

By: Representative Ryan

To: Local and Private
Legislation;
Appropriations

HOUSE BILL NO. 1698

1 AN ACT TO AMEND CHAPTER 435, LOCAL AND PRIVATE LAWS OF 1944,
2 AS LAST AMENDED BY CHAPTER 988, LOCAL AND PRIVATE LAWS OF 1998, TO
3 DELETE THE MAXIMUM AMOUNT OF RETIREMENT BENEFITS THAT ARE PAYABLE
4 TO RETIREES UNDER THE GENERAL MUNICIPAL EMPLOYEES' RETIREMENT
5 SYSTEM OF THE CITY OF BILOXI; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. Chapter 435, Local and Private Laws of 1944, as
8 amended by Chapter 573, Local and Private Laws of 1954, as amended
9 by Chapter 96, Local and Private Laws of the Extraordinary Session
10 of 1954, as amended by Chapter 945, Local and Private Laws of
11 1966, as amended by Chapter 897, Local and Private Laws of 1972,
12 as amended by Chapter 975, Local and Private Laws of 1974, as
13 amended by Chapter 996, Local and Private Laws of 1975, as amended
14 by Chapter 966, Local and Private Laws of 1979, as amended by
15 Chapter 816, Local and Private Laws of 1982, as amended by Section
16 1 of Chapter 931, Local and Private Laws of 1993, as amended by
17 Chapter 978, Local and Private Laws of 1995, as amended by Chapter
18 989, Local and Private Laws of 1996, as amended by Chapter 988,
19 Local and Private Laws of 1998, is amended as follows:

20 Section 1. As used in this act:

- 21 (a) "City" means the City of Biloxi, Mississippi.
- 22 (b) "Board" means the Board of Trustees of the Public
23 Employees' Retirement System.
- 24 (c) "Retirement system" means the General Municipal
25 Employees' Retirement System of the city.
- 26 (d) "Member" means a member of the retirement system.

27 The words and phrases defined in Section 21-29-3, Mississippi

28 Code of 1972, when used in this act, shall have the meanings
29 ascribed to them in that section unless a different meaning is
30 plainly required by the context.

31 Section 2. The retirement system shall operate and be
32 administered pursuant to provisions of the general law governing
33 general municipal employees' retirement systems, being Section
34 21-29-1 et seq., Mississippi Code of 1972, except that where
35 provisions of this act conflict with the general law, this act
36 shall prevail.

37 Section 3. Upon the retirement from service of any member,
38 the board shall order the payment of a monthly sum to such retired
39 member in an amount equal to fifty percent (50%) of the average
40 monthly salary or compensation received by such member in the
41 six-month period next before the filing of application for such
42 retirement or the minimum monthly benefits authorized in
43 accordance with Section 7, whichever is greater, and such payments
44 shall thereafter be made to such retired member for life.

45 Section 4. Present members who have five (5) years or more
46 of service may be entitled to draw benefits upon the completion of
47 twenty (20) years' active service. Members having less than five
48 (5) years' service at this time, although completing twenty (20)
49 years' service, cannot draw retirement benefits until they reach
50 the age of fifty-five (55) years.

51 * * *

52 Section 5. A member with not less than ten (10) years'
53 service who may be discharged or may voluntarily resign may waive
54 the return of his contributions and at a time prior to April 18,
55 1974, elect in lieu thereof to receive an annual pension,
56 beginning at the age of fifty-five (55) years, equal to
57 one-fortieth (1/40) of his average final compensation multiplied
58 by the number of years of service; provided, however, in no case
59 shall such pension be more than fifty percent (50%) of the average
60 final compensation of such member. From and after April 18, 1974,

61 the option to elect to receive an annual pension under the
62 provision of this paragraph shall not be available.

63 For any person who resigned from the employment of the city
64 before July 9, 1983, and to whom the Disability and Relief Fund
65 Board for the city approved the payment of forty percent (40%) of
66 such person's average monthly compensation upon such person
67 reaching the age of fifty-five (55) years, the board may pay the
68 amount of such agreed upon retirement benefits. Such benefits
69 shall be retroactive and will be payable back to the date the
70 person reached the age of fifty-five (55) years. Before the board
71 may make any payments under this paragraph, the board must receive
72 from the city funds necessary to make the payments authorized
73 under this paragraph.

74 Upon retirement from service on disability, the member shall
75 receive a minimum payment equal to the greatest of the following:
76 One Hundred Dollars (\$100.00) per month; one-fortieth (1/40) of
77 the final annual compensation multiplied by the number of years of
78 actual service; or the minimum monthly benefits authorized
79 pursuant to Section 7.

