

**CITY OF ST. PETE BEACH
FIREFIGHTERS' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION**

August 1, 2018

IS YOUR BENEFICIARY FORM CURRENT? IN THE EVENT YOU DIE, YOUR BENEFIT OR CONTRIBUTIONS WILL BE DISTRIBUTED TO THE PERSON OR PERSONS DESIGNATED BY NAME ON THE BENEFICIARY FORM ON FILE WITH THE PENSION PLAN. NO PROVISION IN YOUR LAST WILL AND TESTAMENT WILL CHANGE THIS SELECTION. PLEASE BE SURE THAT YOUR BENEFICIARY FORM DESIGNATES THE PERSON OR PERSONS YOU INTEND TO RECEIVE YOUR BENEFITS AND THAT YOU REVIEW THIS CHOICE IN THE EVENT OF A MAJOR LIFE CHANGE SUCH AS A DIVORCE OR THE DEATH OF YOUR BENEFICIARY.

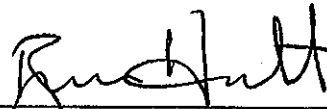
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INTRODUCTION

The Board of Trustees of the City of St. Pete Beach Firefighters' Retirement System is pleased to present this booklet which briefly explains the provisions of your Firefighters' Pension Plan. As a participant in the Fund, you are included in a program of benefits to help you meet your financial needs at retirement, or in the event of disability or death.

This booklet can assist you in preparing for your retirement and financial future. If you need further information on any of the topics presented in this booklet, please contact any member of the Board of Trustees. They will either answer questions you might have to help you understand your benefits or otherwise get you an answer to your questions. We urge you to read and understand this booklet in order to become familiar with the benefits of the plan and how they contribute to your financial security and how they will enrich your retirement years.

The information presented is only a summary of the pension plan ("Plan") as provided in the ordinances of the City of St. Pete Beach. If there are any conflicts between the information in this booklet and the ordinances of the City of St. Pete Beach, the ordinances shall govern. The provisions of this Summary Plan Description shall not constitute a contract between the Member and the Board of Trustees. The Plan shall be administered in accordance with state and federal law, notwithstanding any provisions in this booklet or ordinances to the contrary. A copy of the ordinance establishing the Plan can be obtained from the City Clerk's office, which is located at 155 Corey Avenue, St. Pete Beach, Florida 33706.



Chairman, Board of Trustees, City of St. Pete
Beach Firefighters' Retirement System

8/15/18
Date

1. **BOARD OF TRUSTEES AND PLAN ADMINISTRATION**

A. Administration. The City of St. Pete Beach Firefighters' Retirement System is a defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the Plan. The Board consists of 5 Trustees, 2 of whom are appointed by the City Commission, 2 of whom are full-time Firefighters who are elected by a majority of the members of the Plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a 2 year term.

B. The names and addresses of the current Trustees are attached to this Summary Plan Description as Exhibit "A". The Chairman of the Board of Trustees is designated as agent for the service of legal process.

2. **ELIGIBILITY FOR PLAN MEMBERSHIP**

A. Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his employment. All Firefighters are therefore eligible for all plan benefits, as provided for in the plan document and by applicable law.

B. A new employee who is hired as the Fire Chief has entered into an agreement with the City, which by doing so, will permit him to participate in another pension plan. Current employees of the City who are selected to become Fire Chief are not eligible for the opt-out provided.

3. **BENEFIT FREEZE AND MAXIMUM PENSION**

A. Except as specifically provided in subsection D. below, your accrued benefits shall be frozen on December 31, 2012, and you shall accrue benefits in accordance with section 66-339 of the plan for service between January 1, 2013 and the day prior to October 10, 2017. You shall be eligible to receive your frozen accrued benefit with no reduction upon termination of employment and attaining age 55 or upon completion of 25 years of credited service. If you attain age 50 with 10 years of credited service, or 20 years of credited service regardless of age, you shall be eligible to receive your frozen accrued benefit reduced by 3% for each year prior to your earliest applicable normal retirement date.

B. Your benefits, if you are employed and not participating in the DROP on December 31, 2012 shall be payable in two parts:

- (1) the frozen accrued benefit based credited service, average final compensation and the provisions of the system in effect on December 31, 2012; and
- (2) the benefit based on credited service, average final compensation and the provisions of the system in effect on and after January 1, 2013.

