PALM BAY POLICE & FIREFIGHTERS' PENSION PLAN

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SUMMARY PLAN DESCRIPTION for POLICE OFFICERS

Prepared and Approved June 3, 2022

INTRODUCTION TO YOUR PLAN

The Palm Bay Police & Firefighters' Retirement System (the "Plan") was established as a Defined Benefit Pension Plan to provide eligible employees with retirement and related benefits.

This Summary Plan Description ("SPD") is a brief description of your Plan and your rights, obligations and benefits under that Plan. This SPD is not meant to interpret, extend or change the provisions of your Plan in any way. If questions of interpretation arise because of an attempt to make such retirement provisions easy to understand, the Plan remains, as it must, the final authority. The information provided in this SPD is based on the Plan in existence on June 3, 2022 and is subject to modification based upon changes in the Plan, subsequent interpretations of the Plan and changes in other laws that affect the Plan. Individual trustees are not agents of the Plan. This SPD has been updated through Ordinance 2021-91 dated January 6, 2022. The provisions of this SPD shall not constitute a contract between the Member and the Board of Trustees (the "Board"). The Board is not responsible for erroneous information provided by an individual trustee or provided by any other person by purportedly representing the Plan.

A copy of your Plan is on file with the Board and may be read by you, your beneficiaries, or your legal representatives at any reasonable time. If you have any questions regarding either your Plan or this SPD, you should contact the Plan Office by calling (321) 724-8877 or e-mailing Admin@pbpfpf.org. In the event of any discrepancy between this SPD and the actual provisions of the Plan, the Plan provisions shall govern.

Timothy W. Lancaster, Chairman, Board of Trustees
City of Palm Bay Police & Firefighters' Retirement Pension Plan

June 3, 2022
Date

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GENERAL INFORMATION ABOUT YOUR PLAN

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

Name of Plan

City of Palm Bay Police and Firefighters' Retirement Pension Plan.

Employer

City of Palm Bay (the "City")

Plan Administrator

Board of Trustees
Palm Bay Police and Firefighters' Retirement Pension Plan
Conlan Professional Center, 1501 Robert J. Conlan Boulevard, NE, Suite 240
Palm Bay, FL 32905-3567
Telephone: (321) 724-8877 Fax: (321) 724-8838
E-mail: Admin@pbpfpf.org Website: www.pbpfpf.org

Board of Trustees

Timothy W. Lancaster, CPPT, Chairperson, Police Representative
Jason Dorey, CPPT, Vice Chairman, Fire Representative
James W. Brock, CPPT, Secretary, City Council Appointee
Anthony T. Sacco, CPPT, Trustee, Police Representative
Benjamin J. Kiszkiel, Trustee, City Appointee

Designated Agent for Service of Legal Process

Robert Klausner, Board Attorney, Klausner, Kaufman, Jensen and Levinson, 7080 NW 4th Street, Plantation, FL 33317

Type of Administration

The Board is responsible for the overall administration and operation of the Plan. The Board retains the services of attorneys, accountants, actuaries, investment advisors, and other professionals as needed. The Board has retained employees to oversee the day-to-day operation of the Plan and the pension Plan office.

A copy of the Plan as defined by Florida Statutes and City of Palm Bay Ordinances, as amended from time to time, is publicly available to you or may be read by you, your beneficiaries, or your legal

representatives at any reasonable time by contacting the pension Plan Office or by going to the pension Plan Website at www.pbpfpf.org and searching under "Administration" "Resources & Links."

Plan Year

The Plan's records are maintained on a fiscal year basis beginning October 1st and ending on September 30th of each year.

Relevant Provision of Local and State Laws

The Plan is set forth in Title V: Legislative, Chapters 52.160 and 55, and 60 of the City's Code of Ordinances. The most recent amendment to the Plan, which is reflected in the SPD is Ordinance No. 2022-12. Your Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.), Chapter 175 F.S. and various federal laws.

Relevant Provisions of Collective Bargaining Agreements

Some employees covered by the Plan are members of the following collection bargaining unit:

Fraternal Order of Police, Pollak-Grogan-Johnson Memorial Lodge 111

The current collective bargaining agreement between the FOP and the City covers the period from October 1, 2021-September 30, 2024, Article 50 of the Police Agreement refers to pension matters.

