

**CITY OF BOYNTON BEACH MUNICIPAL  
POLICE OFFICERS' RETIREMENT FUND**

**SUMMARY PLAN DESCRIPTION**

**Prepared November 2022**

## **INTRODUCTION TO YOUR PLAN**

The City of Boynton Beach has established a defined benefit pension plan to provide eligible employees with retirement and related benefits.

This Summary Plan Description is a brief description of that Plan and your rights, obligations and benefits under it. This Summary Plan Description is not meant to interpret, extend or change the provisions of the Plan in any way. The provisions of the Plan may only be determined accurately by reading the actual Plan documents. These documents include appropriate City ordinances, Chapters 112 and 185, Florida Statutes, and any rules and regulations adopted by the Board of Trustees.

A copy of these documents is on file at the Office of the Pension Administrator and may be read by you, your beneficiaries or your legal representatives at any reasonable time. If you have any questions regarding the Summary Plan Description or the Plan documents, you should direct them, in writing, to the Plan's Administrator. In the event of any conflict between this Summary Plan Description and the actual provisions of the Plan documents, the Plan documents control. This Summary Plan Description is solely intended as a guide to your benefits and is not intended to create a contract or promise of any specific benefit. Any examples used in this Summary Plan Description are for illustration purposes only and do not represent the actual benefit to be received by any specific person.

## GENERAL INFORMATION ABOUT YOUR PLAN

There is certain general information you may need to know about the Plan. This general information is summarized below.

### **Name of Plan**

City of Boynton Beach Municipal Police Officers' Retirement Fund

### **Employer**

City of Boynton Beach

### **Plan Administrator**

Board of Trustees of the City of  
Boynton Beach Municipal Police  
Officers' Retirement Fund  
C/O Louis M. Penque, Plan Administrator  
2100 N. Florida Mango Road  
West Palm Beach, Florida 33409  
Telephone: (561) 340-3470

### **Trustee**

Plan Administrator

### **Designated Agent for Service of Legal Process**

Bonni S. Jensen, Esquire  
Klausner, Kaufman, Jensen & Levinson, P.A.  
7080 N.W. 4<sup>th</sup> Street  
Plantation, FL 33317

### **Type of Administration**

The Plan Administrator is responsible for the overall administration of the Plan. It has discretionary authority to construe the terms of the Plan and make determinations on questions which may affect your eligibility for benefits. The Plan Administrator may also retain the services of attorneys, accountants, actuaries, investment advisors and other professionals.

**Administrative Expense Budget**

An administrative expense budget is prepared each year. A copy of the Board's administrative expense budget is available upon request.

**Plan Year**

Each 12 month period beginning on October 1st and ending on September 30th. The Plan's fiscal records are maintained on this basis.

**Relevant Provisions of Local and State Laws**

The Plan is set forth in Section 18 of the Code of Ordinances of the City of Boynton Beach. The most recent amendment to the Plan reflected in this Summary Plan Description is Ordinance No. 20-010.

The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.), Chapter 185 F.S., and various federal laws.

**Relevant Provisions of Collective Bargaining Agreements**

Certain employees covered by the Plan are members of the Palm Beach County Police Benevolent Association. There are two separate contracts for Officers and for Detectives and Sergeants.

The current collective bargaining agreements between the units and the Employer cover the period from October 1, 2019 through September 30, 2022. No sections of the agreements refer to pension matters.

**Custodian**

The custodian of the Plan is responsible for the safe-keeping of securities owned by the Pension Fund.

The custodian is:

Russell Trust Company  
Seattle, WA

**Investment Managers**

The investment manager is responsible for selecting the securities to be bought and sold by the Pension Fund, in accordance with guidelines established by the Plan Administrator. The investment manager is:

Russell Investment Group  
Seattle, WA

**Member**

You are a Member of the Plan if you fulfill the prescribed eligibility requirements (see Eligibility and Credited Service section).