C. Effective January 1, 2013 and ending on the day prior to October 10, 2017, the maximum combined benefit under the system shall be 75% of your average final compensation. Provided, if your accrued benefit as of January 1, 2013 is 75% or more of average final compensation, the benefit percentage may not be reduced. Beginning on October 10, 2017, the maximum combined benefit under the system shall be 100% of average final compensation.

D. Notwithstanding any other provision of the system, your benefits, if you have attained age 55 or completed 25 years of credited service as of December 31, 2012 shall not be frozen, and you shall continue to accrue benefits in accordance with the provisions of the system in effect on December 31, 2012 for as long as they are employed in a position covered by the system.

4. **PLAN BENEFITS**

All claims for benefits under the Plan shall be made in writing to the Board of Trustees.

A. **Normal Retirement Eligibility.**

- (1) If you retired, entered the DROP or terminated employment with the right to a deferred vested benefit prior to January 1, 2013 and if you are employed on December 31, 2012 and have attained age 55 or completed 25 years of credited service on December 31, 2012, you are eligible for retirement upon the earlier of the attainment of age 55 regardless of years of credited service or the completion of 25 years of credited service, regardless of age.
- (2) If you are employed on December 31, 2012, but have not attained age 55 or completed 25 years of credit service on December 31, 2012, you shall be eligible to receive your frozen accrued benefit through December 31, 2012 upon attaining age 55 or the completion of 25 years of credited service and terminating city employment.
- (3) For members who terminate employment prior to the October 10, 2017 a member's normal retirement age is the earlier of the attainment of age fifty-five (55) and completion of ten (10) years of credited service, the attainment of age fifty-two (52) and twenty-five (25) years of credited service, or thirty (30) years of credited service regardless of age. Provided, a member with ten (10) or more years of credited service on December 31, 2012 shall be eligible for normal retirement at age fifty-five (55) or upon completion of twenty-five (25) years of credited service, regardless of age. For members who terminate employment on or after October 10, 2017 who had completed less than 10 years of credited service on December 31, 2012, a members normal retirement age is the earlier of the attainment of age 55 and completion of ten years of credited service, age 52 and completion of twenty-five years of credited service or the completion of 30 years of credited service, regardless of age. For members who terminate employment on or after October 10, 2017 with 10 or more years of credited service on December 31, 2012 shall be eligible for normal retirement at age 55 or upon completion of 25 years of credited service, regardless of age. Each member shall become 100 percent vested in his accrued benefit at normal retirement age. A member's normal retirement date shall be the first day of the month coincident with or next following the date the member retires from the city after attaining normal retirement age.

B. **Amount of Normal Retirement Benefits.** The amount of the normal retirement benefit is based on your credited service and average final compensation:

"Credited Service" is generally your period of employment as a Firefighter in the Fire Department measured in years and parts of years. Credited service will include credit for up to five years for a break in employment for military service, pursuant to conditions provided for under state or federal law, provided that you are reemployed within 1 year of discharge under honorable conditions. Additional credited service time may also be available (See subsection JK, below).

"Average Final Compensation" is 1/12 of the average salary of the 5 best years of the last 10 years of credited service prior to your termination, retirement or death, or your career average as a full-time Firefighter, whichever is greater. A year is defined as 12 consecutive months.

"Salary" for credited service prior to January 1, 2013 shall mean the total compensation for services rendered to the City as a firefighter reportable on your W-2 form, excluding single sum payments of accrued sick leave and vacation pay, plus all tax-deferred, tax sheltered or tax exempt items of income derived from elective employee payroll deductions or salary reductions. Salary for credited service beginning January 1, 2013 and ending on the day prior to the October 10, 2017 shall be defined in accordance with the provisions of section 66-339 of this chapter. Salary for credited service on or after October 10, 2017 shall mean the total compensation for services rendered to the city as a firefighter reportable on the member's W-2 form, excluding single sum payments of accrued sick leave and vacation pay and excluding overtime that exceeds 300 hours per fiscal year (over and above the regularly scheduled FSLA overtime), plus all tax deferred, tax sheltered or tax exempt items of income derived from elective employee payroll deductions or salary reductions.

The normal retirement benefit for credited service earned prior to January 1, 2013 is calculated by multiplying 3.4% times years of credited service times your average final compensation: $(3.4\% \times CS \times AFC = \text{normal retirement benefit})$.

