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**RETIREMENT PLAN AND TRUST FOR THE  
MANAGEMENT EMPLOYEES OF  
THE CITY OF NORTH MIAMI BEACH**

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**CITY OF NORTH MIAMI BEACH  
GENERAL MANAGEMENT RETIREMENT PLAN  
BOARD OF TRUSTEES & SERVICE PROVIDER  
CONTACT INFORMATION**

**TRUSTEES**

**Gregory Williams, Secretary**

City of North Miami Beach  
17011 NE 19th Avenue, 4th Floor  
North Miami Beach, FL 33162  
Email: Greg.williams@citynmb.com

**Term**

Active Member

11/7/2023 - 11/7/2025

**Jay Chernoff**

City of North Miami Beach  
17011 NE 19th Avenue  
North Miami Beach, FL 33162  
Email: jay.chernoff@citynmb.com

City Council Member

**Babette Friedman**

City of North Miami Beach Human Resources  
17011 NE 19th Avenue  
North Miami Beach, FL 33162  
Email: babette.friedman@citynmb.com

City Manager Designee

**John Herin, Jr**

Fox Rothschild  
2 S. Biscayne Boulevard, Suite 2750  
Miami, FL 33131  
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City Attorney

**Vacant**

Retiree Member

**ATTORNEY**

Ronald J. Cohen, P.A.  
Brent J. Chudachek, Esq.  
Lorium Law  
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Fax: (964) 462-4300  
Email: RCohen@loriumlaw.com  
Email: BChudachek@loriumlaw.com

**ADMINISTRATOR**

Florida League of Cities  
Contact Person: Laura Underhill  
P.O. Box 1757  
Tallahassee, FL 32302  
Phone: (850) 701-3633  
Fax: (850) 222-3806  
Email: lunderhill@flcities.com

**ACTUARY**

Charles T. Carr  
Southern Actuarial Services  
P.O. Box 888343  
Atlanta, GA 30356-0343  
(770) 392-0980  
Email: ccarr@gosasco.com

**FIDUCIARY LIABILITY INSURANCE**

U.S. Specialty Insurance Company  
Policy Number: U718-52402

**Expiration date: 8/23/2024**

# Sunshine Law

**Chapter 286, Florida Statutes** – It is important to be aware that trustees are subject to the Florida Sunshine Law, which is laid out in Chapter 286, Florida Statutes. In general, the Florida Sunshine Law provides that all business of a public board must be conducted at a properly noticed public meeting. Minutes of each board meeting must be kept and be available for inspection. Trustees **cannot** discuss board business with another Trustee on the same board outside of a meeting. Trustees **can** discuss questions with the Plan Administrator or the Plan’s general counsel. You **can** also discuss board matters with anyone else who is not a trustee. You **cannot**, however, use a non-trustee to communicate with another trustee on your behalf.

The Board may, from time to time, delegate any of its functions to a committee of one or more trustees. In the event that a committee consists of more than one trustee, the committee shall meet in accordance with the provisions of the Florida Sunshine Law. All committees are appointed by the Chairperson or the Board. Meetings of committees governed by the Sunshine Law must be publicly noticed and recorded the same as a regular Board meeting.

Click for statute on the Florida Sunshine Law:

[Florida Sunshine Law: F.S. 286.011](#)

# Form 1

The Form 1 must be filed within 30 days of a trustee's appointment or election and then **annually** by July 1 of each year. Be sure to read the directions prior to completing and submitting the form. The Florida Commission on Ethics has a short video regarding the completion of the Form 1, in addition to other ethical topics you may need to know.

Click below for videos:

[Ethics Training Videos](#)

Should you have any further questions regarding the Form 1, the Plan Administrator or the Plan's general counsel will be able to assist.

Form 1 can be found on the website link below:

[Florida Commission on Ethics – Form 1](#)



**FLORIDA MUNICIPAL PENSION TRUST FUND  
DEFINED BENEFIT PLAN AND TRUST**

**ADOPTION AGREEMENT**

The undersigned employer adopts the Florida Municipal Pension Trust Fund Defined Benefit Plan and Trust for those Employees who shall qualify as Participants hereunder, to be known as the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach

It shall be effective as of the date specified below. The Employer hereby selects the following Plan specifications:

\*\*\*\*\*

**EMPLOYER INFORMATION**

**Employer:** City of North Miami Beach, Florida  
**Contact Name and Title:** Ana Garcia, City Manager  
**Address:** 17011 N.E. 19<sup>th</sup> Avenue  
North Miami Beach, FL 33162  
**Telephone:** (305) 948-2939

**NAME AND ADDRESS OF TRUSTEE:**

Florida Municipal Pension Trust Fund  
301 South Bronough , P.O. Box 1757  
Tallahassee, FL 32302-1757  
TEL: (850) 222-9684 Fax: (850)222-3806

**LOCATION OF EMPLOYER'S PRINCIPAL OFFICE:**

The Employer is located in the State of Florida and This Trust shall be enforced and construed under the laws of the State of Florida.

**EMPLOYER FISCAL YEAR:**

Twelve months commencing on October 1st and ending on September 30th.

**A. PLAN INFORMATION:**

This Adoption Agreement shall establish a new Plan and Trust with the following provisions:

**A1) Effective Date:**  
Effective Date: 1/24/2003

Retirement Plan and Trust for the General Management Employees  
of the City of North Miami Beach  
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- A2) Plan Year** Beginning October 1 and Ending September 30
- A3) Plan Anniversary Date (Annual Valuation Date):** October 1
- A4) Name of Plan Administrator:**  
Florida League of Cities, Inc.  
Post Office Box 1757  
Tallahassee, Florida 32302-1757  
Tel: (850) 222-9684 Fax: (850) 222-3806
- A5) Florida Municipal Pension Trust Fund I.D. Number:** 59-2961075
- A6) Plan's Agent for Legal Process:** City Attorney – City of North Miami Beach

**B. PLAN:**

The Plan represents the General Management Employees hired before July 18, 2017, i.e. unclassified management employees who are not members of any other City sponsored Pension Plan.

**C. ELIGIBILITY:**

Employees hired prior to July 18, 2017 shall become participants in the plan effective:

- C1)** General Management Employees hired prior to July 18, 2017 shall become participants in the plan effective immediately when hired. To preserve continuity of pension benefits, General Management Employees that are already in another City sponsored defined benefit pension plan shall remain in that plan and not transfer to this plan.
- C2)** No medical examination will be required for participation in this Pension Plan.
- C3)** Notwithstanding section C1 above:
- (a) An individual who is serving as a Charter Officer (e.g. City Clerk, City Attorney, or City Manager) on the effective date of this Ordinance shall have a one-time option to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach by filing a written election with the Plan Administrator within 30 days following the effective date of the Charter Officer's next employment contract following the effective date of this Ordinance. A Charter Officer with less than six months of credited service who elects to discontinue participation in the Plan pursuant to this paragraph shall receive a full refund of employee contributions made to the Plan. A Charter Officer with six or more months of credited service who elects to discontinue participation in said Plan pursuant to this paragraph shall be entitled to receive his or her accrued benefit through the date of discontinuance of participation in the Plan. The accrued benefit will be calculated based on credited service and final monthly compensation on the date of discontinuance, payable upon attaining the normal

Retirement Plan and Trust for the General Management Employees  
of the City of North Miami Beach

**ADOPTION AGREEMENT**

or early retirement date and separation from City employment. Any individual who is serving as a Charter Officer on the effective date of this ordinance and does not timely file an election to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach shall continue to participate in said Plan. A Charter Officer who timely elects to discontinue participation in the Plan pursuant to this paragraph shall be eligible to participate in a defined contribution plan provided by the City. The amount of the City's contribution to the defined contribution plan shall be as set forth in the Charter Officer's employment contract.

- (b) An individual who is initially appointed a Charter Officer on or after the effective date of this Ordinance and who, prior to such appointment was employed by the City, may elect to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach, by filing a written election with the Plan Administrator within 30 days following the effective date of appointment as Charter Officer. If the Charter Officer has less than six months of credited service in the Plan and elects to discontinue participation in the Plan pursuant to this paragraph, he or she shall receive a full refund of employee contributions made to the Plan. A Charter Officer with six or more months of credited service who elects to discontinue participation in said Plan pursuant to this paragraph shall be entitled to receive his or her accrued benefit through the date of discontinuance of participation in the Plan. The accrued benefit will be calculated based on credited service and final monthly compensation on the date of discontinuance, payable upon attaining the normal or early retirement date and separation from City employment. Any such individual who does not timely file an election to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach shall continue to participate in said Plan. A Charter Officer who timely elects to discontinue participation in the Plan pursuant to this paragraph shall be eligible to participate in a defined contribution plan provided by the City. The amount of the City's contribution to the defined contribution plan shall be as set forth in the Charter Officer's employment contract.
- (c) An individual who is initially appointed as a Charter Officer on or after April 22, 2014 who is hired from outside the City shall not be eligible to participate in this Plan, and shall be eligible to participate in a defined contribution plan provided by the City or to waive such benefits entirely. The amount of the City's contribution to the defined contribution plan, if any, shall be as set forth in the Charter Officer's employment contract.

**D. SALARY:**

Compensation earned by General Management Employees on or before January 31, 2013 shall mean the total cash remuneration paid to a plan participant for services rendered, including allowances and annuities, but shall exclude lump sum payments of accrued annual and sick leave.

For compensation earned by General Management Employees, on or after February 1, 2013, annual compensation shall exclude commission, overtime pay, bonuses and any other forms of additional compensation earned in addition to base salary.

**E. CREDITED SERVICE:**

Retirement Plan and Trust for the General Management Employees  
of the City of North Miami Beach

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Total number of years and fractional parts of years of service is measured from date of employment.

**F. FINAL MONTHLY COMPENSATION:**

One-twelfth of the highest average earnings during the five best years of creditable service, prior to separation as an active member or the career average, whichever is greater.

**G. BENEFIT AMOUNTS AND ELIGIBILITY: (Section 6)**

**G1) Normal Retirement Date (Section 6.01):**

- a) The normal retirement date for a General Management Employee who was born in the years 1938 – 1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-six (66), with at least four (4) years of service.
- b) The normal retirement date for a General Management Employee who was born any year after 1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-seven (67), with at least four (4) years of service.
- c) General Management Employees participating in the plan as of January 31, 2013, or who were born prior to 1938 will remain eligible to retire the first day of the month coincident with, or next following attainment of a combined age and service totaling seventy-five(75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of service and will obtain their accrued benefits earned through January 31, 2013 at such time. Benefit accruals earned on or after February 1, 2013 will be paid at the new normal retirement date in accordance with paragraphs Section 6.01(a) or (b) above, unless the member opts for Section 6.01(d) below.
- d) General Management Employees who were members of the Plan on January 31, 2013 may receive their benefits accrued through January 31, 2013, upon retirement on the first day of any month following retirement upon attaining a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of credited service. General Management Employees who were participating in the Plan as of January 31, 2013 may receive their benefits accrued on or after January 31, 2013 upon retirement on the first day of any month following retirement in accordance with Section 6.01(a) or (b) above.
- e) A General Management Employee will not be allowed to receive his or her benefit while he or she continues to be employed with the City of North Miami Beach.

**G2) Normal Retirement Benefit (Section 6.02):**

For credited service earned on or before January 31, 2013, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 3% and multiplied by final monthly compensation.



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For credited service earned on or after February 1, 2013, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 2% and multiplied by final monthly compensation.

**G3) Early Retirement Date (Section 6.03):**

For General Management Employees participating in the Plan as of January 31, 2013 or who were born prior to 1938, the early retirement date for service earned on or before January 31, 2013 shall be the first day of any month coincident with or next following the later of attainment of age fifty (50) and completion of ten (10) year of credited service. For all other General Management Employees and for General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the early retirement date for service earned on or after February 1, 2013 shall be the first day of any month coincident with or next following the later of the attainment of age fifty-five (55) and the completion of ten (10) years of credited service.

**G4) Early Retirement Benefit (Section 6.04):**

For those General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the amount of the accrued benefit paid for credited service earned on or before January 31, 2013 will be reduced by five (5%) for each year before their normal retirement date. For all other General Management Employees and for General Management Employees who were participating in the plan as of January 31, 2013 or born prior to 1938, for credited service earned on or after February 1, 2013 the amount of the accrued benefit will be reduced to the actuarial equivalent, which will be equal to the actuarial equivalent of the accrued benefit payable at their normal retirement date in accordance with Section 6.01 (a) or (b) for each year before the normal retirement date. For this purpose, actuarial equivalence will be determined using the mortality and interest rate described in Exhibit B of the Florida Municipal Pension Trust Fund Defined Benefit Plan Document.

**H. DISABILITY BENEFITS:**

A member deemed to be totally and permanently disabled from an injury or disease will receive the greater of a monthly pension equal to twenty-five percent (25%) of average compensation or an amount equal to the accrued retirement benefit, less any monthly benefit paid by any long-term disability insurance policy provided through the Employer. Total and permanently disabled means that a member is unable to perform the main duties of his/her regular occupation.

**I. DEATH BENEFITS:**

**I1) Death Prior to Vesting:**

The beneficiary of a deceased Member who was not vested or eligible for retirement shall receive a refund of one-hundred percent (100%) of the member's accumulated contributions with three percent (3%) interest.

**I2) Death After Vesting:**

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If a member dies prior to retirement, but he is vested, his beneficiary shall receive the pension benefit otherwise payable to the member at the early or normal retirement date.

**J. TERMINATION OF EMPLOYMENT AND VESTING:**

If a member's employment is terminated either voluntarily or involuntary, the following benefits are payable:

- 1) If the member has less than four (4) years of credited service upon termination the member shall be entitled to a refund of the money he or she has contributed plus three percent (3%) interest, or the member may leave it deposited with the Fund.
- 2) If the member has four (4) years of credited service but less than six (6) years of credited service, upon termination the member shall be entitled to 50% of his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 3) If the member has six (6) or more years of credited service upon termination the member shall be entitled to his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 4) Any vested benefit hereunder is the legal asset of the employee plan participant. No portion of the vested principal or the income of the Defined Benefit Plan shall revert to the employer, or ever be used for or diverted to any purpose other than for the exclusive benefit of the Participating Employees and persons claiming under or through them, and the payment of reasonable expenses of the plan.

**K. EMPLOYEE/ EMPLOYER CONTRIBUTIONS: (Section 5.01):**

- K1)** Members of the Plan shall be required to make regular contributions to the Fund in the amount of eight percent (8%) of their salary/pre-tax.
- K2)** The 401(a) balances of employees entering the Plan, transferred from ICMA to the Florida Municipal Pension Trust Fund, shall be credited to each employee's accumulated contributions account.
- K3)** Employer contributions shall be based upon its plan benefit formula and the terms of its trust as provided by the Trust Joinder Agreement.

**L. COST OF LIVING ADJUSTMENT:**

Commencing October 1, 2003, and the first day of each October thereafter, the monthly income payable hereunder to each participant or beneficiary who has been receiving benefits under any portion of this plan for one or more years, or to any such participant's or

Retirement Plan and Trust for the General Management Employees  
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**ADOPTION AGREEMENT**

beneficiary's surviving beneficiary, for all years of credited service earned on or before January 31, 2013, shall be increased by two and one-quarter percent (2.25%).

For all years of credited service earned on or after February 1, 2013, effective October 1, 2013, and the first day of each October thereafter, any increase in the monthly income payable hereunder to each participant or beneficiary who begins receiving benefits under any portion of this plan for one or more years, or to any such participant's or beneficiary's surviving beneficiary, shall be decided on an *ad hoc* basis by the City Council, which is vested with the authority to decide whether or not a Cost of Living Adjustment will be awarded for that particular fiscal year and each year thereafter.

**M. PLAN CLOSED TO NEW MEMBERS EFFECTIVE JULY 18, 2017; OPTION FOR CURRENT MEMBERS TO PARTICIPATE IN DEFINED CONTRIBUTION PLAN**

Effective July 18, 2017, the Plan is closed to new members. General Management Employees hired on or after July 18, 2017 shall participate in a defined contribution plan established by the City. Members hired before July 18, 2017 who are participating in the Plan on that date shall have a one-time option to elect to either continue participating in the Plan or cease participation in the Plan and participate prospectively in the defined contribution plan, by filing a written election with the Plan Administrator on or before September 18, 2017. Such election is irrevocable, and if a member does not file a timely election, he/she shall continue participating in the Plan. The accumulated member contributions of members with less than five years of credited service in this Plan on July 18, 2017 who elect to participate in the defined contribution plan shall be transferred to the defined contribution plan, and the City shall contribute 10% of such member's salary to the defined contribution plan for the period the member participated in this Plan. Any member who had prior service in this Plan, separated from City employment after vesting in this Plan without receiving a refund of member contributions, and was subsequently reemployed by the City as a General Management Employee, who elects to participate in the defined contribution plan, shall retain his accrued benefit under this Plan for the initial period of City employment, and such member's accumulated member contributions for the second period of City employment shall be transferred to the defined contribution plan, and the City shall contribute 10% of such members' salary for the second period of City employment to the defined contribution plan.

This Adoption Agreement may be used only in conjunction with the Basic Plan Document.

This Adoption Agreement and the Basic Plan Document shall together be known as the Florida Municipal Pension Trust Fund Defined Benefit Plan and Trust.

**We have consulted our attorney with reference to this Plan and Trust Agreement.**

We understand that the Employer may amend any election in this Adoption Agreement by giving the Trustee written notification of such Amendment as adopted.

The Employer hereby agrees to the provisions of the Plan and Trust

Retirement Plan and Trust for the General Management Employees  
of the City of North Miami Beach

**ADOPTION AGREEMENT**

IN WITNESS WHEREOF, the Employer and Trustee hereby cause this Agreement to be executed on the 18<sup>th</sup> day of July, 2017.

**EMPLOYER:**

City of North Miami Beach  
(Name of Employer)

By: 

Date: 8-8-17





# **FLORIDA MUNICIPAL PENSION TRUST FUND**

## **DEFINED BENEFIT PLAN DOCUMENT**

***RESTATED AND AMENDED AS OF September 21, 2023***

Sponsored and Administered by:  
**FLORIDA LEAGUE OF CITIES, INC.**  
301 S. Bronough Street, P.O. Box 1757  
Tallahassee, FL 32302-1757  
(850) 222-9684  
Fax (850) 222-3806

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# ARTICLE 1

## DEFINITIONS

As used herein, unless otherwise defined or required by the context, the following words and phrases shall have the meaning indicated:

**1.01 “Accumulated Contributions”:**

shall mean a Participant's own contributions without interest. For those Participant's who purchase Credited Service with interest or at no cost to the Plan, only that portion of any payment representing the amount attributable to the Participant's contributions based on the applicable Participant contribution rate shall be included in Accumulated Contributions.

**1.02 “Accrued Benefit”:**

shall mean a fraction of the benefit to which a Participant would be entitled at their Normal Retirement Date. The numerator of the fraction is the years of participation completed to date and the denominator is the years of participation in the Plan that would have been earned if the Participant continued employment until their Normal Retirement Date.

**1.03 “Actuary”:**

shall mean an actuary that is a member of the Society of Actuaries or the American Academy of Actuaries and who is enrolled under subtitle C of Title III of the Employee Retirement Income Security Act of 1974.

**1.04 “Actuarial Equivalent”:**

Actuarial Equivalent is defined in the attachment marked Exhibit B.

**1.05 “Adoption Agreement”:**

shall mean the document outlining the specific benefits of the Plan, as executed by the Employer and attached to and made part of the Plan.

**1.06 “Average Final Compensation”:**

shall mean one-twelfth (1/12) of the average annual compensation of the five (5) best years of the last ten (10) years of Credited Service prior to retirement, termination or death, or the career average, whichever is greater, unless otherwise specified in the Adoption Agreement. A year shall be defined as the twelve (12) consecutive months immediately prior to death, disability or retirement. In the case of a Volunteer Firefighter, Average Final Compensation shall mean the average salary of the five (5) best years of the ten (10) best contributing years prior to change in status to a permanent full-time Firefighter or retirement as a Volunteer Firefighter or the career average of a Volunteer Firefighter, whichever is greater.

**1.07 “Beneficiary”:**

shall mean the person or persons entitled to receive benefits hereunder at the death of a Participant who has or have been designated in writing by the Participant and filed with the Board. If no such designation is in effect, or if no person so designated is living, at the time of death of the Participant, the beneficiary shall be the estate of the Participant.

**1.08 “Board”:**

Shall mean the Board of Trustees, which shall administer and manage the Plan herein provided and serve as Trustees of the Fund.

**1.09 “Code”:**

shall mean the Internal Revenue Code of 1986, as amended from time to time.

**1.10 “Credited Service”:**

shall mean the total number of years and fractional parts of years as a Participant during which the Participant made required contributions to the Plan, omitting intervening years or fractional parts of years when such Participant is not employed by the Employer. Credited Service may be given for years of employment as a Police

Officer, Firefighter or Public Safety Officer, prior to plan inception at the discretion of the Employer and as stated in the Adoption Agreement.

A Participant may voluntarily leave his Participant contributions in the Fund for a period of five (5) years after leaving the employ of the Employer pending the possibility of being rehired in a position eligible for participation in this Plan, without losing credit for the time that he was a Participant in the Plan. If a vested Participant does not become reemployed within five (5) years, then the Accumulated Contributions will be returned to the Participant without interest, unless otherwise specified in the Adoption Agreement, upon receipt of written request of the Participant. If a Participant who is not vested is not reemployed with the Employer within five (5) years, his Accumulated Contributions shall be returned without interest. Upon return of a Participant's Accumulated Contribution, all rights and benefits under the Plan are forfeited and terminated. Upon any reemployment in a position eligible for participation in this Plan, a Participant shall not receive credit for the years and fractional parts of years for which he has withdrawn his Accumulated Contributions from the Plan unless the Participant repays into the Fund the contributions he has withdrawn, with interest, as determined by the Board, within ninety (90) days after reemployment.

A Participant shall receive Credited Service for all purposes, including vesting, for the years or fractional parts of years that he performs "Qualified Military Service" including voluntary or involuntary service in the armed forces of the United States as defined in the Uniformed Services Employment and Reemployment Rights Act (USERRA) (P.L. 103-353), after separation from employment with the Employer, to perform training or service, provided that:

- (A)** The Participant must return to his employment with the Employer within one (1) year following the date of military discharge or his release from active service.
- (B)** The Participant is entitled to reemployment under the provisions of USERRA,

(C) The maximum credit for military service pursuant to this paragraph shall be five (5) years.

(D) This section is intended to satisfy the minimum requirements of USERRA, as may be amended from time to time. To the extent that this section does not meet the minimum requirements of USERRA, the provisions of USERRA shall govern.

If a participant dies on or after January 1, 2007 while performing Qualified Military Service as defined by USERRA, the participant's beneficiaries shall be entitled to any benefits the participant would have been entitled to had he or she resumed employment and then died while employed.

Beginning January 1, 2009, to the extent required by section 414(u)(12) of the Code, an individual receiving differential wage payments, as defined under section 3401(h)(2) of the Code, from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the Code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

**1.11 “Deferred Retirement Option Plan” or “DROP”:**

shall mean a local law plan retirement option in which a Participant may elect to participate. A Participant may retire for all purposes of the plan and defer receipt of retirement benefits into a DROP account while continuing employment with his employer. However, a Participant who enters the DROP and who is otherwise eligible to participate shall not thereby be precluded from participating or continuing to participate in a supplemental plan in existence on, or created after, the date of adoption of a DROP by the Employer pursuant to Section M, “DROP,” of the Adoption Agreement.

**1.12 “Early Retirement Date”:**



shall mean the date which is specified in the Adoption Agreement - Section G3, Early Retirement Date.

**1.13 “Effective Date”:**

shall mean the date of this Plan as specified in the Adoption Agreement - Section A1.

**1.14 “Employee”:**

shall mean the classes of employees designated as eligible to participate in this Plan as specified in the Adoption Agreement - Section B., except as otherwise provided in the Adoption Agreement.

**1. 15 “Employer”:**

shall mean the municipality, governmental entity, public agency or political subdivision established within the State of Florida that adopts this Plan.

**1. 16 “Firefighter”:**

shall mean any person employed solely by a constituted fire department or public safety department of any municipality or special fire control district who is certified as a Firefighter as a condition of employment in accordance with the provisions of Section 633.35, Fl. Stat., and whose duty is to extinguish fires, to protect life, and to protect property. The term includes all certified, supervisory, and command personnel whose duties include, in whole or in part, the supervision, training, guidance, and management responsibilities of full-time firefighters, part-time firefighters, or auxiliary firefighters but does not include part-time firefighters or auxiliary firefighters.

**1. 17 “Fund”:**

shall mean the Trust Fund established herein as part of the Plan.

**1.18 “Limitation Year”:**

shall mean the calendar year, or the 12-consecutive month period elected by an Employer in the Adoption Agreement and approved by the FMPTF Master Trustee or its designee. All qualified plans maintained by the Employer must use the same Limitation Year. If the Limitation Year is amended to a different 12-consecutive month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made.

**1.19 “Normal Retirement Date”:**

shall mean the date as specified in the Adoption Agreement - Section G1 Normal Retirement Date.

**1.20 “Participant or Member”**

shall mean the actively employed Employees who are eligible to participate in this Plan as specified in the Adoption Agreement - Section B, Plan and Section C, Eligibility. Benefit improvements which, in the past, have been provided for by amendments to the Plan adopted by the Employer by ordinance or resolution, and any benefit improvements which might be made in the future shall apply prospectively and shall not apply to Participants who terminate employment or who retire prior to the effective date of any ordinance or resolution adopting such benefit improvements, unless such ordinance or resolution specifically provides to the contrary.

**1.21 “Plan”:**

shall mean the pension Plan as herein set forth and as may be amended from time to time.

**1.22 “Plan Year”:**

shall mean the Plan’s accounting year of twelve (12) consecutive months commencing on October 1 of each year and ending the following September 30, or the Plan Year as specified in the Adoption Agreement.

**1.23 “Police Officer”:**

shall mean any person who is elected, appointed, or employed full time by any municipality, who is certified or required to be certified as law enforcement officer in compliance with s. 943.1395, Fl. Stat., who is vested with authority to bear arms and make arrests, and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, criminal, traffic, or highway laws of the State. This definition includes all certified supervisory and command personnel whose duties include, in whole or in part, the supervision, training, guidance, and management responsibilities of full-time law enforcement officers, part-time law enforcement officers, or auxiliary law enforcement officers, but does not include part-time law enforcement officers or auxiliary law enforcement officers as the same are defined in s. 943.10(6) and (8), Fl. Stat., respectively. A Police Officer classification shall also include a public safety officer who is responsible for performing both police and fire services.

**1.24 “Public Safety Officer”:**

shall mean an actively employed person who is responsible for performing both firefighter and police officer services. A Public Safety Officer shall be considered a “police officer” for the purposes of this Plan.

**1.25 “Salary/Compensation”:**

Notwithstanding any provision of this Plan or Adoption Agreement, “Salary/Compensation” for all Participants participating under the Plan shall be limited as follows:

For noncollectively bargained service earned on or after July 1, 2011, or for service earned under collective bargaining agreements entered into on or after July 1, 2011, when calculating a Participant’s retirement benefits, the Plan may include up to 300 hours per year of overtime compensation as noted in the Adoption Agreement, but may not include any payments for accrued unused sick leave or annual leave. For those Participants whose terms and conditions of employment are collectively

bargained, this provision is effective for the first agreement entered into on or after July 1, 2011.

For Firefighters, “compensation” or “salary” means, for noncollectively bargained service earned before July 1, 2011, or for service earned under collective bargaining agreements in place before July 1, 2011, the fixed monthly remuneration paid a Firefighter; where, as in the case of a Volunteer Firefighter, remuneration is based on actual services rendered, the term means the total cash remuneration received yearly for such services, prorated on a monthly basis. For noncollectively bargained service earned on or after July 1, 2011, or for service earned under collective bargaining agreements entered into on or after July 1, 2011, the term has the same meaning except that when calculating retirement benefits, up to 300 hours per year in overtime compensation may be included as noted in the Adoption Agreement, but payments for accrued unused sick or annual leave may not be included.

For Police Officers, “compensation” or “salary” means, for noncollectively bargained service earned before July 1, 2011, or for service earned under collective bargaining agreements in place before July 1, 2011, the total cash remuneration paid to a Police Officer for services rendered, including overtime payments which may be limited to not less than 300 hours per calendar year, but not including any payments for extra duty or a special detail work performed on behalf of a second party employer. For noncollectively bargained service earned on or after July 1, 2011, or for service earned under collective bargaining agreements entered into on or after July 1, 2011, the term has the same meaning except that when calculating retirement benefits, up to 300 hours per year in overtime compensation may be included as noted in the Adoption Agreement, but payments for accrued unused sick or annual leave may not be included.

For a firefighter or police officer supplemental plan operating under either section 175.351(4) or 185.35(4), Florida Statutes, the definition of compensation or salary may be as provided under the referenced sections of law.

Compensation in excess of the limitations set forth in Section 401(a)(17) of the Code as of the first day of the calendar year shall be disregarded for any purpose, including employee contributions or any benefit calculations. The annual compensation of each member taken into account in determining benefits or employee contributions for any calendar year beginning on or after January 1, 2002, may not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code.

**See Section D of the Adoption Agreement for further details.**

**1.26 “Spouse”:**

shall mean the Participant’s spouse under applicable law at the time benefits become payable.

**1.27 “Total and Permanent Disability”:**

shall mean a physical or mental condition of a Participant resulting from bodily injury, disease, or mental disorder which renders him incapable of employment as a Firefighter, Police Officer or Public Safety Officer, and which condition constitutes total disability as determined by the Board.

**1.28 “Trust Fund or Trust”:**

shall mean the Trust Fund established under this Plan to hold Plan assets and to which contributions are to be paid and benefits held. Nothing herein shall preclude the establishment of more than one trust fund as may be required by law or adopted by the Employer.

**1.29 “Trustee”:**

shall mean the person or persons named as and making up the Board of Trustees or Board, who shall administer and manage the Plan.

**1.30 “Valuation Date”:**

shall mean the first day of the Plan Year.

**1.31 “Volunteer Firefighter”:**

shall mean any person whose name is carried on the active membership roll of a constituted volunteer fire department or a combination of a paid and volunteer fire department of any municipality or special fire control district and whose duty is to extinguish fires, protect life, and to protect property. Compensation for services rendered by a Volunteer Firefighter shall not disqualify him as a volunteer. A person shall not be disqualified as a Volunteer Firefighter solely because he has other gainful employment. Any person who volunteers assistance at a fire, but is not an active member of the department described herein is not a Volunteer Firefighter within the meaning of this paragraph.

## **ARTICLE 2**

### **PARTICIPATION**

#### **2.01 Conditions of Eligibility**

A Participant shall become eligible to participate in this Plan as specified in Section C of the Adoption Agreement.

As a condition of eligibility, the Employee participants shall be required to complete a medical examination as prescribed by the Board, and provide complete and accurate information concerning their health status as requested by the Board. Any material misstatements or omissions of required health or medical information by an applicant or Participant shall be grounds for denial of benefits. Based upon medical evidence of any pre-existing adverse health condition, resulting from the prescribed examination or other medical records or history, the Board may determine ineligibility for disability benefits hereunder, as related to such pre-existing condition. A Participant may be declared ineligible for disability benefits only at the time of the initial examination provided in this section, or at a later date if the Board established that a condition existed at the time of the Participant's employment or date of participation, and the condition was known to the employee. A determination of pre-existing condition shall be recorded on the Participant's record of membership, a copy of which shall be provided to the Participant, and shall be reflected in the minutes of the Board meeting at which such determination was made by the Board. The procedures followed and the determination of the Board as to a pre-existing condition shall be considered on a uniform, non-discriminatory basis.

#### **2.02 Participation**

Each Participant shall complete a form prescribed by the Board providing the following information:

- (A) enrollment in the Plan
  
- (B) designation of a beneficiary or beneficiaries,

- (C) a certified statement as to prior medical history, and a waiver to release and access medical records.

### **2.03 Change in Designation of Beneficiary**

A Participant may from time to time change his designated beneficiary by written notice to the Board upon forms provided by the Board. Upon such change, the rights of all previously designated beneficiaries to receive any benefits under the Plan shall cease. A change of beneficiary shall not require consent of the beneficiary. Notwithstanding the provisions of this paragraph, a police officer retiree or firefighter retiree may change his or her designation of beneficiary up to two times without the approval of the Board or the current beneficiary. The retiree is not required to provide proof of the good health of the beneficiary being removed, and the beneficiary being removed need not be living.



## **ARTICLE 3**

### **BOARD OF TRUSTEES**

#### **3.01 Board of Trustees**

**(A)** The sole and exclusive administration of and responsibility for the proper operation of the Plan is hereby vested in a Board of Trustees. For plans participating in Chapter 175 or 185, Fl. Stat., these trustees shall be selected according to Section 175.061 (1)(b), Fl. Stat., and Section 185.05, (1)(b), Fl. Stat. For plans not participating in Chapter 175 or 185, Fl. Stat., these trustees shall be selected according to municipal ordinance, or resolution adopted by the governing body of the special fire control district. Each Board of Trustees shall be a legal entity with, in addition to other powers and responsibilities contained herein, the power to bring and defend lawsuits of every kind, nature, and description. Accurate and detailed accounts of all Board meetings must be kept. All accounts, books and records relating thereto shall be open to inspection and audit in accordance with general law. The Board shall issue such reports as are requested and make available to the same for inspection any and all records and accounts which are deemed appropriate in order to comply with governmental regulations issued thereunder.

**(B)** The Board members shall, by a majority vote, elect a Chairman and a Secretary. The Secretary of the Board shall keep a complete minute book of the actions, proceeding, or hearings of the Board. The Board members shall not receive any compensation as such, but may receive expenses and per diem as provided by law.

**(C)** Each Board member shall serve as trustee for a period of 2 years, unless he or she sooner leaves the employment of the Employer, whereupon a successor shall be chosen in the same manner as an original appointment. However, the terms of office of the appointed and elected

members may be amended by municipal ordinance, or resolution adopted by the governing body of the special fire control district to extend the terms from 2 years to 4 years. The length of the terms of office shall be the same for all board members.

**(D)** Each Board member shall be entitled to one vote on the Board. A majority of the Board shall be necessary for any decision of the Board. A Board member shall have the right to abstain from voting as the result of a conflict of interest provided that Board member states in writing the nature of the conflict and complies with the provisions of Section 112.3143, Fl. Stat.

**(E)** The Board of Trustees shall engage such actuarial, accounting, legal, and other services as shall be required to transact the business of the Plan. The compensation of all persons engaged by the Board and all other expenses of the Board necessary for the operation of the Plan shall be paid from the Fund at such rates and in such amounts as the Board of Trustees shall approve.

**(F)** The duties and responsibilities of the Board of Trustees shall include, but not necessarily be limited to, the following:

- (1)** To construe the provisions of the Plan and determine all questions arising thereunder.
- (2)** To determine all questions relating to eligibility and participation.
- (3)** To determine the amount of all benefits hereunder.
- (4)** To establish uniform rules and procedures to be followed for administrative purposes, benefit applications, and all matters required to administer the Plan.
- (5)** To distribute to Participants, at regular intervals, information concerning the Plan.
- (6)** To receive and process all applications for participation and benefits.

- (7)** To authorize all payments whatsoever from the Fund, and to notify the disbursing agent, in writing, of approved benefit payments and other expenditures arising through operation of the Plan and Fund.
- (8)** To have performed actuarial studies and at least triennial valuations, as required by law, and make recommendations regarding any and all changes in the provisions of the Plan.
- (9)** To perform such other duties as required to administer the Plan.
- (10)** To arrange for and select physicians for medical exams and review and advise on medical disability eligibility issues.
- (11)** To invest and reinvest the assets of the Fund.

**(G)** At least once every three (3) years, the Board shall retain a professionally qualified independent consultant who shall evaluate the performance of any existing professional money manager and shall make recommendations to the Board regarding the selection of money managers for the next investment term. These recommendations shall be considered by the Board at its next regularly scheduled meeting.

## **ARTICLE 4**

### **FINANCES AND FUND MANAGEMENT**

#### **4.01 Establishment and Operation of Fund**

**(A)** As part of the Plan, there is hereby established the Fund, into which shall be deposited all of the contributions and assets whatsoever attributable to the Plan, including any assets of any prior municipal trust fund(s).

**(B)** The actual custody and supervision of the Fund (and assets thereof) shall be vested in the Board. Payment of benefits and disbursements from the Fund shall be made by the disbursing agent but only upon written authorization from the Board or its designee.

**(C)** All funds of the Plan may be deposited by the Board with the Employer, acting in a ministerial capacity only, who shall be liable in the same manner and to the same extent as he is liable for the safekeeping of funds for the Employer. However, any funds so deposited with the Employer shall be kept in a separate fund by the Employer or clearly identified as such funds of the Plan. In lieu thereof, the Board shall deposit the funds in a qualified public depository as defined in Section 280.02, Fl. Stat., which depository with regard to such funds shall conform to and be bound by all of the provisions of Chapter 280, Fl. Stat. In order to fulfill its investment responsibilities as set forth herein, the Board may retain the services of a custodian bank, an investment adviser registered under the Investment Advisors Act of 1940, or otherwise exempt from such required registration, an insurance company, or a combination of these, for the purpose of investment decisions and management. Such investment manager shall have discretion, subject to any guidelines as prescribed by the Board, in the investment of all Fund assets.

**(D)** All funds of the Plan may be commingled without limitation in governmental investment trusts, no-load investment funds or no-load mutual

funds, and all such trusts or funds must comply with the Investment Policy as attached as Exhibit A. Accurate records are to be maintained at all times reflecting the financial composition of the Fund, including accurate current accounts and entries as regards the following:

- (1)** Current amounts of Accumulated Contributions of Participants on both an individual and aggregate account basis, and
- (2)** receipts and disbursements, and
- (3)** benefit payments, and
- (4)** current amounts clearly reflecting all monies, funds and assets whatsoever attributable to contributions and deposits from the Employer, and
- (5)** all interest, dividends and gains (or losses), and
- (6)** such other entries as may be properly required so as to reflect a clear and complete financial report of the Fund.

**(E)** An independent audit shall be performed annually by a certified public accountant for the most recent fiscal year of the Employer showing a listing of assets and a statement of all income and disbursements during the year. Such income and disbursements must be reconciled with the assets at the beginning and end of the year. Such report shall reflect a complete evaluation of assets on a cost and market basis, as well as other items normally included in a certified audit.

**(F)** The Board of Trustees shall have the following investment powers and authority:

- (1)** The Board of Trustees shall be vested with full legal title to said Fund, subject, however, and in any event to the authority and power of the governing body of the Employer to amend or terminate this Plan, provided that no amendment or termination shall ever result in the use

of any assets of the Fund except for the payment of regular expenses and benefits under this Plan, and except as otherwise provided in this Plan. All contributions deposited into the Fund, and the income thereof, without distinction between principal and income, shall be held and administered by the Board, or its agent, in the Fund, and the Board shall not be required to segregate or invest separately any portion of the Fund.

**(2)** All monies paid into or held in the Fund shall be invested and reinvested by the Board. The Fund shall be invested in accordance with an established investment policy adopted by the Board. The adopted investment policy will be made part of this document and shall be attached as **Exhibit A**.

**(3)** The Board may cause any investment in securities held by it to be registered in or transferred into its name as Trustee or into the name of such nominee as it may direct, or it may retain them unregistered and in a form permitting transferability, but the books and records shall at all times show that all investments are part of the Trust Fund.

**(4)** The Board is empowered, but is not required, to vote upon any stocks, bonds, or securities of any corporation, association, or trust and to give general or specific proxies or powers of attorney with or without power of substitution to participate in mergers, reorganizations, recapitalization, consolidations and similar transactions with respect to such securities; to deposit such stock or other securities in any voting trust or any protective or like committee with the Trustee or with depositories designated thereby; to amortize or fail to amortize any part or all of the premium or discount resulting from the acquisition or disposition of assets; and generally to exercise any of the powers of an owner with respect to stocks, bonds, or other investments comprising the Fund which it may deem to be in the best interest of the Fund to exercise.

**(5)** Any overpayments or underpayments from the Fund to a Participant or beneficiary caused by errors of computation shall be adjusted with interest at a rate per annum as utilized in the prior years' actuarial valuation. Overpayments shall be charged against payments next succeeding the correction. Underpayments shall be made up from the Trust Fund.

**(6)** In any application to or proceeding or action in the courts, the Board and Employer shall be a necessary party, and no Participant or other person having an interest in the Fund shall be entitled to any notice or service of process. Any judgment entered in such a proceeding or action shall be conclusive upon all persons.

**(7)** Any powers and functions of the Board may be performed or carried out by the Board through duly authorized agents, provided that the Board at all times maintains continuous supervision over the acts of any such agent; provided further, that legal title to the Fund always remain with the Board.

**(G)** Notwithstanding any provision of this section to the contrary, for plans participating in Chapter 175 or 185, Fl. Stat., the Board shall identify and publicly report any direct or indirect holdings it may have in any scrutinized company, as defined in section 215.473, Florida Statutes, and proceed to sell, redeem, divest, or withdraw all publicly traded securities it may have in that company beginning January 1, 2010. The divestiture of any such security must be completed as specified in Chapter 175 or 185, Fl. Stat. The Board and its named officers or investment advisors may not be deemed to have breached their fiduciary duty in any action taken to dispose of any such security, and the Board shall have satisfactorily discharged the fiduciary duties of loyalty, prudence, and sole and exclusive benefit to the participants of the pension fund and their beneficiaries if the actions it takes are consistent with the duties imposed by s. 215.473, and the manner of the disposition, if any, is reasonable as to the means chosen.

For the purposes of effecting compliance with that section, the pension fund shall designate terror-free plans that allocate their funds among securities not subject to divestiture. No person may bring any civil, criminal, or administrative action against the Board of trustees or any employee, officer, director, or advisor of such pension fund based upon the divestiture of any security pursuant to this paragraph.



## **ARTICLE 5**

### **CONTRIBUTIONS**

#### **5.01 Participant Contributions**

(A) **Amount** Participants in the Plan shall be required to make contributions to the Fund in the amount specified in the Adoption Agreement - Section K, Employee Contributions.

(B) **Method** Participant contributions shall be made by payroll deduction. Participant contributions withheld by the Employer on behalf of the Participant shall be deposited in the Fund immediately after each pay period.

(C) **Pre-Tax Employee Contributions** If pre-tax Employee Contributions are applicable, this provision will be noted within the Adoption Agreement - Section K as pre-tax contributions pursuant to Section 414(h) of the Code, otherwise the Plan will assume after tax contributions. Such designation is contingent upon the contribution being excluded from the Employees' gross income for federal income tax purposes. For all other purposes of the Plan, such contributions shall be considered Employee contributions.

#### **5.02 State Contributions**

Any monies received or receivable by reason of laws of the State of Florida, for the express purpose of funding the Plan shall be deposited in the Trust Fund comprising part of this Plan immediately. Contributions must be deposited within five (5) days after receipt by the Employer.

#### **5.03 Employer Contributions**

So long as this Plan is in effect, the Employer shall deposit quarterly contributions for each Plan Year to the Trust Fund in an amount equal to the amount determined by the Actuary, taking into account Participant contributions, state contributions for such

year, and the total cost for the Plan Year, as represented in the most recent actuarial valuation of the Plan. The total cost for each Plan Year shall be defined as the total normal cost plus the additional amount sufficient to amortize the unfunded past service liability as provided in Part VII of Chapter 112, Florida Statutes.

**5.04 Other**

Private donations, gifts and contributions may be deposited to the Fund.

## ARTICLE 6

### BENEFIT AMOUNTS AND ELIGIBILITY

#### 6.01 Normal Retirement Date

A Participant's Normal Retirement Date shall be as specified in the Adoption Agreement - Section G1, Normal Retirement Date. A Participant may retire on his Normal Retirement Date or on the first day of any month thereafter. Normal Retirement under the Plan is retirement from employment with the Employer on or after the Normal Retirement Date and completion of the required years of credited service.

#### 6.02 Normal Retirement Benefit

(1) A Participant retiring hereunder on or after his Normal Retirement Date shall receive a monthly benefit as specified in the Adoption Agreement - Section G2, Normal Retirement Benefit, which shall commence on the first day of the month coincident with or next following his termination of employment.

In the event that a Participant does not begin to receive his Benefit at his Normal Retirement Date, such Participant shall be entitled to a deferred benefit equal to the benefit he was entitled to receive at his Normal Retirement Date, adjusted to take into account his Average Final Compensation and years of Credited Service as of his actual retirement date.

(2) The monthly Normal Retirement Benefit of a Volunteer Firefighter who changes status from a Volunteer Firefighter to a full-time Firefighter shall be as provided below.

(A) The amount of monthly retirement income payable to a full-time Firefighter who retires on or after his or her Normal Retirement Date shall be an amount equal to the number of his or her years of Credited Service as a full-time Firefighter multiplied by the Normal Retirement Benefit multiplier specified in Section

G2 of the Adoption Agreement multiplied by his or her Average Final Compensation as a full-time Firefighter.

(B) The amount of monthly retirement income payable to a Volunteer Firefighter who retires on or after his or her Normal Retirement Date shall be an amount equal to the number of his or her years of Credited Service as a Volunteer Firefighter multiplied by the Normal Retirement Benefit multiplier specified in Section G2 of the Adoption Agreement multiplied by his or her Average Final Compensation as a Volunteer Firefighter.

(C) The sum of the Firefighter's monthly retirement income as determined under (A) and (B) shall be the Firefighter's Normal Retirement Benefit.

#### **6.03 Normal Form of Benefit**

The normal form of benefit shall be a single monthly retirement benefit for life, ceasing upon death, except as otherwise provided for plans operating under Chapter 175 or 185, Fl. Stat.

#### **6.04 Cost of Living Adjustments to Benefit Payments**

A cost-of-living increase, if applicable, shall be as specified in the Adoption Agreement, Section L - COLA Adjustments.

#### **6.05 Early Retirement Date**

A Participant may retire on the Early Retirement Date as specified in the Adoption Agreement - Section G3, Early Retirement Date. Early retirement under the Plan is termination from employment with the Employer on or after the Early Retirement Date and prior to the Normal Retirement Date and the actual completion of the required years of credited service.

#### **6.06 Early Retirement Benefit**

A Participant retiring hereunder on or after his Early Retirement Date may receive either a deferred or an immediate monthly retirement benefit payable for life, or as otherwise provided for plans operating under Chapter 175 or 185, Fl. Stat. as follows:

**(A)** A deferred monthly retirement benefit which shall commence on what would have been his Normal Retirement Date had he remained a Participant, determined based upon his actual years of Credited Service. The amount of such deferred monthly retirement benefit shall be determined in the same manner as for retirement at his Normal Retirement Date, as determined based upon his actual years of Credited Service, except that Credited Service and Average Final Compensation shall be determined as of his Early Retirement Date; or

**(B)** An immediate monthly retirement benefit which shall commence on his Early Retirement Date. The amount of the Early Retirement Benefit shall be determined in the same manner as for Retirement at his Normal Retirement Date, except the benefit shall be actuarially reduced to take into account the Participant's younger age and the earlier commencement of retirement income payments as specified in Section G4 of the Adoption Agreement for each year before the Normal Retirement Date that benefit payment commenced.

#### **6.07 Deferred Retirement Option Program or "DROP"**

A Deferred Retirement Option Program or "DROP", if applicable, shall be as specified in the Adoption Agreement, Section M – DEFERRED RETIREMENT OPTION PROGRAM, "DROP".

An Employer or Board may establish a DROP distribution option to be administered by the Florida Municipal Pension Trust Fund ("FMPTF") Master Trustee whereby DROP funds are invested through the FMPTF Master Trustee or to allow retirees to

direct the investment of DROP funds through the FMPTF Master Trustee. Such an arrangement may be provided for by separate agreement.

#### **6.08 Required Distribution Date**

Distribution of a participant's benefit under this article must commence no later than April 1 of the calendar year following the later of the calendar year during which the participant attains the applicable age required by IRC § 401(a)(9) or the calendar year in which the participant terminates employment with the Employer.

[Note: Under SECURE 2.0 Act the applicable age requirements are as follows:

- 70 ½ for Participants born June 30, 1949, or earlier
- 72 for Participants born on July 1, 1949, through and including December 31, 1950
- 73 for Participants born on January 1, 1951, through and including December 31, 1959
- 75 for Participants born January 1, 1960, or later]

#### **6.09 Defined Contribution Plan Component -- Share Plan**

**(A)** For plans participating in Chapter 175 or 185, Florida Statutes, in accordance with sections 175.351(6) and 185.35(6), Florida Statutes, there is hereby established a defined contribution plan component ("Share Plan") to provide special benefits to Firefighters, Police Officers and Public Safety Officers who are Members of the defined benefit plan, as set forth in this section unless a Share Plan has been created and is operational through an Adoption Agreement, in which case the provisions of the Share Plan under the Adoption Agreement shall prevail. The Share Plan shall be funded solely and entirely by Chapter 175 and 185 premium tax monies that are allocated to the Share Plan, either by (1) mutual consent of the Employer and the plan members' collective bargaining representative, or if there is no collective bargaining representative a majority of plan members; or (2) operation of sections 175.351(1)(a)-(f) and 185.35(1)(a)-(f), Florida Statutes. The Board shall provide documentation to the plan administrator of the manner in which premium tax monies are to be allocated to the Share Plan on or before

December 31, 2015 and on or before each September 30 thereafter. It is not required that any premium tax monies be allocated to the Share Plan.

**(B) *Eligible Share Plan Participants.*** Eligible Share Plan participants shall be determined through collective bargaining between the Employer and the plan members' collective bargaining representative, or if there is no collective bargaining representative, by the Employer. The Employer or Board shall provide a description to the plan administrator of the eligible Share Plan participants on or before December 31, 2015, and upon any change in such description thereafter.

**(C) *Individual Share Accounts.*** For accounting purposes only, an individual share account shall be created for each eligible Share Plan participant as of the date that premium tax monies are first allocated to the Share Plan. Thereafter the plan administrator shall maintain appropriate records showing the share account balance of each participant. Once funds have been credited to participant share accounts, an annual statement shall be provided to each participant setting forth their share account balance as of the end of the preceding plan year.

**(D) *Share Account Funding.*** Individual share accounts shall be established as of December 31, 2015 for all eligible Share Plan participants, or at a later date when premium tax monies are first allocated to the Share Plan. Individual share accounts shall be credited with a portion of any premium tax monies allocated to the Share Plan for the plan year beginning October 1, 2015, and each plan year thereafter in which premium tax monies are allocated to the Share Plan, as follows:

**(1)** Initial Credit from Unallocated Premium Tax Monies (if applicable). If any accumulation of additional premium tax monies which have not been allocated to fund benefits in excess of the

minimum benefits are to be credited to participant share accounts, such monies shall be credited in the same proportion that each participant's completed months of Credited Service has to the combined completed months of Credited Service of all participants.

**(2)** Annual Credit. As of October 1 following the initial credit of unallocated premium tax monies in accordance with paragraph (1) above, any annual premium tax monies allocated to the Share Plan shall be credited to participant share accounts, with each participant's account receiving an equal share of the total amount allocated.

**(E)** *Allocation of Investment Gains and Losses.* As of October 1 each year in which premium tax monies have been or are credited to participant share accounts, each individual share account shall be adjusted to reflect the net investment earnings or losses for the Trust for the immediately preceding plan year. The net investment earnings or losses for the Trust shall be the percentage earned or lost by the total Trust investments, including realized and unrealized gains or losses, net of brokerage commissions, transaction costs and management fees, as determined by the Plan's investment advisor.

**(F)** *Forfeiture.* A Share Plan participant who terminates employment with less than the minimum number of years of credited service specified in the Adoption Agreement for vesting shall forfeit his/her share account. Forfeited amounts shall be reallocated to the other participant share accounts at the end of the plan year in which a forfeiture occurs, unless a different allocation is required by law. A participant whose share account is forfeited shall not thereafter be entitled to any portion of the amount forfeited, and if subsequently reemployed in an eligible position shall participate in the Share Plan as a new participant.



**(G)** *Distribution of Share Account.* A participant's share account balance shall be distributed to the participant or his/her designated beneficiary within 180 days following the participant's retirement, death, or termination of employment after obtaining the minimum number of years of credited service specified in the Adoption Agreement for vesting and reaching the normal retirement date. The share account distribution shall reflect one hundred percent of the participant's share account balance as of October 1 preceding the participant's retirement, death, or termination of employment and meeting the conditions specified herein, and shall be paid in one lump sum payment. No optional forms of payments shall be permitted.

**(H)** *Internal Revenue Code Limitations.* Notwithstanding any other provision of this section, credits to a participant's share account and the share account distribution shall be subject to the applicable limits contained in section 415(c) of, and any other applicable limitations set forth in, the Internal Revenue Code.

## ARTICLE 7

### PRE-RETIREMENT DEATH

- 7.01 Death Prior to Vesting - In-Line-Of-Duty** Prior to retirement, if the Participant dies in-line-of-duty, and he is not vested, his beneficiary shall receive benefits as specified in the Adoption Agreement - Section I1, Death Prior to Vesting - In-Line-Of-Duty.
- 7.02 Death After Vesting - In-Line-Of-Duty** Prior to retirement, if a vested Participant dies in-line-of-duty, having completed the required years of Credited Service, his beneficiary shall receive benefits as specified in the Adoption Agreement - Section I2, Death After Vesting - In-Line-Of-Duty.
- 7.03 Death Prior to Vesting - Off-Duty** The beneficiary of a deceased Participant who was not vested and who dies prior to retirement from causes other than in-line-of-duty shall receive a refund of one hundred percent (100%) of the Participants' Accumulated Contributions as specified in the Adoption Agreement Section I3, Death Prior to Vesting- Off Duty.
- 7.04 Death After Vesting - Off-Duty** If a vested Participant dies prior to retirement from causes other than in-line-of-duty, having completed the required years of Credited Service, his beneficiary shall receive the benefit otherwise payable to the Participant at the Early or Normal Retirement Date as specified in the Adoption Agreement Section I4, Death After Vesting - Off-Duty.
- 7.05 Beneficiaries Receipt of Payment** A Beneficiary may not elect an optional form of benefit, however, the Board may elect to make a lump sum payment pursuant to Article 10(G) to a beneficiary of the death benefits payable hereunder.
- 7.06 Distribution of Benefits** Distributions to the beneficiary shall commence by a date selected in accordance with this Article and the Adoption Agreement; however in no

event shall distribution commence later than December 31 of the calendar year in which the participant would have attained the applicable age required by IRC § 401(a)(9). [See note to Provision 6.08 regarding applicable age requirements]

**7.07 Benefit for Firefighters with Cancer** As provided and subject to the limitations in section 112.1816, Florida Statutes, effective July 1, 2019 a firefighter (as defined in section 112.1816(1), Florida Statutes) who is a Participant is considered to have died in the line of duty if he or she dies as a result of cancer (as defined in section 112.1816(1), Florida Statutes) or circumstances that arise out of the treatment of cancer (as defined in section 112.1816(1), Florida Statutes).

## ARTICLE 8

### DISABILITY

#### 8.01 Disability Benefits In-Line-Of-Duty

(A) **Benefits** Each Participant who shall become Totally and Permanently Disabled while an active Participant of the Employer to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a Firefighter, Police Officer or Public Safety Officer, respectively, which disability was directly caused by the performance of his duty as a Firefighter, Police Officer or Public Safety Officer, respectively, shall, upon establishing the same to the satisfaction of the Board, be entitled to a monthly pension which is as defined in the Adoption Agreement - Section H1, Disability Benefits In-The-Line-of Duty.

(B) **Presumption** Pursuant to the provisions of section 112.18, Fl. Stat., as amended from time to time, any condition or impairment of the health of a Firefighter, Police Officer or Public Safety Officer caused by tuberculosis, hypertension or heart disease, or hardening of the arteries for a Police Officer or a Public Safety Officer, shall be presumed to have been suffered in line-of-duty unless the contrary is shown by competent evidence, provided that such Firefighter, Police Officer or Public Safety Officer, shall have successfully passed a physical examination upon entering into employment with the Employer, which may include a cardiogram, which failed to reveal any evidence of such condition; and provided further, that such presumption shall not apply to benefits payable or granted in a policy of life insurance or disability insurance.

(C) **Additional Presumption** Section 112.181, Fla. Stat., as amended from time to time, is hereby adopted and incorporated by reference and is applicable to those conditions described therein that are diagnosed on or after January 1, 1996.

## **8.02 Disability Benefits Off-Duty**

Every Firefighter, Police Officer or Public Safety Officer as defined in the Adoption Agreement - Section B, Plan who shall have become Totally and Permanently Disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a Firefighter, Police Officer or Public Safety Officer, respectively, as defined in Article 1, and which disability is not directly caused by the performance of his duties as a Firefighter, Police Officer or Public Safety Officer, respectively, shall, upon establishing the same to the satisfaction of the Board of Trustees, be entitled to a disability benefit as provided in the Adoption Agreement - Section H2, Disability Benefits Off-Duty.

A disabled Participant that does not meet the credited years of service requirements in the Adoption Agreement - Section H2, Disability Benefits Off-Duty, will receive a return of his Accumulated Contributions without interest.

## **8.03 Conditions Disqualifying Disability Benefits**

Each Participant who is claiming disability benefits shall establish, to the satisfaction of the Board, that such disability was not occasioned primarily by:

- (A) Excessive or habitual use of any drugs, intoxicants or narcotics.
- (B) Injury or disease sustained while willfully and illegally participating in fights, riots or civil insurrections, or while committing a crime.
- (C) Injury or disease sustained while serving in any branch of the Armed Forces.
- (D) Injury or disease sustained after his employment as a Participant with the Employer had terminated.
- (E) *For Police Officers and Public Safety Officers only:* injury or disease sustained by the Participant while working for anyone other than the Employer and arising out of such employment.

#### **8.04 Physical Examination Requirement**

A Participant shall not become eligible for disability benefits until and unless he undergoes physical examination by a qualified physician or physicians and/or surgeons or surgeons, who shall be selected by the Board for that purpose.

Any Participant receiving disability benefits under this Plan may be periodically re-examined by a qualified physician or physicians and/or surgeon or surgeons who shall be selected by the Board, to determine if such disability has ceased to exist. If the Board finds that the former Participant is no longer Permanently and Totally Disabled to the extent that he is able to render useful and efficient service as a Firefighter, Police Officer or Public Safety Officer, respectively, the Board shall recommend to the Employer that the former Participant be returned to performance of duty as a Firefighter, Police Officer or Public Safety Officer, respectively, and shall again become eligible to Participate in the Plan. In the event the former Participant so ordered to return to employment shall refuse to comply with the order within thirty (30) days from the issuance thereof, the Participant shall forfeit the right to his benefits hereunder.

The cost of the physical examination and/or re-examination of the Participant claiming and or receiving disability benefits shall be paid by the Plan. All other reasonable costs as determined by the Board incident to the physical examination, such as, but not limited to, transportation, meals and hotel accommodations, shall be paid by the Plan.

If a Participant recovers from disability and reenters the service of the Employer as a Participant, his service will be deemed to have been continuous, but the period beginning with the first month for which he received a disability retirement income payment and ending with the date he reentered the service of the Employer will not be considered as Credited Service for the purposes of the Plan. The Board shall have the power and authority to make the final decision regarding all disability claims.

#### **8.05 Disability Payments**

The monthly benefit to which a Participant is entitled in the event of the Participant's disability shall be payable on the first day of the first month after the Board determines such entitlement. Provided, however, the Participant may select, at any time prior to the date on which benefit payments begin, an optional form of benefit payment as described in Article 10, Optional Forms of Benefits, which shall be the Actuarial Equivalent of the normal form of benefit. The amount of the first disability payment shall include an amount payable from the date the Board determined such entitlement. Disability benefits shall cease:

(A) If the Participant recovers from the disability prior to his Normal Retirement Date, the payment due next proceeding the date of such recovery, or

(B) If the Participant dies without recovering from disability or attains Normal Retirement Date, the later of the payment due next proceeding his death, or as otherwise provided for plans operating under Chapter 175 or 185, Fl. Stat.

#### **8.06 Disability Payments & Workers Compensation**

If a Participant receives a disability benefit under the Plan and workers compensation benefits pursuant to Chapter 440, Fl. Stat., for the same disability and the total monthly benefits received from both exceed one hundred percent (100%) of the Participants' average monthly wage determined in accordance with Chapter 440, Fl. Stat., the disability pension benefit shall be reduced so that the total monthly amount received by the Participant does not exceed one hundred percent (100%) of such average monthly wage. In no event shall a Participant's disability pension benefit be reduced to less than 42% of Average Final Compensation for in-line-of duty disability and 25% of Average Final Compensation for off-duty disability, as provided in Chapters 175 and 185, Fl. Stat. In the event of a lump sum workers compensation

settlement, the disability retirement income payable from the Plan shall be adjusted as follows:

(A) The amount of the lump sum settlement shall be divided by the Participant's remaining life expectancy (in months) as determined using the actuarial assumptions represented in the last completed valuation of the Plan.

(B) If the number obtained in paragraph (A) above, when added to the Participant's monthly disability retirement income from the Plan, exceeds the Participant's final monthly compensation on the date of disability, the amount of the excess shall be deducted from the Participant's monthly disability retirement income from the pension plan, for the duration of the Participant's remaining life expectancy as determined in paragraph (A) above.

(C) If the number obtained in paragraph (A) above, when added to the Participant's monthly disability retirement income from the Plan, does not exceed the Participant's final monthly compensation on the date of disability, there shall be no reduction of the Participant's disability benefit from the plan.

#### **8.07 Benefit for Firefighters with Cancer**

As provided and subject to the limitations in section 112.1816, Florida Statutes, effective July 1, 2019 a firefighter (as defined in section 112.1816(1), Florida Statutes) who is a Participant is considered to be totally and permanently disabled in the line of duty if he or she meets the Plan's definition of Totally and Permanently Disabled due to a diagnosis of cancer (as defined in section 112.1816(1), Florida Statutes) or circumstances that arise out of the treatment of cancer (as defined in section 112.1816(1), Florida Statutes).



## ARTICLE 9

### VESTING

If a Participant terminates his employment with the Employer for reasons other than retirement, disability or death, the Participant shall be entitled to the following:

**(A)** If the Participant has less than the number of years of Credited Service specified in the Adoption Agreement - Section J1, Termination of Employment and Vesting, the Participant shall be entitled to a refund of his Accumulated Contributions without interest.

**(B)** If the Participant has the required number of years of Credited Service specified in the Adoption Agreement - Section J2, Termination of Employment and Vesting, the Participant shall be entitled to a retirement benefit that is the Actuarial Equivalent of the Accrued Benefit otherwise payable to him commencing at the Participant's otherwise Normal or Early Retirement Date, and determined based on actual years of Credited Service, provided he does not elect to withdraw his Accumulated Contributions and provided the Participant survives to his Normal or Early Retirement Date.

**(C)** Any vested Participant of the Plan who is no longer eligible to participate in this Plan due to a change of employment, but who remains employed by the Employer in a class not eligible to participate under this Plan, shall have his Accrued Benefit to the date of such termination under this Plan preserved, provided he does not elect to withdraw his Accumulated Contributions from this Plan. Such Accrued Benefit shall be payable at his otherwise Early or Normal Retirement Date hereunder in accordance with the provisions of this Plan.

**(D)** If a Participant who terminates employment prior to his Early Retirement Date or his Normal Retirement Date and elects to withdraw Accumulated Contributions, is subsequently reemployed and again becomes a Participant in this Plan, his Credited

Service for purposes of vesting and benefit accruals shall not include any periods of employment prior to his reemployment date unless he repays to the Fund his Accumulated Contributions previously withdrawn with interest, as determined by the Board, within ninety (90) days after reemployment. If a Participant repays the foregoing amount to the Fund within the prescribed time period, the interest of the Participant in his Accrued Benefit previously forfeited shall be restored in full and the Participant's Credited Service shall be based on all periods of employment.

## ARTICLE 10

### OPTIONAL FORMS OF BENEFITS

**(A)** In lieu of the normal form of benefit as specified herein, a Participant's Early or Normal Retirement or Disability Benefit may be paid in an optional form as selected by the Participant.

Subject to the approval of the Board or its designee, the Participant may elect to receive the Actuarial Equivalent of the benefit otherwise payable to the Participant in accordance with one of the following options:

1. Monthly income payments for the life of the Participant.
2. Monthly income payment for the life of the Participant and after his death, a joint pensioner benefit payable for the life of the joint pensioner equal to, 100%, 75%, 66 2/3%, or 50% of the amount payable to the Participant.
3. Such other amount and form of retirement benefit payment that, in the opinion of the Board, will meet the circumstances of the Participant and the Trust.

**(B)** The Participant, upon electing any option pursuant to this Article, will designate the joint pensioner or beneficiary (or beneficiaries) to receive the benefit, if any, payable under the Plan in the event of Participant's death, and will have the power to change such designation from time to time. Such designation will name a joint pensioner or one or more primary beneficiaries where applicable. A Participant may change his Beneficiary at any time. If a Participant has elected an option with a joint pensioner and the Participant's retirement benefits have commenced, the Participant may thereafter change his joint pensioner twice without the approval of the Board or the current joint pensioner. A Participant is not required to provide proof of the good health of the joint pensioner being removed, and the joint pensioner being removed need not be living.

**(C)** Upon change of a Participant's joint pensioner in accordance with this Article, the amount of the retirement income payable to the Participant shall be actuarially re-

determined to ensure that the benefit paid is the Actuarial Equivalent of the present value of the Participant's then-current benefit at the time of change, and there is no impact to the Plan. Any such Participant shall pay the actuarial recalculation expenses. Each request for a change will be made in writing on a form prepared by the Board and on completion will be filed with the Board. In the event that no designated Beneficiary survives the Participant, such benefits as are payable in the event of the death of the Participant subsequent to his retirement shall be paid as provided in Section 11, Beneficiaries.

**(D)** Benefit payments shall be made under the option elected in accordance with the provisions of this Article and shall be subject to the following limitations:

1. If a Participant dies prior to his Normal Retirement Date or Early Retirement Date, the beneficiary will receive a benefit paid under the normal form of benefit in accordance with Article 7, Pre-Retirement Death.
2. If both the retired Participant and the beneficiary (or beneficiaries) designated by Participant die before full payment has been effected under any option providing for payments for a period certain and life thereafter, the value of the remaining payments shall be paid in such other amount and form of retirement benefit payment that, in the opinion of the Board, will meet the circumstances of the retiree and the Trust in accordance Article 11.
3. If the designated Beneficiary (or Beneficiaries) or joint pensioner dies before the Participant's retirement under the Plan, the option elected will be canceled automatically and a retirement income of the normal form and amount will be payable to the Participant upon his retirement as if the election had not been made, unless a new election is made in accordance with provisions of this Article or a new Beneficiary is designated by the Participant prior to his retirement.
4. If a Participant continues employment beyond his Normal Retirement Date pursuant to the provisions of the Normal Retirement Date provided in the Adoption Agreement, and dies prior to his actual retirement and while an option made pursuant to the provisions of the Adoption Agreement is in effect,

monthly retirement income payments will be made, or a retirement benefit will be paid, under the option to a Beneficiary (or Beneficiaries) designated by the Participant in the amount or amounts computed as if the Participant had retired under the option on the date on which his death occurred.

**(E)** Unless otherwise allowed by law, a Participant may not change his benefit payment option after the date of cashing or depositing his first benefit check.

**(F)** Distribution of a participant's benefit under this article must commence no later than April 1 of the calendar year following the later of the calendar year during which the participant attains the applicable age required by IRC § 401(a)(9). or the calendar year in which the participant terminates employment with the Employer. [See note to Provision 6.08 regarding applicable age requirements]

**(G)** Notwithstanding anything herein to the contrary, the Board in its discretion, may elect to make a lump sum payment to a Participant or a Participant's Beneficiary in the event that the total commuted value of the monthly income payments to be paid do not exceed one thousand dollars (\$1,000). Any such payment made to any person pursuant to the power and discretion conferred upon the Board by the preceding sentence shall operate as a complete discharge of all obligations under the Plan with regard to such Participant and shall not be subject to review by anyone, but shall be final, binding and conclusive on all persons.

## **ARTICLE 11**

### **BENEFICIARIES**

**(A)** Each Participant may, on a form provided for that purpose, signed and filed with the Board, designate a beneficiary (or beneficiaries) to receive the benefit, if any, which may be payable in the event of his death and each designation may be revoked by such Participant by signing and filing with the Board a new designation-of-beneficiary form. The consent of a Participant's beneficiary to any change of beneficiary shall not be required.

**(B)** If a deceased Participant fails to name a beneficiary in the manner prescribed in Section A, or if the beneficiary (or beneficiaries) named by a deceased Participant predeceases the Participant, the death benefit, if any, which may be payable under the Plan with respect to such deceased Participant shall be paid by the Board to the estate of the Participant, and the Board, in its discretion, may direct that the commuted value of the remaining value of the remaining monthly income benefits be paid in a lump sum.