**Beneficiary**

Your Beneficiary is each person designated by you to the Plan Administrator to receive any payments that may become payable by the Plan upon your death. You should designate a Beneficiary when you become a Member of the Plan. Prior to retirement, you may change your designation at any time upon written notification to the Plan Administrator. Upon retirement, if you have elected a joint and survivor option you may change beneficiaries up to twice without the approval of the Board of Trustees or the current joint annuitant or beneficiary. You are not required to show proof of good health for the beneficiary being removed and the prior beneficiary need not be living.

**IT IS IMPORTANT TO KEEP YOUR BENEFICIARY INFORMATION UP TO DATE**

## CONTRIBUTIONS TO THE PLAN

Benefits of the Plan are financed by contributions that are paid into the pension fund and by investment earnings generated by investments of the pension fund. Contributions to the fund are made by:

### **You**

Your regular contribution rate is 8.5% of your Covered Salary (see later page for definition of Covered Salary). This rate was increased to 8.5% of your Covered Salary effective with the first full payroll period after October 1, 2021. This rate was 7.0% prior to October 1, 2019, 7.5% during the period October 1, 2019 through September 30, 2020, and 8.0% during the period October 1, 2020 through September 30, 2021. Your contributions will cease upon your retirement, death or employment termination. Effective December 1, 2022, if you elect to remain in the DROP longer than 5 years, your contribution rate is 3.0% of your Covered Salary beginning with the 61<sup>st</sup> month of DROP participation. Interest is not credited to your contributions. You are also required to contribute an additional 1% of Covered Salary until you complete 20 years of service. This additional contribution along with a matching amount (which is funded by Chapter 185 State monies) is being accumulated within the Fund. Starting October 1, 2006, retirees and beneficiaries will receive monthly supplemental payments from this pool of money.

### **State of Florida**

Monies are paid each year by the State pursuant to Chapter 185, F.S. Said monies are used for the benefit of police officers.

### **Your Employer**

The City of Boynton Beach must contribute an amount determined by the Plan's actuary to be sufficient, along with your contribution and the State contribution, to fund systematically the benefits under the Plan. The Employer's contribution will vary depending on the experience of the Plan.

## **ELIGIBILITY AND CREDITED SERVICE**

### **Eligibility**

You are eligible to be a Member of the Plan if you are a sworn police officer for the Employer. Your employment must be full-time, as determined by the Employer. You become a Member of the Plan on the day you become a full-time police officer.

### **Credited Service**

Credited Service is used to compute the amount of pension benefit when you retire, to determine whether you are eligible for certain benefits and to determine whether you are vested. Your Credited Service is equal to your total length of service with the Employer omitting periods when you were not employed by the Employer. Vacations and other paid leaves of absence are included. Unpaid leaves of absence are not included. Also not included in Credited Service is any period during which you could have but did not contribute to the Plan or any period for which you have withdrawn your own contributions.

### **Break in Service**

If you terminate employment, receive a refund of contributions, and later return to work for the Employer, you will lose credit for previous service unless you repay the contributions you withdrew from the fund. You can either repay the refund with interest in a lump sum within 6 months of re-employment, or you may choose to repay the contributions in installment payments over a period of up to 5 years provided that payments begin within 6 months of re-employment. If the installment payment option is chosen, additional interest will need to be paid during the period of repayment. No credit will be given for any service until all years which are to be repurchased have been paid in full.

### **Military Service and Prior Police Officer Service**

Should you be called to active duty from employment in order to enter the military, your period of leave may be included in your Credited Service if you return to work for the Employer within one year after your discharge. If you die or become disabled while on military leave, you will be eligible to receive a death or disability benefit as if you had been rehired as a police officer the day before the death or disability occurred with the period of leave included in your Credited Service.

