

AGENDA

ORDER AND PROCEDURE OF COUNCIL MEETING TUESDAY, JANUARY 3, 2023 5:30 P.M.

1. **CALL TO ORDER**
2. **INVOCATION:**
3. **PLEDGE OF ALLEGIANCE:**
4. **ROLL CALL:**
5. **ANNOUNCE BUSINESS FROM AUDIENCE PROCEDURE:**
6. **MAYOR'S REPORT:**
7. **COUNCILMEMBERS' CONCERNS, COMMENTS, LIAISON REPORTS:**
8. **CONSENT AGENDA:**
 - A. Approval of minutes: Haley
 - B. Announcement of upcoming meetings: Haley
 - C. Citibank banking letter for Cigna administered welfare benefit plan: Robinson
 - D. Resolution #2023-01/Clean Water SRF Amendment 2 to Loan Agreement: Robinson
9. **OLD BUSINESS:**
10. **NEW BUSINESS:**
11. **BUSINESS FROM AUDIENCE:**
12. **CITY ATTORNEY'S BUSINESS:**
 - A. Ordinance 1511 Sebring Municipal Firefighters' Pension Plan Deferred Retirement Option Program (DROP) benefit enhancement (1st reading): Swaine/Robinson
13. **CITY ADMINISTRATOR BUSINESS:**
14. **CITY CLERK'S BUSINESS AND ANNOUNCEMENTS**
 - A. Bills for Approval: Haley

Any person who might wish to appeal any decision made by the City Council of Sebring, Florida, in public hearing or meeting is hereby advised that he will need a record of the proceedings and for such purpose may need to ensure that a verbatim record of the proceedings is made which will include the testimony and evidence upon which such appeal is to be based. The City Council of Sebring, Florida does not discriminate upon the basis of any individual's disability status. This non-discrimination policy involves every aspect of the Council's functions, including one's access to, participation employment or treatment in its programs or activities. Anyone requiring reasonable accommodation as provided for in the Americans with Disabilities Act should contact Mrs. Kathy Haley, CMC, City Clerk, at 471- 5100.

CITY OF SEBRING

AGENDA ITEM SUMMARY

MEETING DATE: January 3, 2023

PRESENTER: Dettman

AGENDA ITEM#: 8 – Consent Agenda

BACKGROUND: Item 8 A through 8 D are on the consent agenda for Council action. Should any member of Council wish that an item be removed from the agenda, they should so indicate. That particular item will be removed and discussed individually at the appropriate place on the agenda. All remaining items will be presented for approval collectively.

REQUESTED MOTION: Approve consent agenda as presented.

COUNCIL ACTION:

____ APPROVED Moved by: _____; Seconded by: _____
____ DENIED Bishop ___ Carlisle ___ Mendel ___ Stewart ___ Dettman ___
____ TABLED TO: _____ OTHER

CITY OF SEBRING
AGENDA ITEM SUMMARY

MEETING DATE: January 3, 2023

PRESENTOR: Haley

AGENDA ITEM#: 8A – Approval of Minutes

BACKGROUND: The minutes from your regular on December 20, 2022 were emailed to you on December 28, 2022.

REQUESTED MOTION: Approve minutes as presented.

COUNCIL ACTION:

_____ APPROVED

_____ DENIED Moved by: _____; Seconded by: _____

_____ DEFERRED Bishop__ Carlisle__ Mendel__ Stewart__ Dettman__

_____ OTHER

CITY OF SEBRING

AGENDA ITEM SUMMARY

MEETING DATE: January 3, 2023

PRESENTER: Haley

AGENDA ITEM#: 8 B - Announcement of Upcoming Meetings

BACKGROUND: The following meetings and/or workshops are scheduled between January 4, 2023 and January 17, 2023

<u>Date</u>	<u>Time</u>	<u>Meeting</u>	<u>Participant(s)</u>
01/09/23	5:30 p.m.	Community Redevelopment Agency	Liaison Bishop
01/10/23	5:30 p.m.	Planning and Zoning Board	Liaison Stewart
01/12/23	5:00 p.m.	Historic Preservation Commission	Liaison Stewart
01/16/23		Martin Luther King Jr. Day (City Offices Closed)	
01/16/23	12:00 p.m.	Martin Luther King Jr. Day Parade	
01/17/23	5:30 p.m.	City Council Meeting	Mayor/City Council/ City Clerk

