

TOWN OF DAVIE

TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Carol Menke/797-1054

DOCUMENT PREPARED BY: Carol Menke/797-1054

SUBJECT: Resolution

AFFECTED DISTRICT: n/a

TITLE OF AGENDA ITEM: A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, CHANGING THE TOWN'S REQUIRED CONTRIBUTION TO THE GENERAL EMPLOYEES PORTION OF THE TOWN OF DAVIE MONEY PURCHASE PLAN; AND PROVIDING AN EFFECTIVE DATE.

REPORT IN BRIEF: This resolution will authorize an increased contribution from the Town to the General Employees portion of the Money Purchase Plan, as negotiated through collective bargaining. The increase will change the Town's contribution from five percent to six percent. This contribution change will be effective the first full pay period of fiscal year 2003.

The change will also apply to the non represented employees covered by the General Employees portion of the Money Purchase Plan. Approximately thirty non represented employees are in the General Employees pension. A one percent contribution increase for these employees is approximately \$15,000 annually.

The recently adopted FY2003 budget anticipated this change and the expenditures are included in the approved budget.

PREVIOUS ACTIONS: Resolution 2002-167 ratifying the letter of understanding and amendment of collective bargaining agreements between the Town of Davie and the Blue Collar Unit and the White Collar Unit of the Federation of Public Employees.

CONCURRENCES: N/A

FISCAL IMPACT:

Has request been budgeted? Yes

If yes, expected cost: \$82,000

Additional Comments: Not applicable

RECOMMENDATION(S): Motion to approve the resolution.

Attachment(s):

Resolution and Exhibit

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, CHANGING THE TOWN'S REQUIRED CONTRIBUTIONS TO THE GENERAL EMPLOYEES PORTION OF THE TOWN OF DAVIE MONEY PURCHASE PLAN; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, through collective bargaining the Town has negotiated with its employees to increase the Town's contributions from 5% to 6%; and

WHEREAS, it has been determined that this is allowed under the Federal Tax Code and does not produce any salary discrimination problems with respect to the employee group; and

WHEREAS, it has been further determined that this change does not warrant formal approval from the Internal Revenue service or the Department of Labor;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town Council hereby amends the Town of Davie Money Purchase Plan as provided in Exhibit "A" and authorizes the appropriate Town Officials to execute the necessary documents to insure its implementation.

SECTION 2. This resolution shall take effect immediately upon its passage and adoption, with the increased contributions beginning the first full pay period of fiscal year 2003.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2002

MAYOR/COUNCILMEMBER

Attest:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2002

EXHIBIT A

AMENDMENT TO THE TOWN OF DAVIE, FLORIDA

MONEY PURCHASE PLAN

The Town of Davie, Florida, adopted the Town of Davie Money Purchase Plan (the "Plan") for the benefit of eligible employees effective as of January 1, 1984. The Plan has been amended on numerous occasions with the most recent restatement adopted by Resolution R98-265 effective October 1, 1997, with subsequent amendments adopted by Resolutions R98-335 and R2002-16.

The Plan is hereby amended to increase the Employer Contribution to each participating General Employee effective the first full pay period of fiscal year 2003 as follows:

"6.1 Amount of Contributions.

(a) The Employer shall contribute to the Plan for the Employer Contributions Account of each Salaried Employee who is a Participant an amount which is 11.4 percent of his Compensation.

(b) The Employer shall contribute to the Plan for the Employer Contributions Account of each General Employee who is a Participant an amount which is ~~five~~ six percent of his Compensation."

Executed at Town of Davie, Florida on _____, 2002.

Town of Davie

By _____

Mayor