If you terminate employment prior to October 10, 2017, the normal retirement benefit for credited service earned on and after January 1, 2013 is calculated by multiplying 1.25% (up to a maximum of 75%) times years of credited service times your average final compensation: $(1.25\% \text{ (up to a maximum of 75\%)} \times CS \times AFC = \text{normal retirement benefit})$.

If you terminate employment on or after October 10, 2017, the normal retirement benefit for credited service earned on and after January 1, 2013 is calculated by multiplying 3.4% (up to a maximum of 100%) times years of credited service times your average final compensation: $(3.4\% \text{ (up to a maximum of 100\%)} \times CS \times AFC = \text{normal retirement benefit})$.

Normal and early retirement payments will commence on the first day of the month coincident with or next following your last day of employment. Early retirees may defer the commencement of benefits. The benefit is paid to you for your life, but you or your beneficiary shall receive at least 120 monthly benefit payments in any event.

Each vested Plan Member shall be entitled, at the Fund's expense, to receive two actuarial studies (one preliminary and one final) to estimate his or her retirement benefits. Any additional studies shall be provided only at the Member's expense.

C. Early Retirement.

- (1) You are eligible for early retirement upon the attainment of age 50 and the completion of 10 years of credited service or the completion of 20 years of credited service regardless of age. If you are employed on December 31, 2012, but have not attained age 55 or completed 25 years of credited service on December 31, 2012, you shall be eligible to receive your frozen accrued benefit through December 31, 2012 with the reduction provided in subsection D.(2) below, upon attaining age 50 with 10 years of credited service or 20 years of credited service, regardless of age and terminating city employment.
- (2) If you are employed on January 1, 2013 and have **not** attained age 55 or completed 25 years of credited service **or** you were hired on or after January 1, 2013, you may **not** receive an immediate or deferred

retirement benefit, prior to attaining your normal retirement date as defined 4.A., above.

- (3) If you terminate employment on or after October 10, 2017, your early retirement date will be age 50 and the completion of 10 years of credited service.

D. Amount of Early Retirement Benefits. The amount of the early retirement benefit is calculated in the same manner as for normal retirement and is available as follows:

- (1) Beginning on the date on which you would have qualified for normal retirement had you remained a firefighter for those members terminating employment prior to January 1, 2013, and age 55 for those members terminating employment on or after October 10, 2017.
- (2) Beginning immediately upon retirement, but if beginning immediately, the amount of the monthly benefit is reduced by 3% for each year by which the commencement of benefits precedes your normal retirement date had you continued employment as a Firefighter, for members terminating employment prior to January 1, 2013, and age 55 for those members terminating employment on or after October 10, 2017.

E. Cost of Living Increases.

- (1) If you are employed on December 31, 2012 and have attained age 55 or completed 25 years of credited service on December 31, 2012 and if you retire on or after your normal or early retirement date (not including terminated vested persons or disability retirees), the monthly amount payable, based on credited service prior to January 1, 2013, for any member who terminated employment prior to October 10, 2017 or the entire benefit for those retirees who terminate employment after October 10, 2017, to you and your joint pensioner or beneficiary, if applicable, shall be subject to an annual cost of living adjustment commencing on the first October 1 following 7 complete years of receiving retirement income payments. This cost of living adjustment shall be 3% of your previous year's benefit amount.
- (2) For those retirees who terminate employment between January 1, 2013 and October 10, 2017, there is no cost of living adjustment to benefits based on credited service on or after January 1, 2013; provided, if you are employed on December 31, 2012 and have attained age 55 or 25 years of credited service on that date, you shall continue to be eligible for the cost of living adjustment provided in this subsection E. applied to benefits based on all periods of credited service.

F. Supplemental Benefit - Share Plan. Pursuant to Florida law, a separate member "share account" has been created for each member of the plan. This supplemental benefit may or may not be funded and thus, you may or may not receive a retirement benefit from the share plan. If the share plan is funded, at retirement, termination (vested), disability or death, there shall be an additional benefit paid to you. The share plan is funded solely with state premium tax money and the funding that is received for this Share Plan is allocated to your share account based on a formula which gives you an allocation based on your years of credited service or another formula

to be determined. Your share account receives its proportionate share of the income or loss on the assets in the plan.

