400 S. Federal Hwy
Hallandale Beach, FL 33009
07162025

City of Hallandale Beach
City Commission Agenda Cover Memo

Meeting Date:	File No.:	Item Type:		1st Reading	2nd Reading
8/5/2026	**26-214**	☐ **Resolution** ☒ **Ordinance** ☐ **Other**	Ordinance Reading	**8/5/2026**	**8/19/2026**
			Public Hearing	☐	☐
			Advertising Required	☐	☐
			Quasi-Judicial:	☐	☐

Fiscal Impact ($):	Account Balance ($):	Funding Source:	Project Number:
$0	**N/A**	**N/A**	**N/A**

Contract Required:		P.O. Required:		RFP/RFQ/Bid Number:	Sponsor Name:	Department:
☐Yes	☒No	☐Yes	☒No	**N/A**	**Radu Dodea, Director of Human Resources/Risk Management**	**Human Resources/Risk Management**

Strategic Plan Focus Areas:				
☒ **Fiscal Stability**	☐ **Resident Services**	☐ **Public Safety**	☐ **Infrastructure & Mobility**	☐ **Economic Development & Affordable Housing**

Implementation Timeline:	
Estimated Start Date: 8/5/2026	Estimated End Date: 9/30/2028

SHORT TITLE:

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, APPROVING AMENDMENTS TO THE CITY OF HALLANDALE BEACH GENERAL EMPLOYEES' RETIREMENT PLAN DOCUMENT AND THE INVESTMENT POLICY STATEMENT TO AUTHORIZE THE EARLY RETIREMENT WINDOW PURSUANT TO THE AFSCME COLLECTIVE BARGAINING AGREEMENT APPROVED ON MAY 6, 2026; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

The proposed Ordinance approves amendments to the City of Hallandale Beach General Employees' Retirement Plan document and the Investment Policy Statement (IPS) in order to implement the Early Retirement Window (ERW) previously approved by the City

Commission as part of the AFSCME Collective Bargaining Agreement approved on May 6, 2026. The amendments formalize the pension window provisions negotiated in the collective bargaining agreement and authorize updates to the plan's governing investment policies to reflect the anticipated changes in plan demographics, liabilities, and long-term funding strategy.

Background:

On May 6, 2026, the City Commission approved a Collective Bargaining Agreement (CBA) between the City of Hallandale Beach and AFSCME Local 2009 for the period October 1, 2025 through September 30, 2028. Included within the negotiated agreement was Article 34.4 establishing a limited Early Retirement Window for eligible participants in the City's legacy General Employees' defined benefit pension plan.

The approved pension window allows eligible employees meeting specified age and service requirements to elect early retirement without penalty during the contract term ending September 30, 2028. The City's actuary completed an Actuarial Impact Statement dated March 20, 2026 evaluating the fiscal impact of the proposed ERW and confirming compliance with applicable Florida Statutes governing public pension plans.

In order to implement the pension window, the Retirement Plan document must be formally amended to incorporate the approved ERW provisions. In addition, amendments to the Investment Policy Statement are recommended to align the investment strategy with the anticipated reduction in long-term liabilities, demographic changes within the plan, and the City's ongoing pension de-risking objectives.

Current Situation:

The proposed amended Retirement Plan document incorporates the ERW provisions previously approved by the City Commission and negotiated through the collective bargaining process. The amendments establish the eligibility criteria, retirement provisions, and implementation framework necessary to administer the ERW.

Additionally, the amended IPS updates the pension plan's investment objectives, asset allocation framework, and risk management approach to better align with the evolving structure of the pension plan following implementation of the retirement window. The proposed IPS modifications are intended to support long-term financial stability, improve alignment between plan liabilities and investment strategy, and reduce exposure to future market volatility.

The City's actuary determined that implementation of the ERW is projected to increase the City's annual required pension contribution beginning in FY 2027; however, the City anticipates offsetting long-term savings through reduced future pension liability growth, workforce transition savings, and potential adjustments to the plan's investment risk profile.

Why Action is Necessary:

City Commission approval is necessary to formally amend the General Employees' Retirement Plan document and adopt the amended Investment Policy Statement in order to implement the pension window previously authorized by the City Commission through the approved AFSCME Collective Bargaining Agreement.

Approval of these amendments ensures the retirement plan remains compliant with applicable pension regulations, accurately reflects the negotiated retirement provisions, and provides the legal and administrative framework necessary for implementation and ongoing administration of the ERW.

Cost Benefit:

The actuarial analysis prepared by the City's actuary estimates that implementation of the ERW will increase the City's required pension contribution by approximately $516,174 annually beginning in FY 2027. The analysis also projects an increase in the unfunded actuarial accrued liability from approximately $15.8 million to $20.3 million.

Despite the increased actuarial liability, the City anticipates long-term financial and operational benefits, including:

- Reduced future pension liability growth resulting from limiting additional years of service and salary escalation;
- Potential long-term pension savings through earlier retirement participation;
- Reduced exposure to future market and demographic risk through pension plan de-risking strategies;
- Workforce transition and succession planning opportunities; and
- Potential salary savings associated with replacement hiring at lower entry-level salary ranges.

The amended Investment Policy Statement further supports these objectives by aligning the pension fund's investment strategy with the plan's updated liability structure and long-term funding objectives.

PROPOSED ACTION:

Staff recommends that the City Commission adopt the attached Ordinance on first reading, approving the amended City of Hallandale Beach General Employees' Retirement Plan document and Investment Policy Statement; authorizing execution of the necessary documents; and providing an effective date. A Resolution establishing the Early Retirement Window pursuant to Section 2.01 of the amended Plan document will be included for consideration and adoption at the Ordinance's second reading.

ATTACHMENT(S):

Exhibit 1 – Proposed Ordinance
Exhibit 2 – Updated General Employees' Pension Plan Document (Plan #445661) as of August 5, 2026
Exhibit 3 – Updated General Employees' Pension Plan Investment Policy Statement as of August 5, 2026
Exhibit 4 - Actuarial Impact Statement dated March 20, 2026 – 445661 Hallandale General ERW study

Prepared By: *Radu Dodea*
Radu Dodea

Human Resources/Risk Management Director

Reviewed By: *Noemy Sandoval*

Noemy Sandoval
Assistant City Manager