

**CITY OF TAMARAC**  
**Interoffice Memorandum**  
**Human Resources**

To: **Michael C. Cernech, City Manager**

From: **Lorenzo Calhoun, Director of Human Resources**

Date: **October 20, 2020**

Re: **SECURE Act, Required Minimum Distribution Age**

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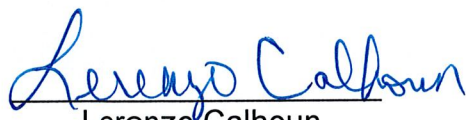
**Recommendation:** To amend the City of Tamarac Firefighters' Pension Plan Code of Ordinances to include the new Required Minimum Distribution age set forth by the Setting Every Community Up for Retirement Enhancement (SECURE) Act.

**Issue:** The SECURE Act was signed into law on December 20, 2019, changing the Required Minimum Distribution age for Retirement Plans from 70 and ½ years of age to 72 years of age. Best practice dictates that the City of Tamarac amend its Code of Ordinances to include this update under Internal Revenue Code Compliance for each Pension Plan for which the City of Tamarac is the Plan Sponsor.

**Background:** The Setting Every Community Up for Retirement Enhancement (SECURE) Act was signed into law on December 20, 2019 as part of the Further Consolidated Appropriations Act. The purpose of the SECURE Act is primarily intended to expand opportunities to increase individual retirement savings. Under prior law, qualified pension plans (including traditional IRAs, 401(K) accounts and SEP-IRAs) were required to start minimum distributions by age 70 ½ years of age. The SECURE Act applies to individuals who reach 70 ½ after December 20, 2019 and increases the age to begin minimum required distributions from 70 ½ to 72 years of age.

Legal Counsel for the Firefighters' Pension Plan presented the legislation to the Board of Trustees for adoption in their Board Meeting in the Spring of 2020. The board unanimously supported amending the City's Code of Ordinances to acknowledge the minimum age for required minimum distributions from 70 and ½ years of age to 72 years of age. The Board of Trustees approved the amendments provided under the provision of the SECURE Act as being in the best interests of the participants and beneficiaries of the Plan.

**Fiscal Impact:** There is no anticipated fiscal impact to the City or the Pension Plan with regard to amending the Code of Ordinances to acknowledge the provisions set forth in the SECURE Act of 2019.

  
Lorenzo Calhoun

cc: Christine Cajuste, Director of Financial Services