

BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF FRESNO, CALIFORNIA, AMENDING SECTION 3-352 OF THE FRESNO MUNICIPAL CODE TO AMEND THE REQUIRED MINIMUM DISTRIBUTION PROVISIONS OF THE FIRE AND POLICE RETIREMENT SYSTEM TO COMPLY WITH THE SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT ("SECURE 1.0") AND THE SECURE 2.0 ACT OF 2022 ("SECURE 2.0")

THE COUNCIL OF THE CITY OF FRESNO DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 3-352 of the Fresno Municipal Code is amended to read as follows:

SEC. 3-352. - MINIMUM REQUIRED DISTRIBUTIONS.

The City of Fresno Fire and Police Retirement System shall pay all benefits in accordance with a good faith interpretation of the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations in effect under that section, as applicable to a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code. The City of Fresno Fire and Police Retirement System shall be subject to the following provisions:

- (a) Notwithstanding any other provision of this article or article 4, payment of a member's retirement allowance shall commence no later than the required beginning date which is the later of the following:

Date Adopted:

Date Approved

Effective Date:

City Attorney Approval:  \_\_\_\_\_

Ordinance No.

- (i) The April 1 following the end of the calendar year in which the member attains age seventy and one-half (70 1/2) [(if the member was born before July 1, 1949); age 72 (if the member was born after June 30, 1949); age 73 (if the member was born on or after January 1, 1951)]; or
  - (ii) The April 1 following the end of the calendar year in which the member retires.
- (b) The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
  - (c) If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death.
  - (d) If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be distributed within five (5) years of his death, unless it is to be distributed in accordance with the following rules:
    - (4[i]) If the member's surviving spouse is the sole designated beneficiary, the member's remaining interest in the plan is distributed or begins to be distributed by December 31 of the calendar year immediately

following the calendar year in which the member died or [, if later,] by December 31 of the calendar year in which the participant [member] would have attained age 70 1/2, [1/2 (if the member was born before July 1, 1949); age 72 (if the member was born after June 30, 1949); age 73 (if the member was born on or after January 1, 1951); effective January 1, 2024, the surviving spouse shall have the irrevocable option to be considered the employee for purposes of determining the applicable age for determining by when the distribution of benefits must begin under this section;] ~~if later,~~ and if the surviving spouse dies before the distribution to the surviving spouse begins, this Section shall be applied as if the surviving spouse were the plan member; or

(2)(iii) If the member's surviving spouse is not the sole designated beneficiary, the member's remaining interest is to be distributed over the life of the designated beneficiary or over a period not extending beyond the life expectancy of the designated beneficiary; and such distribution begins no later than December 31 of the calendar year immediately following the calendar year of the member's death.

(e) The death and disability benefits provided by the retirement system are limited by the incidental benefit rule set forth in Section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability

benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.

- (f) Notwithstanding any other provision of this article or article 4, if a member has elected an option under section 3-341 or section 3-417 and his or her surviving spouse is not the designated beneficiary, the periodic amounts payable to the member and any other designated beneficiary shall be adjusted only to the extent necessary to ensure that the minimum distribution incidental benefit requirement of Internal Revenue Code section 401(a)(9) is satisfied.

SECTION 2. This ordinance shall become effective and in full force and effect at 12:01 a.m. on the thirty-first day after its final passage.

\* \* \* \* \*

STATE OF CALIFORNIA )  
COUNTY OF FRESNO ) ss.  
CITY OF FRESNO )

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing ordinance was adopted by the Council of the City of Fresno, at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2024  
Mayor Approval/No Return: \_\_\_\_\_, 2024  
Mayor Veto: \_\_\_\_\_, 2024  
Council Override Vote: \_\_\_\_\_, 2024

TODD STERMER, CMC  
City Clerk

BY: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE  
ANDREW JANZ

BY: \_\_\_\_\_  
Deputy

BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF FRESNO, CALIFORNIA, AMENDING SECTION 3-352 OF THE FRESNO MUNICIPAL CODE TO AMEND THE REQUIRED MINIMUM DISTRIBUTION PROVISIONS OF THE FIRE AND POLICE RETIREMENT SYSTEM TO COMPLY WITH THE SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT ("SECURE 1.0") AND THE SECURE 2.0 ACT OF 2022 ("SECURE 2.0")

THE COUNCIL OF THE CITY OF FRESNO DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 3-352 of the Fresno Municipal Code is amended to read as follows:

SEC. 3-352. - MINIMUM REQUIRED DISTRIBUTIONS.

The City of Fresno Fire and Police Retirement System shall pay all benefits in accordance with a good faith interpretation of the requirements of Section 401(a)(9) of the Internal Revenue Code and the regulations in effect under that section, as applicable to a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code. The City of Fresno Fire and Police Retirement System shall be subject to the following provisions:

- (a) Notwithstanding any other provision of this article or article 4, payment of a member's retirement allowance shall commence no later than the required beginning date which is the later of the following:

Date Adopted:  
Date Approved  
Effective Date:  
City Attorney Approval: \_\_\_\_\_

Ordinance No.