Custodian

The custodian of the Plan is responsible for the safekeeping of securities owned by the Plan.. At the direction of the Board, the custodian also pays benefits to eligible persons and pays expenses incurred by the Plan. The custodian is:

Salem Trust Bank/TMI, 1715 N. Westshore Blvd., Suite 750, Tampa, FL 33607
US Bank, ATTN: Securities Processing, MK-WI-S302, 1555 N. Rivercenter Drive, Suite 302, Milwaukee, WI 53212

Performance Manager

The performance manager is responsible for evaluating the performance of the money managers and recommending selection of money managers in accordance with the guidelines established by the Board. The performance manager is:

Burgess Chambers & Associates, Inc., 315 East Robinson Street, Suite 690, Orlando, FL 32801

Money Managers

Investment manager is responsible for selecting securities to be bought and sold by the Plan in accordance with guidelines established by the Board. The investment managers are:

Truist Bank, 333 S. Garland Ave., 17th Floor, Orlando, FL 32801
American Funds Service Company, Attn: Shareholder Services Representative, 5300 Robin Hood Road, Norfolk, VA 23513-2430
JP Morgan Asset Management, Institutional Client Services, 270 Park Ave. 22nd Floor, New York, NY 10017
Advent Capital Management, LLC, 888 Seventh Avenue, 31st Floor, New York, NY 10019
SSI Investment Management, 9440 Santa Monica Blvd., Suite 800, Beverly Hills, CA 90210
Frontier Capital Management Co, LLC, 99 Summer Street, Boston, MA 02110
Eagle Asset, 880 Carillon Parkway, St. Petersburg, FL 33716
Polen Capital, 1825 NW Corporate Blvd., Suite 300, Boca Raton, FL 33431
Wells Capital Management, 100 Heritage Reserve, MAC: N9882-022, Menomonee Falls, WI 53051
Cohen and Steers 280 Park Avenue, New York, NY 10017

Accountant

The accountant is responsible for financial reporting of all the assets and liabilities of the Plan. She provides monthly and quarterly financial reports to the Board and works with the auditor and actuary to coordinate the annual independent audit of the Plan and various disclosures pertaining to the Government Accounting Standards Board (GASB). The accountant is:

Lark Janes, CPA, LLC, PO Box 372011, Satellite Beach, FL 32937

Auditor

The auditor is responsible for the annual independent audit of the Plan which includes reviewing and testing of contribution amounts and member benefit accounts. They review internal controls and procedures established by the Board. They provide an annual written audit, portions of which are included in the City's audit. The auditor is:

Mauldin & Jenkins, LLC, 1401 Manatee Avenue West, Suite 1200, Bradenton, FL 34205

Attorney

The attorney is responsible for legal review of Plan benefit changes and provides guidance to the Board when requested. The attorney is:

Klausner, Kaufman, Jensen and Levinson, 7080 NW 4th Street, Plantation, FL 33317

Actuary

The actuary is responsible for annual analyses to determine the cost and funding of the Plan. They conduct individualized analyses of member benefit enhancements for the City and Unions during negotiations, as required by Florida Statute. They analyze and provide statements on member retirement, death, disability, and survivor benefits as well as Buy Back and Share Plan statements.

The actuary is:
Foster & Foster, Inc., 13420 Parker Commons Blvd., Suite 104, Fort Myers, FL 33912

Membership in the Plan

All full-time, certified Police Officer employees of the City who fulfills the prescribed eligibility requirements. The Police Chief shall have the option to participate, or not, in the Plan.

Beneficiary

A person receiving, or designated in writing by a member to receive, the balance of accumulated contributions or retirement or death benefits. If any, including any funds in the member's Deferred Retirement Option Plan ("DROP") account, to be paid on behalf of a member or retiree. You should designate a beneficiary when you become a member of the Plan. You may change your designated beneficiary any time prior to retirement upon written notification to the Board.

On April 24, 2012 House Bill 401 was enacted into Florida Statutes amending the Probate Code (Chapter 732) that could impact your beneficiary designation you have on file with us now and in the future. If you have gone through a divorce and you want your former spouse to receive any benefit from the Plan in the event of your death, you must update your beneficiary form on file at the pension Plan Office. If you are a current retiree and have a former spouse listed as your beneficiary, you may be able to update your beneficiary election at a cost with a possible reduction of your monthly pension payment. However, you cannot change the type of payment you originally elected at the time of retirement. As a retiree, you may only change your beneficiary two times during your remaining life.

Direct Rollover

A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee. Effective as of January 1, 2008, a non-spouse beneficiary may make a direct rollover only to an "inherited" individual retirement account as described in Section 408(b) of the code. If a non-spouse beneficiary receives a distribution from the Plan, the distribution is not eligible for a 60-day (non-direct) rollover.