COUNCIL ACTION:

APPROVED Moved by: _____; Seconded by: _____
 DENIED Bishop ___ Carlisle ___ Mendel ___ Stewart ___ Dettman ___
 TABLED TO: _____ OTHER

CITY OF SEBRING

AGENDA ITEM SUMMARY

MEETING DATE: January 3, 2023

PRESENTER: Robinson

AGENDA ITEM#: 8C - Citibank banking letter for Cigna administered welfare benefit plan

BACKGROUND: The City of Sebring approved the Health Insurance Committee recommendation to contract with Cigna as third-party administrator to the City's welfare benefit plan (health/vision/dental insurance). This change is effective January 1, 2023 and requires the City to setup a bank account at Citibank. The attached banking letter is required to open the account. The banking letter has been reviewed and revised by the City Attorney.

REQUESTED MOTION: Approve attached banking letter to setup account with Citibank to process health/dental/vision claims administered by Cigna and authorize City Clerk Haley to sign the banking letter as presented.

COUNCIL ACTION:

_____ APPROVED

_____ DENIED

_____ TABLED TO: _____

_____ OTHER

Moved by: _____; Seconded by: _____

Bishop ___ Carlisle ___ Mendel ___ Stewart ___ Dettman ___

Date: October 6, 2022

SIMMS Customer Service Unit
Citibank N.A.
One Penn's Way
New Castle, DE 19720

Client Name: City of Sebring
Client Address: 368 S Commerce Avenue
Sebring, FL 33870

Client TIN Number: 59-6000428
Citibank/DDA Account #: 31332868
Plan #: 3345297 FSI Code: FM997

1. We, a client ("Client") of CIGNA ("CIGNA" refers to various subsidiaries of CIGNA Corporation including, without limitation, Connecticut General Life Insurance Company, CIGNA Health and Life Insurance Company, Life Insurance Company of North America, CIGNA Life Insurance Company of Canada, CIGNA Life Insurance Company of New York and CIGNA HealthCare of California, Inc., however, it does not include CIGNA Corporation), wish to establish a demand deposit, also known as a "Program", account ("Account") to be utilized solely in connection with our welfare benefit plan administered by CIGNA (the "Plan"). The Account will be utilized as the depository/funding account for the payment of benefits under the Plan, and will be non-compensating and non-interest bearing.
2. Client hereby agrees that CIGNA is authorized, on behalf of Client, to open the Account(s) with the bank ("Citibank") in the tax payer identification number and name of Client, and to execute and deliver all agreements, documents and services requested by the Bank.
3. Citibank is authorized to request an imprest balance of \$53,000.00 on January 1, 2023 for credit to the Account. We agree to increase the imprest balance upon request of, and in an amount to be determined by CIGNA to maintain an adequate balance. You are authorized to request additional imprest funds 15 days after we are notified by CIGNA.
4. Citibank is authorized to debit the Account on a daily or other periodic basis, even if an overdraft is created by such debit, by amounts equal to the aggregate amount paid by CIGNA on behalf of Client for Agent Account: 40008488 ("Agent Account") and you are further authorized to transfer such funds to the Agent Account. We are responsible for all amounts paid by CIGNA on our behalf and for any overdrafts, including fees thereon, created by such payments.
5. Client will fund the Account daily. on the first bank day of the week and any other time the Account is overdrawn. on the first bank day of the month and any other time the Account is overdrawn. Funding amounts will be equal to the aggregate amount on the 1st and 15th of the month and any other time the account is overdrawn. PAID ISSUED and in an amount sufficient to bring the balance to the imprest level, Or based on Same Day Reconciliation (Zero Balance Account/Fund upon Paid Daily with no imprest).
6. Client elects to fund the Account using: **Company (Cigna) ID# 9900000006 ABA# 021000089**
 Fed Wire (Drawdown) (Federal Reserve).
 ACH (Automated Clearing House).
 Automatic Account Transfer of Available funds (Debit Only) from Citibank Corporate Account _____.
 Initiated by the Bank.

