



Board of County Commissioners

2401 SE Monterey Road
Stuart, Florida 34996

Agenda Item Summary

File ID: 23-0800

CNST-6

Meeting Date: 6/6/2023

PLACEMENT: Consent

TITLE:

OPTIONAL SENIOR MANAGEMENT SERVICE RETIREMENT BENEFIT

EXECUTIVE SUMMARY:

Martin County Board of County Commissioners and its employees are provided with a retirement benefit through the Florida Retirement System (FRS). Employees belonging to the Senior Management Service class are provided with an enhanced retirement plan through FRS. In lieu of participation in the Senior Management Service class benefit, employees can choose to remain in the FRS Regular class and participate in a deferred compensation plan with a contribution of 10% from the County.

DEPARTMENT: Administration

PREPARED BY: **Name:** Matthew Graham
Title: Assistant County Administrator

REQUESTED BY: Matthew Graham

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

Martin County Board of County Commissioners and its employees are a part of the Florida Retirement System (FRS). Participation in FRS is compulsory, and employees are required to contribute 3% of their income to the Florida Retirement System. The employer, Martin County, contributes varying percentages depending on the class of the employee. Martin County has 4 classes that participate in the FRS: Regular Class, Special Risk, Senior Management Service, and County/Local Elected Officials.

The Senior Management Service class is currently comprised with staff at the Department Head and some of the Division Head positions. Florida Statutes provide Martin County with the ability to create 21 positions within the Senior Management Service class. The County Administrator determines which positions participate in the Senior Management Service class. Currently, 18 of the Senior Management Service class positions are designated and occupied by employees.

Staff is recommending that we allow employees who are designated by the County Administrator as Senior Management Services, to have the option to participate in the FRS Senior Management Service class or to participate in the FRS Regular class with additional compensation of 10%

provided by the County into a 457b Deferred Compensation Plan. Employees currently designated and enrolled in the Senior Management Service class plan through FRS would not be eligible to participate until open enrollment in 2025. Before 2025, the only employees that can participate in the plan would be newly designated positions determined by the County Administrator.

By providing two options to our FRS Senior Management Service class members, it provides flexibility to the member and their investment style when considering their retirement strategy. Additionally, this creates opportunity to help attract and retain top level talent at the County. If the member elects to remain in the FRS Regular class with the 10% additional compensation to the 457b Deferred Compensation Plan, employees may be able to enhance their retirement portfolio while saving the County approximately 11% in annual contributions.

ISSUES:

None

LEGAL SUFFICIENCY REVIEW:

Reviewed.

RECOMMENDED ACTION:

RECOMMENDATION

Move that the Board approve providing employees in the Senior Management Service class, the ability to choose to remain in the Senior Management Service class or to participate in the FRS Regular class with a 10% contribution from the County to the employee's deferred compensation plan.

ALTERNATIVE RECOMMENDATIONS

Pull this item from the Consent Agenda and direct staff accordingly.

FISCAL IMPACT:

RECOMMENDATION

None

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

- | | | |
|--|---------------------------------------|---|
| <input type="checkbox"/> Budget Transfer / Amendment | <input type="checkbox"/> Chair Letter | <input type="checkbox"/> Contract / Agreement |
| <input type="checkbox"/> Grant / Application | <input type="checkbox"/> Notice | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Resolution | |

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