PLAN FUNDING

The Plan is funded by contributions from various sources that are made to the Plan and by investment earnings of the Plan. Contributions to the Plan are made by:

Employee Contributions

Your contribution rate is **8.76%** of your covered salary (see later page for definition of salary). Your contribution will cease upon your retirement, upon DROP entry, death, or employment termination. Interest is credited to your contributions at a rate determined by the Board.

State of Florida

Premium tax monies are paid each year by the State to the Plan ~~Fund~~ pursuant to Chapters 175 F.S. Said monies are used to provide extra benefits for Police Officers above those provided to general City employees. By mutual consent effective November 21, 2016, police officers may provide that certain funds in excess of state monies reserve be used to reduce the City's annual contribution amount with remaining funds to be transferred to the Police Share Plan.

City Contributions

The City must contribute an amount determined by the Plan actuary to be sufficient, along with employee contributions and State contributions, to fund systematically the benefit under the Plan. The City's contribution will vary depending on the actuarial experience of the Plan.

CREDITED SERVICE

Credited Service

Credited Service is used to compute the amount of your pension benefit when you retire, to determine when you are eligible for certain benefits and to determine when you are vested. Your Credited Service is equal to your length of service with the City from your date of hire until your date of termination of employment or DROP entry. Vacations and other paid leaves of absences are included. Unpaid leaves of absences are not included. Also not included in Credited Service is any period during which you could have but did not contribute to the Plan.

Break in Service

If you terminate employment, withdraw your funds, and later return to work for the City, you are eligible to pay into the Plan contributions, plus interest, within 90 days of re-employment to purchase your prior credited service time. Payments must be made in full within the ninety (90) days. Calculation of the amount due will be determined by the Plan actuary and paid for by you. You will not receive Credited Service for time not employed with the City. If you left your contributions in the Plan, you will retain credit for all past service; however, you will not receive Credited Service for time not employed with the City.

Military Service

Should you take a leave of absence from the City in order to enter the Armed Forces of the United States, voluntarily or involuntarily, to perform training or service, your period of leave will be included in your Credited Service for all purposes, including vesting, provided:

1. You return to work for the City within one year from the date of or release from such military service.

2. You must be entitled to reemployment under the provisions of the Uniformed Services Employment and Reemployment Rights Act.

3. The maximum credit for military services shall be five (5) years.

Your active duty in the military prior to the date of hire by the City is not included in Credited Service unless you have gone through the formal buy back process with the Plan.

Purchase of Prior Military or Law Enforcement Experience

Effective October 1, 2005, any member who is employed by the City on or after this date and who retires or enters the DROP after that date, who has served a minimum of ten (10) years as a sworn law enforcement officer for the City has the option to purchase up to four (4) years of military or four (4) years of prior law enforcement experience, but not more than a combined total of four (4) years. Your cost to purchase the prior law enforcement and/or military service is based on the contributions you would have made for the purchased time using the contribution rates and compensation in effect at the time you were hired by the City. You may use the value of your accrued sick and vacation leave to purchase all or a portion of the prior law enforcement and/or military service in addition to, or in lieu of a cash payment. Effective August 3, 2007, you have thirty-six (36) months from the time you obtain 100% vested interest to purchase the prior law enforcement and/or military service time. You must pay the employee contributions, plus interest, as determined by the Plan actuary and as approved by the Board. You are also responsible for payment of the actuary's fee prior to any work being performed. Upon receipt buy back statement, you must make payment in full to the pension Plan's bank within thirty (30) days of the date of the statement. In no circumstances may you purchase paid law enforcement experience for which another benefit has been obtained or will be obtained as a result of such experience. The Board may require such written proof of certification as it deems necessary to carry out the intent of this provision.

Family Medical Leave

Leave granted pursuant to the Family and Medical Leave Act shall not constitute a break in service for vesting or eligibility purposes, but the period of such leave shall not be counted as Credited Service for benefit purposes unless you pay into the Plan your member contributions that would have been paid had you not been on leave, plus interest, within ninety (90) days after your return from leave.

Differential Wage Payments

For Plan years beginning after December 31, 2008: (i) an individual receiving a differential wage payment as defined by Internal Revenue Code (IRC) section 3401(h)(2), is treated as a member of the system; (ii) the differential wage payment is treated as compensation for purposes of IRC section 415 (c)(3) and Treasury Regulation section 1.415(c)-2; and (iii) the System is not treated as failing to meet the requirements of any provision described in IRC Section 414(u)(1)(C) (or corresponding System Provisions) by reason of any contribution or benefit which is based on the differential wage payment.