Any payment made to any person pursuant to this Section shall operate as a complete discharge of all obligations under the Plan with regard to the deceased Participant and any other persons with rights under the Plan and shall not be subject to review by anyone but shall be final, binding, and conclusive on all persons ever interested hereunder.

## **ARTICLE 12**

### **CLAIMS PROCEDURES**

The Board shall establish administrative claims procedures to be utilized in processing written requests (“claims”), on matters which affect the substantial rights of any person (“claimant”), including Participants, retirees, Beneficiaries, or any person affected by a decision of the Board.

## **ARTICLE 13**

### **REPORTS TO DIVISION OF RETIREMENT**

Each year by no later than March 15th, the Board shall file an Annual Report with the State of Florida, Division of Retirement, and the Employer containing the documents and information contained in Sections 175.261 and 185.221, Florida Statutes.



## **ARTICLE 14**

### **ROSTER OF RETIREES**

The Secretary of the Board shall keep a record of all persons receiving a benefit or vested Participants who will receive a future vested benefit under the provisions of this Plan in which it shall be noted the time when the benefit became payable. Additionally, the Secretary shall keep a record of all Participants employed by the Employer in such a manner as to show the name, address, date of employment and date such employment is terminated.

## **ARTICLE 15**

### **BOARD ATTORNEY AND PROFESSIONALS**

The Board may employ independent legal counsel at the Fund's expense for the purposes contained herein, together with such other professional, technical, or other advisors as the Board deems necessary.

## **ARTICLE 16**

### **MAXIMUM PENSION**

#### **16.01 Basic Limitation**

Notwithstanding any other provisions of this plan to the contrary, the member contributions paid to, and retirement benefits paid from, the plan shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A) (\$160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this plan.

For purposes of Code Section 415(b), the term “annual benefit” means a benefit payable annually in the form of a straight life annuity without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code section 415(n)) and to rollover contributions (as defined in Code section 415(b)(2)(A)), and with the benefit attributable determined in accordance with Treasury Regulations located in 26 C.F.R. 1.415(b)-1.

#### **16.02 Adjustments to Basic Limitation for Form of Benefit.**

If the form of benefit is other than the annual benefit defined in section 16.01, the benefit shall be adjusted so that it is the equivalent of the annual benefit using factors prescribed in Treasury Regulations. If the form of benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or by adjusting the form of benefit to an actuarially equivalent amount determined using the assumptions specified in 26 CFR 1.415(b)-1 that takes into account the additional benefits under the form of benefit as follows:

(A) Benefit Forms Not Subject to § 417(e)(3): The straight life annuity that is actuarially equivalent to the member's form of benefit shall be determined under this section 16.02(A) if the form of a member's benefit is either a non-decreasing annuity (other than a straight life annuity) payable for a period of not less than the life of the member (or in the case of a qualified pre-retirement survivor annuity, the life of the surviving spouse), or an annuity that decreases during the life of the participant merely because of (a) the death of the survivor annuitant (but only if the reduction is not below 50% of the benefit payable before the death of the survivor annuitant), or (b) the cessation or reduction of Social Security supplements or qualified disability payments (as defined in Code Section 401(a)(11)). For a benefit paid in a form described in this Section 16.02(A), the actuarially equivalent straight life annuity is equal to the greater of:

- (1) The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the member's form of benefit, or
- (2) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the member's form of benefit, computed using a 5 percent interest rate assumption and the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)); or

(B) Benefit Forms Subject to § 417(e)(3): If a form of member's benefit is other than a benefit form described in section 16.02(A), the actuarially equivalent straight life annuity benefit that is the greatest of:

- (1) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

(2) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable computed using a five percent interest assumption for the applicable statutory interest assumption and (i) for years prior to January 1, 2009 the applicable mortality tables for the distribution under 26 CFR 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62) and (ii) for years after December 31, 2008 the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)); or

(3) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable computed using the applicable interest rate for the distribution under 26 CFR 1.417(e)-1(d)(3) the 30-year Treasury rate prior to January 1, 2007 using the rate in effect for the month prior to retirement and on and after January 1, 2007 using the rate in effect for the first day of the plan year with a one-year stabilization period and (i) for years prior to January 1, 2009 the applicable mortality tables for the distribution under 26 CFR 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62) and (ii) for years after December 31, 2008 the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)), divided by 1.05.

(C) The actuary may adjust the 415(b) limit at that annuity starting date in accordance with paragraphs (A) and (B) above.

(D) Benefits Not Taken into Account. For purposes of this Section, the following benefits shall not be taken into account in applying these limits:

(1) Any ancillary benefit which is not directly related to retirement income benefits;

(2) Survivor benefits payable to a surviving spouse under a qualified joint and survivor annuity to the extent such benefits would not be payable if the participant's benefit were paid in another form;

(3) Any other benefit not required under §415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1);

(E) COLA Effect. Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

(1) A member's applicable limit will be applied to the member's annual benefit in the member's first limitation year of benefit payments without regard to any automatic cost of living adjustments;

(2) thereafter, in any subsequent limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but

(3) in no event shall a member's benefit payable under the plan in any limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the plan, for purposes of applying the limits under Code Section 415(b), a Member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Code and applicable Treasury Regulations.

(F) Other Adjustments in Limitations.

(1) In the event the member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to an annual benefit in the amount of the applicable dollar limitation of Section 415(b)(1)(A) of the Code (as adjusted pursuant to Section 415(d) of the Code) beginning at age sixty-two (62).

(2) In the event the member's benefit is based on at least fifteen (15) years of credited service as a full-time police officer or firefighter, the adjustments provided for in (F)(1) above shall not apply.

(3) The reductions provided for in (F)(1) above shall not be applicable to disability benefits or pre-retirement death benefits.

(4) In the event the member's retirement benefit becomes payable after age sixty-five (65), for purposes of determining whether this benefit meets the limit set forth herein, such benefit shall be adjusted so that it is actuarially equivalent to the benefit beginning at age sixty-five(65). This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

### **16.03 Less than Ten (10) Years of Service.**

The maximum retirement benefits payable under this section to any member who has completed less than ten (10) years of credited service shall be the amount determined under section 16.01 multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10). The reduction provided by this section cannot reduce the maximum benefit below 10% of the limit determined without regard to this

subsection. The reduction provided for in this section shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

**16.04 Participation in Other Defined Benefit Plans.**

The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the Employer shall apply as if the total benefits payable under all Employer defined benefit plans in which the member has been a member were payable from one plan.

**16.05 Ten Thousand Dollar (\$10,000) Limit.**

Notwithstanding anything in this article to the contrary, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this article if the benefits payable, with respect to such member under this plan and under all other qualified defined benefit pension plans to which the Employer contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year and for any prior limitation year and the Employer has not at any time maintained a qualified defined contribution plan in which the member participated; provided, however, that if the member has completed less than ten years of credited service, the limit hereunder shall be a reduced limit equal to ten thousand dollars (\$10,000) multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten.

**16.06 Reduction of Benefits.**

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures to defined



contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

**16.07 Service Credit Purchase Limits.**

(A) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of this section will be treated as met only if:

(1) the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or

(2) the requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

(3) For purposes of applying subparagraph (A)(1), the plan will not fail to meet the reduced limit under Code section 415(b)(2)(C) solely by reason of this subparagraph (3), and for purposes of applying subparagraph (A)(2) the plan will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Code solely by reason of this subparagraph (3)

(B) For purposes of this subsection the term “permissive service credit” means service credit—

(1) recognized by the plan for purposes of calculating a member’s benefit under the plan.

(2) which such member has not received under the plan, and

(3) which such member may receive only by making a voluntary additional contribution, in an amount determined under the plan,

which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the plan, include service credit for periods for which there is no performance of service, and, notwithstanding clause (B)(2), may include service credited in order to provide an increased benefit for service credit which a member is receiving under the plan.

(C) For purposes of applying the limits in this Section 16.07 only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulations located in 26 CFR 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury Regulations Section 1.415(c)-2, or successor regulation, is specified by the plan, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2)).

(1) However, for limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).

(2) For limitation years beginning on and after January 1, 2007, compensation for the limitation year will also include compensation

paid by the later of 2½ months after an employee's severance from employment or the end of the limitation year that includes the date of the employee's severance from employment if:

a. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the employee which the employee continued in employment with the employer; or

b. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

(3) Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(D) Notwithstanding any other provision of law to the contrary, the Board may modify a request by a member to make a contribution to the plan if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

(1) If the law requires a lump sum payment for the purchase of service credit, the Board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).

(2) If payment pursuant to subparagraph (D)(1) will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the Board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution

(E) If the annual additions for any member for a plan year exceed the limitation under Code Section 415(c), the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).

(F) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this section shall not exceed the annual limit under Code Section 401(a)(17).

#### **16.08 Additional Limitation on Pension Benefits.**

Notwithstanding anything herein to the contrary:

(1) The normal retirement benefit or pension payable to a retiree who becomes a Participant of the Plan and who has not previously participated in such Plan, on or after January 1, 1980, shall not exceed one hundred percent (100%) of average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

(2) No Participant shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the Participant is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter 67, Title 10, U.S. Code.

#### **16.09 Benefit Restoration Plan & Trust**

(A) An Employer may fund a Benefit Restoration Plan as permitted under Code Section 415(m) as specified in this Section

##### **(B) Definitions**

##### **(1) "Information Sheet":**

is the document executed by the Employer providing specific information as to that Employer.

**(2) “Participant”:**

means an employee of the Employer who is eligible to receive benefits under this Benefit Restoration Plan, under (C).

**(3) “Pensioner”:**

means a former employee of the Employer who is retired and receiving retirement benefits.

**(4) “Benefit Restoration Plan”:**

means the provisions of section 16.09, which is hereby established for the payment of retirement benefits supplementing the Plan benefits as permitted under Code Section 415(m).

**(5) “Benefit Restoration Plan Year”:**

means the limitation year of the Plan under Code Section 415.

**(6) “Plan”:**

means the plan identified in the Adoption Agreement which is a Florida Municipal Pension Trust Fund Defined Benefit Plan maintained by a participating employer, and with respect to which this Benefit Restoration Plan will provide supplemental benefits.

**(7) “Trust”:**

means the trust fund established in subsection (E) (2) of this Benefit Restoration Plan, which shall constitute a separate trust fund from the trust fund maintained under the Plan.

**(8) “Board”:**

means the Board of Trustees of the Plan, serving in the separate capacity as trustees of this Benefit Restoration Plan.

**(C) PARTICIPATION**

**(1)** All Participants, Pensioners and Beneficiaries of the Plan whose retirement or survivor benefits from that Plan for a Plan Year have been limited by Code Section 415 are eligible to participate in

this Benefit Restoration Plan, unless excluded by category under the terms of the Information Sheet.

**(2)** Participation in the Benefit Restoration Plan is automatic. Any Participant, Pensioner or Beneficiary who is eligible for benefits is entitled to such benefits without the necessity of enrollment. Participation in the Benefit Restoration Plan will cease for any Plan Year in which the retirement benefit of a Pensioner or Beneficiary is not limited by Code Section 415.

**(D) BENEFITS**

**(1) Benefit Amount**

A covered Pensioner or Beneficiary shall receive a monthly benefit equal to the difference between the participant's monthly retirement benefit otherwise payable from the Plan prior to any reduction or limitation because of Code Section 415 and the actual monthly retirement benefit payable from the Plan as limited by Code Section 415. The monthly benefit shall be subject to withholding for any applicable income or employment taxes.

**(2) Payment of Benefit**

Benefits under the Benefit Restoration Plan shall be paid only if the Pensioner or Beneficiary is receiving retirement benefits from the Plan.

**(3) Form of Benefit**

The form of the benefit paid to a Pensioner or Beneficiary from the Benefit Restoration Plan shall be the same payable under the Plan.

**(4) Re-calculation of Benefits**

The maximum benefit under the Plan shall be increased as permitted by Internal Revenue Service regulations to reflect cost-of-living adjustments above the base period, and from August 1, 2000, the benefit paid to any Participant or Beneficiary who is in payment status will be adjusted as the first day of each limitation year for the increase, if any, in the dollar limitation indexed under section 415(d) of the Code.

**(E) CONTRIBUTIONS AND FUNDING**

**(1) Contributions**

(a) The Board, upon the recommendation of the actuary, shall determine the required contributions to pay plan benefits in accordance with (3) below. The required contribution for each Plan Year shall be the total amount of benefits payable under (D) to all Pensioners and Beneficiaries, plus such amount as determined by the Board to pay the administrative expenses of the Benefit Restoration Plan and the Employer's share of any employment taxes on the benefits paid from the Plan.

(b) The required contribution as determined by the Board, upon the recommendation of the actuary, shall be paid into the Trust from an allocation of the Employer contribution amounts paid under the Plan.

**(2) Benefit Restoration Plan Trust Fund**

Contributions to the Benefit Restoration Plan shall be deposited in the separate Trust established and administered by the Board. This Trust is intended to be exempt from federal income tax under Code Sections 115 and 415(m)(1). The Trust assets shall be subject to the claims of general creditors of the Employer in the case of bankruptcy.

**(3) Funding Assets**

The benefit liabilities of the Benefit Restoration Plan shall be funded on an as-needed basis. The Trust established under (2) above shall not be accumulated to pay benefits payable in future years. Accordingly, any assets of the Trust shall be invested by the Board in short-term investments as the Board may determine to assure preservation of principal rather than the generation of income.

**(4) Non-assignability of Benefits**

The benefits payable under this Benefit Restoration Plan may not be assigned or alienated, except as otherwise permitted for benefits payable by the Plan.

**(5) Amendment and Termination**

The Employer reserves the right to amend this Benefit Restoration Plan at any time. No modification or amendment of the Benefit Restoration Plan shall make it possible for any part of the income or assets of the fund to be used for, or diverted to, purposes other than for the exclusive benefit of the Participants, Pensioners and Beneficiaries, except as set forth in section (2) above.

The Employer reserves the right to discontinue or terminate this Benefit Restoration Plan in whole or in part. Upon a termination of the Benefit Restoration Plan, the Board shall take such steps as the Board determines to be necessary or desirable to comply with applicable laws and to apply any remaining assets.

If, after satisfaction of all liabilities, there is any balance remaining in the fund, such balance shall be refunded to the Employer if not otherwise prohibited by law.

**(F) ADMINISTRATION**

**(1) Benefit Restoration Plan Administration**

The Benefit Restoration Plan shall be administered by the Board. The Board shall have the same authority to administer the Benefit Restoration Plan as exists for the Plan. The Board may delegate any or all of the Board's administrative authority.

**(2) Compliance Authority**

The Board may make modifications to the benefits payable under the Benefit Restoration Plan as may be necessary to maintain its qualified status under Code Section 415(m).

**(3) No Liability for Benefits**

Since this Benefit Restoration Plan is not intended to accumulate funds, the Benefit Restoration Plan shall not be liable for the payment of any benefits except to the extent of funds actually received from the Employer and not previously distributed or applied to pay Benefit Restoration Plan expenses.

**(4)** This Benefit Restoration Plan shall be construed, administered and governed in all respects by the laws of the State of Florida.

**(G) EFFECTIVE DATES**

The Board shall pay benefits under the Benefit Restoration Plan beginning on or after the date specified on the Information Sheet.



## ARTICLE 17

### DISTRIBUTION OF BENEFITS

As of the Effective Date, this Plan shall pay all benefits in accordance with a good faith interpretation of the requirements of Code Section 401(a)(9) and the regulations promulgated thereunder, as applicable to a governmental plan as defined in Code Section 414(d). Notwithstanding any other provision of this Plan to the contrary, a form of retirement income payable from this Plan shall satisfy the following conditions:

- (A)** If the retirement income is payable before the Participant's death,
- (1)** It shall either be distributed or commence to the Participant not later than April 1 of the calendar year following the later of the calendar year in which the Participant attains the applicable age required by IRC § 401(a)(9), or the calendar year in which the Participant retires; and,
  - (2)** the benefit shall be paid over the life of the Participant or over the lifetimes of the Participant and designated beneficiary and shall be paid over the period extending not beyond the life expectancy of the Participant and designated beneficiary

Where benefit payments have commenced in accordance with the preceding paragraphs and the Participant dies before his entire interest in the Plan has been distributed, the remaining portion of such interest in the Plan shall be distributed no less rapidly than under the form of distribution in effect at the time of the Participant's death.

**(B)** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

- (1)** If the Participant's surviving spouse is the Participant's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the

Participant died, or by December 31 of the calendar year in which the Participant would have attained the applicable age as required under IRC § 401(a)(9), if later. [See note to Provision 6.08 regarding applicable age requirements]

- (2) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
- (3) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (4) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse are required to begin, this subsection (B), other than B(1), will apply as if the surviving spouse were the Participant. For purposes of this subsection, unless this provision B(4) applies, distributions are considered to begin on the Participant's required beginning date. If this provision B(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under B(4). If distributions under an annuity meeting the requirements of this article commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under B(1)), the date distributions are considered to begin is the date distributions actually commence.

(C) **Direct Transfers of Eligible Rollover Distributions**

- (1) This paragraph applies to distributions made on or after January 1, 1993. Notwithstanding any provisions of the Plan to the contrary that would otherwise limit

a distributee's (as defined below) election under this paragraph, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution (as defined below) that is equal to at least \$500 paid directly to an eligible retirement plan (as defined below) specified by the distributee in a direct rollover (as defined below). If an eligible rollover distribution is less than \$500, a distributee may not make the election described in the preceding sentence to rollover only a portion of the eligible rollover distribution.

**(2)** For purposes of this paragraph, the following terms shall have the following meanings:

**(i)** An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9), and the portion of any distribution that is not included in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other distribution(s) that is reasonably expected to total less than \$200 during a year.

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to (1) a traditional individual retirement account or annuity described in § 408(a) or (b) of the Code (a —traditional IRA) or a Roth individual retirement account or annuity described in § 408A (a —Roth IRA); or (2) to a qualified defined contribution, defined benefit, or annuity plan described in § 401(a) or § 403(a) or to an annuity contract described in § 403(b), if such plan or contract provides for separate accounting for

amounts so transferred (including interest thereon), including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

**(ii)** An “eligible retirement plan” is an eligible plan under § 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan, a traditional IRA, a Roth IRA, an annuity plan described in § 403(a) of the Code, an annuity contract described in § 403(b) of the Code, or a qualified defined benefit or defined contribution plan described in § 401(a) of the Code, that accepts the distributee’s eligible rollover distribution. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in § 414(p) of the Code.

**(iii)** A “distributee” includes an Employee or former Employee. In addition, the Employee’s or former Employee’s surviving spouse is a distributee with regard to the interest of the spouse. For distributions occurring in plan years beginning after December 31, 2009 (or in any earlier plan year beginning after December 31, 2006), a distributee also includes the Participant’s non-spouse designated beneficiary. In the case of a non-spouse beneficiary, the direct rollover may be made only to a traditional IRA or Roth IRA that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of § 402(c)(11). Also, in this case, the determination of any required minimum distribution under § 401(a)(9) that is ineligible for rollover shall be made in accordance with Notice 2007-7, Q&A 17 and 18, 2007-5 I.R.B. 395.

**(iv)** A “direct rollover” is a payment by the Plan to the eligible retirement plan specified by the distributee.

## ARTICLE 18

### MISCELLANEOUS PROVISIONS

#### **18.01 Interest of Participants in Plan**

All assets of the Fund shall be held in trust and at no time prior to the satisfaction of all liabilities under the Plan with respect to Participants and Beneficiaries, shall any part of the corpus or income of the Fund be used for or diverted to any purpose other than for their exclusive benefit. No plan amendment or ordinance shall be adopted by the Employer which shall have the effect of reducing the then vested accrued benefits of Participants or Participants' beneficiaries under the Plan.

#### **18.02 Summary Plan Descriptions**

The Summary Plan Description outlining the provisions of this Plan was designed only to give a brief description of the benefit provided and does not include all the provisions or exclusions in the Plan Document. If the Summary Plan Description disagrees with the Plan herein in any way, the Plan Document will govern.

#### **18.03 Gender and Number**

Wherever any words are used in the masculine, feminine or neutral gender, they shall be construed as though they were also used in another gender in all cases where they would apply. Whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would apply.

#### **18.04 Headings and References**

All headings and references to sections, subsections, paragraphs, etc., in this Plan are inserted for convenience only and shall not affect the construction or interpretation of this Plan.

#### **18.05 Benefit Improvements**

Benefit improvements which, in the past, have been provided for by amendments to the Plan adopted by the Employer by ordinance or resolution, and any benefit improvements

which might be made in the future, shall apply prospectively and shall not apply to Participants who terminate employment or who retire prior to the effective date of any ordinance or resolution adopting such benefit improvements, unless such ordinance or resolution specifically provides to the contrary.

#### **18.06 Procedure for Unclaimed Benefit**

If the Board is unable, within three years after any benefit becomes due to a Participant or Beneficiary under the Plan, to authorize payment because the identity or whereabouts of such person cannot be ascertained, the Board may direct that such benefit and all further benefits with respect to such person shall be forfeited and all liability for the payment thereof shall terminate.

#### **18.07 Qualified Military Service:**

Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with § 414(u) of the Code. To the extent that the definition of “credited service” sets forth contribution requirements that are more favorable to the participants than the minimum compliance requirements, the more favorable provisions shall apply.

Consistent with the Heroes Earning Assistance and Relief Tax (HEART) Act, a deceased person’s period of qualified military service will be credited service under the Plan.

If a Participant dies while engaged in qualified military service, the Participant’s beneficiaries shall be entitled to any benefits the Participant would have been entitled to as if the Participant had resumed employment immediately prior to his or her death in accordance with the Heroes Earning Assistance and Relief Tax (HEART) Act, and any regulations promulgated thereunder.

#### **18.08 Domestic Relations Order Submission:**

(A) Prior to the entry of any domestic relations order which affects or purports to affect the Fund’s responsibilities in connection with the payment of benefits, that order should

be submitted through the Fund's administrator for review as to whether the Fund may honor it.

(B) If the domestic relations order is not submitted to the administrator for review prior to entry, and the Fund is ordered to take action that it may not legally take, and the Fund expends administrative or legal fees in resolving the matter, the Participant who submitted the domestic relations order will be required to reimburse the Fund its expenses in connection with the order.

(C) The administrator may develop rules or regulations concerning what the Fund will consider to determine if a domestic relations order may be complied with by the Fund.

### **18.09 Prohibited Transaction**

Effective January 1, 1989, the Board may not engage in any transaction prohibited under Section 503(b) of the Code.

### **18.10 Qualification of Plan**

It is intended that this plan shall constitute a qualified public pension plan under the applicable provisions of the Code for a qualified plan under Code Section 401(a) and a governmental plan under Code Section 414(d), as now in effect and as may be amended from time to time. Any modification or amendment of this Plan may be made retroactively, if necessary or appropriate to maintain qualification.

### **18.11 Plan Amendments**

The Employer acknowledges the FMPTF Defined Benefit Plan document may be amended from time to time by the FMPTF Master Trustee to comply with applicable federal or state laws or regulations, and to make ministerial or administrative changes to the Plan, without the consent of the Employer or of Participants or any Beneficiaries thereof. Any amendment of the Plan, made in accordance with this provision, may be made retroactively, if deemed necessary or appropriate by the FMPTF Master Trustee. A copy of any Plan amendment shall be delivered to the Plan administrator, and the Plan shall be amended in the manner and effective as of the date set forth therein, and the Employers, Employees, Participants and Beneficiaries shall be bound by the amendment.

The FMPTF Master Trustee shall not make any amendment to benefits under the Plan unless the amendment is necessitated to comply with applicable federal or state laws or regulations. Employers shall receive copies of any Plan amendments made by the FMPTF Master Trustee.



## **ARTICLE 19**

### **REPEAL OR TERMINATION OF PLAN**

**(A)** This Plan and Fund may be modified, terminated, or amended, in whole or in part at any time by the Employer; provided that if this Plan or any subsequent ordinance or resolution shall be amended or repealed in its application to any person benefiting hereunder, the amount of benefits which at the time of any such alteration, amendment, or repeal shall have accrued to the Participant or beneficiary shall not be affected thereby, except to the extent that the assets of the Fund may be determined to be inadequate.

**(B)** If this Plan shall be repealed, or if contributions to the Plan are discontinued, or if there is a transfer, merger or consolidation of government units, services or functions as provided in Chapter 121, Fl. Stat., the Board shall continue to administer the Plan in accordance with the provisions of this Plan, for the sole benefit of the then Participant's, any beneficiaries then receiving retirement allowances, and any future persons entitled to receive future benefits. In the event of repeal, termination or permanent discontinuance of contributions due to transfer, merger or consolidation of government units, services or functions, or for any other reason, there shall be full vesting (100%) of benefits accrued to date of repeal and the assets of the Plan shall be allocated as follows:

**(C) General Employees**

Benefits for General Employees shall be distributed in an equitable manner to provide benefits on a proportionate basis to the persons so entitled in accordance with the provisions of this Plan. The following shall be the order of priority for purposes of allocating the assets of the Plan as of the date of repeal of this Plan, or if contributions to the Plan are discontinued with the date of such discontinuation being determined by the Employer.

**(1)** Apportionment shall first be made in respect of each retired Participant receiving a retirement or disability benefit hereunder on such date, each person receiving a benefit on such date on account of a retired or disabled (but since deceased) Participant, and each Participant who has, by such date, become eligible

for normal retirement but has not yet retired, an amount which is the actuarial equivalent of such benefit, based upon the actuarial assumptions in use for purposes of the most recent actuarial valuation, provided that, if such asset value be less than the aggregate of such amounts, such amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such asset value.

**(2)** If there be any asset value remaining after the apportionment under paragraph 1, apportionment shall next be made in respect of each Participant in the service of the Employer on such date who has completed at least ten (10) Years of Credited Service and who is not entitled to an apportionment under paragraph 1, in the amount required to provide the Actuarial Equivalent, as described in paragraph 1 above, of the accrued Normal Retirement Benefit, based on the Credited Service and Salary as of such date, and each vested former Participant then entitled to a deferred benefit who has not, by such date, begun receiving benefit payments, in the amount required to provide said Actuarial Equivalent of the accrued Normal Retirement Benefit, provided that, if such remaining asset value is less than the aggregate of the amounts apportioned hereunder, such latter amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such remaining asset value.

**(3)** If there be any asset value after the apportionments under paragraph 1 and 2 above, apportionment shall be made in respect of each Participant in the service of the Employer on such date who is not entitled to an apportionment under paragraphs 1 and 2 above in the amount equal to Participant's Accumulated Contributions, provided that, if such remaining asset value be less than the aggregate of the amounts apportioned hereunder, such latter amount shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such remaining asset value.

**(4)** If there be any asset value remaining after the apportionments under paragraphs 1, 2, and 3 above, apportionment shall lastly be made in respect of each participant included in paragraph 3 above to the extent of the Actuarial Equivalent,

as described in paragraph 1 above, of the accrued Normal Retirement Benefit, less the amount apportioned in paragraph 3 above, based on the Credited Service and Average Final Compensation as of such date, provided that, if such remaining asset value be less than the aggregate of the amounts apportioned hereunder, such amounts shall be reduced so that the aggregate of such reduced amounts will be equal to such remaining asset value.

**(5)** In the event that there be asset value remaining after the full apportionment specified in paragraphs 1, 2, 3, and 4 above, such excess shall be returned to the Employer, less return of the State's contributions to the State if applicable, provided that, if the excess is less than the total contributions made by the Employer and the State to the date of termination such excess shall be divided proportionately to the total contributions made by the Employer and the State.

The allocation of the Fund provided for in this subsection may, as decided by the Board and the Employer be carried out through the purchase of insurance company contracts to provide the benefits determined in accordance with this subsection. The Fund may be distributed in one sum to the persons entitled to said benefits or the distribution may be carried out in such other equitable manner as the Board and the Employer may direct. The Trust may be continued in existence for purposes of subsequent distributions.

**(6)** After all the vested and accrued benefits provided hereunder have been paid and after all other liabilities have been satisfied, then and only then, shall any remaining funds be reverted to of the Employer.

**(D) Police Officers and Firefighters**

Benefits for Police Officers and Firefighters for plans participating in Chapters 175 or 185, Fl. Stat., shall be distributed in accordance with the following procedure:

(1) The Board shall determine the date of distribution and the asset value required to fund all the nonforfeitable benefits, after taking into account the expenses of such distribution. The Board shall inform the Employer if additional assets are required, in which event the Employer shall continue to financially support the plan until all nonforfeitable benefits have been funded.

(2) The Board shall determine the method of distribution of the asset value, that is, whether distribution shall be by payment in cash, by the maintenance of another or substituted trust fund, by the purchase of insured annuities, or otherwise, for each participant entitled to benefits under the plan as specified in paragraph (3).

(3) The Board shall distribute the asset value as of the date of termination in the manner set forth in this subsection, on the basis that the amount required to provide any given retirement income shall mean the actuarially computed single-sum value of such retirement income, except that if the method of distribution determined under paragraph (2) involves the purchase of an insured annuity, the amount required to provide the given retirement income shall mean the single premium payable for such annuity. The actuarial single-sum value may not be less than the employee's accumulated contributions to the plan, with interest if provided by the plan, less the value of any plan benefits previously paid to the employee.

(4) If in the event that there is asset value remaining after the full distribution as specified in paragraph (3), and after the payment of any expenses incurred with such distribution, such excess shall be returned to Employer, less return to the state of the state's contributions, provided that, if the excess is less than the total contributions made by the Employer and the state to date of termination of the plan, such excess shall be divided proportionately to the total contributions made by the Employer and the state.

## **ARTICLE 20**

### **EXEMPTION FROM EXECUTION, NON-ASSIGNABILITY**

The pensions, annuities, or any other benefits accrued or accruing to any person under the provisions of this Plan, the Accumulated Contributions and the assets in the Fund created under this Plan are exempt from any state, county or municipal tax of the state and shall not be subject to execution, attachment, garnishment or any legal process whatsoever and shall be unassignable.

## ARTICLE 21

### FORFEITURE OF PENSION: CONVICTION AND FORFEITURE

Any Participant who is convicted of the any of the following offenses committed prior to retirement, or whose employment is terminated by reason of his admitted commission, aid or abetment of the following specified offenses, shall forfeit all rights and benefits under this Plan, except for the return of his Accumulated Contributions as of the date of termination.

- (A) Specified offenses are as follows:
- (1) the committing, aiding or abetting of an embezzlement of public funds;
  - (2) the committing, aiding or abetting of any theft by a public officer or employee from the employer;
  - (3) bribery in connection with the employment of a public officer or employee;
  - (4) any felony specified in Chapter 838, Florida Statutes;
  - (5) the committing of an impeachable offense.
  - (6) the committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he acts or in which he is employed, of the right to receive the faithful performance of his duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his public office or employment position.
  - (7) the committing on or after October 1, 2008, of any felony defined in Section 800.04, Florida Statutes, against a victim younger than sixteen (16) years of age, or any felony defined in Chapter 794, Florida Statutes, against a victim younger than eighteen (18) years of age, by a public officer or employee through the use or attempted use of power, rights, privileges, duties, or position of his or her office or employment position.

**(B)** Conviction shall be defined as follows: An adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.

**(C)** Court shall be defined as follows: any state or federal court of competent jurisdiction, which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Participant whose benefits are being considered for forfeiture. Said Participant shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Participant shall be afforded a full opportunity to present his case against forfeiture.

**(D)** Any Participant who has received benefits from the Plan in excess of his Accumulated Contributions after Participant's rights were forfeited pursuant to this section shall be required to pay back to the Fund the amount of the benefits received in excess of his Accumulated Contributions. The Board may implement all legal action necessary to recover such funds.

**(E)** As provided in the Florida Statutes, it is unlawful for a person 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 Plan. A person who commits a crime is punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

**(F)** In addition to any applicable criminal penalty upon conviction for a violation described in subsection (E), a Participant or Beneficiary of the Plan may, in the discretion of the Board, be required to forfeit the right to receive any or all benefits to which the person would be otherwise be entitled under the Plan. For purposes of

this subsection (F) “conviction” means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.



## **ARTICLE 22**

### **PENSION VALIDITY**

The Board shall have the power to examine and investigate into the facts upon which any pension shall heretofore have been granted under any prior or existing law, or shall hereafter be granted or obtained erroneously, fraudulently or illegally for any reason. The Board is empowered to purge the pension rolls or correct the pension amount of any person heretofore granted a pension under prior or existing law or any person hereafter granted a pension under this Plan if the same is found to be erroneous, fraudulent or illegal for any reason, and to reclassify any person who has heretofore under any prior or existing law been or who shall hereafter under this Plan be erroneously, improperly or illegally classified. Any overpayments or under payments shall be corrected and paid or repaid in a reasonable manner determined by the Board.

**ARTICLE 23**  
**SIGNATORIES**

**This agreement is effective on the date specified in the Adoption Agreement.**

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**EMPLOYER**

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**AUTHORIZED SIGNATURE**

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**TITLE**

---

**DATE**

# **EXHIBIT A**

## **MASTER TRUST AGREEMENT (INCLUDING INVESTMENT POLICY)**

## **EXHIBIT B**

### **ACTUARIAL EQUIVALENT**

Actuarial Equivalent for benefit calculations under the Plan:

Actuarial Equivalent shall mean a benefit of equivalent current value to the benefit that would otherwise have been provided to the Participant. At the time of calculation of the actuarially equivalent benefit, the calculation shall not include possible future benefit increases which have not been adopted by the Employer and which are not in effect as of the calculation date. Actuarial equivalence will be based on an interest or discount rate and mortality table as set forth in this paragraph. The interest rate will be equal to the post-retirement rate of interest that was used to determine the minimum funding requirement pursuant to Chapter 112, Florida Statutes, for the plan year that precedes the plan year during which the benefit is being determined. The mortality table will be the unisex mortality table that is promulgated by the Commissioner from time to time for purposes of determining lump sum values pursuant to Code section 417(e)(3).

## **Retirement Plan & Trust for the City of North Miami Beach**

### **TRUST JOINDER AGREEMENT**

**THIS AGREEMENT, between the Board of Trustees of the Retirement Plan & Trust for the City of North Miami Beach (herein referred to as the Board of Trustees of the "Retirement System") and the Master Trustees of the Florida Municipal Pension Trust Fund (herein referred to as the "Master Trustee").**

#### **WITNESSETH**

**WHEREAS, the Board of Trustees of the Retirement System, is authorized to vary the investment procedures of said Retirement System, and thereby permit the assets of said Retirement System to be invested in accordance with the Master Trust Agreement and the investment policy of the Florida Municipal Pension Trust Fund (herein referred to as the "FMPTF"); and further is authorized to participate in the FMPTF in accordance with the procedures, policies and methods outlined in the FMPTF Master Trust Agreement; and**

**WHEREAS, the FMPTF, in accordance with its Master Trust Agreement, provides a wide array of administrative, custodial and investment services to its participating members; and**

**WHEREAS, it is the intent of the Board of Trustees of the Retirement System to avail itself of the services offered by the FMPTF; and**

**WHEREAS, the Board of Trustees of the Retirement System desires to submit this Agreement to the FMPTF to become a party to the FMPTF Master Trust Agreement.**

**NOW, THEREFORE, in consideration of the mutual covenants and agreements flowing to each of the parties hereto, it is agreed as follows:**

- 1. Both parties to the Agreement agree that the Retirement System is a participating member as provided in the FMPTF Master Trust Agreement.**
- 2. The Board of Trustees of the Retirement System shall cause the assets of the Retirement System to be deposited, and cause contributions to be made based on its plan benefit formula and the terms of its plan, into a depository designated by the FMPTF.**
- 3. The Board of Trustees of the Retirement System shall timely remit administrative fees as may be from time to time mutually agreed upon by the parties in writing and to a depository designated by the FMPTF.**
- 4. The Board of Trustees of the Retirement System agrees to provide all initial and updates of all relevant employee information, including but not limited to birth dates, years of service, covered compensation and appropriate addresses to the FMPTF Administrator designated by the Master Trustee. The Board of Trustees of the Retirement System shall certify said information to be correct to the best of their knowledge and the Master Trustee and FMPTF Administrator shall have the right to rely on the accuracy of said information in performing contractual responsibilities.**
- 5. The Board of Trustees of the Retirement System has a responsibility to provide to the FMPTF Administrator designated by the Master Trustee, in a timely manner, all information concerning employee termination (e.g., death, disability, retirement, resignation or dismissal). If the reason for termination is disability and the employee is claiming disability benefits, it shall be the sole responsibility of the Board of Trustees of the Retirement System to ascertain eligibility through procedures adopted by the Board of Trustees of the Retirement System. The Board of Trustees of the Retirement System shall certify said information to be correct to the best of their knowledge and the Master Trustee and the FMPTF Administrator shall have the right to rely on the accuracy of said information in performing contractual responsibilities.**

6. The FMPTF shall provide administrative, custodial and investment services to the Retirement System in accordance with the ordinance establishing said Retirement System and in accordance with the FMPTF Master Trust Agreement.

7. The FMPTF, in accordance with the policies and procedures established by the FMPTF Master Trustee and the FMPTF Master Trust Agreement, shall periodically report its activities to the Board of Trustees of the Retirement System on a timely basis.

8. The parties to this Agreement agree to abide by, and be bound by the terms, duties, rights and obligations set forth in the FMPTF Master Trust Agreement, as may be amended by the Master Trustee, which is attached hereto and is made a part of this Agreement.

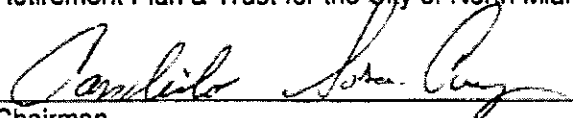
9. The Board of Trustees of the Retirement System elects to have the plan assets invested in accordance with the FMPTF investment policy with an equity to fixed income ratio of:

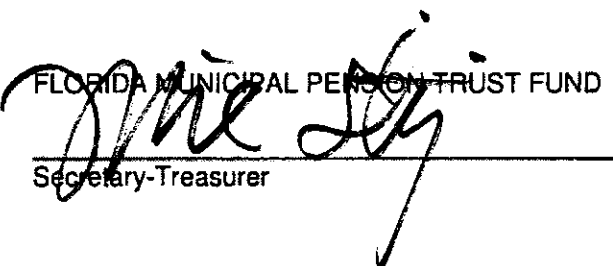
- 50% Equities/ 50% Fixed Income
- 60% Equities/ 40% Fixed Income
- 70% Equities/ 30% Fixed Income Beginning 4/1/2017

10. The Board of Trustees of the Retirement System may terminate this Agreement by giving at least sixty (90) days notice in writing to FMPTF. FMPTF may terminate this Agreement by giving at least ninety (90) days notice in writing to the Board of Trustees of the Retirement System. Any termination shall be governed by the provisions of the FMPTF Master Trust Agreement and the plan document for the Retirement System.

IN WITNESS WHEREOF, the Board of Trustees of the Retirement System and the FMPTF have caused this Agreement to be executed and the signatures of their respective authorized officers to be affixed this 20th day of March, 2017.

BOARD OF TRUSTEES  
Retirement Plan & Trust for the City of North Miami Beach

  
Chairman

FLORIDA MUNICIPAL PENSION TRUST FUND  
  
Secretary-Treasurer

FLORIDA MUNICIPAL PENSION TRUST FUND  
MASTER TRUST AGREEMENT

*As Amended and Restated November 29, 2018*

THIS AGREEMENT made effective as of *November 29, 2018*, amends and restates the Agreement dated as of December 16, 1983, and as previously amended and restated as of June 1, 2006 ("Agreement"), by and between all of the parties who are now or may hereafter become Participating Employers in the Florida Municipal Pension Trust Fund and the individuals named as Master Trustees pursuant to Section 109 hereof and their successors (such individuals collectively referred to as the "Master Trustees").

WITNESSETH:

WHEREAS, the Florida Constitution, Article VIII, Section 2(b), provides, in part, that municipalities shall have governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions and render municipal services, and may exercise any power for municipal purposes except as otherwise provided by law, and

WHEREAS, Section 166.021, Florida Statutes, provides, in part, that municipalities shall have the governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when expressly prohibited by law, and further defines a municipal purpose to mean any activity or power which may be exercised by the State or its political subdivisions, and

WHEREAS, in Greene v. Gray, 87 So.2d 504 (Fla. 1956), the Florida Supreme Court held public pension plans serve a public purpose, and

WHEREAS, Section 163.01, Florida Statutes, provides that a public agency of the State may exercise jointly with any other public agency of the State any power, privilege or authority which such agencies share in common, for the purpose of permitting local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage, and

WHEREAS, the initial Master Trustees established the Master Trust Fund for the purpose of receiving, holding, investing, reinvesting, managing, administering and distributing the assets of employee benefit plans maintained by Participating Employers for the exclusive benefit of eligible employees and their beneficiaries, including, without limitation, contributions by Participating Employers to such plans, and

WHEREAS, the Participating Employers with a defined benefit pension plan or plans will execute a covenant or agreement whereby each Participating Employer will covenant and agree that they will deposit their required plan contributions in the Master Trust Fund, based upon appropriate actuarial analysis of benefits or applicable agreement, and out of which lawful and proper claims are to be paid, that there will be no disbursements out of the Master Trust Fund by

way of dividends or distribution of accumulated reserves to the respective Participating Employers, and that they will make expense payments as required for plan design and administration, and

WHEREAS, the Participating Employers with a defined contribution pension plan or plans or with a deferred compensation plan or plans will execute a covenant or agreement to participate in the Master Trust Fund in accordance with the terms of this Agreement, and

WHEREAS, the Participating Employers with a post-employment benefit plan or plans other than a pension plan or plans will execute a covenant or agreement that they will deposit their contributions in the Master Trust Fund, based upon appropriate actuarial analysis of benefits or applicable agreement, and out of which lawful and proper claims are to be paid, that they will covenant and agree that there will be no disbursements out of the Master Trust Fund by way of dividends or distribution of accumulated reserves to the respective Participating Employers, and that they will make expense payments as required for plan design and administration.

NOW, THEREFORE, the parties hereto mutual agree as follows:

### PART 1- GENERAL PROVISIONS

#### Section 100. APPLICATION.

The provisions of Part I are general administrative provisions applicable to each Part of this Agreement.

#### Section 101. DEFINITIONS.

The following definitions shall apply to each Part of this Agreement, unless the context of the term indicates otherwise, and shall govern the interpretation of this Agreement:

A. Administrator. The term "Administrator" shall mean the Florida League of Cities, Inc. or any successor designated by the Master Trustees to administer the Master Trust Fund and the Plans.

B. Beneficiary. The term "Beneficiary" shall mean a person designated by a Participating Employee to be entitled to a Benefit in case of death of the Participating Employee in accordance with the terms of the applicable Plan.

C. Benefits. The term "Benefits" shall mean any and all benefits provided for Participating Employees and their Beneficiaries payable from the assets of the Master Trust Fund or the assets of a Plan, or the policies of insurance providing for such payments, or both, upon certification by the Participating Employer of eligibility for such benefits.

D. Custodian. The term "Custodian" shall mean the banks, mutual funds, insurance companies or other qualified entities selected by the Master Trustees, under a separate written document with each, to hold the assets of the Master Trust Fund or the assets of any Plan.



E. Deferred Compensation Plan Trust. The term "Deferred Compensation Plan Trust" shall mean the trust created herein that holds the assets of the participating deferred compensation plans.

F. Defined Benefit Pension Plan Trust. The term "Defined Benefit Pension Plan Trust" shall mean the trust created herein that holds the assets of the participating defined benefit pension plans.

G. Defined Contribution Pension Plan Trust. The term "Defined Contribution Pension Plan Trust" shall mean the trust created herein that holds the assets of the participating defined contribution pension plans.

H. Employee. The term "Employee" shall mean the employees and officials of each Employer under a classification established by each Employer and accepted by the Master Trustees.

I. Employer. The term "Employer" shall mean every municipality established within, or public agency or political subdivision of, the State of Florida or, where appropriate, the local board of trustees established pursuant to applicable law.

J. Investment Policy. The term "Investment Policy" shall mean the Florida Municipal Pension Trust Fund Investment Policy, as amended.

K. IRC. The term "IRC" shall mean the Internal Revenue Code of 1986, as amended, and, as relevant in context, the Internal Revenue Code of 1954, as amended.

L. Master Trust Fund. The term "Master Trust Fund" shall mean the Florida Municipal Pension Trust Fund, comprised of all of the assets of the Defined Benefit Pension Plan Trust, Defined Contribution Pension Plan Trust, Deferred Compensation Plan Trust and Other Post-Employment Benefit Plan Trust, which shall include all assets of the Plans.

M. Master Trustees. The term "Master Trustees" shall mean the individuals who serve as trustees of the Master Trust Fund pursuant to Section 109 hereof and their successors.

N. Open Architecture Investment. The term "Open Architecture Investment" shall mean a Participating Employer that has been acknowledged through the Trust Joinder Agreement to select and oversee the investment options under and for the FMPTF 401(a) Defined Contribution Retirement plan and/or FMPTF 457(b) Deferred Compensation plan, rather than using the investment options selected by the Master Trustees. Under Open Architecture Investment, the Master Trustees and Plan Administrator are responsible for only the administrative services provided to the Defined Contribution Retirement plan and/or the Deferred Compensation plan.

O. Other Post-Employment Benefit Plan Trust. The term "Other Post-Employment Benefit Plan Trust" shall mean the trust created herein that holds the assets of the participating post-employment benefit plans other than pension plans.

P. Participating Employee. The term "Participating Employee" shall mean any eligible Employee of a Participating Employer.

Q. Participating Employer. The term "Participating Employer" shall mean an Employer which becomes a party to this Agreement by executing a Trust Joinder Agreement as provided in Section 102 hereof.

R. Plans. The term "Plans" shall mean the defined benefit pension plan or plans, the defined contribution pension plan or plans, the deferred compensation plan or plans and the post-employment benefit plan or plans other than pension plans, which are maintained by Participating Employers pursuant to any applicable statute, regulation, ordinance, resolution, plan, program, policy, agreement, understanding or other arrangement for the benefit of eligible employees and their beneficiaries.

S. State. The term "State" shall mean the State of Florida.

#### Section 102. PARTICIPATING EMPLOYERS.

A. Approval. The Master Trustees shall be the sole judge of whether an Employer is eligible to become a Participating Employer. The Master Trustees may delegate the ministerial authority for membership approval to the Administrator.

B. Trust Joinder Agreement. Each Employer makes its election to become a Participating Employer by executing a Trust Joinder Agreement in such form and intent as provided by the Master Trustees. By executing the Trust Joinder Agreement, the Employer agrees to be bound by all the terms and provisions of this Agreement, the Trust Joinder Agreement and all rules and regulations adopted by the Master Trustees under this Agreement.

C. Continuing as a Participating Employer. A Participating Employer shall be entitled to continue to be a Participating Employer as determined from time to time by the Master Trustees.

#### Section 103. MANAGEMENT OF ASSETS OF THE MASTER TRUST FUND.

A. Authority of Master Trustees. Except as set forth in subsections B, C, D, E, or H of this Section, and except as otherwise provided by law, the Master Trustees shall have exclusive authority and discretion to manage and control the assets of the Master Trust Fund held by them pursuant to the guidelines established by the Master Trustees in the Investment Policy.

B. Investment Managers. The Master Trustees, from time to time, may appoint one (1) or more independent Investment Managers ("Investment Manager"), pursuant to a written investment management agreement with each, describing the powers and duties of the Investment Manager to invest and manage all or a portion of the Master Trust Fund. The Investment Manager shall have the power to direct the management, acquisition or disposition of that portion of the Master Trust Fund for which the Investment Manager is responsible.

The Master Trustees shall be responsible for ascertaining that each Investment Manager, while acting in that capacity, satisfies the following requirements:

1. The Investment Manager is either (i) registered as an investment adviser under the Investment Advisers Act of 1940, as amended; (ii) a bank as defined in that Act; (iii) an insurance company qualified to perform the services described herein under the

laws of more than one state; or (iv) a pooled investment program for governmental entities created pursuant to Section 163.01, Florida Statutes; and

2. The Investment Manager has acknowledged in writing to the Master Trustees that it is a fiduciary with respect to the Plan or Plans with assets in the portion of the Master Trust Fund for which the Investment Manger has responsibility for management, acquisition or disposition.

C. Investment Manager Duties. Subject to the approval of the Master Trustees, each Investment Manager shall establish and carry out an investment policy and method for the portion of the Master Trust Fund for which it is responsible that is consistent with the objectives of the Investment Policy and the particular Plan or Plans with assets in the portion of the Master Trust Fund for which the Investment Manager has responsibility for management, acquisition or disposition. At least annually, the Investment Manager shall review its investment policy and method with the Master Trustees. The Investment Manager shall also make investments in a manner that is consistent with applicable law, and, as advised by the Administrator, the cash requirements of the Plans.

Each Investment Manager shall no less than annually or at the request of the Master Trustees certify the value of any securities or other property of the Master Trust Fund managed by such Investment Manager. The Master Trustees shall be entitled to rely conclusively upon such valuation for all purposes under the trust for the Plans.

D. Absence of Master Trustees' Responsibility for Investment Manager. The Master Trustees shall not be liable for any act or omission of any Investment Manager and shall not be under any obligation to invest or otherwise manage the assets of the Master Trust Fund or of the Plans that are subject to the management of any Investment Manager. Without limiting the generality of the foregoing, the Master Trustees shall not be liable by reason of their taking or refraining from taking at the direction of any Investment Manager any action pursuant to this Section, or pursuant to a notification of an order to purchase or sell securities issued by any Investment Manager, nor shall the Master Trustees be liable by reason of their refraining from taking any action because of the failure of any Investment Manager to give such direction or order; the Master Trustees shall be under no duty to question or to make inquiries as to any direction or order or failure to give any direction or order by any Investment Manager; the Master Trustees shall be under no duty to make any review of an investment acquired for any investment fund at the direction or order of any Investment Manager; and the Master Trustees shall be under no duty at any time to make any recommendation with respect to disposing of or continuing to retain any such investment.

E. Investment of Chapters 175 and 185 Funds. To the extent the Master Trustees determine that delegation of investment authority to Participating Employers with a defined benefit plan or plans is required pursuant to Chapters 175 or 185, Florida Statutes, then such powers as set forth in paragraph A of this Section shall be so delegated.

F. Reporting. The Master Trustees shall be responsible for and shall cause to be filed such annual or periodic audits, valuations, reports and disclosures as are required by law or agreements.

The Master Trustees may employ professional advisors to prepare such audits, valuations, reports and disclosures and the cost of such professional advisors shall be borne by the Master Trust Fund.

G. Commingling Assets. Except to the extent prohibited by applicable law, the Master Trustees may commingle the assets of all Participating Employers and Participating Employees held by the Master Trustees under this Agreement for investment purposes in the Master Trust Fund and shall hold the Master Trust Fund in trust and manage and administer the same in accordance with the terms and provisions of this Agreement and the Plans. However, the assets of Participating Employers and Participating Employees in the various trusts included in the Master Trust Fund shall be accounted for separately. The Master Trustees and the Administrator shall be under no duty to determine whether the amount of any contribution is in accordance with the Plans, or to collect or enforce payment of any contribution. Separate investment funds within the Master Trust Fund and varying percentages of investment in any such separate investment fund by the Participating Employers and Participating Employees, to the extent so determined by the Master Trustees, are expressly permitted.

H. Open Architecture Investment. Notwithstanding any provisions of this Agreement to the contrary, a Participating Employer that has been acknowledged through the Trust Joinder Agreement may elect Open Architecture Investment. If a Participating Employer selects Open Architecture Investment, the Participating Employer will be responsible for selecting and overseeing Plan investment option(s), including default option(s), rather than using the investment options selected by the Master Trustees. Notwithstanding any provisions of this Agreement to the contrary, a Participating Employer acknowledges by the selection of Open Architecture Investment that neither the Plan Administrator nor the Master Trustees have any responsibility for and shall not have any liability relating to the selection or oversight of Plan investment options. The Master Trustees shall have no fiduciary duty or any liability for an investment option or any loss sustained by a Participating Employer, Participating Employee, Beneficiary, or Alternate Payee whose Account in whole or in part is invested through Open Architecture Investment.

#### Section 104. ADMINISTRATIVE POWERS AND DUTIES.

A. Administrator. The Administrator shall serve as Secretary-Treasurer of the Master Trust Fund and shall have the power and authority to implement policy matters set by the Master Trustees as they relate to the on-going operation and supervision of the Master Trust Fund and the provisions of this Agreement and applicable law.

B. Master Trustees. The Master Trustees shall have and in their sole and absolute discretion may exercise from time to time and at any time, either through their own actions or through a Custodian selected by the Master Trustees, the following administrative powers and authority with respect to the Master Trust Fund.

1. To continue to hold any property of the Master Trust Fund that becomes otherwise unsuitable for investment for as long as the Master Trustees in their discretion deem desirable; to reserve from investment and keep unproductive of income, without liability for interest, cash temporarily awaiting investment and such cash as they deem

advisable, or as the Administrator from time to time may specify, in order to meet the administrative expenses of the Master Trust Fund or anticipated distributions therefrom.

2. To hold property of the Master Trust Fund in their own names or in the name of a nominee or nominees, without disclosure of the trust, or in bearer form so that it will pass by delivery, but no such holding shall relieve the Master Trustees of their responsibility for the safe custody and disposition of the Master Trust Fund in accordance with the provisions of this Agreement; the books and records of the Master Trustees shall show at all times that such property is part of the Master Trust Fund and the Master Trustees shall be absolutely liable for any loss occasioned by the acts of their nominee or nominees with respect to securities registered in the name of the nominee or nominees.

3. To organize and incorporate under the laws of any state they may deem advisable one or more corporations (and to acquire an interest in any such corporation that they may have organized and incorporated) for the purpose of acquiring and holding title to any property, interests or rights that the Master Trustees are authorized to acquire under Section 103 hereof.

4. To employ in the management of the Master Trust Fund suitable agents, without liability for any loss occasioned by any such agents selected with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

5. To make, execute and deliver, as trustee, any deeds, conveyances, leases, mortgages, contracts, waivers or other instruments in writing that they may deem necessary or desirable in the exercise of its powers under this Agreement.

6. To do all other acts that they may deem necessary or proper to carry out any of the powers set forth in Section 103 or 106 or this Section, to administer or carry out the purposes of the Master Trust Fund or any Plan, or as otherwise is in the best interests of the Master Trust Fund or any Plan; provided, however, the Master Trustees need not take any action unless in their opinion there are sufficient Master Trust Fund assets available for the expense thereof.

7. To adopt bylaws governing the Master Trustees' operations and procedures.

8. To contract with municipal corporations, political subdivisions and other public entities of State or of local government and private entities for the provision of Plan services and for the use or furnishing of services and facilities necessary, useful, or incident to providing Plan services.

9. To contract with public or private entities for the provision of administrative services.

10. To adopt plans, trust agreements, investment guidelines and other documents necessary or desirable for the Plans.

11. To charge fees for administrative services in addition to any fees charged by other administrative service providers.

12. To collect and disburse all funds due or payable from the Master Trust Fund, under the terms of the Plans.

13. To provide for and promulgate all rules, regulations, and forms deemed necessary or desirable in contracting with Participating Employers and Participating Employees, in fulfilling the Master Trustees' purposes of providing benefits through the Master Trust Fund and Plans, and in maintaining proper records and accounts.

14. To employ insurance companies, banks, trust companies, investment brokers, investment advisors, or others as agents for the receipt and disbursement of funds held in trust for Participating Employers and Participating Employees in the Plans.

15. To participate in a tax-exempt group trust that has been determined by the Internal Revenue Service to be a pooled fund arrangement pursuant to Revenue Ruling 81-100.

16. To determine, consistent with the applicable law and the claims procedure under the Plans, all questions of law or fact that may arise as to investments and the rights of any person claiming rights under the Plans, including without limitation, Participating Employees, former Participating Employees, and Beneficiaries.

17. Subject to and consistent with the IRC, to construe and interpret the Master Trust Agreement and to correct any defect, supply any omissions, or reconcile any inconsistency in the Agreement.

18. To contract for, purchase or otherwise procure insurance and investment products.

19. To register any Master Trust Fund asset in the name of the Master Trust Fund or in the name of its agent or nominee or to hold any instrument in bearer form (but the books and records of the Plans shall at all times show that such investments are part of the Master Trust Fund).

#### Section 105. TAXES, EXPENSES AND COMPENSATION OF MASTER TRUSTEES.

A. Taxes. The Master Trustees, without direction from the Administrator, shall pay out of the Master Trust Fund all taxes imposed or levied with respect to the Master Trust Fund, or any part thereof, under applicable law, and, in their discretion, may contest the validity or amount of any tax, assessment, claim or demand respecting the Master Trust Fund or any part thereof.

B. Expenses and Compensation. The Master Trustees are authorized to set aside from Participating Employer and Participating Employee contributions received and the investment income earned thereon a reasonable sum for the operating expenses and administrative expenses of the Master Trust Fund and the Plans. All remaining funds coming into the Master Trustees shall be set aside, managed and used only for the payment of Benefits as set forth in the applicable Plan.

The Master Trustees may establish from time to time a reasonable amount of compensation to cover attendance at meetings by the Master Trustees and the Administrator in the performance of the normal duties of the Master Trustees or Administrator, which compensation may include reimbursement for necessary expenses incurred therein.

C. Payment of Expenses. The Master Trustees may use and apply assets in the Defined Benefit Pension Plan Trust, Deferred Compensation Plan Trust, Defined Contribution Pension Plan Trust and Other Post-Employment Benefit Plan Trust as part of and in the Master Trust Fund to pay or provide for the payment of all reasonable and necessary expenses which may be incurred in connection with the establishment and maintenance of the Defined Benefit Pension Plan Trust, Deferred Compensation Plan Trust, Defined Contribution Pension Plan Trust and Other Post-Employment Benefit Plan Trust, including but not limited to, the employment of such administrative, legal, accounting, and other expert and clerical assistance, the leasing of such premises and the purchase or lease of such materials, supplies and equipment as the Master Trustees, in their discretion, may deem necessary or appropriate in the performance of their duties, or the duties of the agents or employees of the Master Trust Fund or the Master Trustees.

Section 106: GENERAL DUTIES AND MEETINGS OF THE MASTER TRUSTEES.

A. General Duties. The Master Trustees and each Investment Manager appointed pursuant to this Agreement shall discharge their respective duties under this Agreement solely in the interest of the Participating Employers and Participating Employees in the Plans and their Beneficiaries and: (i) for the exclusive purpose of providing Benefits to such Participating Employees and their Beneficiaries and defraying reasonable expenses of administering the Plans; (ii) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims; and (iii) by diversifying the investments of the Plans so as to minimize the risk of large losses, unless, under the circumstances, it is clearly prudent not to do so. However, the duties and obligations of the Master Trustees and each Investment Manager, respectively, as such, shall be limited to those expressly imposed upon them, respectively, by this Agreement notwithstanding any reference herein to the Plans.

1. Authority of the Master Trustees. The Master Trustees shall have the power and authority and shall be charged with the duty of general supervision and operation of the Master Trust Fund, and shall conduct the business and activities of the Master Trust Fund in accordance with this Agreement and applicable law. The Master Trustees shall not exercise any powers in a manner that is inconsistent with this Agreement.

2. Approval of New Members. The Master Trustees or other designee shall receive applications from Employers for membership in the Master Trust Fund and shall approve or disapprove such applications for membership in accordance with the terms of this Agreement, the Trust Joinder Agreement and the rules and regulations established by the Master Trustees for admission of new members to the Master Trust Fund. The Master Trustees shall have total discretion in determining whether to accept a new member. The Master Trustees may delegate the authority for membership approval to the Administrator or its designees. In the event that the Plan proposed by the applicant is a defined benefit plan, then, if required by the Plan and before the applicant is approved for membership, the

Plan must be approved for actuarial soundness by the Administrator and must comply with Chapter 112, Florida Statutes.

3. Master Trustees' Liabilities. No Master Trustee shall be liable for any action taken pursuant to this Agreement in good faith or for an omission except bad faith or gross negligence, or for any act of omission or commission by any other Master Trustee. The Master Trustees are hereby authorized and empowered to obtain, at the expense of the Master Trust Fund, liability insurance fully protecting the respective Master Trustees, the Administrator, and the Master Trust Fund from any loss or expense incurred, including reasonable attorney's fees, for all acts of the Master Trustees except bad faith or gross negligence. The Master Trust Fund hereby agrees to save, hold harmless and indemnify the Master Trustees and Administrator from any loss, damage or expense incurred by said persons or entities while acting in their official capacity excepting bad faith or gross negligence.

4. Standard of Review. In evaluating performance of the Master Trustees, compliance by the Master Trustees with this Agreement must be determined in light of the facts and circumstances existing at the time of the Master Trustees' decision or action and not by hindsight.

5. Limitations on Liabilities. The Master Trustees' responsibilities and liabilities shall be subject to the following limitations:

(a) The Master Trustees shall have no duties other than those expressly set forth in this Agreement or the Plans and those imposed on the Master Trustees by applicable laws.

(b) The Master Trustees shall be responsible only for money and property actually received by the Master Trustees, and then to the extent described in this Agreement. The Master Trustees shall not be under any duty to require payment of any contribution to the Master Trust Fund or to see that any payment made to them is computed in accordance with the provisions of the Plans.

(c) The Master Trustees shall not be responsible for the correctness of any determination of payments or disbursements from the Master Trust Fund.

(d) The Master Trustees shall have no liability for the acts or omissions of any predecessor or successor in office.

(e) The Master Trustees shall have no liability for (i) the acts or omissions of any Investment Manager or Managers; (ii) the acts or omissions of any insurance company; (iii) the acts or omissions of any mutual fund; or (iv) following directions that are given to the Master Trustees by the Participating Employer, Participating Employees or the Administrator in accordance with this Agreement or the Plans.

(f) The Master Trustees shall have no liability for an investment option or any loss sustained by a Participating Employer, Participating Employee,



Beneficiary, or Alternate Payee whose Account in whole or in part is invested through Open Architecture Investment.

B. Reliance on Counsel. The Master Trustees may employ, retain or consult with legal counsel, who may be counsel for the Administrator, the Florida League of Cities, Inc., any of the Plans or any Master Trustee, in their individual capacities concerning any questions which may arise with reference to the duties and powers or with reference to any other matter pertaining to this Agreement; and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Master Trustees in good faith in accordance with the opinion of such counsel, and the Master Trustees shall not be liable therefor.

C. Meetings. The Master Trustees shall meet at least semi-annually, and more frequently if called, at the principal office of the Master Trust Fund or at such other location as may be acceptable to a majority of the Master Trustees. The Chairman of the Master Trustees or his designee shall set the date, time and location of each meeting, and notice shall be furnished to each Master Trustee by the Administrator not less than ten (10) days prior to the date of the meeting and may specify the purpose and any action proposed to be taken at the meeting. Furthermore, such notice shall be directed to the Master Trustees by mail to the respective addresses of the Master Trustees as recorded in the office of the Master Trust Fund. The Chairman or any two (2) other Master Trustees may direct the Administrator to send the prerequisite notice for any special meeting of the Master Trustees.

For the purposes of a duly called meeting of the Master Trustees, a quorum shall exist if a majority of the Master Trustees are present.

The Administrator or its designee shall keep minutes of all meetings, proceedings and acts of the Master Trustees, but such minutes need not be verbatim. Copies of all minutes of the Master Trustees shall be sent by the Administrator or its designee to the Master Trustees.

All actions by, and decisions of, the Master Trustees shall be by vote of a majority of the Master Trustees attending a duly called regular or special meeting of the Master Trustees at which a quorum is present.

D. Office of the Master Trust Fund. The Master Trustees shall establish, maintain and provide adequate funding for an office for the administration of the Master Trust Fund. The address of such office is to be made known to the parties interested in or participating in the Master Trust Fund and to the appropriate governmental agencies. The books and records pertaining to the Master Trust Fund and its administration shall be kept and maintained at the office of the Master Trust Fund.

E. Execution of Documents. A certificate signed by the Chairman of the Master Trustees, or such other person as may be designated by the Master Trustees, shall be evidence of the action of the Master Trustees, and any such certificate or other instrument so signed shall be kept and maintained at the office of the Master Trust Fund and may be relied upon as an action of the Master Trustees.

F. Appointment of Administrator. The Master Trustees shall designate and provide compensation for an Administrator to administer the affairs of the Master Trust Fund. An

Administrator so appointed shall furnish a fidelity bond with the Master Trustees as obligee. The Master Trustees shall determine the amount of the fidelity bond and evidence of the bond shall be available to the appropriate governmental agencies.

G. Unclaimed Benefit Payments. If any check or share certificate in payment of a Benefit under this Agreement or any Plan, which has been mailed by regular United States first-class mail to the last address of the payee furnished to the Master Trustees or the Administrator, is returned unclaimed, the Master Trustees or the Administrator shall discontinue further payments to such payee until they receive further instructions, subject to any applicable unclaimed property act provisions. The Master Trustees or Administrator shall further take reasonable actions to locate such payees.

H. Duty to Furnish Information. Both the Administrator and the Master Trustees shall furnish to each other any document, report, return, statement or other information that the other reasonably deems necessary to perform duties imposed under this Agreement or otherwise imposed by law.

I. Authority of Individual Master Trustees. The Master Trustees may delegate a particular function, power or authority to an individual Master Trustee (the "Individual Master Trustee"). When such delegation occurs, no person dealing with the Individual Master Trustee shall be required to make inquiry as to the authority of the Individual Master Trustee to do any act hereunder. Any such person shall be entitled, conclusively, to assume that the Individual Master Trustee is properly authorized to do any act, which he/she purports to do hereunder, and any such person shall be under no liability to any person, whomsoever, for any act done hereunder pursuant to such written direction of the Individual Master Trustee. When such action is so authorized by an Individual Master Trustee, any such person may assume conclusively that the Individual Master Trustee has full power and authority to receive and give receipt for any money or property becoming due and payable to the Master Trustees, and no such person shall be bound to inquire as to the disposition or application of any money or property paid or delivered to the Individual Master Trustee, or paid or delivered in accordance with such written direction of the Individual Master Trustee.

J. Reliance on Communications. The Master Trustees may rely upon a certification of the Administrator with respect to any instruction, direction, or approval of the Administrator and may continue to rely upon such certification until a subsequent certification is filed with the Master Trustees. The Master Trustees shall have no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as fully authorized by the Administrator.

#### Section 107. ACCOUNTS.

The Master Trustees shall keep or cause to be kept at the expense of the Master Trust Fund accurate and detailed accounts of all their receipts, investments and disbursements under this Agreement and the Plans, with the Master Trustees accounting separately for each Investment Manager's portion of the Master Trust Fund.

#### Section 108. COMMUNICATIONS.

Until notice is given to the contrary, communication to the Master Trustees shall be sent to them at the Master Trust Fund's office at 301 South Bronough Street, Suite 300, Tallahassee, FL 32302 and communications to the Administrator shall be sent to 301 South Bronough Street, Suite 300, Tallahassee, FL 32302.

Section 109. APPOINTMENT, RESIGNATION OR REMOVAL OF MASTER TRUSTEES.

A. Master Trustees. The operation and administration of the Master Trust Fund shall be the full responsibility of the Master Trustees selected from the ranks of elected officials of municipal governments participating in the Plans.

B. Appointment of Master Trustees and Length of Appointment. The number of Master Trustees shall be five (5).

1. The first group of Master Trustees was selected by the President of the Florida League of Cities, Inc. or his designee in order to create an interim group of Master Trustees to establish the Plans. This interim group of Master Trustees served until successor Master Trustees were elected. The first group of Master Trustees was composed of five (5) Master Trustees. The initial terms of the Master Trustees was as follows: two (2) individual Master Trustees selected for a one- (1-)year term and three (3) individual Master Trustees selected for a two- (2-)year term. The terms thereafter shall be for three (3) years.

2. Beginning in January, 1986 the Master Trustees shall solicit nominations from the Participating Employers for Master Trustee and such nominees shall constitute the basis for the election of Master Trustees by the majority vote of the Master Trustees then in office. The Master Trustees may be re-elected but no Master Trustee shall serve more than two (2) consecutive three- (3-) year terms. In the event a Master Trustee is elected to fill an unexpired term, the unexpired term shall not be included in the two- (2-) term limitation provided herein. Replacement Master Trustees shall be elected from nominations provided by Participating Employers and vacancies shall be filled by the majority vote of the Master Trustees then in office from the nominees offered by such Participating Employers.

3. No individual Master Trustee may be elected or continue to serve as a Master Trustee after becoming an owner, officer or employee of the Administrator or a Custodian.

4. Each Master Trustee and each successor Master Trustee shall acknowledge and consent to his election as a Master Trustee by giving written notice of acceptance of such election to the Chairman of the Master Trustees.

