



## Town of Lake Park Town Commission

### Agenda Request Form

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**Meeting Date:** March 19, 2025

**Originating Department:** Human Resources

**Agenda Title:** Ordinance 01-2025 - Authorizing Participation in the Florida Retirement System for All Town Employees - Effective July 1, 2025

**Agenda Category:** Ordinance **on** First **Reading.**

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**Approved by Town Manager:** \_\_\_\_\_ **Date:** \_\_\_\_\_

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**Cost of Item:** \$80,028 **Funding Source:** Please see funds listed below\*

**Account Number:** \_\_\_\_\_ **Finance Signature:** \_\_\_\_\_

**Advertised:**

**Date:** N/A **Newspaper:** \_\_\_\_\_

**Attachments:** Copy of Ordinance and Timeline for Entering Florida Retirement System and Leaving Corebridge

**Please initial one:**

BMT Yes I have notified everyone

\_\_\_\_\_ Not applicable in this case

**Summary Explanation/Background:**

Within the approved FY 2025 Budget, the Town Commission approved funding to participate/join in the Florida Retirement System (FRS), which is administered through the Florida Department of Management Services (FDMS). If approved, all Town employees and elected officials would begin to participate beginning on July 1, 2025.

The proposed pension plan is offered by the State of Florida and numerous counties, municipalities, school districts, state agencies and other eligible organizations participate in the FRS pension program as an opportunity to bring in the best possible candidates to serve in positions within the organizations as well as to assist in retaining employees. It is expected that this program will immediately assist with the various position openings that the Town maintains as well as an opportunity to retain our employees who maintain incredible knowledge and commitment in growing and supporting our community.

Note: Within the approved the Collective Bargaining Agreement (CBA) between the Town and the Federation of Public Employees, Division of the National Federation of Public and Private Employees (AFL-CIO) on November 20, 2024, the Town and the AFL-CIO agreed to move all bargaining unit members into the proposed FRS plan.

Funding is included within the approved FY 2025 Budget to enable the Town to begin to participate in the proposed FRS pension program. Initial funding to support this change in employee benefits for the remainder of FY 2025 is expected to include:

- General Fund - \$58,720
- Community Redevelopment Agency - \$3,108
- Streets and Roads - \$1,105
- Stormwater - \$3,192
- Sanitation - \$7,320
- Marina - \$6,583

Note: Funding to support the full cost of this new pension program will be included within the proposed FY 2026 Budget request to be considered by the Town Commission during the upcoming budget process.

Upon adoption, staff will immediately transmit the adopted Ordinance to the FDMS - Division of Retirement and provide all requisite documentation to the FDMS – Division of Retirement to complete the initial participation process to ensure that the Town is eligible to participate in the new FRS pension program on or as close to July 1, 2025. The Town will also immediately proceed closing out (terminate) its current Townsponsored employee pension program (Corebridge Retirement Plan), which consists of a 401(a)-pension plan and a 457(b) deferred compensation plan.

Finally, the Town's Human Resources (HR) Department has already commenced leading and offering various employee outreach and education trainings to ensure that our current staff are fully apprised of all opportunities and resources that are offered within the new, proposed FRS pension program.

All proposed FRS participation costs, if approved, will be included within the proposed FY 2026 Budget for consideration by the Town Commission.

The proposed Ordinance was prepared by the Florida Department of Management Services – Division of Retirement and reviewed by the Assistant Town Manager/HR Director and the Interim Finance Director.

The Town has received information from a number of external agencies as well as current staff (along with the recommendation and agreement from the AFL-CIO) that this proposed employee pension benefit would contribute to improving the ability of the Town to recruit and retain employees.

The proposed Ordinance 01-2025 was approved on first reading on March 5, 2025, and is being presented for consideration on second and final reading.

**Recommended Motion:**

I move to approve Ordinance 01-2025 - Authorizing Participation in the Florida Retirement System (FRS) for All Town Employees - Effective July 1, 2025, on second and final reading.