Retiree Medical Premiums for Public Safety Officers

The Plan may allow a public safety officer to elect a tax free distribution up to $3,000 annually. This distribution will be paid directly to ~~a~~ the retiree's medical plan or long term care insurance on a pre-tax basis, so long as the public safety officer separates from service either at the Plan's normal retirement age or due to his or her disability. Insurance premiums may be paid for the public safety officer, his spouse, or his dependents while he is alive, but once he is deceased, the benefit ceases and may not be used by his spouse or beneficiaries to pay for their insurance premiums. Insurance premium payments may only be made directly to the insurance company. "Public safety officers" include law enforcement officers, firefighters, chaplains, rescue crew members or ambulance crew members.

RETIREMENT DATES

Normal Retirement Date

The Normal Retirement Date is the earliest date when unreduced retirement benefits may be paid. Your Normal Retirement Date is the earliest of the first day of the month coincident with or next following attainment of age fifty-five (55). ; or the first day of the month coincident with or next following attainment of age fifty-two (52) and completion of twenty-five (25) years of Credited Service; or completion of thirty (30) years of Credited Service regardless of age. Members employed on or after April 5, 2012, are eligible for normal retirement upon the completion of twenty-five (25) years of Credited Service as a police officer member regardless of age.

Members hired on or after October 1, 2006, and who retire or enter the DROP after that date, are eligible for normal retirement upon completion of twenty-eight (28) years of Credited Service regardless of age.

Members employed on or after April 5, 2012, are eligible for normal retirement upon the completion of twenty-five (25) years of Credited Service as a police officer member regardless of age.

The maximum normal retirement benefit shall be 85% of average final compensation for police officer members hired on or after October 1, 2016.

Early Retirement Date

Your Early Retirement Date is the first day of the month coincident with or next following attainment of age 45 and completion of 20 years of Credited Service or the first day of the month coincident with or next following attainment of age 50 and completion of 10 years of Credited Service. You may retire at any time following this date with reduced benefits as described later.

Delayed Retirement

Continuing to work past your Normal Retirement Date is allowable at the option of the employee. Benefits continue to accrue to a maximum of 100%; however, the maximum normal retirement benefit

shall be 85% of average final compensation for police officer members hired on or after October 1, 2016.

Minimum Distribution of Benefits

Distribution to you shall commence not later than April 1st of the calendar year following the later of the calendar year in which you attain age seventy-two (72), provided you had not attained age seventy and one-half (70 1/2) by Decemebr 31, 2019, or the calendar year in which you retire, whichever is later.

Deferred Retirement Option Plan (DROP)

You may continue to work for the City past your normal retirement date and elect to enter the DROP. If you elect to participate in the DROP, you must terminate your employment with the City and retire from service no later than the end of your DROP participation period. You may not participate in the DROP for a period longer than sixty (60) months.

A DROP account is established for each DROP participant. Pension payments are credited to your DROP account monthly; however, investment earnings or losses shall be credited quarterly and will be the quarterly investment return (net of money manager fees and other expenses determined by the Board) on the assets of the Plan. By entering the DROP you forgo any improvements to your retirement pension attributable to increases in pay or years of service with the City which occur after your DROP participation begins and you will not be eligible to receive a disability pension. While in the DROP you may be eligible for pension Cost of Living Allowance ("COLA") benefits. Police Officer members eligible to receive the supplemental benefit of $25.00 (if terminated while vested or reached normal or early retirement after October 1, 2006) and $35.00 (if terminated while vested or reached normal or early retirement after October 1, 2021) per month for each complete year of service will not accrue this benefit while in the DROP. DROP participants shall be subject to the forfeiture of all retirement benefits, including DROP benefits.

Code Section 414(k) and Code Section 415

To the extent that the DROP is treated as a Defined Contribution Plan under Section 414(k) of the Code, the amounts transferred to the participant's DROP account under Section 55.28(B)(2) of the City Ordinance and any other annual additions to the participant's DROP account shall not exceed the applicable limit under Section 415(c) of the Code. For purposes of the application of the applicable limit under Section 415(c) of the Internal Revenue Code, the term "participant's compensation" shall mean the participant's compensation and earnings from the City and the term "annual additions" shall have the meaning given under Section 415(c)(2) and Income Tax Regulations Section 1.415(c)-1. To the extent that the annual additions to a participant's DROP account for any year exceed the applicable limit under Section 415(c), the City shall correct such excess contribution in accordance with IRS Revenue Procedure 2008-50 and any successor procedure issued the IRS.