G. Other Retirement Options. At retirement, certain additional options are available as follows:

- (1) Optional Forms of Retirement. In lieu of the amount and form of retirement income payable under normal and early retirement, you may elect to receive a retirement benefit in a different form so long as the form you elect is of equal actuarial value as the normal benefit. The optional forms of benefits which are available are:
 - (a) A retirement income of a larger monthly amount, payable to you for your lifetime only.
 - (b) A retirement income of a modified monthly amount, payable to you during your lifetime and following your death, 100%, 75%, 66-2/3% or 50% of such monthly amounts payable to the survivor for the lifetime of the survivor.
 - (c) Such other amount and form of retirement payments or benefits as will best meet your circumstances.
- (2) Deferred Retirement Option Plan (DROP).
 - (a) If you are employed by the City as a firefighter on December 31, 2012 and have attained age 55 or completed 25 years of credited service on December 31, 2012, you shall be eligible to enter and participate in the DROP on or after January 1, 2013, and have the option of "retiring" from the pension plan but continuing your employment as a firefighter for an additional five years. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the City not later than 5 years from the date you begin DROP participation. You must request, in writing, to enter the DROP.
 - (b) Upon entering the DROP, your retirement benefit is immediately calculated and each monthly benefit payment is deposited into your DROP account. You may elect to either have your account credited with interest at the rate of 7.5% per annum or credited or debited with an investment return or loss equal to the net investment return realized by the System for that quarter. One change in election is permitted.
 - (c) At the time of termination of employment at the end of the DROP period, you will receive your account balance in a lump sum or in another optional form and you will also begin receiving your monthly retirement benefit.
 - (d) Once you enter the DROP, you are no longer eligible for disability or pre-retirement death benefits, nor do you accrue any additional credited service. Your retirement benefit is fixed as of your entry date. You pay no member contributions to the plan once you enter the DROP.

- (e) Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.
- (f) Additional information about the DROP can be obtained from the Board.
- (g) No member may enter the DROP on or after January 1, 2013, except as provided for in (2)(a).

H. Disability Retirement. You are considered disabled when you become totally and permanently unable to perform useful and efficient service as a Firefighter. A written application is made to the Board of Trustees for a disability pension and the Board of Trustees receives evidence of the disability and decides whether or not the pension is to be granted. If the pension is granted, the benefit amount shall be:

- (1) If the injury or disease is service connected, you shall receive a monthly pension determined as for normal retirement, taking into account your Average Final Compensation and years of credited service, but not less than 42% of your Average Final Compensation.
- (2) If the injury or disease is not service connected, you shall receive a monthly pension determined as for normal retirement, taking into account your Average Final Compensation and years of Credited Service at your date of disability. This non-service connected benefit is only available if you have at least 10 years of Credited Service.

Eligibility for disability benefits. Subject to (4) below, you must be an active member of the plan on the date the Board determines your entitlement to a disability benefit.

- (1) Terminated persons, either vested or non-vested, are not eligible for disability benefits.
- (2) If you voluntarily terminate your employment either before or after filing an application for disability benefits, you are not eligible for disability benefits.
- (3) If you are terminated by the City for any reason other than for medical reasons, either before or after you file an application for disability benefits, you are not eligible for disability benefits.
- (4) The only exception to (1) above is:
 - (a) If you are terminated by the City for medical reasons and you have already applied for disability benefits before the medical termination, or;
 - (b) If you are terminated by the City for medical reasons and you apply within 30 days after your medical termination date.

If either (4)(a), or (4)(b) above applies, your application will be processed and fully considered by the board.

Your disability benefit terminates upon the earlier of death, with 120 payments guaranteed, or recovery. You may, however, select a "life only" or "joint and survivor" optional form of benefit as described above under "Optional Forms of Retirement".

Your benefit may be reduced if you receive workers' compensation benefits and your combined benefit exceeds 100% of your final salary. The pension benefit will be reduced so that the total does not exceed 100%, except that the pension benefit shall not be reduced below the greater of 42% of Average Final Compensation or 2% of Average Final Compensation times years of Credited Service.

Any condition or impairment of health caused by hypertension or heart disease resulting in death or total and permanent disability is presumed to have been suffered in the line of duty unless the contrary is shown by competent evidence; provided that you have successfully passed a physical examination on entering into service and there is no evidence of the condition at that time.

For conditions diagnosed on or after January 1, 1996, if you suffer a condition or impairment of health that is caused by hepatitis, meningococcal meningitis, or tuberculosis, which results in total and permanent disability, it shall be presumed that the disability is in the line of duty, unless the contrary is shown by competent evidence as provided for in Section 112.181, Florida Statutes; provided that the statutory conditions have been met.