You may purchase up to 5 years of service as a police officer employed by a city, county, state or federal police department or your military service. You will receive this Credited Service once you pay the Fund the full actuarial cost of such service. You will be allowed to purchase the service via biweekly payroll deductions over a period equal to the length of time being purchased or 5 years, whichever is greater, or in one lump sum payment. Purchased service will count for benefit computation purposes, but not vesting. Please note that no service credit may be purchased if you are receiving or will receive any other retirement benefit based on such service, excluding military service.

### **Family and Medical Leave Act**

Should you take a leave of absence under the Family and Medical Leave Act, your service will remain continuous even if you are not in a pay status. Use of accumulated leave time will be treated as Credited Service. A contribution will be picked up from paid leave. Use of unpaid leave, however, will not be treated as Credited Service.



## RETIREMENT DATES

### **Normal Retirement Date**

The Normal Retirement Date is the earliest date when unreduced retirement benefits may be paid to you.

If you were hired prior to October 1, 2019: Your Normal Retirement Date is the first day of the month coincident with or next following the earliest of (a) completion of 20 years of Credited Service regardless of age, (b) age 55 with completion of 10 years of Credited Service, or (c) age 50 with completion of 15 years of Credited Service.

If you were hired on or after October 1, 2019: Your Normal Retirement Date is the first day of the month coincident with or next following the earliest of (a) completion of 25 years of Credited Service regardless of age, or (b) age 55 with completion of 10 years of Credited Service.

### **Early Retirement Date**

Your Early Retirement Date is the first day of any month coincident with or next following the date when you reach age 50 and complete 10 years of Credited Service. You may then retire at any time with reduced benefits as described later.

## RETIREMENT BENEFITS

### Normal Retirement Benefit

The monthly benefit that you will receive if you continue in employment until your Normal Retirement Date is called your Normal Retirement Benefit. The amount of your Normal Retirement Benefit is based on the following factors:

1. Your Covered Salary - This is the amount of your total cash remuneration including up to 300 hours of overtime and lump sum payments for the lesser of the amount of sick and vacation leave accumulated as of June 18, 2013 or the amount cashed out at retirement, but exclusive of any payments for extra duty or special detail work. This definition excludes severance pay and other similar payments which are not for services rendered as well as amounts paid to you as differential wages during any period of active duty military service lasting more than 30 days.
2. Your Average Final Compensation - This is the average of your Covered Salary during the best 5 years of service with the City within the last 10 years of service.
3. Your years of Credited Service at your retirement date.

The calculation of your Normal Retirement Benefit is as follows:

3.5% (3.0% if you were hired on or after October 1, 2015) of your Average Final Compensation multiplied by your years of Credited Service.

Your total retirement benefit is limited to 85% of your Average Final Compensation, provided that in all cases the benefit will not be less than 2.75% of your Average Final Compensation multiplied by your years of Credited Service. This limitation does not apply if you were eligible for Normal Retirement as of October 1, 2019.

As an example, if you were hired prior to October 1, 2015 and your Average Final Compensation at your Normal Retirement Date is \$84,000 and your Credited Service is 20 years, then the calculation would be as follows:

$3.5\% \times \$84,000 \times 20 \text{ years} = \$58,800 \text{ per year, or a } \$4,900 \text{ monthly retirement benefit.}$

As a second example, if you were hired on or after October 1, 2015 and your Average Final Compensation at your Normal Retirement Date is \$84,000 and your Credited Service is 25 years, then the calculation would be as follows:

$$3.0\% \times \$84,000 \times 25 \text{ years} = \$63,000 \text{ per year, or a } \$5,250 \text{ monthly retirement benefit.}$$

The retirement benefit is paid to you for the rest of your life in accordance with the Normal Form of Benefit Payment as described later. (However, see the sections on Death Benefits after Retirement and Election of Optional Forms of Benefit Payments.) Your benefits from this Plan are paid in addition to any benefits you may receive from Social Security. Retirees receiving benefits under the Plan are required to complete an annual "Alive & Well" statement certifying that the retiree is alive. Failure to complete this statement could result in suspension of your pension benefits.

