



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2016-187, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Adopted Pursuant To Section 164.1052, Florida Statutes, Declaring Its Intent To Initiate The Conflict Resolution Procedures Set Forth In Florida Statutes Chapter 164; Declaring That The Conflict Exists With The City's Three Defined Benefit Pension Boards And Arises Out Of The Boards' Payment Of Supplemental Distributions To Retirees; Authorizing And Directing The Appropriate City Officials To Take All Steps Necessary To Effectuate This Resolution.

Staff Recommends: Approval of the attached resolution.

Explanation:

The City has three defined benefit pension plans - one for police officers, one for firefighters, and one for general employees. Each of these pension plans provides for the payment of a benefit, known as a supplemental distribution or 13th check, to eligible retirees for each year in which the rate of investment return on the assets of the plan exceeds a certain amount. Payment of a supplemental distribution is governed by the respective pension plan and by state law, and payment is proper only if all of the conditions for payment contained in the pension plan and state law are met.

Over the past several years, the Board of Trustees of the Police Retirement Plan, the Board of Trustees of the Firefighters Retirement Plan and the Board of Trustees of the Employees Retirement Plan (collectively, the "Boards") have made supplemental distributions totaling millions of dollars. In the opinion of the City Attorney, one or more supplemental distributions made by each Board violated either the pension plan, state law or both, and the City is entitled to judicial relief against the Boards.

Florida Statutes Chapter 164, entitled the "Florida Governmental Conflict Resolution Act" (the "Act"), requires that governmental entities in conflict with one another attempt to negotiate their differences pursuant to the procedures outlined in the Act prior to commencing litigation regarding the conflict. Florida Statute Section 164.1052 requires the governing body of the governmental entity initiating the conflict resolution procedures to adopt a resolution expressing its intent to initiate such procedures.

Recommended for inclusion on the agenda by:

Jeffrey P. Sheffel, City Attorney
Dr. Wazir A. Ishmael, City Manager
George R. Keller, Jr., Assistant City Manager for Finance & Administration