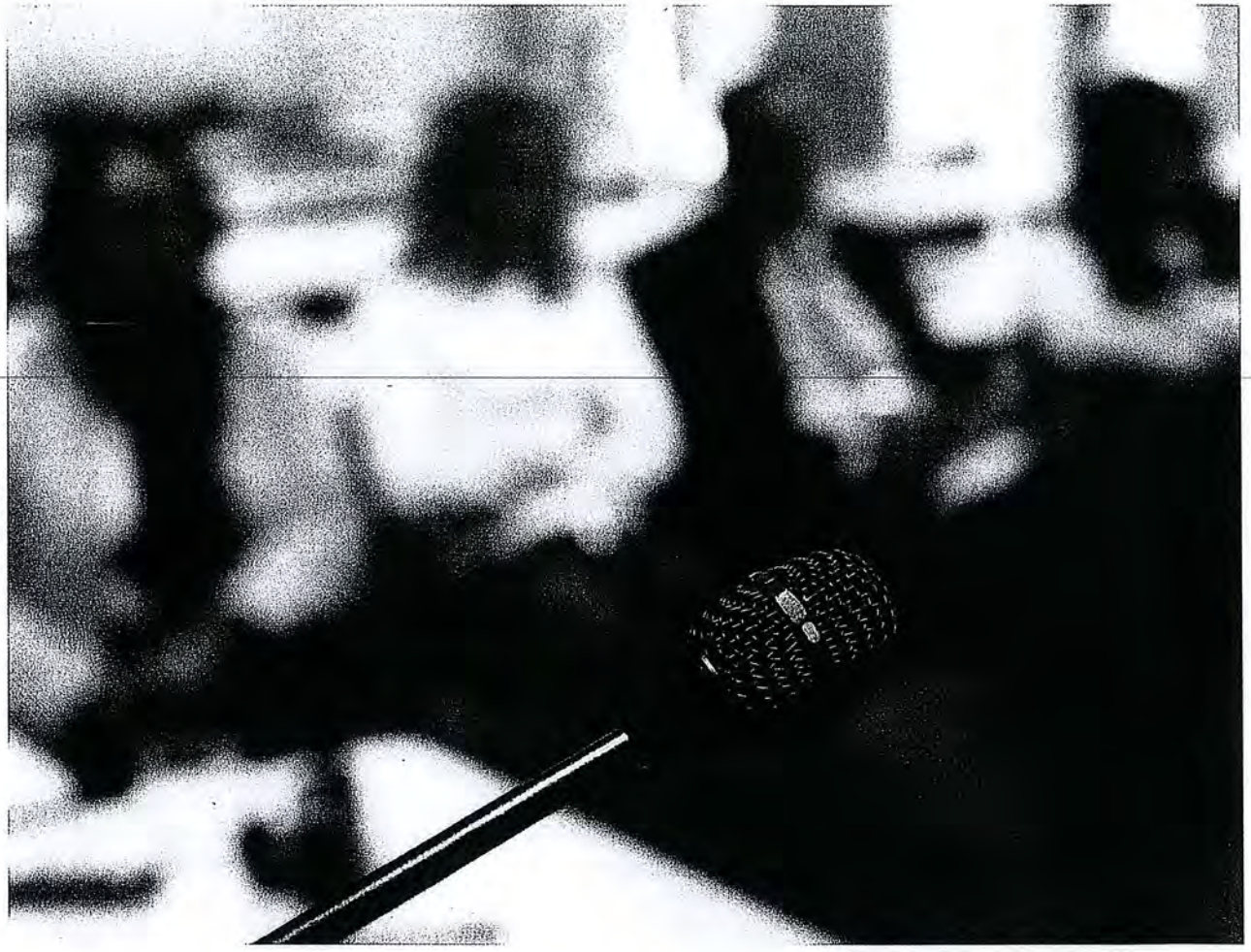
(Please print clearly)

Address of Speaker: _____

_____

(Please print complete address)

<u>Contact Information</u> (optional) email:_____
Phone (Optional):_____



Bill Codifies Rules on Public Input at Local Government Meetings

BY KRAIG CONN
FLORIDA LEAGUE OF CITIES

CS/CS/SB 50 by Sen. Joe Negron, which passed during the 2013 legislative session, requires local governments, including appointed bodies, to provide members of the public with a reasonable opportunity to be heard on matters before the local government. Currently, the Florida Constitution and Florida statutes are silent concerning whether the public has a right to be heard at a public meeting.