- (i) The April 1 following the end of the calendar year in which the member attains age seventy and one-half (70 1/2) [(if the member was born before July 1, 1949); age 72 (if the member was born after June 30, 1949); age 73 (if the member was born on or after January 1, 1951)]; or
- (ii) The April 1 following the end of the calendar year in which the member retires.
  - (b) The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
- (c) If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death.
- (d) If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be distributed within five (5) years of his death, unless it is to be distributed in accordance with the following rules:
  - ([i]) If the member's surviving spouse is the sole designated beneficiary, the member's remaining interest in the plan is distributed or begins to be distributed by December 31 of the calendar year immediately

following the calendar year in which the member died or [, if later,] by December 31 of the calendar year in which the [member] would have attained age 70  $[\frac{1}{2}]$  (if the member was born before July 1, 1949); age 72 (if the member was born after June 30, 1949); age 73 (if the member was born on or after January 1, 1951); effective January 1, 2024, the surviving spouse shall have the irrevocable option to be considered the employee for purposes of determining the applicable age for determining by when the distribution of benefits must begin under this section;] and if the surviving spouse dies before the distribution to the surviving spouse begins, this Section shall be applied as if the surviving spouse were the plan member; or

(ii) If the member's surviving spouse is not the sole designated beneficiary, the member's remaining interest is to be distributed over the life of the designated beneficiary or over a period not extending beyond the life expectancy of the designated beneficiary; and such distribution begins no later than December 31 of the calendar year immediately following the calendar year of the member's death.

(e) The death and disability benefits provided by the retirement system are limited by the incidental benefit rule set forth in Section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability



benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.

- (f) Notwithstanding any other provision of this article or article 4, if a member has elected an option under section 3-341 or section 3-417 and his or her surviving spouse is not the designated beneficiary, the periodic amounts payable to the member and any other designated beneficiary shall be adjusted only to the extent necessary to ensure that the minimum distribution incidental benefit requirement of Internal Revenue Code section 401(a)(9) is satisfied.

SECTION 2. This ordinance shall become effective and in full force and effect at 12:01 a.m. on the thirty-first day after its final passage.

\* \* \* \* \*

STATE OF CALIFORNIA )  
COUNTY OF FRESNO ) ss.  
CITY OF FRESNO )

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing ordinance was adopted by the Council of the City of Fresno, at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2024  
Mayor Approval/No Return: \_\_\_\_\_, 2024  
Mayor Veto: \_\_\_\_\_, 2024  
Council Override Vote: \_\_\_\_\_, 2024

TODD STERMER, CMC  
City Clerk

BY: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE  
ANDREW JANZ

BY: \_\_\_\_\_  
Deputy

BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF FRESNO, CALIFORNIA, AMENDING SECTION 3-565 OF THE FRESNO MUNICIPAL CODE TO AMEND THE REQUIRED MINIMUM DISTRIBUTION PROVISIONS OF THE EMPLOYEES' RETIREMENT SYSTEM TO COMPLY WITH THE SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT ("SECURE 1.0") AND THE SECURE 2.0 ACT OF 2022 ("SECURE 2.0")

THE COUNCIL OF THE CITY OF FRESNO DOES ORDAIN AS FOLLOWS:

SECTION 1. Section 3-565 of the Fresno Municipal Code is amended to read as follows:

SEC. 3-565. - MINIMUM REQUIRED DISTRIBUTIONS.

The City of Fresno Employees Retirement System shall pay all benefits in accordance with a reasonable good faith interpretation of the requirements of section 401(a)(9) of the Internal Revenue Code and the regulations in effect under that section, as applicable to a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code. The City of Fresno Employees Retirement System shall be subject to the following provisions:

- (a) Notwithstanding any other provision of this article, payment of a member's retirement allowance shall commence no later than the required beginning date which is the later of the following:

Date Adopted:

Date Approved

Effective Date:

City Attorney Approval:  \_\_\_\_\_

Ordinance No.

- (i) The April 1 following the end of the calendar year in which the member attains age seventy and one-half (70½) [(if the member was born before July 1, 1949); age 72 (if the member was born after June 30, 1949); age 73 (if the member was born on or after January 1, 1951)]; or
  - (ii) The April 1 following the end of the calendar year in which the member retires.
- (b) The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
  - (c) If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death.
  - (d) If a member dies before required distribution of the member's benefits has begun, the member's entire interest must be distributed within five (5) years of his death, unless it is to be distributed in accordance with the following rules:

(4[i]) If the member's surviving spouse is the sole designated beneficiary, the member's remaining interest in the plan is distributed or begins to be distributed by December 31 of the calendar year immediately following the calendar year in which the member died or [, if later,] by December 31 of the calendar year in which the ~~participant~~ [member] would have attained age 70½, ~~if later~~ [(if the member was born before July 1, 1949), age 72 (if the member was born after June 30, 1949), age 73 (if the member was born on or after January 1, 1951); effective January 1, 2024, the surviving spouse shall have the irrevocable option to be considered the employee for purposes of determining the applicable age for determining by when the distribution of benefits must begin under this rule;] and if the surviving spouse dies before the distribution to the surviving spouse begins, this Section shall be applied as if the surviving spouse were the plan member; or