In-Service Distribution

An in-service distributions occurs when a retiree, receiving a monthly pension distribution from the Plan, is rehired by the City in any capacity within a year of retirement and separation from City employment receives income from both the Plan and the City. In-service distributions are not allowed by the Plan. Before re-employment by the City, the Board will make a determination on a case-by-case basis to determine compliance with the Internal Revenue Service Code, Treasury Regulations and the IRS. More information regarding in-service distributions can be found in the Plan Document.

RETIREMENT BENEFITS

Normal Retirement Benefit

The monthly benefit that you will receive if you continue to work 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-Compensation or salary includes base pay, administrative pay, clothing allowance, expenses pay, longevity, subsistence pay, vacation buy-back and effective October 1, 2005, up to 35 hours of overtime per fiscal year; and effective October 1, 2006, up to 54 hours per fiscal year; but excludes any other payments received by a member. Effective October 1, 2007, for police officer members who retire or enter the DROP on or after that date, compensation or salary shall mean total cash remuneration paid by the City for services rendered by the member including up to 129 hours of overtime per fiscal year, and excluding any payments for extra duty, special duty or special detail work performed on behalf of a second party employer.

2. Your Average Monthly Salary-This is the average of your Covered Salary during the best five (5) years of the ten (10) full years preceding your date of retirement.

3. Your years of Credited Service at your Normal Retirement Date.

   * **If you have less than 20 years of service, the calculation of your Normal Retirement Benefit is as follows:**

2.0% of your Average Monthly Salary multiplied by your years of Credited Service up to May 31, 1992, plus 2.5% of your Average Monthly Salary multiplied by your years of Credited Service on or after June 1, 1992. As an example, if your Average Monthly Salary at your Normal Retirement Date is equal to $3,000 and your Credited Service is equal to 19 years, 18 of which are before June 1, 1992, then the calculation would be as follows:

(2.0% x $3,000 x 18) = $1,080 + (2.5% x $3,000 x 1) = $75: $1,080 + $75 = $1,155 which would be your Normal Retirement Benefit payable each month.

* **If you have 20 years or greater of Credited Service, and were hired before October 1, 2016, the calculation of your Normal Retirement Benefit is as follows:**

3.0% of your Average Monthly Salary multiplied by your years of Credited Service up to and including 20 years and 5% for each year above 20 years to a maximum of 100% at 28 years of Credited Service. As an example, if your Average Monthly Salary at your Normal Retirement Date is equal to $3,000 and your Credited Service is equal to 28 years, then the calculation would be as follows:

(3.0% x $3,000 x 20) = $1,800 + (5% x $3,000 x 8) = $1,200: $1,800 + $1,200= $3,000 which would be your Normal Retirement Benefit payable each month.

* **If you have 20 years or greater of Credited Service and were hired on or after October 1, 2016 , the calculation of your Normal Retirement Benefit is as follows:**

The maximum normal retirement benefit shall be 85% of average final compensation for police officer members hired on or after October 1, 2016. Benefits shall commence on the first day of the month coincident with or next following your retirement date. 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 federal Social Security.

(3.0% x $3,000 x 20) = $1,800 + (5% x $3,000 x 5) = $750: $1,800 + $750= $2,550 which would be your Normal Retirement Benefit payable each month

Supplemental Monthly Retirement Pay

If you terminate while vested or reach normal retirement or early retirement on or after October 1, 2006, you shall receive a supplemental benefit of $25.00 per month for each complete year of Credited Service. This benefit will ~~shall~~ only be paid for your lifetime and will not be paid to disabled members. You will begin receiving this benefit when you begin receiving retirement benefits and after you separate from City employment. This benefit ceases when you attain the age of 65. Effective October 1, 2021, police officer members who thereafter either terminate while vested or reach normal retirement or early retirement shall receive a supplemental benefit of $35.00 per complete year of service. This benefit will only be paid for your lifetime and will not be paid to disabled members. You will begin receiving this benefit when you begin receiving retirement benefits and after you separate from City employment. This benefit ceases when you attain eligibility for Medicare/Medicaid in accordance with federal standards.