C. Resignation of a Master Trustee.

1. A Master Trustee may resign from all duties and responsibilities under this Agreement by giving not less than sixty (60) days prior written notice sent by registered mail to the Chairman of the Master Trustees. Such notice shall state the date such

resignation shall take effect and such resignation shall take effect on such date unless a successor Master Trustee shall have been elected at an earlier date by the Master Trustees in which event such resignation shall take effect immediately upon the election of the successor Master Trustee.

2. Any Master Trustee, upon leaving office, shall forthwith turn over and deliver to the Chairman of the Master Trustees at the principal office of the Master Trust Fund any and all records, books, documents or other property in his or her possession or under his or her control which belongs to the Master Trust Fund.

D. Removal of a Master Trustee. Each Master Trustee, unless due to the resignation, death, incapacity, or refusal to act, shall serve and shall continue to serve subject to the provisions of this Agreement.

A Master Trustee shall relinquish his or her office or may be removed by a majority vote of the Master Trustees ipso facto when he or she no longer serves in an official capacity with the Participating Employer by which he or she was nominated or when the Employer is no longer a Participating Employer in the Master Trust Fund. Notice of removal of a Master Trustee shall be furnished to the other Master Trustees by the Chairman of the Master Trustees and shall set forth the effective date of such removal.

E. Appointment of a Successor Master Trustee. In the event a Master Trustee shall die, resign, become incapacitated, or refuse to act, a successor Master Trustee shall be elected forthwith by the Master Trustees. The notice of the election of a successor Master Trustee shall be furnished to the other Master Trustees by the Chairman of the Master Trustees, and shall be accompanied by the acceptance of the successor Master Trustee.

F. Master Trustees Rights. In case of the death, resignation or refusal or inability to act of any one or more of the Master Trustees, the Master Trustees shall have the powers, rights, estates and interests of this Agreement as Master Trustees and shall be charged with the duties of this Agreement; provided in such cases, no action may be taken unless it is concurred in by a majority of the remaining Master Trustees.

G. Appointment of Chairman. The Master Trustees may appoint or remove a Chairman at any time who shall have such authority, duties and responsibilities as may be set forth in this Agreement from time to time and as provided under applicable law.

#### Section 110. AMENDMENT OR TERMINATION OF THIS AGREEMENT; TERMINATION OF PLANS.

A. Amendment. This Agreement and the trusts created hereby may be amended in writing at any time by the concurrence of a majority of the Master Trustees. No amendment to this Agreement, which directly affects the scope of powers of the Master Trustees, terms of office or the selection of Master Trustees shall become effective without the concurrence of the Board of Directors of the Florida League of Cities, Inc.

No change which specifically affects the exercise of powers by the Master Trustees or the fiduciary responsibilities of the Master Trustees to Participating Employers and Participating

Employees shall be required to be approved by the Board of Directors of the Florida League of Cities, Inc., nor shall this Section be construed to give the Board of Directors of the Florida League of Cities, Inc. the power to exercise any fiduciary responsibility of the Master Trustees or to interfere with the exercise of those responsibilities by the Master Trustees.

This Agreement may not be amended so as to change its purpose as set forth herein or to permit the diversion or application of any funds of the Master Trust Fund or of the Plans for any purpose other than those specified herein. The Master Trustees, upon adoption of an amendment to this Agreement, shall send a copy of any such amendment to the Participating Employers.

B. Termination. This Agreement and any trust created hereby may be terminated at any time by the Master Trustees with respect to an Employer when the Employer's participation in a participating Plan is terminated or when a Trust Joinder Agreement has been terminated. The Defined Contribution Pension Plan Trust may be terminated in its entirety when all of the participating defined contribution pension plans have been terminated in their entirety or have terminated their participation in the Defined Contribution Pension Plan Trust. The Deferred Compensation Plan Trust may be terminated in its entirety when all of the participating deferred compensation plans have been terminated in their entirety or have terminated their participation in the Deferred Compensation Plan Trust. The Other Post-Employment Benefit Plan Trust may be terminated in its entirety when all of the participating other post-employment benefit plans have been terminated in their entirety or have terminated their participation in the Other Post-Employment Benefit Plan Trust. The Defined Benefit Pension Plan Trust may be terminated in its entirety pursuant to Florida law. This Agreement and the Master Trust Fund may be terminated in their entirety pursuant to Florida law.

In case of a termination of this Agreement, either in whole or in part, the Master Trustees (subject to the provisions of Section 111 hereof and reserving respectively such sums as the Master Trustees shall deem necessary in settling their respective accounts and to discharge any obligation of the Master Trust Fund for which as trustees the Master Trustees shall be liable) shall hold, apply, transfer or distribute the affected assets of the Master Trust Fund in accordance with the applicable provisions of this Agreement and the affected Plans. Upon any termination, in whole or in part, of this Agreement and the trusts created hereby, the Master Trustees shall have a right to have their respective accounts settled as provided in Section 112.

In the case of the complete or partial termination of this Agreement as to one or more Employers, including a termination arising from the discontinuance or delinquency of contributions, the affected assets of the Master Trust Fund shall continue to be held pursuant to the direction of the Master Trustees, for the benefit of affected Participating Employees and Beneficiaries, pursuant to the benefit provisions of the affected Plan. This Agreement shall remain in full effect with respect to each Participating Employer that does not terminate its participation in the Master Trust Fund on behalf of its Participating Employees, or whose participation is not terminated by the Master Trustees. In the event of a complete termination of the Master Trust Fund, or of the complete termination of the Defined Contribution Pension Plan Trust, the Deferred Compensation Plan Trust, the Defined Benefit Pension Plan Trust or the Other Post-Employment Benefit Plan Trust, the Master Trustees will take reasonable steps to avoid a distribution to the Participating Employees and Beneficiaries, except pursuant to benefit options under the provisions of the participating Plans, including transfers to successor plan(s). However, if distributions must

be made, the Administrator shall be responsible for directing distribution of all affected assets of the Master Trust Fund to Participating Employees and Beneficiaries.

Distributions under a participating Plan of existing accounts or accrued benefits to the Participating Employees and Beneficiaries affected by the termination are subject to the benefit provisions of the Plan. However, if a Participating Employer requests a plan-to-plan transfer of Plan assets with respect to the Participating Employer's Participating Employees, the Master Trustees may in their discretion make the transfer.

Notwithstanding the foregoing, the Master Trustees shall not be required to pay out any assets of the Master Trust Fund to Participating Employees and Beneficiaries or a successor plan upon termination of this Agreement or the Master Trust Fund, in whole or in part, until the Master Trustees have received written certification from the Administrator (i) that all provisions of law with respect to such termination have been complied with, including the termination of a Plan; and (ii) after the Master Trustees have made a determination of the fair market value of the assets of a Plan, that the assets of the Plan are sufficient to discharge when due all obligations of the Plan required by law. The Master Trustees shall rely conclusively on such written certification and shall be under no obligation to investigate or otherwise determine its propriety.

When the assets of the Master Trust Fund affected by a termination have been applied, transferred or distributed and the accounts of the Master Trustees have been settled, then the Master Trustees shall be released and discharged from all further accountability or liability respecting the trust or trusts, or portions thereof, affected by the termination and shall not be responsible in any way for the further disposition of the assets of the trust or trusts, or portions thereof, affected by the termination or any part thereof so applied, transferred or distributed.

#### Section 111. PROHIBITION OF ASSIGNMENT OF INTEREST.

No interest, right or claim in or to any part of the Master Trust Fund or the funds of the Plans, or any payment therefrom shall be assignable, transferable or subject to sale, mortgage, pledge, hypothecation, commutation, anticipation, garnishment, attachment, execution or levy of any kind, and the Master Trustees shall not recognize any attempt to assign, transfer, sell, mortgage, pledge, hypothecate, commute or anticipate the same, except to the extent required by law.

#### Section 112. MISCELLANEOUS.

A. Titles. The titles to Parts and Sections of this Agreement are placed herein for convenience of reference only, and the Agreement is not to be construed by reference thereto.

B. Professional Administrator. The Administrator may delegate any of its obligations under this Agreement to a professional administrator.

C. Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of the Florida League of Cities, Inc., the Master Trustees, the Participating Employers and the Participating Employees.

D. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one instrument, which may be sufficiently evidenced by any counterpart. Any Participating Employer that formally applies for participation in this Agreement by executing a Trust Joinder Agreement and is accepted by the Master Trustees shall thereupon become a party to this Agreement and be bound by all of the terms and conditions thereof, and said Trust Joinder Agreement shall constitute a counterpart of this Agreement.

E. Jurisdiction. This Agreement shall be interpreted, construed and enforced, and the trust or trusts created hereby shall be administered, in accordance with the laws of the United States and of the State of Florida.

F. Situs of the Trust. The situs of the trust or trusts created hereby is the State of Florida. All questions pertaining to its validity, construction, and administration shall be determined in accordance with the laws of the State of Florida. Venue for any action regarding this Agreement is Leon County, Florida.

G. Construction. Whenever any words are used in this Agreement in the masculine gender, they shall be construed as though they were also used in the feminine or neuter gender in all situations where they would so apply and whenever any words are used in this Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply, and whenever any words are used in this Agreement in the plural form, they shall be construed as though they were also in the singular form in all situations where they would so apply.

H. Fiscal Year. The Master Trust Fund and all trusts created by it shall operate on a fiscal year from 12:01 a.m. October 1<sup>st</sup> to midnight of the last day in September in the following year or as otherwise provided by the participating Plan. Application for participation in this Agreement, when approved in writing by the Master Trustees or their designee, shall constitute a continuing contract for each succeeding fiscal year unless cancelled by the Master Trustees or unless the Participating Employer resigns or withdraws from this Agreement by written notice.

I. Parties Bound. This Agreement shall be binding upon the parties hereto, the Participating Employers and the Participating Employees in any Plan and persons claiming under or through them pursuant to any Plan, and, as the case may be, the heirs, executors, administrators, successors and assigns of each of them.

J. Necessary Parties to Disputes. Necessary parties to any accounting, litigation or other proceedings relating to this Agreement shall include only the Master Trustees and the Administrator. The settlement or judgment in any such case in which the Master Trustees are duly served or cited shall be binding upon all Participating Employers and Participating Employees in any Plan and their Beneficiaries and estates, and upon all persons claiming by, through or under them.

K. Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of the Agreement shall continue to be fully effective. If any provision of the Agreement is held to violate the IRC

or to be illegal or invalid for any other reason, that provision shall be deemed to be null and void, but the invalidation of that provision shall not otherwise affect any Plan or trust created by this Agreement.

## PART 2 - DEFINED BENEFIT PENSION PLAN TRUST

### Section 200. APPLICATION.

The provisions of Part 2 apply to the Defined Benefit Pension Plan Trust and the participating defined benefit pension plans of Participating Employers.

### Section 201. ESTABLISHMENT AND PURPOSE OF TRUST FOR DEFINED BENEFIT PENSION PLANS.

A. Establishment of Trust For Defined Benefit Pension Plans. The Participating Employers with a defined benefit pension plan or plans establish with the Master Trustees, and the Master Trustees hereby accept, a Defined Benefit Pension Plan Trust for the exclusive benefit of Participating Employees and Beneficiaries of Participating Employers consisting of such cash or other property acceptable to the Master Trustees as shall be transferred to the Master Trustees from time to time by the trustee of any Participating Employer with a defined benefit pension plan or plans, as provided in Section 202 hereof, for investment in the Master Trust Fund, together with the earnings, income, additions and appreciation thereon and thereto.

B. Purposes of Defined Benefit Pension Plan Trust. The Master Trustees may use and apply assets in the Defined Benefit Pension Plan Trust, as part of the Master Trust Fund, for the following purposes:

1. At no time prior to the satisfaction of all liabilities with respect to Participating Employees and their Beneficiaries shall any part of the corpus or income be used for, or diverted to, purposes other than the exclusive benefit of the Participating Employees and their Beneficiaries to distribute the corpus and income of the Defined Benefit Pension Plan Trust to the Participating Employees and their Beneficiaries in accordance with applicable law and the participating defined benefit pension plans.
2. To establish and accumulate as part of the Master Trust Fund an adequate reserve to carry out the purposes of the Defined Benefit Pension Plan Trust.
3. To pay any federal, state or local taxes or fees, which may be properly imposed on or levied against the Defined Benefit Pension Plan Trust or benefits paid therefrom.
4. If deemed appropriate and advisable, to pay premiums on separately administered life insurance coverage on the lives of Participating Employees of Participating Employers.

### Section 202. PARTICIPATING EMPLOYERS WITH A DEFINED BENEFIT PENSION PLAN OR PLANS.



A. Approval. Before the approval of the participation of any Employer that has a defined benefit pension plan not established as a Plan by the Master Trustees, such plan must be approved for actuarial soundness by an actuary selected by the Master Trustees or Administrator and such plan must comply with Chapter 112, Florida Statutes.

B. Accumulated Share. No Participating Employer shall have any right, title or interest in or to any specific assets of the Master Trust Fund, but shall have an undivided beneficial interest in the Master Trust Fund; however, there shall be a specific accounting of assets allocable to each Participating Employer and each participating Plan.

C. Contributions. The Administrator shall have the responsibility for accepting contributions by Participating Employers. The Administrator shall be under no duty to determine whether the amount of any contribution is in accordance with the Participating Employer's defined benefit pension plan or plans or to collect or enforce payment of any contribution. All contributions under the participating defined benefit pension plans shall be transferred to the Defined Benefit Pension Plan Trust to be held, managed, invested and distributed as part of the Defined Benefit Pension Plan Trust by the Master Trustees in accordance with the provisions of the Plans and applicable law. All benefits under the Plans shall be distributed solely from the Defined Benefit Pension Plan Trust and Participating Employers shall have no financial liability therefor other than the obligation to make contributions to the Defined Benefit Pension Plan Trust as provided in the Plans.

D. Chapter 175 or 185 Plans. The Master Trustees shall be authorized to take the steps they deem necessary or appropriate to comply with Chapters 175 and 185, Florida Statutes, with respect to any defined benefit pension plan of a Participating Employer established pursuant to such Chapters.

### PART 3 - DEFINED CONTRIBUTION PENSION PLAN TRUST

#### Section 300. APPLICATION.

The provisions of Part 3 apply to the Defined Contribution Pension Plan Trust and the participating defined contribution pension plans of the Participating Employers.

#### Section 301. ESTABLISHMENT AND PURPOSE OF TRUST FOR DEFINED CONTRIBUTION PENSION PLANS.

A. Establishment of Trust for Defined Contribution Pension Plans. The Master Trustees established the Defined Contribution Pension Plan Trust for the exclusive benefit of Participating Employees of Participating Employers with a defined contribution pension plan or plans. The authority to conduct the general investment operation and the general administration of the Defined Contribution Pension Plan Trust is vested in the Master Trustees. The Master Trustees may contract with the Administrator to perform delegated functions with respect to any participating defined contribution pension plan, and the Administrator may contract with third parties to provide administrative, investment and custodial services in relation to any participating defined contribution pension plan.

B. Purposes of Defined Contribution Pension Plan Trust. The Master Trustees shall maintain the Defined Contribution Pension Plan Trust for the exclusive benefit of the Participating Employees and their Beneficiaries. The Master Trustees intend to maintain sound prudent practices designed to provide easy and convenient access to information and transactions for Participating Employees, including transfers from one investment option to another at the Participating Employee's direction. The Master Trustees intend to maintain these practices at a reasonable cost to the Participating Employers and Participating Employees. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to preserve Participating Employees' rights to choose freely among a broad range of investment options and to self-direct investments for their Plan accounts. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to perform ongoing evaluations and reviews to ensure that the investment options offered remain diversified, competitive and attractive to Participating Employers and Participating Employees. It is the Master Trustees' intent that the Defined Contribution Pension Plan Trust be exempt under Sections 501(a) and 115 of the IRC.

Section 302. DEFINED CONTRIBUTION PENSION PLAN TRUST ADMINISTRATION.

A. Defined Contribution Pension Plan Trust Administration. The Master Trustees shall receive and accept for the purposes hereof all property paid to them by or at the direction of the Participating Employers and Participating Employees and shall hold, invest, reinvest, manage, administer and distribute property and the increments, proceeds, earnings and income thereof for the exclusive benefit of the Participating Employees and Beneficiaries under the participating defined contribution pension plans. All assets shall be held by the Master Trustees in the Defined Contribution Pension Plan Trust. The Master Trustees have authority to invest, in accordance with valid Participating Employer and Participating Employee instructions, and manage the assets of the Defined Contribution Pension Plan Trust.

B. Exclusive Benefit Rule. No portion of the vested principal or the income of the Defined Contribution Pension Plan Trust shall revert to any Participating Employer, or ever be used for or diverted to any purpose other than for (i) the exclusive benefit of Participating Employees in the participating defined contribution pension plans and persons claiming under or through them pursuant to such plans and (ii) the payment of reasonable expenses of such plans and the Defined Contribution Pension Plan Trust. The Master Trustees shall administer the Defined Contribution Pension Plan Trust in compliance with IRC Section 503(b).

C. Defined Contribution Pension Plans. All references in this Part 3 to defined contribution pension plans shall mean the participating defined contribution pension plans of the Participating Employers in the Defined Contribution Pension Plan Trust. The participating defined contribution pension plans, as amended from time to time, shall be incorporated herein by reference, and the terms herein shall have the meanings attributed to them in such plans.

D. Property. The word "property" used for the Defined Contribution Pension Plan Trust shall be deemed to refer to any property, real or personal, or part interest therein, wherever situated, including, but without being limited to, preferred and common stocks, shares of investment companies, bonds, notes, debentures and mortgages, equipment trust certificates,

investment trust certificates, interest in partnerships whether limited or general, or in any insurance contract, policy, annuity or other investment media offered by an insurance company.

Section 303. DEPOSITS AND DISBURSEMENTS FROM THE TRUST.

A. Trust Deposits. The Master Trustees hereby delegate to the Administrator the responsibility for accepting deposits to the Defined Contribution Pension Plan Trust.

B. Trust Payments. The Master Trustees hereby delegate to the Administrator the responsibility for making payments from the Defined Contribution Pension Plan Trust. The Administrator shall make payments from the Defined Contribution Pension Plan Trust to Participating Employees, their Beneficiaries and such other persons as the appropriate participating defined contribution pension plans may provide. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Benefits under participating defined contribution pension plans and the payment of expenses of administration of the participating defined contribution pension plans, as may be specified in the participating defined contribution pension plans. The Administrator shall ensure that any payment directed under this Section conforms to the provisions of the applicable participating defined contribution pension plan, this Agreement, and the provisions of applicable law. Payments from the Defined Contribution Pension Plan Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Administrator. The Master Trustees shall not incur any liability or other damage on account of any payment or other distribution made by the Defined Contribution Pension Plan Trust in accordance with this Section.

C. Allocation of Expenses. The Master Trustees shall pay all expenses of the Defined Contribution Pension Plan Trust from the assets in the Defined Contribution Pension Plan Trust. All expenses of the Defined Contribution Pension Plan Trust, which are allocable to a particular investment option or account, may be allocated and charged to such investment option or account as determined by the Master Trustees. All expenses of the Defined Contribution Pension Plan Trust which are not allocable to a particular investment option or account shall be charged to each such investment option or account in the manner established by the Master Trustees.

Section 304. INVESTMENT OPTIONS.

The Master Trustees, in accordance with provisions of the participating defined contribution pension plans, may establish one (1) or more investment options within the Defined Contribution Pension Plan Trust, each option being hereinafter referred to as an "investment option." The Master Trustees shall transfer to each such investment option such portion of the assets of the Defined Contribution Pension Plan Trust as appropriate. The Master Trustees shall manage, acquire or dispose of the assets in an investment option in accordance with valid specific investment directions given by the Participating Employers or Participating Employees. All income received with respect to, and all proceeds received from, the disposition of property held in an investment option shall be credited to, and reinvested in, such investment option. The Master Trustees shall establish at least one (1) default investment option in the absence of valid Participating Employer or Participating Employee investment direction.

From time to time, the Master Trustees may eliminate an investment option, and the proceeds thereof shall be reinvested in another investment option in accordance with the directions of the Master Trustees.

Notwithstanding any provisions of this Section to the contrary, the powers and responsibilities as set forth in this Section regarding the selection and oversight of investment options by the Master Trustees shall be removed from the Master Trustees and shall be placed with a Participating Employer if the Participating Employer selects Open Architecture Investment.

Section 305. INVESTMENT IN INSURANCE CONTRACTS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with insurance companies qualified to do business in the State of Florida. Any asset invested pursuant to such an agreement shall be held by the insurance company. Each insurance company so selected shall certify the value of the Defined Contribution Pension Plan Trust's interest in the property held by it at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Defined Contribution Pension Plan Trust.

Section 306. INVESTMENT IN MUTUAL FUNDS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with companies offering mutual fund products. Any asset invested pursuant to such an agreement shall be held by the Master Trustees. Each mutual fund so selected shall certify the value of the Defined Contribution Pension Plan Trust's interest in that fund at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Defined Contribution Pension Plan Trust.

Section 307. MISCELLANEOUS.

A. Conflict. In resolving any conflict among provisions of the Defined Contribution Pension Plan Trust and in resolving any other uncertainty as to the meaning or intention of any provision of the Defined Contribution Pension Plan Trust, the interpretation that (i) causes the participating defined contribution pension plans to satisfy the applicable requirements of IRC Sections 401(a) and 414(d) and the Defined Contribution Pension Plan Trust to be exempt from tax under IRC Sections 115 and 501(a), and (ii) causes the participating defined contribution pension plan and the Defined Contribution Pension Plan Trust to comply with all applicable requirements of law shall prevail over any different interpretation.

B. No Guarantees. Neither the Administrator nor the Master Trustees guarantee the Defined Contribution Pension Plan Trust from loss or depreciation or the payment of any amount which may become due to any person under any participating defined contribution pension plan or this Agreement.

PART 4 - DEFERRED COMPENSATION PLAN TRUST

Section 400. APPLICATION.

The provisions of Part 4 apply to the Deferred Compensation Plan Trust and the participating deferred compensation plans.

Section 401. ESTABLISHMENT AND PURPOSE OF TRUST FOR DEFERRED COMPENSATION PLANS.

A. Establishment of Trust for Deferred Compensation Plans. The Master Trustees establishes the Deferred Compensation Plan Trust for the exclusive benefit of Participating Employees of Participating Employers with a deferred compensation plan or plans. The authority to conduct the general investment operation and the general administration of the Deferred Compensation Plan Trust is vested in the Master Trustees. The Master Trustees may contract with the Administrator to perform delegated functions with respect to any participating deferred compensation plan and the Administrator may contract with third parties to provide administrative, investment and custodial services in relation to any participating deferred compensation plan.

B. Purposes of Deferred Compensation Plan Trust. The Master Trustees shall maintain the Deferred Compensation Plan Trust for the exclusive benefit of the Participating Employees and their Beneficiaries. The Master Trustees intend to maintain sound prudent practices designed to provide easy and convenient access to information and transactions for Participating Employees, including transfers from one investment option to another at the Participating Employee's direction. The Master Trustees intend to maintain these practices at a reasonable cost to the Participating Employers and Participating Employees. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to preserve Participating Employees' rights to choose freely among a broad range of investment options and to self-direct their investments. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to perform ongoing evaluations and reviews to ensure that the investment options offered remain diversified, competitive and attractive to Participating Employers and Participating Employees. It is the Master Trustees' intent that the Deferred Compensation Plan Trust be exempt under Sections 501(a) and 115 of the IRC.

Section 402. DEFERRED COMPENSATION PLAN TRUST ADMINISTRATION.

A. Deferred Compensation Plan Trust Administration. The Master Trustees shall receive and accept for the purposes hereof all property paid to them by or at the direction of the Participating Employers and Participating Employees and shall hold, invest, reinvest, manage, administer and distribute property and the increments, proceeds, earnings and income thereof for the exclusive benefit of the Participating Employees and Beneficiaries under the participating deferred compensation plans. All assets shall be held by the Master Trustees in the Deferred Compensation Plan Trust. The Master Trustees have authority to invest, in accordance with valid Participating Employer and Participating Employee instructions, and manage the assets of the Deferred Compensation Plan Trust.

B. Exclusive Benefit Rule. No portion of the vested principal or the income of the Deferred Compensation Plan Trust shall revert to the Participating Employers, or ever be used for or diverted to any purpose other than for (i) the exclusive benefit of Participating Employees in the Deferred Compensation Plan Trust and persons claiming under or through them pursuant to

the participating deferred compensation plans and (ii) the payment of reasonable expenses of such plans and the Deferred Compensation Plan Trust. The Master Trustees shall administer the Deferred Compensation Plan Trust in compliance with IRC Section 503(b).

C. Deferred Compensation Plans. All references in this Part 4 to deferred compensation plans shall mean the participating deferred compensation plans of the Participating Employers in the Deferred Compensation Plan Trust. The participating deferred compensation plans, as amended from time to time, shall be incorporated herein by reference, and the terms herein shall have the meanings attributed to them in such plans.

D. Property. The word "property" used for the Deferred Compensation Plan Trust shall be deemed to refer to any property, real or personal, or part interest therein, wherever situated, including, but without being limited to, preferred and common stocks, shares of investment companies, bonds, notes, debentures and mortgages, equipment trust certificates, investment trust certificates, interest in partnerships whether limited or general, or in any insurance contract, policy, annuity or other investment media offered by an insurance company.

#### Section 403. DEPOSITS AND DISBURSEMENTS FROM THE TRUST.

A. Trust Deposits. The Master Trustees hereby delegate to the Administrator the responsibility for accepting deposits to the Deferred Compensation Plan Trust.

B. Trust Payments. The Master Trustees hereby delegate to the Administrator the responsibility for making payments from the Deferred Compensation Plan Trust. The Administrator shall make payments from the Deferred Compensation Plan Trust to Participating Employees, their Beneficiaries and such other persons as the participating deferred compensation plans may provide. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Benefits under participating deferred compensation plans and the payment of expenses of administration of the participating deferred compensation plans, as may be specified in the deferred compensation plan. The Administrator shall ensure that any payment directed under this Section conforms to the provisions of the deferred compensation plan, this Agreement, and the provisions of applicable law. Payments from the Deferred Compensation Plan Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Administrator. The Master Trustees shall not incur any liability or other damage on account of any payment or other distribution made by the Deferred Compensation Plan Trust in accordance with this Section.

C. Allocation of Expenses. The Master Trustees shall pay all expenses of the Deferred Compensation Plan Trust from the assets of the Deferred Compensation Plan Trust. All expenses of the Deferred Compensation Plan Trust, which are allocable to a particular investment option or account may be allocated and charged to such investment option or account as determined by the Master Trustees. All expenses of the Deferred Compensation Plan Trust which are not allocable to a particular investment option or account shall be charged to each such investment option or account in the manner established by the Master Trustees.

#### Section 404. INVESTMENT OPTIONS.

The Master Trustees, in accordance with provisions of the participating deferred compensation plans, may establish one (1) or more investment options within the Deferred Compensation Plan Trust, each option being hereinafter referred to as an "investment option." The Master Trustees shall transfer to each such investment option such portion of the assets of the Deferred Compensation Plan Trust as appropriate. The Master Trustees shall manage, acquire or dispose of the assets in an investment option in accordance with valid specific investment directions given by the Participating Employers or Participating Employees. All income received with respect to, and all proceeds received from, the disposition of property held in an investment option shall be credited to, and reinvested in, such investment option. The Master Trustees shall establish at least one (1) default investment option in the absence of valid Participating Employer or Participating Employee investment direction.

From time to time, the Master Trustees may eliminate an investment option, and the proceeds thereof shall be reinvested in another investment option in accordance with the directions of the Master Trustees.

Notwithstanding any provisions of this Section to the contrary, the powers and responsibilities as set forth in this Section regarding the selection and oversight of investment options by the Master Trustees shall be removed from the Master Trustees and shall be placed with a Participating Employer if the Participating Employer selects Open Architecture Investment.

#### Section 405. INVESTMENT IN INSURANCE CONTRACTS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with insurance companies qualified to do business in the State of Florida. Any asset invested pursuant to such an agreement shall be held by the insurance company. Each insurance company so selected shall certify the value of the trust's interest in the property held by it at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Deferred Compensation Plan Trust.

#### Section 406. INVESTMENT IN MUTUAL FUNDS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with companies offering mutual fund products. Any asset invested pursuant to such an agreement shall be held by the Master Trustees. Each mutual fund so selected shall certify the value of Deferred Compensation Plan Trust's interest in that fund at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under Deferred Compensation Plan Trust.

#### Section 407. MISCELLANEOUS.

A. Conflict. In resolving any conflict among provisions of Deferred Compensation Plan Trust and in resolving any other uncertainty as to the meaning or intention of any provision of Deferred Compensation Plan Trust, the interpretation that (i) causes the participating deferred compensation plans and Deferred Compensation Plan Trust to satisfy the applicable requirements of IRC Section 457(b) and the Deferred Compensation Plan Trust to be exempt from tax under

IRC Sections 115 and 501(a), and (ii) causes the participating deferred compensation plans and Deferred Compensation Plan Trust to comply with all applicable requirements of law shall prevail over any different interpretation.

B. No Guarantees. Neither the Administrator nor the Master Trustees guarantee the Deferred Compensation Plan Trust from loss or depreciation or the payment of any amount which may become due to any person under the participating deferred compensation plans or this Agreement.

#### PART 5 – OTHER POST-EMPLOYMENT BENEFIT PLAN TRUST

##### Section 500. APPLICATION.

The provisions of Part 5 apply to the Other Post-Employment Benefit Plan Trust and the participating post-employment benefit plans of Participating Employers other than pension plans.

##### Section 501. ESTABLISHMENT OF OTHER POST-EMPLOYMENT BENEFIT PLAN TRUST.

The Participating Employers with post-employment benefit plan or plans other than pension plans establish with the Master Trustees, and the Master Trustees hereby accept, an Other Post-Employment Benefit Plan Trust for the exclusive benefit of such Participating Employers' Participating Employees and their Beneficiaries consisting of such cash or other property acceptable to the Master Trustees as shall be transferred to the Master Trustees from time to time by the trustee of any Participating Employer's other post-employment benefit plan or plans, as provided in Section 502 hereof, for investment in the Master Trust Fund, together with the earnings, income, additions and appreciation thereon and thereto.

##### Section 502. ADMINISTRATION OF OTHER POST-EMPLOYMENT BENEFIT PLAN TRUST.

A. General. The Master Trustees shall receive and accept for the purposes hereof all property paid to them by or at the direction of the Participating Employers and Participating Employees and shall hold, invest, reinvest, manage, administer and distribute property and the increments, proceeds, earnings and income thereof for the exclusive benefit of the Participating Employees and their Beneficiaries under the participating other post-employment benefit plans. All such assets shall be held by the Master Trustees in the Other Post-Employment Benefit Plan Trust. The Master Trustees have authority:

1. to invest, manage and distribute the assets of the Other Post-Employment Benefit Plan Trust;
2. to establish and accumulate as part of the Master Trust Fund an adequate reserve to carry out the purposes of the Other Post-Employment Benefit Plan Trust;



3. to pay any federal, state or local taxes or fees, which may be properly imposed on or levied against the Other Post-Employment Benefit Plan Trust or benefits paid therefrom; and

4. if deemed appropriate and advisable, to pay premiums on separately administered life or other insurance coverage on the lives of Participating Employees of Participating Employers with participating other post-employment benefit plans.

B. Exclusive Benefit Rule. Except as otherwise provided by any applicable provision of any statute, regulation, ordinance, resolution or other post-employment benefit plan, no portion of the vested principal or the income of the Other Post-Employment Benefit Plan Trust shall revert to any Participating Employer, or ever be used for or diverted to any purpose other than for (i) the exclusive benefit of Participating Employees in the participating post-employment benefit plans and persons claiming under or through them pursuant to such plans and (ii) the payment of reasonable expenses of such plans and the Other Post-Employment Benefit Plan Trust. The Master Trustees shall administer the Other Post-Employment Benefit Plan Trust in compliance with IRC Section 503(b).

C. Contributions. The Administrator shall have the responsibility for accepting contributions by Participating Employers. Neither the Master Trustees nor the Administrator shall be under any duty to determine whether the amount of any contribution is in accordance with the Participating Employer's other post-employment benefit plan or plans or to collect or enforce payment of any contribution. All contributions under the participating other post-employment benefit plans shall be transferred to the Other Post-Employment Benefit Plan Trust to be held, managed, invested and distributed as part of the Other Post-Employment Benefit Plan Trust by the Master Trustees in accordance with the provisions of the Plans and applicable law. All benefits under the Plans shall be distributed solely from the Other Post-Employment Benefit Plan Trust and Participating Employers shall have no financial liability therefor other than the obligation to make contributions to the Other Post-Employment Benefit Plan Trust as provided in the Plans.

D. Other Post-Employment Benefit Plans. All references in this Part 5 to other post-employment benefit plans shall mean the participating other post-employment benefit plans of the Participating Employers in the Other Post-Employment Benefit Plan Trust. The participating other post-employment benefit plans, as amended from time to time, shall be incorporated herein by reference, and the terms herein shall have the meanings attributed to them in such plans.

E. Property. The word "property" used for the Other Post-Employment Benefit Plan Trust shall be deemed to refer to any property, real or personal, or part interest therein, wherever situated, including, but without being limited to, preferred and common stocks, shares of investment companies, bonds, notes, debentures and mortgages, equipment trust certificates, investment trust certificates, interest in partnerships whether limited or general, or in any insurance contract, policy, annuity or other investment media offered by an insurance company.

F. Applicable Laws and Regulations. The Master Trustees shall be authorized to take the steps they deem necessary or appropriate to comply with any laws or regulations applicable to any participating other post-employment benefit plan of a Participating Employer.

Section 503. PARTICIPATING EMPLOYERS WITH AN OTHER POST-EMPLOYMENT BENEFIT PLAN OR PLANS.

A. Approval. Before the approval of the participation of any Employer that has an other post-employment benefit plan not established as a Plan by the Master Trustees, such plan must be approved for actuarial soundness by an actuary selected by the Master Trustees or Administrator, if required, unless such requirement is waived by the Master Trustees.

B. Accumulated Share. No Participating Employer shall have any right, title or interest in or to any specific assets of the Master Trust Fund, but shall have an undivided beneficial interest in the Master Trust Fund; however, there shall be a specific accounting of assets allocable to each Participating Employer and each participating Plan.

Section 504. DEPOSITS AND DISBURSEMENTS FROM THE TRUST.

A. Trust Deposits. The Master Trustees hereby delegate to the Administrator the responsibility for accepting deposits to the Other Post-Employment Benefit Plan Trust.

B. Trust Payments. The Master Trustees hereby delegate to the Administrator the responsibility for making payments from the Other Post-Employment Benefit Plan Trust. The Administrator shall make payments from the Other Post-Employment Benefit Plan Trust to Participating Employees, their Beneficiaries and such other persons as the appropriate participating other post-employment benefit plans may provide. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Benefits under participating other post-employment benefit plans and the payment of expenses of administration of the participating other post-employment benefit plans, as may be specified in the participating other post-employment benefit plans. Payments from the Other Post-Employment Benefit Plan Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Administrator. The Master Trustees shall not incur any liability or other damage on account of any payment or other distribution made by the Other Post-Employment Benefit Plan Trust in accordance with this Section.

C. Allocation of Expenses. The Master Trustees shall pay all expenses of the Other Post-Employment Benefit Plan Trust from the assets in the Other Post-Employment Benefit Plan Trust. All expenses of the Other Post-Employment Benefit Plan Trust, which are allocable to a particular investment option or account, may be allocated and charged to such investment option or account as determined by the Master Trustees. All expenses of the Other Post-Employment Benefit Plan Trust which are not allocable to a particular investment option or account shall be charged to each such investment option or account in the manner established by the Master Trustees.

Section 505. INVESTMENT OPTIONS.

The Master Trustees, in accordance with applicable provisions of the participating other post-employment benefit plans, may establish one (1) or more investment options within the Other Post-Employment Benefit Plan Trust, each option being hereinafter referred to as an "investment

option.” The Master Trustees shall transfer to each such investment option such portion of the assets of the Other Post-Employment Benefit Plan Trust as appropriate. The Master Trustees shall manage, acquire or dispose of the assets in an investment option in accordance with valid specific investment directions given by the Participating Employers or Participating Employees. All income received with respect to, and all proceeds received from, the disposition of property held in an investment option shall be credited to, and reinvested in, such investment option. The Master Trustees shall establish at least one (1) default investment option in the absence of valid Participating Employer or Participating Employee investment direction.

From time to time, the Master Trustees may eliminate an investment option, and the proceeds thereof shall be reinvested in another investment option in accordance with the directions of the Master Trustees.

Section 506. INVESTMENT IN INSURANCE CONTRACTS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with insurance companies qualified to do business in the State of Florida. Any asset invested pursuant to such an agreement shall be held by the insurance company. Each insurance company so selected shall certify the value of the Other Post-Employment Benefit Plan Trust’s interest in the property held by it at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Other Post-Employment Benefit Plan Trust.

Section 507. INVESTMENT IN MUTUAL FUNDS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with companies offering mutual fund products. Any asset invested pursuant to such an agreement shall be held by the Master Trustees. Each mutual fund so selected shall certify the value of the Other Post-Employment Benefit Plan Trust’s interest in that fund at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Other Post-Employment Benefit Plan Trust.

Section 507. MISCELLANEOUS.

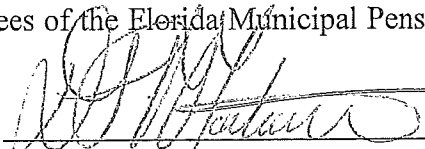
A. Conflict. In resolving any conflict among provisions of the Other Post-Employment Benefit Plan Trust and in resolving any other uncertainty as to the meaning or intention of any provision of the Other Post-Employment Benefit Plan Trust, the interpretation that (i) causes the Other Post-Employment Benefit Plan Trust to be exempt from tax under IRC Sections 115 and 501(a), and (ii) causes the participating other post-employment benefit plan and the Other Post-Employment Benefit Plan Trust to comply with all applicable requirements of law shall prevail over any different interpretation.

B. No Guarantees. Neither the Administrator nor the Master Trustees guarantee the Other Post-Employment Benefit Plan Trust from loss or depreciation or the payment of any amount which may become due to any person under any participating other post-employment benefit plan or this Agreement.

[SIGNATURE PAGE FOLLOWS]

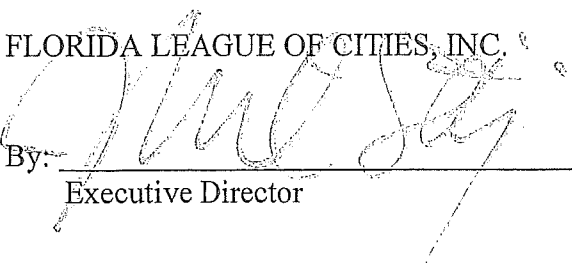
IN WITNESS WHEREOF, the Master Trustees have caused this Master Trust Agreement to be amended and restated as of the 29th day of November, 2018.

Passed and adopted by the Master Trustees of the Florida Municipal Pension Trust Fund this 29th day of November, 2018.

  
\_\_\_\_\_  
Chair of the Master Trustees

Accepted by the Administrator

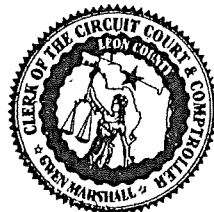
FLORIDA LEAGUE OF CITIES, INC.

  
By: \_\_\_\_\_  
Executive Director

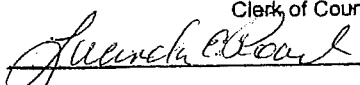
STATE OF FLORIDA, COUNTY OF LEON

I HEREBY CERTIFY that the above and foregoing is a true and correct copy of an instrument recorded in the official records of Leon County, Florida.

WITNESS my hand and seal of office this 5 day of Dec, 2018.



GWEN MARSHALL  
Clerk of County Court

  
\_\_\_\_\_  
D.C.

ORDINANCE NO.2002-30

AN ORDINANCE CHANGING VENDORS FOR THE PROVISION OF CERTAIN RETIREMENT/INVESTMENT/MANAGEMENT SERVICES FOR GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH FROM THE INTERNATIONAL CITY MANAGEMENT ASSOCIATION (ICMA) RETIREMENT CORPORATION TO THE FLORIDA MUNICIPAL PENSION TRUST FUND ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; PROVIDING FOR THE ESTABLISHMENT OF A REPLACEMENT RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH; AUTHORIZING THE PARTICIPATION OF SAID PLAN AND TRUST IN THE FLORIDA MUNICIPAL PENSION TRUST FUND; PROVIDING FOR PUBLICATION; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of North Miami Beach finds the long-term tenure of its management employees to be in the best interests of the Agency and its employees; and

WHEREAS, the City Council finds that the establishment of a retirement plan and trust for the management employees of the City of North Miami Beach attracts qualified employees to the Agency and can encourage long-term and continued employment with the City of North Miami Beach; and

WHEREAS, the City currently provides and funds certain retirement/investment/management services for management employees through the ICMA Retirement Corporation and desires at this time to change vendors for the provision of some of these services with regard to both City and employee contributions to management employee retirement accounts and to utilize the services of the Florida Municipal Pension Trust Fund administered by the Florida League of Cities; and

WHEREAS, the City Council of the City of North Miami Beach under the provisions of the laws of the State of Florida, is authorized to establish a replacement retirement plan and trust for its general management employees as provided by the Florida Municipal Pension Trust Fund; and

WHEREAS, it is the intent of the City Council of the City of North Miami Beach to establish such a retirement plan and trust to replace the current retirement plan provided through ICMA for employees opting to transfer their retirement balances, without affecting or abrogating any non-pension management benefits heretofore granted; and

WHEREAS, it is the further intent of the City Council of the City of North Miami Beach to authorize the participation of said replacement plan and trust in the Florida Municipal Pension Trust Fund.

**NOW, THEREFORE,**

**BE IT ORDAINED** by the City Council of the City of North Miami Beach, Florida

Section 1. The foregoing recitals are true and correct.

Section 2. A Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach is hereby established, effective upon adoption hereof. The instrument which represents the terms of said Plan and Trust shall be the Florida Municipal Pension Trust Fund Defined Benefit Plan Document, attached hereto and incorporated herein as Exhibit "A", as augmented by the Florida Municipal Pension Trust Fund Defined Benefit Plan and Trust Adoption Agreement, attached hereto and incorporated herein as Exhibit "B".

**Section 3.** City contributions currently budgeted for contribution to management employee 401(a) accounts administered/invested/managed by the ICMA Retirement Corporation shall hereafter be utilized to fund the Plan and Trust established herein for all new management employees and for those current management employees transferring their retirement accounts to the Plan established herein. Employees must notify the City of their decision and execute all required documents to effect the transfer by February 1, 2003. The transfer shall be completed as expeditiously as possible.

**Section 4.** The City shall continue to contribute no less than the currently budgeted rate to fund general management pension benefits.

**Section 5.** General Management employees shall be required to contribute eight percent (8%) of their salary (pre-tax) to further fund the Plan and Trust established herein.

**Section 6.** The City Council of the City of North Miami Beach shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the Agency and its management employees, upon approval of sixty percent (60%) of the active plan participants, and the recommendation of the Plan Retirement Committee which shall consist of the City Manager, the Director of Finance and the City Attorney, or their designees, who shall all be plan participants, and two plan retirees chosen by the other three board members.

**Section 7.** The City Council of the City of North Miami Beach hereby expressly authorizes the participation of said Plan and Trust in the Florida Municipal Pension Trust Fund and hereby authorizes the administration of said Plan and Trust, and the investment of funds of said Plan and Trust, within the procedures, policies and methods outlined in the Fund's Master Trust Agreement, attached hereto and incorporated as Exhibit "C".

**Section 8.** The City Council of the City of North Miami Beach hereby authorizes the City Manager to execute such documents and agreements as are required for participation in the Florida Municipal Pension Trust Fund, including the above described Adoption Agreement (Exhibit "B") and the Trust Joinder Agreement, attached hereto and incorporated herein as Exhibit "D".

**Section 9.** This ordinance shall have no effect on non-pension management benefits previously established or granted. Participation either as a member or as a retiree in any City sponsored pension plan shall not preclude receipt of non-pension benefits granted to department head and assistant department head personnel.

**Section 10.** This Ordinance shall remain in full force and effect until supplemented, amended, repealed or otherwise altered.

**Section 11.** All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

**Section 12.** A copy of this Ordinance and the actuarial statement in support hereof shall be furnished to the State of Florida Division of Retirement prior to second public hearing hereon pursuant to state law. Any changes required by the Division to bring the plan/plan amendment into compliance with state requirements shall be incorporated into this Ordinance, which shall then be approved and adopted at a final special third reading, if required.

**Section 13.** If any section, subsection, clause or provision of this ordinance is held invalid, the remainder shall not be affected by such invalidity.

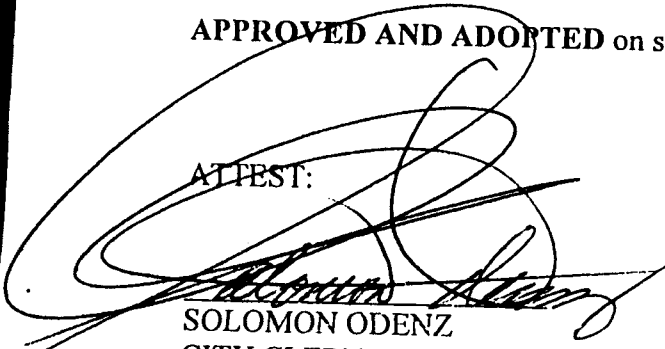
**Section 14.** It is the intention of the City Council of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made part of the Code of Ordinances of the City of North Miami Beach, Florida. The Sections of this Ordinance may be renumbered or relettered to accomplish this intention and the word "Ordinance" may be changed to "Section", "Article", or other appropriate word as the codifier may deem fit.

Section 15. This Ordinance shall take effect immediately upon adoption.

APPROVED BY TITLE ONLY on first reading this 17th day of December, 2002.

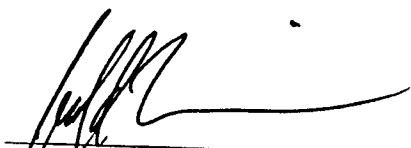
APPROVED AND ADOPTED on second reading this 7<sup>th</sup> day of January, 2003.

ATTEST:



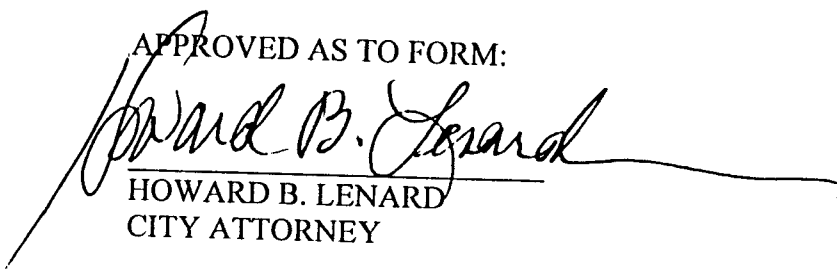
SOLOMON ODENZ  
CITY CLERK

(CITY SEAL)



JEFFREY A. MISHCON  
MAYOR

APPROVED AS TO FORM:



HOWARD B. LENARD  
CITY ATTORNEY

Sponsored by: Mayor and City Council



**SEE EXHIBITS A,B, C, AND D  
IN SEPARATE FILE FOLDER**

**ORDINANCE NO. 2003-5**

**AN ORDINANCE ENACTING TECHNICAL AMENDMENTS TO THE RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, ADOPTION AGREEMENT; ENABLING PLAN PARTICIPANTS TO TAKE FULL ADVANTAGE OF INTERNAL REVENUE CODE PROVISIONS REGARDING TRUSTEE TO TRUSTEE AND OTHER PERMISSIBLE TRANSFERS INCLUDING TRANSFER OF SECTION 457 DEFERRED COMPENSATION ACCOUNTS AS ENACTED BY THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 (ECTRA); CLARIFYING THE COMPUTATION OF EARLY RETIREMENT BENEFITS; PROVIDING FOR SEVERABILITY, PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR THE CODIFICATION OF THIS ORDINANCE.**

**WHEREAS**, the Retirement Plan & Trust for the General Management Employees of the City of North Miami Beach provides for the purchase of credited service, but may not specifically allow for trustee to trustee transfers to pay for such purchases; and

**WHEREAS**, it is in the best interest of all plan participants to have the ability to purchase credited services or accomplish any other lawfully provided purpose pursuant to plan provisions, on a tax deferred basis to the full extent allowed by federal law, including Internal Revenue Code Regulations recently enacted regarding such rollovers from Section 457 deferred compensation accounts; and

**WHEREAS**, it has been determined by the Plan Actuary that these required technical amendments will have no significant financial impact on the City's plan; and

**WHEREAS**, the Mayor and City Council of the City of North Miami Beach wish to enact the technical amendments required to enable all employees who participate in the General Management Employee Pension Plan and Trust to take full advantage of all Internal Revenue Code interplan transfer provisions; and

**WHEREAS**, it is the desire of the Mayor and City Council to clarify the early retirement calculation provision of the Plan's adoption agreement to eliminate confusion and to clearly conform to actuarial impact statements and analysis and legislative intent.

NOW, THEREFORE,

BE IT ORDAINED by the City Council of the City of North Miami Beach, Florida.

**Section 1.** The foregoing recitals are true and correct.

**Section 2. Section E. Credited Service** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended by the addition of section E3 which shall state as follows:

E3) Inter-Plan Transfers

On or after April 1, 2003, in addition to direct payment methods available as determined by the Retirement Committee and approved by the Plan Actuary, the plan will accept permissible member requested transfer of funds from other retirement or pension plans, member rollover cash contributions and/or direct cash rollovers of distributions to fund the purchase of Credited Service under this section, or to fund any other allowable contributions provided by plan provisions, as follows:

A. Transfers and Direct Rollovers or Member Rollover Contributions from Other Plans. The System will accept either a direct rollover of an eligible rollover distribution or a Member contribution of an eligible rollover distribution from a qualified plan described in section 401(a) or 403(a) of the Code, from an annuity contract described in section 403(b) of the Code, or from an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state. The System will also accept legally permissible Member requested transfers of funds from other retirement or pension plans.

B. Member Rollover Contributions from IRAs. The system will accept a Member rollover contribution of the portion of a distribution from an individual retirement account or annuity described in section 408(a) or 408(b) of the Code that is eligible to be rolled over and would otherwise be includible in gross income.

C. All purchases must be made and fully funded prior to retirement.

**Section 3. Section G4. Early Retirement Benefit** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended/clarified as follows:

G4) Early Retirement Benefit (Section 6.04):

The amount of the accrued benefit will be reduced 5% for each year before the normal retirement date, i.e., the attainment of a combined age & years of credited service

totaling 75, with a minimum age of 55, and without imputing service beyond actual termination date.

**Section 4.** All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

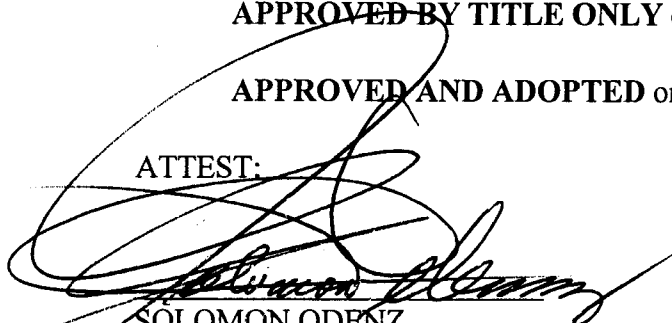
**Section 5.** If any section, subsection, clause or provision of this ordinance is held invalid the remainder shall not be affected by such invalidity.


**Section 6.** It is the intention of the City Council of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of North Miami Beach, Florida. The Sections of this Ordinance may be renumbered or relettered to accomplish this intention and the word "Ordinance" may be changed to "Section", "Article" or other appropriate word as the codifier may deem fit.

~~APPROVED BY TITLE ONLY~~ on first reading this 3rd day of June, 2003.

APPROVED AND ADOPTED on second reading this 17th day of June, 2003.

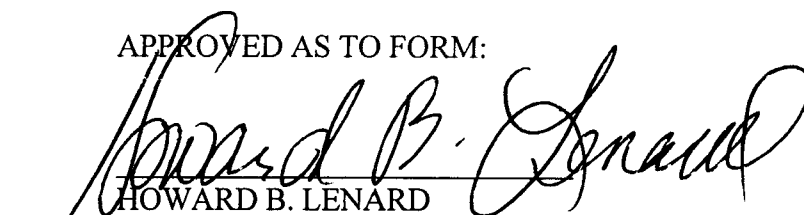
ATTEST:

  
SOLOMON ODENZ  
CITY CLERK

  
JEFFREY A. MISHCON  
MAYOR

(CITY SEAL)

APPROVED AS TO FORM:

  
HOWARD B. LENARD  
CITY ATTORNEY

SPONSORED BY: Mayor and City Council

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE  
CITY OF NORTH MIAMI BEACH:

I, SOLOMON ODENZ, City Clerk of the City of North Miami Beach, do hereby certify that the attached and foregoing is a true and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this 17th day of June, A.D. 2003.

SOLOMON ODENZ  
City Clerk of the City of North Miami Beach, Florida

By:   
City Clerk

**ORDINANCE NO. 2006-25**

**AN ORDINANCE ENACTING AMENDMENTS TO THE RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, ADOPTION AGREEMENT, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; ADDING A DEFERRED RETIREMENT OPTION PROGRAM (DROP); PROVIDING FOR SEVERABILITY, PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR THE CODIFICATION OF THIS ORDINANCE.**

**WHEREAS**, the City of North Miami Beach has established and maintains Retirement Plans for all eligible employees of the City; and

**WHEREAS**, Deferred Retirement Option Programs (“DROP”) provides an additional benefit option to employees, without increasing contribution levels of the City; and

**WHEREAS**, pursuant to City of North Miami Beach Ordinance No. 96-9, the City approved and established a “DROP” plan for eligible firefighter members of the City’s Police and Firefighters Pension Plan; and

**WHEREAS**, pursuant to City of North Miami Beach Ordinance No. 2002-28, the City approved and established a “DROP” plan for eligible Police Officers in the City’s Police and Firefighters Pension Plan; and

**WHEREAS**, pursuant to City of North Miami Beach Ordinance No. 2006-6, the City approved and established a “DROP” plan for eligible General Employees in the City’s General Employees Pension Plan; and

**WHEREAS**, the Mayor and City Council desire to provide the same benefit option of a “DROP” program for eligible members of the General Management Employees Retirement Plan and Trust established by City of North Miami Beach Ordinance No. 2002-30, and administered by the Florida League of Cities; and

**WHEREAS**, it has been determined by the Plan Actuary that this amendment will have no significant financial impact on the City’s plan; and

**WHEREAS**, the Plan Retirement Committee for the General Management Employees Retirement Plan & Trust voted on December 14, 2006 to recommend adoption of the DROP Program described herein; and

WHEREAS, the active plan participants voted by overwhelming majority (97%) to approve amendment of the Plan by the adoption of a DROP Program; and

WHEREAS, the Mayor and City Council of the City of North Miami Beach wish to amend the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach to add a Deferred Retirement Option Program.

**NOW, THEREFORE,**

**BE IT ORDAINED** by the City Council of the City of North Miami Beach, Florida.

**Section 1.** The foregoing recitals are true and correct.

**Section 2. Section M. Deferred Retirement Option Program (DROP)** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended by the addition of the following:

**M. DEFERRED RETIREMENT OPTION PROGRAM.**

In general, and subject to the provisions of this section, the Deferred Retirement Option Program, hereinafter referred to as the DROP, is a program under which an eligible member of the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach may elect to participate, deferring receipt of retirement benefits while continuing employment with the City of North Miami Beach. The deferred monthly benefits shall accrue in the Trust Fund on behalf of the participant, plus interest compounded monthly, for the specified period of the DROP participation, as provided in paragraph (c). Upon termination of employment, the participant shall receive the total DROP benefits and begin to receive the previously determined normal retirement benefits.

**(a) Eligibility of member to participate in the DROP**

All active members are eligible to elect participation in the DROP provided that:

Election to participate is made anytime following the date on which the member first reaches normal retirement eligibility. The member shall advise the Board of Trustees of the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach (the Retirement Committee) in writing of the date on which the DROP shall begin.

**(b) Participation in the DROP**

1. An eligible member may elect to participate in the DROP for a period not to exceed a maximum of 60 calendar months immediately following the date on which the member first elects to participate as provided in subparagraph (a).
2. Upon deciding to participate in the DROP, the member shall submit, on forms:
  - a. A written election to participate in the DROP;
  - b. Selection of the DROP participation and termination dates, which satisfy the limitations stated in paragraph (a) and subparagraph (b)1. Such termination date shall be in a binding letter of resignation with the employer, establishing a deferred termination date. The member may change the termination date within the limitations of subparagraph (b)1.
  - c. A properly completed DROP application for service retirement as provided in this section; and
  - d. Any other information required.

3. The DROP participant shall be a retiree under the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach. However, participation in the DROP does not alter the participant's employment status and such employee shall not be deemed retired from employment until his or her deferred resignation is effective and termination occurs.

**(c) Benefits payable under the DROP**

1. Effective with the date of DROP participation, the member's initial normal monthly retirement benefit, including creditable service, optional form of payment, and average final compensation, and the effective date of retirement shall be fixed. The beneficiary shall be the beneficiary eligible to receive any DROP benefits payable if the DROP participant dies prior to the completion of the period of DROP participation. In the event a joint annuitant predeceases the member, the member may name a beneficiary to receive accumulated DROP benefits payable. Retirement benefits, including Cola adjustments, shall accrue monthly in the Trust Fund. Interest, as adjusted by the Florida League, shall accrue at an effective annual rate of 6.5 percent compounded monthly, on the prior month's accumulated ending balance, up to the month of termination or death.

2. The effective date of DROP participation and the effective date of retirement of a DROP participant shall be the first day of the month selected by the member to begin participation in the DROP, provided such date is properly established, with the written confirmation of the employer.

3. Retirement benefits and interest thereon shall continue to accrue in the DROP until the established termination date of the DROP or until the participant terminates employment or dies prior to such date. Although individual DROP accounts shall not be established, a separate accounting of each participant's accrued benefits under the DROP shall be calculated and provided to participants as of September 30 of each year.

4. At the conclusion of the participant's DROP, the TRUST shall distribute the participant's total accumulated DROP benefits, subject to the following provisions:

a. The terminated DROP participant or, if deceased, such participant's named beneficiary, shall elect on forms to receive payment of the DROP benefits in accordance with one of the options listed below. For a participant or beneficiary who fails to elect a method of payment within 60 days of termination of the DROP, the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach will pay a lump sum as provided in sub-sub-subparagraph (I).

(I) Lump sum - All accrued DROP benefits, plus interest, less withholding taxes remitted to the Internal Revenue Service, shall be paid to the DROP participant or surviving beneficiary.

(II) Direct rollover - All accrued DROP benefits, plus interest, shall be paid from the DROP directly to the custodian of an eligible retirement plan as defined in s. 402(c)(8)(B) of the Internal Revenue Code. However, in the case of an eligible rollover distribution to the surviving spouse of a deceased participant, an eligible retirement plan is an individual retirement account or an individual retirement annuity as described in s. 402(c)(9) of the Internal Revenue Code.

(III) Partial lump sum - A portion of the accrued DROP benefits shall be paid to the DROP participant or surviving spouse, less withholding taxes remitted to the Internal Revenue Service, and the remaining DROP benefits shall be transferred directly to the custodian of an eligible retirement plan as defined in s. 402(c)(8)(B) of the Internal Revenue Code. However, in the case of an eligible rollover distribution to the surviving spouse of a deceased participant, an eligible retirement plan is an individual retirement account or an individual retirement annuity as described in s. 402(c)(9) of the Internal Revenue Code.

The proportions shall be specified by the DROP participant or surviving beneficiary.

b. The form of payment selected by the DROP participant or surviving beneficiary complies with the minimum distribution requirements of the Internal Revenue Code.

c. A DROP participant who fails to terminate employment shall be deemed not to have retired, and the DROP election shall be null and void. Retirement Plan & Trust for the Management Employees of the City of North Miami Beach membership shall be reestablished retroactively to the date of the commencement of the DROP provided the employee makes the required employee contribution to the fund for the period of time they were participating in the DROP in a lump sum payment.

5. The accrued benefits of any DROP participant, and any contributions accumulated under such program, shall not be subject to assignment, execution, attachment, or to any legal process whatsoever, except for qualified domestic relations orders by a court of competent jurisdiction, income deduction orders and federal income tax levies.

6. DROP participants shall not be eligible for disability retirement benefits.

**(d) Death benefits under the DROP**

1. Upon the death of a DROP participant, the named beneficiary shall be entitled to apply for and receive the accrued benefits in the DROP.

2. The normal retirement benefit accrued to the DROP during the month of a participant's death shall be the final monthly benefit credited for such DROP participant.

3. Eligibility to participate in the DROP terminates upon death of the participant. If the participant dies on or after the effective date of enrollment in the DROP, but prior to the first monthly benefit being credited to the DROP, Retirement Plan & Trust for the Management Employees of the City of North Miami Beach benefits shall be paid in accordance with regular retirement benefit provisions.

4. A DROP participants' survivors shall not be eligible to receive Retirement Plan & Trust for the Management Employees of the City of North Miami Beach active member death benefits.

**(e) Forfeiture of retirement benefits**

Nothing in this section shall be construed to remove DROP participants from the scope of s. 8(d), Art. II of the State Constitution, s. 112.3173. DROP participants who commit a specified felony offense while employed will be subject to forfeiture of all retirement benefits, including DROP benefits, pursuant to those provisions of law.

**Section 3.** All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

**Section 4.** If any section, subsection, clause or provision of this ordinance is held invalid the remainder shall not be affected by such invalidity.

**Section 5.** It is the intention of the City Council of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of North Miami Beach, Florida. The Sections of this Ordinance may be

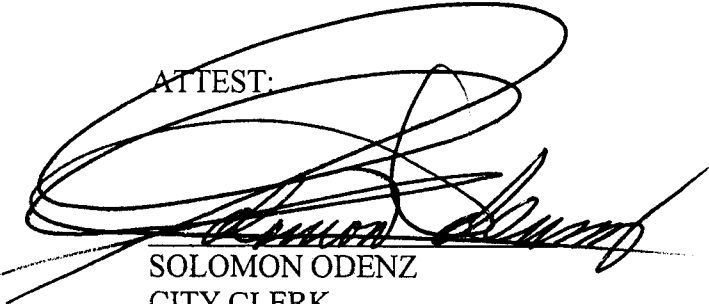


renumbered or relettered to accomplish this intention and the word "Ordinance" may be changed to "Section", "Article" or other appropriate word as the codifier may deem fit.

**APPROVED BY TITLE ONLY** on first reading this 19<sup>th</sup> day of December, 2006.

**APPROVED AND ADOPTED** on second reading this 20th day of February, 2007.

ATTEST:



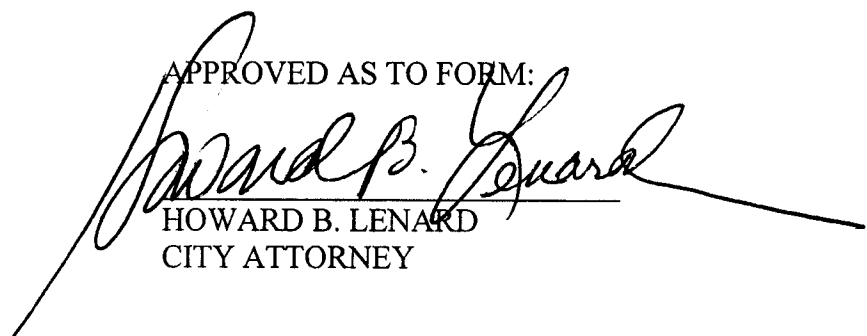
SOLOMON ODENZ  
CITY CLERK



RAYMOND F. MARIN  
MAYOR

(CITY SEAL)

APPROVED AS TO FORM:



HOWARD B. LENARD  
CITY ATTORNEY

SPONSORED BY: Mayor and City Council

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE  
CITY OF NORTH MIAMI BEACH:

I, SOLOMON ODENZ, City Clerk of the City of North Miami Beach, do hereby certify that the attached and foregoing is a true and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF I have hereunto set my hand and official seal on this 20 day of February, A.D. 2007.

SOLOMON ODENZ  
City Clerk of the City of North Miami Beach, Florida



By: \_\_\_\_\_  
City Clerk

**ORDINANCE NO. 2012-33**

**AN ORDINANCE ENACTING AMENDMENTS TO THE RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, ADOPTION AGREEMENT, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; ELIMINATING THE DEFERRED RETIREMENT OPTION PROGRAM (DROP); ELIMINATING THE BUY-BACK PROVISION; REDUCING THE MULTIPLIER; AMENDING THE COST OF LIVING ADJUSTMENT; AMENDING TERMINATION OF EMPLOYMENT AND VESTING; AMENDING THE NORMAL RETIREMENT DATE; AMENDING THE EARLY RETIREMENT CALCULATION; AMENDING THE COMPOSITION OF THE PLAN RETIREMENT COMMITTEE; AND CHANGING THE DEFINITION OF SALARY; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR THE CODIFICATION OF THE ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of North Miami Beach has established and maintains retirement plans for all eligible employees of the City; and

**WHEREAS**, due to the continuing decline of the economy, maintaining and sustaining the current pension benefits has become an insurmountable task; and

**WHEREAS**, the Mayor and City Council of the City of North Miami Beach wish to amend the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach, in order to continue a viable pension for its management employees; and

**WHEREAS**, it has been determined by the Plan Actuary that this amendment will have no detrimental financial impact on the City's plan.

**NOW, THEREFORE,**

**BE IT ORDAINED** by the City Council of the City of North Miami Beach, Florida:

**SECTION 1.** The foregoing recitals are true and correct.

**SECTION 2. Section D, "Salary"** of the Retirement Plan and Trust for the General

Management Employees of the City of North Miami Beach Adoption Agreement shall be amended as follows:

Compensation earned by General Management Employees on or before January 31, 2013 shall Mmeans the total cash remuneration paid to a plan participant for services rendered, including allowances and annuities, but shall exclude lump sum payments of accrued annual and sick leave.

For compensation earned by General Management Employees, on or after February 1, 2013, annual compensation shall exclude commissions, overtime pay, bonuses and any other forms of additional compensation earned in addition to base salary.

**SECTION 3. Section E, “Credited Service”** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended as follows:

E. CREDITED SERVICE:

E1) Total number of years and fractional parts of years of service is measured from date of employment.

~~E2) Purchase of Credited Service~~

~~Participants of the plan shall have the option to purchase up to four (4) years of credited service or an actuarially equivalent higher multiplier at full actuarial cost. Participants who wish to receive credit for this service will be required to make a contribution for such service, including any administrative coast associated with the purchase so that there is no change in the City’s contribution rate. Such amount shall be established by a methodology and subject to payment options determined by the Retirement Committee and approved by the Plan actuary.~~

**SECTION 4. Section G, “Benefit Amounts and Eligibility”** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended pursuant to the following:

G. BENEFIT AMOUNTS AND ELIGIBILITY: (Section 6)

G1) Normal Retirement Date (Section 6.01):

~~A member's normal retirement date shall be the first day of the month coincident with, or next following attainment of a combined age and service totaling seventy-five (75), but not earlier than age fifty five (55), or the attainment of age sixty-two (62) with six (6) years of service, but in no instance prior to July 1, 2003.~~

- a) The normal retirement date for a General Management Employee who was born in the years 1938 -1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-six (66), with at least four (4) years of service.
- b) The normal retirement date for a General Management Employee who was born any year after 1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-seven (67), with at least four (4) years of service.
- c) General Management Employees participating in the plan as of January 31, 2013, or who were born prior to 1938 will remain eligible to retire the first day of the month coincident with, or next following attainment of a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of service and will obtain their accrued benefits earned through January 31, 2013 at such time. Benefit accruals earned on or after February 1, 2013 will be paid at the new normal retirement date in accordance with paragraphs Section 6.01(a) or (b) above, unless the member opts for Section 6.01(d) below.
- d) General Management Employees who were members of the Plan on January 31, 2013 may receive their benefits accrued through January 31, 2013, upon retirement on the first day of any month following retirement upon attaining a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of credited service. General Management Employees who were participating in the Plan as of January 31, 2013 may receive their benefits accrued on or after January 31, 2013 upon retirement on the first day of any month following retirement in accordance with Section 6.01(a) or (b) above.
- e) A General Management Employee will not be allowed to receive his or her benefit while he or she continues to be

employed with the City of North Miami Beach.

G2) Normal Retirement Benefit (Section 6.02):

For credited service earned on or before January 31, 2013 ~~the~~ the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 3% and multiplied by final monthly compensation.

