## Holland & Knight

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VIA E-mail: dania@miamifipo.org

Dania L. Orta Assistant Administrator City of Miami FIPO 1895 Southwest 3<sup>rd</sup> Avenue Miami, Florida 33129-1456

Re: Part-Time Employment

Dear Dania:

You have asked for our response to the question presented by Amy Klose, the Director of the City's Department of Human Resources. Ms. Klose advised you that the City's police department wants to hire part-time officers from the current group of reserve officers, most of whom are City retirees and are currently receiving pension payments from the FIPO plan. The question asked by Ms. Klose is whether the retirees' part-time work for the City would, in any way, affect their pension payments from the FIPO plan.

We believe that the retirees' part-time work for the City would affect their pension payments in two ways:

- 1. Under Section 40-191 of the City Code, the term "Employee" is defined as a firefighter or police officer presently employed by the City. The definition does not make a distinction between full-time and part-time employment. Similarly, under Section 40-191, the term "Police officer" is defined, in part, as any person who is employed by the City. This definition also does not make a distinction between full-time and part-time employment. Section 40-199(b) of the City Code provides in part that "With the exception of persons eligible to decline membership in the retirement system, participation in the retirement system is a mandatory condition of employment for employees." Therefore, if a retiree is hired by the police department as a part-time officer, the retiree will be required to become a member of the retirement system.
- 2. Section 40-203(l)(1) of the City Code provides, "Should a disability beneficiary be restored to or be in service at a compensation equal to or greater than his or her average final compensation at retirement, or should any other beneficiary be restored to service, the following shall apply: a. The retirement allowance of the beneficiary shall cease, he or she shall again become a member of the retirement system and regular contributions shall resume at the rate required by the retirement system" (emphasis added). Therefore, if a retiree is hired by the

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police department as a part-time officer, the retiree's pension payment from the FIPO plan will cease during such employment. Section 40-203(l)(1) also confirms that the retiree will be required to become a member of the retirement system.

Please let me know if you have any questions regarding this letter.

Sincerely yours,

HOLLAND & KNIGHT LLP

Rahurto Frustman

Robert J. Friedman

cc: Steve Cypen

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