Cost of Living Adjustment (COLA)

If you retire on or after September 30, 2000 then your retirement benefits will increase by three percent (3%) each year commencing with the September 30th following your third (3rd) year of retirement. This benefit is referred to as a Cost of Living Allowance ("COLA"). A COLA shall be paid on a pro rata basis for any fractional year in excess of three (3) years as of an adjustment date. For

purposes of determining eligibility of a beneficiary COLA, the police officer member's date of retirement shall govern.

If you elect a Social Security Benefit Payment Option discussed below, upon reduction of your monthly payment, your COLA will be recalculated and reduced based on your reduced monthly pension.

Share Plan

A Share Plan is a mechanism to pay required special benefits pursuant to Section 185.35, Florida Statutes. The Police Share Plan shall be funded exclusively with available premium tax revenue received from the State of Florida, in excess of reserves and those funds used to reduce the City's annual contributions to the Plan as agreed and shall be in addition to the monthly defined benefit payable under the Plan. The Share Plan is administered by the Board which is authorized to adopt any rules necessary for the administration of the Police Share Plan. An individual Share account is established for each "active" police officer member of the Plan, including DROP participants. An active police officer member is defined as a police officer member who is currently making contributions to the Plan, on military leave, or participating in the DROP on or after October 1, 2016. Annual Share statements are provided to each member. Distributions are only available to members who separate from City employment after having been granted an early, normal, or disability pension. If a Share Plan member separates from City employment without having been granted an early, normal, or disability pension, the member shall forfeit his/her Share account balance and the forfeited account balance shall be added to the available funds for the year. A Police Share Plan member who separates from City employment on or after being granted an early, normal or disability pension shall be entitled to a vested Share balance. Refer to the Code of Ordinances for specific information related to Police Share Plan creation, annual determination, interest crediting, distribution, separation, and rollovers.

Accrued Benefit

The portion of your Normal Retirement Benefit that you have earned at any point in time is called your Accrued Benefit. Your Accrued Benefit is computed in the same way as the Normal Retirement Benefit, except you use your present Average Monthly Salary and Credited Service in the calculation. The Accrued Benefit is a monthly amount that starts on the date that would be your Normal Retirement Date if you remain in employment.

Early Retirement Benefit

If you decide to retire early, you may receive a retirement benefit immediately or on a deferred basis as follows:

1. A deferred Early Retirement Benefit means a monthly benefit that begins on your otherwise Normal Retirement Date had you remained in employment determined in the same manner as for retirement at normal retirement date, except that credited service and acerage final compensation shall be determined as of the early retirement date; or

2. An immediate Early Retirement Benefit means a monthly benefit begins on your Early Retirement Date. The immediate monthly benefit shall be the actuarial equivalent but in no event shall the immediate monthly benefit be reduced by more than 3% for each year by

which the starting date of the immediate monthly benefit precedes the date that would have been the normal retirement date had you remained employed.

The following table shows how much your benefit will be reduced if payments begin before your Normal Retirement Date:

Number of Years Early	Percentage Reduction
1	3%
2	6%
3	9%
4	12%
5	15%
6	18%
7	21%
8	24%
9	27%
10	30%

Delayed Retirement

The amount of your monthly Delayed Retirement Benefit is calculated and paid in the same way as the Normal Retirement Benefit. However, your average Monthly Salary and Credited Service as of your actual retirement date are used in the calculation.

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.

Vesting Schedule	
Completed Years of Credited Service	**Vested Interest**
Less than 5	0%
5	50%
6	60%
7	70%
8	80%
9	90%
10 or more	100%

If you become eligible for Normal Retirement, then you are automatically 100% vested. The vested benefit is payable at the time you would have reached your Normal Retirement Date had you remained employed, or, with reduction, at the time you reach your Early Retirement Date. In lieu of your vested benefit, you may receive a refund of your accumulated contributions with interest.

If you terminate employment before you are vested, you will receive a refund of your own contributions; however, you may voluntarily leave your accumulated contributions in the Plan for a period of five (5) years after leaving employment pending the possibility of being re-employed as a police officer without losing credit for the prior time that you were a member of the Plan. If you are not re-employed within five (5) years, your accumulated contributions shall be returned. You will not receive Credited Service for time not employed with the City. Upon return of your accumulated contributions, all of your rights and benefits under the Plan are forfeited and terminated.

If you are vested and terminate employment, you will receive a refund of your own accumulated contributions only upon written request to the Plan Administrator. Upon return of a member's accumulated contributions, all of his rights and benefits under the Plan are forfeited and terminated.

DISABILITY RETIREMENT

If you become totally and permanently disabled as provided by the Plan, you may be eligible for a disability benefit. In the case of a disability incurred in the line-of-duty you will be eligible for a benefit upon entry into the Plan. 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 ten (10) years of Credited Service.