Client represents it has notified its local bank (identified below) that it has provided the authority for its funds to be transferred to the account and we have instructed our local bank to respond to your message for funds to ensure deposit in the Account the same day the request is made.

Bank Name:	_____
Address:	_____
ABA Number:	_____
Local Bank Account Number:	_____
Bank Contact:	_____
Phone Number:	_____

Initiated by Client. - Self Funder.

Client will self-monitor required funding of the Account on a daily basis upon notification

from Citi's automated system Citidirect:

CitiDirect Online System

FAX (Fax number): _____ Attention: _____

Email (Email Address): accountspayable@mysebring.com Attention: Mindy Holliday
pennyrobinson@mysebring.com Attention: Penny Robinson
_____ Attention: _____
_____ Attention: _____

7. The CIGNA persons designated in CIGNA's Designation of Authority letter or other authorizing resolution and their successors are authorized to take any actions with respect to the Account to the same extent as if CIGNA were the beneficial and legal owner of the Account. The Designation of Authority letter is not required to make specific reference to the Client or the Account. Bank is authorized to pay all items and follow all instructions given pursuant to CIGNA's authorization of Account Documentation. The Bank is authorized to accept all instructions or actions of CIGNA pursuant to the Account Documentation including deposits and payments by any method and to provide services to CIGNA related to the account.
8. The Client gives CIGNA the authority to act on its behalf for the Account and related services. The Client and CIGNA agree to provide the Bank with any further documentation or evidence of the existence of the relationship between the Client and CIGNA related to the Account as may be reasonably requested by the Bank.
9. The Client and CIGNA release the Bank from, subject to the limitations of Florida Statutes 768.28, any liability and indemnify the Bank against any loss, liability; claim or expense arising from the Bank's honoring the terms of this letter agreement, except if the loss, liability, claim or expense is caused by the fraud or illegal activity of the Bank, its officers or employees. This provision is specific to the terms of this letter agreement and does not otherwise apply to banking services other than the account service provided by the Bank.
10. This letter agreement replaces any similar letter agreement relating to Citibank/DDA Account #: 31332868
11. Each of the undersigned agrees to the terms of this letter agreement and certifies that they have the authority to execute this letter agreement on behalf of their respective companies. The following officers are authorized to provide instructions with respect to the Account.

	Name	Title	Signature
a)	<u>Kathy Haley</u>	<u>City Clerk</u>	_____
b)	_____	_____	
c)	_____	_____	

Sincerely,

Signature (Client): _____

Print Name: Kathy Haley

Title: City Clerk (Name must appear from section 11)

Cigna Use Only

Signature (Cigna): _____

Print Name: _____

Title: _____

Agreed to and accepted on: _____ (date)

CITY OF SEBRING

AGENDA ITEM SUMMARY

MEETING DATE: January 3, 2023

PRESENTER: Robinson

AGENDA ITEM#: 8D - Resolution #2023-01 and Clean Water SRF Amendment 2 to Loan Agreement
WW280340

BACKGROUND: FDEP has provided Clean Water SRF Amendment 2 to Loan Agreement WW280340 to include both the planning and design activities. The amendment increases the estimated projects costs to \$1,691,346. Resolution #2023-01 is presented which amends the Loan Agreement as stated above to also include project design financing.

ATTACHMENT A – Clean Water SRF Amendment 2 to Loan Agreement WW280340

ATTACHMENT B – Resolution #2023-01

ATTACHMENT C – Legal Opinion Letter

REQUESTED MOTION: Approve (1) Clean Water SRF Amendment 2 to Loan Agreement WW280340 and (2) Resolution #2023-01 as presented.

COUNCIL ACTION:

_____ APPROVED

_____ DENIED

_____ TABLED TO: _____

_____ OTHER

Moved by: _____; Seconded by: _____

Bishop ___ Carlisle ___ Mendel ___ Stewart ___ Dettman ___

ATTACHMENT A

**CLEAN WATER STATE REVOLVING FUND
AMENDMENT 2 TO LOAN AGREEMENT WW280340
CITY OF SEBRING**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF SEBRING, FLORIDA, (Local Government) existing as a local governmental entity under the laws of the State of Florida. Collectively, the Department and the Local Government shall be referred to as "Parties" or individually as "Party".

