



City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
12/2/2020	<input type="checkbox"/> Resolution	Ordinance Reading	11/18/2020	12/2/2020
File No.:	<input checked="" type="checkbox"/> Ordinance	Public Hearing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
20-406	<input type="checkbox"/> Other	Advertising Required	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		Quasi Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number :	
\$766,769	N/A	State of Florida	N/A	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	N/A	Radu Dodea, Director	Human Resources/Risk Mngt	
Strategic Plan Focus Areas:				
<input type="checkbox"/> Financial	<input checked="" type="checkbox"/> Organizational Capacity	<input type="checkbox"/> Infrastructure	<input type="checkbox"/> Development, Redevelopment and Economic Development	
Implementation Timeline				
Estimated Start Date: 11/18/2020 Estimated End Date: 12/2/2020				

SHORT TITLE:

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AMENDING THE CITY OF HALLANDALE BEACH POLICE AND FIRE PENSION PLAN TO COMPLY WITH CHAPTERS 175 & 185, FLORIDA STATUTES; AMENDING SECTION 5.03e TO PERMIT THE BOARD OF TRUSTEES TO INVEST UP TO 25% OF THE PORTFOLIO IN FOREIGN SECURITIES; CREATING ARTICLE XV, , ESTABLISHING A DEFINED CONTRIBUTION SHARE PLAN; CREATING ARTICLE XVI, PROVIDING FOR THE USAGE OF PREMIUM TAX REVENUES; PROVIDING FOR INCLUSION IN THE CODE; PROVIDING FOR SEVERABILITY; PROVIDING FOR A REPEALER; AND PROVIDING FOR AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

This Ordinance will amend the City of Hallandale Beach Police and Fire Pension Plan to comply with Chapters 175 and 185 of the Florida Statutes. It will amend the Plan to permit the Board of Trustees to invest up to 25% of the investment portfolio in foreign securities, as well as create a share program, to place excess premium tax revenues in a defined contribution (DC Plan) plan to pay extra benefits to police officers participating in the share program if negotiated with the Union. The share program is in addition to any other benefits under the Police & Fire Pension Plan.

The DC Plan will be created as a component of the Pension Plan, but will not be activated unless and until a portion of the Chapter 175 and 185 premium tax revenues have been assigned to fund it. The provisions of the DC Plan, when and if activated, shall be negotiated at the time funding has been assigned to the DC Plan. Florida Statutes requires the creation of the Plan, but does not require that it be funded/activated. The City already provides a defined contribution retirement benefit to Police plan members, but it is not administered through the Police and Fire Pension Plan.

Currently, annual premium tax revenues received by the City, in accordance with Chapters 175 and 185, Florida Statutes, are applied to reduce the City's annual pension contribution. All funds in the excess state monies reserve shall also be applied to reduce the City's annual pension contribution.

Current Situation:

To continue receiving the Chapter 175 and 185 annual premium tax revenues and excess state monies, this Ordinance must be adopted.

Why Action is Necessary:

Action is necessary to amend the existing City of Hallandale Beach Police and Fire Pension Plan in order to comply with Chapters 175 and 185 of the Florida Statutes.

Cost Benefit:

For 2020, the annual premium tax and excess state distribution amount is \$766,769.

PROPOSED ACTION:

The City Commission adopt the attached Ordinance in order to remain compliant with Florida State Statutes Chapter 175 and 185 and continue receiving the annual premium tax revenues.

ATTACHMENT(S):

Exhibit 1 – Proposed Ordinance