### **Accrued Benefit**

The portion of your Normal Retirement Benefit that you have earned at any point in time is your Accrued Benefit. Your Accrued Benefit is computed in the same way as the Normal Retirement Benefit, except you use your present Average Compensation and Credited Service in the calculation. The Accrued Benefit is a monthly amount which starts on your Normal Retirement Date.

### **Early Retirement Benefit**

If you decide to retire early after attaining at least age 50 and completing at least 10 years of Credited Service, you may receive an immediate Early Retirement Benefit payable for the rest of your life. The benefit is equal to your Accrued Benefit but reduced for the number of months by which the starting date of the benefit precedes the date when you would have become eligible for Normal Retirement had you continued in full-time employment. The benefit is reduced to take into account the younger age and earlier commencement of benefit payments. The table on the next page shows how much your benefit will be reduced if payments begin before your Normal Retirement Date:

Number of Years Early	Percentage Reduction
1	1.5%
2	3.0
3	4.5
4	6.0
5	7.5

### **Deferred Retirement Option Plan (DROP)**

If you have reached your Normal Retirement Date and have no more than 25 years of Credited Service, you are eligible to enter the DROP Plan. Prior to October 1, 2022, the maximum period of participation is 5 years, or, if earlier, until you have a total of 30 years of service. Effective October 1, 2022, the maximum period of participation in the DROP is 8 years, or, if earlier, until you have a total of 33 years of service. Effective October 1, 2022, all members who are already participating in the DROP have a one-time opportunity to extend their DROP participation period from 5 years to 8 years, which must be exercised within 30 days of the second reading of Ordinance 22-020, which enacted the changes to the DROP provisions. Election into the DROP Plan is voluntary, but it is irrevocable once DROP payments begin. If you enter the DROP Plan, your contributions will stop during the first 5 years of DROP participation (but will resume in year 6 – see below), you will cease to accrue a benefit in the Plan, you will no longer be eligible for disability or preretirement death benefits, and you will never have the right to actively accrue pension benefits as a fully contributing member under the Plan again. Your Credited Service and Average Final Compensation as of the first date of participation in the DROP Plan will be used to calculate your retirement benefit.

If you enter the DROP Plan, the monthly benefit that you would have received if you had retired on your election date will be paid into a DROP account.

Effective December 1, 2022, DROP participants who remain in the DROP for more than 5 years shall contribute 3.0% of their Covered Salary beginning with the 61<sup>st</sup> month of DROP participation.

You may choose between one of the following three investment options:

- 1) Interest at the same rate earned by the Plan (net of expenses), with no minimum or maximum,  
or
- 2) Guaranteed annual fixed interest rate of 7%, or

- 3) You may choose to have a percentage of your DROP account credited at the same rate earned by the Plan with the remainder credited at a guaranteed rate of 7%.

Under the first option, DROP monies gain or lose interest at the same net rate as the Plan (net of expenses). As a result, your DROP account balance will fluctuate with the performance of the financial markets. Although a participant's DROP account may earn more than the 7%, it is also possible that the DROP account will earn less than 7%, or even lose money, based on the investment performance of the Pension Fund.

Under the second option, DROP monies will earn interest at an annual fixed rate of seven percent (7%). This option should be viewed as a more predictable and safer alternative, as the fixed rate of return is guaranteed with no risk of loss.

You may change the method on a yearly basis. The selection for the following year must be made prior to January 1<sup>st</sup> and will become effective on January 1<sup>st</sup>. Participants in the DROP, as of October 1, 2022, may change their method of interest crediting. This mid-year change in the interest crediting option is a one-time opportunity, and the election to change must be made within 30 days of the second reading of Ordinance 22-020, which enacted the changes to the DROP provisions. The revised interest crediting method will be effective the first of the month following the date of the election.

Upon retirement, the balance in your DROP will become payable. You will have the following options of payment:

1. A single lump sum payment.
2. Five equal annual payments.
3. Monthly installments until the balance is paid out with the monthly amount determined by actuarial tables.
4. Partial lump sum withdrawals. Part of the account balance will be paid upon approval of the Board of Trustees.