To receive disability benefits, you must establish, to the satisfaction of the Board, that such disability was not occasioned primarily by:

- (1) Excessive or habitual use of any drugs, intoxicants or narcotics.
- (2) Injury or disease sustained while willfully and illegally participating in fights, riots or civil insurrections, or while committing a crime.
- (3) Injury or disease sustained while serving in any branch of the Armed Forces.
- (4) Injury or disease sustained after your employment as a Firefighter with the City of St. Pete Beach shall have terminated.

As a disabled pensioner, you are subject to periodic medical examinations as directed by the Board to determine whether a disability continues. You may also be required to submit statements from your doctor, at your expense, confirming that your disability continues.

I. Death Before Retirement. If you die prior to retirement from the Fire Department, your beneficiary shall receive the following benefit:

- (1) Prior to Vesting or Eligibility for Retirement.

If you were not receiving monthly benefits or not yet vested or eligible for early or normal retirement, your beneficiary shall receive a refund 100% of your accumulated contributions.

- (2) Deceased Members Vested or Eligible for Retirement with Spouse as Beneficiary. If you die while actively employed and if, at the date of your death were vested or eligible for early or normal retirement, your spouse beneficiary shall be entitled to a benefit as follows:

- (a) If you were vested, but not eligible for normal or early retirement, your spouse beneficiary shall receive a benefit

payable for 10 years, beginning on the date that you would have been eligible for early or normal retirement, at the option of the spouse beneficiary. The benefit shall be calculated as for normal retirement based on your credited service and average final compensation as of the date of your death and reduced as for early retirement, if applicable. Your spouse beneficiary may also elect to receive an immediate benefit, payable for 10 years, which is actuarially reduced to reflect the commencement of benefits prior to the early retirement date.

- (b) If you were eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, beginning on the first day of the month following your death or at your otherwise normal or early retirement date, at the option of your spouse beneficiary. The benefit shall be calculated as for normal retirement based on your credited service and average final compensation as of the date of your death and reduced as for early retirement, if applicable.
 - (c) Your spouse beneficiary may not elect an optional form of benefit, except that the Board may elect to make a lump sum payment if the total commuted value of benefit is less than \$1,000.00.
 - (d) Your spouse beneficiary may, in lieu of any benefit provided for in (a) or (b) above, elect to receive a refund of your accumulated contributions.
 - (e) If your spouse beneficiary commences receiving a benefit under (a) or (b) above, but dies before all payments are made, the remaining benefit shall be paid to the estate of the spouse beneficiary.
- (3) Deceased Members Vested or Eligible for Retirement with Non-Spouse Beneficiary. If your beneficiary is not your spouse, the benefits payable to your non-spouse beneficiary are the same as those to a spouse beneficiary, however, the date of commencement of those benefits may be required to be earlier, with the resulting reduction in the amount.

J. Termination of Employment and Vesting. The provisions of section 66-262 of the plan document, shall apply to benefits accruing prior to January 1, 2013. Effective January 1, 2013, for benefits accruing on and after that date, vesting rights shall be as provided in section 66-339 of the plan document; provided, members who are employed on December 31, 2012 and have attained age 55 or 25 years of credited service on that date shall be entitled to a vested benefit in accordance with section 66-262.

K. Additional Credited Service. In addition to credited service actually earned in the employment of the Fire Department, you may also receive credited service as follows:

- (1) "Buy-Back" for Prior Fire Service. The years or fractional parts of years that you previously served as a Firefighter with the City of St. Pete Beach during a period of previous employment and for which

period accumulated contributions were withdrawn from the Fund shall be added to your years of credited service provided that within the first 90 days of your reemployment you pay into the plan the withdrawn contributions with interest.

