

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

Date: September 23, 2019

File: BIS 19 - 297

File: TMP-2019-646

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, APPROVING AND AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A SETTLEMENT AGREEMENT IMPLEMENTING A SETTLEMENT WITH THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT FUND.

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:

The fiscal impact for the proposed Settlement Agreement for the Employees Retirement Fund is detailed below:

- \$12,364,225 for the Annual Required Contribution (ARC) shortfall will be amortized over 5 years and will be requested as part of the annual operating budget commencing in FY 2021 and continuing to FY 2025.
- \$4,299,167.70 for the FY 2012 13th check benefit was funded on a budget amendment approved September 18, 2019 via Resolution R2019-273.
- Additionally, in FY 20 and all future fiscal years, the ARC for the General Employee Pension Fund will include the prefunding of the supplemental benefit at a cost of approximately \$2,000,000 as determined annually by the plans actuary.

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