The Department and the Local Government entered into a Clean Water State Revolving Fund Loan Agreement, Number WW280340, authorizing a Loan amount of \$225,000, excluding Capitalized Interest; and

The Local Government is entitled to additional financing for Design Activities of \$1,462,246, excluding Capitalized Interest; and

Loan repayment activities need rescheduling to give the Local Government additional time to complete Planning and Design Activities; and

Certain provisions of the Agreement need revision and several provisions need to be added to the Agreement.

The Parties hereto agree as follows:

1. Section 1.01 is amended to include the following definitions:

"Design Activities" shall mean the design of work defined in the approved planning document that will result in plans and specifications, ready for permitting and bidding, for an eligible construction project.

2. Subsection 1.01(19) of the Agreement is revised as follows:

(19) "Project" shall mean the Planning and Design Activities for Lake Jackson Infrastructure Upgrade.

3. Subsections 2.01(5), (10) and (11) of the Agreement are deleted and replaced as follows:

(5) To the extent permitted by law, the Local Government shall release and hold harmless the State, its officers, members, and employees from any claim arising in connection with the Local Government's actions or omissions in its Planning and Design Activities financed by this Loan.

(10) The Local Government agrees to complete the Planning and Design Activities in accordance with the schedule set forth in Section 10.07. Delays incident to strikes, riots, acts of

God, and other events beyond the reasonable control of the Local Government are excepted. However, there shall be no resulting diminution or delay in the Semiannual Loan Payment or the Monthly Loan Deposit.

(11) The Local Government covenants that this Agreement is entered into for the purpose of completing Planning and Design Activities in order to construct facilities which will, in all events, serve a public purpose.

4. Subsection 2.03(1) of the Agreement is deleted and replaced as follows:

(1) The financial assistance authorized pursuant to this Loan Agreement consists of the following:

State Resources Awarded to the Local Government Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:					
State Program Number	Funding Source	CSFA Number	CSFA Title or Fund Source Description	Funding Amount	State Appropriation Category
Original Agreement	Wastewater Treatment and Stormwater Management TF	37.077	Wastewater Treatment Facility Construction	\$1,687,246	140131

5. Article IV of the Agreement is deleted and replaced as follows:

ARTICLE IV - PROJECT INFORMATION

4.01. PROJECT CHANGES.

After the Department's environmental review has been completed, the Local Government shall promptly notify the Department, in writing, of any Project change that would require a modification to the environmental information document.

4.02. CLOSE-OUT.

The Department shall conduct a final inspection of the Planning and Design Activities records. Following the inspection, deadlines for submitting additional disbursement requests, if any, shall be established, along with deadlines for uncompleted Loan or Principal Forgiveness requirements, if any. Deadlines shall be incorporated into the Loan Agreement by amendment. After the Department establishes the final costs to be financed by the Loan, the itemized costs will be adjusted by amendment. The Loan principal shall be reduced by any excess over the amount required to pay all approved costs. As a result of such adjustment, the Semiannual Loan Payment shall be reduced accordingly, as addressed in Section 10.05.

4.03. DISBURSEMENTS.

Disbursements shall be made only by the State Chief Financial Officer and only when the requests for such disbursements are accompanied by a Department certification that such withdrawals are proper expenditures. Disbursements shall be made directly to the Local Government for reimbursement of the incurred planning and design costs and related services. Disbursements for materials, labor, or services shall be made upon receipt of the following:

(1) A completed disbursement request form signed by the Authorized Representative. Such requests must be accompanied by sufficiently itemized summaries of the materials, labor, or services to identify the nature of the work performed; the cost or charges for such work; and the person providing the service or performing the work. Proof of payment will be required with the following disbursement request.

(2) A certification signed by the Authorized Representative as to the current estimated costs of the Project; that the materials, labor, or services represented by the invoice have been satisfactorily purchased, performed, or received.

(3) Such other certificates or documents by engineers, attorneys, accountants, contractors, or suppliers as may reasonably be required by the Department.

Requests by the Local Government for disbursements of the planning and design funds shall be made using the Department's disbursement request form. The Department reserves the right to retain 25% of the funds until the information necessary for the Department to prepare the Environmental Information Document as described in Rule 62-503.751, Florida Administrative Code, has been provided.

