

## MEMORANDUM

---

August 4, 2021

TO: Honorable Mayor and City Commissioners

VIA: James Slaton, City Manager

VIA: Sandra D. Davis, Human Resources Director

FROM: Municipal Firefighter's Pension Board and Board Attorney

SUBJECT: Ordinance 2021-21 Amending Chapter 16, Pensions and Retirement – City of Lake Wales Municipal Firefighter's Pension Plan and Trust – First Reading

SYNOPSIS: *Ordinance 2021-21 seeks to improve the efficiency and overall administration of the Firefighters' Pension Plan. Based on recommendations from its financial consultant, actuary and attorney.*

### RECOMMENDATION

It is recommended that the City Commission adopt Ordinance 2021-21 as recommended by the Board of Trustees on First Reading.

### BACKGROUND

Effective July 1, 2019, the Florida Legislature enacted legislation providing various benefits to qualifying full-time and retired firefighters. The new law amends F.S. 112 to provide additional disability and death benefits to eligible firefighters who have been disabled or died as a result of certain forms of cancer. Specifically, the new law creates a presumption of service-connected disability, or pre-retirement death, for eligible firefighters who either perish or are found to be totally and permanently disabled from useful and efficient service as a firefighter, based on at least one of 21 enumerated forms of cancer or circumstances that arise out of the treatment of such cancer. The amendments to Section 16-167, Disability, Subsection (a), and Section 16-168, Pre-retirement death, of the Code of Ordinances will update the Retirement System's governing code to comply with the recent enactment of Ch. 2019-21, Laws of Florida.

Furthermore, the Financial Consultant is recommending an amendment to Section 16-164, Finances and Fund Management, expanding the Board of Trustees' investment authority to allow for investment in investment grade bonds as well as slightly increasing the maximum pension fund portfolio equity allocation.

Lastly, the amendments to Sec. 16-175 and 16-186, are meant to update the Ordinance to comply with recent changes to the Internal Revenue Code to reconcile with the pension plan's fiscal year and past practice correcting an apparent scrivener's error.

**FISCAL IMPACT**

According to the Actuary (Foster & Foster) there is no cost to the City to implement the proposed amendments.

**ATTACHMENTS:**

Ordinance 2021-21