If, after 90 days from your reemployment you have failed to purchase credited service pursuant to the previous paragraph or if you served as a full-time paid Firefighter for any other municipal, county or special district fire department in the State of Florida or another state, you will receive credited service only if:

- (a) You contribute to the Fund a sum equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the system for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) amounts actuarially determined such that the crediting of service does not result in any cost to the Fund, plus
 - (iii) payment of costs for all professional services rendered to the Board in connection with the purchase of years of credited service.
 - (b) Multiple requests to buy Credited Service may be made at any time prior to retirement, but no purchase of Credited Service of less than one year is permitted, unless the total qualified time to be purchased is less than one year.
 - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
 - (d) The maximum credit under this subsection when combined with credited service purchased for military service prior to employment shall be 4 years and shall count for all purposes except vesting. Credited service with the City of St. Pete Beach purchased pursuant to this subsection shall count toward vesting.
 - (e) In no event, however, may Credited Service be purchased pursuant to this Section for prior service with any other municipal, county or special district fire department, if such prior service forms or will form the basis of a retirement benefit or pension from another retirement system or plan.
- (2) "Buy-Back" of Time Lost Due to Absences Authorized by the Family and Medical Leave Act. If you are absent on unpaid leave under the Family & Medical Leave Act, you may purchase lost credited service by making an actuarially determined contribution to the Plan, such

that there is no cost to the Plan in allowing such credited service, within strict time periods provided for in the plan document.

- (3) "Buy-Back" for Military Service Prior to Employment. The years or fractional parts of years that you serve or have served on active duty in the military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily and honorably or under honorable conditions, prior to first and initial employment with the City Fire Department shall be added to your years of credited service provided that:
- (a) You contribute to the Fund a sum equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the system for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) amounts actuarially determined such that the crediting of service does not result in any cost to the Fund, plus
 - (iii) payment of costs for all professional services rendered to the Board in connection with the purchase of years of credited service.
 - (b) Multiple requests to buy Credited Service may be made at any time prior to retirement, but no purchase of Credited Service of less than one year is permitted, unless the total qualified time to be purchased is less than one year.
 - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
 - (d) The maximum credit under this subsection when combined with credited service purchased for prior fire service, shall be 4 years and credited service purchased pursuant to this subsection shall not count toward vesting.
- (4) Rollovers or Transfers of Funds to Purchase Service. In the event you are eligible to purchase additional credited service as provided above, you may be eligible to rollover or transfer funds from another retirement program in which you participate (traditional IRA, deferred compensation plan maintained by a government employer (457 plan), 401k plan, profit sharing plan, defined benefit plan, money purchase plan, annuity plan or tax sheltered annuity) in order to pay all or part of the cost of purchasing such additional credited service.

L. Contributions and Funding. The City is paying the portion of the cost of the pension plan over and above your contributions and all or a portion of the amounts received from the state insurance rebates, pursuant to a mutual consent agreement between the City and the Union. You contribute 11.9% of your salary to the plan. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits.

M. Maximum Benefits. In no event will the benefits paid from this Plan exceed \$220,000.00, subject to certain cost of living adjustments and actuarial reductions under certain circumstances prior to age 62, as set forth in Section 415 of the Internal Revenue Code.

If you began participation for the first time on and after January 1, 1980, you cannot receive a benefit in excess of 100% of your average final compensation.

If you began participation for the first time on or after January 1, 2013, the maximum combined benefit under the system shall be 75% of average final compensation. Provided, if your accrued benefit as of January 1, 2013 is 75% or more of average final compensation, the benefit percentage may not be reduced.

N. Forfeiture of Pension. If you are convicted of the certain crimes listed in the Plan committed prior to retirement, or if your employment is terminated by reason of your admitted commission, aid or abetment of these crimes, you shall forfeit all rights and benefits under the Plan, except for the return of your contributions as of the date of your termination.

O. Conviction and forfeiture; false, misleading or fraudulent statements.

- (1) It is unlawful for you to willfully and knowingly make, or cause to be made, or to assist, conspire with, or urge another to make, or cause to be made, any false, fraudulent, or misleading oral or written statement or withhold or conceal material information to obtain any benefit from the system.
- (2) If you violate subsection (1) you commit a misdemeanor of the first degree, punishable as provided in F.S. § 775.082 or § 775.083.
- (3) In addition to any applicable criminal penalty, upon conviction for a violation described in subsection (1), you or your beneficiary of the system may, in the discretion of the board, be required to forfeit the right to receive any or all benefits to which you would otherwise be entitled under the system. For purposes of this subsection, "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

P. Claims Procedure Before the Board. You may request, in writing, that the Board review any claim for benefits under the Plan. The Board will review the case and enter a decision as it deems proper within not more than 180 days from the date of the receipt of such written request, or in the case of a disability claim, from receipt of a medical release and completed interrogatories. The time period may be extended if you agree to the extension.