For credited service earned on or after February 1, 2013, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 2% and multiplied by final monthly compensation.

G3) Early Retirement Date (Section 6.03):

For General Management Employees participating in the Plan as of January 31, 2013 or who were born prior to 1938, the early retirement date for service earned on or before January 31, 2013 shall be the first day of any month coincident with or next following the later of attainment of age fifty (50) and completion of ten (10) years of credited service. For all other General Management Employees and for General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the early retirement date for service earned on or after February 1, 2013 ~~A member may retire on his early retirement date which~~ shall be the first day of any month coincident with or next following the later of the attainment of age fifty-five (505) and the completion of ten (10) years of credited service.

G4) Early Retirement Benefit (Section 6.04):

For those General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the amount of the accrued benefit paid for credited service earned on or before January 31, 2013 will be reduced by five (5%) for each year before their normal retirement date. For all other General Management Employees and for General Management Employees who were participating in the plan as of January 31, 2013 or born prior to 1938, for credited service earned on or after February 1, 2013 ~~the~~ the amount of the accrued benefit will be reduced to the actuarial equivalent, which will be equal to the actuarial equivalent of the accrued benefit payable at their normal retirement date in accordance with Section 6.01 (a) or (b). ~~a five percent (5%) for each year before the normal retirement date, i.e., the attainment of a combined age & years of credited service totaling 75, with a minimum age of 55, and without imputing service beyond actual~~

termination date. For this purpose, actuarial equivalence will be determined using the mortality and interest rate described in Exhibit B of the Florida Municipal Pension Trust Fund Defined Benefit Plan Document.

**SECTION 5. Section J, "Termination of Employment and Vesting"** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended as follows:

If a member's employment is terminated either voluntarily or involuntarily, the following benefits are payable:

- 1) If the member has less than ~~six (6)~~ four (4) years of credited service, upon termination the member shall be entitled to a refund of the money he or she has contributed plus three percent 3% interest, or the member may leave it deposited with the Fund.
- 2) If the member has four (4) years of credited service but less than six (6) years of credited service, upon termination the member shall be entitled to 50% of his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 2)3) If the member has six (6) or more years of credited service, upon termination the member shall be entitled to ~~their~~ his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 3)4) Any vested benefit hereunder is the legal asset of the employee plan participant. No portion of the vested principal or the income of the Defined Benefit Plan shall revert to the employer, or ever be used for or diverted to any purpose other than for the exclusive benefit of the Participating Employees and persons claiming under or through them, and the payment of reasonable expenses of the plan.

**SECTION 6. Section L, "Cost of Living Adjustment"** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended pursuant to the following:

L. COST OF LIVING ADJUSTMENT:

Commencing October 1, 2003, and the first day of each October

**ORDINANCE NO. 2012-33**

thereafter, the monthly income payable hereunder to each participant or beneficiary who has been receiving benefits under any portion of this plan for one or more years, or to any such participant's or beneficiary's surviving beneficiary, for all years of credited service earned on or before December 31, 2012, shall be increased by two and one-quarter percent (2.25%).

For all years of credited service earned on or after February 1, 2013, effective October 1, 2013, and the first day of each October thereafter, any increase in the monthly income payable hereunder to each participant or beneficiary who begins receiving benefits under any portion of this plan for one or more years, or to any such participant's or beneficiary's surviving beneficiary, shall be decided on an *ad hoc* basis by the City Council, which is vested with the authority to decide whether or not a Cost of Living Adjustment will be awarded for that particular fiscal year and each year thereafter.

**SECTION 7. Section M, "Deferred Retirement Option Program"** of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement shall be deleted in its entirety and Ordinance No. 2006-25 is repealed in its entirety:

M. **DEFERRED RETIREMENT OPTION PROGRAM:**

~~In general, and subject to the provisions of this section, the Deferred Retirement Option Program, hereinafter referred to as the DROP, is a program under which an eligible member of the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach may elect to participate, deferring receipt of retirement benefits while continuing employment with the City of North Miami Beach. The deferred monthly benefits shall accrue in the Trust Fund on behalf of the participant, plus interest compounded monthly, for the specified period of the DROP participation, as provided in paragraph (c). Upon termination of employment, the participant shall receive the total DROP benefits and begin to receive the previously determined normal retirement benefits.~~

~~(a) *Eligibility of member to participate in the DROP*~~

~~All active members are eligible to elect participation in the DROP provided that:~~

~~Election to participate is made anytime following the date on which the member first reaches normal retirement eligibility. The member shall advise the Board of Trustees of the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach (the Retirement Committee) in writing of the date on which the DROP shall begin.~~

~~(b) *Participation in the DROP*~~

- ~~1. An eligible member may elect to participate in the DROP for a period not to exceed a maximum of 60 calendar months immediately following the date on which the member first elects to participate as provided in subparagraph (a).~~
- ~~2. Upon deciding to participate in the DROP, the member shall submit, on forms:~~
  - ~~a. A written election to participate in the DROP;~~
  - ~~b. Selection of the DROP participation and termination dates, which satisfy the limitations stated in paragraph (a) and subparagraph (b)1. Such termination date shall be in a binding letter of resignation with the employer, establishing a deferred termination date. The member may change the termination date within the limitations of subparagraph (b)1.~~
  - ~~c. A properly completed DROP application for service retirement as provided in this section; and~~
  - ~~d. Any other information required.~~
- ~~3. The DROP participant shall be a retiree under the Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach. However, participation in the DROP does not alter the participant's employment status and such employee shall not be deemed retired from employment until his or her deferred resignation is effective and termination occurs.~~

~~(c) *Benefits payable under the DROP*~~

- ~~1. Effective with the date of DROP participation, the member's initial normal monthly retirement benefit, including creditable service, optional form of payment, and average final compensation, and the effective date of retirement shall be fixed. The beneficiary shall be the beneficiary eligible to receive any DROP benefits payable if the DROP participant dies prior to the completion of the period of DROP participation. In the event a joint annuitant predeceases the member, the member may name a~~



~~beneficiary to receive accumulated DROP benefits payable. Retirement benefits, including COLA adjustments, shall accrue monthly in the Trust Fund. Interest, as adjusted by the Florida League, shall accrue at an effective annual rate of 6.5 percent compounded monthly, on the prior month's accumulated ending balance, up to the month of termination or death.~~

~~2. The effective date of DROP participation and the effective date of retirement of a DROP participant shall be the first day of the month selected by the member to begin participation in the DROP, provided such date is properly established, with the written confirmation of the employer.~~

~~3. Retirement benefits and interest thereon shall continue to accrue in the DROP until the established termination date of the DROP or until the participant terminates employment or dies prior to such date. Although individual DROP accounts shall not be established, a separate accounting of each participant's accrued benefits under the DROP shall be calculated and provided to participants as of September 30 of each year.~~

~~4. At the conclusion of the participant's DROP, the TRUST shall distribute the participant's total accumulated DROP benefits, subject to the following provisions:~~

- ~~a. The terminated DROP participant or, if deceased, such participant's named beneficiary, shall elect on forms to receive payment of the DROP benefits in accordance with one of the options listed below. For a participant or beneficiary who fails to elect a method of payment within 60 days of termination of the DROP, the Retirement Plan & Trust for the Management Employees of the City of North Miami Beach will pay a lump sum as provided in sub-sub-subparagraph (I).~~

~~(I) Lump sum — All accrued DROP benefits, plus interest, less withholding taxes remitted to the Internal Revenue Service, shall be paid to the DROP participant or surviving beneficiary.~~

~~(II) Direct rollover — All accrued DROP benefits, plus interest, shall be paid from the DROP directly to the custodian of an eligible retirement plan as defined in s. 402(e)(8)(B) of the Internal Revenue Code. However, in the case of an eligible rollover distribution to the surviving spouse of a deceased participant, an eligible retirement plan is an individual retirement account or an~~

~~individual retirement annuity as described in s. 402(e)(9) of the Internal Revenue Code.~~

~~(III) Partial lump sum — A portion of the accrued DROP benefits shall be paid to the DROP participant or surviving spouse, less withholding taxes remitted to the Internal Revenue Service, and the remaining DROP benefits shall be transferred directly to the custodian of an eligible retirement plan as defined in s. 402(e)(8)(B) of the Internal Revenue Code. However, in the case of an eligible rollover distribution to the surviving spouse of a deceased participant, an eligible retirement plan is an individual retirement account or an individual retirement annuity as described in s. 402(e)(9) of the Internal Revenue Code. The proportions shall be specified by the DROP participant or surviving beneficiary.~~

~~b. — The form of payment selected by the DROP participant or surviving beneficiary complies with the minimum distribution requirements of the Internal Revenue Code.~~

~~e. — A DROP participant who fails to terminate employment shall be deemed not to have retired, and the DROP election shall be null and void. Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach membership shall be reestablished retroactively to the date of the commencement of the DROP provided the employee makes the required employee contribution to the fund for the period of time they were participating in the DROP in a lump sum payment.~~

~~5. The accrued benefits of any DROP participant, and any contributions accumulated under such program, shall not be subject to assignment, execution, attachment, or to any legal process whatsoever, except for qualified domestic relations orders by a court of competent jurisdiction, income deduction orders and federal income tax levies.~~

~~6. DROP participants shall not be eligible for disability retirement benefits.~~

~~(d) *Death benefits under the DROP*~~

~~1. Upon the death of a DROP participant, the named beneficiary shall be entitled to apply for and receive the accrued benefits in the DROP.~~

~~2. The normal retirement benefit accrued to the DROP during the month of a participant's death shall be the final monthly benefit credited for such DROP participant.~~

~~3. Eligibility to participate in the DROP terminates upon death of the participant. If the participant dies on or after the effective date of enrollment in the DROP, but prior to the first monthly benefit being credited to the DROP, Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach benefits shall be paid in accordance with regular retirement benefit provisions.~~

~~4. A DROP participants' survivors shall not be eligible to receive Retirement Plan & Trust for the Management Employees of the City Of North Miami Beach active member death benefits.~~

~~(c) Forfeiture of retirement benefits~~

~~Nothing in this section shall be construed to remove DROP participants from the scope of s. 8(d), Art. II of the State Constitution, s. 112.3173. DROP participants who commit a specified felony offense while employed will be subject to forfeiture of all retirement benefits, including DROP benefits, pursuant to those provisions of law.~~

**SECTION 8. Section 6, of Ordinance No. 2002-30 of the City of North Miami Beach,**

Florida, Code of Ordinances is hereby amended as follows :

Section 6. The City Council of the City of North Miami Beach shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the Agency and its management employees, upon approval of sixty percent (60%) of the active plan participants, and the recommendation of ~~t.~~ The Plan Retirement Committee which shall consist of the City Manager or his or her designee, a City Council Member, an Active Member of the Plan and Trust, a Retiree Member of the Plan and Trust, the Director of Finance and the City Attorney. Both the Active Member of the Plan and the Retiree Member of the Plan and Trust shall be chosen by the other three board members. The Plan Retirement Committee may make recommendations to the City Council concerning any amendment or proposed amendment to the Plan, or their designees, who shall all be plan participants, and two plan retirees chosen by the other three board members.

**SECTION 9.** Should this ordinance or any part thereof be declared invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed to have been

**ORDINANCE NO. 2012-33**

enacted without the invalid provision.

**SECTION 10.** It is the intention of the City Council of the City of North Miami Beach that the provisions of this ordinance shall become and be made a part of the Adoption Agreement, Administered by the Florida League of Cities and that the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase in order to accomplish such intentions.

**SECTION 11.** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 12.** This ordinance shall take effect immediately upon its passage and adoption.

**APPROVED BY TITLE ONLY** on first reading this **4th** day of December, 2012.

**APPROVED**, as amended, on second reading, this **2nd** day of January, 2013.

**APPROVED AND ADOPTED** on third and final reading this **15th** day of January, 2013.

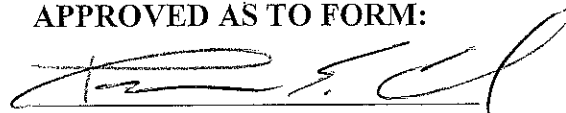
ATTEST:

  
PAMELA LATIMORE  
CITY CLERK

(CITY SEAL)

  
GEORGE VALLEJO  
MAYOR

APPROVED AS TO FORM:

  
DARCEE S. SIEGEL  
CITY ATTORNEY

Sponsored by: Mayor & Council

Note: Proposed additions to existing City Code text are indicated by underline; proposed deletions from existing City Code text are indicated by ~~strikethrough~~.

**RETIREMENT PLAN FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**

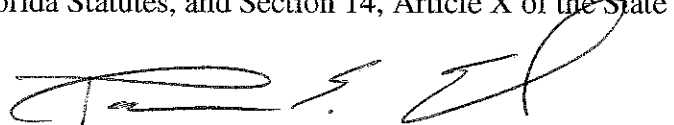
IMPACT STATEMENT FOR ORDINANCE 2012-33

**PART ONE: CERTIFICATION OF THE PLAN ADMINISTRATOR**

I have enclosed a copy of Ordinance 2012-33 of the City of North Miami Beach, which ordinance makes the following changes to the Retirement Plan for the General Management Employees of the City of North Miami Beach as of February 1, 2013:

- (1) *The benefit formula multiplier that applies to service earned on and after February 1, 2013 has been reduced from 3.00% to 2.00%;*
- (2) *The normal retirement age with respect to benefits earned on and after February 1, 2013 has been delayed until the participant's social security retirement age (age 66 with respect to participants born during the years 1938 through 1954 or age 67 with respect to participants born after 1954) for participants born after 1937;*
- (3) *The early retirement age with respect to benefits earned on and after February 1, 2013 has been delayed until age 55 with at least 10 years of service;*
- (4) *The early retirement reduction with respect to benefits earned on and after February 1, 2013 has been changed from 5% per year prior to normal retirement age to an actuarially determined reduction;*
- (5) *The vesting schedule has been changed from full vesting after six years of service to 50% vesting after four years of service and full vesting after six years of service;*
- (6) *Plan compensation on and after February 1, 2013 includes only base salary;*
- (7) *Participants may no longer purchase prior service or a higher benefit formula multiplier;*
- (8) *The Deferred Retirement Option Plan (DROP) has been eliminated; and*
- (9) *The automatic annual cost-of-living adjustment (COLA) has been eliminated with respect to benefits earned on and after February 1, 2013. Instead, with respect to benefits earned on and after February 1, 2013, the City Council may adopt an ad hoc COLA from time to time.*

The plan's enrolled actuary, Charles T. Carr of Southern Actuarial Services Company, Inc., was provided with a copy of the proposed ordinance. In addition, the described plan change meets the requirements of Part VII, Chapter 112, Florida Statutes, and Section 14, Article X of the State Constitution.



Ms. Darcee S. Siegel, Chair, Board of Trustees



**PART TWO: CERTIFICATION OF THE ENROLLED ACTUARY**

Chapter 112 requires disclosure of the effect of changes in assumptions, methods, and plan provisions on certain liabilities. I have determined the impact of Ordinance 2012-33 based on the results of the October 1, 2012 actuarial valuation. The ordinance decreased the annual contribution required from the City by **17.58%** of payroll for the 2012/13 plan year. As of October 1, 2012, the decrease in annual cost is \$327,022.

The following table sets forth the required disclosures in connection with the plan changes which have been described above:

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Retirement Plan for the General Management Employees of the City of North Miami Beach  
 Impact Statement for Ordinance 2012-33 (continued)

	As of October 1, 2012 (Old Plan Provisions)	As of October 1, 2012 (New Plan Provisions)
Present value of future expected benefit payments:		
for active participants		
<i>retirement benefits</i>	\$ 8,699,252	\$ 5,853,325
<i>termination benefits</i>	13,312	9,543
<i>disability benefits</i>	95,614	90,843
<i>death benefits</i>	77,868	122,997
<i>return of contributions</i>	53,894	51,673
<i>sub-total</i>	<u>\$ 8,939,940</u>	<u>\$ 6,128,381</u>
for terminated participants	\$ 1,834,805	\$ 1,834,805
for retired participants and beneficiaries		
<i>retired (other than disab.) &amp; benef.</i>	\$ 11,748,731	\$ 11,748,731
<i>disabled retirees</i>	0	0
<i>sub-total</i>	<u>\$ 11,748,731</u>	<u>\$ 11,748,731</u>
total	<u>\$ 22,523,476</u>	<u>\$ 19,711,917</u>
Entry age normal accrued liability:		
for active participants		
<i>retirement benefits</i>	\$ 5,247,562	\$ 4,009,325
<i>termination benefits</i>	8,410	7,025
<i>disability benefits</i>	61,898	59,224
<i>death benefits</i>	48,549	72,024
<i>return of contributions</i>	39,674	38,209
<i>sub-total</i>	<u>\$ 5,406,093</u>	<u>\$ 4,185,807</u>
for terminated participants	\$ 1,834,805	\$ 1,834,805
for retired participants and beneficiaries		
<i>retired (other than disab.) &amp; benef.</i>	\$ 11,748,731	\$ 11,748,731
<i>disabled retirees</i>	0	0
<i>sub-total</i>	<u>\$ 11,748,731</u>	<u>\$ 11,748,731</u>
total	<u>\$ 18,989,629</u>	<u>\$ 17,769,343</u>
Actuarial value of assets	(14,615,897)	(14,615,897)
Unfunded accrued liability	<u>\$ 4,373,732</u>	<u>\$ 3,153,446</u>
Actuarial present value of accrued benefits	\$ 17,361,830	\$ 17,361,830
Present value of active participants':		
Future salaries	\$ 14,680,517	\$ 14,680,517
Future contributions	\$ 1,174,443	\$ 1,174,443
Present value of future contributions from the employer (excluding future expenses)	\$ 6,733,136	\$ 3,921,577
Expected annual compensation (FY 2013)	\$ 1,860,605	\$ 1,860,605
Minimum required contribution (FY 2013):		
Annual normal cost (incl. expenses)	\$ 239,711	\$ 38,034
Amortization payment	478,474	365,262
Interest adjustment	27,672	15,539
Total	<u>\$ 745,857</u>	<u>\$ 418,835</u>
(% of payroll)	40.09%	22.51%



*Retirement Plan for the General Management Employees of the City of North Miami Beach  
Impact Statement for Ordinance 2012-33 (continued)*

This actuarial valuation and/or cost determination was prepared and completed by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate and, in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Part VII, Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Respectfully submitted,

*Charles T. Carr*

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Charles T. Carr, A.S.A.  
Consulting Actuary  
Enrolled Actuary No. 11-04927

*12/28/12*

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Date signed







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STATE OF FLORIDA )  
COUNTY OF MIAMI-DADE )  
CITY OF NORTH MIAMI BEACH )

OFFICE OF THE CITY CLERK

---

RECORDS CERTIFICATION  
CITY OF NORTH MIAMI BEACH  
CERTIFICATE OF AUTHENTICITY

I, Pamela L. Latimore, the duly appointed City Clerk of the City of North Miami Beach, and keeper of the records of the City of North Miami Beach, do hereby certify:

That the attached and foregoing is a true, and correct copy of Ordinance No. 2012-33, consisting of eleven (11) pages, plus attachments (4 pages), as passed and adopted by the City Council of the City of North Miami Beach, Florida at their regular meeting held on the fifteenth (15<sup>th</sup>) day of January 2013, the original of which is on file in the office of the City Clerk in the City of North Miami Beach, and, which said Ordinance is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of North Miami Beach, Florida this 16<sup>th</sup> day of January, A.D., 2013.

(SEAL)

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PAMELA L. LATIMORE, CMC, CITY CLERK  
CITY OF NORTH MIAMI BEACH

**ORDINANCE NO. 2012-37**

**AN ORDINANCE OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, AMENDING ORDINANCE NO. 2002-30, WHICH ESTABLISHED THE RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; BY AMENDING SECTION 6 CONCERNING AMENDMENTS TO THE PLAN AND TRUST; PROVIDING FOR SEVERABILITY, PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR THE CODIFICATION OF THE ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of North Miami Beach has established and maintains a Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach; and

**WHEREAS**, Section 6 of the Retirement Plan provides that the Plan may be amended by the City Council, subject to approval of 60 percent of the active participants of the Plan and the recommendation of the Plan Retirement Committee; and

**WHEREAS**, the City has received a legal opinion that the requirement that any amendment to the Retirement Plan be approved by 60 percent of the active participants of the Plan and the recommendation of the Plan Retirement Committee is an improper and unconstitutional delegation of the City Council's legislative authority; and

**WHEREAS**, the Mayor and City Council have determined that it is in the best interest of the City and its citizens to eliminate the unconstitutional provision in the Retirement Plan.

**NOW, THEREFORE,**

**BE IT ORDAINED** by the City Council of the City of North Miami Beach, Florida:

**SECTION 1.** The foregoing recitals are true and correct.

**SECTION 2.** Section 6, of Ordinance No. 2002-30 of the City of North Miami Beach,

**ORDINANCE NO. 2012-37**

Florida, Code of Ordinances is hereby amended as follows :

Section 6. The City Council of the City of North Miami Beach shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the Agency and its management employees, ~~upon approval of sixty percent (60%) of the active plan participants, and the recommendation of the~~ The Plan Retirement Committee which shall consist of the City Manager the Director of Finance and the City Attorney, or their designees, who shall all be plan participants, and two plan retirees chosen by the other three board members, may make recommendations to the City Council concerning any amendment or proposed amendment to the Plan.

**SECTION 3.** Should this ordinance or any part thereof be declared invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed to have been enacted without the invalid provision.

**SECTION 4.** It is the intention of the City Council of the City of North Miami Beach that the provisions of this ordinance shall become and be made a part of the Adoption Agreement, Administered by the Florida League of Cities and that the word “ordinance” may be changed to “section,” “article,” or such other appropriate word or phrase in order to accomplish such intentions.

**SECTION 5.** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 6.** This ordinance shall take effect immediately upon its passage and adoption.

**APPROVED BY TITLE ONLY on first reading this 18th day of December, 2012.**

APPROVED AND ADOPTED on second reading this 2nd day of January, 2013.

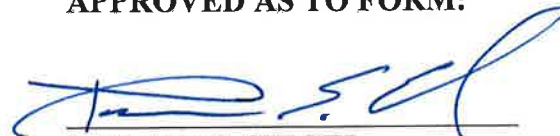
ATTEST:

  
PAMELA LATIMORE  
CITY CLERK

  
GEORGE VALLEJO  
MAYOR

(CITY SEAL)

APPROVED AS TO FORM:

  
DARCEE S. SIEGEL  
CITY ATTORNEY

Sponsored by: Mayor & Council

Note: Proposed additions to existing City Code text are indicated by underline; proposed deletions from existing City Code text are indicated by ~~strikethrough~~.



REPLY TO: TALLAHASSEE

December 12, 2012

Ms. Darcee S. Siegel  
City Attorney  
City of North Miami Beach  
City Hall, 4th floor  
17011 N.E. 19 Avenue  
North Miami Beach, FL 33162-3100

Re: Retirement Plan and Trust for the General Management Employees – Amendment Approval Process

Dear Ms. Siegel:

As requested, we have reviewed the process for approval of amendments contained in the City of North Miami Beach Retirement Plan for General Management Employees (“Management Plan”). The Management Plan is a defined benefit pension plan for general management employees of the City that was created by City ordinance in 2003. Section 6 of the Management Plan contains a procedure for amending the plan:

Section 6. The City Council of the City of North Miami Beach shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the Agency and its management employees, *upon approval of sixty percent (60%) of the active plan participants, and the recommendation of the Plan Retirement Committee* which shall consist of the City Manager, the Director of Finance and the City Attorney, or their designees, who shall all be plan participants, and two plan retirees chosen by the other three board members.

In our judgment, the requirement that any amendment to the Management Plan be approved by sixty percent of the active plan participants and be recommended by the plan retirement

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*See Things Differently*

BRADENTON  
101 Riverfront Boulevard  
Suite 620  
Bradenton, Florida 34205

p | 941-708-4040 • f | 941-708-4024

JACKSONVILLE  
245 Riverside Avenue  
Suite 150  
Jacksonville, Florida 32202

p | 904-353-6410 • f | 904-353-7619

TALLAHASSEE  
315 South Calhoun Street  
Suite 830  
Tallahassee, Florida 32301

p | 850-222-5702 • f | 850-224-9242

WEST PALM BEACH  
515 North Flagler Drive  
Suite 1500  
West Palm Beach, Florida 33401

p | 561-640-0820 • f | 561-640-8202

committee is an improper and unconstitutional delegation of the City Council's legislative authority. In practical effect, the requirement that plan members and the retirement committee approve amendments to the plan gives the members and the board veto power over any changes to the plan. As more fully explained below, the power to amend the plan properly belongs to the City Council – the legislative body for the City of North Miami Beach – and any provision that limits or restricts the City Council's legislative power is unconstitutional, and should be removed. Simply put: the Management Retirement Plan was created by an ordinance adopted by the City Council, and may only be amended by an ordinance of the City Council.

A legislative body is not permitted to improperly delegate its authority to legislate to another governmental body or private person or entity. *Vodshalk v. City of Lincoln Park*, 95 So. 2d 9 (Fla. 1957); *Watson v. City of St. Petersburg*, 489 So. 2d 138 (Fla. 2d DCA 1986). Moreover, the Florida Constitution's separation of powers clause prohibits the unlawful delegation of constitutional powers. See Arts. II-III, Fla. Const. The legislature may not parcel out this constitutional duty. *Chiles v. Children A, B, C, D, E and F*, 589 So. 2d 260 (Fla. 1991). A city council is not permitted to delegate its legislative duties to another person. *County of Volusia v. City of Deltona*, 925 So. 2d 340 (Fla. 5th DCA 2006)(holding that the city was not permitted to delegate its legislative functions to a private property owner or administrative agency); See also *Amara v. Daytona Beach Shores*, 181 So. 2d 722 (Fla. 1st DCA 1966)(holding that an ordinance requiring permission from private property owners prior to the issuance of any license or permit was an unlawful delegation of legislative power). However, ordinances have been upheld when certain guidelines must be applied and there is no unbridled discretion. *St. Johns County v. Northeast Florida Builder's Association, Inc.*, 583 So. 2d 635 (Fla. 1991).

In our opinion Section 6 of the Management Plan is an unlawful delegation of the City's legislative power because it gives a group of non-elected City employees unbridled discretion to engage in legislative duties. In essence, 41% of the active participants of the Management Plan have effective veto power over any plan amendment adopted by the City Council, and the employees may exercise this veto power for any reason whatsoever. Likewise, the requirement that all plan amendments be recommended by the retirement committee – made up of three current and two retired plan members, grants veto authority over any amendment to the committee, with no guidelines or criteria for approval or disapproval of amendments. Employees who are active participants of the Management Plan, and the members of the retirement committee, have unbridled discretion on when, how and whether to amend the plan. As such, the amendment approval requirement in the Management Retirement Plan is distinguishable from cases such as *St. Johns County v. Northeast Florida Builder's Association, Inc.*, which have allowed limited delegation of legislative authority.


Based on the foregoing cases, the requirement in the Management Retirement Plan that plan amendments be approved by sixty percent of active plan participants and recommended by the retirement committee is an unconstitutional and improper delegation of the City Council's legislative powers. For this reason, we recommend that the amendment approval process in

Ms. Darcee S. Siegel  
December 12, 2012  
Page 3

Section 6 of the plan be amended to remove the plan participant and retirement committee approval provisions.

If you have questions concerning any of the matters discussed in this letter, please call.

Sincerely,



James W. Linn

JWL/es





**ORDINANCE NO. 2014-2**

**AN ORDINANCE ENACTING AMENDMENTS TO THE RETIREMENT PLAN AND TRUST FOR GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, ADOPTION AGREEMENT, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; PROVIDING AN OPTION FOR CHARTER OFFICERS TO ELECT NOT TO PARTICIPATE IN SAID PLAN; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE CODIFICATION OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach (General Management Retirement Plan) was created by Ordinance 2002-30, with attached Adoption Agreement, adopted by the City Council of the City of North Miami Beach on January 7, 2003, which Ordinance and Adoption Agreement have been subsequently amended, most recently by Ordinance No. 2012-37; and

**WHEREAS**, the General Management Retirement Plan was established for the general management employees of the City, including Charter Officers; and

**WHEREAS**, the City Council has determined that Charter Officers should be provided the option to be excluded from the General Management Retirement Plan and participate in a defined contribution retirement plan provided by the City.

**NOW, THEREFORE,**

**BE IT ORDAINED** by the City Council of the City of North Miami Beach, Florida.

**Section 1.** The foregoing recitals are true and correct.

**Section 2.** Section C, "Eligibility" of the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach Adoption Agreement shall be amended as follows:

**ORDINANCE NO. 2014-2**



**C. ELIGIBILITY:**

Employees shall become participants in the plan effective:

**C1)** General Management Employees shall become participants in the plan effective immediately when hired. To preserve continuity of pension benefits, General Management Employees that are already in another City sponsored defined benefit pension plan shall remain in that plan and not transfer to this plan.

**C2)** No medical examination will be required for participation in this Pension Plan.

**C3)** Notwithstanding section C1 above:

(a) An individual who is serving as a Charter Officer (e.g. City Clerk, City Attorney, or City Manager) on the effective date of this Ordinance shall have a one-time option to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach by filing a written election with the Plan Administrator within 30 days following the effective date of the Charter Officer's next employment contract following the effective date of this Ordinance. A Charter Officer with less than six months of credited service who elects to discontinue participation in the Plan pursuant to this paragraph shall receive a full refund of employee contributions made to the Plan. A Charter Officer with six or more months of credited service who elects to discontinue participation in said Plan pursuant to this paragraph shall be entitled to receive his or her accrued benefit through the date of discontinuance of participation in the Plan. The accrued benefit will be calculated based on credited service and final monthly compensation on the date of discontinuance, payable upon attaining the normal or early retirement date and separation from City employment. Any individual who is serving as a Charter Officer on the effective date of this ordinance and does not timely file an election to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach shall continue to participate in said Plan. A Charter Officer who timely elects to discontinue participation in the Plan pursuant to this paragraph shall be eligible to participate in a defined contribution plan provided by the City. The amount of the City's contribution to the defined contribution plan shall be as set forth in the Charter Officer's employment contract.

(b) An individual who is initially appointed as a Charter Officer on or after the effective date of this Ordinance and who, prior to such appointment was employed by the City, may elect to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach, by filing a written election with the Plan Administrator within 30 days following the effective date of appointment as Charter Officer. If the Charter Officer has less than six months of credited service in the Plan and elects to discontinue participation in the Plan pursuant to this paragraph, he or she shall receive a full refund of employee contributions made to the Plan. A Charter Officer with six or more months of credited service who elects to discontinue participation in said Plan pursuant to this paragraph shall be entitled to





receive his or her accrued benefit through the date of discontinuance of participation in the Plan. The accrued benefit will be calculated based on credited service and final monthly compensation on the date of discontinuance, payable upon attaining the normal or early retirement date and separation from City employment. Any such individual who does not timely file an election to discontinue their participation in the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach shall continue to participate in said Plan. A Charter Officer who timely elects to discontinue participation in the Plan pursuant to this paragraph shall be eligible to participate in a defined contribution plan provided by the City. The amount of the City's contribution to the defined contribution plan shall be as set forth in the Charter Officer's employment contract.

(c) An individual who is initially appointed as a Charter Officer on or after April 22, 2014 who is hired from outside the City shall not be eligible to participate in this Plan, and shall be eligible to participate in a defined contribution plan provided by the City or to waive such benefits entirely. The amount of the City's contribution to the defined contribution plan, if any, shall be as set forth in the Charter Officer's employment contract.

**Section 3.** Should this ordinance or any part thereof be declared invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed to have been enacted without the invalid provision.

**Section 4.** It is the intention of the City Council of the City of North Miami Beach that the provisions of this ordinance shall become and be made a part of the Adoption Agreement, Administered by the Florida League of Cities and that the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase in order to accomplish such intentions.

**Section 5.** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**Section 6.** This ordinance shall take effect immediately upon its passage and adoption.

**APPROVED BY TITLE ONLY on first reading this 22nd day of April, 2014.**

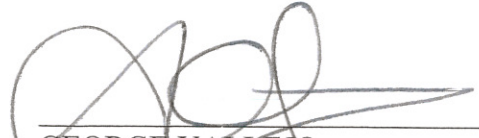


**APPROVED AND ADOPTED** on second reading this **6th day of May, 2014.**

ATTEST:

  
PAMELA LATIMORE

CITY CLERK

  
GEORGE VALLEJO

MAYOR

(CITY SEAL)

APPROVED AS TO FORM:

  
DOTIE JOSEPH  
INTERIM CITY ATTORNEY

Sponsored by: Mayor and City Council

**ORDINANCE NO. 2014-2**

**ORDINANCE NO. 2017-8**

**AN ORDINANCE ADOPTING AMENDMENTS TO THE RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA ADOPTION AGREEMENT, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; CLOSING THE PLAN TO NEW MEMBERS AND PROVIDING A ONE-TIME OPTION FOR CURRENT MEMBERS TO PARTICIPATE IN THE CITY'S DEFINED CONTRIBUTION PLAN; FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT THEREWITH; PROVIDING FOR SEVERABILITY; CODIFICATION; AND FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City of North Miami Beach ("City") has established and maintains a Retirement Plan for General Management Employees of the City of North Miami Beach ("Plan"); and

**WHEREAS**, Article 19 of the Plan authorizes the City Commission to amend the Plan, by delivering to the Trustee a written amendment in accordance with the limitations set forth therein; and

**WHEREAS**, the City Commission desires to amend the Plan by closing it to new members, and giving current members a one-time option to participate in the City's defined contribution plan.

**NOW THEREFORE, BE IT ORDAINED** by the Mayor and the City Commission of the City of North Miami Beach, Florida, that:

**Section 1.** The foregoing recitals are true and correct and are incorporated herein.

**Section 2.** The City Commission of North Miami Beach, Florida hereby approves and adopts the changes set forth below, to the Plan, in the form of an amendment to the Florida Municipal Pension Trust Fund Defined Benefit Plan and Trust Adoption Agreement, most recently amended and executed by the City on July 19, 2013 (additions indicated by underline and deletions indicated by ~~strikethrough~~):

B. PLAN

The Plan represents the General Management Employees hired prior to [effective date], i.e. unclassified management employees who are not members of any other City Sponsored Pension Plan,

C. ELIGIBILITY

Employees hired prior to [effective date] shall become participants in the plan effective:

- C1) General Management Employees hired prior to [effective date] shall become participants in the plan effective immediately when hired. To preserve continuity of pension benefits, General Management Employees that are already in another City sponsored defined benefit pension plan shall remain in that plan and not transfer to this plan.

\* \* \*

M. PLAN CLOSED TO NEW MEMBERS EFFECTIVE [EFFECTIVE DATE]; OPTION FOR CURRENT MEMBERS TO PARTICIPATE IN DEFINED CONTRIBUTION PLAN

Effective [effective date], the Plan is closed to new members. General Management Employees hired on or after [effective date] shall participate in a defined contribution plan established by the City. Members hired before [effective date] who are participating in the Plan on that date shall have a one-time option to elect to either continue participating in the Plan or cease participation in the Plan and participate prospectively in the defined contribution plan, by filing a written election with the Plan Administrator on or before [effective date]. Such election is irrevocable, and if a member does not file a timely election, he/she shall continue participating in the Plan. The accumulated member contributions of members with less than five years of credited service in this the Plan on [effective date] who elect to participate in the defined contribution plan shall be transferred to the defined contribution plan, and the City shall contribute 10% of such member's salary to the defined contribution plan for the period the member participated in this the Plan. Any member who had prior service in this the Plan, separated from City employment after vesting in this the Plan without receiving a refund of member contributions, and was subsequently reemployed by the City as a General Management Employee, who elects to participate in the defined contribution plan, shall retain his accrued benefit under this the Plan for the initial period of City employment, and such member's accumulated member contributions for the second period of City employment shall be transferred to the defined contribution plan, and the City shall contribute 10% of such member's<sup>2</sup> salary for the second period of City employment to the defined contribution plan.

**Section 3.** All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

**Section 4.** If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

**Section 5.** This Ordinance shall take effect immediately upon adoption.

**Section 6.** It is the intention of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances

of the City of North Miami Beach, Florida. The sections of this Ordinance may be renumbered or relettered to accomplish this intention and the word "Ordinance" may be changed to "Section", "Article", or other appropriate word as the Codifier may deem fit.

**APPROVED** on first reading this **20<sup>th</sup>** day of **June, 2017**.

**APPROVED AND ADOPTED** on second reading this **18<sup>th</sup>** day of **July, 2017**.

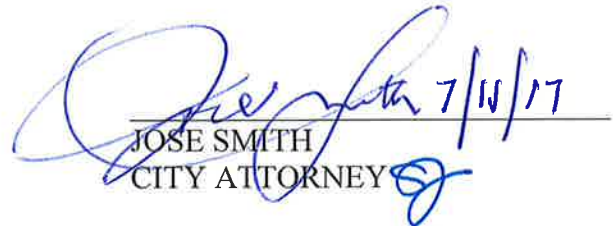
ATTEST:

  
PAMELA L. LATIMORE  
CITY CLERK

  
GEORGE VALLEJO  
MAYOR

(CITY SEAL)

APPROVED AS TO FORM &  
LANGUAGE & FOR EXECUTION

  
JOSE SMITH  
CITY ATTORNEY

Sponsored by: Mayor & City Commission





**ORDINANCE NO. 2018-4**

**AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, REVISING THE COMPOSITION OF THE RETIREMENT COMMITTEE/BOARD OF TRUSTEES OF THE RETIREMENT PLAN AND TRUST FOR GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH; CREATING A NEW SECTION 2-64 OF THE NORTH MIAMI BEACH CODE OF ORDINANCES, ENTITLED "GENERAL MANAGEMENT EMPLOYEES PENSION BOARD"; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HERewith; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE CODIFICATION OF THIS ORDINANCE AND FOR INCORPORATION IN THE ADOPTION AGREEMENT FOR THE RETIREMENT PLAN AND TRUST FOR GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; PROVIDING FOR AN EFFECTIVE DATE.**

**BE IT ORDAINED** by the Mayor and City Commission of the City of North Miami Beach, Florida, that:

**Section 1.** A new Section 2-64 of the City of North Miami Beach Code of Ordinances, entitled "General Management Employees Pension Board" is proposed to be created as follows:

**Section 2-64 - GENERAL MANAGEMENT EMPLOYEES PENSION BOARD.**

**2-64.1 Creation; Purpose.**

There is hereby created, pursuant to the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach, a Retirement Committee ("Board of Trustees") for the General Management Employees Retirement Plan, which shall be solely responsible for administering the Plan. The Board shall be a legal entity with, in addition to other powers and responsibilities outlined in the Plan, the power to bring and defend lawsuits of every kind, nature and description. The City Commission shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the City and its management employees.

**2-64.2 Membership.**

The Board shall consist of five (5) members as follows: the City Manager or his or her designee; an elected official nominated by the Mayor and ratified by the City Commission; the City Attorney or his or her designee; and one active Plan member and one retired Plan member appointed by the other three members.



**2-64.3 Elected Officials Councilpersons as Ex-Officio Members.**

If an elected official is appointed to the Board, he/she shall serve as an ex-officio duty of their office as Mayor or City Commissioner, and shall perform their ex-officio duties as members of the City of North Miami Beach General Management Employees Pension Board, as authorized by law.

**Section 2.** Should this ordinance or any part thereof be declared invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed to have been enacted without the invalid provision.

**Section 3.** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**Section 4.** If any section, subsection, clause or provision of this ordinance is held invalid the remainder shall not be affected by such invalidity.

**Section 5.** It is the intention of the City Commission of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of North Miami Beach, Florida, and shall be incorporated into the Adoption Agreement for the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach, administered by the Florida League of Cities. The Sections of this Ordinance may be renumbered or relettered to accomplish this intention and the word "Ordinance" may be changed to "Section", "Article" or other appropriate word.

**Section 6.** This Ordinance shall be effective upon adoption on second reading.

**APPROVED** on first reading this **16th day of January, 2018.**

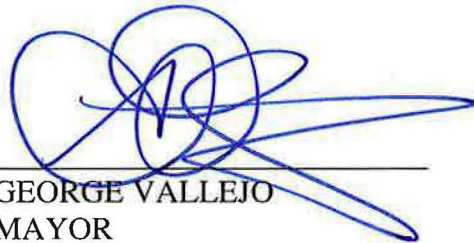
**APPROVED AND ADOPTED** on second reading this **20th day of February, 2018.**

ATTEST:



PAMELA L. LATIMORE  
CITY CLERK

(CITY SEAL)

  
GEORGE VALLEJO  
MAYOR

APPROVED AS TO FORM, LANGUAGE  
AND FOR EXECUTION

  
JOSÉ SMITH  
CITY ATTORNEY

ORDINANCE NO. 2018-4

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, REVISING THE COMPOSITION OF THE RETIREMENT COMMITTEE/BOARD OF TRUSTEES OF THE RETIREMENT PLAN AND TRUST FOR GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH; CREATING A NEW SECTION 2-64 OF THE NORTH MIAMI BEACH CODE OF ORDINANCES, ENTITLED "GENERAL MANAGEMENT EMPLOYEES PENSION BOARD"; ~~AMENDING SECTION 6 OF ORDINANCE NO. 2002-30, AS AMENDED BY ORDINANCE NO. 2012-33~~; PROVIDING FOR THE REPEAL OF ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE CODIFICATION OF THIS ORDINANCE AND FOR INCORPORATION IN THE ADOPTION AGREEMENT FOR THE RETIREMENT PLAN AND TRUST FOR GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED by the Mayor and City Commission of the City of North Miami Beach, Florida, that:

**Section 1.** —A new Section 2-64 of the City of North Miami Beach Code of Ordinances, entitled "General Management Employees Pension Board" is proposed to be created as follows:

**Section 2-64 - GENERAL MANAGEMENT EMPLOYEES PENSION BOARD.**

**2-64.1 Creation; Purpose.**

There is hereby created, pursuant to the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach, a Retirement Committee ("Board of Trustees") for the General Management Employees Retirement Plan, which shall be solely responsible for administering the Plan. The Board shall be a legal entity with, in addition to other powers and responsibilities outlined in the Plan, the power to bring and defend lawsuits of every kind, nature and description. The City Commission shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the City and its management employees.

**2-64.2 Membership.**

The Board shall consist of five (5) members as follows: the City Manager or his or her designee; ~~an elected official~~ ~~nominated~~ ~~an individual~~ ~~appointed~~ by the Mayor and ratified by the City



Commission; the City Attorney or his or her designee; and one active Plan member and one retired Plan member appointed by the other three members.

**2-64.3 Elected Officials~~Councilpersons as Ex-Officio Members.~~**

If an elected official is appointed to the Board, he/she shall serve as an ex-officio duty of their office as Mayor or City Commissioner, and shall perform their ex-officio duties as members of the City of North Miami Beach General Management Employees Pension Board, as authorized by law.

Section 2. ~~Section 6, of Ordinance No. 2002-30, as amended by Ordinance No. 2012-33 of the City of North Miami Beach, Florida, is hereby amended as follows:~~

~~Section 6. — The City CommissionCouncil of the City of North Miami Beach shall have the power to amend said Plan and Trust at such time or times as considered in the best interest of the CityAgency and its management employees. The Plan Retirement Committee shall consist of the City Manager or his or her designee, an individual appointed by the City Commission Council Member, an Active Member of the Plan and Trust, a Retiree Member of the Plan and Trust, and the City Attorney or his or her designee. Both the Active Member of the Plan and the Retiree Member of the Plan and Trust shall be chosen by the other three Committeeboard members. The Plan Retirement Committee may make recommendations to the City Commission concerning any amendment or proposed amendment to the Plan.~~

**Section 23.** Should this ordinance or any part thereof be declared invalid by a Court of competent jurisdiction, the invalidity of any part of this ordinance shall not otherwise affect the validity of the remaining provisions of this ordinance, which shall be deemed to have been enacted without the invalid provision.

**Section 34.** All ordinances or parts of ordinances, resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**Section 45.** If any section, subsection, clause or provision of this ordinance is held invalid the remainder shall not be affected by such invalidity.

**Section 56.** It is the intention of the City Commission of the City of North Miami Beach and it is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of North Miami Beach, Florida, and shall be incorporated into the Adoption Agreement for the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach, administered by the Florida League of Cities. The Sections of this Ordinance may be renumbered or relettered to accomplish this intention and the word “Ordinance” may be changed to “Section”, “Article” or other appropriate word.

**Section 6.** This Ordinance shall be effective upon adoption on second reading.

[SIGNATURE PAGE TO FOLLOW]

**APPROVED** on first reading this **16th day of January, 2018.**

**APPROVED AND ADOPTED** on second reading this **20th day of February, 2018.**

ATTEST:

\_\_\_\_\_  
PAMELA L. LATIMORE  
CITY CLERK

(CITY SEAL)

  
\_\_\_\_\_  
GEORGE VALLEJO  
MAYOR

APPROVED AS TO FORM, LANGUAGE  
AND FOR EXECUTION

  
\_\_\_\_\_  
JOSÉ SMITH  
CITY ATTORNEY

Feb 2/12/18

**ORDINANCE NO. 2023-09**

**AN ORDINANCE OF THE CITY OF NORTH MIAMI BEACH, FLORIDA AMENDING THE RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA, ADOPTION AGREEMENT, ADMINISTERED BY THE FLORIDA LEAGUE OF CITIES; RESTORING PENSION BENEFITS FOR A CERTAIN GENERAL MANAGEMENT EMPLOYEE WHO WAS A MEMBER OF THE PLAN ON JANUARY 31, 2013 AND HAS REMAINED CONTINUOUSLY EMPLOYED AS A MANAGEMENT EMPLOYEE; RESTORING THE 3% MULTIPLIER; RESTORING THE AUTOMATIC COST OF LIVING ADJUSTMENT; RESTORING THE NORMAL RETIREMENT DATE; PROVIDING FOR CODIFICATION; PROVIDING FOR CONFLICTS; PROVIDING FOR SCRIVENER'S ERRORS, PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, pursuant to Chapter 166, *Florida Statutes* and Section 1.4 of the Charter of the City of North Miami Beach ("City"), the City shall have all available governmental, corporate, and proprietary powers and may exercise them except when prohibited by law; and

WHEREAS, the City of North Miami Beach has established and maintains Retirement Plans for all eligible employees of the City; and

WHEREAS, the Mayor and City Council of the City of North Miami Beach wish to amend the Retirement Plan and Trust for a certain General Management Employee of the City of North Miami Beach who has remained continuously employed to restore certain benefits that were changed with the enactment of Ordinance No. 2012-33.

**NOW, THEREFORE, BE IT ORDAINED** by the City Commission of the City of North Miami Beach, Florida:<sup>1</sup>

**Section 1.** The foregoing whereas clauses are true and correct and adopted as the

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<sup>1</sup> Proposed additions to existing City Code text are indicated by underline; proposed deletions from existing City Code text are indicated by ~~strikethrough~~.

legislative and administrative findings of the City Commission and made a specific part of this Ordinance; all exhibits attached hereto are made a specific part of this Ordinance.

**Section 2.** That Section G - “Benefit Amounts and Eligibility” of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement is amended to read as follows:

G. BENEFIT AMOUNTS AND ELIGIBILITY:

G1) Normal Retirement Date:

\*\*\*

(f) Notwithstanding anything in the Plan to the contrary, the normal retirement date for the General Management Employee who was a member of the Plan on January 31, 2013, and is continuously actively employed as a General Management Employee on the effective date hereof, shall be the first day of the month coincident with, or next following attainment of a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with six (6) years of service, but in no instance prior to July 1, 2003.

G2) Normal Retirement Benefit: (Section 6.02)

For credited service earned on or before January 31, 2012, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 3% and multiplied by final monthly compensation.

For credited service earned on or after February 1, 2013, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 2% and multiplied by final monthly compensation.

Notwithstanding anything in the Plan to the contrary, the monthly retirement benefit for the General Management Employee who was a member of the

Plan on January 31, 2013, and is continuously actively employed as a General Management Employee on the effective date hereof, shall be equal to the number of years and fractional parts of years of credited service earned multiplied by 3% and multiplied by final monthly compensation.

\*\*\*

**Section 3.** That Section L - “Cost of Living Adjustment” of the Retirement Plan and Trust for the General Management Employees of the City of North Miami Beach Adoption Agreement is amended to read as follows:

L. COST OF LIVING ADJUSTMENT:

Commencing October 1, 2003, and the first day of each October thereafter, the monthly income payable hereunder to each participant or beneficiary who has been receiving benefits under any portion of this plan for one or more years, or to any such participant’s or beneficiary’s surviving beneficiary, for all years of credited service earned on or before December 31, 2012, shall be increased by two and one-quarter percent (2.25%).

For all years of credited service earned on or after February 1, 2013, effective October 1, 2013, and the first day of each October thereafter, any increase in the monthly income payable hereunder to each participant or beneficiary who begins receiving benefits under any portion of this plan for one or more years, or to any such participant’s or beneficiary’s surviving beneficiary, shall be decided on an *ad hoc* basis by the City Council, which is vested with the authority to decide if a Cost of Living Adjustment will be awarded for that particular fiscal year or not and each year thereafter.

Notwithstanding anything in the Plan to the contrary, for the General Management Employee who was a member of the Plan on January 31, 2013 and is continuously actively employed as a General Management Employee on the effective

date hereof, commencing October 1, 2003, and the first day of each October thereafter, the monthly income payable hereunder to the General Management Employee or his surviving beneficiary who has been receiving benefits under any portion of this plan for one or more years, for all years of credited service earned, shall be increased by two and one-quarter percent (2.25%).

**Section 4.** All Ordinances or parts of Ordinances, and Resolutions or parts of Resolutions in conflict with this Ordinance are repealed to the extent of such conflict.

**Section 5.** Any scrivener or typographical errors that do not affect intent may be corrected with notice to, and the authorization of the City Attorney and City Manager without further process.

**Section 6.** It is the intention of the City Commission that the provisions of this ordinance shall become and be made a part of the Adoption Agreement, Administered by the Florida League of Cities and that the word “ordinance” may be changed to “section,” “article,” or such other appropriate word or phrase to accomplish such intentions.

**Section 7.** If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance that can be given affect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable.

**Section 8.** This Ordinance shall become effective immediately upon its passage and adoption.



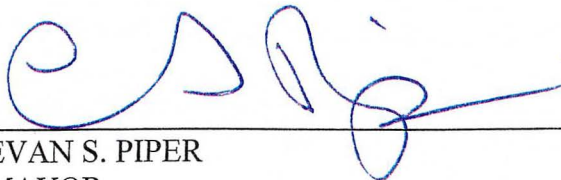
**APPROVED ON THIS FIRST READING** on this 17<sup>th</sup> day of October, 2023.

**APPROVED AND ADOPTED** on second reading this 19<sup>th</sup> day of December, 2023.

ATTEST:



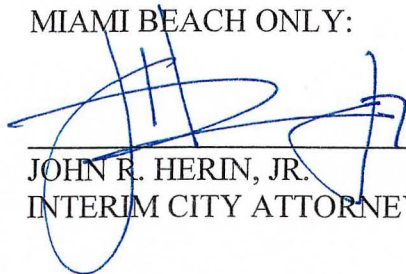
\_\_\_\_\_  
ANDRISE BERNARD, MMC  
CITY CLERK



\_\_\_\_\_  
EVAN S. PIPER  
MAYOR

(CITY SEAL)

APPROVED AS TO FORM AND LEGAL  
SUFFICIENCY FOR THE USE AND  
RELIANCE OF THE CITY OF NORTH  
MIAMI BEACH ONLY:



\_\_\_\_\_  
JOHN R. HERIN, JR.  
INTERIM CITY ATTORNEY

Sponsored by: Mayor & Commission

**Florida Municipal Pension Trust Fund**  
**Statement of Investment Policy Objectives and Guidelines**  
**Amended March 25, 2021**

**A. Portfolio Asset Allocation Guidelines**

There are four asset allocation models or investment options: Fund A, Fund B, Fund C, & Fund D. Fund D is for members who have selected an asset allocation other than Fund A, B, or C. The maximum target asset allocation for Equities is 70% for all asset allocations.

As authorized by Section XII, D., 17. of the Investment Policy, the FMPTF invests in the following Florida Municipal Investment Trust (FMIVT) Portfolios: 0-2 High Quality Bond Fund\*, Broad Market High Quality Bond Fund, Core Plus Fixed Income Fund, Diversified Large Cap Equity, Diversified Small to Mid (SMID) Cap Equity, International Equity and Core Real Estate Portfolio.

FMPTF's target asset allocation for the three allocations are listed below.

		<b>Fund A</b>	<b>Fund B</b>	<b>Fund C</b>
	<b><u>FMIVT Portfolio</u></b>	<b><u>Target</u></b>	<b><u>Target</u></b>	<b><u>Target</u></b>
<b>Equities</b>		<b>60%</b>	<b>70%</b>	<b>50%</b>
Large Cap				
	Diversified Large Cap Equity	25%	30%	22%
Small Cap				
	Diversified Small to Mid Cap Equity	14%	16%	10%
International				
	International Equity	21%	24%	18%
<b>Fixed Income (Incl. Cash)</b>		<b>30%</b>	<b>20%</b>	<b>40%</b>
Core Bonds	Broad Market High Quality	15%	10%	20%
Core Plus	Core Plus Fixed Income Fund	15%	10%	20%
<b>Real Assets</b>				
Core Real Estate	Core Real Estate Portfolio	10%	10%	10%

\* Investment in the 0-2 High Quality Bond Fund would occur at the election of participants terminating their investment in the FMPTF.

A variance of more than 10% from the approved allocation percentages of any asset class requires approval by the Master Trustees. Percentage allocations are intended to serve as guidelines; the Master Trustees will not be required to remain strictly at the designated allocation. Market conditions or an investment transition (asset class or manager) may require an interim investment strategy and, therefore, a temporary imbalance in asset mix.

Overall asset allocation targets shall be reviewed on an annual basis and formal report submitted to the Board every three years by the current performance monitoring consultant.

## **B. Performance Objectives**

Each Fund's total return will be expected to provide equal or superior results, using a three-year moving average, relative to the following benchmarks:

1. A relative return objective (Policy Benchmark)

Fund A - 25% S&P 500 Index, 14 % Russell 2500 Index, 21% MSCI ACWI ex USIndex 30% Barclays Capital Aggregate Bond Index and 10% NFI ODCE Index

Fund B - 30% S&P 500 Index, 16% Russell 2500 Index, 24 % MSCI ACWI ex US Index 20% Barclays Capital Aggregate Bond Index and 10% NFI ODCE Index

Fund C - 22% S&P 500 Index, 10% Russell 2500 Index, 18 % MSCI ACWI ex USIndex 40% Barclays Capital Aggregate Bond Index and 10% NFI ODCE Index

Fund D – Consistent with the strategic asset allocation set by the Member

2. A relative return objective of above median in consultant's total fund peer group universe.

Each Equity, Fixed Income and Real Estate Portfolio's total return is expected to provide equal or superior results relative to an appropriate benchmark as specified in the FMIVT guidelines for the particular portfolio and a relevant peer group universe.

## **C. Investment Manager Guidelines**

The FMPTF hereby adopts the investment manager guidelines as stated for each of the FMIVT portfolios as amended and updated from time to time.

## **D. Florida Statutes Chapter 175/185 Divestiture**

For any Chapter 175 or 185, Florida Statutes, plans participating in the Master Trust Fund, the Administrator and Investment Consultant shall periodically identify and report any direct or indirect holdings the Fund may have in any scrutinized company, as provided in Section 215.473, Florida Statutes, to the plans. The Master Trust Fund shall divest any direct holdings it may have in any scrutinized company as provided in Chapters 175 or 185, and Section 215.473, Florida Statutes. Indirect holdings in actively managed investment funds of any scrutinized company shall be subject to the provisions of Section 215.473(3)(e), Florida Statutes. However, investment managers of such actively managed investment funds containing companies that have scrutinized active business operations shall be requested to consider removing such companies from the fund or create a similar actively managed fund having indirect holdings devoid of such companies. If the investment manager creates such a similar fund, the Master Trust Fund shall replace all applicable investments subject to the provisions of Chapters 175 or 185, and Section 215.473, Florida Statutes, with investments in the similar fund in an expedited time frame consistent with prudent investing standards.

**FLORIDA MUNICIPAL PENSION TRUST FUND**  
**INVESTMENT POLICY**  
*Amended and Restated As of June 8, 2023*

**I. AUTHORITY**

The Master Trust Agreement originally made as of the 16<sup>th</sup> day of December, 1983, and as amended and restated most recently as of November 29, 2018, by and between all parties who are now or may hereafter become members of the Florida Municipal Pension Trust Fund (“FMPTF” or the “Master Trust Fund”) and the individuals named as Master Trustees pursuant to Section 109 of the Master Trust Agreement and their successors (such trustees collectively referred to as the “Master Trustees”). The Master Trust Agreement provides that the Master Trustees have the exclusive authority and discretion to manage and control the assets of the Master Trust Fund according to the provisions herein. Except as otherwise defined herein, the capitalized terms in this policy shall have the same meaning as such terms have in the Master Trust Agreement. Notwithstanding any provisions of this Investment Policy to the contrary, including but not limited to provisions in Sections II, III, IV, VI, VII, IX, X, XIII, and XIV, investment options selected by Participating Employers under Open Architecture Investment are exempt from the provisions of this Investment Policy. Participating Employers who select Open Architecture Investment are responsible for selecting and overseeing investment options for Participating Employees, Beneficiaries, and Alternate Payees which includes, among other matters, establishing default investment option(s), and which may also include establishing an investment policy, asset classes, and desired performance results.

**II. PURPOSE**

The purpose of the Master Trust Fund is to collectively manage the investment of the assets of the Plans of participating Florida governments. The Master Trust Fund operates as a non-profit, tax-exempt entity that provides professional and cost-effective investment and administrative services for all types of retirement plans.

The Master Trustees have established the herein investment policy and portfolio guidelines to assist the Administrator in the administration of the assets of the Master Trust Fund; to guide the investment managers in structuring portfolios consistent with the Master Trust Fund’s desired performance results and an acceptable level of risk; and to assure the Master Trust Fund assets are managed in a prudent fashion.

Except for the selection and oversight of investment options under Open Architecture Investment, this policy is applicable to all funds, assets and properties under the control of the Master Trustees and to all consultants, agents, and staff responsible to the Master Trustees.

**III. DUTIES AND RESPONSIBILITIES**

**A. Administrator.** Under the direction of the Master Trustees, it shall be the responsibility of the Administrator to supervise and administer the Master Trust Fund’s investment program pursuant to a written agreement between the Master Trust Fund and the Administrator, including, but not limited to, the following:

1. Supervise and coordinate the activities of qualified investment management firms, dealers, brokers, issuers, custodians, consultants and other investment advisors in keeping with this investment policy.
2. Provide advice and assistance in the administration and operation of the Master Trust Fund's investment program.
3. Establish accounting systems and procedures for the safekeeping, disposal of and recording of all investment assets held or controlled by the Master Trust Fund including the establishment of appropriate internal controls as required.
4. Assist in the design, development, operation, review and evaluation of the Master Trust Fund's investment program for compliance with this policy.
5. Advise the Master Trustees as to recommendations relative to amendments to this policy.
6. Inform the Master Trustees of unaddressed concerns with the Master Trust Fund's investment program.
7. Immediately notify the Master Trustees of any event or of any information that may have a severe and adverse effect on the Master Trust Fund's investment program under the provisions of this policy.

**B. Investment Managers.** Under the direction of the Master Trustees and subject to an applicable written investment management agreement, the duties and responsibilities of the investment managers for the Master Trust Fund shall include, but not be limited to, the following:

1. Will have full discretion in the management of assets allocated to the investment managers, subject to the overall investment policy and guidelines set by the Master Trustees.
2. Serve as fiduciaries responsible for specific securities decisions.
3. Will abide by duties, responsibilities and guidelines detailed in any specific investment manager agreement.

**C. Custodian.** Under the direction of the Master Trustees and subject to an applicable written custodial agreement, the duties and responsibilities of the Custodian shall include, but not be limited to, the following:

1. Accepts possession of securities for safekeeping; collects and disburses income; collects principal of sold, matured or called items; provides periodic accounting statements; and processes and maintains securities lending program.
2. Meets as required with the Master Trustees and provides reports relative to the status of the Master Trust Fund.

3. In a timely fashion, forwards and transmits to the appropriate investment managers all proxies related to equity securities held in an account.

4. Will abide by duties, responsibilities and guidelines detailed in any specific custodial agreement.

**D. Performance Monitoring Consultant (Investment Consultant).** Under the direction of the Master Trustees and subject to an applicable written investment consulting agreement, the duties and responsibilities of the investment consultant shall include, but not be limited to, the following:

1. Assists the Master Trustees in developing investment policy guidelines, including asset class choices, asset allocation targets and risk diversification.

2. Provides the Master Trustees with objective information on a broad spectrum of investment management specialists and helps construct a portfolio management team of superior investment managers.

3. Monitors the performance of the investment managers and provides regular quarterly reports to the Master Trustees, which will aid the Master Trustees in carrying out the intent of this policy.

4. Reports conclusions and recommendations to the Master Trustees as required.

5. Evaluates and makes recommendations, as needed, on portfolio management.

6. Evaluates and makes recommendations, as needed, on other areas of investment, such as real estate, foreign securities or venture capital.

7. Will abide by duties, responsibilities and guidelines detailed in any specific investment consulting agreement.

#### **IV. INVESTMENT AND FIDUCIARY STANDARDS**

The standard of prudence to be used by investment advisors, money managers or other qualified parties or individuals with contracted investment responsibilities with the Master Trust Fund (the “Managers”) shall be the “prudent person”, which provides that the investments of the Master Trust Fund shall be made with the judgment and care under the circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of the invested Master Trust Fund assets considering the probable income, total return and probable safety of these Master Trust Fund investments. Managers shall adhere to the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 at 29 U.S.C. s. 1104(a)(1)(A) through (C). Individuals, acting in accordance with established procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to minimize any investment losses.

Any individual who is involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Managers shall have a written policy which addresses the disclosure of potential conflict-of-interests which shall be submitted to the Administrator upon request. Managers shall also disclose to the Administrator any material financial/investment position or finding which may be contrary to this policy or otherwise related to the performance of the Master Trust Fund's portfolio. Any adverse findings of the U.S. Department of Labor or the Securities and Exchange Commission regarding a Manager or its financial activities shall be brought to the immediate attention of the Master Trustees by the Administrator once the Administrator is notified.

Before engaging in any investment transactions with the Master Trust Fund, a Manager shall have submitted to the Administrator a signed certification from a duly authorized representative attesting that the individuals responsible for the Master Trust Fund's account have reviewed and shall comply with this investment policy and that they agree to undertake reasonable efforts to preclude imprudent transactions involving the assets of the Master Trust Fund.

## **V. INTERNAL CONTROLS**

The Master Trustees require that the Administrator and any other designees establish a system of internal controls which shall be in writing. These controls shall be reviewed by independent certified public accountants as part of any required periodic financial statement audit. The internal controls should be designed to prevent losses of the Master Trust Fund which might arise from fraud, error, misrepresentation by third parties, or imprudent actions by the Master Trustees, Administrator or other designees.

## **VI. BROKERAGE AND BID REQUIREMENT**

Managers shall use their best efforts to ensure that portfolio transactions are placed on a best execution basis. The Master Trustees intend to utilize recapture commissions when it does not interfere with best execution, solely at the discretion of the investment managers. Managers are required to, on a quarterly basis, report all brokerage transactions and reasons for using brokers to the Master Trustees. The Managers shall competitively bid securities in question when feasible and appropriate. Except as otherwise required by law, the most economically advantageous bid must be selected.

## **VII. PROXY VOTING**

Responsibility for the voting of proxies shall be with the Master Trustees. The Master Trustees may exercise the right to assign this responsibility to the investment managers. Since proxy votes may be considered an asset of the Master Trust Fund, the assignment of voting proxies shall be exercised solely in the interest of the participants and beneficiaries of the Master Trust Fund, and for the exclusive purpose of providing benefits to participants and beneficiaries. Documentation related to the handling and voting of proxies will be reported to the Master Trustees on a quarterly basis.

The Master Trustees may (but are not required to) solicit Participating Employees' instructions as to the voting of a Master Trust Fund investment for their benefit. In so doing, the

Master Trustees may solicit instructions from only those Participating Employees whose Plan accounts held the applicable investment on the record date fixed by the investment issuer. To the extent that the Administrator receives proper instructions from these Participating Employees, the Master Trustees shall vote the Master Trust Fund's rights in accordance with the instructions. To the extent of the Master Trust Fund's rights for which Participating Employees did not give proper instructions, the Master Trustees may vote in their discretion.

## **VIII. CONTINUING EDUCATION**

The Master Trust Fund acknowledges the importance of continuing education for Master Trustees. To that end, the Master Trustees shall attend appropriate educational conferences in connection with their duties and responsibilities as Master Trustees.

## **IX. REPORTING AND PERFORMANCE MEASUREMENT**

The Administrator shall submit to the Master Trustees a quarterly investment report with information sufficient to provide for a comprehensive review of investment activity and performance for the quarter. Performance shall be measured against appropriate indices identified by the Master Trustees for each investment category. This report shall summarize recent market conditions, economic developments and anticipated investment conditions. The report should also summarize the investment strategies employed in the most recent quarter, and describe the portfolio in terms of investment securities, maturities, risk characteristics, adherence to guidelines and other relevant features.

Managers shall provide timely transaction and performance data to record and document investment activity, including asset valuation, yield and total return data and such other relative performance data of the Master Trust Fund's portfolio on a periodic basis as may be reasonably requested by the Administrator.

The Administrator, Managers and other contracted parties shall provide to the Master Trust Fund's auditor such verifications or reports as are required for the purpose of developing and supporting the annual financial statements of the Master Trust Fund and the footnotes thereto.

Managers shall provide immediate written and telephonic notice to the Administrator of any significant event relating to the Master Trust Fund, specifically but not limited to the resignation, termination or incapacity of any senior personnel of any Manager.

## **X. RISK AND DIVERSIFICATION**

The Master Trustees will monitor the return per unit of risk (as measured by the standard deviation of quarterly returns) of the Master Trust Fund's assets on an ongoing basis, with each Manager's contribution being reviewed independently and as to its impact on the overall Master Trust Fund's investment return and volatility of results over time. Each Manager's contribution will be measured against similar data for appropriate benchmarks.

Investment guidelines and monitoring will provide controls for identifying and limiting risk of loss from over concentration of assets invested in a specific maturity, with a single issuer,



in like instruments, or dealers or through utilization of intermediaries for purchase and sale of investments.

Risk and diversification strategies shall be reviewed and revised, if necessary, on a regular basis in light of the current and projected market condition and the Master Trust Fund's needs.

Assets in the Master Trust Fund shall be diversified among equities, fixed income and real estate to minimize overall portfolio risk consistent with the level of expected return and thereby improve the long-term return potential of the Master Trust Fund's assets. The Master Trustees reserve the right to add additional diversification by retaining multiple Managers or portfolios, upon Master Trustee approval and amendment to this policy, to further minimize portfolio risk or to maintain the level of expected return.

Managers shall be selected to fulfill a particular diversifying role within the Master Trust Fund's overall investment structure. It is the express intent of the Master Trustees to grant each Manager substantial discretion over the assets under its control.

## **XI. CUSTODIAN**

The Custodian shall hold all actively managed or non-indexed assets of the Master Trust Fund. The Custodian will operate in accordance with a separate agreement with the Master Trustees. All securities shall be held with a third party, and all securities purchased by, and all collateral obtained by the Master Trustees shall be properly designated as an asset of the Master Trustees. No withdrawal of securities, in whole or in part, shall be made from safekeeping except by the Master Trustees or their designee. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery versus payment" basis, if applicable, to ensure that the Custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

## **XII. DEFINED BENEFIT PLAN SPECIFICATIONS**

These provisions relate to the investment of the assets of the Defined Benefit Pension Plan Trust and the portion of the Other Post-Employment Benefit Plan Trust relating to other post-employment benefit plans that are defined benefit plans.

**A. Investment Objective and Expected Annual Rate of Return.** The primary objective is to seek long-term growth of capital and income consistent with conservation of capital. Necessary liquidity will be maintained to meet payout requirements. Emphasis is placed on achieving consistent returns and avoiding extreme volatility in market value.

As of October 1 of each year, the individual members of the FMPTF will annually determine for their defined benefit plans the total expected annual rate of return for the current year, for each of the next several years and for the long-term thereafter. This determination must be filed promptly with the Department of Management Services, the Administrator, Master Trustees, and the actuaries, if any, for the Plans.

