



# VILLAGE OF KEY BISCAYNE

*Village Council*

## MEMORANDUM

**Michael W. Davey, Mayor**  
**Allison McCormick, Vice Mayor**  
**Luis Lauredo**  
**Edward London**  
**Brett Moss**  
**Katie Petros**  
**Ignacio J. Seguro**

DATE: August 27, 2019  
TO: Honorable Mayor and Council Members  
FROM: Andrea Agha, Village Manager *AA*  
RE: FY2019 General Fund Budget Amendment #2 For  
Fire Pension Unfunded Liability Reduction

### Recommendation

Approval of the Council directed budget amendment appropriating \$1,995,851 of assigned fund balance that was earmarked for the early payment of employer pension contributions to the Village of Key Biscayne Police Officers and Firefighters Retirement Plan

### Background

The Village amended its Police Officers and Firefighters Retirement Plan in early FY2019 as part of its collective bargaining process during FY2018. The Council discussed and intended to use money that had in prior years been earmarked to offset fire rescue costs. The Council discussed using this as an additional Village pension contribution with the expectation that it would reduce the unfunded liability of the retirement plan.

At the October 2018 Regular Council meeting, the Council directed staff to transfer the Fire Transport Fees to pay down the unfunded liability of the pension plan. The mechanism to process the transfer is via a budget amendment requiring an ordinance and two readings. Once this funding is appropriated from the Town's reserves, we will issue payment to the pension plan.

ORDINANCE NO. 2019-\_\_\_\_\_

**AN ORDINANCE OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AMENDING ORDINANCE NO. 2018-7 WHICH ADOPTED THE BUDGET FOR FISCAL YEAR 2018-2019 BY REVISING THE 2018-2019 FISCAL YEAR OPERATING BUDGET; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, in accordance with Section 200.065, Florida Statutes, on September 25, 2018, the Village Council of the Village of Key Biscayne (the “Village”) adopted Ordinance No. 2018-7 approving the Fiscal Year 2018-2019 Budget; and

**WHEREAS**, on October 30, 2018, the Village Council directed the Village Manager to transfer \$1,995,851, the total Assigned Fire Rescue Transport Fee fund balance reserve, to pay down the Police and Fire Pension Unfunded Liability and in order to fulfill this directive, it is deemed necessary to adjust, amend and implement the 2018-2019 Operating Budget as set forth in Exhibit “A,” attached hereto; and

**WHEREAS**, the Village Council finds that adoption of this Ordinance is in the best interest and welfare of the Village and its residents.

**NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AS FOLLOWS:**<sup>1</sup>

**Section 1.** **Recitals.** That the above-stated recitals are true and correct and are incorporated herein by this reference.

**Section 2.** **Amending Ordinance No. 2018-7.** That the Village Council hereby authorizes the amendment of Ordinance No. 2018-7, which Ordinance adopted a budget for the

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<sup>1</sup> Coding: ~~Strikethrough words~~ are deletions to the existing words. Underlined words are additions to the existing words. Changes between first and second reading are indicated with highlighted double-strikethrough and double underline.

2018-2019 fiscal year, by revising the 2018-2019 budget as set forth on the attached Exhibit "A," which exhibits are deemed incorporated by reference as though set forth in full herein.

**Section 3.** **Implementation.** That the Village Manager is hereby authorized to take any and all action necessary to implement the purpose of this Ordinance.

**Section 4.** **Effective Date.** That this Ordinance shall become effective immediately upon final adoption on second reading.

**PASSED** on first reading on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**PASSED AND ADOPTED** on second reading on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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MICHAEL W. DAVEY  
MAYOR

ATTEST:

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JENNIFER MEDINA, CMC  
VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY:

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WEISS SEROTA HELFMAN COLE & BIERMAN, P.L.  
VILLAGE ATTORNEY

# Attachment "A"

## General Fund Budget Amendment

<u>Account</u>	<u>Debit</u>	<u>Credit</u>
Appropriation of Assigned Fund Balance	\$1,995,851	
Fire Department, Retirement Contributions		\$1,995,851