The Board's decision on your claim will be contained in an order which will be in writing and will include:

- (1) The specific reasons for the Board's action;

- (2) A description of any additional information that the Board feels is necessary for you to perfect your claim;
- (3) An explanation of the review procedure next open to you which includes a formal evidentiary hearing.

4. **NON-FORFEITURE OF PENSION BENEFITS**

A. Liquidation of Pension Fund Assets. In the event of repeal, or if contributions to the Fund are discontinued by the City, there will be a full vesting of benefits accrued to date of repeal.

B. Interest of Members in Pension Fund. At no time prior to the satisfaction of all liabilities under the Plan shall any assets of the Plan be used for any purpose other than for the Firefighters' exclusive benefit. In any event, your contributions to the Plan are non-forfeitable.

5. **VESTING OF BENEFITS**

Your retirement benefits are fully vested after 10 years of credited service.

6. **APPLICABLE LAW**

The Plan is governed by certain federal, state and local laws, including, but not limited to the following:

- A. Internal Revenue Code and amendments thereto.
- B. Chapter 175, Florida Statutes, "Municipal Firefighters' Retirement Trust Funds".
- C. Part VII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".
- D. Ordinances of the City of St. Pete Beach.
- E. Administrative rules and regulations adopted by the Board of Trustees.

7. **PLAN YEAR AND PLAN RECORDS**

The Plan year begins on October 1 of each year and ends on September 30 of the following year. All records of the Plan are maintained on the basis of the Plan year.

8. **APPLICABLE PROVISIONS OF COLLECTIVE BARGAINING AGREEMENTS**

The current collective bargaining agreement between the City and the Firefighters contains no provisions which deal directly with pension benefits. However, pension benefits can be a bargainable issue.

9. **FINANCIAL AND ACTUARIAL INFORMATION**

- A. A report of pertinent financial and actuarial information on the solvency and actuarial soundness of the Plan is attached as Exhibit "B".

- B. A copy of the detailed accounting report of the plan's expenses for the fiscal year is available for review upon request to the Board Secretary.
- C. A copy of the administrative expense budget for the plan, for each fiscal year is available for review upon request to the Board Secretary.

10. **DIVORCE OR DISSOLUTION OF MARRIAGE**

Federal and state law provides certain restrictions regarding the payment of your pension benefits in the event of your divorce or dissolution of marriage. Immediately upon your involvement in such a legal proceeding, you should provide a member of the Board of Trustees with the name and address of your attorney or your name and address if you have no attorney. The Board's attorney will then provide you or your attorney with information concerning the legal restrictions regarding your pension benefits. In addition, a copy of any proposed order must be submitted to the Board prior to entry by the court. Failure to do so may require you to pay any expenses incurred by the Board in correcting an improper court order.

11. **EX-SPOUSES AS BENEFICIARY OR JOINT PENSIONER**

The Florida Legislature has adopted Section 732.703, Florida Statutes. This law nullifies the designation of your ex-spouse as a Beneficiary or Joint Annuitant / Joint Pensioner on your pension plan retirement benefits. This law went into effect on July 1, 2012.

After July 1, 2012, if you want your ex-spouse to be a beneficiary or joint annuitant/joint pensioner for your plan benefit, you will have to make that designation AFTER the dissolution of marriage. If you currently have an ex-spouse as a beneficiary or joint annuitant/joint pensioner, and want to keep this designation, you will have to designate the ex-spouse again after July 1, 2012.

To reconfirm your current beneficiary, or to designate a new beneficiary, complete a new Designation of Beneficiary Form (PF-3).

To reconfirm your current joint annuitant/joint pensioner, or to designate a new joint annuitant/joint pensioner (if authorized by the current plan provisions), indicate such change on a Change or Confirmation of Designated Joint Annuitant or Joint Pensioner Form (PF-25). If necessary, the plan administrator will submit the new form to the actuary of the plan for recalculation of your benefit. There may be a charge to you to make this change.

To obtain either of the above forms, or if you have any questions, please contact your plan administrator.

12. **EXCLUSION OF HEALTH INSURANCE PREMIUMS FROM INCOME.**

When you retire because of disability or have worked to the date you are immediately eligible for normal retirement (not early retirement), you can elect to exclude from income, distributions made from your benefit that are used to pay the premiums for accident or health insurance or long-term care insurance. The premium can be for coverage for you, your spouse, or dependents. The distribution must be made directly from the plan to the insurance provider using pension form PF-22 which authorizes the distribution. (This form may be obtained from your plan administrator) You can exclude from income the smaller of the amount of the insurance premiums or \$3,000.00. You can only make this election for amounts that would otherwise be included in your income.