**B. Asset Allocation and Portfolio Composition.** Assets of the Master Trust Fund shall be invested in a diversified portfolio consisting of equity and debt. Although cash is not included in the asset allocation of the Master Trust Fund, surplus cash flows, additional

contributions and Manager cash will be utilized to pay obligations of the Master Trust Fund and periodic re-balancing of the assets. The Master Trust Fund may consider investments in other asset classes which offer potential enhancement to total return at risks no greater than the exposure under the initially selected asset classes.

From time to time the Master Trustees will adopt asset allocation strategies within the ranges specified below:

	<u>Maximum Target Limitation</u>
Equities	70% at market

The Master Trustees may employ an independent consultant to perform an annual, or more frequent, Asset Allocation Report that will include, but not be limited to, a strategic analysis and report on asset allocation investments between different types of investments and appropriate changes to the percentages therein. This study will be used to assist the Master Trustees in the determination of the appropriate investment allocation to maximize the return and minimize the risk to the pooled assets of the Master Trust Fund. This study may include a recommendation to add or delete asset classes as is warranted by the risk/reward analysis and by Master Trustees' approval.

The Master Trustees are not bound by acceptance or denial of recommendations presented in conjunction with the Asset Allocation Report.

It is not the intention of the Master Trust Fund to become involved in the day-to-day investment decisions. Therefore, the Administrator is authorized by this policy to make asset allocation decisions to reallocate or redirect either contributions or the investments held by the Master Trust Fund in order to take advantage of changing market conditions. Any tactical allocation that will cause the allocation of the investment classes to vary from the approved strategic allocation percentages of any asset class by more than 10% requires approval by the Chair of the Master Trustees.

The Administrator will report to the Master Trustees at their quarterly meetings on the tactical and re-balancing allocation decisions made during the prior quarter.

**C. Maturity and Liquidity.** The Master Trust Fund shall provide sufficient liquidity to meet any required payment.

**D. Authorized Investments.** In an effort to accomplish the objectives of the Master Trust Fund, this policy identifies various authorized investment instruments, issuer diversification, maturity constraints, investment ratings and liquidity parameters. The following are authorized investments:

1. Repurchase agreements which are purchased only from dealers authorized by the Master Trustees and may only involve the sale and repurchase of securities authorized for purchase by this investment policy. Maximum maturity at purchase shall not exceed 180 days with a total average maturity, at any point in time, for all repurchase agreements held of not greater than 60 days.

2. Direct obligations of the United States Treasury including bills, notes, bonds and various forms of Treasury zero-coupon securities.

3. Any authorized investments purchased by or through the State Board of Administration or the Office of the State Treasurer and held on behalf of the Master Trust Fund in a commingled pool or separate account.

4. Commercial paper issued in the United States by any corporation, provided that such instrument carries a rating of A1/P1 (or comparable rating) as provided by two of the top nationally recognized statistical rating organization; and that the corporation's long term debt, if any, is rated at least A1/A+ by a nationally recognized statistical rating organization or, if backed by a letter of credit ("LOC"), the long term debt of the LOC provider must be rated at least AA (or a comparable rating) by at least two of the nationally recognized statistical rating agencies publishing ratings for financial institutions. The maximum maturity shall not exceed 270 days from the time of purchase.

5. Banker's acceptances issued within the U.S. by institutions with a long term debt rating of at least AA or short term debt rating of P1 (or comparable ratings), as provided by one nationally recognized statistical rating organization. Exceptions to the above may be approved by the Administrator from time to time and reported to the Master Trustees. The invested account of a Manager may own no more than 5% of the portfolio in banker's acceptances issued by any one depository institution at one time. Maximum maturity shall not exceed 270 days from the time of purchase.

6. Nonnegotiable Certificates of Deposit issued by Florida Qualified Public Depositories as identified by the State Treasurer's office and/or negotiable certificates of deposit issued in U.S. dollars by institutions, provided such institution carries a short term rating of at least A1/P1 (or comparable rating) and a long term rating of a least A (or comparable rating) as provided by two of the top nationally recognized rating agencies. The invested account of a Manager may own no more than \$5,000,000 in certificates of any one depository institution at one time. Maximum maturity on any certificate shall be 2 years.

7. Obligations of the agencies or instrumentalities of the federal government, including, but not limited to, the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Banks, Federal Farm Credit Banks, Student Loan Marketing Association and the Resolution Master Trust Funding Corporation.

8. Money market mutual master trust funds as defined and regulated by the Securities Exchange Commission. Money market master trust funds will be limited to monies held by trustees, paying agents, safekeeping agents, etc. as a temporary investment to facilitate relationships as delineated above.

9. Mortgage obligations guaranteed by the United States government and sponsored agencies or instrumentalities including but not limited to the Government National Mortgage Association, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. Mortgage-backed securities, including mortgage-pass through securities and collateralized mortgage obligations ("CMOs") issued, guaranteed or backed by an agency or instrumentality of the federal government or other mortgage securities including CMOs rated AAA or equivalent by a nationally recognized statistical rating

organization. Derivative mortgage securities, such as interest only, principal only, residuals and inverse floaters are prohibited.

10. Corporate fixed income securities issued by any corporation in the United States with any A rating or better. A Manager may hold no more than 3% of the invested account in any one corporation at the time of purchase.

11. Asset-backed securities issued in the United States with a rating of A or better by a NRSRO.

12. Securities of state, municipal and county governments or their public agencies, which are rated A or better by a nationally recognized statistical rating organization.

13. Commingled governmental investment trusts, no-load investment master trust funds, or no-load mutual master trust funds in which all securities held by the trusts or master trust funds are authorized investments as provided herein or as may be approved by the Master Trustees.

14. Guaranteed investment contracts (“GIC’s”) with insurance companies rated in the highest category by AM Best Rating System or a comparable nationally recognized statistical rating organization.

15. Investment agreements with other financial institutions. If collateralized, the collateral securing the investment agreement shall be limited to those securities authorized for purchase by this investment policy. The invested account of a Manager may own, at one time, no more than \$10,000,000 in investment agreements from any one financial institution. Investment agreements are obligations of financial institutions typically bearing a fixed rate of interest and having a fixed maturity date. Investment agreements are privately negotiated and illiquid.

16. Equity assets, including common stock, preferred stock and interest bearing obligations having an option to convert into common stock.

17. Florida Municipal Investment Trust (FMIvT) Portfolios.

**E. Valuation of Illiquid Investments.** If illiquid investments for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism, the criteria set forth in Section 215.47(6), Florida Statutes, shall apply, except that submission to an Investment Advisory Council is not required. For each plan year (defined benefit plans only) the Master Trustees must verify the determination of the fair market value for those investments and ascertain that the determination complies with all applicable state and federal requirements. The Master Trustees shall disclose to the Department of Management Services and the Administrator each such investment for which the fair market value is not provided.

**F. Master Repurchase Agreements.** All approved institutions and dealers transacting repurchase agreements shall execute and perform as stated in a Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master

Repurchase Agreement. This provision does not restrict or limit the terms of any such Master Repurchase Agreement.

**G. Criteria for Investment Manager Review.** The Master Trustees wish to adopt standards by which ongoing retention of a Manager should be determined. With this in mind, the following guidelines are adopted:

If, at any time, any one of the following is breached, the Manager will be notified of the Master Trustees' serious concern for the Fund's continued safety and performance and that manager termination could occur.

1. Consistent performance below the 50<sup>th</sup> percentile in the specified universe over rolling 3-year periods.
2. Consistent under-performance of the stated target index over rolling 3-year periods.
3. Loss by the Manager of any senior personnel deemed detrimental to the Manager's ability to perform required duties or any potentially detrimental organizational issues that may arise and have an effect on the management of Master Trust Fund assets.
4. Substantial change in basic investment philosophy by the Manager.
5. Substantial change of ownership of the firm deemed detrimental to the Manager's ability to perform required duties.
6. Failure to attain at least a 51% vote of the confidence of the Master Trustees.
7. Failure to observe any guidelines as stated in this policy.

This shall in no way limit or diminish the Master Trustees' right to terminate the Manager at any time for any reason.

An investment management agreement will be entered into between the Master Trustees and each Manager. Each investment management agreement will include such items as fiduciary standards, notice requirements, duties and responsibilities and specific investment guidelines for the Manager and will be subject to the prior review and approval of an attorney for the Master Trustees.

All Managers must be duly registered with the appropriate government agencies to act in the capacity of investment manager on behalf of the Master Trustees. Any Manager appointed shall promptly notify the Master Trustees in the event any circumstance arises that may result in its failing to continue to meet the requirements stipulated by the respective government agencies.

A Manager's performance will be evaluated with the assistance of performance measurement consultants on an on-going basis and will be a primary criteria for their retention.

**H. Deferred Retirement Option Program Funds.** For a defined benefit plan within the Defined Benefit Pension Plan Trust, an employer or board of trustees may establish a Deferred Retirement Option Program (“DROP”) distribution option whereby DROP funds are invested through the Master Trust Fund or allow participant-directed investment of DROP funds through the Master Trust Fund as provided under Article XIII of this Investment Policy.

**I. “Pecuniary Factor” - Compliance with Section 112.662, Florida Statutes.** As used herein, the term “pecuniary factor” means a factor that the Administrator, investment managers, named fiduciary, or Master Trustees prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with the investment objectives and funding policy of the defined benefit plans. The term does not include the consideration of the furtherance of any social, political, or ideological interests.

When deciding whether to invest and when investing the assets of the defined benefit plans, only pecuniary factors may be considered and the interests of the participants and beneficiaries of the plans may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor. The weight given to any pecuniary factor must appropriately reflect a prudent assessment of its impact on risk or returns.

If, at any time, the Master Trustees are to exercise shareholder rights or are to exercise such rights on behalf of the defined benefit plans, including the voting of proxies, only pecuniary factors may be considered and the interests of the participants and beneficiaries of plans may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor.

### **XIII. DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLAN SPECIFICATIONS**

These provisions relate to the investment of the assets of the Defined Contribution Pension Plan Trust, the Deferred Compensation Plan Trust, the portion of the Other Post-Employment Benefit Plan Trust relating to other post-employment benefit plans that are defined contribution plans, and the portion of the Defined Benefit Pension Plan Trust relating to participant-directed investment of Deferred Retirement Option Program funds. As provided in Section I. Authority of this Investment Policy, the provisions in this Section XIII have limited or no application to investment options selected and overseen by a Participating Employer under Open Architecture Investment.

**A. Purpose.** The Master Trustees are charged with the overall responsibility to manage the Master Trust Fund assets prudently on behalf of the Participating Employees. The general purpose of this investment policy is to assist the Master Trustees in discharging their responsibility to supervise, monitor and evaluate the investment of the Master Trust Fund assets. The Master Trustees believe this investment policy should be dynamic and should be reviewed periodically. The Master Trustees intend that this policy will not be overly restrictive given changing economic, business and capital market conditions.

Therefore, this policy is compiled to ensure:

1. The Master Trustees define a formal set of investment objectives, guidelines and procedures for the management of the Master Trust Fund assets, subject to the terms of the Plans' documents and investment advisory agreements entered into by the Managers and the Trustees.

2. Direct and indirect investment expenses are controlled and reasonable.

3. The investments of the Master Trust Fund assets are managed in accordance with the fiduciary prudence and due diligence requirements that experienced investment professionals would utilize and with all applicable laws, rules and regulations from various state, local and federal agencies that may impact the Master Trust Fund assets.

4. If and to the extent permitted by their respective Plans, Participating Employees and Beneficiaries have the ability to invest in a variety of asset classes, thereby gaining exposure to a wide range of investment opportunities.

**B. Investment Objective.** To the extent any Plans provide for participant-directed investments, the Master Trust Fund will make available a range of different diversified investment options that have varying degrees of risk and return.

It is anticipated, but not required, that the same investment options be available for each Plan. Investment options offered to Participating Employees and their Beneficiaries shall be approved by the Trustees.

To the extent any Plans provide for participant-directed investment, the primary objective of the Master Trust Fund is to offer the Participating Employees and their Beneficiaries a range of investment choices to permit diversification and a choice of investment strategies. The objectives are further defined as follows:

1. To provide a spectrum of investment options so a Participating Employee will be able to choose the investment mix that may fall within a range of risk and return characteristics customarily appropriate for the Participating Employee.

2. To provide sufficient investment choices so that the asset classes selected shall be such that taken together Participating Employees will have a reasonable opportunity to materially affect the potential investment returns in their accounts, while at the same time controlling risk or volatility. It is the intent that a Participating Employee may be able to build a balanced portfolio in a manner generally consistent with modern portfolio theory.

**C. Guidelines**

1. Investment options for the Participating Employees shall be determined solely in the interest of the Participating Employees and their Beneficiaries and for the exclusive purpose of providing benefits to the Participating Employees and their Beneficiaries.

2. Investment options for the Participating Employees shall be determined with the care, skill, prudence and diligence under the circumstances then prevailing that a

prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and aims.

3. Investment options for the Participating Employees shall be determined so as to offer an array of investment options so Participating Employees can protect themselves from large losses by appropriately diversifying their account.

**D. Participant Control.** To the extent permitted by the Plans, Participating Employees shall be given control over the investment allocation process. This shall include the right to change investment allocations of existing account balances and future contributions daily. Participating Employees shall also be given information necessary for them to reasonably understand the investments and to make reasonably informed investment decisions.

**E. Self Directed Investment Option.** Participants are allowed to self-direct their Pension accounts within the mutual fund offering. .

**F. Procedure**

1. The Master Trustees shall use business judgment in selecting investment products limited to registered investment company [“mutual fund”] shares and collective investment fund units, which the Master Trustees may own indirectly through a group trust or a securities account. The Plans’ investment options shall not include any investment for which the indicia of ownership cannot be held by the Master Trustees in the United States of America. Investment companies need not be classified as “diversified” as defined by the Investment Company Act of 1940. Both passive and actively managed investment strategies will be considered.

2. The following characteristics (when applicable) shall be considered in selecting the specific asset classes and corresponding investments to be made available to Participating Employees:

(a) Investment category and objective as defined in the prospectus or equivalent literature as well as current and historically consistent adherence to the asset classes and investment styles as defined in Section XIII.F below.

(b) The Manager(s) and tenure. (Longer tenure is preferred.)

(c) Acquisition costs and ongoing management fees including turnover. (Lower fees and turnover are preferred.)

(d) Investment record: total returns (net of expenses) on a time-weighted basis over three- and five-year periods and their relationship to appropriate benchmarks and peer groups. (Higher returns are preferred.)

(e) Risk adjusted return measurements: Sharpe Ratio and Alpha Returns and their relationship to appropriate benchmarks and peer groups. (Higher Sharpe Ratio and Alpha Return are preferred.)



(f) Risk characteristics: risk as measured implicitly by reviewing standard deviation and beta as used to compute Sharpe Ratios and Alpha statistics. (Lower standard deviations and betas are preferred.)

(g) Any other criteria that the Master Trustees deem worthwhile in judging the suitability of an investment, as long as the overall range of other investment options meets all requirements of this investment policy.

The Master Trustees shall review the long-term performance, risk and correlation characteristics of various asset classes, focusing on the balance between risk and return and the asset class' market behavior so that the investment options reasonably span the risk/return spectrum.

3. Miscellaneous Criteria: In selecting the specific investments to be made available to participants, the Master Trustees shall consider the following additional criteria:

(a) *Services to Participating Employees*

- (1) Communication from the funds
- (2) Accessibility to fund information
- (3) Ease and cost of investment transfers
- (4) Nature and frequency of reports to Participating Employees

(b) *Services to Master Trustees*

- (1) Nature and frequency of investment reports
- (2) Availability and access to Administrator and Managers
- (3) Corresponding costs and expenses associated with Plan record keeping and reporting and administration
- (4) Quantitative and qualitative due diligence regarding the Managers

**G. Asset Classes.** As a result of review and analysis, and in consideration of the criteria outlined in this policy, the Master Trustees have selected the following asset classes (investment styles) and may achieve objectives through passive (index) or active management. It is understood that this list is dynamic and subject to change by amendment of this policy at any time and from time to time:

- a) Money Market Fund – Invests in high quality money market instruments, seeks current income, seeks to maintain a constant \$1 net asset value (NAV)
- b) Stable Value Fund – Seeks income with capital preservation by investing in a pool consisting of one or more of the following: Guaranteed Investment Contracts, Synthetic Investment Contracts and Separate Account Investment Contracts issued by insurance companies; Bank Investment Contracts; Asset backed securities; Treasury bonds; and cash equivalents. The preponderance of its assets is invested in securities with a credit quality of AAA.

- c) **Intermediate Bond Fund** –Seeks a moderate and sustainable level of current income, and aggregate performance consistent with intermediate-term, investment-grade fixed income securities. While investing primarily in high quality corporate bonds, the manager emphasizes sectors and securities that represent good relative value, and modestly adjusts portfolio duration based on the interest rate outlook, the shape of the yield curve, and other factors.
- d) **Total Bond Market Index** – Seeks to track the performance of the BloomBar Capital U.S. Aggregate Bond Index. Broadly diversified exposure to investment-grade U.S. bond market. Intermediate Duration portfolio. Provides moderate current income with high credit quality.
- e) **Total International Bond Index** - Seeks to track the performance of the Bloomberg Barclays Global Aggregate ex-USD Index. Broadly diversified exposure to the global, investment-grade, fixed-rate debt markets outside of the United States by investing in government, government agency, corporate, and securitized non-U.S. investment grade fixed-income investments.
- f) **Large Company Value** – Invests in large and mid cap value stocks. Seeks long-term capital and income.
- g) **Large Company Growth** – Invests in large and mid cap growth stocks. Seeks long-term capital appreciation.
- h) **Large Cap Index Fund** – Seeks to track the performance of the S&P 500 Index. Predominantly U.S. Large Cap stocks, diversified across growth and value styles.
- i) **Social Index Fund** – Seeks to track the performance of the FTSE4Good US Select Index by investing in large and mid capitalization US stocks that are screened for certain social and environmental criteria.
- j) **Small to Mid Cap Core** – Invests in small to medium sized company stocks. Seeks long-term capital growth.
- k) **Small Cap Index Fund** – Seeks to track the performance of the CRSP US Small Cap Index. Small cap equity diversified across growth and value styles.
- l) **International Stock Index Fund** – Seeks to track the performance of the FTSE Global All Cap Ex US Index. International equity diversified across growth and value styles.
- m) **Emerging Markets Stock Index Fund** - Seeks to track the performance of the FTSE Emerging Markets All Cap China A Inclusion Index which represents large-,mid-, and small-cap stocks of companies located in emerging market countries.
- n) **International Small Cap Index Fund** - Seeks to track the performance of the FTSE Global Small Cap ex US Index which represents broad exposure across developed and emerging non-U.S. small-cap equity markets.

- o) Real Estate Index – Seeks to track the performance of the FTSE NAREIT Index. Invests in Equity Real Estate Investment Trusts.
- p) Balanced Fund – Balanced Allocation 60% to 70% stocks, 30% to 40% bonds. Seeks long-term capital appreciation and reasonable current income, with moderate risk. Primarily invests in large and mid capitalization value stocks and intermediate, short and long term government and investment grade corporate bonds.
- q) Target Retirement Funds – A lineup of multiple targeted maturity funds that offer a range of maturity dates that provide investors of different ages with a single solution or core investment for their retirement portfolio. Each fund gradually and automatically shifts the underlying asset allocation to become more conservative as the retirement date draws near.

**H. Trustee-Directed Participant Allocation.** The following investment allocation will be made for each Participating Employee’s account that does not file and maintain a timely investment election form.

Age Based Default Fund utilizing the Vanguard Target Retirement Funds

**I. Performance Measurement.**

1. Each actively-managed investment shall be measured against the performance of its corresponding asset class and peer group as defined by performance monitoring services deemed to be acceptable by the investment consultant to the Master Trust Fund.

2. The performance of each active and passive investment shall be measured against market indexes that correspond with its investment category.

- a) Money Market Fund: 90-Day Treasury Bills
- b) Stable Value Fund: 90-Day Treasury Bills
- c) Intermediate Bond Fund: BloomBar US 5-10 Year Credit Index
- d) Total Bond Market Index Fund: BloomBar US Aggregate Bond Index
- e) Total International Bond Index Fund: BloomBar Global Aggregate Index
- f) Large Company Value: Russell 1000 Value Index
- g) Large Company Growth Fund: Russell 1000 Growth Index
- h) Large Company Index Fund: S&P 500 Index
- i) Social Index Fund: FTSE4Good US Select Index
- j) Small to Mid Cap Core: Russell 2500 Index
- k) Small Cap Index Fund: CRSP US Small Cap Index
- l) International Stock Index Fund: FTSE Global All Cap Ex US Index
- m) Emerging Markets Index Fund: FTSE Emerging Markets All Cap China A Inclusion Index
- n) International Small Cap Index Fund: FTSE Global Small Cap ex US Index

- o) Real Estate Index Fund: FTSE NAREIT Index
- p) Balanced Fund: Blended Index of 60% S&P 500 & 40% BloomBar Aggregate Bond Indices
- q) Target Retirement Funds: S&P Target Date Indices

3. The performance of each investment may be measured against additional standards and benchmarks established by the Master Trustees from time to time as criteria for continued acceptance of each investment.

4. It is understood that the passively-managed options within the Master Trust Fund will not be measured relative to peer groups, but rather have the goal of mirroring both the risk and return of their appropriate benchmark.

**J. Criteria for Evaluating Funds Selected in Each Asset Category**

1. The following information shall be considered in determining if an investment option should be replaced. Once an investment is selected for the Master Trust Fund, performance will be evaluated from the date it was added to the Master Trust Fund using these criteria. At all times each mutual fund must carry a Morningstar Star rating of at least a three if available.

(a) Portfolio statistics as determined by portfolio and style analysis that demonstrates a departure from the fund's intended investment category (asset class).

(b) Termination of the Manager, material change in the management team or change in ownership.

(c) Increase in direct and indirect expenses.

(d) Actively managed funds should outperform their relevant benchmark over a 3 and 5 year time frame.

(e) Actively managed funds should rank above median compared to their relevant group over a 3 and 5 year time frame.

(f) Actively managed funds should rank above median in 2 of the last 3 rolling 1 year intervals compared with their relevant benchmarks.

(g) Passively managed funds should approximate the risk (standard deviation) and return of their relevant benchmark over all time periods.

(h) Target retirement funds should generate a sharpe ratio (risk/return statistic) that exceeds their relevant benchmark over a 3 and 5 year time frame.

(i) Any other information that may lead the Master Trustees to believe the fund is not fulfilling the intent and purpose of this policy, including performance relative to indexes specified in Section XIII.H above.

If any of these events occur, the Master Trustees shall consider whether the fund continues to be an appropriate investment for the Master Trust Fund. The Master Trustees acknowledge that fluctuating rates of return characterize the securities markets, particularly during short-term time periods. Recognizing that short-term fluctuations may cause variations in performance, the Master Trustees intend to evaluate Manager performance from a long-term perspective giving funds an opportunity to recover from periods of poor returns. If a Manager has consistently failed to adhere to one or more of the above conditions, it is reasonable to presume a lack of adherence going forward. Failure to remedy the circumstances of unsatisfactory performance by the Manager, within a reasonable time, shall be grounds for termination. Any recommendation to terminate a Manager will not be made solely based on quantitative data. Frequent changes are neither expected nor desirable. When a fund is replaced, all assets in the replaced fund will be transferred to the new fund 30 days after the Master Trustees have voted to remove the fund. Written notice to all affected Participating Employers will be sent within 10 days of the Master Trustees decision to remove the fund. All deposits previously allocated into the replaced fund will be directed to the new fund. Appropriate information about the fund replacement and new fund prospectus will be given to Participating Employees prior to the exchange.

*Events that Constitute Immediate Removal of a Mutual Fund.*

In an effort to maintain strict oversight of the mutual funds in which assets of the Defined Contribution Pension Plan Trust, Deferred Compensation Plan Trust, Defined Benefit Pension Plan Trust Deferred Retirement Option Program, and Other Post-Employment Benefit Plan Trust are held, the following guidelines have been developed as a basis for when a mutual fund must immediately be removed from the Master Trust Fund. Funds meeting the following criteria may be removed by the Administrator with 30 days written notice to affected Participating Employees and notification to the Chair of the Master Trustees. Written notice to all affected Participating Employers will be sent within 10 days of the decision to remove the fund. Appropriate information about the fund's replacement and new fund prospectus will be given to Participating Employees prior to the exchange.

- Management team termination
- Material and significant changes to the fund's investment policy.

2. Qualitative due diligence of each fund will be conducted on a periodic basis with appropriate parties at each investment entity. Any issue materially affecting the management staff and investment process associated with each fund will be considered, including:

- (a) Changes to the management team or the firm's ownership.
- (b) Modifications to the fund's investment policy, philosophy and decision process.

(c) Deviation of investment style, regulatory action and investigation or litigation by a government agency.

K. **Proxy Voting**. The Master Trustees will vote on all proxies issued by the mutual funds.

#### **XIV. REVIEW AND AMENDMENTS**

It is intended that the Managers, investment consultants, Administrator and Master Trustees review this investment policy periodically. If at any time a Manager or consultant believes that the specific objectives defined herein cannot be met or that the guidelines unreasonably constrict performance, the Master Trustees shall be notified in writing. By the initial and continuing acceptance of these investment guidelines, the Manager concurs with the provisions of this policy.

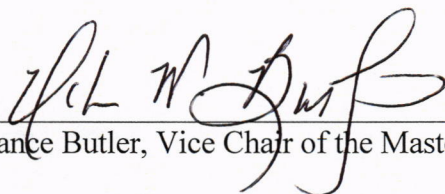
#### **XV. FILING OF INVESTMENT POLICY**

Upon adoption by the Master Trustees, this investment policy shall be promptly filed with the Department of Management Services, the Participating Employers and the Plans' actuaries, if any.

#### **XVI. EFFECTIVE DATE**

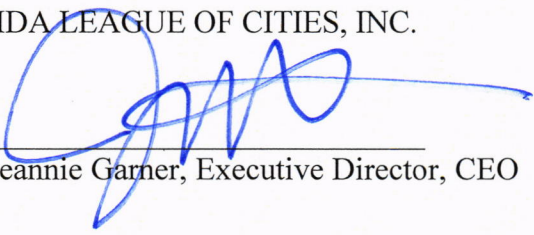
This amendment and restatement of the Florida Municipal Pension Trust Fund Investment Policy shall become effective as of June 8, 2023.

Adopted by the Master Trustees of the Florida Municipal Pension Trust Fund this 8th day of June, 2023.

  
\_\_\_\_\_  
Constance Butler, Vice Chair of the Master Trustees

Attest:

FLORIDA LEAGUE OF CITIES, INC.

By:   
\_\_\_\_\_  
Jeannie Garner, Executive Director, CEO

Retirement Plan for the General Management  
Employees of the City of North Miami Beach

Actuarial Valuation  
As of October 1, 2022

Determines the Contribution  
For the 2023/24 Fiscal Year





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February 14, 2023

### Introduction

This report presents the results of the October 1, 2022 actuarial valuation for the Retirement Plan for the General Management Employees of the City of North Miami Beach. The report is based on the participant data and asset information provided by the pension plan administrator and, except for a cursory review for reasonableness including a comparison to the data provided for the previous valuation, we have not attempted to verify the accuracy of this information.

The primary purpose of this report is to provide a summary of the funded status of the plan as of October 1, 2022 and to determine the minimum required contribution under Chapter 112, Florida Statutes, for the 2023/24 plan year. In addition, this report provides a projection of the long-term funding requirements of the plan, statistical information concerning the assets held in the trust, statistical information concerning the participant population, and a summary of any recent plan changes.

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an *estimate* of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, if any of the assumptions is not completely realized, then the cost shown in this report will change in the future.

Certain assumptions play a bigger role than others in determining the cost of the post-employment pension benefits. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. Although a thorough analysis of the impact of such changes is beyond the scope of this report, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate.

### Minimum Required Contribution

Table I-A shows the development of the minimum required contribution for the 2023/24 plan year. The minimum required contribution is \$482,275 (or 121.83% of covered payroll), which represents an increase of \$482,275 (or an increase of 121.83% of payroll) from the prior valuation.

Table I-C provides a breakdown of the sources of change in the minimum required contribution rate. Significantly, the rate increased by 208.13% of payroll due to investment losses and decreased by 86.30% of payroll due to demographic experience. The market value of assets lost 13.66% during the 2021/22 plan year, whereas a 7.25% annual investment return was required to maintain a stable contribution rate.



Chapter 112, Florida Statutes, sets forth the rules concerning the minimum required contribution for public pension plans within the state. Essentially, the City must contribute an amount equal to the annual normal cost of the plan plus assumed administrative expenses, where both amounts are adjusted as necessary to reflect interest on any delayed payment of the contribution beyond the valuation date. On this basis, the City's 2023/24 minimum required contribution is equal to \$482,275.

Based on the current assets, participant data, and actuarial assumptions and methods that are used to value the plan, the present-day value of the total long-term funding requirement is \$22,168,682. As illustrated in Table I-A, current assets are sufficient to cover \$19,221,982 of this amount, the employer's 2023/24 contribution will cover \$482,275 of this amount, and future employee contributions are expected to cover \$186,883 of this amount, leaving \$2,277,542 to be covered by future employer funding beyond the 2023/24 fiscal year. Again, demographic and investment experience that differs from that assumed will either increase or decrease the future employer funding requirement.

#### Advance Employer Contribution

The City has made contributions to the plan in excess of the minimum amount that was required to be contributed pursuant to Chapter 112. In this report, the excess contributions are referred to as an "advance employer contribution." As of October 1, 2022, the advance employer contribution is \$93,775, which is equal to the prior year advance contribution as shown in Table II-F.

The City may apply all or any portion of the advance employer contribution towards the minimum required contribution for the 2022/23 plan year or for any later plan year. The minimum required contribution for that plan year will be reduced dollar-for-dollar by the amount of the advance employer contribution that is applied in this manner.

Alternatively, at any time, the City may apply all or any portion of the advance employer contribution as an extra contribution in excess of the minimum required contribution.

#### Identification and Assessment of Risk

The liabilities and cost presented in this report are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. Anyone referring to this report should remember that the cost developed herein is only an estimate of the true cost of providing post-employment pension benefits. No one can predict with certainty whether the true cost will be higher or lower than the cost presented in this report. The calculated cost is entirely dependent upon the assumptions that are described in Table IV-A. If any of the assumptions is changed, then the cost shown in this report will change accordingly. Likewise, there is always a risk that, should these assumptions not be realized, the liabilities of the plan, the contributions required to fund the plan, and the funded status of the plan may be significantly different than the amounts shown in this report.





Although a thorough analysis of the risk of not meeting the assumptions is beyond the scope of this report, this discussion is intended to identify the significant risks faced by the plan. In some cases, a more detailed review of the risks, including numerical analysis, may be appropriate to help the plan sponsor and other interested parties assess the specific impact of not realizing certain assumptions. For example, Table I-B illustrates the impact that alternative long-term investment returns would have on the contribution rate. Note that this report is not intended to provide advice on the management or reduction of the identified risks nor is this report intended to provide investment advice.

The most significant risk faced by most defined benefit pension plans is investment risk, i.e. the risk that long-term investment returns will be less than assumed. Other related risks include a risk that, if the investments of the plan decline dramatically over a short period of time (such as occurred with many pension plans in 2008), the plan's assets may not have sufficient time to recover before benefits become due. Even if the assets of the plan grow in accordance with the assumed investment return over time, if benefit payments are expected to be large in the short-term (for example, if the plan provides an actuarial equivalent lump sum payment option and a large number of participants are expected to become entitled to such a lump sum in the near future), the plan's assets may not be sufficient to support such a high level of benefit payments. We have provided a 10-year projection of the expected benefit payments in Table III-G to help the Trustees in formulating an investment policy that is expected to provide an investment return that meets both the short- and long-term cash flow needs of the pension plan.

Another source of risk is demographic experience. This is the risk that participants will receive salary increases that are different than the amount assumed, that participants will retire, become disabled, or terminate their employment at a rate that is different than assumed, and that participants will live longer than assumed, just to cite a few examples of the demographic risk faced by the plan. Although for most pension plans, the demographic risk is not as significant as the investment risk, particularly in light of the fact that the mortality assumption includes a component for future life expectancy increases, the demographic risk can nevertheless be a significant contributing factor to liabilities and contribution rates that become higher than anticipated.

A third source of risk is the risk that the plan sponsor (or other contributing entities) will not make, or will not have the ability to make, the contributions that are required to keep the plan funded at a sufficient level. Material changes in the number of covered employees, covered payroll, and, in some cases, hours worked by active participants can also significantly impact the plan's liabilities and the level of contributions received by the plan.

Finally, an actuarial funding method has been used to allocate the gap between projected liabilities and assets to each year in the future. The contribution rate under some funding methods is higher during the early years of the plan and then is lower during the later years of the plan. Other funding methods provide for lower contribution rates initially, with increasing contribution rates over time.

The Trustees have adopted the aggregate funding method for this plan, which is expected to result in a contribution rate that is level as a percentage of payroll over the working life of the plan's active participants. A brief description of the actuarial funding method is provided in Table IV-A.



## Contents of the Report

Tables I-D through I-G provide a detailed breakdown of various liability amounts by type of benefit and by participant group. Tables II-A through II-F provide information concerning the assets of the trust fund. Tables III-A through III-G provide statistical information concerning the plan's participant population. In particular, Table III-G gives a 10-year projection of the cash that is expected to be required from the trust fund in order to pay benefits to the current group of participants. Finally, Tables IV-A through V-B provide a summary of the actuarial assumptions and methods that are used to value the plan's benefits and of the relevant plan provisions as of October 1, 2022, as well as a summary of the changes that have occurred since the previous valuation report was prepared.

## Refund of Participant Contributions

It is our understanding that there are five participants who are due a refund of their contributions. We have estimated the accumulated amount of their refunds to be \$68,874 as of October 1, 2022. The average amount owed to these individuals is \$13,775. If possible, we recommend that the accumulated contributions be distributed to these individuals in order to simplify the administration of the plan and to reduce future administrative costs.

## Certification

This actuarial valuation was prepared by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate and, in my opinion, the techniques and assumptions used are reasonable and meet the requirements and intent of Chapter 112, Florida Statutes. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material change in plan costs or required contribution rates have been taken into account in the valuation.

For the firm,

*Charles T. Carr*

Charles T. Carr  
Consulting Actuary  
Southern Actuarial Services Company, Inc.

Enrolled Actuary No. 20-04927

*The individual above is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.*



Minimum Required Contribution

Table I-A



\* Note: Future administrative expenses are not included in the chart shown above.

**For the 2023/24 Plan Year**

Normal Cost for the 2022/23 Plan Year	\$449,674
Unfunded Liability Amortization Payment for the 2022/23 Plan Year	\$0
	\$449,674
Adjustment to Reflect Beginning-of-Year Employer Contribution	\$0
Adjustment for the One-Year Delay in Payment of the MRC	\$32,601

**Minimum Required Contribution for the 2023/24 Plan Year** **\$482,275**

Expected Payroll for the 2023/24 Plan Year	+ \$395,851
Minimum Required Contribution as a % of Payroll	121.83%

**Additional Disclosures**

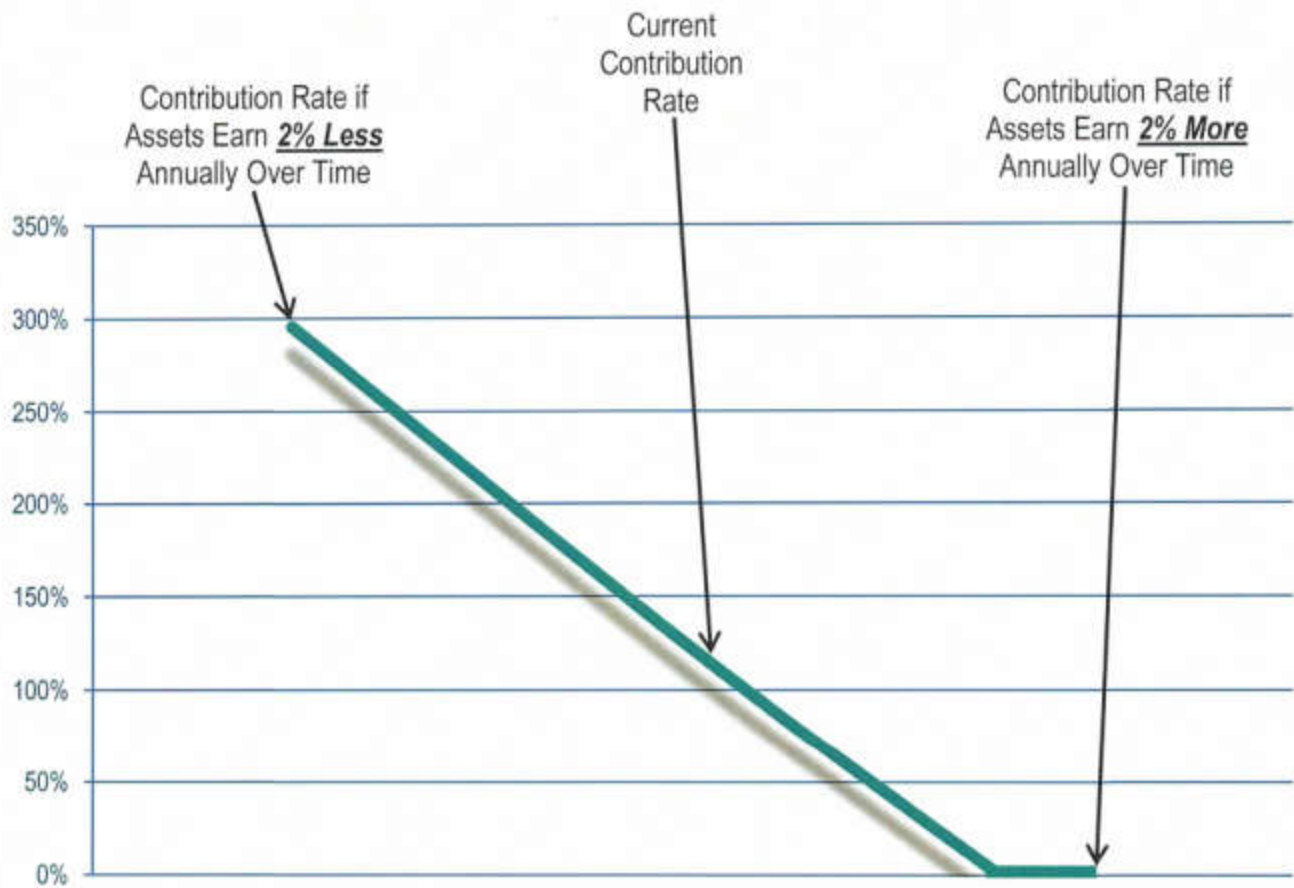
Present Value of Future Compensation	\$2,336,042
Present Value of Future Employer Contributions	\$2,759,817
Present Value of Future Employee Contributions	\$186,883





Sensitivity Analysis

Table I-B



*The line above illustrates the sensitivity of the contribution rate to changes in the long-term investment return.*



## Gain and Loss Analysis

Table I-C

**Source of Change in the Contribution Rate**

Previous minimum required contribution rate	0.00%
Increase (decrease) due to investment gains and losses	208.13%
Increase (decrease) due to demographic experience	-86.30%
Increase (decrease) due to plan amendments	0.00%
Increase (decrease) due to actuarial assumption changes	0.00%
Increase (decrease) due to actuarial method changes	0.00%
Current minimum required contribution rate	<u>121.83%</u>
<i>(not less than zero)</i>	



## Present Value of Future Benefits

## Table I-D

	Old Assumptions w/o Amendment	Old Assumptions w/ Amendment	New Assumptions w/ Amendment
<i>Actively Employed Participants</i>			
Retirement benefits	\$976,083	\$976,083	\$976,083
Termination benefits	\$1,314	\$1,314	\$1,314
Disability benefits	\$8,490	\$8,490	\$8,490
Death benefits	\$17,759	\$17,759	\$17,759
Refund of employee contributions	\$5,562	\$5,562	\$5,562
Sub-total	<b>\$1,009,208</b>	<b>\$1,009,208</b>	<b>\$1,009,208</b>
<i>Deferred Vested Participants</i>			
Retirement benefits	\$1,693,027	\$1,693,027	\$1,693,027
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$1,693,027</b>	<b>\$1,693,027</b>	<b>\$1,693,027</b>
<i>Due a Refund of Contributions</i>	<b>\$68,874</b>	<b>\$68,874</b>	<b>\$68,874</b>
<i>Deferred Beneficiaries</i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i>Retired Participants</i>			
Service retirements	\$18,340,926	\$18,340,926	\$18,340,926
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$568,828	\$568,828	\$568,828
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$18,909,754</b>	<b>\$18,909,754</b>	<b>\$18,909,754</b>
<i>Grand Total</i>	<b><u>\$21,680,863</u></b>	<b><u>\$21,680,863</u></b>	<b><u>\$21,680,863</u></b>
Present Value of Future Payroll	\$2,336,042	\$2,336,042	\$2,336,042
Present Value of Future Employee Contribs.	\$186,883	\$186,883	\$186,883
Present Value of Future Employer Contribs.	\$2,759,817	\$2,759,817	\$2,759,817





Present Value of Accrued Benefits

Table I-E

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$680,994	\$680,994	\$680,994
Termination benefits	\$638	\$638	\$638
Disability benefits	\$3,258	\$3,258	\$3,258
Death benefits	\$9,096	\$9,096	\$9,096
Refund of employee contributions	\$3,392	\$3,392	\$3,392
Sub-total	<b>\$697,378</b>	<b>\$697,378</b>	<b>\$697,378</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$1,693,027	\$1,693,027	\$1,693,027
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$1,693,027</b>	<b>\$1,693,027</b>	<b>\$1,693,027</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$68,874</b>	<b>\$68,874</b>	<b>\$68,874</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$18,340,926	\$18,340,926	\$18,340,926
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$568,828	\$568,828	\$568,828
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$18,909,754</b>	<b>\$18,909,754</b>	<b>\$18,909,754</b>
<i><u>Grand Total</u></i>	<b><u>\$21,369,033</u></b>	<b><u>\$21,369,033</u></b>	<b><u>\$21,369,033</u></b>

*Funded Status* 90.39% 90.39% 90.39%

(Note: Funded percentage is equal to the ratio of the usable portion of the market value of assets divided by the present value of accrued benefits.)



## Present Value of Vested Benefits

Table I-F

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$667,368	\$667,368	\$667,368
Termination benefits	\$638	\$638	\$638
Disability benefits	\$3,258	\$3,258	\$3,258
Death benefits	\$8,550	\$8,550	\$8,550
Refund of employee contributions	\$3,392	\$3,392	\$3,392
Sub-total	<b>\$683,206</b>	<b>\$683,206</b>	<b>\$683,206</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$1,693,027	\$1,693,027	\$1,693,027
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$1,693,027</b>	<b>\$1,693,027</b>	<b>\$1,693,027</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$68,874</b>	<b>\$68,874</b>	<b>\$68,874</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$18,340,926	\$18,340,926	\$18,340,926
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$568,828	\$568,828	\$568,828
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$18,909,754</b>	<b>\$18,909,754</b>	<b>\$18,909,754</b>
<i><u>Grand Total</u></i>	<b><u>\$21,354,861</u></b>	<b><u>\$21,354,861</u></b>	<b><u>\$21,354,861</u></b>



## Entry Age Normal Accrued Liability

Table I-G

	<u>Old Assumptions w/o Amendment</u>	<u>Old Assumptions w/ Amendment</u>	<u>New Assumptions w/ Amendment</u>
<i><u>Actively Employed Participants</u></i>			
Retirement benefits	\$763,480	\$763,480	\$763,480
Termination benefits	\$815	\$815	\$815
Disability benefits	\$4,630	\$4,630	\$4,630
Death benefits	\$11,340	\$11,340	\$11,340
Refund of employee contributions	\$3,666	\$3,666	\$3,666
Sub-total	<b>\$783,931</b>	<b>\$783,931</b>	<b>\$783,931</b>
<i><u>Deferred Vested Participants</u></i>			
Retirement benefits	\$1,693,027	\$1,693,027	\$1,693,027
Termination benefits	\$0	\$0	\$0
Disability benefits	\$0	\$0	\$0
Death benefits	\$0	\$0	\$0
Refund of employee contributions	\$0	\$0	\$0
Sub-total	<b>\$1,693,027</b>	<b>\$1,693,027</b>	<b>\$1,693,027</b>
<i><u>Due a Refund of Contributions</u></i>	<b>\$68,874</b>	<b>\$68,874</b>	<b>\$68,874</b>
<i><u>Deferred Beneficiaries</u></i>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<i><u>Retired Participants</u></i>			
Service retirements	\$18,340,926	\$18,340,926	\$18,340,926
Disability retirements	\$0	\$0	\$0
Beneficiaries receiving	\$568,828	\$568,828	\$568,828
DROP participants	\$0	\$0	\$0
Sub-total	<b>\$18,909,754</b>	<b>\$18,909,754</b>	<b>\$18,909,754</b>
<i><u>Grand Total</u></i>	<b><u>\$21,455,586</u></b>	<b><u>\$21,455,586</u></b>	<b><u>\$21,455,586</u></b>



Development of the Normal Cost

Table I-H

	<u>As of October 1, 2022</u>
Present Value of Future Benefits	\$21,680,863
Present Value of Future Expenses	\$487,819
Actuarial Value of Assets	(\$19,221,982)
Present Value of Future Employee Contributions	(\$186,883)
Present Value of Future Normal Cost	<u>\$2,759,817</u>
Present Value of Future Compensation	<u>+ \$2,336,042</u>
Normal Cost Accrual Rate	118.140727%
Expected Payroll for the Current Year	<u>x \$380,626</u>
Normal Cost	<u><u>\$449,674</u></u>



Actuarial Value of Assets

Table II-A

Market Value of Assets as of October 1, 2022	\$19,315,757
Minus advance employer contribution	(\$93,775)
<b>Actuarial Value of Assets as of October 1, 2022</b>	<b><u>\$19,221,982</u></b>

<b>Historical Actuarial Value of Assets</b>	
October 1, 2013	\$15,781,755
October 1, 2014	\$16,569,904
October 1, 2015	\$15,980,411
October 1, 2016	\$16,778,564
October 1, 2017	\$18,825,680
October 1, 2018	\$20,106,173
October 1, 2019	\$20,297,407
October 1, 2020	\$20,648,099
October 1, 2021	\$23,994,831
October 1, 2022	\$19,221,982



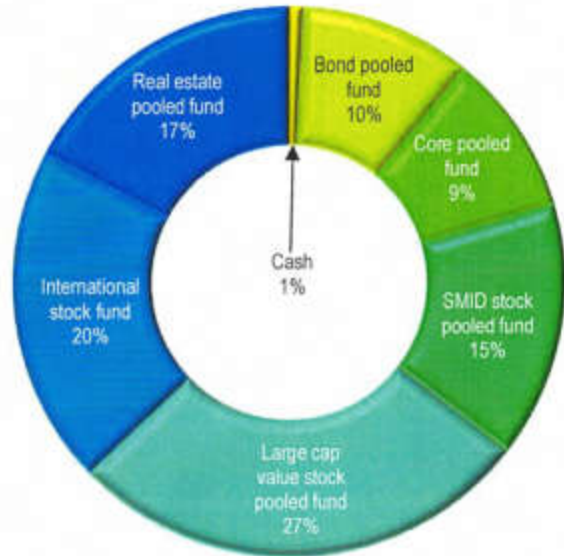


Market Value of Assets

Table II-B

As of October 1, 2022

<b>Market Value of Assets</b>	<b><u>\$19,315,757</u></b>
Cash	\$154,514
Bond pooled fund	\$1,950,738
Core pooled fund	\$1,834,853
SMID stock pooled fund	\$2,916,450
Large cap value stock pooled fund	\$5,292,102
International stock fund	\$3,843,534
Real estate pooled fund	\$3,322,050
Employee contribution receivable	\$1,516

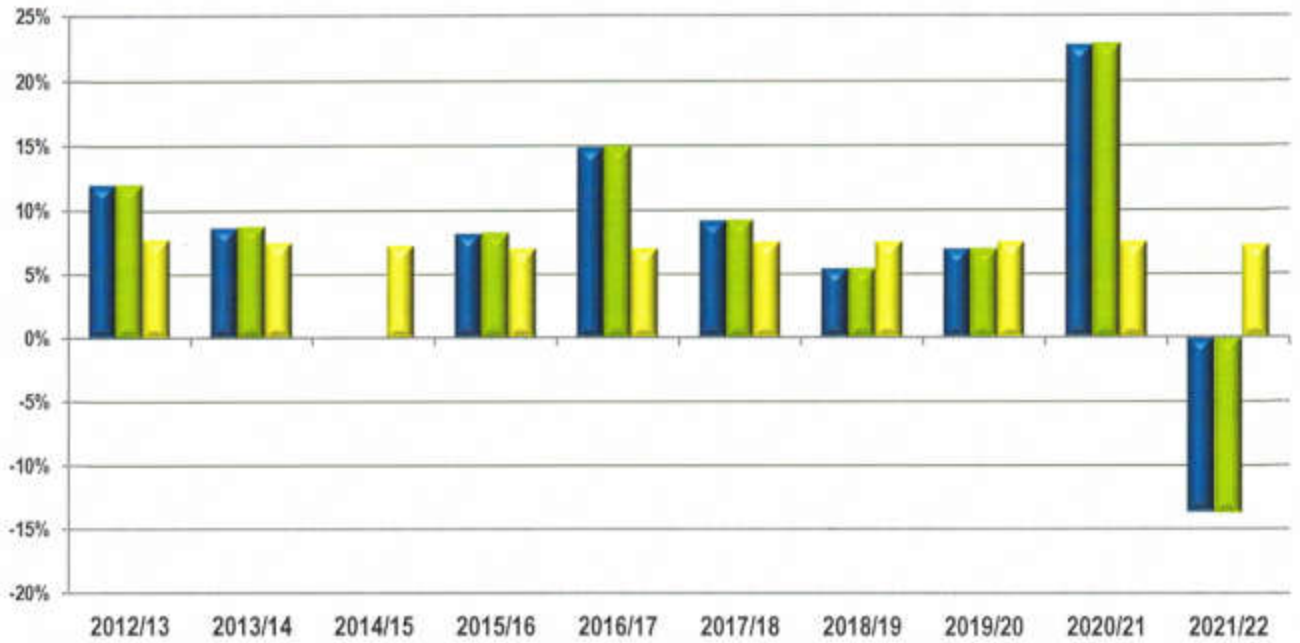


<u>Historical Market Value of Assets</u>	
October 1, 2013	\$15,927,449
October 1, 2014	\$16,711,216
October 1, 2015	\$16,121,723
October 1, 2016	\$16,894,185
October 1, 2017	\$18,923,591
October 1, 2018	\$20,204,084
October 1, 2019	\$20,391,182
October 1, 2020	\$20,741,874
October 1, 2021	\$24,088,606
October 1, 2022	\$19,315,757



Investment Return

Table II-C



*Annual Investment Returns*

- Market Value Return
- Actuarial Value Return
- Assumed Return

Plan Year	Market Value Return	Actuarial Value Return	Assumed Return
2012/13	12.05%	12.04%	7.75%
2013/14	8.70%	8.78%	7.50%
2014/15	0.09%	0.09%	7.25%
2015/16	8.22%	8.29%	7.00%
2016/17	14.92%	15.01%	7.00%
2017/18	9.19%	9.24%	7.50%
2018/19	5.42%	5.45%	7.50%
2019/20	6.95%	6.98%	7.50%
2020/21	22.80%	22.90%	7.50%
2021/22	-13.66%	-13.72%	7.25%
10yr. Avg.	7.06%	7.10%	7.37%



## Asset Reconciliation

Table II-D

	<u>Market Value</u>	<u>Actuarial Value</u>
As of October 1, 2021	\$24,088,606	\$23,994,831
<i>Increases Due To:</i>		
Employer Contributions	\$54,558	\$54,558
Employee Contributions	\$42,961	\$42,961
Service Purchase Contributions	\$0	\$0
Total Contributions	<u>\$97,519</u>	<u>\$97,519</u>
Interest and Dividends	\$0	
Realized Gains (Losses)	\$0	
Unrealized Gains (Losses)	(\$3,181,887)	
Total Investment Income	<u>(\$3,181,887)</u>	(\$3,181,887)
Other Income	\$0	
<b>Total Income</b>	<u><b>(\$3,084,368)</b></u>	<u><b>(\$3,084,368)</b></u>
<i>Decreases Due To:</i>		
Monthly Benefit Payments	(\$1,562,995)	(\$1,562,995)
Refund of Employee Contributions	(\$48,284)	(\$48,284)
Total Benefit Payments	<u>(\$1,611,279)</u>	<u>(\$1,611,279)</u>
Investment Expenses	\$0	
Administrative Expenses	(\$77,202)	(\$77,202)
Advance Employer Contribution		\$0
<b>Total Expenses</b>	<u><b>(\$1,688,481)</b></u>	<u><b>(\$1,688,481)</b></u>
<b>As of October 1, 2022</b>	<u><b>\$19,315,757</b></u>	<u><b>\$19,221,982</b></u>





## Historical Trust Fund Detail

## Table II-E

Income

<u>Plan</u> <u>Year</u>	<u>Employer</u> <u>Contribs.</u>	<u>Employee</u> <u>Contribs.</u>	<u>Service</u> <u>Purchase</u> <u>Contribs.</u>	<u>Interest /</u> <u>Dividends</u>	<u>Realized</u> <u>Gains /</u> <u>Losses</u>	<u>Unrealized</u> <u>Gains /</u> <u>Losses</u>	<u>Other</u> <u>Income</u>
2012/13	\$739,595	\$176,690	\$0	\$0	\$0	\$1,726,462	\$0
2013/14	\$594,082	\$211,135	\$0	\$0	\$0	\$1,360,034	\$0
2014/15	\$598,464	\$234,924	\$0	\$0	\$0	\$14,143	\$0
2015/16	\$668,241	\$255,493	\$0	\$0	\$0	\$1,303,799	\$0
2016/17	\$1,077,364	\$266,060	\$0	\$0	\$0	\$2,485,771	\$0
2017/18	\$946,609	\$93,351	\$0	\$0	\$0	\$1,719,676	\$0
2018/19	\$495,292	\$85,503	\$0	\$0	\$0	\$1,071,912	\$0
2019/20	\$364,641	\$84,858	\$0	\$0	\$0	\$1,380,778	\$0
2020/21	\$204,221	\$74,549	\$0	\$0	\$0	\$4,587,139	\$0
2021/22	\$54,558	\$42,961	\$0	\$0	\$0	-\$3,181,887	\$0

Expenses

<u>Plan</u> <u>Year</u>	<u>Monthly</u> <u>Benefit</u> <u>Payments</u>	<u>Contrib.</u> <u>Refunds</u>	<u>Admin.</u> <u>Expenses</u>	<u>Invest.</u> <u>Expenses</u>
2012/13	\$1,056,604	\$47,171	\$59,813	\$0
2013/14	\$1,181,228	\$136,144	\$64,112	\$0
2014/15	\$1,287,690	\$91,654	\$57,680	\$0
2015/16	\$1,314,946	\$84,231	\$55,894	\$0
2016/17	\$1,352,747	\$385,791	\$61,251	\$0
2017/18	\$1,403,809	\$11,954	\$63,380	\$0
2018/19	\$1,389,306	\$14,310	\$61,993	\$0
2019/20	\$1,391,767	\$27,185	\$60,633	\$0
2020/21	\$1,425,175	\$27,979	\$66,023	\$0
2021/22	\$1,562,995	\$48,284	\$77,202	\$0

Other Actuarial Adjustments

<u>Advance</u> <u>Employer</u> <u>Contribs.</u>
\$313,301
-\$4,382
\$0
-\$25,691
-\$17,710
\$0
-\$4,136
\$0
\$0
\$0

Note: Information was not available to separate the investment expenses from the investment income nor was information available to separate the investment income by source.



## Other Reconciliations

Table II-F

**Advance Employer Contribution**

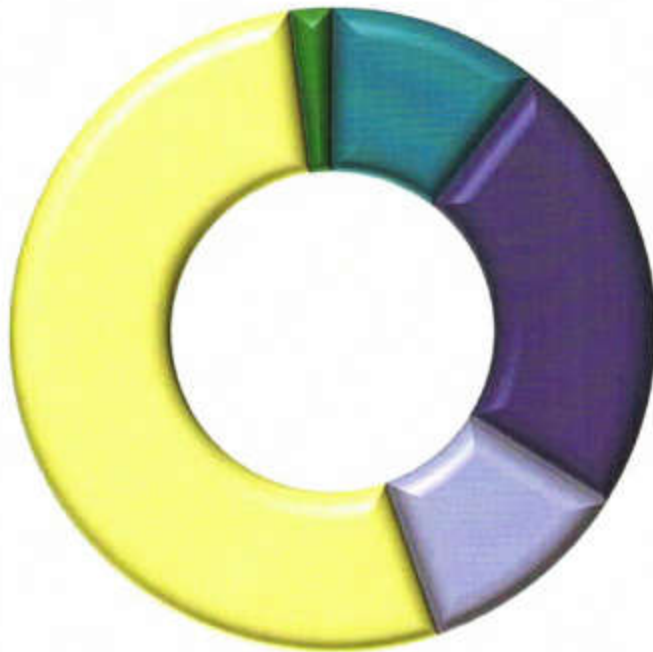
Advance Employer Contribution as of October 1, 2021	\$93,775
Additional Employer Contribution	\$54,558
Minimum Required Contribution	<u>(\$54,558)</u>
Net Increase in Advance Employer Contribution	\$0
Advance Employer Contribution as of October 1, 2022	<u><u>\$93,775</u></u>



Summary of Participant Data

Table III-A

As of October 1, 2022



Participant Distribution by Status

<u>Actively Employed Participants</u>		
◆	Active Participants	5
◆	DROP Participants	0
<u>Inactive Participants</u>		
◆	Deferred Vested Participants Due a Refund of Contributions	11
◆	Deferred Beneficiaries	5
◆	Deferred Beneficiaries	0
<u>Participants Receiving a Benefit</u>		
◆	Service Retirements	25
◆	Disability Retirements	0
◆	Beneficiaries Receiving	1
<b>Total Participants</b>		<b>47</b>

Number of Participants Included in Prior Valuations

	<i>Active</i>	<i>DROP</i>	<i>Inactive</i>	<i>Retired</i>	<i>Total</i>
October 1, 2013	29	0	12	20	61
October 1, 2014	28	0	15	22	65
October 1, 2015	34	0	12	23	69
October 1, 2016	39	0	16	22	77
October 1, 2017	14	0	19	24	57
October 1, 2018	14	0	17	23	54
October 1, 2019	11	0	19	22	52
October 1, 2020	11	0	18	22	51
October 1, 2021	8	0	18	24	50
October 1, 2022	5	0	16	26	47



## Data Reconciliation

Table III-B

	<u>Active</u>	<u>DROP</u>	<u>Deferred Vested</u>	<u>Due a Refund</u>	<u>Def. Benef.</u>	<u>Service Retiree</u>	<u>Disabled Retiree</u>	<u>Benef. Rec'v.</u>	<u>Total</u>
<u>October 1, 2021</u>	8	0	12	6	0	23	0	1	50
<u>Change in Status</u>									
Re-employed									
Terminated	(2)		2						
Retired	(1)		(2)			3			
<u>Participation Ended</u>									
Transferred Out									
Cashed Out			(1)	(1)					(2)
Died						(1)			(1)
<u>Participation Began</u>									
Newly Hired									
Transferred In									
New Beneficiary									
<u>Other Adjustment</u>									
<u>October 1, 2022</u>	5	0	11	5	0	25	0	1	47

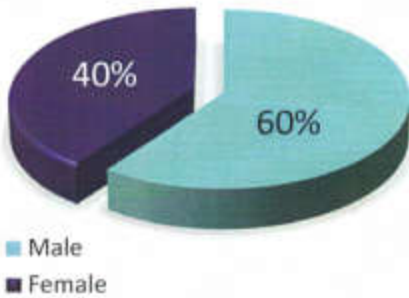


Active Participant Data

Table III-C

As of October 1, 2022

Gender Mix



Average Age	54.8 years
Average Service	9.0 years
Total Annualized Compensation for the Prior Year	\$458,345
Total Expected Compensation for the Current Year	\$380,626
Average Increase in Compensation for the Prior Year	5.38%
Expected Increase in Compensation for the Current Year	4.00%
Accumulated Contributions for Active Employees	\$342,820



Active Participant Statistics From Prior Valuations

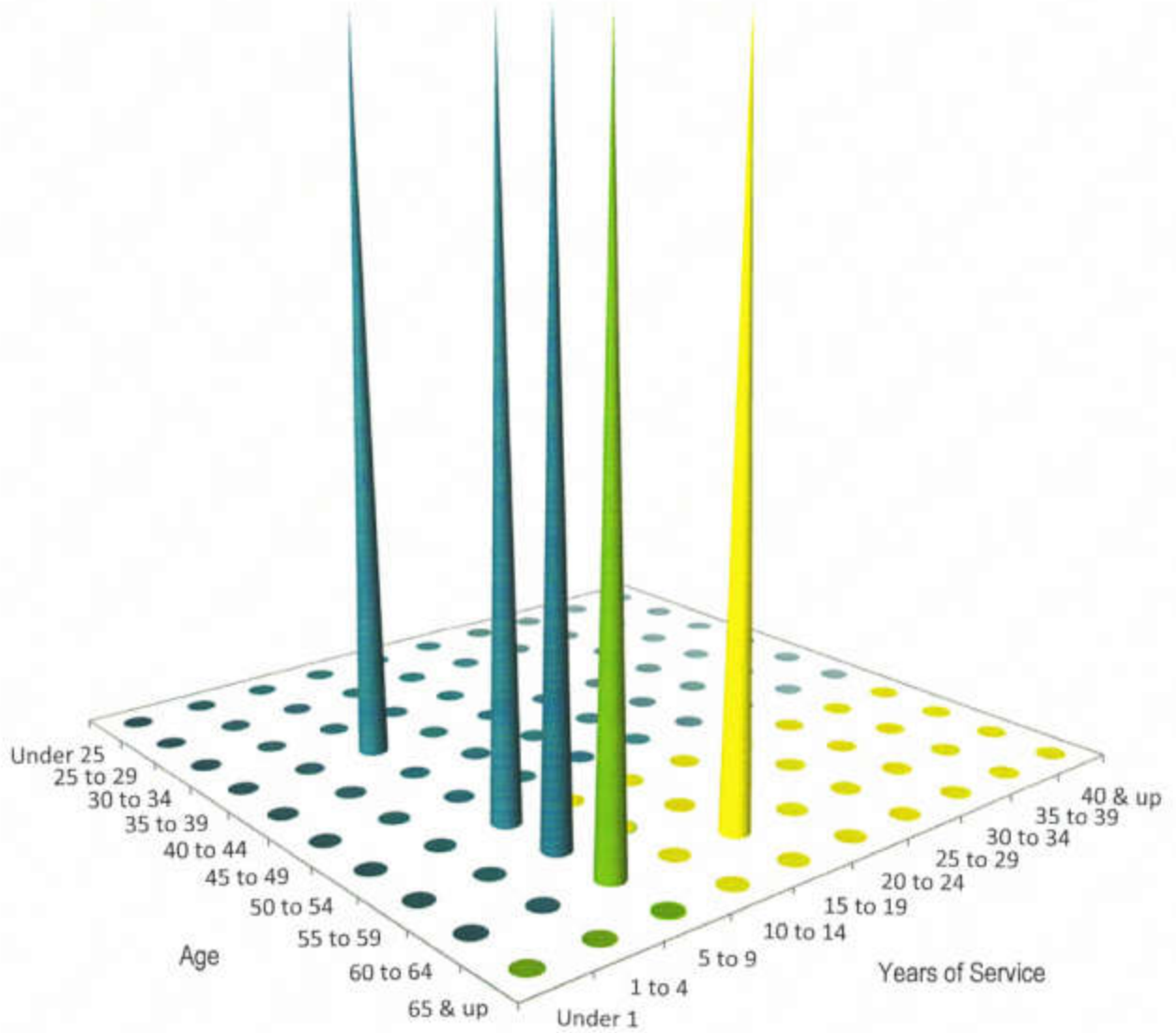
	Average Age	Average Service	Average Salary	Average Expected Salary Increase	Average Actual Salary Increase
October 1, 2013	50.7	5.3	\$87,932	5.75%	1.41%
October 1, 2014	49.8	4.3	\$87,652	4.00%	1.20%
October 1, 2015	48.0	3.9	\$81,270	4.00%	2.17%
October 1, 2016	48.3	2.4	\$88,671	4.00%	6.35%
October 1, 2017	50.9	3.9	\$78,587	4.00%	5.28%
October 1, 2018	51.9	4.9	\$83,349	4.00%	5.73%
October 1, 2019	55.2	5.8	\$88,061	4.00%	6.65%
October 1, 2020	56.2	6.8	\$96,429	4.00%	8.57%
October 1, 2021	56.9	7.4	\$91,998	4.00%	2.29%
October 1, 2022	54.8	9.0	\$91,669	4.00%	5.38%





Active Age-Service Distribution

Table III-D



- ▲ Eligible to retire
- ▲ May be eligible to retire
- ▲ Not eligible to retire



## Active Age-Service-Salary Table

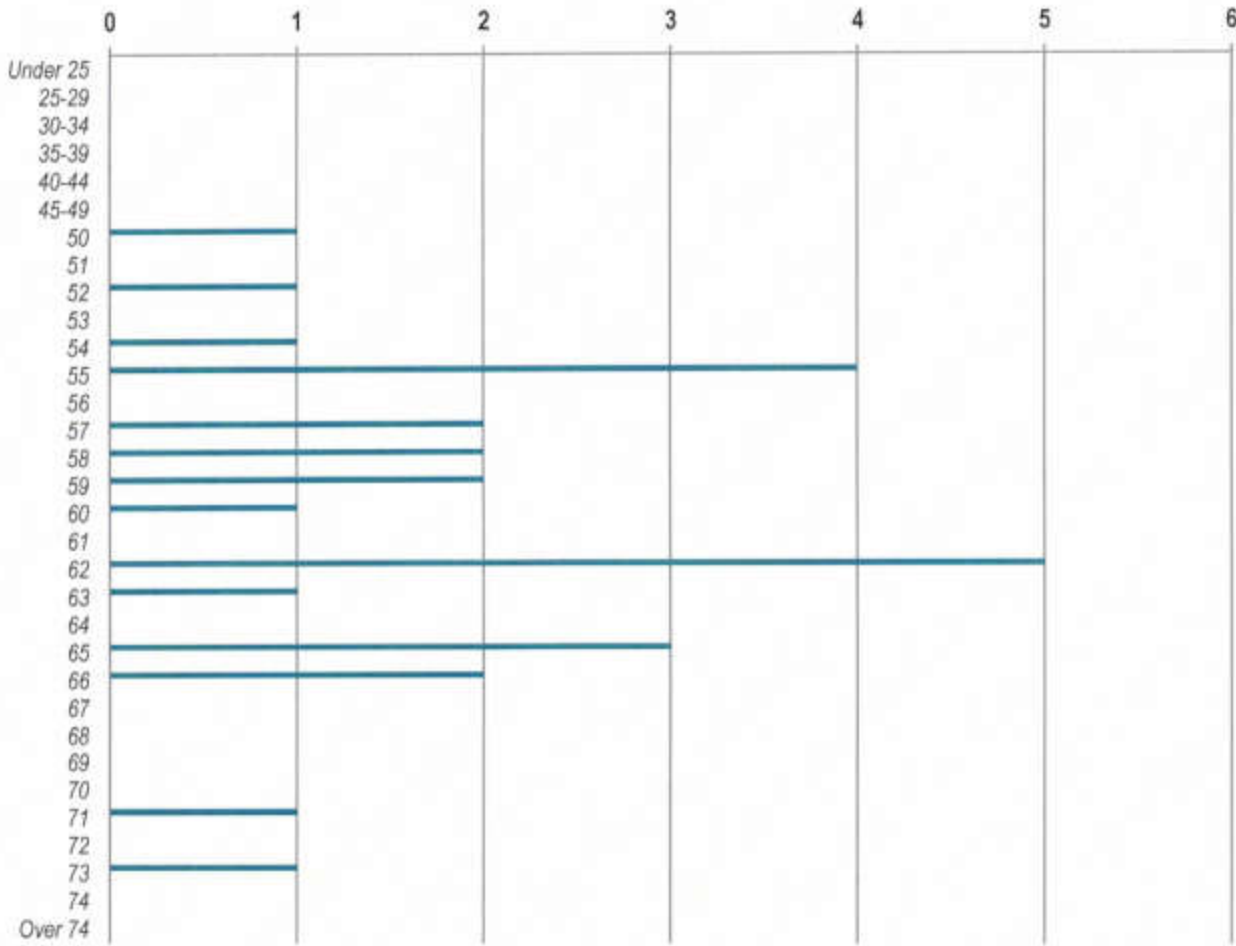
Table III-E

Attained Age	Completed Years of Service										Total	
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	1	0	0	0	0	0	0	0	0	1
Avg.Pay	0	0	84,160	0	0	0	0	0	0	0	0	84,160
40 to 44	0	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0	0
50 to 54	0	0	1	0	0	0	0	0	0	0	0	1
Avg.Pay	0	0	70,314	0	0	0	0	0	0	0	0	70,314
55 to 59	0	0	1	0	0	0	0	0	0	0	0	1
Avg.Pay	0	0	129,510	0	0	0	0	0	0	0	0	129,510
60 to 64	0	0	1	0	1	0	0	0	0	0	0	2
Avg.Pay	0	0	84,362	0	89,999	0	0	0	0	0	0	87,181
65 & up	0	0	0	0	0	0	0	0	0	0	0	0
Avg.Pay	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>
Avg.Pay	0	0	92,087	0	89,999	0	0	0	0	0	0	91,669



Inactive Participant Data

Table III-F



*Age at Retirement*

- Service Retirements
- Disability Retirements
- DROP Participants

Average Monthly Benefit

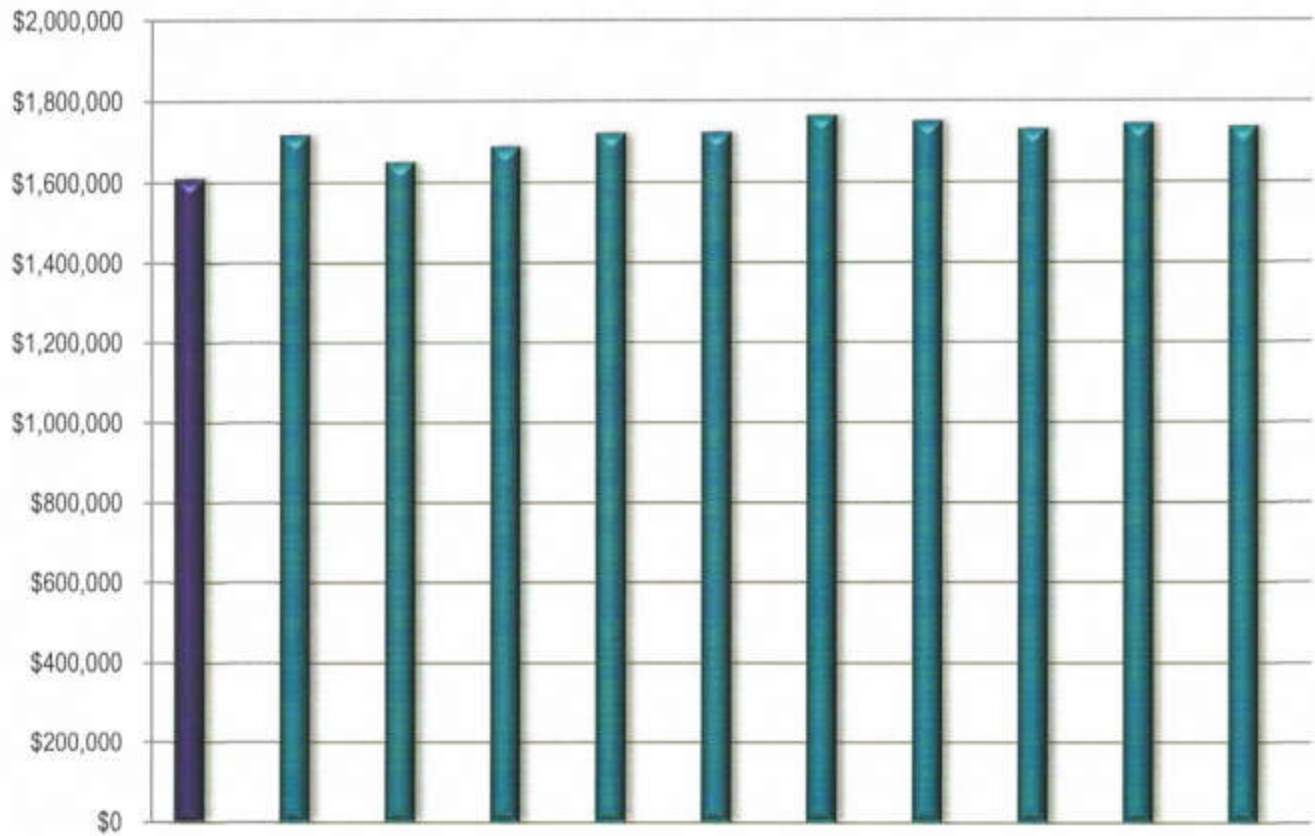
Service Retirements	\$5,292.41
Disability Retirements	Not applicable
Beneficiaries Receiving	\$4,800.65
DROP Participants	Not applicable
Deferred Vested Participants	\$1,634.84
Deferred Beneficiaries	Not applicable





## Projected Benefit Payments

Table III-G

Actual

For the period October 1, 2021 through September 30, 2022

\$1,611,279

Projected

For the period October 1, 2022 through September 30, 2023

\$1,718,350

For the period October 1, 2023 through September 30, 2024

\$1,650,767

For the period October 1, 2024 through September 30, 2025

\$1,688,782

For the period October 1, 2025 through September 30, 2026

\$1,721,137

For the period October 1, 2026 through September 30, 2027

\$1,723,269

For the period October 1, 2027 through September 30, 2028

\$1,764,836

For the period October 1, 2028 through September 30, 2029

\$1,749,965

For the period October 1, 2029 through September 30, 2030

\$1,731,145

For the period October 1, 2030 through September 30, 2031

\$1,744,954

For the period October 1, 2031 through September 30, 2032

\$1,736,184



## Summary of Actuarial Methods and Assumptions

## Table IV-A

*NOTE: The following assumptions and methods have been selected and approved by the Board of Trustees based in part on the advice of the plan's enrolled actuary in accordance with the authority granted to the Board under the pension ordinances and State law.*

1. **Actuarial Cost Method**

Aggregate cost method. Under this actuarial cost method, a funding cost is developed for the plan as a level percentage of payroll. The level funding percentage is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the expected future payroll for current active participants. The normal cost is equal to the level funding percentage multiplied by the expected payroll for the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

2. **Asset Method**

The actuarial value of assets is equal to the market value of assets.