6. Section 8.03 of the Agreement is deleted and replaced as follows:

8.03. ACCESS TO PROJECT SITE.

The Local Government shall provide access to offices and other sites where Planning and Design Activities or Project work (if financed by this Loan) is ongoing, or has been performed, to authorized representatives of the Department at any reasonable time. The Local Government shall cause its engineers and contractors to provide copies of relevant records and statements for inspection.

7. Additional financing in the amount of \$1,462,246, excluding Capitalized Interest, is hereby awarded to the Local Government.

8. A Financing Rate of 0.31 percent per annum is established for the additional financing amount awarded in this amendment. Individually, the interest rate is 0.155 percent per annum and the Grant Allocation Assessment rate is 0.155 percent per annum. However, if this amendment is not executed by the Local Government and returned to the Department before January 1, 2023, the Financing Rate may be adjusted.

9. The estimated principal amount of the Loan is hereby revised to \$1,691,346, which consists of \$1,687,246 authorized for disbursement to the Local Government and \$4,100 of Capitalized Interest.

10. An additional estimated Loan Service Fee in the amount of \$29,245, for a total of \$33,745, is hereby assessed. The fee represents two percent of the Loan amount excluding Capitalized Interest; that is, two percent of \$1,687,246.

11. Section 10.05 of the Agreement is revised as follows:

The Semiannual Loan Payment amount shall be \$87,478. Such payments shall be received by the Department beginning on November 15, 2024, and semiannually thereafter on May 15 and November 15 of each year until all amounts due hereunder have been fully paid. Until this Agreement is further amended, each Semiannual Loan Payment will be proportionally applied, after deduction of the Loan Service Fee is complete, toward repayment of the amounts owed on each incremental Loan amount at the date such payment is due.

The Semiannual Loan Payment amount is based on the total amount owed of \$1,725,091, which consists of the Loan principal plus the estimated Loan Service Fee with its Capitalized Interest, if any.

12. Section 10.06 of the Agreement is deleted and replaced as follows:

10.06. PROJECT COSTS.

The Local Government and the Department acknowledge that actual Project costs have not been determined as of the effective date of this Agreement. An adjustment may be made due to a reduction in the scope of work proposed for Loan funding as a result of the facilities planning process. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. The final costs shall be established in the final amendment. Changes in costs may also occur as a result of the Local Government's audit or the Department's audit.

Funds disbursed in accordance with Section 4.03 of this Agreement shall be disbursed in the order in which they have been obligated without respect to budgetary line item estimates. All disbursements shall be made first from the original Loan amount until that amount has been disbursed. The Financing Rate established for the original Loan amount shall apply to such disbursements for the purpose of determining the associated Capitalized Interest and repayment amounts. The Financing Rate established for any additional increment of Loan funds shall be used to determine the Capitalized Interest and repayment amounts associated with the funds disbursed from that increment.

The estimated Project costs are revised as follows:

<u>CATEGORY</u>	<u>PROJECT COSTS (\$)</u>
Planning Activities	225,000
Design Activities	1,462,246
SUBTOTAL (Disbursable Amount)	1,687,246
Capitalized Interest	4,100
TOTAL (Loan Principal Amount)	1,691,346

13. The items scheduled under Section 10.07 of the Agreement are rescheduled as follows:

(3) Completion of all Design Activities for all Project facilities proposed for loan funding by November 15, 2024.

(4) The Loan Debt Service Account shall be established and Monthly Loan Deposits shall begin no later than November 15, 2024.

(5) The first Semiannual Loan Payment in the amount of \$87,478 shall be due May 15, 2025.

14. Section 10.08 is deleted and replaced as follows:

10.08. SPECIAL CONDITION.

Prior to any funds being released, the Local Government shall submit a Legal Opinion addressing the availability of Pledged Revenues, the right to increase rates, and subordination of the pledge.

