

By: Senator(s) Gollott, Hewes, Woodfield,
Cuevas

To: Local and Private;
Finance

SENATE BILL NO. 2607

1 AN ACT TO AMEND CHAPTER 435, LOCAL AND PRIVATE LAWS OF 1944,
2 AS AMENDED, TO REMOVE THE PROVISION THAT LIMITS THE MAXIMUM
3 RETIREMENT BENEFIT THAT MAY BE PAID TO MEMBERS OF THE GENERAL
4 MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF BILOXI; AND FOR RELATED
5 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, is amended as follows:

19 Section 1. As used in this act:

20 (a) "City" means the City of Biloxi, Mississippi.

21 (b) "Board" means the Board of Trustees of the Public
22 Employees' Retirement System.

23 (c) "Retirement system" means the General Municipal
24 Employees' Retirement System of the city.

25 (d) "Member" means a member of the retirement system.

26 The words and phrases defined in Section 21-29-3, Mississippi
27 Code of 1972, when used in this act, shall have the meanings

28 ascribed to them in that section unless a different meaning is
29 plainly required by the context.

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

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

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

50 * * *

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

62 Upon retirement from service on disability, the member shall
63 receive a minimum payment equal to the greatest of the following:
64 One Hundred Dollars (\$100.00) per month; one-fortieth (1/40) of

65 the final annual compensation multiplied by the number of years of
66 actual service; or the minimum monthly benefits authorized
67 pursuant to Section 7.

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

71 (a) Establish an additional payment for each retired
72 member and beneficiary of the retirement system who is now or
73 hereafter entitled to receive benefits under any provision of
74 Section 21-29-1 et seq., Mississippi Code of 1972, or Sections 3
75 through 5. The amount of the additional payment shall be equal to
76 the annual percentage change in the Consumer Price Index set by
77 the United States government, not to exceed three percent (3%) per
78 annum, and shall be computed based upon the amount of the benefits
79 received by the members and beneficiaries in the fiscal year of
80 the retirement system before the effective date of the resolution
81 of the governing authorities of the city establishing the
82 additional payments.

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

87 (c) Provide that the additional payments authorized in
88 paragraph (a) shall cease or shall not be made for any subsequent
89 fiscal year, regardless of whether a prior action of the governing
90 authorities of the city called for the payments to be made
91 automatically or without additional authorization by the governing
92 authorities.

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

98 (e) Provide that the additional payments authorized by
99 paragraph (a) may be based upon a percentage specified by the
100 governing authorities of the city, regardless of the maximum
101 percentage allowed in paragraph (a), if the governing authorities
102 also transfer sufficient monies to the Public Employees'
103 Retirement System to fund the increase at the specified
104 percentage.

105 (f) Provide that the additional payments authorized in
106 paragraph (a) shall automatically cease if continuing the
107 additional payments could make the retirement system actuarially
108 unsound; however, before ceasing the payments, the Board of
109 Trustees of the Public Employees' Retirement System shall notify
110 the governing authorities of the city and give them the
111 opportunity to transfer sufficient funds, if the governing
112 authorities choose to do so, to make the additional payments while
113 keeping the retirement system actuarially sound.

114 (g) Use funds from any available source to supplement
115 the retirement system to make the system actuarially sound, and
116 transfer those funds to the Board of Trustees of the Public
117 Employees' Retirement System for that purpose.

118 (2) After the governing authorities of the city have adopted
119 a resolution to establish the additional payments authorized under
120 subsection (1) of this section, and after the board has received
121 the most recent actuarial study of the retirement system and the
122 certified statement from the actuarial firm, pursuant to Section
123 8, that the retirement system will remain actuarially sound if the
124 additional payments are made, then the board shall make the
125 additional payments to the persons authorized and entitled to
126 receive the payments.

127 (3) Persons eligible to receive the payments authorized
128 under this section shall receive such payments in one (1)
129 additional payment, except that such person may elect by an
130 irrevocable agreement on a form prescribed by the board to receive

131 such payments in not less than equal monthly installments not to
132 exceed six (6) months during the remaining months of the current
133 fiscal year. In the event of death of a person or a beneficiary
134 thereof receiving monthly benefits, any remaining amounts shall be
135 paid in a lump sum to the estate of the retired member or
136 beneficiary.

137 Section 7. (1) Subject to the provisions of Section 8, the
138 governing authorities of the city are authorized, in their
139 discretion, to provide for the payment of minimum monthly benefits
140 in any amount determined by the governing authorities to all
141 persons now or hereafter entitled to receive benefits under any
142 provision of Section 21-29-1 et seq., Mississippi Code of 1972, or
143 Sections 3 through 5.