3. **Interest (or Discount) Rate**

7.25% per annum

4. **Salary Increases**

Plan compensation is assumed to increase at the rate of 4.00% per annum, unless actual plan compensation is known for a prior plan year.

5. **Decrements**

- Pre-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year
- Post-retirement mortality: Sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year
- Disability: Age-based rates of disability were assumed, ranging from 0.09% at age 25, 0.15% at age 35, 0.36% at age 45, and 0.61% at age 50.



## Summary of Actuarial Methods and Assumptions

## Table IV-A

(continued)

- Termination: With respect to participants with less than four years of service, the termination rates are both gender- and service-based, ranging from 25.00% for males and 27.00% for females with less than one year of service to 12.00% for males and 14.00% for females with between three and four years of service; with respect to participants with at least four years of service, the termination rates are both gender- and age-based, ranging from 1.49% for males and 6.83% for females at age 25 to 0.90% for males and 0.27% for females at age 50.
- Retirement: For those participants who have met the age and service requirements to retire, retirement is assumed to occur at the rate of 2.50% per year at each of ages 50 through 54, 5.00% per year at each of ages 55 through 61, and 100% at age 62; an additional 10% retirement is assumed upon the attainment of age 55 with at least 75 points (age plus service).

**6. Form of Payment**

Future retirees have been assumed to select the 10-year certain and life annuity, except that 50% of individuals who terminate their employment prior to retirement are assumed to elect a refund of their accumulated contributions in lieu of a monthly annuity.

**7. Expenses**

Future administrative expenses are assumed to be equal to 2.25% of the future benefit liability. In addition, the interest rate set forth in item 3. above is assumed to be net of investment expenses and commissions.





## Changes in Actuarial Methods and Assumptions

Table IV-B

No assumptions or methods were changed since the completion of the previous valuation.

The following additional assumption and method changes were made during the past 10 years:

- (1) Effective October 1, 2021, the assumed interest (or discount) rate was decreased from 7.50% per annum to 7.25% per annum.
- (2) Effective October 1, 2021, the future administrative expense assumption was changed from a flat \$65,000 per year to 2.25% of the future benefit liability.
- (3) Effective October 1, 2020, the mortality basis was changed from the RP-2000 Combined Mortality Table with generational improvements in mortality using Scale BB to selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.
- (4) Effective October 1, 2018, the assumed administrative expenses were increased from \$50,000 per year to \$65,000 per year.
- (5) Effective October 1, 2017, the assumed interest (or discount) rate was increased from 7.00% per annum to 7.50% per annum.
- (6) Effective October 1, 2015, the mortality basis was changed from a 2015 projection of the RP-2000 Mortality Table for annuitants to a full generational projection using Scale BB of the RP-2000 Combined Mortality Table as required by State law.
- (7) Effective October 1, 2015, the assumed interest (or discount) rate was decreased from 7.25% per annum to 7.00% per annum.
- (8) Effective October 1, 2014, the assumed interest (or discount) rate was decreased from 7.50% per annum to 7.25% per annum.
- (9) Effective October 1, 2014, the assumed administrative expenses were increased from \$40,000 per year to \$50,000 per year.
- (10) Effective October 1, 2013, the actuarial cost method was changed from the frozen initial liability cost method to the aggregate cost method.
- (11) Effective October 1, 2013, the assumed interest (or discount) rate was decreased from 7.75% per annum to 7.50% per annum.



## Changes in Actuarial Methods and Assumptions

## Table IV-B

(continued)

- (12) *Effective October 1, 2013, the assumed increase in future salaries was decreased from 5.75% per year to 4.00% per year.*
- (13) *Effective October 1, 2013, the mortality basis was changed from the RP-2000 Mortality Table for annuitants, projected to 2007 by Scale AA, to the RP-2000 Mortality Table for annuitants, projected to 2015 by Scale AA, both as published by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 430.*
- (14) *Effective October 1, 2012, the assumed administrative expenses were increased from \$25,000 per year to \$40,000 per year.*



## Summary of Plan Provisions

## Table V-A

**1. Benefit Formula**

3.00% of Average Monthly Earnings multiplied by Credited Service earned prior to February 1, 2013 plus 2.00% of Average Monthly Earnings multiplied by Credited Service earned on and after February 1, 2013

**2. Service Retirement**

Normal retirement (solely with respect to benefits earned prior to February 1, 2013):

*Age 62 with at least four years of credited service; or  
Age 55 with age plus service at least equal to 75 ("Rule of 75")*

Normal retirement (solely with respect to benefits earned on and after February 1, 2013):

*Social security retirement age with at least four years of credited service (for participants born after 1937)  
Age 62 with at least four years of credited service or age 55 with "Rule of 75"  
(for participants born prior to 1937)*

*(Social security retirement age is age 66 with respect to participants born during the years 1938 through 1954 and is age 67 with respect to participants born after 1954.)*

Early retirement (solely with respect to benefits earned prior to February 1, 2013):

*Age 50 with at least 10 years of credited service*

Early retirement (solely with respect to benefits earned on and after February 1, 2013):

*Age 55 with at least 10 years of credited service*

*(Note: In the case of early retirement, with respect to benefits earned prior to February 1, 2013, the participant's benefit is reduced by 5% for each year by which the participant's early retirement age precedes his normal retirement age. In the case of early retirement, with respect to benefits earned on and after February 1, 2013, the participant's benefit is reduced actuarially to reflect payments made prior to normal retirement age.)*



## Summary of Plan Provisions

## Table V-A

(continued)

**3. Disability Retirement**

The disability benefit is a monthly 10-year certain and life annuity equal to the larger of the monthly accrued benefit or 25% of average monthly earnings, but offset as necessary to preclude the total of the participant's worker's compensation, disability benefit, and other City-financed disability or salary continuation benefit (excluding social security benefits) from exceeding his average monthly earnings. The participant may convert his disability benefit into any of the optional forms of payment that are otherwise available under the plan.

*(A participant is disabled if he is found to have a mental or physical condition resulting from bodily injury, disease, or a mental disorder that renders him incapable of employment.)*

**4. Deferred Vested Retirement**

A vested participant who terminates employment before becoming eligible for retirement receives a deferred vested retirement benefit payable at the participant's early or normal retirement age. If the benefit is payable prior to normal retirement age, then the benefit is reduced as for early retirement.

A non-vested participant who terminates employment receives his accumulated contributions.

**5. Vesting**

An employee becomes 50% vested upon the attainment of four years of credited service and becomes 100% vested upon the attainment of six years of credited service.

**6. Pre-Retirement Death Benefit**

If a vested participant dies prior to retirement, the participant's beneficiary receives a 10-year certain annuity commencing at the participant's normal or early retirement age and reduced for payment prior to the participant's normal retirement age as for early retirement. The beneficiary is guaranteed to receive at least the value of the participant's accumulated contributions.

If a non-vested participant dies prior to retirement, the participant's beneficiary receives the participant's accumulated contributions.





## Summary of Plan Provisions

## Table V-A

(continued)

**7. Form of Payment**

Actuarially increased single life annuity (*optional*);

10-year certain and life annuity (*normal form of payment*);

Actuarially reduced 50% joint and contingent annuity (*optional*);

Actuarially reduced 66⅔% joint and contingent annuity (*optional*);

Actuarially reduced 75% joint and contingent annuity (*optional*);

Actuarially reduced 100% joint and contingent annuity (*optional*);

Any other actuarially equivalent form of payment approved by the Board of Trustees (*optional*); or

Actuarially equivalent single lump sum distribution (*automatic if the single sum value of the participant's benefit is less than or equal to \$5,000 or if the monthly benefit is less than \$100*)

*(Note: All forms of payment guarantee at least the return of the participant's accumulated contributions. Furthermore, a participant may change his joint annuitant up to two times after retirement subject to an actuarially equivalent adjustment.)*

**8. Automatic Cost-of-Living Adjustment**

Participants receive an automatic annual 2.25% cost-of-living adjustment (COLA) with respect to benefits earned prior to February 1, 2013. An ad hoc COLA may be adopted from time to time by the City Council with respect to benefits earned on and after February 1, 2013.

**9. Average Monthly Earnings**

Average monthly earnings during the highest five years of compensation. Earnings include total cash remuneration prior to February 1, 2013, but exclude lump sum payments for accrued annual or sick leave, and include only base salary on and after February 1, 2013. Earnings cannot exceed the maximum amount allowed under Internal Revenue Code (IRC) section 401(a)(17).





## Summary of Plan Provisions

## Table V-A

(continued)

**10. Credited Service**

The elapsed time from the participant's date of hire until his date of termination, retirement, or death. Prior to February 1, 2013, participants may optionally purchase up to four additional years of credited service or a higher benefit formula multiplier by paying into the plan the full actuarial cost thereof.

**11. Employee Contribution**

Employees must contribute 8.00% of plan compensation. Employee contributions are accumulated with interest at the rate of 3.00% per annum.

**12. City Contribution**

The City is required to make periodic contributions at least on a quarterly basis as determined under Chapter 112, Florida Statutes.

**13. Participant Requirement**

All general management employees hired prior to July 18, 2017 other than Charter Officers of the City of North Miami Beach automatically become participants in the plan on their date of hire except for those individuals who are participating in another defined benefit pension plan that is sponsored by the City; actively employed participants as of July 18, 2017 were allowed to opt out of participation in the plan.

**14. Actuarial Equivalence**

Based on 7.00% interest per annum and the unisex mortality table promulgated by the Internal Revenue Service (IRS) for purposes of Internal Revenue Code (IRC) section 417(e)(3).

**15. Plan Effective Date**

The plan was originally effective on January 24, 2003.



## Summary of Plan Amendments

## Table V-B

No plan amendments were adopted since the completion of the previous valuation.

The following additional plan amendments were adopted during the past 10 years and were reflected in prior valuation reports:

- (1) *Effective July 18, 2017, employees hired on or after that are not allowed to participate in the plan and employees as of that date were provided a one-time opportunity to opt out of the plan in exchange for receiving a 10% of pay employer contribution under another defined contribution plan. Those employees who opted out of the plan received a refund of their accumulated employee contributions. (Ordinance 2017-8)*
- (2) *During the 2013/14 fiscal year, Charter Officers hired after the effective date of the ordinance were excluded from participation in the plan. (Ordinance 2014-2)*
- (3) *The benefit formula multiplier that applies to service earned on and after February 1, 2013 was reduced from 3.00% to 2.00%. (Ordinance 2012-33)*
- (4) *The normal retirement age with respect to benefits earned on and after February 1, 2013 was delayed until the participant's social security retirement age (age 66 with respect to participants born during the years 1938 through 1954 or age 67 with respect to participants born after 1954) for participants born after 1937. (Ordinance 2012-33)*
- (5) *The early retirement age with respect to benefits earned on and after February 1, 2013 was delayed until age 55 with at least 10 years of service. (Ordinance 2012-33)*
- (6) *The early retirement reduction with respect to benefits earned on and after February 1, 2013 was changed from 5% per year prior to normal retirement age to an actuarially determined reduction. (Ordinance 2012-33)*
- (7) *Effective February 1, 2013, the vesting schedule was changed from full vesting after six years of service to 50% vesting after four years of service and full vesting after six years of service. (Ordinance 2012-33)*
- (8) *Plan compensation on and after February 1, 2013 includes only base salary. (Ordinance 2012-33)*
- (9) *Effective February 1, 2013, participants may no longer purchase prior service or a higher benefit formula multiplier. (Ordinance 2012-33)*
- (10) *Effective February 1, 2013, the Deferred Retirement Option Plan (DROP) was eliminated. (Ordinance 2012-33)*



Summary of Plan Amendments

Table V-B

(continued)

- (11) *The automatic annual cost-of-living adjustment (COLA) was eliminated with respect to benefits earned on and after February 1, 2013. Instead, with respect to benefits earned on and after February 1, 2013, the City Council may adopt an ad hoc COLA from time to time. (Ordinance 2012-33)*



# RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH, FLORIDA

## Summary Plan Description

### Plan Trustee

Florida Municipal Pension Trust Fund

### Plan Administrator

Florida League of Cities, Inc.  
301 S. Bronough Street  
Tallahassee, FL 32301

### Plan

Plan representing the General Management  
Employees of the City of North Miami Beach.

### Agent for Legal Process

City Attorney - City of North Miami Beach  
17011 N.E. 19<sup>th</sup> Avenue  
North Miami Beach, FL 33162

### Effective Date

01/07/2003

### Plan Anniversary Date

October 1 each year

### Plan Year

Fiscal Year: Twelve month period beginning  
10/01 and ending 09/30

### Eligibility

All General Management Employees hired prior to July 18, 2017, i.e. unclassified management employees who are not members of any other City sponsored Pension Plan. This Plan is closed to new members as of July 18, 2017.

Charter Officers (City Clerk, City Attorney or City Manager) appointed on or after April 22, 2014 who are hired from outside the City are not eligible to participate in this Plan.

An individual who is initially appointed as a Charter Officer on or after May 6, 2014 and who, prior to such appointment, was employed by the City, may elect to discontinue their participation in the Plan by filing a written election with the Plan Administrator within 30 days following the effective date of appointment as Charter Officer.

### Salary

Compensation earned by General Management Employees on or before January 31, 2013 shall mean the total cash remuneration paid to a plan participant for services rendered, including allowances and annuities, but shall exclude lump sum payments of accrued annual and sick leave.

For compensation earned by General Management Employees, on or after February 1, 2013, annual compensation shall exclude commission, overtime pay, bonuses and any other forms of additional compensation earned in addition to base salary.

### Credited Service

Total number of years and fractional parts of years of service as measured from date of employment.

### Average Final Compensation

One-twelfth of the highest average earnings during the five best years of creditable service prior to separation as an active member, or the career average, whichever is greater.

### Normal Form of Benefit

The normal form of benefit is a ten (10) year certain and life annuity.

### Normal Retirement Date

- a) The normal retirement date for a General Management Employee who was born in the years 1938 – 1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-six (66), with at least four (4) years of service.

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Approved 11/7/2017

Page 1 of 4

*This summary was designed to provide a brief description of the benefits provided and does not include all the provisions or exclusions in the Plan Document. The Employee should not rely on this information in making retirement decisions. If this outline disagrees with the Plan Document in any way, the Plan Document will govern.*

- b) The normal retirement date for a General Management Employee who was born any year after 1954 shall be the first day of the month coincident with, or next following the attainment of age sixty-seven (67), with at least four (4) years of service.
- c) General Management Employees participating in the plan as of January 31, 2013, or who were born prior to 1938 will remain eligible to retire the first day of the month coincident with, or next following attainment of a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of service and will obtain their accrued benefits earned through January 31, 2013 at such time. Benefit accruals earned on or after February 1, 2013 will be paid at the new normal retirement date in accordance with paragraphs Section (a) or (b) above, unless the member opts for Section (d) below.
- d) General Management Employees who were members of the Plan on January 31, 2013 may receive their benefits accrued through January 31, 2013, upon retirement on the first day of any month following retirement upon attaining a combined age and service totaling seventy-five (75), but not earlier than age fifty-five (55), or the attainment of age sixty-two (62) with at least six (6) years of credited service. General Management Employees who were participating in the Plan as of January 31, 2013 may receive their benefits accrued on or after January 31, 2013 upon retirement on the first day of any month following retirement in accordance with Section 6.01(a) or (b) above.
- e) A General Management Employee will not be allowed to receive his or her benefit while he or she continues to be employed with the City of North Miami Beach.

### **Normal Retirement Benefit**

For credited service earned on or before January 31, 2013, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 3% and multiplied by final monthly compensation.

For credited service earned on or after February 1, 2013, the monthly retirement benefit shall be equal to the number of years and fractional parts of years of credited service multiplied by 2% and multiplied by final monthly compensation.

When benefit calculations are prepared for members, the member will have the option to make 2 different options for the 2 different benefit commencement dates. After the member has started their first benefit, they will be provided with a different benefit election form to make a different option for the 2<sup>nd</sup> benefit if they choose.

### **Early Retirement**

For General Management Employees participating in the Plan as of January 31, 2013 or who were born prior to 1938, the early retirement date for service earned on or before January 31, 2013 shall be the first day of any month coincident with or next following the later of attainment of age fifty (50) and completion of ten (10) year of credited service.

For all other General Management Employees and for General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the early retirement date for service earned on or after February 1, 2013 shall be the first day of any month coincident with or next following the later of the attainment of age fifty-five (55) and the completion of ten (10) years of credited service.

### **Early Retirement Benefit**

For those General Management Employees participating in the Plan as of January 31, 2013 or born prior to 1938, the amount of the accrued benefit paid for credited service earned on or before January 31, 2013 will be reduced by five (5%) for each year before their normal retirement date.

For all other General Management Employees and for General Management Employees who were participating in the plan as of January 31, 2013 or born prior to 1938, for credited service earned on or after February 1, 2013 the amount of the accrued benefit will be reduced to the actuarial equivalent, which will be equal to the actuarial equivalent of the accrued benefit payable at their normal retirement date in accordance with Section 6.01 (a) or (b) for each year before the normal retirement date.

### **Disability**

A member deemed to be totally and permanently disabled from injury and disease will receive the greater of a monthly pension equal to 25% of average compensation or an amount equal to the accrued retirement benefit, less any monthly benefit paid by any long-term disability insurance policy provided through the Employer. Total and permanently disabled means that a member is unable to perform the main duties of his or her regular occupation.

### **Death Benefit prior to Vesting**

If a member dies prior to retirement and he is not vested, his beneficiary shall receive one hundred percent (100%) of the member's accumulated contributions with three percent (3%) interest.

### **Death Benefit after Vesting**

If a member dies prior to retirement and he is vested, his beneficiary shall receive the pension benefit otherwise payable to the member at the early or normal retirement date.

### **Termination of Employment and Vesting**

- 1) If the member has less than four (4) years of credited service upon termination the member shall be entitled to a refund of the money he or she has contributed plus three percent (3%) interest, or the member may leave it deposited with the Fund.
- 2) If the member has four (4) years of credited service but less than six (6) years of credited service, upon termination the member shall be entitled to 50% of his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 3) If the member has six (6) or more years of credited service upon termination the member shall be entitled to his/her accrued monthly retirement benefit, starting at the member's otherwise normal or early retirement date, provided he or she does not elect to withdraw his or her contributions with three percent (3%) interest, and provided he or she survives to his normal or early retirement date.
- 4) Any vested benefit hereunder is the legal asset of the employee plan participant. No portion of the vested principal or the income of the Defined Benefit Plan shall revert to the employer, or ever be used for or diverted to any purpose other than for the exclusive benefit of the Participating Employees and persons claiming under or through them, and the payment of reasonable expenses of the plan.

### **Employee Contributions**

All participants contribute 8% (pre-tax) of their salary. Refund of employee contributions will be credited with 3% interest.

### **Cost of Living Adjustment**

Commencing October 1, 2003, and the first day of each October thereafter, the monthly income payable hereunder to each participant or beneficiary who has been receiving benefits under any portion of this plan for one or more years, or to any such participant's or beneficiary's surviving beneficiary, for all years of credited service earned on or before January 31, 2013, shall be increased by two and one-quarter percent (2.25%).

For all years of credited service earned on or after February 1, 2013, effective October 1, 2013, and the first day of each October thereafter, any increase in the monthly income payable hereunder to each participant or beneficiary who begins receiving benefits under any portion of this plan for one or more years, or to any such participant's or beneficiary's surviving beneficiary, shall be decided on an *ad hoc* basis by the City Council, which is vested with the authority to decide whether or not a Cost of Living Adjustment will be awarded for that particular fiscal year and each year thereafter.

### **Forfeiture of Pension**

Any Participant who is convicted of the any of the following offenses committed prior to retirement, or whose employment is terminated by reason of his admitted commission, aid or abetment of the following specified offenses, shall forfeit all rights and benefits under this Fund, except for the return of his accumulated contributions as of the date of termination.

- (A) Specified offenses are as follows:
  - (1) The committing, aiding or abetting of an embezzlement of public funds;
  - (2) the committing, aiding or abetting of any theft by a public officer or employee from employer;
  - (3) bribery in connection with the employment of a public officer or employee;
  - (4) any felony specified in Chapter 838, Florida Statutes;
  - (5) the committing of an impeachable offense.

(B) The committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he acts or in which he is employed, of the right to receive the faithful performance of his duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his public office or employment position.

(1) Conviction shall be defined as follows: An adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.

(2) Court shall be defined as follows: Any state or federal court of competent jurisdiction which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Participant whose benefits are being considered for forfeiture. Said Participant shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Participant shall be afforded a full opportunity to present his case against forfeiture.

Any Participant who has received benefits from the Plan in excess of his accumulated contributions after Participant's rights were forfeited pursuant to this section shall be required to pay back to the Fund the amount of the benefits received in excess of his accumulated contributions. The Board may implement all legal action necessary to recover such funds.

#### **Source of Financing Plan**

The Plan is funded through contributions made by the City and the participating members.

#### **Applicable Regulations Governing Establishment, Operation and Administration of the Plan**

Chapter 112, Part VII, Florida Statutes; Chapter 60T-1, FAC, Internal Revenue Code.

#### **Board of Trustees**

Anthony DeFillipo, Chair  
Gregory Williams, Secretary  
Judeen Johnson  
Hans Ottinot  
Vacancy

#### **Mailing Address for Board of Trustees:**

City of North Miami Beach  
17011 NE 19<sup>th</sup> Avenue  
North Miami Beach, FL 33162

#### **The following documents are attached:**

1. Claims procedures
2. Report of actuarial summary

## **Operating Rules and Procedures**

### **RULE 14** **CLAIMS PROCEDURES**

#### **14.1 CLAIMS OF AFFECTED PERSONS**

A. The Board of Trustees shall grant an initial hearing upon receipt of a written request ("Claim"), on matters which affect the substantial rights of any person ("Claimant"), including Members, Retirees, Beneficiaries, or any person affected by a decision of the Board of Trustees.

B. The Board shall review the Claim at an initial hearing and enter an order within 90 days from the date of receipt of the Claim and, in the case of disability claims, receipt by the Board of a written medical release authorization in a form approved by the General Counsel and a completed set of interrogatories prepared by the General Counsel and provided to the Claimant. The Board may extend the time for entering the order at an initial hearing for an additional 90 days if it determines such time is necessary for full discovery and adequate review. The General Counsel and the Claimant may stipulate to further extensions of time.

C. It shall be the function of the General Counsel, throughout the claims procedure, to assist the Board in the discovery and presentation of evidence in order to assure that the Board receives all relevant information prior to the Board's decision.

D. The Claimant shall have the right to be represented by counsel at any or all times throughout the claims procedure.

#### **14.2 INITIAL HEARING**

A. At the initial hearing, the only evidence to be considered by the Board shall be documentary evidence contained in the pension file, including but not limited to, correspondence, medical records and reports of treating physicians and/or examining physicians and evidence received pursuant to paragraph B.

B. Other than questions from the Trustees, there will be no taking of additional evidence at the initial hearing, except that the Claimant will be afforded 15 minutes to make a presentation, which shall be limited to comments and/or arguments as to the evidence or information already contained in the pension file, including the report of the examining physician.

C. Upon completion of the review of the Claim at the initial hearing, the Board shall enter an order setting forth its findings and conclusions on the Claim. The written order shall be provided to the Claimant. The order shall include:

(1) The specific findings and conclusions of the Board, including specific references to pertinent provisions of the Plan on which such conclusions are based;

(2) A description of any additional material or information that the Board may deem necessary for the Claimant to perfect his Claim, together with the reasons why such material or information is necessary; and

(3) An explanation of the right to a full hearing on the Claim and the time limit in which a full hearing must be requested in writing.

D. The decision of the Board at the initial hearing shall not be final until after the time has expired to request a full hearing or, if a full hearing is requested, until the Board makes a decision at the conclusion of the full hearing.

#### **14.3 FULL HEARING**

A. Any Claimant may request a full hearing on the issues presented to the Board at an initial hearing and upon which the Board has entered an order as provided in subsection 2.C. above.

B. A full hearing must be requested by the Claimant within 90 days of the receipt of the Board's order. The order will be deemed received three days following the date it is mailed to Claimant at the address provided to the Board by Claimant.

C. Upon receipt of the request for a full hearing and considering the amount of discovery which might be conducted, the Board shall establish a date for the full hearing and cause notice to be given to the Claimant. The full hearing shall be held within 90 days from the receipt of the request from the Claimant. The full hearing may be postponed, if necessary and with the consent of the Claimant, to permit full discovery of the facts.

D. Copies of all documents to be offered into evidence at the full hearing, including depositions, and a complete witness list with names and addresses of witnesses expected to be called, shall be furnished to the Board and the General Counsel by the Claimant at least 20 days prior to the full hearing. Documents not furnished to the Board within the prescribed time limit may be excluded from evidence at the full hearing if a reasonable explanation is not provided for the delay in providing the documents.

E. A Claimant or the General Counsel may obtain discovery by deposition and/or interrogatories prior to the full hearing. Written notice of any depositions and/or interrogatories shall be given to the General Counsel and the Claimant.

F. The costs of any discovery, except discovery requested by the Board or the General Counsel, the appearance of witnesses at the hearing, and the making of a verbatim record of the proceedings shall be the responsibility of the Claimant.

G. The Claimant shall be responsible for the appearance of any witnesses which he wishes to have testify at the hearing. The Board shall, however, have the power to subpoena and require the attendance of witnesses and the production of documents for discovery prior to and at the proceedings provided for herein. The Claimant may request in writing the issuance of subpoenas by the Board. A reasonable fee may be charged for the issuance of any subpoenas not to exceed the fees set forth in Florida Statutes.

H. Testimony at the full hearing may be submitted in the form of a deposition.



Depositions timely submitted will be part of the record before the Board at the full hearing and will not be read in totality at the full hearing; provided, however, that this does not preclude the Claimant or the General Counsel from reading parts of depositions in an opening or closing statement.

- I. Irrelevant and unduly repetitious evidence shall be excluded.
- J. Any person who knowingly gives false testimony is guilty of a misdemeanor of the first degree, punishable as provided in Section 775.082 or 775.083, Florida Statutes.
- K. The file maintained by the Board, including but not limited to various medical reports therein, is part of the record before the Board at the full hearing.
- L. All proceedings of the Board shall be conducted in public.
- M. In cases concerning an application for pension benefits, including applications for disability retirement benefits, the burden of proof, except as otherwise provided by law, shall be on the Claimant seeking to show entitlement to such benefits.
- N. In cases concerning termination of pension benefits, including re-examination of Retirees receiving disability retirement benefits, the burden of proof shall be on the Board.
- O. Except as to those records which are exempted from the provisions of Chapter 119, Florida Statutes, Florida's Public Record Law, records maintained by the Board are open for inspection and/or copying during normal business hours at a reasonable cost for the copying.
- P. Should a Claimant requesting an initial or full hearing decide to appeal any decision made by the Board, with respect to any matter considered at such hearing, the Claimant requesting an initial or full hearing will need a record of the proceedings and may need to assure that a verbatim record of the proceeding is made. The Claimant requesting an initial or full hearing will be responsible for obtaining a court reporter or otherwise making a record of the proceedings before the Board.
- Q. The decisions of the Board after the requested full hearing shall be final and binding.
- R. Within 15 days after making a decision at the full hearing, the Board shall enter a final order setting forth its findings and conclusions and a copy of the order shall be provided to the Claimant.
- S. Judicial review of decisions of the Board shall be sought by the filing of a timely petition for writ of certiorari with the Clerk of the Circuit Court, in the appropriate county.

#### **14.4 CONDUCT OF THE FULL HEARING**

- A. The Chairman shall preside over the hearing and shall rule on all evidentiary, procedural, and other legal questions that arise during the hearing. The Chairman's rulings shall stand unless overruled by a majority of the Trustees present. The Chairman shall open the full hearing by explaining the procedures to be followed.
- B. The Claimant shall have the right to be represented by counsel or be self-represented. The General Counsel shall advise the Board.
- C. The Claimant shall be allowed to make an opening statement not to exceed ten minutes.
- D. Testimony of witnesses shall be under oath or affirmation. Depositions and affidavits shall be admissible.
- E. The Chairman, any Trustee, the General Counsel, the Claimant or the Claimant's counsel, upon recognition by the Chairman, may direct questions to any witness during the proceedings.
- F. Both the Claimant or the General Counsel shall have the right to present evidence relevant to the issues, to cross-examine witnesses, to impeach witnesses and to respond to the evidence presented.
- G. The Claimant shall be permitted a closing argument not to exceed 15 minutes.
- H. The Board shall deliberate and make a decision following closing argument and thereafter enter an order as provided herein.

#### **14.5 DISABILITY CLAIMS - ADDITIONAL PROCEDURES**

- A. All applications for disability pensions shall be in writing. Forms for such applications may be provided by the Board.
- B. Upon receipt of the application for disability, the General Counsel will provide the Claimant with a set of interrogatories or questions to be answered under oath and a medical release authorization. Both documents will be completed by the Claimant and returned to the General Counsel.
- C. Upon receipt of the properly completed interrogatories and medical release authorization, the General Counsel will request medical records from all relevant treating physicians; personnel records from the employer, copies of relevant workers' compensation records, and copies of other records deemed to be relevant to the Claim. The Board shall pay, from the Fund, the cost of any medical examinations required by the Board and for copies of medical records.
- D. The General Counsel will, if authorized by the Board, upon receipt of the medical records from the treating physicians, schedule an independent medical examination (IME) or examinations with an appropriate independent examining physician or physicians who will be asked to render an opinion about Claimant's physical condition as it relates to the claimed disability.
- E. Upon receipt of the IME report or reports from the examining physician or physicians, the General Counsel will provide all records of treating physicians, relevant workers' compensation claims records, the independent medical evaluation, and all other relevant documents to the Board for inclusion in the pension file and the Board shall then schedule the initial hearing.

2021 Florida Local Government Retirement Systems Actuarial Fact Sheet

**City/District Name:** North Miami Beach - Management      **Employee group(s) covered:** General

**Current actuarial valuation date:** 10/1/2020      **Plan Status:** Closed      **Date prepared:** 1/13/2022

<b>Number of plan participants:</b>	45	<b>GASB 67 Reporting</b>	
<b>Actuarial Value of Plan Assets (AVA):</b>	\$20,648,099	<b>Discount Rate</b>	7.50%
<b>Actuarial Accrued Liability (AAL):</b>	\$20,525,614	<b>Total Pension Liability</b>	22,495,204
<b>Unfunded Accrued Liability (UAL):</b>	(\$122,485)	<b>Market Value of Plan Assets</b>	20,741,874
<b>Market Value of Plan Assets (MVA):</b>	\$20,741,874	<b>Net Pension Liability</b>	1,753,330
<b>MVA Funded Ratio (5-year history):</b>		<b>GASB 67 Funded Ratio</b>	92.21%
		Averages for all plans with 2020 current actuarial valuation date	
Current valuation	101.05%	90.52%	*
1 year prior	91.93%	86.77%	*
2 years prior	91.55%	89.02%	*
3 years prior	86.27%	86.31%	*
4 years prior	72.76%	82.76%	*
<b>Rate of Return:</b> Actuarial Value, Actual (2020 Plan Year)	6.98%	8.10%	
Market Value, Actual	6.95%	8.39%	
Assumed	7.50%	7.10%	
<b>Funding requirement as percentage of payroll:</b>	15.12%	60.19%	**
<b>Percentage of payroll contributed by employee:</b>	8.00%	6.48%	**
<b>Funding requirement as dollar amount:</b>	138,066	N/A	

**Benefit Formula Description:** 2.00% x AME 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)	7.50%	20,525,614	20,741,874	-216,260	999.99	64,577	7.07
112.664(1)(b)	5.50%	25,041,493	20,741,874	4,299,619	20.69	801,051	87.71
Valuation Basis	7.50%	N/A	N/A	N/A	999.99	138,066	15.12

Link to annual financial statements: <https://frs.fl.gov/forms/LOC5340551PDF10012020N1.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

<b>Plan Status:</b>	Active, Closed (closed to new entrants) and Frozen (closed to new entrants and no further benefit accruals)
<b>Actuarial Value of Plan Assets (AVA):</b>	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
<b>Actuarial Accrued Liability (AAL):</b>	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
<b>Unfunded Accrued Liability (UAL):</b>	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
<b>Market Value of Plan Assets (MVA):</b>	The fair market value of assets, including DROP accounts.
<b>MVA Funded Ratio:</b>	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
<b>Rate of Return (Assumed):</b>	Assumed long-term rate of return on the pension fund assets.
<b>Funding requirement as percentage of payroll:</b>	Total Required Contribution (employer and employee) divided by total payroll of active participants. No interest adjustment is included.
<b>Funding requirement as dollar amount:</b>	Total Required Contribution (employer and employee). No interest adjustment is included.
<b>AFC:</b>	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
<b>SC:</b>	Service Credit

## Section 112.664 – Glossary of Terms

<b>Florida Statute Chapter:</b>	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.
<b>Discount Rate:</b>	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
<b>Total Pension Liability:</b>	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost method.
<b>Net Pension Liability:</b>	Total Pension Liability minus Market Value of Plan Assets.
<b>Years assets sustain benefit payments:</b>	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.
<b>Total Dollar Contribution:</b>	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
<b>Total % of Pay Contribution:</b>	Total Dollar Contribution divided by total payroll of active participants
<b>Annual financial statements:</b>	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.

# The 2023 Florida Statutes

## CHAPTER 112

### PUBLIC OFFICERS AND EMPLOYEES: GENERAL PROVISIONS

#### PART I

#### CONDITIONS OF EMPLOYMENT; RETIREMENT; TRAVEL EXPENSES

(ss. 112.011-112.23)

#### PART II

#### INTERCHANGE OF PERSONNEL BETWEEN GOVERNMENTS

(ss. 112.24-112.31)

#### PART III

#### CODE OF ETHICS FOR PUBLIC OFFICERS AND EMPLOYEES

(ss. 112.311-112.3261)

#### PART IV

#### SUPPLEMENTAL RETIREMENT ACT FOR RETIRED MEMBERS OF STATE RETIREMENT SYSTEMS

(ss. 112.351-112.363)

#### PART V

#### SUSPENSION, REMOVAL, OR RETIREMENT OF PUBLIC OFFICERS

(ss. 112.40-112.52)

#### PART VI

#### LAW ENFORCEMENT AND CORRECTIONAL OFFICERS

(ss. 112.531-112.536)

#### PART VII

#### ACTUARIAL SOUNDNESS OF RETIREMENT SYSTEMS

(ss. 112.60-112.67)

#### PART VIII

#### FIREFIGHTERS

(ss. 112.80-112.84)

#### PART I

#### CONDITIONS OF EMPLOYMENT; RETIREMENT; TRAVEL EXPENSES

- 112.011 Disqualification from licensing and public employment based on criminal conviction.
- 112.0111 Restrictions on the employment of ex-offenders; legislative intent; state agency reporting requirements.
- 112.021 Florida residence unnecessary.
- 112.042 Discrimination in county and municipal employment; relief.
- 112.043 Age discrimination.
- 112.044 Public employers, employment agencies, labor organizations; discrimination based on age prohibited; exceptions; remedy.
- 112.0441 Prohibition on public employee COVID-19 vaccination mandates.
- 112.0455 Drug-Free Workplace Act.
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- 112.1816 Firefighters; cancer diagnosis.
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- 112.19 Law enforcement, correctional, and correctional probation officers; death benefits.
- 112.191 Firefighters; death benefits.
- 112.1911 Emergency medical technicians and paramedics; death benefits.
- 112.1912 First responders; death benefits for educational expenses.
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- 112.1915 Teachers and school administrators; death benefits.
- 112.1921 Administrative leave for law enforcement officers.
- 112.193 Law enforcement, correctional, and correctional probation officers' commemorative service awards.
- 112.194 Law enforcement and correctional officers' Medal of Valor.
- 112.21 Tax-sheltered annuities or custodial accounts for employees of governmental agencies.
- 112.215 Government employees; deferred compensation program.
- 112.217 Department of Highway Safety and Motor Vehicles; employees' benefit fund.
- 112.218 Department of Highway Safety and Motor Vehicles personnel files; fees for copies.
- 112.219 Substitution of work experience for postsecondary educational requirements.
- 112.22 Use of applications from foreign countries of concern prohibited.
- 112.23 Government-directed content moderation of social media platforms prohibited.
- 112.011 Disqualification from licensing and public employment based on criminal conviction.—**
  - (1)(a) Except as provided in s. 775.16, a person may not be disqualified from employment by the state, any of its agencies or political subdivisions, or any municipality solely because of a prior conviction for a crime. However, a person may be denied employment by the state, any of its agencies or political subdivisions, or any municipality by reason of the prior conviction for a crime if the crime was a felony or first-degree misdemeanor and directly related to the position of employment sought.
  - (b) Except as provided in s. 775.16, a person may be denied a license, permit, or certification to pursue, practice, or engage in an occupation, trade, vocation, profession, or business by reason of the prior conviction for a crime if the crime was a felony or first-degree misdemeanor that is directly related to the standards determined by the regulatory authority to be necessary and reasonably related

to the protection of the public health, safety, and welfare for the specific occupation, trade, vocation, profession, or business for which the license, permit, or certificate is sought.

(c) Notwithstanding any law to the contrary, a state agency may not deny an application for a license, permit, certificate, or employment based solely on the applicant's lack of civil rights. However, this paragraph does not apply to applications for a license to carry a concealed weapon or firearm under chapter 790.

(2)(a) This section does not apply to any law enforcement or correctional agency.

(b) This section does not apply to the employment practices of any fire department relating to the hiring of firefighters.

(c) This section does not apply to the employment practices of any county or municipality relating to the hiring of personnel for positions deemed to be critical to security or public safety pursuant to ss. 125.5801 and 166.0442.

(3) Any complaint concerning the violation of this section shall be adjudicated in accordance with the procedures set forth in chapter 120 for administrative and judicial review.

**History.**—ss. 1, 2, 3, ch. 71-115; s. 1, ch. 73-109; s. 20, ch. 81-24; s. 30, ch. 88-122; s. 1, ch. 90-266; s. 678, ch. 95-147; s. 3, ch. 2002-169; s. 3, ch. 2011-207; s. 90, ch. 2013-183.

**112.0111 Restrictions on the employment of ex-offenders; legislative intent; state agency reporting requirements.—**

(1) The Legislature declares that a goal of this state is to clearly identify the occupations from which ex-offenders are disqualified based on the nature of their offenses. The Legislature seeks to make employment opportunities available to ex-offenders in a manner that serves to preserve and protect the health, safety, and welfare of the general public, yet encourages them to become productive members of society. To this end, state agencies that exercise regulatory authority are in the best position to identify all restrictions on employment imposed by the agencies or by boards that regulate professions and occupations and are obligated to protect the health, safety, and welfare of the general public by clearly setting forth those restrictions in keeping with standards and protections determined by the agencies to be in the least restrictive manner.

(2) Each state agency, including, but not limited to, those state agencies responsible for professional and occupational regulatory boards, shall ensure the appropriate restrictions necessary to protect the overall health, safety, and welfare of the general public are in place, and by December 31, 2011, and every 4 years thereafter, submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report that includes:

(a) A list of all agency or board statutes or rules that disqualify from employment or licensure persons who have been convicted of a crime and have completed any incarceration and restitution to which they have been sentenced for such crime.

(b) A determination of whether the disqualifying statutes or rules are readily available to prospective employers and licensees.

(c) The identification and evaluation of alternatives to the disqualifying statutes or rules which protect the health, safety, and welfare of the general public without impeding the gainful employment of ex-offenders.

**History.**—s. 2, ch. 2011-207.

**112.021 Florida residence unnecessary.**—Except as expressly provided by law, there shall be no Florida residence requirement for any person as a condition precedent to employment by any county.

**History.**—s. 3, ch. 69-20; s. 23, ch. 71-355; s. 25, ch. 79-190.

**112.042 Discrimination in county and municipal employment; relief.—**

(1) It is against the public policy of this state for the governing body of any county or municipal agency, board, commission, department, or office, solely because of the race, color, national origin, sex, handicap, or religious creed of any individual, to refuse to hire or employ, to bar, or to discharge from employment such individuals or to otherwise discriminate against such individuals with respect to compensation, hire, tenure, terms, conditions, or privileges of employment, if the individual is the most competent and able to perform the services required.

(2)(a) Any person, firm, corporation, association, or other group or body, jointly or severally, who is aggrieved by any decision, regulation, restriction, or resolution adopted by the governing body of any county or municipal agency, board, commission, or department which is an unlawful employment practice under this section may apply to such agency, board, commission, or department at any time for a modification or rescission thereof. If such modification or rescission is refused, any such person,



firm, corporation, association or other group or body may, within 30 days after such refusal, but not thereafter, institute original proceedings for relief in the circuit court of the county.

(b) There is no right to apply to the court for relief on account of any order, requirement, decision, determination, or action of any county or municipal officer pursuant to this section unless there has first been an appeal therefrom to the governing agency, board, commission, or department to which such officer is responsible.

(3) Nothing in this section shall be construed to prohibit alternative relief through local civil service systems and boards provided for in s. 14, Art. III of the State Constitution.

**History.**—s. 1, ch. 69-334; s. 2, ch. 84-125.

**112.043 Age discrimination.**—It shall be the public policy of the state that no officer or board, whether state or county, shall discriminate in the employment of any person solely on the basis of age. Persons who apply for employment with the state or any county of the state shall be selected on the basis of training, experience, mental and physical abilities, and other selection criteria established for the position. Unless age restrictions have been specifically established through published specifications for a position, available to the public, the employing authority shall give equal consideration to all applicants, regardless of age.

**History.**—s. 1, ch. 69-141.

**112.044 Public employers, employment agencies, labor organizations; discrimination based on age prohibited; exceptions; remedy.**—

(1) **LEGISLATIVE INTENT; PURPOSE.**—The Legislature finds and declares that in the face of rising productivity and affluence, older workers find themselves disadvantaged, both in their efforts to retain employment and in their efforts to regain employment when displaced from jobs. The setting of arbitrary age limits, irrespective of capability for job performance, has become a common practice, and certain otherwise desirable practices may work to the disadvantage of older persons. In comparison to the incidence of unemployment among younger workers, the incidence of unemployment, especially long-term unemployment with resultant deterioration of skill, morale, and employer acceptability, is high among older workers, whose numbers are great and growing and whose employment problems are grave. In industries affecting commerce, the existence of arbitrary discrimination in employment because of age burdens commerce and the free flow of goods. It is the purpose of this act to promote employment of older persons based on ability rather than age and to prohibit arbitrary age discrimination in employment.

(2) **DEFINITIONS.**—For the purpose of this act:

(a) “Employee” means an individual employed by any employer.

(b) “Employer” means the state or any county, municipality, or special district or any subdivision or agency thereof. This definition shall not apply to any law enforcement agency or firefighting agency in this state.

(c) “Employment agency” means any person, including any agent thereof, regularly undertaking, with or without compensation, to procure employees for an employer, including state and local employment services receiving federal assistance.

(3) **PROHIBITED ACTIVITIES; EXCEPTIONS.**—

(a) Except as provided in paragraph (f), it is unlawful for an employer to:

1. Fail or refuse to hire, discharge or mandatorily retire, or otherwise discriminate against any individual with respect to the compensation, terms, conditions, or privileges of employment because of age.

2. Limit, segregate, or classify employees in any way which would deprive, or tend to deprive, any individual of employment opportunities, or otherwise adversely affect an individual’s status as an employee, because of age.

3. Reduce the wage rate of any employee or otherwise alter the terms or conditions of employment in order to comply with this act, unless such a reduction is with the employee’s express or implied consent.

(b) Except as provided in paragraph (f), it is unlawful for an employment agency to fail or refuse to refer for employment, or otherwise to discriminate against, any individual because of age or to classify or refer for employment any individual on the basis of age.

(c) Except as provided in paragraph (f), it is unlawful for a labor organization to:

1. Exclude or expel from its membership, or otherwise discriminate against, any individual because of age.

2. Limit, segregate, or classify its membership, or fail or refuse to refer for employment any individual, in any way which would limit, deprive, or tend to deprive the individual of employment opportunities or which would otherwise adversely affect the individual's status as an employee or as an applicant for employment solely because of age.

3. Cause or attempt to cause an employer to discriminate against an individual in violation of this section.

(d) It is unlawful:

1. For an employer to discriminate against any employee or applicant for employment;

2. For an employment agency to discriminate against any individual; or

3. For a labor organization to discriminate against any member or applicant for membership, because such employee, applicant for employment, individual, member, or applicant for membership has opposed any practice made unlawful by this section or because the employee, applicant for employment, individual, member, or applicant for membership has made a charge, testified, assisted, or participated in any manner in an investigation, a proceeding, or litigation under this act.

(e) Except as provided in paragraph (f), it is unlawful for an employer, labor organization, or employment agency to print or publish, or cause to be printed or published, any notice or advertisement relating to:

1. Employment by such employer;

2. Membership in such labor organization or any classification or referral for employment by such labor organization; or

3. Any classification or referral for employment by such employment agency, which notice or advertisement indicates any preference, limitation, specification, or discrimination based on age.

(f) It is not unlawful for an employer, employment agency, or labor organization to:

1. Take any action otherwise prohibited under paragraph (a), paragraph (b), paragraph (c), or paragraph (e), based on a bona fide occupational qualification reasonably necessary to the normal operation of the particular business.

2. Observe the terms of a bona fide seniority system or any bona fide employee benefit plan, such as a retirement, pension, or insurance plan, which is not a subterfuge to evade the purposes of this act.

3. Discharge or otherwise discipline an individual for good cause.

(4) **APPEAL; CIVIL SUIT AUTHORIZED.**—Any employee of the state who is within the Career Service System established by chapter 110 and who is aggrieved by a violation of this act may appeal to the Public Employees Relations Commission under the conditions and following the procedures prescribed in part II of chapter 447. Any person other than an employee who is within the Career Service System established by chapter 110, or any person employed by the Public Employees Relations Commission, who is aggrieved by a violation of this act may bring a civil action in any court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this act.

(5) **NOTICE TO BE POSTED.**—Each employer, employment agency, and labor organization shall post and keep posted in conspicuous places upon its premises notices required by the United States Department of Labor and the Equal Employment Opportunity Commission.

**History.**—ss. 6, 7, 8, 10, 11, ch. 76-208; s. 1, ch. 77-174; s. 7, ch. 79-7; s. 31, ch. 79-190; s. 4, ch. 81-169; s. 75, ch. 86-163; s. 679, ch. 95-147; s. 5, ch. 2011-213; s. 30, ch. 2023-8.

**112.0441 Prohibition on public employee COVID-19 vaccination mandates.**—

(1) For purposes of this section, the term:

(a) “COVID-19” has the same meaning as in s. 381.00317(1).

(b) “Educational institution” means an institution under the control of a district school board; a charter school; a state university; a developmental research school; a Florida College System institution; the Florida School for the Deaf and the Blind; and the Florida Virtual School.

(c) “Governmental entity” has the same meaning as in s. 768.38.

(2)(a) Notwithstanding any other law to the contrary, an educational institution or a governmental entity may not impose a COVID-19 vaccination mandate for any full-time, part-time, or contract employee. Any existing ordinance, rule, or policy imposing such mandate is null and void as of November 18, 2021.

(b) An educational institution or a governmental entity that imposes a COVID-19 vaccination mandate for any full-time, part-time, or contract employee commits a violation of this section for each



employee subject to the employer's COVID-19 vaccination mandate. The Department of Health may impose a fine not to exceed \$5,000 per violation. Fines collected pursuant to this subsection must be deposited in the General Revenue Fund.

(3)(a) If an educational institution or a governmental entity fails to comply with subsection (2) and terminates an employee based on the employee's noncompliance with a COVID-19 vaccination mandate, the terminated employee may be eligible for reemployment assistance under chapter 443 in addition to any other remedy available to the employee.

(b) If an employee is terminated by an educational institution or a governmental entity for refusing to comply with any COVID-19 vaccination mandate:

1. Such refusal may not be deemed misconduct for the purpose of reemployment assistance under chapter 443.

2. Notwithstanding any provision of chapter 443, work is not deemed suitable and benefits may not be denied under s. 443.101 to the terminated employee for refusing to accept new work if the terminated employee is otherwise eligible and the position requires compliance with a COVID-19 vaccination mandate contrary to this section or s. 381.00317.

(4) Notwithstanding s. 120.74(4) and (5), the Department of Health and the Department of Economic Opportunity are authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4) to implement this section. Such rulemaking must occur initially by filing emergency rules within 15 days after November 18, 2021. Notwithstanding s. 120.54(4)(c), emergency rules adopted pursuant to this subsection remain in effect until replaced by rules adopted under regular rulemaking. The Department of Health and the Department of Economic Opportunity shall begin rulemaking under s. 120.54(2) and (3) immediately after filing the emergency rules.

(5) This section expires June 1, 2023.

**History.**—ss. 3, 6, ch. 2021-272.

#### **112.0455 Drug-Free Workplace Act.—**

(1) **SHORT TITLE.**—This section shall be known and may be cited as the “Drug-Free Workplace Act.”

(2) **PURPOSE.**—This section is intended to:

(a) Promote the goal of drug-free workplaces within government through fair and reasonable drug-testing methods for the protection of public employees and employers.

(b) Encourage employers to provide employees who have drug use problems with an opportunity to participate in an employee assistance program or an alcohol and drug rehabilitation program.

(c) Provide for confidentiality of testing results.

(3) **FINDINGS.**—The Legislature finds that:

(a) Drug use has serious adverse effects upon a significant portion of the workforce, resulting in billions of dollars of lost productivity each year and posing a threat to the workplace and to public safety and security.

(b) Maintaining a healthy and productive workforce, safe working conditions free from the effects of drugs, and quality products and services is important to employers, employees, and the general public in this state. The Legislature further finds that drug use creates a variety of workplace problems, including increased injury on the job, increased absenteeism, increased financial burden on health and benefit programs, increased workplace theft, decreased employee morale, decreased productivity, and a decline in the quality of products and services.

(c) Certain drug-testing standards are necessary to protect persons participating in workplace drug-testing programs.

(d) In balancing the interests of employers, employees, and the welfare of the general public, the establishment of standards to assure fair and accurate testing for drugs in the workplace is in the best interests of all.

(4) **NO LEGAL DUTY TO TEST.**—All drug testing conducted by employers shall be in conformity with the standards established in this section and all applicable rules promulgated pursuant to this section. However, employers shall not have a legal duty under this section to request an employee or job applicant to undergo drug testing. No testing of employees shall take effect until local drug abuse assistance programs have been identified.

(5) **DEFINITIONS.**—Except where the context otherwise requires, as used in this act:

(a) “Chain of custody” refers to the methodology of tracking specified materials or substances for the purpose of maintaining control and accountability from initial collection to final disposition for all

such materials or substances and providing for accountability at each stage in handling, testing, storing specimens, and reporting of test results.

(b) “Confirmation test,” “confirmed test,” or “confirmed drug test” means a second analytical procedure used to identify the presence of a specific drug or metabolite in a specimen. The confirmation test must be different in scientific principle from that of the initial test procedure. This confirmation method must be capable of providing requisite specificity, sensitivity, and quantitative accuracy.

(c) “Drug” means alcohol, including distilled spirits, wine, malt beverages, and intoxicating liquors; amphetamines; cannabinoids; cocaine; phencyclidine (PCP); hallucinogens; methaqualone; opiates; barbiturates; benzodiazepines; synthetic narcotics; designer drugs; or a metabolite of any of the substances listed herein.

(d) “Drug test” or “test” means any chemical, biological, or physical instrumental analysis administered for the purpose of determining the presence or absence of a drug or its metabolites.

(e) “Employee” means a person who works for salary, wages, or other remuneration for an employer.

(f) “Employee assistance program” means an established program for employee assessment, counseling, and possible referral to an alcohol and drug rehabilitation program.

(g) “Employer” means an agency within state government that employs individuals for salary, wages, or other remuneration.

(h) “Initial drug test” means a sensitive, rapid, and reliable procedure to identify negative and presumptive positive specimens. All initial tests must use an immunoassay procedure or an equivalent, or must use a more accurate scientifically accepted method approved by the Agency for Health Care Administration as more accurate technology becomes available in a cost-effective form.

(i) “Job applicant” means a person who has applied for a position with an employer and has been offered employment conditioned upon successfully passing a drug test.

(j) “Prescription or nonprescription medication” means a drug or medication obtained pursuant to a prescription as defined by s. 893.02 or a medication that is authorized pursuant to federal or state law for general distribution and use without a prescription in the treatment of human diseases, ailments, or injuries.

(k) “Random testing” means a drug test conducted on employees who are selected through the use of a computer-generated random sample of an employer’s employees.

(l) “Reasonable suspicion drug testing” means drug testing based on a belief that an employee is using or has used drugs in violation of the employer’s policy drawn from specific objective and articulable facts and reasonable inferences drawn from those facts in light of experience. Reasonable suspicion drug testing may not be required except upon the recommendation of a supervisor who is at least one level of supervision higher than the immediate supervisor of the employee in question. Among other things, such facts and inferences may be based upon:

1. Observable phenomena while at work, such as direct observation of drug use or of the physical symptoms or manifestations of being under the influence of a drug.

2. Abnormal conduct or erratic behavior while at work or a significant deterioration in work performance.

3. A report of drug use, provided by a reliable and credible source, which has been independently corroborated.

4. Evidence that an individual has tampered with a drug test during employment with the current employer.

5. Information that an employee has caused, or contributed to, an accident while at work.

6. Evidence that an employee has used, possessed, sold, solicited, or transferred drugs while working or while on the employer’s premises or while operating the employer’s vehicle, machinery, or equipment.

(m) “Special risk” means employees who are required as a condition of employment to be certified under chapter 633 or chapter 943.

(n) “Specimen” means a tissue, hair, or product of the human body capable of revealing the presence of drugs or their metabolites.

(6) NOTICE TO EMPLOYEES.—

(a) Employers with no drug-testing program shall ensure that at least 60 days elapse between a general one-time notice to all employees that a drug-testing program is being implemented and the beginning of actual drug testing. Employers with drug-testing programs in place prior to the effective date of this section are not required to provide a 60-day notice period.

(b) Prior to testing, all employees and job applicants for employment shall be given a written policy statement from the employer which contains:

1. A general statement of the employer's policy on employee drug use, which shall identify:
  - a. The types of testing an employee or job applicant may be required to submit to, including reasonable suspicion or other basis; and
  - b. The actions the employer may take against an employee or job applicant on the basis of a positive confirmed drug test result.
2. A statement advising the employee or job applicant of the existence of this section.
3. A general statement concerning confidentiality.
4. Procedures for employees and job applicants to confidentially report the use of prescription or nonprescription medications both before and after being tested. Additionally, employees and job applicants shall receive notice of the most common medications by brand name or common name, as applicable, as well as by chemical name, which may alter or affect a drug test. A list of such medications shall be developed by the Agency for Health Care Administration.
5. The consequences of refusing to submit to a drug test.
6. Names, addresses, and telephone numbers of employee assistance programs and local alcohol and drug rehabilitation programs.
7. A statement that an employee or job applicant who receives a positive confirmed drug test result may contest or explain the result to the employer within 5 working days after written notification of the positive test result. If an employee or job applicant's explanation or challenge is unsatisfactory to the employer, the person may contest the drug test result as provided by subsections (14) and (15).
8. A statement informing the employee or job applicant of his or her responsibility to notify the laboratory of any administrative or civil actions brought pursuant to this section.
9. A list of all drugs for which the employer will test, described by brand names or common names, as applicable, as well as by chemical names.
10. A statement regarding any applicable collective bargaining agreement or contract and the right to appeal to the Public Employees Relations Commission.
11. A statement notifying employees and job applicants of their right to consult the testing laboratory for technical information regarding prescription and nonprescription medication.

(c) An employer shall include notice of drug testing on vacancy announcements for those positions where drug testing is required. A notice of the employer's drug-testing policy shall also be posted in an appropriate and conspicuous location on the employer's premises, and copies of the policy shall be made available for inspection by the general public during regular business hours in the employer's personnel office or other suitable locations.

(7) TYPES OF TESTING.—Drug testing must be conducted within each agency's appropriation. An employer may conduct, but is not required to conduct, the following types of drug tests:

(a) *Job applicant testing.*—An employer may require job applicants to submit to a drug test and may use a refusal to submit to a drug test or a positive confirmed drug test as a basis for refusal to hire the job applicant.

(b) *Reasonable suspicion.*—An employer may require an employee to submit to reasonable suspicion drug testing.

(c) *Random testing.*—An employer may conduct random testing once every 3 months. The random sample of employees chosen for testing must be computer-generated by an independent third party. A random sample may not constitute more than 10 percent of the total employee population.

(d) *Routine fitness for duty.*—An employer may require an employee to submit to a drug test if the test is conducted as part of a routinely scheduled employee fitness-for-duty medical examination that is part of the employer's established policy or that is scheduled routinely for all members of an employment classification or group.

(e) *Followup testing.*—If the employee in the course of employment enters an employee assistance program for drug-related problems, or an alcohol and drug rehabilitation program, the employer may

require the employee to submit to a drug test as a followup to such program, and on a quarterly, semiannual, or annual basis for up to 2 years thereafter.

(8) PROCEDURES AND EMPLOYEE PROTECTION.—All specimen collection and testing for drugs under this section shall be performed in accordance with the following procedures:

(a) A sample shall be collected with due regard to the privacy of the individual providing the sample, and in a manner reasonably calculated to prevent substitution or contamination of the sample.

(b) Specimen collection shall be documented, and the documentation procedures shall include:

1. Labeling of specimen containers so as to reasonably preclude the likelihood of erroneous identification of test results.

2. A form for the employee or job applicant to provide any information he or she considers relevant to the test, including identification of currently or recently used prescription or nonprescription medication, or other relevant medical information. Such form shall provide notice of the most common medications by brand name or common name, as applicable, as well as by chemical name, which may alter or affect a drug test. The providing of information does not preclude the administration of the drug test, but shall be taken into account in interpreting any positive confirmed results.

(c) Specimen collection, storage, and transportation to the testing site shall be performed in a manner that will reasonably preclude specimen contamination or adulteration.

(d) Each initial and confirmation test conducted under this section, not including the taking or collecting of a specimen to be tested, shall be conducted by a licensed laboratory as described in subsection (12).

(e) A specimen for a drug test may be taken or collected by any of the following persons:

1. A physician, a physician assistant, a registered professional nurse, a licensed practical nurse, a nurse practitioner, or a certified paramedic who is present at the scene of an accident for the purpose of rendering emergency medical service or treatment.

2. A qualified person employed by a licensed laboratory.

(f) A person who collects or takes a specimen for a drug test conducted pursuant to this section shall collect an amount sufficient for two drug tests as determined by the Agency for Health Care Administration.

(g) Any drug test conducted or requested by an employer may occur before, during, or immediately after the regular work period of the employee, and shall be deemed to be performed during work time for the purposes of determining compensation and benefits for the employee.

(h) Every specimen that produces a positive confirmed result shall be preserved by the licensed laboratory that conducts the confirmation test for a period of at least 210 days from the time the results of the positive confirmation test are mailed or otherwise delivered to the employer. However, if an employee or job applicant undertakes an administrative or legal challenge to the test result, the employee or job applicant shall notify the laboratory and the sample shall be retained by the laboratory until the case or administrative appeal is settled. During the 180-day period after written notification of a positive test result, the employee or job applicant who has provided the specimen shall be permitted by the employer to have a portion of the specimen retested, at the employee or job applicant's expense, at another laboratory, licensed and approved by the Agency for Health Care Administration, chosen by the employee or job applicant. The second laboratory must test at equal or greater sensitivity for the drug in question as the first laboratory. The first laboratory that performed the test for the employer is responsible for the transfer of the portion of the specimen to be retested, and for the integrity of the chain of custody during such transfer.

(i) Within 5 working days after receipt of a positive confirmed test result from the testing laboratory, an employer shall inform an employee or job applicant in writing of such positive test result, the consequences of such results, and the options available to the employee or job applicant.

(j) The employer shall provide to the employee or job applicant, upon request, a copy of the test results.

(k) Within 5 working days after receiving notice of a positive confirmed test result, the employee or job applicant may submit information to an employer explaining or contesting the test results, and why the results do not constitute a violation of the employer's policy.

(l) If an employee or job applicant's explanation or challenge of the positive test results is unsatisfactory to the employer, a written explanation as to why the employee or job applicant's

explanation is unsatisfactory, along with the report of positive results, shall be provided by the employer to the employee or job applicant. All such documentation shall be kept confidential and exempt from the provisions of s. 119.07(1) by the employer pursuant to subsection (11) and shall be retained by the employer for at least 1 year.

(m) An employer may not discharge, discipline, refuse to hire, discriminate against, or request or require rehabilitation of an employee or job applicant on the sole basis of a positive test result that has not been verified by a confirmation test.

(n) Upon successful completion of an employee assistance program or an alcohol and drug rehabilitation program, the employee shall be reinstated to the same or equivalent position that was held prior to such rehabilitation.

(o) An employer may not discharge, discipline, or discriminate against an employee, or refuse to hire a job applicant, on the basis of any prior medical history revealed to the employer pursuant to this section.

(p) An employer who performs drug testing or specimen collection shall use chain-of-custody procedures as established by the Agency for Health Care Administration to ensure proper recordkeeping, handling, labeling, and identification of all specimens to be tested.

(q) An employer shall pay the cost of all drug tests, initial and confirmation, which the employer requires of employees.

(r) An employee or job applicant shall pay the costs of any additional drug tests not required by the employer.

(s) An employer may not discharge, discipline, or discriminate against an employee solely upon voluntarily seeking treatment, while under the employ of the employer, for a drug-related problem if the employee has not previously tested positive for drug use, entered an employee assistance program for drug-related problems, or entered an alcohol and drug rehabilitation program. However, special risk employees may be subject to discharge or disciplinary action when the presence of illicit drugs, pursuant to s. 893.13, is confirmed.

(t) If testing is conducted based on reasonable suspicion, each employer shall promptly detail in writing the circumstances which formed the basis of the determination that reasonable suspicion existed to warrant the testing. A copy of this documentation shall be given to the employee upon request and the original documentation shall be kept confidential and exempt from the provisions of s. 119.07(1) by the employer pursuant to subsection (11) and retained by the employer for at least 1 year.

(u) If an employee is unable to participate in outpatient rehabilitation, the employee may be placed on leave status while participating in an employee assistance program or an alcohol and drug rehabilitation program. If placed on leave-without-pay status, the employee shall be permitted to use any accumulated leave credits prior to being placed on leave without pay. Upon successful completion of an employee assistance program or an alcohol and drug rehabilitation program, the employee shall be reinstated to the same or equivalent position that was held prior to such rehabilitation.

(9) CONFIRMATION TESTING.—

(a) If an initial drug test is negative, the employer may in its sole discretion and at the employer's expense seek a confirmation test.

