



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#24-0963

TO: Honorable Mayor & Members of the Fort Lauderdale City Commission

FROM: Susan Grant, Acting City Manager

DATE: October 15, 2024

TITLE: Resolution Approving a MissionSquare Retirement Governmental Money Purchase Plan Adoption Agreement (“Adoption Agreement”) to Apply for a Defined Contribution “401(a)” Plan for Elected Officials, and Authorizing the Director of Finance to Execute the Adoption Agreement and any Other Documents Incidental to the Adoption Agreement - **(Commission Districts 1, 2, 3 and 4)**

Recommendation

Staff recommends the City Commission adopt a resolution approving a MissionSquare Retirement Governmental Money Purchase Plan Adoption Agreement (“Adoption Agreement”) to apply for a defined contribution “401(a)” plan for any City Commissioner, including the Mayor, who is not eligible for renewed membership in the Florida Retirement System (“FRS”) or who is eligible and has elected to withdraw from membership in FRS during the opt-out period, effective upon the seating of the next City Commission following the November 5, 2024, election, and authorizing the Director of Finance to execute the Adoption Agreement and any other documents incidental to the Adoption Agreement.

Background

On June 18, 2019, the City Commission adopted Resolution No. 19-117, Section 7 of which provides that “in the event the City of Fort Lauderdale participates in the Florida Retirement System, such participation will encompass the Mayor and City Commissioners of the next City Commission following the November 3, 2020, election.”

The City joined the Florida Retirement System (“FRS”) effective January 1, 2021, and as a result, the Mayor and City Commissioners were enrolled in FRS. FRS retirees initially re-employed on or after July 1, 2010, are not eligible for renewed membership in FRS. However, the City is still required to contribute to FRS on their behalf.

Section 4.02 of the Charter of the City of Fort Lauderdale provides in part, “The City Commission of the City of Fort Lauderdale shall by resolution fix the compensation of commissioners, but any resolution increasing or reducing the compensation of commissioners shall not be adopted subsequent to July 31 of the year immediately preceding the year of the election and shall not be effective until the seating of the next commission following the next election.”

On June 20, 2023, the City Commission adopted Resolution No. 23-120, which provides for additional compensation for elected officials that are ineligible for renewed FRS membership to be in effect following the November 5, 2024, election. Elected officials who are not eligible for renewed membership in the FRS or who are eligible and have elected to withdraw from membership in FRS during the opt-out period, may elect to receive an amount equal to the difference between the City's required contribution to FRS for eligible and ineligible elected officers via a defined contribution 401(a) plan.

FRS Effective Date	FRS Eligible %	FRS Not Eligible %	Difference
7/1/2024	58.68%	46.23%	12.45%

Additionally, Resolution 23-120 calls for the City to enter into a new Governmental Money Purchase Plan & Trust Adoption Agreement or equivalent, with a one hundred percent (100%) one (1) year vesting schedule and a normal retirement age of fifty-five (55).

Resource Impact

There is no current fiscal impact associated with this action. Should an elected official be eligible for this benefit after the November 5th election, the contribution rate for FY2025 is 12.45% and the benefit is budgeted in the FY2025 Amended Operating Budget.

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- The Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning.

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are United.

Attachments

- Exhibit 1 – Resolution 23-120
- Exhibit 2 – Adoption Agreement
- Exhibit 3 – Resolution

Prepared by: Linda Short, Director, Finance

Department Director: Linda Short, Finance