144 (2) After the governing authorities of the city have adopted
145 a resolution to establish the minimum monthly benefits authorized
146 under subsection (1) of this section, specifying the amount of the
147 minimum monthly benefits in the resolution, and after the board
148 has received the most recent actuarial study of the retirement
149 system and the certified statement from the actuarial firm,
150 pursuant to Section 8, that the retirement system will remain
151 actuarially sound if the minimum monthly benefits are paid, then
152 the board shall pay those benefits to the persons authorized and
153 entitled to receive the payments.

154 Section 8. Payment of the additional payments authorized
155 under Section 6 or the minimum monthly benefits authorized under
156 Section 7, or both, shall not be established unless the retirement
157 system is actuarially sound, as shown by the most recent actuarial
158 study required by Section 21-29-27, Mississippi Code of 1972, and
159 the retirement system will remain actuarially sound if the
160 additional payments authorized under Section 6 or the minimum
161 monthly benefits authorized under Section 7, or both, are made, as
162 shown by a certified statement from the actuarial firm that
163 prepared the most recent actuarial study.

164 Section 9. (1) Subject to the provisions of subsection (2)
165 of this section, the governing authorities of the city, in their
166 discretion, are authorized to provide that members of the
167 retirement system under the provisions of Section 21-29-1 et seq.,
168 Mississippi Code of 1972, and Sections 3 through 5 who retire
169 after the effective date of House Bill No. 1689, 1995 Regular
170 Session, shall receive creditable service in the retirement system
171 at the time of retirement for lawfully credited unused,
172 uncompensated annual leave and sick leave earned under the
173 vacation and sick leave policies of the city, in amounts equal to
174 the amounts authorized for members of the Public Employees'
175 Retirement System.

176 (2) Creditable service for unused, uncompensated leave as
177 authorized under subsection (1) of this section shall not be
178 provided unless the retirement system is actuarially sound, as
179 shown by the most recent actuarial study required by Section
180 21-29-27, Mississippi Code of 1972, and the retirement system will
181 remain actuarially sound if creditable service for unused,
182 uncompensated leave as authorized under subsection (1) of this
183 section is provided, as shown by a certified statement from the
184 actuarial firm that prepared the most recent actuarial study.

185 (3) After the governing authorities of the city have adopted
186 a resolution to provide creditable service for unused,
187 uncompensated leave as authorized under subsection (1) of this
188 section, and after the board has received the most recent
189 actuarial study of the retirement system and the certified
190 statement from the actuarial firm that the retirement system will
191 remain actuarially sound if creditable service for unused,
192 uncompensated leave is provided, then the board shall provide
193 creditable service for unused, uncompensated leave to members of
194 the retirement system at the time of retirement in accordance with
195 subsection (1) of this section, and such creditable service shall
196 be used in calculating the members' retirement benefits under

197 Section 21-29-1 et seq., Mississippi Code of 1972, and Sections 3
198 through 5.

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

206 Section 10. (1) Subject to the provisions of subsection (2)
207 of this section, the governing authorities of the city, in their
208 discretion, are authorized to provide that for the purpose of
209 computing the retirement benefits of members of the retirement
210 system under the provisions of Section 21-29-1 et seq.,
211 Mississippi Code of 1972, and Sections 3 through 5 who retire
212 after the effective date of Senate Bill No. 3154, 1996 Regular
213 Session, earned compensation may include all or a portion of any
214 payment made to a member upon termination of employment for up to
215 thirty (30) days of unused, accumulated personal leave.

216 (2) The inclusion within earned compensation of those
217 payments as provided in subsection (1) of this section shall not
218 be authorized by the governing authorities unless the retirement
219 system is actuarially sound, as shown by the most recent actuarial
220 study required by Section 21-29-27, Mississippi Code of 1972, and
221 the retirement system will remain actuarially sound if the
222 inclusion of such payments is authorized, as shown by a certified
223 statement from the actuarial firm that prepared the most recent
224 actuarial study.

225 (3) After the governing authorities of the city have adopted
226 a resolution to include within earned compensation payments as
227 provided under subsection (1) of this section, and after the board
228 has received the most recent actuarial study of the retirement
229 system and the certified statement from the actuarial firm that

230 the retirement system will remain actuarially sound if the
231 inclusion of such payments is authorized, then the board may
232 include such payments within the earned compensation of members at
233 the time of retirement, in accordance with subsection (1) of this
234 section, when calculating the members' retirement benefits under
235 Section 21-29-1 et seq., Mississippi Code of 1972, and Sections 3
236 through 5.

237 (4) Nothing in this section shall limit or otherwise
238 restrict the power of the governing authorities of the city to
239 adopt such vacation and sick leave policies as they deem
240 necessary.

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