The amount of your benefit due to line-of-duty disability is your Accrued Benefit, with a minimum of 75% of your Average Monthly Salary at your disability date. This benefit is payable until your death or recovery. The form of benefit payment is 10 Years Certain and Life. In other words, if you should die prior to receiving 120 monthly payments, your designated beneficiary will receive the balance of the 120 payments. An optional form of reduced benefit may be selected at any time prior to the date on which disability payments begin.

The amount of your benefit due to a disability not in the line-of-duty is your Accrued Benefit, with a minimum of 25% of your Average Monthly Salary. This benefit is also payable until your death or recovery in the form mentioned above.

You cannot file for disability after termination of employment either by your resignation or by medical separation from the City. **You must file a disability application while still employed.** If you are ineligible for a disability benefit, you are still entitled to receive a return of your accumulated member contributions to the Plan. Upon return of a member's accumulated contributions, all of the member's rights and benefits under the Plan are forfeited and terminated.

SURVIVOR BENEFITS

Death Prior to Retirement

1. If you have less than ten (10) years Credited Service on the date of your death, your beneficiary or your estate, if there is no beneficiary, will receive your accumulated contributions.

2. If you are eligible for retirement on the date of your death, but have not selected a payment option, your beneficiary will receive benefits as though you had selected the Ten Years Certain and Life option. If you had selected a payment option before your death, your beneficiary will be paid accordingly.

3. If you have ten (10) or more years of Credited Service, your beneficiary shall be entitled to the benefits otherwise payable at the police officer member's early or normal retirement date.

Death After Retirement

If you were receiving a form of retirement payment that provided for a survivor's benefit to be paid after your death, your beneficiary will receive payments following your death. The next section describes the various forms of benefit payments.

Death During Qualified Military Service

In the case of a death or disability occurring on or after January 1, 2007, if a member dies while performing qualified military service (as defined in Section 414(u) of the Internal Revenue Code), the survivors of the member are entitled to any additional benefits (other than benefit accruals relating to the period of a qualified military service) provided under the Plan as if the member had resumed and then terminated employment by the City on account of death.

FORMS OF BENEFIT PAYMENTS

Normal Form of Benefit Payment

Your pension is payable as a series of monthly payments for your life, ceasing upon your death.

Election of Optional Forms of Benefit Payments

You have the right at any time before your actual retirement date to elect not to have your retirement benefit paid in the Normal Form. You may choose among the options described below and revoke any such elections and make a new election at any time before actual retirement. You must make such an election by written request to the Board and such an election shall be subject to the approval of the Board.

This election also applies to terminated members who are eligible for payment of deferred Vested Retirement Benefits or Deferred Early Retirement. The options available are as follows:

1. A monthly benefit payable to the retiree for his lifetime only.

2. A monthly benefit payable to the retiree for life, with 120 monthly payments guaranteed. If you die before receiving one hundred and twenty (120) payments, the payments will continue to your beneficiary until a total of one hundred and twenty (120) payments have been made. If you live longer than ten (10) years, payments are continued for the rest of your life, ceasing upon your death.

3. A monthly benefit payable to the retiree during his lifetime and following his death, one hundred percent (100%), seventy-five percent (75%), sixty-six and two-thirds percent (66 2/3%), fifty percent (50%) of such monthly amount, payable for the beneficiary's lifetime. In no event, however, shall the present value of payments to the retiree be less than fifty percent (50%) of the total present value of payments to the retiree and his beneficiary.

4. If a member retires prior to the time at which Social Security benefits are payable, he may elect to receive an increased monthly benefit until such time as Social Security benefits shall be assumed to commence and a reduced benefit thereafter in order to provide, to as great retirement. When your monthly payment reduces, your COLA is also recalculated and reduced based on your reduced monthly pension. The amounts payable shall be as recommended by the actuary for the Plan, based upon the Social Security law in effect at the time of the member's retirement.

TERMINATION OF THE PLAN

If the Plan is terminated all benefits accrued by you to the date of the Plan's termination are non-forfeitable. The Board will determine the date of distribution and inform the City of value of all non-forfeitable benefits and the City shall continue to financially support the Plan until all non-forfeitable

benefits have been funded. The Board shall determine the distribution method of asset value for each member entitled to benefits.

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 reaching your Normal or Early Retirement Date and you do not have enough Credited Service to have earned a vested interest, no benefits will be payable except for a return of your own contributions with interest.