For all members, any form of payment must comply with the minimum distribution requirements of the IRC 401(a)(9). For example, payments must commence by age 70 ½ or age 72 for retirees who attain age 70 ½ on or after January 1, 2020.

Should you pass away during your participation in the DROP Plan, your Beneficiary will have the same DROP account payment options as you would have had. DROP payments to your Beneficiary will be in addition to any survivor benefits payable by the Plan.

Loans from your DROP account are available only after you terminate employment, provided you participated in the DROP for at least 12 months. The minimum amount of a loan is \$5,000 and the maximum is the smaller of 50% of your total DROP account balance and \$50,000 (reduced by your highest outstanding loan balance during the last 12 months). The term of a loan must be no less than one year and no more than 5 years. The interest rate is the prime rate published by an established local bank on the last day of the calendar quarter preceding the date you submit an application for a loan. Loans will be considered in default if two consecutive months or a total of four months of repayments are missed. If a loan is in default, the full balance becomes due and payable immediately. If not then repaid immediately, the loan may be canceled and the outstanding balance treated as a distribution, which may be taxable. If you default on a loan, you will not be eligible for additional loans.

### **Supplemental Pension Distribution**

If certain conditions are met and you have been retired (normal, early, disability, or DROP) for at least one year as of the preceding September 30th, on the next July 1<sup>st</sup> a Supplemental Pension Distribution will be paid to you. The distribution will be allocated among eligible members on a pro-rata basis as described below.

### **Monthly Supplemental Benefits**

Beginning October 1, 2006, each Member or Beneficiary receiving pension benefits is entitled to a monthly supplemental pension benefit. The monthly supplemental benefit will be funded by a 1% of pay contribution from the Members and a 1% of pay contribution from the Chapter 185 money. Members will contribute to this benefit through 20 years of service. The benefit will cease upon the later of the death of the retired Member or Beneficiary.

A benefit pool has been established with the contributions described above. The distribution pool represents 100% of the investment earnings of the benefit pool plus 10% of the principal. Starting in 2006, it will be divided according to the total number of shares of all eligible retirees on a pro-rata basis. The number

of shares allotted to each eligible retiree is the sum of Credited Service at retirement (maximum credit is 20 years) and the number of years the participant has been retired (maximum credit is 20 years). An individual retiree's distribution is the number of shares multiplied by share value. The benefit is payable as a lump sum on October 1 each year.

Additionally, beginning October 1, 2003, there is a second distribution pool which is 100% of the Chapter 185 money received that is in excess of the base amount of \$465,087, plus 1% of payroll. This distribution pool is divided into shares similar to the first supplemental distribution. Retirees receive a full share; allocations for surviving spouses and surviving dependent children shall be adjusted by the percentage of the optional form of benefit selected. The second distribution is payable annually in a lump sum as of June 1 of each year, beginning June 1, 2004.

### **Transfer of Accumulated Leave**

If you are eligible to receive accumulated sick leave, vacation leave or other accumulated leave payable upon retirement or entry into the DROP, your accumulated leave shall be transferred to the Plan. Within 30 days of retirement or DROP entry, you may elect one of the following distribution options:

- 1) Receive a lump sum equal to the transferred leave balance.
- 2) Transfer the entire amount of the leave balance directly to any eligible retirement plan.
- 3) Purchase additional service credit as permitted by the Plan. If the cost exceeds the leave balance, the remainder must be paid in a lump sum.
- 4) Transfer the entire amount of the leave balance into your DROP account.
- 5) Maintain the entire leave balance in the Plan.

If you fail to elect a distribution option within 30 days, you will be deemed to have elected option 1) from above.

If you die after retirement or other termination of employment but prior to making an election or after making an election but before the distribution is made, the choice will be void. In such an event, your Beneficiary shall be entitled to receive the leave balance in a lump sum. If the Beneficiary is a spouse or former spouse, they may elect to transfer the leave balance into an eligible retirement plan within 60 days. If an election is not made within 60 days, the payment will be made in a lump sum.