15. All other terms and provisions of the Loan Agreement shall remain in effect.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

This Amendment 2 to Loan Agreement WW280340 may be executed in two or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this amendment to the Loan Agreement to be executed on its behalf by the Secretary or Designee and the Local Government has caused this amendment to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this amendment shall be as set forth below by the Department.

for
CITY OF SEBRING

City Administrator

Attest:

Approved as to form and legal sufficiency:

City Clerk

City Attorney

SEAL

for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Secretary or Designee

Date

ATTACHMENT B

RESOLUTION NO. 2023-01__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBRING, FLORIDA, RELATING TO THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION; AUTHORIZING AMENDMENT 2 TO THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AN AUTHORIZED REPRESENTATIVE; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS: Florida Statutes provide for loans to local government agencies to finance the planning, design, and construction of stormwater treatment facilities; and

WHEREAS: Florida Administrative Code rules require authorization to apply for loans, to establish pledged revenues, to designate an authorized representative; to provide assurances of compliance with loan program requirements; and to enter into a Loan Agreement; and

WHEREAS: The State Revolving Fund loan priority list designates Project No. WW28034 as eligible for available funding; and

WHEREAS: The City of Sebring, Florida intends to conduct design activities (the "Project") required to construct the Lake Jackson Infrastructure Upgrade project;

WHEREAS: The City of Sebring entered into Loan Agreement WW280340 with the Florida Department of Environmental Protection under the State Revolving Fund for project financing; and,

WHEREAS: The City of Sebring, Florida, intends to enter into Amendment 2 to that Loan Agreement for project design financing.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF SEBRING, FLORIDA, that:

SECTION 1: The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION 2: The City of Sebring, Florida, is authorized to apply for a loan to finance the design of the Project.

SECTION 3: The revenues pledged for the repayment of the loan are the gross revenues derived yearly from the Local Government Infrastructure Surtax account after payment of the operation and maintenance expenses.

SECTION 4: The City Administrator is hereby designated as the authorized representative to provide the assurances and commitments required by the loan application.

SECTION 5: The City Administrator is hereby designated as the authorized representative to execute the Amendment 2 to the Loan Agreement and any subsequent amendments which will become a binding obligation in accordance with its terms when signed by both parties.

SECTION 6: The City Administrator is authorized to represent the City of Sebring in carrying out responsibilities under the Loan Agreement. The City Administrator is authorized to delegate responsibility to appropriate staff to carry out technical, financial, and administrative activities associated with the Loan Agreement.

SECTION 7: The legal authority for borrowing moneys to construct this Project is Section 166.111, Florida Statutes and Section 403.8532, Florida Statutes.

SECTION 8: All Resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 9: If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION 10: This Resolution shall take effect immediately upon its approval.

PASSED AND ADOPTED by a majority of the Sebring City Council on the ____ day of _____, 2022.

John C. Shoop, Mayor
City of Sebring

Attest: _____
Kathy Haley, City Clerk

(City Seal)

ATTACHMENT C

December 20, 2022

bob@heartlandlaw.com

Ms. Angela Knecht
Program Administrator
State Revolving Fund Management
3900 Commonwealth Blvd., Mail Station 3505
Tallahassee, Florida 32399-3000

Re: WW280340 - City of Sebring, Florida
Lake Jackson Infrastructure Upgrade

Dear Ms. Knecht:

Our firm is the duly appointed Attorney for the City of Sebring, Florida (the "City"). The City proposes to borrow a total of \$1,687,246 (excluding capitalized interest and loan service fee) from the Florida Department of Environmental Protection's State Revolving Fund for planning and design of the City of Sebring Lake Jackson Infrastructure Upgrade Project.

It is our understanding that the loan will be secured by the Local Government Infrastructure Surtax Revenue. Such revenues are legally available to pledge with respect to the City of Sebring Lake Jackson Infrastructure Upgrade Project. The City has agreed in Section 2.01(8) of the Loan Agreement, WW280340, as amended by Amendment 1 and Amendment 2, that if the Pledged Revenues are insufficient, the City will budget other legally available non-ad valorem funds to make the Semiannual Loan Payments.

We have confirmed with the City of Sebring staff that there are currently no senior debt obligations pledged to these revenues identified.

The opinions herein are limited to the laws of the State of Florida. We express no opinion herein regarding the laws of any other jurisdiction or federal law.

This opinion is solely for the benefit of the Florida Department of Environmental Protection's State Revolving Fund and may not be used or relied upon by any other person without our prior written consent.