To date, Florida courts have heard two cases directly addressing whether a member of the public has a right to be heard at a meeting when he or she is not a party to the proceedings. Both cases held that while the public has a

PHOTO©ISTOCKPHOTO.COM/VM

right to attend a public meeting, there is no requirement that the public be given an opportunity to speak or be heard at a public meeting.

Most, if not all, cities likely provide opportunities for the public to be heard at public meetings or on matters coming before the city. If your elected city commission or other appointed city boards or commissions do not already have a policy on speaking at public meetings, you should consider adopting one under the general guidelines within the bill.

The bill creates Section 286.0114, Florida Statutes, and states that a board or commission must provide members of the public with a reasonable opportunity to be heard on a "proposition" before the board or commission. "Board or commission" is broadly defined to include any agency or authority of a county, municipal corporation or political subdivision. The bill does not define "proposition," but it is likely intended to be broadly applied to include all matters coming before the board or commission.

While the bill requires that members of the public be given a reasonable opportunity to be heard, the opportunity does not have to occur at the same meeting where the board or commission takes official action on an item, whether by formal vote or other final action. However, the opportunity to be heard must comply with the following provisions:

- The opportunity must occur at a meeting that is during the "decision making" process; and
- The opportunity must be within reasonable proximity in time before the meeting at which the board or commission takes the official action.

The bill does not specifically state that the opportunity to be heard must occur prior to the official action being taken on an item, but it does imply that this timeframe should apply.

The bill states that nothing in the new law prohibits a board or commission from maintaining orderly conduct or proper decorum in a public meeting. It also allows a board or commission to establish rules or policies on providing testimony. However, the rules or policies can only do the following:

- Provide guidelines regarding the amount of time an individual has to address the board or commission;
- Prescribe procedures allowing representatives of groups or factions to address the board or commission, rather than all of the members of the groups or factions;
- Prescribe procedures or forms for an individual to use in order to inform the board or commission of a desire to be heard; to indicate his or her position on a proposition; or to indicate his or her designation of a representative speaker; and
- Designate a specified period of time for public comment.

The requirement to provide a reasonable opportunity to be heard does not apply under the following circumstances:

- When an official act must be taken to deal with an emergency situation affecting the public health, welfare or safety, if compliance with the speaking requirements would cause an unreasonable delay in the ability of the board or commission to act;
- For an official act involving no more than a ministerial act, including, but not limited to, approval of minutes and ceremonial proclamations;
- At a meeting during which the board or commission is acting in a quasi-judicial capacity with respect to the rights or interests of a person; and
- At a meeting that is exempt from the Sunshine or Open Meetings Law (Section 286.011, Florida Statutes).

The bill provides that if an action is filed against a board or commission to enforce the opportunity to be heard, a court is to assess reasonable attorney's fees against the board or commission if it is determined that a violation occurred. The court can assess reasonable attorney's fees against an individual filing an action if the court finds that the action was filed in bad faith or was frivolous. A court can also issue an injunction for the purpose of enforcing the opportunity to be heard.

CS/CS/SB 50 also provides that if a board or commission adopts rules or policies and follows such rules or policies when providing an opportunity for members of the public to be heard, the board or commission is deemed to be acting in compliance with the law. Significantly, the bill also specifically provides that any action taken by a board or commission that is found to be in violation of the opportunity to be heard is *not* void as a result of the violation.

Hopefully, CS/CS/SB 50 will not have a significant effect on the current operations of elected city commissions and city-appointed boards or commissions, as most of these bodies likely already provide opportunities for public input. If your city has not already done so, you may want to consider adopting rules or policies on public testimony that are applicable to meetings of both the elected and appointed entities. The bill is effective on October 1, 2013, and cities should use the next several months to review, and update if needed, current rules or policies on public testimony before city boards or commissions.