## **DISABILITY RETIREMENT**

If you become totally and permanently disabled as provided by the Plan, you may be eligible for a disability benefit. Disability eligibility determinations are made by the Board of Trustees. In the case of a disability incurred in the line of duty, you will be eligible for a benefit regardless of your length of service. In the case of a disability that is not incurred in the line of duty, you will only be eligible for a benefit if you have at least 10 years of Credited Service.

The amount of your benefit due to line of duty disability is 66 2/3% of your basic monthly rate of earnings in effect at the time of disability. This amount is reduced by any Social Security benefits you may receive. The amount of your benefit may only be reduced to the extent that the total of the benefit from this Plan, Workers' Compensation and Social Security exceeds 100% of your basic rate of earnings on your date of disability. In no event shall the amount of your benefit be less than the greater of your Accrued Benefit or 42% of your Average Final Compensation. This benefit is payable until your death or recovery.

The amount of your benefit due to non-line of duty disability is equal to your Accrued Benefit at the time of the disability, with the total not to exceed 60% of your Average Final Compensation. In no event shall the amount of your benefit be less than 25% of your Average Final Compensation. This benefit is payable until your death or recovery.



## **SURVIVOR BENEFITS**

### **Before Retirement**

If you die in the line of duty, regardless of your years of service, your spouse will receive a death benefit. The amount of your line of duty death benefit is your Accrued Benefit at the time of your death, but not less than 30% of your Average Final Compensation. This benefit is payable until your spouse's death. If you have no spouse, the benefit will be paid to your estate.

If you die before you attain 10 years of continuous service and not in the line of duty, your Beneficiary will receive a refund of your accumulated contributions. If you pass away after you attain 10 years of continuous service, your spouse will receive your Accrued Benefit as of the date of your death. Payment will continue until your spouse's death or remarriage.

### **After Retirement**

If you were receiving a form of retirement payment which provided for a survivor's benefit to be paid after your death, your Beneficiary will receive payments following your death. A later page describes the various forms of retirement payments.

### VESTED RETIREMENT BENEFIT

If you terminate employment, other than by reason of retirement, disability or death, you may be entitled to a deferred Vested Retirement Benefit. This benefit is equal to your Accrued Benefit on your termination date multiplied by your vested interest.

The following chart shows your vested interest in your Accrued Benefit **if you were hired prior to October 1, 2016.**

<b>Vesting Schedule if Hired Prior to October 1, 2016</b>	
<b>Completed Years of Credited Service</b>	<b>Vested Interest</b>
Less than 5	0%
5 or more	100

The following chart shows your vested interest in your Accrued Benefit **if you were hired on or after October 1, 2016.**

<b>Vesting Schedule if Hired On or After October 1, 2016</b>	
<b>Completed Years of Credited Service</b>	<b>Vested Interest</b>
Less than 10	0%
10 or more	100

The vested benefit is payable on the earlier of the date you would have attained age (A) 55 with 10 years of service, (B) the date you would reached age 50 with 15 years of service if you had continued working (but only if you were hired prior to October 1, 2019 and you had completed at least 10 years of service prior to terminating employment), or (C) the date you would have completed 20 (if you were hired prior to October 1, 2019) or 25 (if you were hired on or after October 1, 2019) years of service if you had continued working. If earlier, and if you had completed at least 10 years of credited service prior to terminating employment,

you may receive your vested benefit, reduced as for Early Retirement, any time after your 50<sup>th</sup> birthday. Members who are vested but have less than 10 years of service at the time of termination are not eligible for early retirement or normal retirement at the date they would have otherwise attained age 50 with 15 years of service.

If you terminate employment with less than 5 (if you were hired prior to October 1, 2016) or 10 (if you were hired on or after October 1, 2016) years of Credited Service, you will receive a refund of your own contributions without interest.