80 Section 6. (1) Subject to the provisions of Section 8, the
81 governing authorities of the city, in their discretion, are
82 authorized to take any of the following actions:

83 (a) Establish an additional payment for each retired
84 member and beneficiary of the retirement system who is now or
85 hereafter entitled to receive benefits under any provision of
86 Section 21-29-1 et seq., Mississippi Code of 1972, or Sections 3
87 through 5. The amount of the additional payment shall be equal to
88 the annual percentage change in the Consumer Price Index set by
89 the United States Government, not to exceed three percent (3%) per
90 annum, and shall be computed based upon the amount of the benefits
91 received by the members and beneficiaries in the fiscal year of
92 the retirement system before the effective date of the resolution
93 of the governing authorities of the city establishing the

94 additional payments.

95 (b) Provide that the additional payments authorized in
96 paragraph (a) shall be either automatically made each year, made
97 for a specified number of years, or authorized on an annual basis
98 by the governing authorities of the city.

99 (c) Provide that the additional payments authorized in
100 paragraph (a) shall cease or shall not be made for any subsequent
101 fiscal year, regardless of whether a prior action of the governing
102 authorities of the city called for the payments to be made
103 automatically or without additional authorization by the governing
104 authorities.

105 (d) Provide that if the governing authorities of the
106 city choose to reinstate the additional payments authorized in
107 paragraph (a) after ceasing them for a period of time, the
108 percentage increase shall not be compounded during the interim
109 period unless specifically directed by the governing authorities.

110 (e) Provide that the additional payments authorized by
111 paragraph (a) may be based upon a percentage specified by the
112 governing authorities of the city, regardless of the maximum
113 percentage allowed in paragraph (a), if the governing authorities
114 also transfer sufficient monies to the Public Employees'
115 Retirement System to fund the increase at the specified
116 percentage.

117 (f) Provide that the additional payments authorized in
118 paragraph (a) shall automatically cease if continuing the
119 additional payments could make the retirement system actuarially
120 unsound; however, before ceasing the payments, the Board of
121 Trustees of the Public Employees' Retirement System shall notify
122 the governing authorities of the city and give them the
123 opportunity to transfer sufficient funds, if the governing
124 authorities choose to do so, to make the additional payments while
125 keeping the retirement system actuarially sound.

126 (g) Use funds from any available source to supplement

127 the retirement system to make the system actuarially sound, and
128 transfer those funds to the Board of Trustees of the Public
129 Employees' Retirement System for that purpose.

130 (2) After the governing authorities of the city have adopted
131 a resolution to establish the additional payments authorized under
132 subsection (1) of this section, and after the board has received
133 the most recent actuarial study of the retirement system and the
134 certified statement from the actuarial firm, pursuant to Section
135 8, that the retirement system will remain actuarially sound if the
136 additional payments are made, then the board shall make the
137 additional payments to the persons authorized and entitled to
138 receive the payments.

139 (3) Persons eligible to receive the payments authorized
140 under this section shall receive such payments in one (1)
141 additional payment, except that such person may elect by an
142 irrevocable agreement on a form prescribed by the board to receive
143 such payments in not less than equal monthly installments not to
144 exceed six (6) months during the remaining months of the current
145 fiscal year. In the event of death of a person or a beneficiary
146 thereof receiving monthly benefits, any remaining amounts shall be
147 paid in a lump sum to the estate of the retired member or
148 beneficiary.

149 Section 7. (1) Subject to the provisions of Section 8, the
150 governing authorities of the city are authorized, in their
151 discretion, to provide for the payment of minimum monthly benefits
152 in any amount determined by the governing authorities to all
153 persons now or hereafter entitled to receive benefits under any
154 provision of Section 21-29-1 et seq., Mississippi Code of 1972, or
155 Sections 3 through 5.

156 (2) After the governing authorities of the city have adopted
157 a resolution to establish the minimum monthly benefits authorized
158 under subsection (1) of this section, specifying the amount of the
159 minimum monthly benefits in the resolution, and after the board

160 has received the most recent actuarial study of the retirement
161 system and the certified statement from the actuarial firm,
162 pursuant to Section 8, that the retirement system will remain
163 actuarially sound if the minimum monthly benefits are paid, then
164 the board shall pay those benefits to the persons authorized and
165 entitled to receive the payments.

