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**EXHIBIT 1
RESOLUTION NO. 2018-**

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A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING THE CITY TO FILE A LAWSUIT AGAINST THE HALLANDALE BEACH POLICE OFFICER'S & FIREFIGHTER'S PERSONNEL RETIREMENT TRUST AND BOARD OF TRUSTEES FOR THE HALLANDALE BEACH POLICE OFFICER'S & FIREFIGHTER'S PERSONNEL RETIREMENT TRUST; AND WAIVING THE CONFLICT RESOLUTION PROCEDURES SET FORTH IN CHAPTER 164, FLORIDA STATUTES.

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WHEREAS, the City is the sponsor of a defined benefit pension plan for its police officers and firefighters, known as the Hallandale Beach Police Officer's & Firefighter's Personnel Retirement Trust (the "Trust"); and

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WHEREAS, the Trust is administered by the Board of Trustees for the Hallandale Beach Police Officer's & Firefighter's Personnel Retirement Trust (the "Board"); and

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WHEREAS, the Broward County Police Benevolent Association ("PBA") is the certified bargaining agent for a bargaining unit consisting of the City's police officers and sergeants; and

WHEREAS, the Hallandale Beach Professional Fire Fighters, Metro Broward Local 3080, District 10 ("Local 3080"), is the certified bargaining agent for a bargaining unit consisting of the City's firefighters, drivers and captains; and

WHEREAS, in 2013, the City entered into collective bargaining agreements with the PBA and Local 3080 (hereinafter, the "CBAs" or the "Agreements"), which contained several changes to the Trust designed to decrease the City's financial obligations to the Trust; and

WHEREAS, the City thereafter adopted Ordinance No. 2013-19, which codified the collectively agreed-upon pension changes; and

WHEREAS, prior to the City's adoption of Ordinance No. 2013-19, a draft of that Ordinance was presented to representatives of the PBA and Local 3080 as well as to the Board and its counsel; and

WHEREAS, prior to the adoption of Ordinance No. 2013-19, the Trust's actuary, Douglas H. Lozen, of Foster & Foster, prepared an actuarial impact statement concerning the proposed changes (hereinafter, the "Impact Statement"); and

WHEREAS, the Impact Statement, upon which City Staff and the City Commission relied to determine the economic impact associated with the foregoing pension changes, was prepared in a manner consistent with the plain language of Ordinance No. 2013-09; and

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2 **WHEREAS**, at the time of the adoption of the Ordinance, neither the Board nor the
3 Unions asserted that the Plan amendments set forth in the Ordinance impermissibly
4 impaired vested benefits; and

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6 **WHEREAS**, following the adoption of the Ordinance No. 2013-19, the Trust’s actuary
7 has prepared several annual actuarial reports, which also determine the cost of the pension
8 plan by applying the foregoing pension changes in a manner consistent with the plain
9 language of Ordinance No. 2013-09; and

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11 **WHEREAS**, on April 3, 2017, counsel for the Board advised the Board that
12 Ordinance No. 2013-19 may impermissibly impair accrued benefits; and

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14 **WHEREAS**, Board counsel further recommended that “steps be taken to bifurcate
15 benefits earned prior to the applicable effective date (March 20, 2013 for police and August
16 7 for firefighters)”; and

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18 **WHEREAS**, Board counsel also opined that, “the prorated portion of a member’s
19 COLA benefit that is tied to service performed *prior* to the applicable effective date should
20 not be limited to eight COLA distributions (or the \$95,000 cap)”; and

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22 **WHEREAS**, On December 4, 2017, the Board ratified its decision to change the
23 interpretation and application of the maximum limit on retirement benefits contained in
24 Ordinance 2013-19; and

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26 **WHEREAS**, the City has, on several occasions, expressly objected to the Board’s
27 unilateral change in the interpretation and application of the Trust’s benefits; and

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29 **WHEREAS**, the Trust’s own actuary has determined that, as a result of the Board’s
30 change in the calculation of benefits, the City’s unfunded liability of the retirement plan will
31 substantially increase and the City’s annual required contribution will increase significantly;
32 and

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34 **WHEREAS**, Chapter 164, Florida Statutes, requires a government entity to follow a
35 dispute resolution process before filing suit against another government unless the
36 governmental entity seeking to initiate litigation, by three-fourths vote of its governing body,
37 determines that an immediate danger to the health safety or welfare of the public, or that
38 significant legal rights will be compromised if a court proceeding does not take place before
39 the provisions of Chapter 164 are complied with; and

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41 **WHEREAS**, the City Commission finds that the increase in the City’s unfunded
42 liability and annual required contribution creates an immediate danger to the health, safety
43 and welfare of the public; and

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45 **WHEREAS**, the City Commission finds that significant legal rights of the City have
46 been compromised and will continue to be compromised if a court proceeding against the

1 Board and Trust is not initiated prior to compliance with the requirements of Chapter 164;
2 and

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4 **WHEREAS**, because of this danger, the City determines that no notice or public
5 meeting or other proceeding as provided by Chapter 164 shall be required before a court
6 proceeding.

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8 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE**
9 **CITY OF HALLANDALE BEACH, FLORIDA, THAT:**

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11 Section 1: The foregoing recitals contained in the preamble to this Resolution
12 are incorporated by reference herein.

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14 Section 2: The City Commission authorizes and directs the City Attorney to file
15 and participate as a party plaintiff in a lawsuit filed by the City against the Board and
16 the Trust and to pursue all available legal remedies.

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18 Section 3: The City Commission finds, by no less than a three-fourths vote, that
19 there is an immediate danger to the health, safety and welfare of the public and that
20 significant legal rights will be compromised if a court proceeding does not take place
21 before the provisions of the Florida Government Conflict Resolution Act are complied
22 with. The City determines that no notice or public meeting or other proceeding as
23 provided by Chapter 164 shall be required before a court proceeding is initiated
24 against the Board and the Trust.

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26 Section 4: The appropriate City officials are authorized to execute all necessary
27 documents and to take any necessary action to effectuate the intent and purpose of
28 this Resolution.

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30 Section 5: This Resolution shall take effect immediately upon its adoption.

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32 ADOPTED by the City Commission of the City of Hallandale Beach, Florida, this
33 ____ day of August, 2018.

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37 _____
38 Keith London, Mayor

39 ATTEST:

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43 Jenorgen Guillen, City Clerk
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2 Approved as to form and legality
3 for the use of and reliance by the
4 City of Hallandale Beach only:
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6 _____
7 Jennifer Merino, City Attorney
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Roll Call:
Mayor London _____
Commissioner Butler _____
Commissioner Dally _____
Commissioner Lima-Taub _____
Vice Mayor Lazarow _____