Kraig Conn is legislative counsel for the Florida League of Cities. ■

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TAVARES

America's Seaplane City™

AGENDA SUMMARY
TAVARES CITY COUNCIL
SEPTEMBER 18, 2013

AGENDA TAB NO. 8

SUBJECT TITLE: FDOT approval of Wayfinding Signs on State Roads

OBJECTIVE:

To inform City Council of FDOT's final approval of the City's proposed wayfinding signage program.

SUMMARY:

FDOT has approved the City's proposed Wayfinding Sign System. The signs are designed to complement the City's Brand as America's Seaplane City and to provide directional guidance to local cultural, historical, recreational and tourist activities within our boundaries. As part of the system, the City has obtained permission and permits to install 7 directional signs on FDOT Right-of-Ways along SR 19 and HWY 441. These are strategically located to direct visitors to our Downtown and Seaplane Base and Marina.

Funds for these signs were not included in the final 2013-2014 budget, however these approvals and permits do not expire and staff will move this project forward for consideration in next year's budget.

OPTIONS:

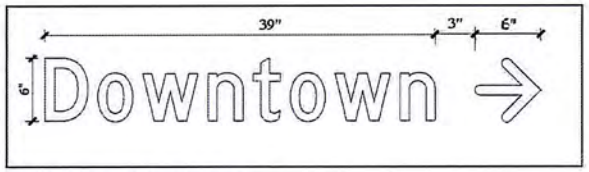
This agenda item is informational only. No action is required at this time.

FISCAL IMPACT:

N/A

LEGAL SUFFICIENCY:

N/A



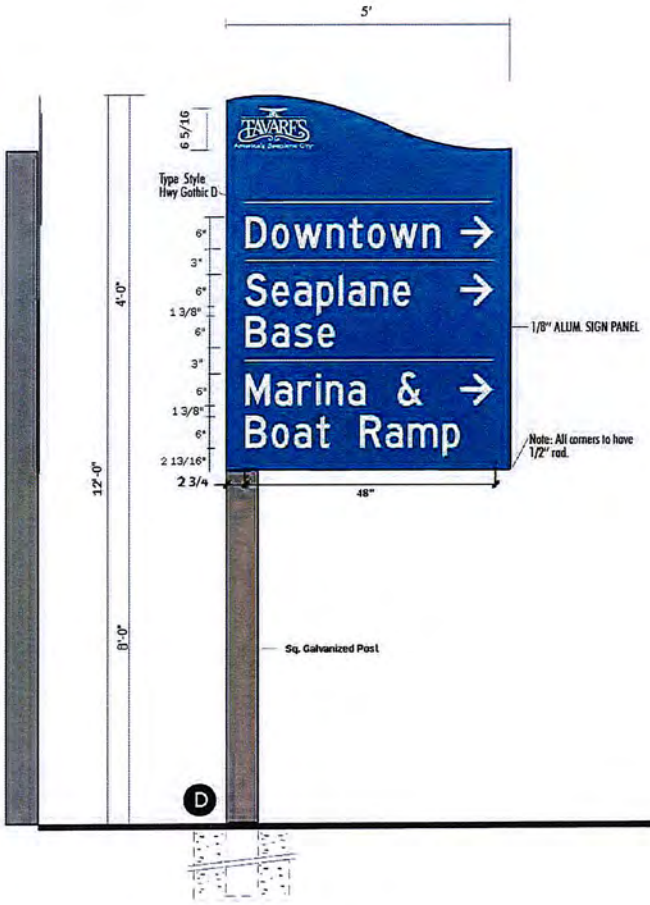
TYPICAL LETTER DETAIL W/ ARROW - SC: 3/4" = 1'-0"
TYPE STYLE - HIGHWAY GOTHIC D

SPECIFICATIONS

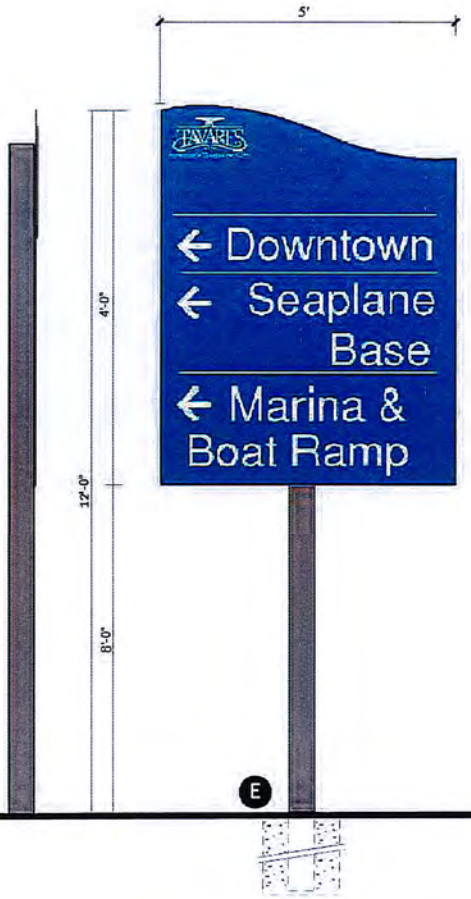
Sign faces to be 1/8" aluminum w/ vinyl overlays. Background 3M High Intensity Grade Prismatic (HDP) Blue # 3935 w/ all copy, arrow & horz. stipe 3M High Intensity Grade Prismatic White #3930 (Logo to be Premium Film White #220-10).Sign face edges to be painted to MAP Steam Boat Blue 25133 Blue.
~~Prop to be flat cut out 1/4" aluminum flush mounted to faces.~~ White 3M Premium Film #220-10 digitally printed overlay. Edges painted MAP Steam Boat Blue 25133 Blue.

Faces to be mounted to square tube with framing as required.

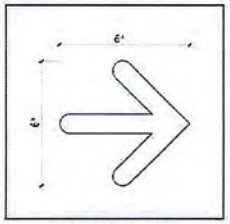
Note: Sign will look the same in the day time viewing and night time viewing



Elevation of S/F Directory Sign
Scale: 3/8" = 1'-0"



Elevation of S/F Directory Sign
Scale: 3/8" = 1'-0"



ARROW DETAIL
SCALE: 3"=1'-0"

TAVARES
America's Seaplane City

Florida Department of Transportation

RICK SCOTT
GOVERNOR

719 S. Woodland Blvd.
DeLand, FL 32720-6834

ANANTH PRASAD, P.E.
SECRETARY

May 3, 2013

Mr. John Drury, City Manager
City of Tavares
201 E. Main Street
Tavares, Florida 32778

Re: Section 11090 – SR 19
Section 11240-001 – SR 500 A
Section 11010 – US 441
Lake County

Dear Mr. Drury:

We have completed our review for the City of Tavares' Wayfinding sign system plans and find them to meet the criteria set forth by the *Florida Administrative Code* (FAC) 14-51 PART V, Wayfinding Signs and the criteria called for in the *Manual on Uniform Traffic Control Devices* (MUTCD). Signs are to be placed on both local and state roads. Signing on the state road system will include the following roadways: State Road 19, State Road 500 A and US 441. All wayfinding signs will be installed and maintained by the City of Tavares.

The City is being granted approval to proceed through the FDOT permit process for installation of wayfinding signs on the state road system in the City of Tavares. Please contact Logan Land at 352-326-7718 or Logan.Land@dot.state.fl.us to begin the permit process. The contractor selected to fabricate the signs shall use FHWA approved Highway Gothic D style lettering or better with no compression of the lettering to accommodate a panel size. All existing signs pertaining to destinations in Tavares are to be removed by the City when the new signing system is installed. The City of Tavares is only permitted to have one wayfinding signing system in their community. New permits will be required as the city expands the wayfinding sign system to include new installation locations on state roads in the future.

Now that the City of Tavares has created a wayfinding sign system, all new inquires for signing to destination in the City of Tavares will be directed to the City's Community Development Department as identified in the Wayfinding plan and the requests shall be reviewed using the criteria identified in the plan.

If you have any further questions, please contact Ms. Veronica Grove, of this office, at 386-943-5307.

