

# TOWN OF DAVIE

## TOWN COUNCIL AGENDA REPORT

**TO:** Mayor and Council Members

**FROM/PHONE:** Bill Underwood/797-1053

**DOCUMENT PREPARED BY:** Bill Underwood/797-1053

**SUBJECT:** Resolution

**AFFECTED DISTRICT:** Town wide

**TITLE OF AGENDA ITEM:** A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE SALE OF COMMUNITY ENDOWMENT FUND INVESTMENTS IN THE AMOUNT OF \$2.5 MILLION DOLLARS AND AUTHORIZING THE APPROPRIATION AND TRANSFER OF THE PROCEEDS TO THE NEWLY ESTABLISHED TOWN OF DAVIE, DEFINED BENEFIT PENSION PLAN.

**REPORT IN BRIEF:** The Town Council recently approved a new Retirement Plan and Trust for Town of Davie Management and General Employees. In order to maintain current Town contributions to the new plan at a similar level to previous Town contributions to the 401(a) Money Purchase Plan, the newly created pension plan requires initial funding of \$2.5 million. This initial funding is coming from the Community Endowment Fund. One of the purposes of the Community Endowment Fund is to fund otherwise unfunded liabilities of the Town. This resolution authorizes the sale of Community Endowment investments in the amount required and also authorizes the appropriation and transfer of the cash proceeds to the new pension plan.

**PREVIOUS ACTIONS:** N/A

**CONCURRENCES:** Town Administrator's Office

**FISCAL IMPACT:**

Has request been budgeted? Yes, this resolution amends the Community Endowment Fund budget.

If yes, expected cost: \$2.5 million

Additional Comments: This resolution will move \$2.5 million from the Community Endowment Fund to the new defined benefit pension plan.

**RECOMMENDATION(S):** Motion to approve the resolution.

**Attachment(s):**  
Resolution

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE SALE OF COMMUNITY ENDOWMENT FUND INVESTMENTS IN THE AMOUNT OF \$2.5 MILLION DOLLARS AND AUTHORIZING THE APPROPRIATION AND TRANSFER OF THE PROCEEDS TO THE NEWLY ESTABLISHED TOWN OF DAVIE, DEFINED BENEFIT PENSION PLAN.

WHEREAS, the Town Council recently established a new Retirement Plan and Trust for the Town of Davie Management and General Employees in order to attract qualified individuals to the Town and to encourage long-term and continued employment with the Town of Davie; and

WHEREAS, in order to reduce the Town's contribution rate the plan requires initial funding in the amount of \$2.5 million dollars; and

WHEREAS, one of the purposes of the Community Endowment Fund is to provide funding for the Town's otherwise unfunded liabilities;

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

SECTION 1. The Town Council of the Town of Davie hereby authorizes the sale of \$2.5 million of Community Endowment Fund investments and the appropriation and subsequent transfer of the proceeds to the newly established Retirement Plan and Trust for the Town of Davie Management and General Employees.

SECTION 2. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004.

\_\_\_\_\_  
MAYOR/COUNCILMEMBER

ATTEST:

\_\_\_\_\_  
TOWN CLERK

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2004.