



Cover Memorandum/Staff Report

File #: 23-1407

Agenda Date: 11/7/2023

Item #: 8.F.

TO: Mayor and Commissioners
FROM: Lisa Castronovo, Pension Administrator
THROUGH: Terrence R. Moore, ICMA-CM
DATE: November 7, 2023

ORDINANCE NO. 41-23: AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, AMENDING CHAPTER 33, "POLICE AND FIRE-RESCUE DEPARTMENTS", OF THE CODE OF ORDINANCES OF THE CITY OF DELRAY BEACH, FLORIDA, BY AMENDING SECTION 33.76, "BENEFIT AMOUNTS AND ELIGIBILITY", TO PROVIDE FOR COMPLIANCE WITH CHAPTER 2019-21, LAWS OF FLORIDA; AMENDING SECTION 33.88, "DIRECT TRANSFERS OF ELIGIBLE ROLLOVER DISTRIBUTIONS" BY DELETING THE CURRENT LANGUAGE AND REPLACING IT WITH "INTERNAL REVENUE CODE COMPLIANCE", TO PROVIDE COMPLIANCE WITH THE INTERNAL REVENUE CODE AND THE SECURE 2.0 ACT; PROVIDING A CONFLICTS CLAUSE, A SEVERABILITY CLAUSE AND AUTHORITY TO CODIFY; PROVIDING AN EFFECTIVE DATE FOR OTHER PURPOSES. (SECOND READING)

Recommended Action:

Motion to approve proposed Ordinance amendment for compliance with State required Cancer provisions and Federal required SECURE 2.0 Act provisions.

Background:

The proposed Ordinance amendment is presented to bring the Firefighters' Retirement System into compliance with State of Florida law and SECURE 2.0 Act law.

The State of Florida recently passed legislation requiring all local law Firefighter plans add a "Cancer Presumption" provision to their plan. The Cancer Presumption allows a member be considered 1) totally and permanently disabled in the line of duty if such member meets the Plan's definition of Totally and Permanently Disabled due to a diagnosis of cancer (as defined in the Florida Statutes), and 2) to have died in the line of duty if such member dies as a result of cancer (as defined in the Florida Statutes).

The recently passed SECURE 2.0 Act requires all plans adopt Internal Revenue Code Compliance language which sets new maximum and minimum benefit requirements and new age requirements for benefit distribution.

Funding Source/Financial Impact:

The Funding Source will be from the City of Delray Beach via annual contributions to the City of Delray Beach Firefighters' Retirement System. Financial impact will be minimal. An actuarial impact statement is provided.

Timing of Request:

As soon as possible.