2. Your retirement benefit will not be payable until actual retirement date, even if you continue to work beyond the Normal Retirement Date.

3. In the event that this Plan terminates and the available Plan assets are less than the value of all Accrued Benefits, then your Accrued Benefit may be reduced.

4. Your Accrued Benefit may be forfeited if you are convicted of certain felonies as provided by State Law Chapter 112.3173 F.S.

5. Your Accrued Benefit may be forfeited if you are convicted of certain misdemeanors as provided by State Law Chapter 175.195 F.S.

6. Payment of your benefits may be subject to an Income Deduction Order made pursuant to a state domestic relations law.

7. If you die before attaining a vested interest, no benefit will be payable except for a return of your own contributions with interest.

8. Any other applicable provisions of federal, state or local law.

YOUR RESPONSIBILITIES

1. Retain this SPD 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 Form.

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, or a refund of your accumulated contributions.

5. If you should terminate employment with rights to a deferred Vested Retirement Benefit, shortly before the date on which it is to begin, you should contact and notify the Board to begin such payments.

6. Upon Early, Normal Retirement of entry into the DROP complete the forms necessary to indicate which Optional Form of Benefit you desire.

CLAIMS AND PROCEDURES

Claim Procedures

Claims for benefits under the Plan must be filed in writing with the Board. If you are eligible for any benefits from this Plan, you will be provided with a notification form showing the amount of your benefits and options, if any, and the earliest date on which such benefit is payable.

Your request for Plan benefits shall be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Board will furnish you with a written notice of denial within fifteen (15) days of its decision.

If your claim has been denied, and you wish to submit your claim for review, you may file with the Board a request for a public rehearing and review by the Board. This filing must be made within fifteen (15) days of the mailing of the Board's initial notification.

As soon as practicable after the Board receives your request for a rehearing, it shall meet after giving you a minimum of fifteen (15) days' notice. You have the right to be present at this meeting with legal counsel, if you desire. You will be allowed to submit any evidence of support of your claim. If the Board again denies your claim, you may appeal its decision within thirty (30) days to the Circuit Court.

PERTINENT ACTUARIAL INFORMATION

POLICE FYE 9/30/2021		
AS OF:	10/1/2021	10/1/2020
A. Participant Data		
Number Included		
Actives	139	139
Service Retirees	84	80
DROP Retirees	6	11
Beneficiaries	6	5
Disability Retirees	13	15
Terminated Vested	26	23
Total	274	273
Total Annual Payroll	$8,326,042	$7,883,100
Payroll Under Assumed Ret. Age	8,092,473	7,710,629
B. Assets		
Actuarial Value (AVA) [1]	132,014,566	121,480,602
Market Value (MVA) [1]	145,064,211	123,917,651
C. Liabilities		
Total Actuarial Accrued Liability [1]	142,694,190	137,136,265
Unfunded Actuarial Accrued Liability	10,679,624	15,655,663
D. Pension Cost		
Required City and State Contributions [2]	2,546,984	3,069,096
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 28 years [2]	1,127,749	1,654,147
Required Contribution to be paid During Year Ending	9/30/2023	9/30/2022

Information obtained from Actuarial Valuation Report Dated 10/01/2021

[1] The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2021 and 9/30/2020.

[2] Contributions developed as of 10/1/2021 have been adjusted to account for assumed salary increase and interest components.

PENSION FUND INCOME AND DISBURSEMENTS

POLICE FYE 9/30/2021 Market Asset Basis		
REVENUES		
Contributions:		
Member	713,687.10	
Buyback	14,123.22	
City	1,876,363.98	
State	921,041.97	
Total Contributions		3,525,216.27
Investment Income:		
Net Increase in Fair Value of Investments	22,656,903.04	
Interest & Dividends	2,598,142.20	
Less Investment Expense[1]	(689,046.57)	
Net Investment Income		24,565,998.67
EXPENDITURES		
Administrative Expense		294,670.54
Distributions to Members:		
Benefit Payments	6,034,153.21	
Lump Sum DROP Balances	442,253.33	
Lump Sum Share Distributions	75,424.99	
Termination Payments	98,152.60	
Total Distributions		6,649,984.13
Net Increase in Net Position		21,146,560.27
Net Assets Beginning of the Year		123,917,651.12
Net Assets End of the Year		145,064,211.39

Information obtained from Actuarial Valuation Report Dated 10/01/2021

[1] Investment Related expenses include investment advisory, custodial and performance monitoring fees.