EXHIBIT "A"

BOARD OF TRUSTEES

The names and addresses of the members of the Board of Trustees are:

Chairman: Ryan Holt
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, Florida 33706

Secretary: Mark Keenan
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, Florida 33706

Member: Bruno Falkenstein
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, Florida 33706

Member: Vacant
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, Florida 33706

Member: Keith Beattie
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, Florida 33706

EXHIBIT "B"

City/District Name: Saint Pete Beach

Employee group(s) covered: Fire

Current actuarial valuation date: 10/1/2016

Date prepared: 2/13/2018

Number of plan participants:	62	GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$11,921,804	Discount Rate	7.70%
Actuarial Accrued Liability (AAL):	\$17,472,748	Total Pension Liability	17,527,390
Unfunded Accrued Liability (UAL):	\$5,550,944	Market Value of Plan Assets	11,555,588
Market Value of Plan Assets (MVA):	\$11,554,030	Net Pension Liability	5,971,802
MVA Funded Ratio (5-year history):		GASB 67 Funded Ratio	65.93%
		Averages for all plans with 2016 current actuarial valuation date	
Current valuation	66.13%	81.88%	*
1 year prior	65.76%	83.59%	*
2 years prior	66.69%	86.95%	*
3 years prior	64.14%	81.49%	*
4 years prior	49.88%	76.00%	*
Rate of Actuarial Value, Actual (2016 Plan Year)	7.31%	7.61%	
Return: Market Value, Actual	9.25%	3.99%	
Assumed	7.70%	7.47%	
Funding requirement as percentage of payroll:	38.21%	59.23%	**
Percentage of payroll contributed by employee:	3.00%	6.15%	**
Benefit Formula Description:	1.25% X AFC X SC		
AFC Averaging Period (years):	5		
Employees covered by Social Security?	Yes		

Additional actuarial disclosures required by section 112.664, Florida Statutes:

Florida Statute Chapter	Discount Rate	Pension Liability	Market Value of Plan Assets	Net Pension Liability	Years assets sustain benefit payments	Total Dollar Contribution	Total % of Pay Contribution
112.664(1)(a)	7.70%	17,527,390	11,555,588	5,971,802	14.99	751,754	39.70
112.664(1)(b)	5.70%	22,382,011	11,555,588	10,826,423	12.73	1,069,036	56.40
Valuation Basis	7.70%	N/A	N/A	N/A	14.99	751,754	39.70

Link to annual financial statements: <https://www.rol.frs.state.fl.us/forms/LOC5340814PDF10012016N1.pdf>

*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean

**Excludes plans with zero payroll

(For explanation of terms, see glossary on page 2)

Actuarial Summary Fact Sheet – Glossary of Terms

Actuarial Value of Plan Assets (AVA):	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Actuarial Accrued Liability (AAL):	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
Unfunded Accrued Liability (UAL):	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
Market Value of Plan Assets (MVA):	The fair market value of assets, including DROP accounts.
MVA Funded Ratio:	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
Rate of Return (Assumed):	Assumed long-term rate of return on the pension fund assets.
Funding requirement as percentage of payroll:	Total Required Contribution (employer and employee) divided by total payroll of active participants
AFC:	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
SC:	Service Credit

Section 112.664 – Glossary of Terms

Florida Statute Chapter:	112.664(1)(a) – uses mortality tables used in either of the two most recently published FRS valuation reports, with projection scale for mortality improvement 112.664(1)(b) – uses same mortality assumption as 112.664(1)(a) but using an assumed discount rate equal to 200 basis points (2.00%) less than plan's assumed rate of return. Valuation Basis – uses all the assumptions in the plan's valuation as of the current actuarial valuation date.
Discount Rate:	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
Total Pension Liability:	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
Net Pension Liability:	Total Pension Liability minus Market Value of Plan Assets.
Years assets sustain benefit payments:	Assuming no future contributions from any source, the number of years the market value of assets will sustain payment of expected retirement benefits. The number of years will vary based on the Florida Statute Chapter assumption.
Total Dollar Contribution:	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
Total % of Pay Contribution:	Total Dollar Contribution divided by total payroll of active participants
Annual financial statements:	A report issued which covers a local government retirement system or plan to satisfy the financial reporting requirements of section 112.664(1), F.S.