Sincerely,

Christopher C Cairns

for Richard B. Morrow, P.E.
District Traffic Operations Engineer
District Five

RBM/vg:cac:d

cc: Ms. Alisha Maraviglia Sullivan
Mr. Mike Heffinger
Mr. Logan Land (with plan set)

RECEIVED

AUG 0 8 2013

LEESBURG OPERATIONS

F.A.C. Rule 14-97.0

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

GENERAL USE PERMIT

Date: 8/19/13

Permit No.: 2013-K-592-26

Name of Applicant or Authorized Agent: CITY OF TAVARES / ALISHA MARAVIGLIA

Entity (if applicable): CITY OF TAVARES COMMUNITY DEVELOPMENT DEPT

(If entity, furnish contact information for responsible representative)

Address: 201 E MAIN STREET

Zip Code: 32778

City/State: TAVARES / FL

Telephone No.: 352 742 6416

Email Address: amaraviglia@tavares.org

Activity / Project Site

County: LAKE

State Road: US HWY 441

Section: 11010 / 11240001

From Mile Post: 14.028 to Mile Post: 14.449

Construction Proposed or Underway: Yes [✓] No [ ] FM Project No.:

Name of Municipality if Work is within Limits: CITY OF TAVARES

Description of Work Activity: INSTALLATION OF WAYFINDING SIGNS

General Provisions

1. Attach any pertinent plans or drawings
2. Attach notification letters sent to any Utilities both aerial and underground that will be potentially impacted.
3. The designated FDOT Engineer shall be notified 48 hours prior to beginning of work. Contact ERIC JAGGERS at (352) 326-7715.
4. All work, materials and equipment shall be subject to inspection and approval by FDOT. Applicants certification of work at completion is required.
5. The permittee shall be responsible to place and display safety devices and proper maintenance of traffic in accordance with the latest version of the Department's Design Standards, index series 600, or an alternative plan signed and sealed by a professional Engineer and attached with the permit.
6. All FDOT property shall be restored to its original condition. Any damage to FDOT property as a result of this work shall be repaired and restored in a manner acceptable to the FDOT at the sole expense of the permittee.

Special Provisions

Conditions

1. In the event the permittee fails to meet any of the requirements of this permit by the FDOT, the permitted activity must cease until brought into compliance. If compliance can not be met, then the permit will be rendered void and said work shall be removed from the right of way at no cost to the FDOT.

2. Work shall commence within _____ days of permit approval.
   Work shall be completed by _____
   (Date)

3. The rights and privileges herein set out are granted only to the extent of the State's right, title and interest in the land to be entered upon and used by the permittee, and the permittee will, at all times, and to the extent permitted by law, assume all risk of and indemnify, defend and save harmless the State of Florida and the FDOT from and against any and all loss, damage, cost or expense arising in any manner on account of the exercise or attempted exercises by said permittee of the aforesaid rights and privileges.

Applicant

I hereby agree to comply with all terms and conditions set forth and described in this permit.

Alisha Maraviglia
Senior Planner, City of Tavares — Alisha Maraviglia — 8-5-13

Printed or Typed Name and Title — Signature — Date

FDOT

Approved By: Philip Maggio, P.E. — 8/22/2013

Leesburg Operations Engineer

Signature — Date

Title

RECEIVED

AUG 0 8 2013

LEESBURG OPERATIONS

F.A.C. Rule 14D-97.0

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

GENERAL USE PERMIT

Date: 8/19/13

Permit No.: 2013-K-592-25

Name of Applicant or Authorized Agent: City of Tavares / Alisha Macaviglia

Entity (if applicable): City of Tavares Community Development Department

(If entity, furnish contact information for responsible representative)

Address: 201 E. Main Street

Zip Code: 32778

City/State: Tavares

Telephone No.: 352-742-6416

Email Address: amaraviglia@tavares.org

Activity / Project Site

County: Lake

State Road: State Road 19

Section: 11090

From Mile Post: 31.475

to Mile Post: 36.813

Construction Proposed or Underway: Yes [ ] No [X] FM Project No.:

