

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: June 20, 2018

File: BIS 18 - 230

File: TMP-2018-378

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE AN INCREASE IN THE AUTHORIZED ANNUAL EXPENDITURE TO HOWARD E. NYHART COMPANY, INCORPORATED ("NYHART") FROM \$45,000.00 TO \$85,000.00 FOR ACTUARY SERVICES.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

This resolution seeks authorization to increase the authorized annual expenditure for the Professional Agreement for actuary services for the City's three pension plans provided by Howard E. Nyhart Company, "Nyhart". The original agreement was executed on March 23, 2017 in the amount of \$48,500.00 with additional renewal periods.

The first renewal period, March 23, 2018 to March 22, 2019, was approved via City Manager Memo PR-18-155 in the amount of \$45,000.00.

The analysis for the police pension plan has been completed at a cost of \$27,653.75, and the cost to complete the analysis of the fire pension plan and the general employees' pension plan is estimated to be an additional \$20,000.00 each.

The estimated annual cost for the continuance of actuarial services is now \$85,000.00, thereby requiring City Commission approval.

The total amount for Actuarial Services to include the 1st year (\$48,500.00), the initial renewal period amount (\$45,000.00), and the requested additional amount (\$40,000.00) brings the total to an estimated \$133,500.00. Funding for the costs of the actuarial services to be provided by Nyhart through the balance of FY 2018 has been provided in the adopted FY 2018 Operating Budget (R-2017-288). Funding for future actuarial services to be provided by Nyhart pursuant to the professional services agreement will be requested in the applicable fiscal year's operating budget subject to the approval of the City Commission.

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