The taxable portion of any refund you receive is subject to an automatic 20% withholding for federal income tax purposes. This tax can be avoided, however, if you roll the taxable portion over to an Individual Retirement Account (IRA) or another qualified employer plan. This rollover will result in no tax being due until you begin withdrawing funds from the IRA or other qualified employer plan. The rollover of the distribution, however, must be made directly by the Plan to your chosen IRA or other qualified employer plan.

## FORMS OF BENEFIT PAYMENTS

### **Normal Form of Benefit Payment**

Unless you elect otherwise before retirement, your pension is payable as a Ten Year Certain and Life Annuity. This is a series of monthly payments for your life. If you should pass away before benefits have been paid for 10 years, your Beneficiary will receive the same monthly amount for the balance of the 10 years.

### **Election of Optional Forms of Benefit Payments**

You have the right at any time prior to your actual retirement date to elect not to have your retirement benefit paid in the Normal Form. Your benefit would then be paid in the form which you choose.

You may choose among the options described below and revoke any such elections and make a new election at any time before your actual retirement. You must make such an election by written request to the Plan Administrator. Such an election shall be subject to the approval of the Plan Administrator. This election also applies to disability retirees and to terminated members who are eligible for payment of deferred Vested Retirement Benefits. The options available are as follows:

#### **1. Option 1 - Single Life Annuity**

You may elect to receive an increased monthly retirement benefit with payments for your life, ceasing upon your death.

#### **2. Option 2 - Contingent Annuitant**

You may elect to receive a decreased monthly retirement benefit during your lifetime and have such decreased retirement benefit (or a designated fraction thereof) continued after the death of either you or your Beneficiary during the remaining lifetime of you or your Beneficiary.

3. **Option 3 - Survivor Annuity**

You may elect to receive a decreased monthly retirement benefit during your lifetime and have such decreased retirement benefit (or a designated fraction thereof) continued after your death. Your benefit will remain unchanged if your Beneficiary's death proceeds your own.

In no event may the total of benefit payments to you and your Beneficiary be less than your own accumulated contributions.

## **AMENDMENT OR TERMINATION OF THE PLAN**

The Plan may be amended or terminated at any time by the Employer. If the Plan were terminated, you would immediately become fully vested in the benefit you had earned so far. All of the assets of the Plan would be allocated to the Members according to certain classes of priority. Only after all accrued benefits have been paid and any other liabilities have been satisfied could any remaining money be returned to the Employer.

### **IMPORTANT NOTICE**

There are certain circumstances which may result in the disqualification, ineligibility, denial, loss, forfeiture, suspension or deferral of your benefits in this Plan. The following is a list of these circumstances:

1. If you terminate employment before you have enough Credited Service to have earned a vested interest, no benefits will be payable except for a return of your own contributions without interest.
2. If you die before attaining a vested interest, but not in the line of duty, no benefits will be payable except for a return of your own contributions without interest.
3. No credit is allowed either for benefit accrual or vesting purposes for any period in which you are not considered a full-time employee.
4. Your retirement benefit will not be payable until your actual retirement date, even if you continue to work beyond the Normal Retirement Date.
5. Your Accrued Benefit may be forfeited if you are convicted of certain felonies as provided by State law (Chapter 112.3173 F.S.).
6. Payment of your benefits may be made subject to an income deduction order made pursuant to a state domestic relations law.

## YOUR RESPONSIBILITIES

1. Retain this Summary Plan Description with your other important papers for later reference or for replacement by updated versions and supplemental notices, if any.
2. Upon completing eligibility requirements, sign a Membership Form, including a Beneficiary designation.
3. Keep your Beneficiary designation form updated to express your wishes.
4. If you terminate employment, check to see if you are entitled to a Vested Retirement Benefit and the date payable.
5. If you should terminate employment with rights to a deferred Vested Retirement Benefit, then, shortly before the date on which it is to begin, you should contact and notify the Employer to begin such payments.
6. Upon your retirement under Early or Normal Retirement, complete the form necessary to indicate which Optional Form of Benefit you desire.