(b) Only licensed laboratories as described in subsection (12) shall conduct confirmation drug tests.

(c) All positive initial tests shall be confirmed using gas chromatography/mass spectrometry (GC/MS) or an equivalent or more accurate scientifically accepted method approved by the Agency for Health Care Administration as such technology becomes available in a cost-effective form.

(10) EMPLOYER PROTECTION.—

(a) No employee or job applicant whose drug test result is confirmed as positive in accordance with the provisions of this section shall, by virtue of the result alone, be defined as a person with a "handicap" as cited in the 1973 Rehabilitation Act.

(b) An employer who discharges or disciplines an employee or refuses to hire a job applicant in compliance with this section shall be considered to have discharged, disciplined, or refused to hire for cause.

(c) No physician-patient relationship is created between an employee or job applicant and an employer or any person performing or evaluating a drug test, solely by the establishment, implementation, or administration of a drug-testing program.



(d) Nothing in this section shall be construed to prevent an employer from establishing reasonable work rules related to employee possession, use, sale, or solicitation of drugs, including convictions for drug-related offenses, and taking action based upon a violation of any of those rules.

(e) Nothing in this section shall be construed to operate retroactively.

(f) If an employee or job applicant refuses to submit to a drug test, the employer shall not be barred from discharging or disciplining the employee, or from refusing to hire the job applicant. However, nothing in this paragraph shall abrogate the rights and remedies of the employee or job applicant as otherwise provided in this section.

(g) An employer who refuses to hire a job applicant based on a positive confirmed drug test result shall not be required to hold the employment position vacant while the job applicant pursues administrative action. However, should the job applicant prevail in the actions, the employer shall provide him or her the opportunity of employment in the next available comparable position.

(h) An employer may discharge or discipline an employee following a first-time positive confirmed drug test result. If the employer does not discharge the employee, the employer may refer the employee to an employee assistance program or an alcohol and drug rehabilitation program in which the employee may participate at the expense of the employee or pursuant to a health insurance plan.

1. If an employer refers an employee to an employee assistance program or an alcohol and drug rehabilitation program, the employer must determine whether the employee is able to safely and effectively perform the job duties assigned to the employee while the employee participates in the employee assistance program or the alcohol and drug rehabilitation program.

2. An employee whose assigned duties require the employee to carry a firearm, work closely with an employee who carries a firearm, perform life-threatening procedures, work with heavy or dangerous machinery, work as a safety inspector, work with children, work with detainees in the correctional system, work with confidential information or documents pertaining to criminal investigations, work with controlled substances, hold a position subject to s. 110.1127, or hold a position in which a momentary lapse in attention could result in injury or death to another person, is deemed unable to safely and effectively perform the job duties assigned to the employee while the employee participates in the employee assistance program or the alcohol and drug rehabilitation program.

3. If an employer refers an employee to an employee assistance program or an alcohol and drug rehabilitation program and the employer determines that the employee is unable, or the employee is deemed unable, to safely and effectively perform the job duties assigned to the employee before he or she completes the employee assistance program or the alcohol and drug rehabilitation program, the employer shall place the employee in a job assignment that the employer determines the employee can safely and effectively perform while participating in the employee assistance program or the alcohol and drug rehabilitation program.

4. If a job assignment in which the employee may safely and effectively perform is unavailable, the employer shall place the employee on leave status while the employee is participating in an employee assistance program or an alcohol and drug rehabilitation program. If placed on leave status without pay, the employee may use accumulated leave credits before being placed on leave without pay.

(i) This section does not prohibit an employer from conducting medical screening or other tests required by any statute, rule, or regulation for the purpose of monitoring exposure of employees to toxic or other unhealthy substances in the workplace or in the performance of job responsibilities. Such screening or tests shall be limited to the specific substances expressly identified in the applicable statute, rule, or regulation, unless prior written consent of the employee is obtained for other tests.

(11) CONFIDENTIALITY.—

(a) Except as otherwise provided in this subsection, all information, interviews, reports, statements, memoranda, and drug test results, written or otherwise, received or produced as a result of a drug-testing program are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution, and may not be used or received in evidence, obtained in discovery, or disclosed in any public or private proceedings, except in accordance with this section.

(b) Employers, laboratories, employee assistance programs, drug and alcohol rehabilitation programs, and their agents may not release any information concerning drug test results obtained pursuant to this section without a written consent form signed voluntarily by the person tested, except where such release is compelled by a hearing officer or a court of competent jurisdiction pursuant to

an appeal taken under this section, or where deemed appropriate by a professional or occupational licensing board in a related disciplinary proceeding. The consent form must contain, at a minimum:

1. The name of the person who is authorized to obtain the information.
2. The purpose of the disclosure.
3. The precise information to be disclosed.
4. The duration of the consent.
5. The signature of the person authorizing release of the information.

(c) Information on drug test results shall not be released or used in any criminal proceeding against the employee or job applicant. Information released contrary to this section shall be inadmissible as evidence in any such criminal proceeding.

(d) Nothing herein shall be construed to prohibit certifying bodies of special risk employees from receiving information on positive confirmed drug test results for the purpose of reviewing certification.

(e) Nothing herein shall be construed to prohibit the employer, agent of the employer, or laboratory conducting a drug test from having access to employee drug test information when consulting with legal counsel in connection with actions brought under or related to this section or where the information is relevant to its defense in a civil or administrative matter.

(12) DRUG-TESTING STANDARDS; LABORATORIES.—

(a) The requirements of part II of chapter 408 apply to the provision of services that require licensure pursuant to this section and part II of chapter 408 and to entities licensed by or applying for such licensure from the Agency for Health Care Administration pursuant to this section. A license issued by the agency is required in order to operate a laboratory.

(b) A laboratory may analyze initial or confirmation drug specimens only if:

1. The laboratory is licensed and approved by the Agency for Health Care Administration using criteria established by the United States Department of Health and Human Services as general guidelines for modeling the state drug testing program and in accordance with part II of chapter 408. Each applicant for licensure and licensee must comply with all requirements of part II of chapter 408.
2. The laboratory has written procedures to ensure chain of custody.
3. The laboratory follows proper quality control procedures, including, but not limited to:
  - a. The use of internal quality controls including the use of samples of known concentrations which are used to check the performance and calibration of testing equipment, and periodic use of blind samples for overall accuracy.
  - b. An internal review and certification process for drug test results, conducted by a person qualified to perform that function in the testing laboratory.
  - c. Security measures implemented by the testing laboratory to preclude adulteration of specimens and drug test results.
  - d. Other necessary and proper actions taken to ensure reliable and accurate drug test results.

(c) A laboratory shall disclose to the employer a written test result report within 7 working days after receipt of the sample. All laboratory reports of a drug test result shall, at a minimum, state:

1. The name and address of the laboratory which performed the test and the positive identification of the person tested.
2. Positive results on confirmation tests only, or negative results, as applicable.
3. A list of the drugs for which the drug analyses were conducted.
4. The type of tests conducted for both initial and confirmation tests and the minimum cutoff levels of the tests.

5. Any correlation between medication reported by the employee or job applicant pursuant to subparagraph (8)(b)2. and a positive confirmed drug test result.

No report shall disclose the presence or absence of any drug other than a specific drug and its metabolites listed pursuant to this section.

(d) The laboratory shall submit to the Agency for Health Care Administration a monthly report with statistical information regarding the testing of employees and job applicants. The reports shall include information on the methods of analyses conducted, the drugs tested for, the number of positive and negative results for both initial and confirmation tests, and any other information deemed appropriate by the Agency for Health Care Administration. No monthly report shall identify specific employees or job applicants.

(e) Laboratories shall provide technical assistance to the employer, employee, or job applicant for the purpose of interpreting any positive confirmed test results which could have been caused by prescription or nonprescription medication taken by the employee or job applicant.

(13) RULES.—

(a) The Agency for Health Care Administration may adopt additional rules to support this law and part II of chapter 408, using criteria established by the United States Department of Health and Human Services as general guidelines for modeling drug-free workplace laboratories, concerning, but not limited to:

1. Standards for drug-testing laboratory licensing and denial, suspension, and revocation of a license.
2. Urine, hair, blood, and other body specimens and minimum specimen amounts which are appropriate for drug testing, not inconsistent with other provisions established by law.
3. Methods of analysis and procedures to ensure reliable drug-testing results, including standards for initial tests and confirmation tests, not inconsistent with other provisions established by law.
4. Minimum cutoff detection levels for drugs or their metabolites for the purposes of determining a positive test result, not inconsistent with other provisions established by law.
5. Chain-of-custody procedures to ensure proper identification, labeling, and handling of specimens being tested, not inconsistent with other provisions established by law.
6. Retention, storage, and transportation procedures to ensure reliable results on confirmation tests and retests.
7. A list of the most common medications by brand name or common name, as applicable, as well as by chemical name, which may alter or affect a drug test.

(b) The following standards and procedures are established related to hair testing:

1. Hair cutoff levels for initial drug-screening tests.—The following initial cutoff levels must be used when screening hair specimens to determine whether they are negative for these drugs or their metabolites:
  - a. Marijuana: 10 pg/10 mg of hair;
  - b. Cocaine: 5 ng/10 mg of hair; and
  - c. Opiate/synthetic narcotics and metabolites: 5 ng/10 mg of hair. For the purpose of this section, opiate and metabolites include the following:
    - (I) Codeine;
    - (II) Heroin, monoacetylmorphine (heroin metabolites);
    - (III) Morphine;
  - d. Phencyclidine: 3 ng/10 mg of hair; and
  - e. Amphetamines: 5 ng/10 mg of hair. For the purpose of this section, amphetamines include the following:
    - (I) Amphetamines;
    - (II) Methamphetamine;
2. Hair cutoff levels for drug confirmation testing.—
  - a. All specimens identified as positive on the initial test must be confirmed using gas chromatography/mass spectrometry (GC/MS), mass spectrometry/mass spectrometry (MS/MS) at the following cutoff levels for these drugs on their metabolites. All confirmations must be by quantitative analysis.
    - (I) Marijuana metabolites: 1 pg/10 mg of hair (Delta-9-tetrahydrocannabinol-0-carboxylic acid).
    - (II) Cocaine: must be at or above 5 ng/10 mg of hair. Cocaine metabolites if present will be recorded at the following minimum levels:
      - (A) Benzoylcegonine at 1 ng/10 mg of hair; and
      - (B) Cocaethylene at 1 ng/10 mg of hair.
    - (III) Opiate/synthetic narcotics and metabolites: 5 ng/10 mg of hair; opiate and metabolites include the following:
      - (A) Codeine;
      - (B) 6-Monoacetylmorphine (heroin metabolite); and
      - (C) Morphine.
      - (IV) Phencyclidine: 3 ng/10 mg of hair.



(V) Amphetamines: 5 ng/10 mg of hair. For the purpose of this section, amphetamines include the following:

- (A) Amphetamines; and
- (B) Methamphetamines.

b. All hair specimens undergoing confirmation must be decontaminated using a wash procedure which has been published in the peer-reviewed literature which, as a minimum, has an initial 15-minute organic solvent wash followed by multiple (minimum of three) 30-minute aqueous washes.

c. After hair is washed, the drug entrapped in the hair is released either by digestion (chemical or enzymatic) or by multiple solvent extractions. The resulting digest or pooled solvent extracts are then screened and confirmed by approved methods.

d. All confirmation analysis methods must eliminate the melanin fraction of the hair before analysis. If a nondigestion method is used, the laboratory must present published data in the peer-reviewed literature from a large population study which indicates that the method of extraction does not possess a statistically significant hair-color bias.

e. Additional hair samples may be collected to reconfirm the initial report. The recollected sample shall be retested as specified; however, the confirmation analysis must be performed even if the screening test is negative. A second positive report must be made if the drug concentration in the digest by confirmation methods exceeds the limit of quantitation of the testing laboratory's method. A second test must be offered to anyone disputing a positive hair test result.

3. Hair specimen collection procedures.—

a. Designation of collection site.—Each drug-testing program shall have one or more designated collection sites which have all necessary personnel, materials, equipment, facilities, and supervision to provide for the collection, security, temporary storage, and shipping or transportation of hair specimens to a licensed drug-testing facility.

b. Security.—While security is important with any collection, in the case of hair, only the temporary storage area in the designated collection site needs to be secure.

c. Chain of custody.—Chain-of-custody standardized forms shall be properly executed by authorized collection site personnel upon receipt of specimens. Handling and transportation of hair specimens from one authorized individual or place to another shall always be accomplished through chain-of-custody procedures. Every effort shall be made to minimize the number of persons handling specimens.

d. Access to authorized personnel only.—The hair collection site need be off limits to unauthorized personnel only during the actual collection of specimens.

e. Privacy.—Procedures for collecting hair should be performed on one individual at a time to prevent substitutions or interference with the collection of reliable samples. Procedures must ensure that the hair collection does not infringe on the individual's privacy.

f. Integrity and identity of specimen.—Precautions must be taken to ensure that the root end of a hair specimen is indicated for the laboratory which performs the testing. The maximum length of hair that shall be tested is 3.9 cm distal from the head, which on average represents a 3-month time window. The following minimum precautions must be taken when collecting a hair specimen to ensure that specimens are obtained and correctly identified:

(I) When an individual arrives at the collection site, the collection site personnel shall request the individual to present photo identification. If the individual does not have proper photo identification, the collection site personnel shall contact the supervisor of the individual, the coordinator of the drug testing program, or any other employer official who can positively identify the individual. If the individual's identity cannot be established, the collection site personnel shall not proceed with the collection.

(II) If the individual fails to arrive at the assigned time, the collection site personnel shall contact the appropriate authority to obtain guidance on the action to be taken.

(III) The collection site personnel shall note any unusual behavior or appearance on the chain-of-custody form.

(IV) Hair shall be cut as close to the scalp or body, excluding the pubic area, as possible. Upon taking the specimen from the individual, the collection site personnel shall determine that it contains approximately 1/2-inch of hair when fanned out on a ruler (about 40 mg of hair).

(V) Both the individual being tested and the collection site personnel shall keep the specimen in view at all times prior to the specimen container being sealed with a tamper-resistant seal and labeled with the individual's specimen number and other required information.

(VI) The collection site personnel shall label the container which contains the hair with the date, the individual's specimen number, and any other identifying information provided or required by the drug-testing program.

(VII) The individual shall initial the container for the purpose of certifying that it is the specimen collected from the individual.

(VIII) The collection site personnel shall indicate on the chain-of-custody form all information identifying the specimen. The collection site personnel shall sign the chain-of-custody form next to the identifying information or the chain of custody on the specimen container.

(IX) The individual must be asked to read and sign a statement certifying that the specimen identified as having been collected from the individual is in fact that specimen the individual provided.

(X) The collection site personnel shall complete the chain-of-custody form.

g. Collection control.—To the maximum extent possible, collection site personnel shall keep the individual's specimen container within sight both before and after collection. After the specimen is collected, it must be properly sealed and labeled. An approved chain-of-custody form must be used for maintaining control and accountability of each specimen from the point of collection to final disposition of the specimen. The date and purpose must be documented on an approved chain-of-custody form each time a specimen is handled or transferred, and every individual in the chain must be identified. Every effort must be made to minimize the number of persons handling specimens.

h. Transportation to the testing facility.—Collection site personnel shall arrange to transport the collected specimens to the drug-testing facility. The specimens shall be placed in containers which shall be securely sealed to eliminate the possibility of undetected tampering. The collection site personnel shall ensure that the chain-of-custody documentation is sealed separately from the specimen and placed inside the container sealed for transfer to the drug-testing facility.

4. Quality assurance and quality control.—

a. Quality assurance.—Testing facilities shall have a quality assurance program which encompasses all aspects of the testing process, including, but not limited to, specimen acquisition, chain of custody, security and reporting of results, initial and confirmatory testing, and validation of analytical procedures. Quality assurance procedures shall be designed, implemented, and reviewed to monitor the conduct of each step of the process of testing for drugs.

b. Quality control.—

(I) Each analytical run of specimens to be screened shall include:

(A) Hair specimens certified to contain no drug;

(B) Hair specimens fortified with known standards; and

(C) Positive controls with the drug or metabolite at or near the threshold (cutoff).

(II) In addition, with each batch of samples, a sufficient number of standards shall be included to ensure and document the linearity of the assay method over time in the concentration area of the cutoff. After acceptable values are obtained for the known standards, those values must be used to calculate sample data. Implementation of procedures to ensure that carryover does not contaminate the testing of an individual's specimen must be documented. A minimum of 5 percent of all test samples must be quality control specimens. The testing facility's quality control samples, prepared from fortified hair samples of determined concentration, must be included in the run and must appear as normal samples to drug-screen testing facility analysis. One percent of each run, with a minimum of at least one sample, must be the testing facility's own quality control samples.

5.a. Proficiency testing.—

(I) Each hair drug-testing facility shall enroll and demonstrate satisfactory performance in a proficiency-testing program established by an independent group.

(II) The drug-testing facility shall maintain records which document the handling, processing, and examination of all proficiency-testing samples for a minimum of 2 years from the date of testing.

(III) The drug-testing facility shall ensure that proficiency-testing samples are analyzed at least three times each year using the same techniques as those employed for unknown specimens.

(IV) The proficiency-testing samples must be included with the routine sample run and tested with the same frequency as unknown samples by the individuals responsible for testing unknown specimens.

(V) The drug-testing facility may not engage in discussions or communications concerning proficiency-testing results with other drug-testing facilities, nor may they send proficiency-testing samples or portions of the samples to another drug-testing facility for analysis.

b. Satisfactory performance.—

(I) The drug-testing facility shall maintain an overall testing-event score equivalent to passing proficiency scores for other drug-testing matrices.

(II) Failure to participate in a proficiency-testing event shall result in a score of 0 percent for that testing event.

c. Unsuccessful performance.—Failure to achieve satisfactory performance in two consecutive testing events, or two out of three consecutive testing events, is determined to be unsuccessful performance.

(c) The Department of Management Services may adopt rules for all executive branch agencies implementing this section.

(d) The State Courts Administrator may adopt rules for the state courts system implementing this section.

(e) The Justice Administrative Commission may adopt rules on behalf of the state attorneys and public defenders of Florida, the capital collateral regional counsel, and the Judicial Qualifications Commission.

(f) The President of the Senate and the Speaker of the House of Representatives may adopt rules, policies, or procedures for the employees and members of the legislative branch implementing this section.

This section shall not be construed to eliminate the bargainable rights as provided in the collective bargaining process where applicable.

(14) DISCIPLINE REMEDIES.—

(a) An executive branch employee who is disciplined or who is a job applicant for another position and is not hired pursuant to this section, may file an appeal with the Public Employees Relations Commission. Any appeal must be filed within 30 calendar days of receipt by the employee or job applicant of notice of discipline or refusal to hire. The notice shall inform the employee or job applicant of the right to file an appeal, or if available, the right to file a collective bargaining grievance pursuant to s. 447.401. Such appeals shall be resolved pursuant to the procedures established in ss. 447.207(1)-(4), 447.208(2), and 447.503(4) and (5). A hearing on the appeal shall be conducted within 30 days of the filing of the appeal, unless an extension is requested by the employee or job applicant and granted by the commission or an arbitrator.

(b) The commission shall promulgate rules concerning the receipt, processing, and resolution of appeals filed pursuant to this section.

(c) Appeals to the commission shall be the exclusive administrative remedy for any employee who is disciplined or any job applicant who is not hired pursuant to this section, notwithstanding the provisions of chapter 120. However, nothing in this subsection shall affect the right of an employee or job applicant to file a collective bargaining grievance pursuant to s. 447.401 provided that an employee or job applicant may not file both an appeal and a grievance.

(d) An employee or a job applicant who has been disciplined or who has not been hired pursuant to this section must exhaust either the administrative appeal process or collective bargaining grievance-arbitration process.

(e) Upon resolving an appeal filed pursuant to paragraph (c), and finding a violation of this section, the commission may order the following relief:

1. Rescind the disciplinary action, expunge related records from the personnel file of the employee or job applicant and reinstate the employee.
2. Order compliance with paragraph (10)(g).
3. Award back pay and benefits.
4. Award the prevailing employee or job applicant the necessary costs of the appeal, reasonable attorney's fees, and expert witness fees.

(15) NONDISCIPLINE REMEDIES.—

(a) Any person alleging a violation of the provisions of this section, that is not remediable by the commission or an arbitrator pursuant to subsection (14), must institute a civil action for injunctive

relief or damages, or both, in a court of competent jurisdiction within 180 days of the alleged violation, or be barred from obtaining the following relief. Relief is limited to:

1. An order restraining the continued violation of this section.
2. An award of the costs of litigation, expert witness fees, reasonable attorney's fees, and noneconomic damages provided that damages shall be limited to the recovery of damages directly resulting from injury or loss caused by each violation of this section.

(b) Any employer who complies with the provisions of this section shall be without liability from all civil actions arising from any drug testing program or procedure performed in compliance with this section.

(c) Pursuant to any claim alleging a violation of this section, including a claim under this section where it is alleged that an employer's action with respect to a person was based on an incorrect test result, there shall be a rebuttable presumption that the test was valid if the employer complied with the provisions of this section.

(d) No cause of action shall arise in favor of any person based upon the failure of an employer to establish a program or policy for drug testing.

(16) **FEDERAL COMPLIANCE.**—The drug-testing procedures provided in this section do not apply where the specific work performed requires employees or job applicants to be subject to drug testing pursuant to:

(a) Federal regulations that specifically preempt state and local regulation of drug testing with respect to such employees and job applicants;

(b) Federal regulations or requirements enacted or implemented in connection with the operation of federally regulated facilities;

(c) Federal contracts where the drug testing is conducted for safety, or protection of sensitive or proprietary data or national security; or

(d) State agency rules that adopt federal regulations applicable to the interstate component of a federally regulated activity.

(17) **LICENSE FEE.**—Fees from licensure of drug-testing laboratories shall be sufficient to carry out the responsibilities of the Agency for Health Care Administration for the regulation of drug-testing laboratories. In accordance with s. 408.805, applicants and licensees shall pay a fee for each license application submitted under this part, part II of chapter 408, and applicable rules. The fee shall be not less than \$16,000 or more than \$20,000 per biennium and shall be established by rule.

**History.**—s. 1, ch. 89-173; s. 1, ch. 90-238; s. 25, ch. 90-360; s. 1, ch. 91-201; s. 6, ch. 91-279; s. 4, ch. 91-429; s. 40, ch. 92-279; s. 55, ch. 92-326; s. 7, ch. 93-129; s. 2, ch. 95-119; s. 680, ch. 95-147; s. 1, ch. 96-289; s. 32, ch. 96-406; s. 7, ch. 98-136; ss. 5, 71, ch. 98-171; s. 53, ch. 2000-349; s. 25, ch. 2001-53; s. 2, ch. 2001-67; s. 148, ch. 2001-277; s. 37, ch. 2004-267; s. 11, ch. 2006-1; s. 7, ch. 2007-217; s. 1, ch. 2007-230; s. 1, ch. 2012-8; s. 7, ch. 2016-10; s. 23, ch. 2016-145; s. 31, ch. 2023-8.

**112.046 Political party committee membership allowed.**—Notwithstanding any other provision of law, an officer or employee of the state or any political subdivision may also serve as a member of the state executive committee or county executive committee of a political party. No person shall be required to resign from public office or employment, nor shall any person be fired or removed from such public office or employment, because of membership on such a committee prior to June 25, 1980.

**History.**—s. 3, ch. 80-207; s. 681, ch. 95-147.

**112.048 Voluntary retirement with half pay authorized for elective officers of cities or towns; appropriation.**—

(1) The intent of the Legislature is to authorize and direct each city and town to provide a system of retirement for elected officials, but it is further the intent that each city or town may determine whether the system will be contributory or noncontributory.

(2)(a) From and after June 3, 1939, whenever any elective officer of any city or town of this state has held any elective office of such city or town for a period of 20 years or more consecutively, or for a period of 20 years or more consecutively, except for one period not exceeding 6 months, such elective officer may voluntarily resign or retire from such elective office with the right to be paid on the officer's own requisition by such city or town during the remainder of his or her natural life a sum equal to one-half of the full amount of the annual or monthly salary that such city or town was authorized by law to pay said elective officer at the time of resignation or retirement; and such city and town shall appropriate and provide in its annual budget sufficient moneys to meet the requirements of this section when no other plan is available for elected local officials. In cases in which

an elective officer during any term of office entered or enters and served or serves in the Armed Forces of the United States during any period during which the United States was or shall be engaged in war and thereafter was or shall be appointed or again elected to the same elective office prior to discharge from such service in the Armed Forces, such time of service in the Armed Forces shall not be construed to be a break in consecutive service and shall be counted in determining the years of consecutive service of such elective officer.

(b) The provisions of this subsection shall not operate to preclude any elected officer from retiring under, and receiving benefits pursuant to, the provisions of this section as it existed prior to October 1, 1973, if such officer had, prior to that date, completed the required 20 years of service or been elected to a term upon the expiration of which he or she completes the required 20 years of service. However, if on October 1, 1973, an elected officer had completed at least 10 of the required 20 years of service, the city or town may elect to provide an annual or monthly retirement salary as provided in this subsection.

(3) Each city or town may by ordinance establish a contributory retirement system for those officials defined in subsection (2). The rules for participation, the amount of the official's contributions, and the method of appropriation and payment may be determined by ordinance of the city or town.

**History.**—s. 1, ch. 19247, 1939; CGL 1940 Supp. 2998(1); s. 1, ch. 57-805; s. 1, ch. 65-455; s. 1, ch. 72-280; s. 4, ch. 73-129; s. 1, ch. 74-231; s. 1, ch. 84-351; s. 682, ch. 95-147.

**Note.**—Former ss. 165.25, 121.20.

#### **112.05 Retirement; cost-of-living adjustment; employment after retirement.—**

(1)(a) Whenever any state official or state employee has attained the age of 70 years or more and has served the state as either an official or employee, or both, for as much as 20 consecutive years or more or for an aggregate time of 30 years or more, or whenever any state official or employee, irrespective of age, has served the state as either an official or employee, or both, for 30 consecutive years or more, or for as much as an aggregate of 35 years or more, such official or employee may retire from office as such official or employee with the right to be paid, and shall be paid monthly on his or her own requisition during the remainder of his or her natural life one-half the amount of the average monthly salary received during the last 10 years of such service; and sufficient money to meet the requirements of this section is hereby appropriated out of any moneys in the State Treasury not otherwise appropriated. Provided, that military service in the Armed Forces of the United States shall be computed as a part of the time specified hereinabove as entitling a state official or employee to the benefits of this section. This section shall apply only to persons retired or persons who are on a state payroll June 30, 1953, and remain continuously on a state payroll until eligible to retire. This section shall not affect any state official or employee who has already retired under any retirement act, except that no Cabinet officer qualifying shall receive less than \$4,500 per year.

(b)1. Any state official or state employee who, as of January 1, 1976, has served the state as either an official or employee, or both, for 29 consecutive years, irrespective of age, and who has a terminal or critical illness, which illness is certified by two physicians licensed in this state as terminal or critical, shall be eligible for early retirement. The benefits accruing to any such person under this section shall be reduced by five-twelfths of 1 percent for each complete month by which such retirement precedes the 30 years of service required under paragraph (a).

2. Any state official or employee eligible to retire pursuant to the provisions of this paragraph may retire from office as such official or employee with the right to be paid, and shall be paid monthly on his or her own requisition, during the remainder of his or her natural life, one-half the amount of the average monthly salary received during the last 10 years of service, less the actuarial reduction provided for in subparagraph 1.

(c) Upon the death of a retired state officer or employee receiving monthly benefits under this section, the monthly benefits shall be paid through the last day of the month of death and shall terminate on that date.

(2) An annual cost-of-living adjustment shall be made to the monthly benefit payable to retirees who are retired under this section pursuant to the provisions of s. 121.101.

(3) Any person who is retired under this section may be employed by an employer who does not participate in a state-administered retirement system and may receive compensation from such employment without limiting or restricting in any way the retirement benefits payable to such person.



(4)(a) Any person who is retired under this section may be reemployed by any private or public employer after retirement and receive retirement benefits and compensation from his or her employer without limitation, except that no person may receive both a salary from reemployment with any agency participating in the Florida Retirement System and retirement benefits under this chapter for a period of 12 months immediately subsequent to the date of retirement.

(b) Any person to whom the limitation in paragraph (a) applies who violates such reemployment limitation and is reemployed with any agency participating in the Florida Retirement System prior to completion of the 12-month limitation period shall give timely notice of this fact in writing to the employer and to the division; and the person's retirement benefits shall be suspended for the balance of the 12-month limitation period. Any person employed in violation of this subsection and any employing agency which knowingly employs or appoints such person without notifying the Department of Management Services to suspend retirement benefits shall be jointly and severally liable for reimbursement to the retirement trust fund of any benefits paid during the reemployment limitation period. To avoid liability, such employing agency shall have a written statement from the retiree that he or she is not retired from a state-administered retirement system. Any retirement benefits received by such person while reemployed during this limitation period shall be repaid to the retirement trust fund, and the retirement benefits shall remain suspended until such repayment has been made. Any benefits suspended beyond the reemployment limitation period shall apply toward the repayment of benefits received in violation of the reemployment limitation.

(c) An employer, upon employment of any person who has been retired under a state-administered retirement program, shall pay retirement contributions in an amount equal to the unfunded actuarial accrued liability portion of the employer contribution which would be required for a regular member of the Florida Retirement System.

(d) The limitations of this subsection apply to reemployment in any capacity with an employer as defined in s. 121.021(10), irrespective of the category of funds from which the person is compensated.

**History.**—s. 1, ch. 12293, 1927; CGL 242; s. 1, ch. 17274, 1935; s. 1, ch. 20499, 1941; s. 1, ch. 22828, 1945; ss. 1, chs. 28147, 28148, 1953; s. 1, ch. 74-303; s. 1, ch. 76-212; s. 1, ch. 80-126; s. 2, ch. 80-130; s. 1, ch. 81-307; s. 31, ch. 83-217; s. 19, ch. 84-266; s. 1, ch. 90-274; s. 3, ch. 95-146; s. 683, ch. 95-147; s. 1, ch. 96-368; s. 12, ch. 99-255.

**Note.**—Former s. 121.001.

#### **112.0501 Ratification of certain dual retirements.—**

(1) Any state employee who was permitted by the Comptroller, as administrator of the retirement provisions of s. 112.05 and chapter 122, to retire under the provisions of both such statutes prior to April 23, 1969, when the Attorney General ruled that such dual retirements are prohibited by s. 122.10(3), as recodified by the Legislature in 1965, shall receive and enjoy the retirement benefits awarded upon retirement, the provisions of s. 122.10(3) to the contrary notwithstanding.

(2) The exceptions granted to state retirees coming under the provisions of subsection (1) shall not apply to any state employee retiring subsequent to November 1, 1970, and the administrator of the Florida Retirement System is hereby directed to establish such rules and procedures as may be necessary to prohibit such dual retirements for members of the Florida Retirement System or any retirement system consolidated therein pursuant to s. 121.011(2).

**History.**—s. 1, ch. 72-202; s. 684, ch. 95-147.

**112.0515 Retirement or pension rights unaffected by consolidation or merger of governmental agencies.**—It is hereby declared to be the policy of this state that in any consolidation or merger of governments or the transfer of functions between units of governments either at the state or local level or between state and local units, the rights of all public employees in any retirement or pension fund shall be fully protected. No consolidation or merger of governments or governmental services, either state or local, accomplished in this state shall diminish or impair the rights of any public employee in any retirement or pension fund or plan which existed at the date of such consolidation or merger and in which the employee was participating, nor shall such consolidation or merger result in any impairment or reduction in benefits or other pension rights accruing to such employee.

**History.**—s. 1, ch. 72-210.

#### **112.061 Per diem and travel expenses of public officers, employees, and authorized persons; statewide travel management system.—**

(1) **LEGISLATIVE INTENT.**—To prevent inequities, conflicts, inconsistencies, and lapses in the numerous laws regulating or attempting to regulate travel expenses of public officers, employees, and authorized persons in the state, it is the intent of the Legislature:

(a) To establish standard travel reimbursement rates, procedures, and limitations, with certain justifiable exceptions and exemptions, applicable to all public officers, employees, and authorized persons whose travel is authorized and paid by a public agency.

(b) To preserve the standardization established by this law:

1. The provisions of this section shall prevail over any conflicting provisions in a general law, present or future, to the extent of the conflict; but if any such general law contains a specific exemption from this section, including a specific reference to this section, such general law shall prevail, but only to the extent of the exemption.

2. The provisions of any special or local law, present or future, shall prevail over any conflicting provisions in this section, but only to the extent of the conflict.

(2) DEFINITIONS.—For the purposes of this section, the term:

(a) “Agency” or “public agency” means any office, department, agency, division, subdivision, political subdivision, board, bureau, commission, authority, district, public body, body politic, county, city, town, village, municipality, or any other separate unit of government created pursuant to law.

(b) “Agency head” or “head of the agency” means the highest policymaking authority of a public agency, as herein defined.

(c) “Authorized person” means:

1. A person other than a public officer or employee as defined herein, whether elected or commissioned or not, who is authorized by an agency head to incur travel expenses in the performance of official duties.

2. A person who is called upon by an agency to contribute time and services as consultant or adviser.

3. A person who is a candidate for an executive or professional position.

(d) “Class A travel” means continuous travel of 24 hours or more away from official headquarters.

(e) “Class B travel” means continuous travel of less than 24 hours which involves overnight absence from official headquarters.

(f) “Class C travel” means travel for short or day trips where the traveler is not away from his or her official headquarters overnight.

(g) “Common carrier” means train, bus, commercial airline operating scheduled flights, or rental cars of an established rental car firm.

(h) “Employee” or “public employee” means an individual, whether commissioned or not, other than an officer or authorized person as defined herein, who is filling a regular or full-time authorized position and is responsible to an agency head.

(i) “Foreign travel” means travel outside the United States.

(j) “Officer” or “public officer” means an individual who in the performance of his or her official duties is vested by law with sovereign powers of government and who is either elected by the people, or commissioned by the Governor and has jurisdiction extending throughout the state, or any person lawfully serving instead of either of the foregoing two classes of individuals as initial designee or successor.

(k) “Travel day” means a period of 24 hours consisting of four quarters of 6 hours each.

(l) “Travel expense,” “traveling expenses,” “necessary expenses while traveling,” “actual expenses while traveling,” or words of similar nature mean the usual ordinary and incidental expenditures necessarily incurred by a traveler.

(m) “Travel period” means a period of time between the time of departure and time of return.

(n) “Traveler” means a public officer, public employee, or authorized person, when performing authorized travel.

(3) AUTHORITY TO INCUR TRAVEL EXPENSES.—

(a) All travel must be authorized and approved by the head of the agency, or his or her designated representative, from whose funds the traveler is paid. The head of the agency shall not authorize or approve such a request unless it is accompanied by a signed statement by the traveler’s supervisor stating that such travel is on the official business of the state and also stating the purpose of such travel.

(b) Travel expenses of travelers shall be limited to those expenses necessarily incurred by them in the performance of a public purpose authorized by law to be performed by the agency and must be within the limitations prescribed by this section.

(c) Travel by public officers or employees serving temporarily in behalf of another agency or partly in behalf of more than one agency at the same time, or authorized persons who are called upon to contribute time and services as consultants or advisers, may be authorized by the agency head. Complete explanation and justification must be shown on the travel expense voucher or attached thereto.

(d) Travel expenses of public employees for the sole purpose of taking merit system or other job placement examinations, written or oral, shall not be allowed under any circumstances, except that upon prior written approval of the agency head or his or her designee, candidates for executive or professional positions may be allowed travel expenses pursuant to this section.

(e) Travel expenses of public officers or employees for the purpose of implementing, organizing, directing, coordinating, or administering, or supporting the implementation, organization, direction, coordination, or administration of, activities related to or involving travel to a terrorist state shall not be allowed under any circumstances. For purposes of this section, "terrorist state" is defined as any state, country, or nation designated by the United States Department of State as a state sponsor of terrorism.

(f) The agency head, or a designated representative, may pay by advancement or reimbursement, or a combination thereof, the costs of per diem of travelers for foreign travel at the current rates as specified in the federal publication "Standardized Regulations (Government Civilians, Foreign Areas)" and incidental expenses as provided in this section.

(g) A traveler who becomes sick or injured while away from his or her official headquarters and is therefore unable to perform the official business of the agency may continue to receive subsistence as provided in subsection (6) during this period of illness or injury until such time as he or she is able to perform the official business of the agency or returns to his or her official headquarters, whichever is earlier. Such subsistence may be paid when approved by the agency head or his or her designee.

(h) The State Surgeon General or a designee may authorize travel expenses incidental to the rendering of medical services for and on behalf of clients of the Department of Health. The Department of Health may establish rates lower than the rate provided in this section for these travel expenses.

(i) The head of a law enforcement agency may authorize travel expenses for an employee of the agency whose duties are those of a law enforcement officer, as defined in s. 943.10(1), to attend a funeral service within the state of a law enforcement officer who was killed in the line of duty.

(4) OFFICIAL HEADQUARTERS.—The official headquarters of an officer or employee assigned to an office shall be the city or town in which the office is located except that:

(a) The official headquarters of a person located in the field shall be the city or town nearest to the area where the majority of the person's work is performed, or such other city, town, or area as may be designated by the agency head provided that in all cases such designation must be in the best interests of the agency and not for the convenience of the person.

(b) When any state employee is stationed in any city or town for a period of over 30 continuous workdays, such city or town shall be deemed to be the employee's official headquarters, and he or she shall not be allowed per diem or subsistence, as provided in this section, after the said period of 30 continuous workdays has elapsed, unless this period of time is extended by the express approval of the agency head or his or her designee.

(c) A traveler may leave his or her assigned post to return home overnight, over a weekend, or during a holiday, but any time lost from regular duties shall be taken as annual leave and authorized in the usual manner. The traveler shall not be reimbursed for travel expenses in excess of the established rate for per diem allowable had he or she remained at his or her assigned post. However, when a traveler has been temporarily assigned away from his or her official headquarters for an approved period extending beyond 30 days, he or she shall be entitled to reimbursement for travel expenses at the established rate of one round trip for each 30-day period actually taken to his or her home in addition to pay and allowances otherwise provided.

<sup>1</sup>(d) A Lieutenant Governor who permanently resides outside of Leon County, may, if he or she so requests, have an appropriate facility in his or her county designated as his or her official headquarters for purposes of this section. This official headquarters may only serve as the Lieutenant Governor's personal office. The Lieutenant Governor may not use state funds to lease space in any facility for his or her official headquarters.



1. A Lieutenant Governor for whom an official headquarters is established in his or her county of residence pursuant to this paragraph is eligible for subsistence at a rate to be established by the Governor for each day or partial day that the Lieutenant Governor is at the State Capitol to conduct official state business. In addition to the subsistence allowance, a Lieutenant Governor is eligible for reimbursement for transportation expenses as provided in subsection (7) for travel between the Lieutenant Governor's official headquarters and the State Capitol to conduct state business.

2. Payment of subsistence and reimbursement for transportation between a Lieutenant Governor's official headquarters and the State Capitol shall be made to the extent appropriated funds are available, as determined by the Governor.

3. This paragraph expires July 1, 2024.

(5) COMPUTATION OF TRAVEL TIME FOR REIMBURSEMENT.—For purposes of reimbursement and methods of calculating fractional days of travel, the following principles are prescribed:

(a) The travel day for Class A travel shall be a calendar day (midnight to midnight). The travel day for Class B travel shall begin at the same time as the travel period. For Class A and Class B travel, the traveler shall be reimbursed one-fourth of the authorized rate of per diem for each quarter, or fraction thereof, of the travel day included within the travel period. Class A and Class B travel shall include any assignment on official business outside of regular office hours and away from regular places of employment when it is considered reasonable and necessary to stay overnight and for which travel expenses are approved.

(b) A traveler shall not be reimbursed on a per diem basis for Class C travel, but shall receive subsistence as provided in this section, which allowance for meals shall be based on the following schedule:

1. Breakfast—When travel begins before 6 a.m. and extends beyond 8 a.m.
2. Lunch—When travel begins before 12 noon and extends beyond 2 p.m.
3. Dinner—When travel begins before 6 p.m. and extends beyond 8 p.m., or when travel occurs during nighttime hours due to special assignment.

No allowance shall be made for meals when travel is confined to the city or town of the official headquarters or immediate vicinity; except assignments of official business outside the traveler's regular place of employment if travel expenses are approved. The Chief Financial Officer shall establish a schedule for processing Class C travel subsistence payments at least on a monthly basis.

(6) RATES OF PER DIEM AND SUBSISTENCE ALLOWANCE.—For purposes of reimbursement rates and methods of calculation, per diem and subsistence allowances are provided as follows:

(a) All travelers shall be allowed for subsistence when traveling to a convention or conference or when traveling within or outside the state in order to conduct bona fide state business, which convention, conference, or business serves a direct and lawful public purpose with relation to the public agency served by the person attending such meeting or conducting such business, either of the following for each day of such travel at the option of the traveler:

1. Eighty dollars per diem; or
2. If actual expenses exceed \$80, the amounts permitted in paragraph (b) for subsistence, plus actual expenses for lodging at a single-occupancy rate to be substantiated by paid bills therefor.

When lodging or meals are provided at a state institution, the traveler shall be reimbursed only for the actual expenses of such lodging or meals, not to exceed the maximum provided for in this subsection.

(b) All travelers shall be allowed the following amounts for subsistence while on Class C travel on official business as provided in paragraph (5)(b):

1. Breakfast. . . . . \$6
2. Lunch. . . . . \$11
3. Dinner. . . . . \$19

(c) No one, whether traveling out of state or in state, shall be reimbursed for any meal or lodging included in a convention or conference registration fee paid by the state.

(7) TRANSPORTATION.—

(a) All travel must be by a usually traveled route. In case a person travels by an indirect route for his or her own convenience, any extra costs shall be borne by the traveler; and reimbursement for expenses shall be based only on such charges as would have been incurred by a usually traveled route. The agency head or his or her designee shall designate the most economical method of travel for each trip, keeping in mind the following conditions:

1. The nature of the business.
2. The most efficient and economical means of travel (considering time of the traveler, impact on the productivity of the traveler, cost of transportation, and per diem or subsistence required). When it is more efficient and economical to either the traveler or the agency head, jet service offered by any airline, whether on state contract or not, may be used when the cost is within an approved threshold determined by the agency head or his or her designee.
3. The number of persons making the trip and the amount of equipment or material to be transported.
  - (b) The Department of Financial Services may provide any form it deems necessary to cover travel requests for traveling on official business and when paid by the state.
  - (c) Transportation by common carrier when traveling on official business and paid for personally by the traveler, shall be substantiated by a receipt therefor. Federal tax shall not be reimbursable to the traveler unless the state and other public agencies are also required by federal law to pay such tax. In the event transportation other than the most economical class as approved by the agency head is provided by a common carrier on a flight check or credit card, the charges in excess of the most economical class shall be refunded by the traveler to the agency charged with the transportation provided in this manner.
  - (d)1. The use of privately owned vehicles for official travel in lieu of publicly owned vehicles or common carriers may be authorized by the agency head or his or her designee. Whenever travel is by privately owned vehicle:
    - a. A traveler shall be entitled to a mileage allowance at a rate of 44.5 cents per mile; or
    - b. A traveler shall be entitled to the common carrier fare for such travel if determined by the agency head to be more economical.
  2. Reimbursement for expenditures related to the operation, maintenance, and ownership of a vehicle shall not be allowed when privately owned vehicles are used on public business and reimbursement is made pursuant to this paragraph, except as provided in subsection (8).
  3. All mileage shall be shown from point of origin to point of destination and, when possible, shall be computed on the basis of the current map of the Department of Transportation. Vicinity mileage necessary for the conduct of official business is allowable but must be shown as a separate item on the expense voucher.
  - (e) Transportation by chartered vehicles when traveling on official business may be authorized by the agency head when necessary or where it is to the advantage of the agency, provided the cost of such transportation does not exceed the cost of transportation by privately owned vehicle pursuant to paragraph (d).
  - (f) The agency head or his or her designee may grant monthly allowances in fixed amounts for use of privately owned automobiles on official business in lieu of the mileage rate provided in paragraph (d). Allowances granted pursuant to this paragraph shall be reasonable, taking into account the customary use of the automobile, the roads customarily traveled, and whether any of the expenses incident to the operation, maintenance, and ownership of the automobile are paid from funds of the agency or other public funds. Such allowance may be changed at any time, and shall be made on the basis of a signed statement of the traveler, filed before the allowance is granted or changed, and at least annually thereafter. The statement shall show the places and distances for an average typical month's travel on official business, and the amount that would be allowed under the approved rate per mile for the travel shown in the statement, if payment had been made pursuant to paragraph (d).
  - (g) No contract may be entered into between a public officer or employee, or any other person, and a public agency, in which a depreciation allowance is used in computing the amount due by the agency to the individual for the use of a privately owned vehicle on official business; provided, any such existing contract shall not be impaired.
  - (h) No traveler shall be allowed either mileage or transportation expense when gratuitously transported by another person or when transported by another traveler who is entitled to mileage or transportation expense. However, a traveler on a private aircraft shall be reimbursed the actual amount charged and paid for the fare for such transportation up to the cost of a commercial airline ticket for the same flight, even though the owner or pilot of such aircraft is also entitled to transportation expense for the same flight under this subsection.

(8) OTHER EXPENSES.—

(a) The following incidental travel expenses of the traveler may be reimbursed:

1. Taxi fare.
2. Ferry fares; and bridge, road, and tunnel tolls.
3. Storage or parking fees.
4. Communication expense.

5. Convention registration fee while attending a convention or conference which will serve a direct public purpose with relation to the public agency served by the person attending such meetings. A traveler may be reimbursed the actual and necessary fees for attending events which are not included in a basic registration fee that directly enhance the public purpose of the participation of the agency in the conference. Such expenses may include, but not be limited to, banquets and other meal functions. It shall be the responsibility of the traveler to substantiate that the charges were proper and necessary. However, any meals or lodging included in the registration fee will be deducted in accordance with the allowances provided in subsection (6).

(b) Other expenses which are not specifically authorized by this section may be approved by the Department of Financial Services pursuant to rules adopted by it. Expenses approved pursuant to this paragraph shall be reported by the Department of Financial Services to the Auditor General annually.

(9) RULES.—

(a) The Department of Financial Services shall adopt such rules, including, but not limited to, the general criteria to be used by a state agency to predetermine justification for attendance by state officers and employees and authorized persons at conventions and conferences, and prescribe such forms as are necessary to effectuate the purposes of this section. The department may also adopt rules prescribing the proper disposition and use of promotional items and rebates offered by common carriers and other entities in connection with travel at public expense; however, before adopting such rules, the department shall consult with the appropriation committees of the Legislature.

(b) Each state agency shall adopt such additional specific rules and specific criteria to be used by it to predetermine justification for attendance by state officers and employees and authorized persons at conventions and conferences, not in conflict with the rules of the Department of Financial Services or with the general criteria to be used by a state agency to predetermine justification for attendance by state officers and employees and authorized persons at conventions, as may be necessary to effectuate the purposes of this section.

(c) The Department of Management Services may adopt rules to administer the provisions of this section which relate to the statewide travel management system.

(10) FRAUDULENT CLAIMS.—Claims submitted pursuant to this section shall not be required to be sworn to before a notary public or other officer authorized to administer oaths, but any claim authorized or required to be made under any provision of this section shall contain a statement that the expenses were actually incurred by the traveler as necessary travel expenses in the performance of official duties and shall be verified by a written declaration that it is true and correct as to every material matter; and any person who willfully makes and subscribes any such claim which he or she does not believe to be true and correct as to every material matter, or who willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under the provisions of this section of a claim which is fraudulent or is false as to any material matter, whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such claim, is guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. Whoever shall receive an allowance or reimbursement by means of a false claim shall be civilly liable in the amount of the overpayment for the reimbursement of the public fund from which the claim was paid.

(11) TRAVEL AUTHORIZATION AND VOUCHER FORMS.—

(a) *Authorization forms.*—The Department of Financial Services shall furnish a uniform travel authorization request form which shall be used by all state officers, employees, and authorized persons when requesting approval for the performance of travel to a convention or conference. The form shall include, but not be limited to, provision for the name of each traveler, purpose of travel, period of travel, estimated cost to the state, and a statement of benefits accruing to the state by virtue of such travel. A copy of the program or agenda of the convention or conference, itemizing registration fees and any meals or lodging included in the registration fee, shall be attached to, and filed with, the copy of the travel authorization request form on file with the agency. The form shall be signed by the traveler and by the traveler's supervisor stating that the travel is to be incurred in connection with

official business of the state. The head of the agency or his or her designated representative shall not authorize or approve such request in the absence of the appropriate signatures. A copy of the travel authorization form shall be attached to, and become a part of, the support of the agency's copy of the travel voucher.

(b) *Voucher forms.*—

1. The Department of Financial Services shall furnish a uniform travel voucher form which shall be used by all state officers, employees, and authorized persons when submitting travel expense statements for approval and payment. No travel expense statement shall be approved for payment by the Chief Financial Officer unless made on the form prescribed and furnished by the department. The travel voucher form shall provide for, among other things, the purpose of the official travel and a certification or affirmation, to be signed by the traveler, indicating the truth and correctness of the claim in every material matter, that the travel expenses were actually incurred by the traveler as necessary in the performance of official duties, that per diem claimed has been appropriately reduced for any meals or lodging included in the convention or conference registration fees claimed by the traveler, and that the voucher conforms in every respect with the requirements of this section. The original copy of the executed uniform travel authorization request form shall be attached to the uniform travel voucher on file with the respective agency.

2. Statements for travel expenses incidental to the rendering of medical services for and on behalf of clients of the Department of Health shall be on forms approved by the Department of Financial Services.

(12) **ADVANCEMENTS.**—Notwithstanding any of the foregoing restrictions and limitations, an agency head or his or her designee may make, or authorize the making of, advances to cover anticipated costs of travel to travelers. Such advancements may include the costs of subsistence and travel of any person transported in the care or custody of the traveler in the performance of his or her duties.

(13) **DIRECT PAYMENT OF EXPENSES BY AGENCY.**—Whenever an agency requires an employee to incur either Class A or Class B travel on emergency notice to the traveler, such traveler may request the agency to pay his or her expenses for meals and lodging directly to the vendor, and the agency may pay the vendor the actual expenses for meals and lodging during the travel period, limited to an amount not to exceed that authorized pursuant to this section. In emergency situations, the agency head or his or her designee may authorize an increase in the amount paid for a specific meal, provided that the total daily cost of meals does not exceed the total amount authorized for meals each day. The agency head or his or her designee may also grant prior approval for a state agency to make direct payments of travel expenses in other situations that result in cost savings to the state, and such cost savings shall be documented in the voucher submitted to the Chief Financial Officer for the direct payment of travel expenses. The provisions of this subsection shall not be deemed to apply to any legislator or to any employee of the Legislature.

(14) **APPLICABILITY TO COUNTIES, COUNTY OFFICERS, DISTRICT SCHOOL BOARDS, SPECIAL DISTRICTS, AND METROPOLITAN PLANNING ORGANIZATIONS.**—

(a) The following entities may establish rates that vary from the per diem rate provided in paragraph (6)(a), the subsistence rates provided in paragraph (6)(b), or the mileage rate provided in paragraph (7)(d) if those rates are not less than the statutorily established rates that are in effect for the 2005-2006 fiscal year:

1. The governing body of a county by the enactment of an ordinance or resolution;
2. A county constitutional officer, pursuant to s. 1(d), Art. VIII of the State Constitution, by the establishment of written policy;
3. The governing body of a district school board by the adoption of rules;
4. The governing body of a special district, as defined in s. 189.012, except those special districts that are subject to s. 166.021(9), by the enactment of a resolution; or
5. Any metropolitan planning organization created pursuant to s. 339.175 or any other separate legal or administrative entity created pursuant to s. 339.175 of which a metropolitan planning organization is a member, by the enactment of a resolution.

(b) Rates established pursuant to paragraph (a) must apply uniformly to all travel by the county, county constitutional officer and entity governed by that officer, district school board, special district, or metropolitan planning organization.

(c) Except as otherwise provided in this subsection, counties, county constitutional officers and entities governed by those officers, district school boards, special districts, and metropolitan planning organizations, other than those subject to s. 166.021(9), remain subject to the requirements of this section.

(15) CLASS C TRAVEL.—Moneys appropriated from the State Treasury may not be used to pay per diem or subsistence related to Class C travel.

(16) STATEWIDE TRAVEL MANAGEMENT SYSTEM.—

(a) For purposes of this subsection, “statewide travel management system” means the system developed by the Department of Management Services to:

1. Collect and store information relating to public officer or employee travel information;
2. Standardize and automate agency travel management;
3. Allow for travel planning and approval, expense reporting, and reimbursement; and
4. Allow travel information queries.

(b) Each executive branch state government agency and the judicial branch must report on the statewide travel management system all public officer and employee travel information, including, but not limited to, name and position title; purpose of travel; dates and location of travel; mode of travel; confirmation from the head of the agency or designee authorization, if required; and total travel cost. Each executive branch state government agency and the judicial branch must use the statewide travel management system for purposes of travel authorization and reimbursement.

(c) Travel reports made available on the statewide travel management system may not reveal information made confidential or exempt by law.

**History.**—ss. 1, 3, ch. 22830, 1945; ss. 1, 2, 3, ch. 23892, 1947; ss. 1, 3, ch. 25040, 1949; ss. 1, 3, ch. 26910, 1951; s. 1, ch. 28303, 1953; s. 1, ch. 29628, 1955; s. 1, ch. 57-230; s. 1, ch. 61-183; s. 1, ch. 61-43; s. 1, ch. 63-5; s. 1, ch. 63-192; s. 1, ch. 63-122; s. 1, ch. 63-400; ss. 2, 3, ch. 67-371; ss. 1, 2, ch. 67-2206; s. 1, ch. 69-193; s. 1, ch. 69-381; ss. 12, 23, 31, 35, ch. 69-106; s. 65, ch. 71-136; s. 1, ch. 72-213; s. 1, ch. 72-217; s. 1, ch. 72-324; s. 26, ch. 72-404; s. 1, ch. 73-169; s. 1, ch. 74-15; s. 1, ch. 74-246; s. 1, ch. 74-365; ss. 1, 2, ch. 75-33; s. 1, ch. 76-166; s. 2, ch. 76-208; ss. 1, 2, ch. 76-250; s. 1, ch. 77-174; s. 1, ch. 77-231; ss. 1, 2, ch. 77-437; s. 2, ch. 78-95; s. 51, ch. 79-190; s. 1, ch. 79-205; s. 1, ch. 79-303; s. 1, ch. 79-412; ss. 1, 2, ch. 81-207; ss. 1, 2, ch. 83-307; s. 1, ch. 85-140; s. 1, ch. 87-407; s. 4, ch. 88-235; s. 12, ch. 89-291; s. 18, ch. 91-45; s. 1, ch. 94-139; s. 1403, ch. 95-147; s. 26, ch. 95-312; s. 5, ch. 96-310; s. 43, ch. 96-399; s. 23, ch. 98-136; s. 9, ch. 99-8; s. 7, ch. 99-155; s. 16, ch. 99-399; ss. 48, 53, ch. 2001-254; ss. 46, 79, ch. 2002-402; s. 2, ch. 2003-125; s. 123, ch. 2003-261; s. 49, ch. 2003-399; s. 5, ch. 2004-5; s. 32, ch. 2004-269; s. 23, ch. 2005-71; s. 12, ch. 2006-1; s. 6, ch. 2006-18; ss. 14, 53, ch. 2006-26; s. 1, ch. 2006-41; s. 3, ch. 2006-54; s. 2, ch. 2007-196; s. 6, ch. 2008-6; s. 13, ch. 2008-153; s. 2, ch. 2010-4; s. 4, ch. 2011-143; s. 58, ch. 2014-22; s. 103, ch. 2019-116; s. 6, ch. 2019-118; s. 95, ch. 2020-114; s. 56, ch. 2021-37; s. 82, ch. 2022-157; s. 32, ch. 2023-8; s. 2, ch. 2023-145; s. 71, ch. 2023-240.

<sup>1</sup>**Note.**—Section 71, ch. 2023-240, amended paragraph (4)(d) “[i]n order to implement Specific Appropriation 2654 of the 2023-2024 General Appropriations Act.”

**112.062 Cabinet members; educational and informational travel expenses.**—When he or she deems it necessary in order to carry out an official function of office, a member of the Cabinet may incur and be reimbursed for travel expenses pursuant to s. 112.061 for the purpose of educating and informing the public as to the Cabinet member’s official duties.

**History.**—s. 1, ch. 80-212; s. 685, ch. 95-147.

**112.063 Reimbursement of county employees for educational expenses.**—County constitutional officers and county commissioners are authorized to reimburse employees for educational expenses, subject to the following conditions:

(1) The coursework must be designed to enhance the knowledge, skills, and abilities relating to official duties which the employees perform.

(2) The reimbursement of educational expenses in no way obligates the officer or commissioner to grant time off or leave for the taking or completion of such course or program of instruction.

(3) An employee shall not be permitted to utilize any space, personnel, equipment, or supplies of the office by which he or she is employed in the process of fulfilling any of the requirements imposed by the coursework for which he or she is being reimbursed.

(4) The limitations contained in subsections (1)-(3) shall not be construed to apply to any courses offered by or as a part of an educational program sponsored by any state agency for which the constitutional officer or commissioner is obligated to perform duties prescribed by law, or any educational program conducted in furtherance of s. 195.002, if such limitations did not exist prior to July 1, 1990.



Nothing in this section shall be construed as prohibiting employees from receiving otherwise authorized per diem expenses provided for by s. 112.061, nor shall it be construed as prohibiting the payment of wages otherwise due under the provisions of state or federal law.

History.—s. 1, ch. 90-80; s. 686, ch. 95-147.

**112.08 Group insurance for public officers, employees, and certain volunteers; physical examinations.—**

(1) As used in this section, the term “local governmental unit” means any county, municipality, community college district, school board, or special district or any county officer listed in s. 1(d), Art. VIII of the State Constitution.

(2)(a) Notwithstanding any general law or special act to the contrary, every local governmental unit is authorized to provide and pay out of its available funds for all or part of the premium for life, health, accident, hospitalization, legal expense, or annuity insurance, or all or any kinds of such insurance, for the officers and employees of the local governmental unit and for health, accident, hospitalization, and legal expense insurance for the dependents of such officers and employees upon a group insurance plan and, to that end, to enter into contracts with insurance companies or professional administrators to provide such insurance or with a corporation not for profit whose membership consists entirely of local governmental units authorized to enter into risk management consortiums under this subsection. Before entering any contract for insurance, the local governmental unit shall advertise for competitive bids; and such contract shall be let upon the basis of such bids. If a contracting health insurance provider becomes financially impaired as determined by the Office of Insurance Regulation of the Financial Services Commission or otherwise fails or refuses to provide the contracted-for coverage or coverages, the local government may purchase insurance, enter into risk management programs, or contract with third-party administrators and may make such acquisitions by advertising for competitive bids or by direct negotiations and contract. The local governmental unit may undertake simultaneous negotiations with those companies which have submitted reasonable and timely bids and are found by the local governmental unit to be fully qualified and capable of meeting all servicing requirements. Each local governmental unit may self-insure any plan for health, accident, and hospitalization coverage or enter into a risk management consortium to provide such coverage, subject to approval based on actuarial soundness by the Office of Insurance Regulation; and each shall contract with an insurance company or professional administrator qualified and approved by the office or with a corporation not for profit whose membership consists entirely of local governmental units authorized to enter into a risk management consortium under this subsection to administer such a plan.

(b) In order to obtain approval from the Office of Insurance Regulation of any self-insured plan for health, accident, and hospitalization coverage, each local governmental unit or consortium shall submit its plan along with a certification as to the actuarial soundness of the plan, which certification is prepared by an actuary who is a member of the Society of Actuaries or the American Academy of Actuaries. The Office of Insurance Regulation shall not approve the plan unless it determines that the plan is designed to provide sufficient revenues to pay current and future liabilities, as determined according to generally accepted actuarial principles. After implementation of an approved plan, each local governmental unit or consortium shall annually submit to the Office of Insurance Regulation a report which includes a statement prepared by an actuary who is a member of the Society of Actuaries or the American Academy of Actuaries as to the actuarial soundness of the plan. The report is due 90 days after the close of the fiscal year of the plan. The report shall consist of, but is not limited to:

1. The adequacy of contribution rates in meeting the level of benefits provided and the changes, if any, needed in the contribution rates to achieve or preserve a level of funding deemed adequate to enable payment of the benefit amounts provided under the plan and a valuation of present assets, based on statement value, and prospective assets and liabilities of the plan and the extent of any unfunded accrued liabilities.
2. A plan to amortize any unfunded liabilities and a description of actions taken to reduce unfunded liabilities.
3. A description and explanation of actuarial assumptions.
4. A schedule illustrating the amortization of any unfunded liabilities.
5. A comparative review illustrating the level of funds available to the plan from rates, investment income, and other sources realized over the period covered by the report with the assumptions used.

6. A statement by the actuary that the report is complete and accurate and that in the actuary's opinion the techniques and assumptions used are reasonable and meet the requirements and intent of this subsection.

7. Other factors or statements as required by the office in order to determine the actuarial soundness of the plan.

All assumptions used in the report shall be based on recognized actuarial principles acceptable to the Office of Insurance Regulation. The office shall review the report and shall notify the administrator of the plan and each entity participating in the plan, as identified by the administrator, of any actuarial deficiencies. Each local governmental unit is responsible for payment of valid claims of its employees that are not paid within 60 days after receipt by the plan administrator or consortium.

(c) Every local governmental unit is authorized to expend funds for preemployment physical examinations and postemployment physical examinations.

(3) Each local governmental unit is authorized to commingle in a common fund, plan, or program all payments for life, health, accident, hospitalization, or annuity insurance or all or any kinds of such insurance whether paid by the local governmental unit, officer or employee, or otherwise. The local governmental unit may determine the portion of the cost, if any, of such fund, plan, or program to be paid by officers or employees of the local governmental unit and fix the amounts to be paid by each such officer or employee as will best serve the public interest.

(4)(a) A local governmental unit may, at its discretion, provide group insurance consistent with the provisions of this section for volunteer or auxiliary firefighters, volunteer or auxiliary law enforcement agents, or volunteer or auxiliary ambulance or emergency service personnel within its jurisdiction. No insurance provided to volunteer personnel shall be used in the computation of workers' compensation benefits or in the determination of employee status for the purposes of collective bargaining.

(b) Benefits provided under group insurance policies pursuant to paragraph (a) shall not exceed benefits provided to employees under subsection (2) and ss. 112.19 and 112.191.

(5) The Department of Management Services shall initiate and supervise a group insurance program providing death and disability benefits for active members of the Florida Highway Patrol Auxiliary, with coverage beginning July 1, 1978, and purchased from state funds appropriated for that purpose. The Department of Management Services, in cooperation with the Office of Insurance Regulation, shall prepare specifications necessary to implement the program, and the Department of Management Services shall receive bids and award the contract in accordance with general law.

(6) The Financial Services Commission is authorized to adopt rules to carry out the provisions of this section as they pertain to its duties.

(7) All medical records and medical claims records in the custody of a unit of county or municipal government relating to county or municipal employees, former county or municipal employees, or eligible dependents of such employees enrolled in a county or municipal group insurance plan or self-insurance plan shall be kept confidential and are exempt from the provisions of s. 119.07(1). Such records shall not be furnished to any person other than the employee or the employee's legal representative, except upon written authorization of the employee, but may be furnished in any civil or criminal action, unless otherwise prohibited by law, upon the issuance of a subpoena from a court of competent jurisdiction and proper notice to the employee or the employee's legal representative by the party seeking such records.

(8) Patient medical records and medical claims records of water management district employees, former employees, and eligible dependents in the custody or control of the water management district under its group insurance plan established pursuant to s. 373.605 are confidential and exempt from s. 119.07(1). Such records shall not be furnished to any person other than the employee or the employee's legal representative, except upon written authorization of the employee, but may be furnished in any civil or criminal action, unless otherwise prohibited by law, upon the issuance of a subpoena from a court of competent jurisdiction and proper notice to the employee or the employee's legal representative by the party seeking such records.

**History.**—s. 1, ch. 20852, 1941; s. 1, ch. 69-300; s. 1, ch. 72-338; s. 1, ch. 76-208; s. 1, ch. 77-89; s. 50, ch. 79-40; s. 1, ch. 79-337; s. 67, ch. 79-400; s. 3, ch. 83-292; ss. 1, 2, ch. 84-307; s. 4, ch. 86-180; s. 26, ch. 90-360; s. 41, ch. 92-279; s. 55, ch. 92-326; s. 687, ch. 95-147; s. 33, ch. 96-406; s. 1, ch. 2001-123; s. 124, ch. 2003-261; s. 6, ch. 2004-305; s. 13, ch. 2005-2; s. 1, ch. 2016-194.

**112.0801 Group insurance; participation by retired employees.—**

(1) Any state agency, county, municipality, special district, community college, or district school board that provides life, health, accident, hospitalization, or annuity insurance, or all of any kinds of such insurance, for its officers and employees and their dependents upon a group insurance plan or self-insurance plan shall allow all former personnel who retired before October 1, 1987, as well as those who retire on or after such date, and their eligible dependents, the option of continuing to participate in the group insurance plan or self-insurance plan. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. For retired employees and their eligible dependents, the cost of continued participation may be paid by the employer or by the retired employees. To determine health and hospitalization plan costs, the employer shall commingle the claims experience of the retiree group with the claims experience of the active employees; and, for other types of coverage, the employer may commingle the claims experience of the retiree group with the claims experience of active employees. Retirees covered under Medicare may be experience-rated separately from the retirees not covered by Medicare and from active employees if the total premium does not exceed that of the active group and coverage is basically the same as for the active group.

(2) For purposes of this section, “retiree” means any officer or employee who retires under a state retirement system or a state optional annuity or retirement program or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition to these requirements, any officer or employee who retires under the Florida Retirement System Investment Plan established under part II of chapter 121 is considered a “retired officer or employee” or “retiree” as used in this section if he or she:

(a) Meets the age and service requirements to qualify for normal retirement as set forth in s. 121.021(29); or

(b) Has attained the age specified by s. 72(t)(2)(A)(i) of the Internal Revenue Code and has the years of service required for vesting as set forth in s. 121.021(45).

**History.**—s. 2, ch. 76-151; s. 1, ch. 79-88; s. 1, ch. 80-304; s. 5, ch. 81-103; s. 1, ch. 83-294; s. 1, ch. 87-373; s. 1, ch. 2007-92; s. 1, ch. 2007-100; s. 2, ch. 2011-68.

**112.0804 Health insurance for retirees under the Florida Retirement System; Medicare supplement and fully insured coverage.—**

(1) The Department of Management Services shall solicit competitive bids from state-licensed insurance companies to provide and administer a fully insured Medicare supplement policy for all eligible retirees of a state or local public employer. Such Medicare supplement policy shall meet the provisions of ss. 627.671-627.675. For the purpose of this subsection, “eligible retiree” means any public employee who retired from a state or local public employer who is covered by Medicare, Parts A and B. The Department of Management Services shall authorize one company to offer the Medicare supplement coverage to all eligible retirees. All premiums shall be paid by the retiree.

(2) The Department of Management Services shall solicit competitive bids from state-licensed insurance companies to provide and administer fully insured health insurance coverage for all public employees who retired from a state or local public employer who are not covered by Medicare, Parts A and B. The Department of Management Services may authorize one company to offer such coverage if the proposed benefits and premiums are reasonable. If such coverage is authorized, all premiums shall be paid for by the retiree.

**History.**—s. 1, ch. 85-305; s. 42, ch. 92-279; s. 55, ch. 92-326.

**112.0805 Employer notice of insurance eligibility to employees who retire.—**Any employer who provides insurance coverage under s. 110.123 or s. 112.0801 shall notify those employees who retire of their eligibility to participate in either the same group insurance plan or self-insurance plan as provided in ss. 110.123 and 112.0801, or the insurance coverage as provided by this law.

**History.**—s. 2, ch. 85-305.

**112.081 Circuit judges, participation.—**All circuit judges who, on July 1, 1967, are participating in an insurance program for county employees are hereby deemed to be county employees for the purpose of such participation even though there is no actual cash salary supplement received from the county.

**History.**—s. 4, ch. 67-301.

**112.09 Evidence of election to provide insurance.—**The election to exercise such authority shall be evidenced by resolution, duly recorded in the official minutes, adopted by the board of county



commissioners in the case of a county, by the school board, in the case of a school district and by the members of the board, or department head if an individual, in the case of any state department, board or bureau, and by the governing body by resolution or ordinance in the case of any other governmental unit of the State of Florida.