Name of Municipality if Work is within Limits:

Description of Work Activity: Sign Installation

General Provisions

1. Attach any pertinent plans or drawings.
2. Attach notification letters sent to any Utilities both aerial and underground that will be potentially impacted.
3. The designated FDOT Engineer shall be notified 48 hours prior to beginning of work Contact Eric Jaggers at (352) 326-7715.
4. All work, materials and equipment shall be subject to inspection and approval by FDOT. Applicants certification of work at completion is required.
5. The permittee shall be responsible to place and display safety devices and proper maintenance of traffic in accordance with the latest version of the Department's Design Standards, index series 600, or an alternative plan signed and sealed by a professional Engineer and attached with the permit.
6. All FDOT property shall be restored to its original condition. Any damage to FDOT property as a result of this work shall be repaired and restored in a manner acceptable to the FDOT at the sole expense of the permittee.

Special Provisions

Conditions

1. In the event the permittee fails to meet any of the requirements of this permit by the FDOT, the permitted activity must cease until brought into compliance. If compliance can not be met, then the permit will be rendered void and said work shall be removed from the right of way at no cost to the FDOT.

2. Work shall commence within _____ days of permit approval.
   Work shall be completed by _____
   (Date)

3. The rights and privileges herein set out are granted only to the extent of the State's right, title and interest in the land to be entered upon and used by the permittee, and the permittee will, at all times, and to the extent permitted by law, assume all risk of and indemnify, defend and save harmless the State of Florida and the FDOT from and against any and all loss, damage, cost or expense arising in any manner on account of the exercise or attempted exercises by said permittee of the aforesaid rights and privileges.

Applicant

I hereby agree to comply with all terms and conditions set forth and described in this permit.

Alisha Maravigia

Senior Planner, City of Tavares — Printed or Typed Name and Title

Alisha Maravigia — Signature

8-5-13 — Date

FDOT

Approved By: Philip Maggio, P.E. — Professional Engineer

Leesburg Operations Engineer — Title

Signature

8/22/2013 — Date

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TAVARES

America's Seaplane City™

AGENDA SUMMARY
TAVARES CITY COUNCIL
September 18, 2013

AGENDA TAB NO. 9

SUBJECT TITLE: City Administrator Report

OBJECTIVE:

To inform Council on city related matters.

SUMMARY: Will be presented at meeting

UPCOMING MEETINGS: (check with Susie Novack for any last minute changes)

- City Council Regular Meeting – October 2, 2013
- Code Enforcement Special Magistrate Hearing – September 24, 2013 – 5:30 p.m.
- Dedication of the Tavares Train Station – September 27 – 10:00 a.m.
- Golden Triangle Summit – City of Tavares – October 29, 2013 – 5:30 p.m.
- Lake County League of Cities – October 11, 2013 – 11:30 a.m.
- Lake Sumter MPO – September 25, 2013 MPO Board Room – 4:00 p.m. MPO Board Room - 1616 South 14th Street, Leesburg, FL
- Library Board – October 9, 2013 – 2:00 p.m. Library Conference Room
- Planning & Zoning Board – October 17, 2013 – City Council Chambers – 3:00 p.m.

OTHER EVENTS

September 27-29 – Rifles, Rails & History
October 5-6 – Fashion Designer's Showcase
October 15, 2013 – 9:00 to 10:30 – Close Your Eyes Event on visual impairment– New Visions – City of Tavares Flagpole
October 19 – Z-Fest 2013
October 25-26 – Howl O Fest
October 26 – The Monster Splash
November 8-10 – Fall Thunder Regatta
December 7 – Christmas Parade & Celebration

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TAVARES

America's Seaplane City™

AGENDA SUMMARY
TAVARES CITY COUNCIL
September 18, 2013

AGENDA TAB NO. 10

SUBJECT TITLE: City Councilmembers Report

OBJECTIVE:

To inform Council on city related matters.

SUMMARY:

Council will be offered an opportunity to provide a report at the meeting.

OPTIONS:

N/A

STAFF RECOMMENDATION:

N/A

FISCAL IMPACT:

N/A

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TAVARES

America's Seaplane City™