166 Section 8. Payment of the additional payments authorized
167 under Section 6 or the minimum monthly benefits authorized under
168 Section 7, or both, shall not be established unless the retirement
169 system is actuarially sound, as shown by the most recent actuarial
170 study required by Section 21-29-27, Mississippi Code of 1972, and
171 the retirement system will remain actuarially sound if the
172 additional payments authorized under Section 6 or the minimum
173 monthly benefits authorized under Section 7, or both, are made, as
174 shown by a certified statement from the actuarial firm that
175 prepared the most recent actuarial study.

176 Section 9. (1) Subject to the provisions of subsection (2)
177 of this section, the governing authorities of the city, in their
178 discretion, are authorized to provide that members of the
179 retirement system under the provisions of Section 21-29-1 et seq.,
180 Mississippi Code of 1972, and Sections 3 through 5 who retire
181 after April 7, 1995, shall receive creditable service in the
182 retirement system at the time of retirement for lawfully credited
183 unused, uncompensated annual leave and sick leave earned under the
184 vacation and sick leave policies of the city, in amounts equal to
185 the amounts authorized for members of the Public Employees'
186 Retirement System.

187 (2) Creditable service for unused, uncompensated leave as
188 authorized under subsection (1) of this section shall not be
189 provided unless the retirement system is actuarially sound, as
190 shown by the most recent actuarial study required by Section
191 21-29-27, Mississippi Code of 1972, and the retirement system will
192 remain actuarially sound if creditable service for unused,

193 uncompensated leave as authorized under subsection (1) of this
194 section is provided, as shown by a certified statement from the
195 actuarial firm that prepared the most recent actuarial study.

196 (3) After the governing authorities of the city have adopted
197 a resolution to provide creditable service for unused,
198 uncompensated leave as authorized under subsection (1) of this
199 section, and after the board has received the most recent
200 actuarial study of the retirement system and the certified
201 statement from the actuarial firm that the retirement system will
202 remain actuarially sound if creditable service for unused,
203 uncompensated leave is provided, then the board shall provide
204 creditable service for unused, uncompensated leave to members of
205 the retirement system at the time of retirement in accordance with
206 subsection (1) of this section, and such creditable service shall
207 be used in calculating the members' retirement benefits under
208 Section 21-29-1 et seq., Mississippi Code of 1972, and Sections 3
209 through 5.

210 (4) Except to limit creditable service reported to the
211 retirement system for the purpose of computing a member's
212 retirement benefits provided under Section 21-29-1 et seq.,
213 Mississippi Code of 1972, and Sections 3 through 5, nothing in
214 this section shall limit or otherwise restrict the power of the
215 governing authorities of the city to adopt such vacation and sick
216 leave policies as they deem necessary.

217 Section 10. (1) Subject to the provisions of subsection (2)
218 of this section, the governing authorities of the city, in their
219 discretion, are authorized to provide that for the purpose of
220 computing the retirement benefits of members of the retirement
221 system under the provisions of Section 21-29-1 et seq.,
222 Mississippi Code of 1972, and Sections 3 through 5 who retire
223 after April 11, 1996, earned compensation may include all or a
224 portion of any payment made to a member upon termination of
225 employment for up to thirty (30) days of unused, accumulated

226 personal leave.

227 (2) The inclusion within earned compensation of those
228 payments as provided in subsection (1) of this section shall not
229 be authorized by the governing authorities unless the retirement
230 system is actuarially sound, as shown by the most recent actuarial
231 study required by Section 21-29-27, Mississippi Code of 1972, and
232 the retirement system will remain actuarially sound if the
233 inclusion of such payments is authorized, as shown by a certified
234 statement from the actuarial firm that prepared the most recent
235 actuarial study.

236 (3) After the governing authorities of the city have adopted
237 a resolution to include within earned compensation payments as
238 provided under subsection (1) of this section, and after the board
239 has received the most recent actuarial study of the retirement
240 system and the certified statement from the actuarial firm that
241 the retirement system will remain actuarially sound if the
242 inclusion of such payments is authorized, then the board may
243 include such payments within the earned compensation of members at
244 the time of retirement, in accordance with subsection (1) of this
245 section, when calculating the members' retirement benefits under
246 Section 21-29-1 et seq., Mississippi Code of 1972, and Sections 3
247 through 5.

248 (4) Nothing in this section shall limit or otherwise
249 restrict the power of the governing authorities of the city to
250 adopt such vacation and sick leave policies as they deem
251 necessary.

252 SECTION 2. This act shall take effect and be in force from
253 and after its passage.