## **CLAIMS AND PROCEDURES**

The Plan Administrator has adopted rules to follow when a member applies for a benefit. These rules may be obtained from the Office of the Pension Administrator.

<b>PERTINENT ACTUARIAL INFORMATION</b>		
	<b>October 1, 2021</b>	<b>October 1, 2020</b>
Number of Members of the Plan		
Active Employees	115	121
Those Receiving or Due to Receive Benefits	181	171
Annual Payroll of Active Members	\$ 12,717,839	\$ 12,665,666
Annual Rate of Benefits in Pay Status	8,205,084	7,616,142
Actuarial Accrued Liability	157,898,327	147,247,813
Net Assets Available for Benefits (Actuarial Value)	105,675,722	97,629,937
Unfunded Actuarial Accrued Liability	52,222,605	49,617,876
Required Contribution to be Made to the Plan by the City in Excess of Contributions by Members of the Plan	7,136,079	6,689,463
Required Contribution as % of Projected Payroll of Active Members During Contribution Year	54.74%	51.53%
Required Contribution to be Paid During Year Ending	9/30/2023	9/30/2022

**PENSION FUND DISBURSEMENTS & INCOME**

<u>Item</u>	<u>September 30</u>	
	<u>2021</u>	<u>2020</u>
A. Market Value of Assets at Beginning of Year	\$ 111,887,205	\$ 107,300,912
B. Revenues and Expenditures		
1. Contributions		
a. Employee Contributions	\$ 1,170,591	\$ 1,078,307
b. Employer Contributions	5,999,430	5,815,515
c. State Contributions	895,165	907,957
d. Buy Back Contributions	90,244	88,692
e. DROP Rollover	148,639	59,006
f. Change in Value of Remaining Buy Back Payments	(28,775)	(81,249)
g. Total	<u>\$ 8,275,294</u>	<u>\$ 7,868,228</u>
2. Investment Income		
a. Interest, Dividends, and Other Income	\$ 10,279	\$ 1,670
b. Net Realized Gains/(Losses)	12,951,532	4,735,134
c. Net Unrealized Gain/(Losses)	8,555,017	741,045
d. Investment Expenses	(727,933)	(741,095)
e. Net Investment Income	<u>\$ 20,788,895</u>	<u>\$ 4,736,754</u>
3. Benefits and Refunds		
a. Refunds	\$ (13,824)	\$ (97,633)
b. Regular Monthly Benefits to Retirees	(6,657,994)	(6,469,543)
c. Supplemental Distributions and DROP Loans	(553,696)	(516,009)
d. DROP Distributions	(599,309)	(770,090)
e. Total	<u>\$ (7,824,823)</u>	<u>\$ (7,853,275)</u>
4. Administrative and Miscellaneous Expenses	\$ (187,230)	\$ (165,414)
5. Transfers	\$ -	\$ -
C. Market Value of Assets at End of Year	\$ 132,939,341	\$ 111,887,205
D. Reserves		
1. State Contribution Reserve	\$ (306,156)	\$ (316,042)
2. DROP Accounts	(17,152,201)	(15,223,228)
3. Supplemental Benefit Reserve	(2,779,045)	(2,450,684)
4. Total Reserves	<u>\$ (20,237,402)</u>	<u>\$ (17,989,954)</u>
E. Market Value Net of Reserves	\$ 112,701,939	\$ 93,897,251

## **ADDENDUM**

Pursuant to Section 119.071(5)(a)2, Florida Statutes, your social security number is requested for the purpose of determining eligibility for retirement benefits as a plan member, retiree or beneficiary; the processing of retirement benefits; verification of retirement benefits; income reporting; or other notice or disclosures related to retirement benefits. Your social security number will be used solely for one or more of these purposes. If you have any questions about this policy, please contact the Fund's Administrator.