(2[ii]) If the member's surviving spouse is not the sole designated beneficiary, the member's remaining interest is to be distributed over the life of the designated beneficiary or over a period not extending beyond the life expectancy of the designated beneficiary; and such distribution begins no later than December 31 of the calendar year immediately following the calendar year of the member's death

- (e) The death and disability benefits provided by the retirement system are limited by the incidental benefit rule set forth in section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.
- (f) Notwithstanding any other provision of this article, if a member has elected an option under section 3-554 and his or her surviving spouse is not the designated beneficiary, the periodic amounts payable to the member and any other designated beneficiary shall be adjusted only to the extent necessary to ensure that the minimum distribution incidental benefit requirement of Internal Revenue Code Section 401(a)(9) is satisfied.

SECTION 2. This ordinance shall become effective and in full force and effect at 12:01 a.m. on the thirty-first day after its final passage.

\* \* \* \* \*

STATE OF CALIFORNIA )  
COUNTY OF FRESNO ) ss.  
CITY OF FRESNO )

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing ordinance was adopted by the Council of the City of Fresno, at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2024  
Mayor Approval/No Return: \_\_\_\_\_, 2024  
Mayor Veto: \_\_\_\_\_, 2024  
Council Override Vote: \_\_\_\_\_, 2024

TODD STERMER, CMC  
City Clerk

BY: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE  
ANDREW JANZ

BY: \_\_\_\_\_  
Deputy

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SECTION 1. Section 3-565 of the Fresno Municipal Code is amended to read as follows:

SEC. 3-565. - MINIMUM REQUIRED DISTRIBUTIONS.

The City of Fresno Employees Retirement System shall pay all benefits in accordance with a reasonable good faith interpretation of the requirements of section 401(a)(9) of the Internal Revenue Code and the regulations in effect under that section, as applicable to a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code. The City of Fresno Employees Retirement System shall be subject to the following provisions:

- (a) Notwithstanding any other provision of this article, payment of a member's retirement allowance shall commence no later than the required beginning date which is the later of the following:

Date Adopted:  
Date Approved  
Effective Date:  
City Attorney Approval: \_\_\_\_\_

Ordinance No.



- (i) The April 1 following the end of the calendar year in which the member attains age seventy and one-half (70½) [(if the member was born before July 1, 1949); age 72 (if the member was born after June 30, 1949); age 73 (if the member was born on or after January 1, 1951)]; or
  - (ii) The April 1 following the end of the calendar year in which the member retires.
- (b) The member's entire interest must be distributed over the member's life or the lives of the member and a designated beneficiary, or over a period not extending beyond the life expectancy of the member or of the member and a designated beneficiary.
- (c) If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest must be distributed at least as rapidly as under the method of distribution before the member's death.
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- (i) If the member's surviving spouse is the sole designated beneficiary, the member's remaining interest in the plan is distributed or begins to be distributed by December 31 of the calendar year immediately following the calendar year in which the member died or [, if later,] by December 31 of the calendar year in which the [member] would have attained age 70½ [(if the member was born before July 1, 1949), age 72 (if the member was born after June 30, 1949), age 73 (if the member was born on or after January 1, 1951); effective January 1, 2024, the surviving spouse shall have the irrevocable option to be considered the employee for purposes of determining the applicable age for determining by when the distribution of benefits must begin under this rule;] and if the surviving spouse dies before the distribution to the surviving spouse begins, this Section shall be applied as if the surviving spouse were the plan member; or
- (ii) If the member's surviving spouse is not the sole designated beneficiary, the member's remaining interest is to be distributed over the life of the designated beneficiary or over a period not extending beyond the life expectancy of the designated beneficiary; and such distribution begins no later than December 31 of the calendar year immediately following the calendar year of the member's death

- (e) The death and disability benefits provided by the retirement system are limited by the incidental benefit rule set forth in section 401(a)(9)(G) of the Internal Revenue Code and Treasury Regulation Section 1.401-1(b)(1)(i) or any successor regulation thereto. As a result, the total death or disability benefits payable may not exceed 25% of the cost for all of the members' benefits received from the retirement system.
- (f) Notwithstanding any other provision of this article, if a member has elected an option under section 3-554 and his or her surviving spouse is not the designated beneficiary, the periodic amounts payable to the member and any other designated beneficiary shall be adjusted only to the extent necessary to ensure that the minimum distribution incidental benefit requirement of Internal Revenue Code Section 401(a)(9) is satisfied.

SECTION 2. This ordinance shall become effective and in full force and effect at 12:01 a.m. on the thirty-first day after its final passage.

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STATE OF CALIFORNIA )  
COUNTY OF FRESNO ) ss.  
CITY OF FRESNO )

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing ordinance was adopted by the Council of the City of Fresno, at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2024  
Mayor Approval/No Return: \_\_\_\_\_, 2024  
Mayor Veto: \_\_\_\_\_, 2024  
Council Override Vote: \_\_\_\_\_, 2024

TODD STERMER, CMC  
City Clerk

BY: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE  
ANDREW JANZ

BY: \_\_\_\_\_  
Deputy