

# The City of Boynton Beach



## HUMAN RESOURCES AND RISK MANAGEMENT DEPARTMENT

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November 19, 2020

Adam P. Levinson  
Klausner, Kaufman, Jensen & Levinson  
7080 N.W. 4<sup>th</sup> Street  
Plantation, FL 33317

**Sent via e-mail to:** [adam@robertdklausner.com](mailto:adam@robertdklausner.com)

Dear Attorney Levinson:

The City is in receipt of your letter to Interim Fire Chief Ray Carter and IAFF Local 1891 President Shawn Weeks dated November 6, 2020 in which you wanted labor and management to provide input and/or clarification on the intended application of the maximum benefit cap contained in Section 18-180 of the Firefighters' Pension Plan. As the designated management representative for collective bargaining, I have been authorized to communicate with you regarding this matter on behalf of the City.

You stated that several Plan members inquired whether the aforementioned benefit cap applied to the life annuity and that this determination, as a matter of collective bargaining, would be best made through the respective parties to the agreement.

Florida Statute 175.021(5)(b) states, "**The member's compensation** or salary contributed as employee-elective salary reductions or deferrals to any salary reduction, deferred compensation, **or tax-sheltered annuity program** authorized under the Internal Revenue Code shall be deemed to be the compensation or salary the member would receive if he or she were not participating in such program and **shall be treated as compensation for retirement purposes under this chapter.**" The City's position is that the benefit is capped at the stated amount: \$95,000 with a one and a half percent annual adjustment effective on October 1, 2023 for all monies that are used in the calculation of the average final compensation (AFC). The City does not believe that this definition of compensation would be disputed or require clarification as the Statute provides a clear definition of compensation and the Collective Bargaining Agreement language in Addendum E clearly states the intent.

The City advises the Board to implement the provisions of the Ordinance as stated in acknowledgement of Addendum E, the clear intent of which was negotiated and ratified by both parties to the Agreement.

Respectfully,

*Julie Oldbury*

Julie Oldbury  
Director of Human Resources and Risk Management

CC: Jim Cherof, City Attorney  
Lori LaVerriere, City Manager  
Ray Carter, Interim Fire Chief  
Shawn Weeks, IAFF Local 1891 President  
Dave Williams, Pension Plan Administrator

**AMERICA'S GATEWAY TO THE GULFSTREAM**