Our opinions herein represent our legal judgement based upon our review of the law and the facts that we deem relevant to render such opinion and are not a guarantee of a result.

The opinion is rendered solely in connection with the City of Sebring proposal to borrow \$1,687,246 from the Florida Department of Environmental Protection's State Revolving Fund for planning and design of the City of Sebring Lake Jackson Infrastructure Upgrade Project and should not be relied upon for any other purpose.

Respectfully submitted,

Swaine, Harris & Wohl, P.A.
425 South Commerce Avenue
Sebring, FL 33870

CITY OF SEBRING

AGENDA ITEM SUMMARY

MEETING DATE: January 3, 2023

PRESENTER: Swaine/Robinson

AGENDA ITEM#: 12A - Ordinance 1511 Sebring Municipal Firefighters' Pension Plan Deferred Retirement Option Program (DROP) benefit enhancement (1st Reading)

BACKGROUND: The City of Sebring Municipal Firefighters' Pension Plan has one (1) active member and one (1) member in the Deferred Retirement Option Program (DROP). The DROP benefit as it is currently written, allows for members to participate for a maximum of five (5) years (60 months), at which point they must separate from service. The Florida Retirement System (FRS) and Sebring Police Officers Retirement Trust Fund recently extended their DROP benefit to a maximum of eight (8) years (96 months).

The Sebring Municipal Firefighters' Pension Board voted on October 24, 2022, to have the Plan's actuary, Foster & Foster, perform an impact study on the potential fiscal impacts of implementing an eight (8) year DROP. Foster & Foster responded that in their opinion a formal Actuarial Impact Statement is not required since a change in assumptions is not required for extending the DROP participating period from 60 to 96 months.

ATTACHMENT A – Letter dated December 15, 2022, from Foster & Foster

ATTACHMENT B – Ordinance No. 1511

REQUESTED MOTION: Approve proposed Ordinance 1511 extending the DROP benefit to a maximum of eight (8) years on first reading as presented and schedule second and final reading for January 17, 2023.

COUNCIL ACTION:

____ APPROVED

____ DENIED

____ TABLED TO: _____

____ OTHER

Moved by: _____; Seconded by: _____

Bishop ___ Carlisle ___ Mendel ___ Stewart ___ Dettman ___

ATTACHMENT A



December 15, 2022

VIA EMAIL

Ms. Chrissy Stoker
Plan Administrator
City of Sebring Municipal Firefighters' Pension Plan

Re: City of Sebring Municipal Firefighters' Pension Plan

Dear Chrissy:

In response to your email dated November 18, 2022, we have reviewed the proposed Ordinance, amending Section 27, Deferred Retirement Option Plan, extending the DROP participation period from 60 to 96 months, including current DROP participants.

Adoption of the proposed changes requires no change in the assumptions used for determining the funding requirements of the program. Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Mr. Steve Bardin
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein.

If you have any questions, please let me know.

Sincerely,

Douglas H. Lozen, EA, MAAA

Cc via email: Ron Cohen, Plan Attorney

ATTACHMENT B

ORDINANCE NO. 1511

AN ORDINANCE OF THE CITY OF SEBRING, FLORIDA, FURTHER AMENDING THE CITY OF SEBRING MUNICIPAL FIREFIGHTERS' PENSION PLAN, RESTATED PURSUANT TO ORDINANCE NO.1307, AS SUBSEQUENTLY AMENDED; AMENDING SECTION 27, DEFERRED RETIREMENT OPTION PLAN; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEBRING, FLORIDA;

SECTION 1: That The City of Sebring Municipal Firefighters' Pension Plan, restated pursuant to Ordinance. No. 1307, as subsequently amended, is hereby further amended by amending Section 27, to read as follow:

SECTION 27. DEFERRED RETIREMENT OPTION PLAN.

1. A deferred retirement option plan (DROP) is hereby created.
2. A Member who is eligible for normal retirement shall be eligible to enter the DROP plan beginning on the first day of the month following their eligibility for normal retirement or on the first day of any month thereafter. Participation in the DROP shall be limited to ~~sixty (60)~~ Ninety-six-96 consecutive months. Notwithstanding any other provision of this section, within 30 days of the effective date of this Ordinance, any current DROP participant may elect to extend their DROP for a period not to exceed a total of 96 months from the date of the Member's first entry into DROP. Member shall elect to extend their DROP in writing on a form provided by the Board of Trustees.
3. Upon entry into the DROP, a Member shall be considered a retired Member of the

Plan. The Member's benefits shall be calculated as if the Member had actually separated from service and no further Credited Service, Salary increases, or Plan changes shall apply to a Member in the DROP plan for purposes of determining the Member's benefit under the Plan, except as provided for in Section 29, Reemployment After Retirement. For purposes of determining the accrued benefit, the Member's Salary for the purposes of calculating his Average Final Compensation shall include an amount equal to any lump sum payments which would have been paid to the Member and included as Salary as defined herein, had the Member retired under Normal retirement and not elected DROP participation. Member contributions attributable to any lump sums used in the benefit calculation and not actually received by the Member shall be deducted from the first payments to the Member's DROP Account. In all other respects, however, the Member shall remain an active Member of the Sebring Fire Department and otherwise eligible for all other contractual and job benefits. A Member employed by the Fire Department after the permissible period of DROP participation will be eligible for pre-retirement death and disability benefits, and will accrue additional Credited Service only as provided for in Section 29, Reemployment After Retirement.

4. Upon entry into the DROP, a Member shall no longer be eligible for disability or Preretirement death benefits. In the event that a Member suffers a disabling injury, the Member shall commence a regular service retirement. In the event that a Member in the DROP shall die, the Member shall be treated the same as any other retired Member who dies and any survivorship option which the Member may have elected shall be paid in accordance with the provisions of the Plan. In the event of the death of a Member, the DROP benefit shall be distributed to the named Beneficiary or Beneficiaries. In the event that no Beneficiary has been named by the Member, the DROP account balance shall be paid to the Member's estate.

5. By entering into the DROP plan, a Member agrees to terminate active service with

the Sebring Fire Department not later than ~~sixty (60)~~ ninety-six (96) months following the date of entry into the DROP. Nothing shall prohibit a Member who has entered the DROP plan or the City from terminating service prior to the expiration of ~~sixty (60)~~ ninety-six (96) months.

6. Upon separation from service and the commencement of the receipt of retirement benefits, a Member shall be eligible for distribution of the DROP account. The DROP account may be distributed in a lump sum, may be rolled over to another qualified retirement system, may be made in periodic payments or any other form approved by the Board of Trustees. In no instance shall the method of distribution result in the payment of any amount which exceeds the balance in the DROP account.

7. The Member's DROP account shall be credited with interest at the rate applicable to the Florida Retirement System DROP Plan for the calendar quarter immediately preceding the Plan's DROP account calculation.

SECTION 2: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Sebring.

SECTION 3: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 4: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 5: That this Ordinance shall take upon adoption.

Passed on First Reading this ____ day of _____, 2023.

Passed at the regular meeting of the City Council of the City of Sebring, Florida, this ____ day of _____, 2023.

President, City Council
City of Sebring, Florida

Attest: _____

City Clerk

This Ordinance was adopted at two separate readings and after publication in the local newspaper and upon hearing being held, this Ordinance was duly passed on ____ day of _____, 2023, and the same is hereby certified to the Mayor for his approval or disapproval.

Witness my hand and seal at Sebring, Florida this ____ day of _____, 2023.

City Clerk

This foregoing ordinance was received by me this ____ day of _____, 2023 and approved by me this ____ day of _____, 2023.

Mayor, City of Sebring, Florida

CITY OF SEBRING
AGENDA ITEM SUMMARY

MEETING DATE: January 3, 2023

PRESENTOR: Haley

AGENDA ITEM#: 14A - City of Sebring Bills

BACKGROUND: The bills for the January 3, 2023 meeting will be emailed to you on December 30, 2022.

REQUESTED MOTION: Approve the payment of bills as presented.

COUNCIL ACTION:

_____ APPROVED

_____ DENIED Moved by: _____; Seconded by: _____

_____ DEFERRED Bishop__ Carlisle__ Mendel__ Stewart__ Dettman__

_____ OTHER