**History.**—s. 2, ch. 20852, 1941; s. 1, ch. 69-300.

**112.10 Deduction and payment of premiums.**—Upon the request in writing of any officer or employee, the proper officials of each and every county, school board, governmental unit, department, board or bureau of the state, are hereby authorized and empowered to deduct from the wages of such officer or employee, periodically, the amount of the premium which such officer or employee has agreed to pay for such insurance, and to pay or remit the same directly to the insurance company issuing such group insurance.

**History.**—s. 3, ch. 20852, 1941; s. 1, ch. 69-300; s. 2, ch. 72-338.

**112.11 Participation voluntary.**—The participation in such group insurance by any officer or employee shall be entirely voluntary at all times. Any officer or employee may, upon any payday, withdraw or retire from such group insurance plan, upon giving the employer written notice thereof and directing the discontinuance of deductions from wages in payment of such premiums.

**History.**—s. 4, ch. 20852, 1941; s. 3, ch. 72-338; s. 688, ch. 95-147.

**112.13 Insurance additional to workers' compensation.**—The insurance permitted and allowed under this law shall be in addition to, and in no manner in lieu of the provisions of the Workers' Compensation Law.

**History.**—s. 6, ch. 20852, 1941; s. 51, ch. 79-40.

**112.14 Purpose and intent of law.**—It is hereby declared to be the purpose and intent of this law to make available upon a voluntary participation basis to the several officers and employees aforesaid, the economics, protection and benefits of group insurance not available to each officer and employee as an individual. It is also the purpose and intent of this law to provide authority for the payment of premiums or charges for group insurance for county officers whose compensation is fixed by chapter 145 in addition to the compensation provided in chapter 145.

**History.**—s. 5, ch. 20852, 1941; s. 5, ch. 72-338.

**112.151 Group hospitalization insurance for county officers and employees.**—The governing body of each county in the state is authorized to provide and pay out of its available funds all or part of the premiums for hospitalization insurance coverage for the officers or employees of the county and to enter into contracts with insurance companies to provide such insurance.

**History.**—s. 1, ch. 78-267.

**112.153 Local governmental group insurance plans; refunds with respect to overcharges by providers.**—A participant in a group insurance plan offered by a county, municipality, school board, local governmental unit, and special taxing unit, who discovers that he or she was overcharged by a hospital, physician, clinical lab, and other health care providers, shall receive a refund of 50 percent of any amount recovered as a result of such overcharge, up to a maximum of \$1,000 per admission. All such instances of overcharge shall be reported to the Agency for Health Care Administration for action it deems appropriate.

**History.**—s. 4, ch. 83-292; s. 1, ch. 91-48; s. 689, ch. 95-147; s. 9, ch. 97-95.

**112.161 Change in position or reclassification; continuance or resumption of membership in retirement system.**—

(1) Any person who is a participant in any state or county retirement system, who changes his or her position of employment, or who is reclassified so that under any existing law such person would participate in a different retirement system, may continue to participate and come under the same retirement system in which he or she participated or came under before changing positions or being reclassified so long as such person remains in the employ of the state or county and continues to make the contributions required by law. Any person who has changed positions or been reclassified heretofore may come back under and participate in the retirement system to which he or she belonged before such change or reclassification upon payment of all back contributions, plus 3 percent interest per annum, that would have been required by law had he or she continued to participate and come under such system continuously, such election to be made and payment to be made on or before the time of retirement.

(2) The provisions of this section shall supersede any existing law relating to state and county retirement systems or pensions, provided nothing herein shall be construed to apply to State Supreme

Court justices, as provided in chapter 25; nor to circuit judges as provided by chapter 38; nor to members of Duval County employees pension fund as provided in chapter 23259, Acts, 1945, as amended by chapter 27520, Acts, 1951, and chapter 27523, Acts, 1951.

*History.*—ss. 1, 2, ch. 57-752; ss. 24, 35, ch. 69-106; s. 690, ch. 95-147.

**112.171 Employee wage deductions.—**

(1) The counties, municipalities, and special districts of the state and the departments, agencies, bureaus, commissions, and officers thereof are authorized and permitted in their sole discretion to make deductions from the salary or wage of any employee or employees in such amount as shall be authorized and requested by such employee or employees and for such purpose as shall be authorized and requested by such employee or employees and shall pay such sums so deducted as directed by such employee or employees.

(2) It is the intent and purpose of this section to vest in the public officers, agencies and commissions herein enumerated the sole power and discretion to approve or disapprove requested deductions and the approval of and making of approved deductions shall not require the approval or making of other requested deductions.

*History.*—s. 1, ch. 59-409; s. 26, ch. 79-190.

**112.175 Employee wages; withholding to repay educational loan.—**

(1)(a) Any person who has received an educational loan made or guaranteed by the state or any of its political subdivisions and who at any time becomes or is an employee of the state or any of its political subdivisions shall be deemed to have agreed as a condition of employment to have consented to voluntary or involuntary withholding of wages to repay such loan. Any such employee who has defaulted or does default on the repayment of such loan shall, within 60 days after service of a notice of default by the agency holding the loan to the employee and the employing agency, establish a loan repayment schedule which shall be agreed to by both the agency holding the loan and the employee for repaying such defaulted loan through payroll deductions. Under no circumstances may an amount in excess of 10 percent per pay period of the pay of such employee be required by the agency holding the loan as part of a repayment schedule or plan. If such employee fails to establish a repayment schedule within the specified period of time or fails to meet the terms and conditions of the agreed to or approved repayment schedule as authorized by this subsection, such employee shall be deemed to have breached an essential condition of employment and shall be deemed to have consented to the involuntary withholding of wages or salary for the repayment of the loan.

(b) No person who is employed by the state or any of its political subdivisions on or after October 1, 1986, may be dismissed for having defaulted on the repayment of an educational loan made or guaranteed by the state or any of its political subdivisions.

(2) The Administration Commission shall adopt rules to implement this section, which shall include, but not be limited to, a standard method of calculating amounts to be withheld from employees who have failed to establish a repayment schedule within the specified period of time or failed to meet the terms and conditions of the agreed to or approved repayment schedule provided for in this section. Such method shall consider the following factors:

- (a) The amount of the loan which remains outstanding;
- (b) The income of the employee who owes such amount; and
- (c) Other factors such as the number of dependents supported by the employee.

*History.*—ss. 1, 2, ch. 86-129; s. 691, ch. 95-147.

**112.18 Firefighters and law enforcement or correctional officers; special provisions relative to disability.—**

(1)(a) Any condition or impairment of health of any Florida state, municipal, county, port authority, special tax district, or fire control district firefighter or any law enforcement officer, correctional officer, or correctional probation officer as defined in s. 943.10(1), (2), or (3) caused by tuberculosis, heart disease, or hypertension resulting in total or partial disability or death shall be presumed to have been accidental and to have been suffered in the line of duty unless the contrary be shown by competent evidence. However, any such firefighter, law enforcement officer, correctional officer, or correctional probation officer must have successfully passed a physical examination upon entering into any such service as a firefighter, law enforcement officer, correctional officer, or correctional probation officer, which examination failed to reveal any evidence of any such condition. Such presumption does not apply to benefits payable under or granted in a policy of life insurance or

disability insurance, unless the insurer and insured have negotiated for such additional benefits to be included in the policy contract.

(b)1. If a firefighter did not undergo a preemployment physical examination, the medical examination required by s. 633.412(5) shall be deemed to satisfy the physical examination requirement under paragraph (a), if the medical examination completed pursuant to s. 633.412(5) failed to reveal any evidence of tuberculosis, heart disease, or hypertension.

2. If a firefighter underwent a preemployment physical examination, the employing fire service provider, as defined in s. 633.102, must maintain records of the physical examination for at least 5 years after the employee's separation from the employing fire service provider. If the employing fire service provider fails to maintain the records of the physical examination for the 5-year period after the employee's separation, it is presumed that the employee has met the requirements of paragraph (a).

(c)1. For any workers' compensation claim filed under this section and chapter 440 occurring on or after July 1, 2010, a law enforcement officer, correctional officer, or correctional probation officer as defined in s. 943.10(1), (2), or (3) suffering from tuberculosis, heart disease, or hypertension is presumed not to have incurred such disease in the line of duty as provided in this section if the law enforcement officer, correctional officer, or correctional probation officer:

a. Departed in a material fashion from the prescribed course of treatment of his or her personal physician and the departure is demonstrated to have resulted in a significant aggravation of the tuberculosis, heart disease, or hypertension resulting in disability or increasing the disability or need for medical treatment; or

b. Was previously compensated pursuant to this section and chapter 440 for tuberculosis, heart disease, or hypertension and thereafter sustains and reports a new compensable workers' compensation claim under this section and chapter 440, and the law enforcement officer, correctional officer, or correctional probation officer has departed in a material fashion from the prescribed course of treatment of an authorized physician for the preexisting workers' compensation claim and the departure is demonstrated to have resulted in a significant aggravation of the tuberculosis, heart disease, or hypertension resulting in disability or increasing the disability or need for medical treatment.

2. As used in this paragraph, "prescribed course of treatment" means prescribed medical courses of action and prescribed medicines for the specific disease or diseases claimed and as documented in the prescribing physician's medical records.

3. If there is a dispute as to the appropriateness of the course of treatment prescribed by a physician under sub-subparagraph 1.a. or sub-subparagraph 1.b. or whether a departure in a material fashion from the prescribed course of treatment is demonstrated to have resulted in a significant aggravation of the tuberculosis, heart disease, or hypertension resulting in disability or increasing the disability or need for medical treatment, the law enforcement officer, correctional officer, or correctional probation officer is entitled to seek an independent medical examination pursuant to s. 440.13(5).

4. A law enforcement officer, correctional officer, or correctional probation officer is not entitled to the presumption provided in this section unless a claim for benefits is made prior to or within 180 days after leaving the employment of the employing agency.

(2) This section authorizes each governmental entity specified in subsection (1) to negotiate policy contracts for life and disability insurance to include accidental death benefits or double indemnity coverage which shall include the presumption that any condition or impairment of health of any firefighter, law enforcement officer, or correctional officer caused by tuberculosis, heart disease, or hypertension resulting in total or partial disability or death was accidental and suffered in the line of duty, unless the contrary be shown by competent evidence.

**History.**—s. 1, ch. 65-480; s. 1, ch. 73-125; s. 32, ch. 77-104; s. 692, ch. 95-147; s. 21, ch. 99-392; s. 3, ch. 2002-236; s. 2, ch. 2010-175; s. 1, ch. 2022-114.

**112.181 Firefighters, paramedics, emergency medical technicians, law enforcement officers, correctional officers; special provisions relative to certain communicable diseases.—**

(1) **DEFINITIONS.**—As used in this section, the term:

(a) "Body fluids" means blood and body fluids containing visible blood and other body fluids to which universal precautions for prevention of occupational transmission of blood-borne pathogens, as established by the Centers for Disease Control and Prevention, apply. For purposes of potential

transmission of meningococcal meningitis or tuberculosis, the term “body fluids” includes respiratory, salivary, and sinus fluids, including droplets, sputum, and saliva, mucous, and other fluids through which infectious airborne organisms can be transmitted between persons.

(b) “Emergency rescue or public safety worker” means any person employed full time by the state or any political subdivision of the state as a firefighter, paramedic, emergency medical technician, law enforcement officer, or correctional officer who, in the course of employment, runs a high risk of occupational exposure to hepatitis, meningococcal meningitis, or tuberculosis and who is not employed elsewhere in a similar capacity. However, the term “emergency rescue or public safety worker” does not include any person employed by a public hospital licensed under chapter 395 or any person employed by a subsidiary thereof.

(c) “Hepatitis” means hepatitis A, hepatitis B, hepatitis non-A, hepatitis non-B, hepatitis C, or any other strain of hepatitis generally recognized by the medical community.

(d) “High risk of occupational exposure” means that risk that is incurred because a person subject to the provisions of this section, in performing the basic duties associated with his or her employment:

1. Provides emergency medical treatment in a non-health-care setting where there is a potential for transfer of body fluids between persons;
2. At the site of an accident, fire, or other rescue or public safety operation, or in an emergency rescue or public safety vehicle, handles body fluids in or out of containers or works with or otherwise handles needles or other sharp instruments exposed to body fluids;
3. Engages in the pursuit, apprehension, and arrest of law violators or suspected law violators and, in performing such duties, may be exposed to body fluids; or
4. Is responsible for the custody, and physical restraint when necessary, of prisoners or inmates within a prison, jail, or other criminal detention facility, while on work detail outside the facility, or while being transported and, in performing such duties, may be exposed to body fluids.

(e) “Occupational exposure,” in the case of hepatitis, meningococcal meningitis, or tuberculosis, means an exposure that occurs during the performance of job duties that may place a worker at risk of infection.

(2) PRESUMPTION; ELIGIBILITY CONDITIONS.—Any emergency rescue or public safety worker who suffers a condition or impairment of health that is caused by hepatitis, meningococcal meningitis, or tuberculosis, that requires medical treatment, and that results in total or partial disability or death shall be presumed to have a disability suffered in the line of duty, unless the contrary is shown by competent evidence; however, in order to be entitled to the presumption, the emergency rescue or public safety worker must, by written affidavit as provided in s. 92.50, verify by written declaration that, to the best of his or her knowledge and belief:

- (a) In the case of a medical condition caused by or derived from hepatitis, he or she has not:
  1. Been exposed, through transfer of bodily fluids, to any person known to have sickness or medical conditions derived from hepatitis, outside the scope of his or her employment;
  2. Had a transfusion of blood or blood components, other than a transfusion arising out of an accident or injury happening in connection with his or her present employment, or received any blood products for the treatment of a coagulation disorder since last undergoing medical tests for hepatitis, which tests failed to indicate the presence of hepatitis;
  3. Engaged in unsafe sexual practices or other high-risk behavior, as identified by the Centers for Disease Control and Prevention or the Surgeon General of the United States, or had sexual relations with a person known to him or her to have engaged in such unsafe sexual practices or other high-risk behavior; or
  4. Used intravenous drugs not prescribed by a physician.

(b) In the case of meningococcal meningitis, in the 10 days immediately preceding diagnosis he or she was not exposed, outside the scope of his or her employment, to any person known to have meningococcal meningitis or known to be an asymptomatic carrier of the disease.

(c) In the case of tuberculosis, in the period of time since the worker’s last negative tuberculosis skin test, he or she has not been exposed, outside the scope of his or her employment, to any person known by him or her to have tuberculosis.

(3) IMMUNIZATION.—Whenever any standard, medically recognized vaccine or other form of immunization or prophylaxis exists for the prevention of a communicable disease for which a presumption is granted under this section, if medically indicated in the given circumstances pursuant

to immunization policies established by the Advisory Committee on Immunization Practices of the United States Public Health Service, an emergency rescue or public safety worker may be required by his or her employer to undergo the immunization or prophylaxis unless the worker's physician determines in writing that the immunization or other prophylaxis would pose a significant risk to the worker's health. Absent such written declaration, failure or refusal by an emergency rescue or public safety worker to undergo such immunization or prophylaxis disqualifies the worker from the benefits of the presumption.

(4) **LIFE AND DISABILITY INSURANCE COVERAGE.**—This section does not apply to benefits payable under or granted in a noncompulsory policy of life insurance or disability insurance, unless the insurer and insured have negotiated for such additional benefits to be included in the policy contract. However, the state or any political subdivision of the state may negotiate a policy contract for life and disability insurance which includes accidental death benefits or double indemnity coverage for any condition or impairment of health suffered by an emergency rescue or public safety worker, which condition or impairment is caused by a disease described in this section and results in total or partial disability or death.

(5) **RECORD OF EXPOSURES.**—The employing agency shall maintain a record of any known or reasonably suspected exposure of an emergency rescue or public safety worker in its employ to the diseases described in this section and shall immediately notify the employee of such exposure. An emergency rescue or public safety worker shall file an incident or accident report with his or her employer of each instance of known or suspected occupational exposure to hepatitis infection, meningococcal meningitis, or tuberculosis.

(6) **REQUIRED MEDICAL TESTS; PREEMPLOYMENT PHYSICAL.**—In order to be entitled to the presumption provided by this section:

(a) An emergency rescue or public safety worker must, prior to diagnosis, have undergone standard, medically acceptable tests for evidence of the communicable disease for which the presumption is sought, or evidence of medical conditions derived therefrom, which tests fail to indicate the presence of infection. This paragraph does not apply in the case of meningococcal meningitis.

(b) On or after June 15, 1995, an emergency rescue or public safety worker may be required to undergo a preemployment physical examination that tests for and fails to reveal any evidence of hepatitis or tuberculosis.

(7) **DISABILITY RETIREMENT.**—This section does not change the basic requirements for determining eligibility for disability retirement benefits under the Florida Retirement System or any pension plan administered by this state or any political subdivision thereof, except to the extent of affecting the determination as to whether a member was disabled in the line of duty or was otherwise disabled.

*History.*—s. 2, ch. 95-285; s. 2, ch. 96-198; s. 25, ch. 97-95; s. 26, ch. 97-96.

### **112.1815 Firefighters, paramedics, emergency medical technicians, and law enforcement officers; special provisions for employment-related accidents and injuries.—**

(1) The term “first responder” as used in this section means a law enforcement officer as defined in s. 943.10, a firefighter as defined in s. 633.102, or an emergency medical technician or paramedic as defined in s. 401.23 employed by state or local government. A volunteer law enforcement officer, firefighter, or emergency medical technician or paramedic engaged by the state or a local government is also considered a first responder of the state or local government for purposes of this section.

(2)(a) For the purpose of determining benefits under this section relating to employment-related accidents and injuries of first responders, the following shall apply:

1. An injury or disease caused by the exposure to a toxic substance is not an injury by accident arising out of employment unless there is a preponderance of the evidence establishing that exposure to the specific substance involved, at the levels to which the first responder was exposed, can cause the injury or disease sustained by the employee.

2. Any adverse result or complication caused by a smallpox vaccination of a first responder is deemed to be an injury by accident arising out of work performed in the course and scope of employment.

3. A mental or nervous injury involving a first responder and occurring as a manifestation of a compensable injury must be demonstrated by clear and convincing evidence. For a mental or nervous injury arising out of the employment unaccompanied by a physical injury involving a first responder,



only medical benefits under s. 440.13 shall be payable for the mental or nervous injury. However, payment of indemnity as provided in s. 440.15 may not be made unless a physical injury arising out of injury as a first responder accompanies the mental or nervous injury. Benefits for a first responder are not subject to any limitation on temporary benefits under s. 440.093 or the 1-percent limitation on permanent psychiatric impairment benefits under s. 440.15(3)(c).

(b) In cases involving occupational disease, both causation and sufficient exposure to a specific harmful substance shown to be present in the workplace to support causation shall be proven by a preponderance of the evidence.

(3) Permanent total supplemental benefits received by a first responder whose employer does not participate in the social security program shall not terminate after the first responder attains the age of 62.

(4) For the purposes of this section, the term “occupational disease” means only a disease that arises out of employment as a first responder and is due to causes and conditions that are characteristic of and peculiar to a particular trade, occupation, process, or employment and excludes all ordinary diseases of life to which the general public is exposed, unless the incidence of the disease is substantially higher in the particular trade, occupation, process, or employment than for the general public.

(5)(a) For the purposes of this section and chapter 440, and notwithstanding sub-subparagraph (2)(a)3. and ss. 440.093 and 440.151(2), posttraumatic stress disorder, as described in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, published by the American Psychiatric Association, suffered by a first responder is a compensable occupational disease within the meaning of subsection (4) and s. 440.151 if:

1. The posttraumatic stress disorder resulted from the first responder acting within the course of his or her employment as provided in s. 440.091; and

2. The first responder is examined and subsequently diagnosed with such disorder by a licensed psychiatrist, in person or through telehealth as that term is defined in s. 456.47, who is an authorized treating physician as provided in chapter 440 due to one of the following events:

- a. Seeing for oneself a deceased minor;
- b. Directly witnessing the death of a minor;
- c. Directly witnessing an injury to a minor who subsequently died before or upon arrival at a hospital emergency department;
- d. Participating in the physical treatment of an injured minor who subsequently died before or upon arrival at a hospital emergency department;
- e. Manually transporting an injured minor who subsequently died before or upon arrival at a hospital emergency department;
- f. Seeing for oneself a decedent whose death involved grievous bodily harm of a nature that shocks the conscience;
- g. Directly witnessing a death, including suicide, that involved grievous bodily harm of a nature that shocks the conscience;
- h. Directly witnessing a homicide regardless of whether the homicide was criminal or excusable, including murder, mass killing as defined in 28 U.S.C. s. 530C, manslaughter, self-defense, misadventure, and negligence;
- i. Directly witnessing an injury, including an attempted suicide, to a person who subsequently died before or upon arrival at a hospital emergency department if the person was injured by grievous bodily harm of a nature that shocks the conscience;
- j. Participating in the physical treatment of an injury, including an attempted suicide, to a person who subsequently died before or upon arrival at a hospital emergency department if the person was injured by grievous bodily harm of a nature that shocks the conscience; or
- k. Manually transporting a person who was injured, including by attempted suicide, and subsequently died before or upon arrival at a hospital emergency department if the person was injured by grievous bodily harm of a nature that shocks the conscience.

(b) Such disorder must be demonstrated by clear and convincing medical evidence.

(c) Benefits for a first responder under this subsection:

1. Do not require a physical injury to the first responder; and
2. Are not subject to:

- a. Apportionment due to a preexisting posttraumatic stress disorder;
- b. Any limitation on temporary benefits under s. 440.093; or
- c. The 1-percent limitation on permanent psychiatric impairment benefits under s. 440.15(3).
- (d) The time for notice of injury or death in cases of compensable posttraumatic stress disorder under this subsection is the same as in s. 440.151(6) and is measured from one of the qualifying events listed in subparagraph (a)2. or the diagnosis of the disorder, whichever is later. A claim under this subsection must be properly noticed within 52 weeks after the qualifying event or the diagnosis of the disorder, whichever is later.

(e) As used in this subsection, the term:

- 1. “Directly witnessing” means to see or hear for oneself.
- 2. “Manually transporting” means to perform physical labor to move the body of a wounded person for his or her safety or medical treatment.
- 3. “Minor” has the same meaning as in s. 1.01(13).

(f) The Department of Financial Services shall adopt rules specifying injuries qualifying as grievous bodily harm of a nature that shocks the conscience for the purposes of this subsection.

(6) An employing agency of a first responder, including volunteer first responders, must provide educational training related to mental health awareness, prevention, mitigation, and treatment.

**History.**—s. 1, ch. 2007-87; s. 116, ch. 2013-183; s. 1, ch. 2018-124; s. 1, ch. 2022-148; s. 2, ch. 2023-252.

**112.18155 Correctional officers; special provisions for posttraumatic stress disorders.—**

(1) As used in this section, the term:

- (a) “Correctional officer” has the same meaning as in s. 943.10(2).
- (b) “Directly witnessing” has the same meaning as in s. 112.1815(5)(e).
- (c) “Manually transporting” has the same meaning as in s. 112.1815(5)(e).
- (d) “Mass killing” means three or more killings in a single incident.

(2) For purposes of this section and chapter 440, and notwithstanding ss. 440.093 and 440.151(2), posttraumatic stress disorder, as described in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition, published by the American Psychiatric Association, suffered by a correctional officer is a compensable occupational disease within the meaning of s. 440.151 if both of the following apply:

(a) The posttraumatic stress disorder resulted from the correctional officer acting within the course of his or her employment as provided in s. 440.091.

(b) The correctional officer is examined and subsequently diagnosed with such disorder by a licensed psychiatrist who is an authorized treating physician as provided in chapter 440 due to one of the following events:

- 1. Being taken hostage by an inmate or trapped in a life-threatening situation as a result of an inmate’s act;
- 2. Directly witnessing a death, including a death due to suicide, of a person who suffered grievous bodily harm of a nature that shocks the conscience;
- 3. Directly witnessing an injury, including an attempted suicide, to a person who subsequently dies before or upon arrival at a hospital emergency department if the person was injured by grievous bodily harm of a nature that shocks the conscience;
- 4. Participating in the physical treatment of an injury, or manually transporting a person who was injured, including by attempted suicide, who subsequently dies before or upon arrival at a hospital emergency department if the person was injured by grievous bodily harm of a nature that shocks the conscience;
- 5. Directly witnessing a homicide regardless of whether the homicide was criminal or excusable, including murder, mass killing, manslaughter, self-defense, misadventure, and negligence; or
- 6. Seeing for oneself a decedent whose death involved grievous bodily harm of a nature that shocks the conscience.

(3) The posttraumatic stress disorder must be demonstrated by clear and convincing medical evidence.

(4) Benefits for a correctional officer under this section:

- (a) Do not require a physical injury to the correctional officer.
- (b) Are not subject to any of the following:
  - 1. Apportionment due to a preexisting posttraumatic stress disorder.
  - 2. Any limitation on temporary benefits under s. 440.093.

3. The 1-percent limitation on permanent psychiatric impairment benefits under s. 440.15(3).

(5) The time for notice of injury or death in cases of compensable posttraumatic stress disorder under this section is the same as in s. 440.151(6) and is measured from one of the qualifying events listed in paragraph (2)(b) or the diagnosis of the disorder, whichever is later. A claim under this section must be properly noticed within 52 weeks after the qualifying event or the diagnosis of the disorder, whichever is later.

(6) An employing agency of a correctional officer must provide educational training related to mental health awareness, prevention, mitigation, and treatment.

(7) The Department of Financial Services shall adopt rules specifying injuries qualifying as grievous bodily harm of a nature that shocks the conscience for the purposes of this section.

History.—s. 2, ch. 2022-148.

**112.1816 Firefighters; cancer diagnosis.—**

(1) As used in this section, the term:

(a) “Cancer” includes:

1. Bladder cancer.
2. Brain cancer.
3. Breast cancer.
4. Cervical cancer.
5. Colon cancer.
6. Esophageal cancer.
7. Invasive skin cancer.
8. Kidney cancer.
9. Large intestinal cancer.
10. Lung cancer.
11. Malignant melanoma.
12. Mesothelioma.
13. Multiple myeloma.
14. Non-Hodgkin’s lymphoma.
15. Oral cavity and pharynx cancer.
16. Ovarian cancer.
17. Prostate cancer.
18. Rectal cancer.
19. Stomach cancer.
20. Testicular cancer.
21. Thyroid cancer.

(b) “Employer” has the same meaning as in s. 112.191.

(c) “Firefighter” means an individual employed as a full-time firefighter or full-time, Florida-certified fire investigator within the fire department or public safety department of an employer whose primary responsibilities are the prevention and extinguishing of fires; the protection of life and property; and the enforcement of municipal, county, and state fire prevention codes and laws pertaining to the prevention and control of fires; or the investigation of fires and explosives.

(2) Upon a diagnosis of cancer, a firefighter is entitled to the following benefits, as an alternative to pursuing workers’ compensation benefits under chapter 440, if the firefighter has been employed by his or her employer for at least 5 continuous years, has not used tobacco products for at least the preceding 5 years, and has not been employed in any other position in the preceding 5 years which is proven to create a higher risk for any cancer:

(a) Cancer treatment covered within an employer-sponsored health plan or through a group health insurance trust fund. The employer must timely reimburse the firefighter for any out-of-pocket deductible, copayment, or coinsurance costs incurred due to the treatment of cancer.

(b) A one-time cash payout of \$25,000, upon the firefighter’s initial diagnosis of cancer. If the firefighter elects to continue coverage in the employer-sponsored health plan or group health insurance trust fund after he or she terminates employment, the benefits specified in paragraphs (a) and (b) must be made available by the former employer of a firefighter for 10 years following the date on which the firefighter terminates employment so long as the firefighter otherwise met the criteria specified in this subsection when he or she terminated employment and was not subsequently employed



as a firefighter following that date. For purposes of determining leave time and employee retention policies, the employer must consider a firefighter's cancer diagnosis as an injury or illness incurred in the line of duty.

(3)(a) If the firefighter participates in an employer-sponsored retirement plan, the retirement plan must consider the firefighter totally and permanently disabled in the line of duty if he or she meets the retirement plan's definition of totally and permanently disabled due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer.

(b) If the firefighter does not participate in an employer-sponsored retirement plan, the employer must provide a disability retirement plan that provides the firefighter with at least 42 percent of his or her annual salary, at no cost to the firefighter, until the firefighter's death, as coverage for total and permanent disabilities attributable to the diagnosis of cancer which arise out of the treatment of cancer.

(4)(a) If the firefighter participated in an employer-sponsored retirement plan, the retirement plan must consider the firefighter to have died in the line of duty if he or she dies as a result of cancer or circumstances that arise out of the treatment of cancer.

(b) If the firefighter did not participate in an employer-sponsored retirement plan, the employer must provide a death benefit to the firefighter's beneficiary, at no cost to the firefighter or his or her beneficiary, totaling at least 42 percent of the firefighter's most recent annual salary for at least 10 years following the firefighter's death as a result of cancer or circumstances that arise out of the treatment of cancer.

(c) Firefighters who die as a result of cancer or circumstances that arise out of the treatment of cancer are considered to have died in the manner as described in s. 112.191(2)(a), and all of the benefits arising out of such death are available to the deceased firefighter's beneficiary.

(5)(a) The costs to provide the reimbursements and lump sum payments under subsection (2) and the costs to provide disability retirement benefits under paragraph (3)(b) and the line-of-duty death benefits under paragraph (4)(b) must be borne solely by the employer.

(b) The employer or employers participating in a retirement plan or system are solely responsible for the payment of the contributions necessary to fund the increased actuarial costs associated with the implementation of the presumptions under paragraphs (3)(a) and (4)(a), respectively, that cancer has, or the circumstances that arise out of the treatment of cancer have, either rendered the firefighter totally and permanently disabled or resulted in the death of the firefighter in the line of duty.

(c) An employer may not increase employee contributions required to participate in a retirement plan or system to fund the costs associated with enhanced benefits provided in subsections (3) and (4).

(6) The Division of State Fire Marshal within the Department of Financial Services shall adopt rules to establish employer cancer prevention best practices as it relates to personal protective equipment, decontamination, fire suppression apparatus, and fire stations.

**History.**—s. 1, ch. 2019-21; s. 1, ch. 2022-131.

#### **112.182 “Firefighter rule” abolished.—**

(1) A firefighter or properly identified law enforcement officer who lawfully enters upon the premises of another in the discharge of his or her duty occupies the status of an invitee. The common-law rule that such a firefighter or law enforcement officer occupies the status of a licensee is hereby abolished.

(2) It is not the intent of this section to increase or diminish the duty of care owed by property owners to invitees. Property owners shall be liable to invitees pursuant to this section only when the property owner negligently fails to maintain the premises in a reasonably safe condition or negligently fails to correct a dangerous condition of which the property owner either knew or should have known by the use of reasonable care or negligently fails to warn the invitee of a dangerous condition about which the property owner had, or should have had, knowledge greater than that of the invitee.

**History.**—s. 1, ch. 90-308; s. 693, ch. 95-147.

#### **112.19 Law enforcement, correctional, and correctional probation officers; death benefits.—**

(1) As used in this section, the term:

(a) “Employer” means a state board, commission, department, division, bureau, or agency, or a county, municipality, or other political subdivision of the state, which employs, appoints, or otherwise engages the services of law enforcement, correctional, or correctional probation officers.

(b) “Fresh pursuit” means the pursuit of a person who has committed or is reasonably suspected of having committed a felony, misdemeanor, traffic infraction, or violation of a county or municipal ordinance. The term does not imply instant pursuit, but pursuit without unreasonable delay.

(c) “Insurance” means insurance procured from a stock company or mutual company or association or exchange authorized to do business as an insurer in this state.

(d) “Law enforcement, correctional, or correctional probation officer” means any officer as defined in s. 943.10(14) or employee of the state or any political subdivision of the state, including any law enforcement officer, correctional officer, correctional probation officer, state attorney investigator, public defender investigator, or criminal conflict and civil regional counsel investigator, whose duties require such officer or employee to investigate, pursue, apprehend, arrest, transport, or maintain custody of persons who are charged with, suspected of committing, or convicted of a crime; and the term includes any member of a bomb disposal unit whose primary responsibility is the location, handling, and disposal of explosive devices. The term also includes any full-time officer or employee of the state or any political subdivision of the state, certified pursuant to chapter 943, whose duties require such officer to serve process or to attend a session of a circuit or county court as bailiff.

(2)(a) The sum of \$75,000 must be paid as provided in this section when a law enforcement, correctional, or correctional probation officer, while engaged in the performance of the officer’s law enforcement duties, is accidentally killed or receives accidental bodily injury which results in the loss of the officer’s life, provided that such killing is not the result of suicide and that such bodily injury is not intentionally self-inflicted.

(b) The sum of \$75,000 must be paid as provided in this section if a law enforcement, correctional, or correctional probation officer is accidentally killed as specified in paragraph (a) and the accidental death occurs:

1. As a result of the officer’s response to fresh pursuit;
2. As a result of the officer’s response to what is reasonably believed to be an emergency;
3. At the scene of a traffic accident to which the officer has responded; or
4. While the officer is enforcing what is reasonably believed to be a traffic law or ordinance.

This sum is in addition to any sum provided for in paragraph (a).

(c) If a law enforcement, correctional, or correctional probation officer, while engaged in the performance of the officer’s law enforcement duties, is unlawfully and intentionally killed or dies as a result of such unlawful and intentional act, the sum of \$225,000 must be paid as provided in this section.

(d) Such payments, pursuant to paragraphs (a), (b), and (c), whether secured by insurance or not, must be made to the beneficiary designated by such law enforcement, correctional, or correctional probation officer in writing, signed by the officer and delivered to the employer during the officer’s lifetime. If no such designation is made, then the payments must be paid to the officer’s surviving child or children and to the officer’s surviving spouse in equal portions, and if there is no surviving child or spouse, then to the officer’s parent or parents. If a beneficiary is not designated and there is no surviving child, spouse, or parent, then the sum must be paid to the officer’s estate.

(e) Such payments, pursuant to paragraphs (a), (b), and (c), are in addition to any workers’ compensation or retirement plan benefits and are exempt from the claims and demands of creditors of such law enforcement, correctional, or correctional probation officer.

(f) If a full-time law enforcement, correctional, or correctional probation officer who is certified pursuant to chapter 943 and employed by a state agency is killed in the line of duty while the officer is engaged in the performance of law enforcement duties or as a result of an assault against the officer under riot conditions:

1. The sum of \$10,000 must be paid, as provided for in paragraph (d), toward the funeral and burial expenses of such officer. Such benefits are in addition to any other benefits to which employee beneficiaries and dependents are entitled under the Workers’ Compensation Law or any other state or federal statutes; and
2. The officer’s employing agency may pay up to \$5,000 directly toward the venue expenses associated with the funeral and burial services of such officer.

(g) Any political subdivision of the state that employs a full-time law enforcement officer as defined in s. 943.10(1) or a full-time correctional officer as defined in s. 943.10(2) who is killed in the line of duty on or after July 1, 1993, as a result of an act of violence inflicted by another person while

the officer is engaged in the performance of law enforcement duties or as a result of an assault against the officer under riot conditions shall pay the entire premium of the political subdivision's health insurance plan for the employee's surviving spouse until remarried, and for each dependent child of the employee until the child reaches the age of majority or until the end of the calendar year in which the child reaches the age of 25 if:

1. At the time of the employee's death, the child is dependent upon the employee for support; and
2. The surviving child continues to be dependent for support, or the surviving child is a full-time or part-time student and is dependent for support.

(h)1. Any employer who employs a full-time law enforcement, correctional, or correctional probation officer who, on or after January 1, 1995, suffers a catastrophic injury, as defined in s. 440.02, Florida Statutes 2002, in the line of duty shall pay the entire premium of the employer's health insurance plan for the injured employee, the injured employee's spouse, and for each dependent child of the injured employee until the child reaches the age of majority or until the end of the calendar year in which the child reaches the age of 25 if the child continues to be dependent for support, or the child is a full-time or part-time student and is dependent for support. The term "health insurance plan" does not include supplemental benefits that are not part of the basic group health insurance plan. If the injured employee subsequently dies, the employer shall continue to pay the entire health insurance premium for the surviving spouse until remarried, and for the dependent children, under the conditions outlined in this paragraph. However:

a. Health insurance benefits payable from any other source shall reduce benefits payable under this section.

b. It is unlawful for a person 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 to obtain health insurance coverage as provided under this paragraph. A person who violates this sub-subparagraph commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

c. In addition to any applicable criminal penalty, upon conviction for a violation as described in sub-subparagraph b., a law enforcement, correctional, or correctional probation officer or other beneficiary who receives or seeks to receive health insurance benefits under this paragraph shall forfeit the right to receive such health insurance benefits, and shall reimburse the employer for all benefits paid due to the fraud or other prohibited activity. For purposes of this sub-subparagraph, the term "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

2. In order for the officer, spouse, and dependent children to be eligible for such insurance coverage, the injury must have occurred as the result of the officer's response to fresh pursuit, the officer's response to what is reasonably believed to be an emergency, or an unlawful act perpetrated by another. Except as otherwise provided herein, this paragraph may not be construed to limit health insurance coverage for which the officer, spouse, or dependent children may otherwise be eligible, except that a person who qualifies under this section is not eligible for the health insurance subsidy provided under chapter 121, chapter 175, or chapter 185.

(i) The Bureau of Crime Prevention and Training within the Department of Legal Affairs shall adopt rules necessary to implement paragraphs (a), (b), and (c).

(3) If a law enforcement, correctional, or correctional probation officer is accidentally killed as specified in paragraph (2)(b) on or after June 22, 1990, but before July 1, 2019, or unlawfully and intentionally killed as specified in paragraph (2)(c) on or after July 1, 1980, but before July 1, 2019, the state must waive certain educational expenses that the child or spouse of the deceased officer incurs while obtaining a career certificate, an undergraduate education, or a postgraduate education. The amount waived by the state must be in an amount equal to the cost of tuition and matriculation and registration fees for a total of 120 credit hours. The child or spouse may attend a state career center, a Florida College System institution, or a state university on either a full-time or part-time basis. The benefits provided to a child under this subsection shall continue until the child's 25th birthday. The benefits provided to a spouse under this subsection must commence within 5 years after the death occurs, and entitlement thereto shall continue until the 10th anniversary of that death.

(a) Upon failure of any child or spouse who receives a waiver in accordance with this subsection to comply with the ordinary and minimum requirements regarding discipline and scholarship of the

institution attended, such benefits must be withdrawn as to the child or spouse and no further moneys may be expended for the child's or spouse's benefits so long as such failure or delinquency continues.

(b) Only a student in good standing in his or her respective institution may receive the benefits provided in this subsection.

(c) A child or spouse receiving benefits under this subsection must be enrolled according to the customary rules and requirements of the institution attended.

(4)(a) The employer of such law enforcement, correctional, or correctional probation officer is liable for the payment of the sums specified in this section and is deemed self-insured, unless it procures and maintains, or has already procured and maintained, insurance to secure such payments. Any such insurance may cover only the risks indicated in this section, in the amounts indicated in this section, or it may cover those risks and additional risks and may be in larger amounts. Any such insurance must be placed by such employer only after public bid of such insurance coverage which must be awarded to the carrier making the lowest best bid.

(b) Payment of benefits to beneficiaries of state employees, or of the premiums to cover the risk, under this section must be paid from existing funds otherwise appropriated to the department employing the law enforcement, correctional, or correctional probation officers.

(5) The State Board of Education shall adopt rules and procedures, and the Board of Governors shall adopt regulations and procedures, as are appropriate and necessary to implement the educational benefits provisions of this section.

(6) Notwithstanding any provision of this section to the contrary, the death benefits provided in paragraphs (2)(c) and (g) shall also be applicable and paid in cases where an officer received bodily injury before July 1, 1993, and subsequently died on or after July 1, 1993, as a result of such in-line-of-duty injury attributable to an unlawful and intentional act, or an act of violence inflicted by another, or an assault on the officer under riot conditions. Payment of such benefits must be in accordance with this section. This subsection may not be construed to limit death benefits for which those individuals listed in paragraph (2)(d) may otherwise be eligible.

**History.**—ss. 1, 2, ch. 67-408; ss. 1, 3, ch. 71-301; s. 52, ch. 79-40; s. 1, ch. 87-143; s. 2, ch. 89-22; s. 1, ch. 90-138; s. 1, ch. 92-59; s. 3, ch. 93-149; s. 2, ch. 94-171; s. 1404, ch. 95-147; s. 3, ch. 95-283; s. 3, ch. 96-198; s. 38, ch. 99-2; s. 1, ch. 2002-191; s. 5, ch. 2002-194; s. 1, ch. 2002-232; s. 9, ch. 2003-1; s. 46, ch. 2003-412; ss. 14, 15, ch. 2004-357; ss. 2, 5, 6, ch. 2005-100; s. 8, ch. 2007-217; s. 2, ch. 2010-78; s. 11, ch. 2013-25; ss. 12, 13, ch. 2014-17; s. 1, ch. 2015-163; s. 1, ch. 2019-24; s. 7, ch. 2022-195; s. 33, ch. 2023-8; s. 3, ch. 2023-145.

#### **112.191 Firefighters; death benefits.—**

(1) As used in this section, the term:

(a) “Employer” means a state board, commission, department, division, bureau, or agency, or a county, municipality, or other political subdivision of the state.

(b) “Firefighter” means any duly employed uniformed firefighter employed by an employer, whose primary duty is the prevention and extinguishing of fires, the protection of life and property therefrom, the enforcement of municipal, county, and state fire prevention codes, as well as the enforcement of any law pertaining to the prevention and control of fires, who is certified pursuant to s. 633.408 and who is a member of a duly constituted fire department of such employer or who is a volunteer firefighter.

(c) “Insurance” means insurance procured from a stock company or mutual company or association or exchange authorized to do business as an insurer in this state.

(2)(a) The sum of \$75,000 must be paid as provided in this section when a firefighter, while engaged in the performance of his or her firefighter duties, is accidentally killed or receives accidental bodily injury which subsequently results in the loss of the firefighter's life, provided that such killing is not the result of suicide and that such bodily injury is not intentionally self-inflicted.

(b) The sum of \$75,000 must be paid as provided in this section if a firefighter is accidentally killed as specified in paragraph (a) and the accidental death occurs as a result of the firefighter's response to what is reasonably believed to be an emergency involving the protection of life or property or the firefighter's participation in a training exercise. This sum is in addition to any sum provided in paragraph (a).

(c) If a firefighter, while engaged in the performance of his or her firefighter duties, is unlawfully and intentionally killed, is injured by an unlawful and intentional act of another person and dies as a result of such injury, dies as a result of a fire which has been determined to have been caused by an

act of arson, or subsequently dies as a result of injuries sustained therefrom, the sum of \$225,000 must be paid as provided in this section.

(d) Such payments, pursuant to paragraphs (a), (b), and (c), whether secured by insurance or not, must be made to the beneficiary designated by such firefighter in writing, signed by the firefighter and delivered to the employer during the firefighter's lifetime. If no such designation is made, then the payment must be paid to the firefighter's surviving child or children and to the firefighter's surviving spouse in equal portions, and if there be no surviving child or spouse, then to the firefighter's parent or parents. If a beneficiary designation is not made and there is no surviving child, spouse, or parent, then the sum must be paid to the firefighter's estate.

(e) Such payments, pursuant to paragraphs (a), (b), and (c), are in addition to any workers' compensation or retirement plan benefits and are exempt from the claims and demands of creditors of such firefighter.

(f) Any political subdivision of the state that employs a full-time firefighter who is killed in the line of duty on or after July 1, 1993, as a result of an act of violence inflicted by another person while the firefighter is engaged in the performance of firefighter duties, as a result of a fire which has been determined to have been caused by an act of arson, or as a result of an assault against the firefighter under riot conditions shall pay the entire premium of the political subdivision's health insurance plan for the employee's surviving spouse until remarried, and for each dependent child of the employee until the child reaches the age of majority or until the end of the calendar year in which the child reaches the age of 25 if:

1. At the time of the employee's death, the child is dependent upon the employee for support; and
2. The surviving child continues to be dependent for support, or the surviving child is a full-time or part-time student and is dependent for support.

(g)1. Any employer who employs a full-time firefighter who, on or after January 1, 1995, suffers a catastrophic injury, as defined in s. 440.02, Florida Statutes 2002, in the line of duty shall pay the entire premium of the employer's health insurance plan for the injured employee, the injured employee's spouse, and for each dependent child of the injured employee until the child reaches the age of majority or until the end of the calendar year in which the child reaches the age of 25 if the child continues to be dependent for support, or the child is a full-time or part-time student and is dependent for support. The term "health insurance plan" does not include supplemental benefits that are not part of the basic group health insurance plan. If the injured employee subsequently dies, the employer shall continue to pay the entire health insurance premium for the surviving spouse until remarried, and for the dependent children, under the conditions outlined in this paragraph. However:

- a. Health insurance benefits payable from any other source shall reduce benefits payable under this section.
- b. It is unlawful for a person 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 to obtain health insurance coverage as provided under this paragraph. A person who violates this sub-subparagraph commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

c. In addition to any applicable criminal penalty, upon conviction for a violation as described in sub-subparagraph b., a firefighter or other beneficiary who receives or seeks to receive health insurance benefits under this paragraph shall forfeit the right to receive such health insurance benefits, and shall reimburse the employer for all benefits paid due to the fraud or other prohibited activity. For purposes of this sub-subparagraph, the term "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

2. In order for the firefighter, spouse, and dependent children to be eligible for such insurance coverage, the injury must have occurred as the result of the firefighter's response to what is reasonably believed to be an emergency involving the protection of life or property, or an unlawful act perpetrated by another. Except as otherwise provided herein, this paragraph may not be construed to limit health insurance coverage for which the firefighter, spouse, or dependent children may otherwise be eligible, except that a person who qualifies for benefits under this section is not eligible for the health insurance subsidy provided under chapter 121, chapter 175, or chapter 185.



Notwithstanding any provision of this section to the contrary, the death benefits provided in paragraphs (b), (c), and (f) shall also be applicable and paid in cases where a firefighter received bodily injury prior to July 1, 1993, and subsequently died on or after July 1, 1993, as a result of such in-line-of-duty injury.

(h) The Division of the State Fire Marshal within the Department of Financial Services shall adopt rules necessary to implement this section.

(3) If a firefighter is accidentally killed as specified in paragraph (2)(b) on or after June 22, 1990, but before July 1, 2019, or unlawfully and intentionally killed as specified in paragraph (2)(c), on or after July 1, 1980, but before July 1, 2019, the state must waive certain educational expenses that the child or spouse of the deceased firefighter incurs while obtaining a career certificate, an undergraduate education, or a postgraduate education. The amount waived by the state must be in an amount equal to the cost of tuition and matriculation and registration fees for a total of 120 credit hours. The child or spouse may attend a state career center, a Florida College System institution, or a state university on either a full-time or part-time basis. The benefits provided to a child under this subsection shall continue until the child's 25th birthday. The benefits provided to a spouse under this subsection must commence within 5 years after the death occurs, and entitlement thereto shall continue until the 10th anniversary of that death.

(a) Upon failure of any child or spouse who receives a waiver in accordance with this subsection to comply with the ordinary and minimum requirements regarding discipline and scholarship of the institution attended, such benefits must be withdrawn as to the child or spouse and no further moneys expended for the child's or spouse's benefits so long as such failure or delinquency continues.

(b) Only students in good standing in their respective institutions may receive the benefits provided in this subsection.

(c) A child or spouse receiving benefits under this subsection must be enrolled according to the customary rules and requirements of the institution attended.

(4)(a) The employer of such firefighter is liable for the payment of the sums specified in this section and is deemed self-insured, unless it procures and maintains, or has already procured and maintained, insurance to secure such payments. Any such insurance may cover only the risks indicated in this section, in the amounts indicated in this section, or it may cover those risks and additional risks and may be in larger amounts. Any such insurance must be placed by such employer only after public bid of such insurance coverage which must be awarded to the carrier making the lowest best bid.

(b) Payment of benefits to beneficiaries of state employees, or of the premiums to cover the risk, under this section, must be paid from existing funds otherwise appropriated for the department.

(5) The State Board of Education shall adopt rules and procedures, and the Board of Governors shall adopt regulations and procedures, as are appropriate and necessary to implement the educational benefits provisions of this section.

**History.**—ss. 1, 2, ch. 67-443; ss. 1, 2, ch. 69-35; s. 7, ch. 69-353; ss. 2, 3, ch. 71-301; s. 1, ch. 78-7; s. 53, ch. 79-40; s. 3, ch. 90-138; s. 2, ch. 92-59; s. 1, ch. 93-149; s. 3, ch. 94-171; s. 1405, ch. 95-147; s. 4, ch. 96-198; s. 39, ch. 99-2; s. 2, ch. 2002-191; s. 6, ch. 2002-194; s. 2, ch. 2002-232; s. 10, ch. 2003-1; s. 125, ch. 2003-261; s. 47, ch. 2003-412; s. 6, ch. 2004-5; ss. 16, 17, ch. 2004-357; s. 9, ch. 2007-217; s. 3, ch. 2010-78; s. 5, ch. 2010-179; ss. 91, 117, ch. 2013-183; ss. 14, 15, ch. 2014-17; s. 2, ch. 2019-24.

#### **112.1911 Emergency medical technicians and paramedics; death benefits.—**

(1) As used in this section, the term:

(a) "Emergency medical technician" means a person who is certified by the Department of Health to perform basic life support pursuant to part III of chapter 401, who is employed by an employer, and whose primary duties and responsibilities include on-the-scene emergency medical care.

(b) "Employer" means a state board, commission, department, division, bureau, or agency, or a county, municipality, or other political subdivision of the state.

(c) "Insurance" means insurance procured from a stock company or mutual company, or an association or exchange authorized to do business as an insurer in this state.

(d) "Paramedic" means a person who is certified by the Department of Health to perform basic and advanced life support pursuant to part III of chapter 401, who is employed by an employer, and whose primary duties and responsibilities include on-the-scene emergency medical care.

(2)(a) The sum of \$75,000 must be paid as provided in this section when an emergency medical technician or a paramedic, while engaged in the performance of his or her official duties, is accidentally killed or receives an accidental bodily injury that subsequently results in the loss of the

individual's life, provided that such killing is not the result of suicide and that such bodily injury is not intentionally self-inflicted.

(b) The sum of \$75,000 must be paid as provided in this section if an emergency medical technician or a paramedic is accidentally killed as specified in paragraph (a) and the accidental death occurs as a result of the emergency medical technician's or paramedic's response to what is reasonably believed to be an emergency involving the protection of life. This sum is in addition to any sum provided under paragraph (a).

(c) If an emergency medical technician or a paramedic, while engaged in the performance of his or her official duties, is unlawfully and intentionally killed or is injured by an unlawful and intentional act of another person and dies as a result of such injury, the sum of \$225,000 must be paid as provided in this section.

(d) Such payments, pursuant to paragraphs (a), (b), and (c), whether secured by insurance or not, must be made to the beneficiary designated by such emergency medical technician or paramedic in a written and signed form, which must be delivered to the employer during the emergency medical technician's or paramedic's lifetime. If no such designation is made, then the payments must be made to the emergency medical technician's or paramedic's surviving child or children and to his or her surviving spouse in equal portions, or if there is no surviving child or spouse, must be made to the emergency medical technician's or paramedic's parent or parents. If a beneficiary is not designated and there is no surviving child, spouse, or parent, then the sum must be paid to the emergency medical technician's or paramedic's estate.

(e) Such payments, pursuant to paragraphs (a), (b), and (c), are in addition to any workers' compensation or retirement plan benefits and are exempt from the claims and demands of creditors of such emergency medical technician or paramedic.

(3)(a) The employer of an emergency medical technician or a paramedic is liable for the payment of the benefits specified in this section and is deemed self-insured, unless it procures and maintains, or has already procured and maintained, insurance to cover such payments. Any such insurance may cover only the risks indicated in this section, in the amounts indicated in this section, or it may cover those risks and additional risks and may be in larger amounts. Any such insurance must be placed by such employer only after public bid of such insurance coverage, which must be awarded to the carrier making the lowest best bid.

(b) Payment of benefits to beneficiaries of state employees, or of the premiums to cover the risk, under this section, must be paid from existing funds otherwise appropriated to the agency that employed the emergency medical technician or paramedic.

History.—s. 3, ch. 2019-24.

#### **112.1912 First responders; death benefits for educational expenses.—**

(1) As used in this section, the term "first responder" means:

(a) A law enforcement, correctional, or correctional probation officer as defined in s. 112.19(1) who is killed as provided in s. 112.19(2) on or after July 1, 2019;

(b) A firefighter as defined in s. 112.191(1) who is killed as provided in s. 112.191(2) on or after July 1, 2019; or

(c) An emergency medical technician or a paramedic, as defined in s. 112.1911(1), who is killed as provided in s. 112.1911(2) on or after July 1, 2019.

(2)(a) The state shall waive certain educational expenses that the child or spouse of a deceased first responder incurs while obtaining a career certificate, an undergraduate education, or a postgraduate education. The amount waived by the state must be in an amount equal to the cost of tuition and matriculation and registration fees for a total of 120 credit hours. The child or the spouse may attend a state career center, a Florida College System institution, or a state university on either a full-time or part-time basis. The benefits provided to a child under this subsection must continue until the child's 25th birthday. The benefits provided to a spouse under this subsection must commence within 5 years after the first responder's death occurs and may continue until the 10th anniversary of that death.

(b) Upon failure of any child or spouse who receives a waiver in accordance with this subsection to comply with the ordinary and minimum requirements regarding discipline and scholarship of the institution attended, such benefits to the child or the spouse must be withdrawn and no further moneys may be expended for the child's or spouse's benefits so long as such failure or delinquency continues.

(c) Only a student in good standing in his or her respective institution may receive the benefits provided in this subsection.

(d) A child or spouse receiving benefits under this subsection must be enrolled according to the customary rules and requirements of the institution attended.

(e) The State Board of Education shall adopt rules and procedures, and the Board of Governors shall adopt regulations and procedures, as are appropriate and necessary to implement this subsection.

**History.**—s. 4, ch. 2019-24; s. 17, ch. 2022-195.

**112.1913 Effect of ch. 2003-412.**—The amendments to ss. 440.02 and 440.15 which are made by this act shall not be construed to affect any determination of disability under s. 112.18, s. 112.181, or s. 112.19.

**History.**—s. 48, ch. 2003-412.

**112.1915 Teachers and school administrators; death benefits.**—Any other provision of law to the contrary notwithstanding:

(1) As used in this section, the term:

(a) “Employer” means the district school board.

(b) “Teacher” means any instructional staff personnel as described in s. 1012.01(2).

(c) “School administrator” means any school administrator as described in s. 1012.01(3).

(d) “Teaching duties” means the actual performance of duties required by a teacher’s employment during his or her regularly scheduled working hours or irregular working hours as required or assigned by the employer.

(e) “School administrator duties” means the actual performance of duties required by a school administrator’s employment during his or her regularly scheduled working hours or irregular working hours as required or assigned by the employer.

(f) “Beneficiary” means the person designated by the teacher or school administrator in writing, signed by the teacher or school administrator and delivered to the employer during the teacher’s or school administrator’s lifetime. If a beneficiary is not designated, the beneficiary is the teacher’s or school administrator’s estate.

(2) The benefits described in subsection (3) shall be provided when a teacher or school administrator is killed or injured and dies as a result of an unlawful and intentional act, provided that such killing or injury and death is the result of an act of violence inflicted by another person, and provided that:

(a) Such act is inflicted upon the teacher or school administrator while he or she is engaged in the performance of teaching duties or school administrator duties; or

(b) The motivation for such act is related in whole or in part to the fact that the individual is a teacher or school administrator.

(3) If a teacher or school administrator dies under the conditions in subsection (2), benefits shall be provided as follows:

(a) The sum of \$75,000 shall be paid, whether secured by insurance or not, to the beneficiary. The payment shall be in addition to any other insurance, workers’ compensation, or pension benefits or other benefits that teacher or school administrator beneficiaries and dependents are entitled to under state or federal statutes and shall be exempt from the claims and demands of creditors of such teacher or school administrator, pursuant to s. 732.402(2)(d).

(b) The sum of \$1,000 shall be paid, whether secured by insurance or not, to the beneficiary toward the funeral and burial expenses of such teacher or school administrator. The payment shall be in addition to any workers’ compensation or pension benefits or other benefits that teacher or school administrator beneficiaries and dependents are entitled to under state or federal statutes and shall be exempt from the claims and demands of creditors of such teacher or school administrator, pursuant to s. 732.402(2)(d).

(c) Payment of the entire health insurance premium for the school district’s health insurance plan shall continue for the teacher’s or school administrator’s surviving spouse until remarried, and for each dependent child of the teacher or school administrator until the child reaches the age of majority or until the end of the calendar year in which the child reaches the age of 25 if:

1. At the time of the teacher’s or school administrator’s death, the child is dependent upon the teacher or school administrator for support; and

2. The surviving child continues to be dependent for support, or the surviving child is a full-time or part-time student and is dependent for support.



The district school board that employed the teacher or school administrator who is killed shall pay the health insurance premiums. The district school board shall report annually to the Department of Education the amount of premiums paid pursuant to this paragraph. The Department of Education shall provide reimbursement to the district for the premium payments.

(d) Waiver of certain educational expenses which children of the deceased teacher or school administrator incur while obtaining a career certificate or an undergraduate education shall be according to conditions set forth in this paragraph. The amount waived by the state shall be an amount equal to the cost of tuition and matriculation and registration fees for a total of 120 credit hours at a university. The child may attend a state career center, a Florida College System institution, or a state university. The child may attend any or all of the institutions specified in this paragraph, on either a full-time or part-time basis. The benefits provided under this paragraph shall continue to the child until the child's 25th birthday.

1. Upon failure of any child benefited by the provisions of this paragraph to comply with the ordinary and minimum requirements of the institution attended, both as to discipline and scholarship, the benefits shall be withdrawn as to the child and no further moneys may be expended for the child's benefits so long as such failure or delinquency continues.

2. A student who becomes eligible for benefits under the provisions of this paragraph while enrolled in an institution must be in good standing with the institution to receive the benefits provided herein.

3. A child receiving benefits under this paragraph must be enrolled according to the customary rules and requirements of the institution attended.

(4) State funding shall be provided annually in the General Appropriations Act.

**History.**—ss. 2, 5, ch. 2001-180; s. 893, ch. 2002-387; s. 24, ch. 2004-295; s. 18, ch. 2004-357; s. 34, ch. 2012-116; s. 16, ch. 2014-17.

**112.1921 Administrative leave for law enforcement officers.**—The head of a law enforcement agency may grant administrative leave, not to exceed 8 hours, to an employee of the agency whose duties are those of a law enforcement officer, as defined in s. 943.10(1), to attend a funeral service within the state of a law enforcement officer who was killed in the line of duty. The head of the law enforcement agency may deny the use of administrative leave under this section in order to maintain minimum or adequate staffing requirements.

**History.**—s. 4, ch. 2023-145.

**112.193 Law enforcement, correctional, and correctional probation officers' commemorative service awards.**—

(1) For the purposes of this section, the term:

(a) "Employer" means a state board, commission, department, division, bureau, or agency or a county or municipality.

(b) "Law enforcement, correctional, or correctional probation officer" means any full-time, part-time, or auxiliary officer as defined in s. 943.10(14).

(2) Each employer that employs or appoints law enforcement, correctional, or correctional probation officers may present to each such employee who retires under any provision of a state or municipal retirement system, including medical disability retirement, or who is eligible to retire under any such provision but, instead, resigns from one employer to accept an elected public office, one complete uniform including the badge worn by that officer, the officer's service handgun, if one was issued as part of the officer's equipment, and an identification card clearly marked "RETIRED."

(3) Upon the death of a law enforcement, correctional, or correctional probation officer, the employer may present to the spouse or other beneficiary of the officer, upon request, one complete uniform, including the badge worn by the officer. However, if a law enforcement, correctional, or correctional probation officer is killed in the line of duty, the employer may present, upon request, to the spouse or other beneficiary of the officer the officer's service-issued handgun, if one was issued as part of the officer's equipment. If the employer is not in possession of the service-issued handgun, the employer may, within its discretion, and upon written request of the spouse or other beneficiary, present a similar handgun. The provisions of this section shall also apply in that instance to a law enforcement or correctional officer who died before May 1, 1993. In addition, the officer's service handgun may be presented by the employer for any such officer who was killed in the line of duty prior to this act becoming a law.

(4) Each uniform, badge, service handgun, and identification card presented under this section is to commemorate prior service and must be used only in such manner as the employer prescribes by rule. The provisions of this section shall also apply in that instance to a law enforcement officer who died before May 1, 1993.

History.—s. 1, ch. 79-335; s. 3, ch. 89-22; s. 1, ch. 93-32; s. 4, ch. 93-149.

**112.194 Law enforcement and correctional officers' Medal of Valor.—**

(1) Any state board, commission, department, division, bureau, or agency, or any county or municipality that employs or appoints law enforcement officers or correctional officers, as defined in s. 943.10(14), may establish an award program to award a Medal of Valor to any such officer whose actions are extraordinary and expose the officer to peril beyond the call of duty.

(2) The Medal of Valor may include, but is not limited to, a medal authorized to be worn on the officer's uniform during formal occasions and a commendation bar to be worn on the uniform during normal duty. The amount of funds that may be expended to provide a Medal of Valor shall not exceed \$250.

(3) Upon the death of such a law enforcement officer or correctional officer, the employer may present the Medal of Valor posthumously to the officer's closest living relative.

History.—s. 1, ch. 93-1.

**112.21 Tax-sheltered annuities or custodial accounts for employees of governmental agencies.—**A governmental agency, which means any state, county, local, or municipal governmental entity or any unit of government created or established by law, which is qualified under the United States Internal Revenue Code may provide, by written agreement between any such agency and any employee, to reduce the contract salary payable to such employee and, in consideration thereof, to pay an amount equal to the amount of such reduction to an insurance company licensed to do business in Florida; to a credit union, bank, or savings and loan association qualified to do business in Florida; or to a custodial account to be invested in regulated investment company stock to be held in such custodial account, as selected by the employee or employees, notwithstanding any other provision of law, with the concurrence of the employing agency, as premiums on an annuity contract issued in the name of such employee or as payment into a qualified custodial account established pursuant to s. 403(b) of the United States Internal Revenue Code.

(1) Any such annuity contract or custodial account shall be in such form, and be based upon such terms, as will qualify the payments thereon for tax deferral under the United States Internal Revenue Code. Such insurance annuity, savings, or investment products shall be underwritten and offered, in compliance with the applicable federal and state laws and regulations, by persons who are duly authorized by applicable state and federal authorities. All records identifying individual participants in any contract or account under this section and their personal account activities shall be confidential and are exempt from the provisions of s. 119.07(1).

(2) The amount of such reduction shall not exceed the amount excludable from income under s. 403(b) of the United States Internal Revenue Code and amendments and successor provisions thereto and shall be considered a part of the employee's salary for all purposes other than federal income taxation.

(3) The purchase of such tax-sheltered annuity or other investment qualified under the United States Internal Revenue Code and not prohibited under the laws of this state for an employee shall impose no liability or responsibility whatsoever on the employing agency except to show that the payments have been remitted for the purposes for which deducted.

History.—s. 1, ch. 74-157; s. 1, ch. 76-78; s. 2, ch. 77-295; s. 1, ch. 87-7; s. 27, ch. 90-360; s. 34, ch. 96-406.

**112.215 Government employees; deferred compensation program.—**

(1) This section shall be known and may be cited as the "Government Employees' Deferred Compensation Plan Act."

(2) For the purposes of this section, the term "government employee" means any person employed, whether appointed, elected, or under contract, by the state or any governmental unit of the state, including, but not limited to, any state agency; any county, municipality, or other political subdivision of the state; any special district or water management district, as the terms are defined in s. 189.012; any state university or Florida College System institution, as the terms are defined in <sup>1</sup>s. 1000.21(8) and (5), respectively; or any constitutional county officer under s. 1(d), Art. VIII of the State Constitution for which compensation or statutory fees are paid.

(3) In accordance with a plan of deferred compensation which has been approved as herein provided, the state or any state agency, county, municipality, other political subdivision, or constitutional county officer may, by contract or a collective bargaining agreement, agree with any employee to defer all or any portion of that employee's otherwise payable compensation and, pursuant to the terms of such approved plan and in such proportions as may be designated or directed under that plan, place such deferred compensation in savings accounts or use the same to purchase fixed or variable life insurance or annuity contracts, securities, evidence of indebtedness, or such other investment products as may have been approved for the purposes of carrying out the objectives of such plan. Such insurance, annuity, savings, or investment products shall be underwritten and offered in compliance with the applicable federal and state laws and regulations by persons who are duly authorized by applicable state and federal authorities.

(4)(a) The Chief Financial Officer, with the approval of the State Board of Administration, shall establish a state plan or plans of deferred compensation for government employees, including all such investment vehicles or products incident thereto, as may be available through, or offered by, qualified companies or persons, and may approve one or more such plans for implementation.

(b) If the Chief Financial Officer deems it advisable, he or she shall have the power, with the approval of the State Board of Administration, to create a trust or other special funds for the segregation of funds or assets resulting from compensation deferred at the request of government employees participating in the state plan for the administration of such program.

(c) The Chief Financial Officer, with the approval of the State Board of Administration, may delegate responsibility for administration of the state plan to a person the Chief Financial Officer determines to be qualified, compensate such person, and, directly or through such person or pursuant to a collective bargaining agreement, contract with a private corporation or institution to provide such services as may be part of any such plan or as may be deemed necessary or proper by the Chief Financial Officer or such person, including, but not limited to, providing consolidated billing, individual and collective recordkeeping and accountings, asset purchase, control, and safekeeping, and direct disbursement of funds to employees or other beneficiaries. The Chief Financial Officer may authorize a person, private corporation, or institution to make direct disbursement of funds under the state plan to an employee or other beneficiary.

(d) In accordance with such approved state plan, and upon contract or agreement with an eligible government employee, deferrals of compensation may be accomplished by payroll deductions made by the appropriate officer or officers of the state, with such funds being thereafter held and administered in accordance with the plan.

(e) The administrative costs of the deferred compensation plan must be wholly or partially self-funded. Fees for such self-funding of the state plan shall be paid by investment providers and may be recouped from their respective plan participants. Such fees shall be deposited in the Deferred Compensation Trust Fund.

(5) Any county, municipality, or other political subdivision of the state may by ordinance, and any constitutional county officer under s. 1(d), Art. VIII of the State Constitution may by contract agreement or other documentation constituting approval, adopt and establish for itself and its employees a deferred compensation program. The ordinance shall designate an appropriate official of the county, municipality, or political subdivision to approve and administer a deferred compensation plan or otherwise provide for such approval and administration. The ordinance shall also designate a public official or body to make the determinations provided for in paragraph (6)(b). If a constitutional county officer elects to adopt and establish for that office and its employees a deferred compensation program, the constitutional county officer shall be the appropriate official to make the determinations provided for in this subsection and in paragraph (6)(b).

(6)(a) No deferred compensation plan of the state shall become effective until approved by the State Board of Administration and the Chief Financial Officer is satisfied by opinion from such federal agency or agencies as may be deemed necessary that the compensation deferred thereunder and/or the investment products purchased pursuant to the plan will not be included in the employee's taxable income under federal or state law until it is actually received by such employee under the terms of the plan, and that such compensation will nonetheless be deemed compensation at the time of deferral for the purposes of social security coverage, for the purposes of the state retirement system, and for any other retirement, pension, or benefit program established by law.

(b) No deferred compensation plan of a county, municipality, other political subdivision, or constitutional county officer shall become effective until the appropriate official or body designated under subsection (5) is satisfied by opinion from such federal agency or agencies as may be deemed necessary that the compensation deferred thereunder and/or the investment products purchased pursuant to the plan will not be included in the employee's taxable income under federal or state law until it is actually received by such employee under the terms of the plan, and that such compensation will nonetheless be deemed compensation at the time of deferral for the purposes of social security coverage, for the purposes of the retirement system of the appropriate county, municipality, political subdivision, or constitutional county officer, and for any other retirement, pension, or benefit program established by law.

(7) The deferred compensation programs authorized by this section, and any plan approved and adopted as herein provided, shall exist and serve in addition to any other retirement, pension, or benefit systems established by the state or its agencies, counties, municipalities, other political subdivisions, or constitutional county officers and shall not supersede, make inoperative, or reduce any benefits provided by the Florida Retirement System or by another retirement, pension, or benefit program established by law. All records identifying individual participants in any plan under this section and their personal account activities shall be confidential and are exempt from the provisions of s. 119.07(1).

(8)(a) There is created a Deferred Compensation Advisory Council composed of eight members.

1. One member shall be appointed by the Speaker of the House of Representatives and the President of the Senate jointly and shall be an employee of the legislative branch.

2. One member shall be appointed by the Chief Justice of the Supreme Court and shall be an employee of the judicial branch.

3. One member shall be appointed by the chair of the Public Employees Relations Commission and shall be a nonexempt public employee.

4. The remaining five members shall be employed by the executive branch and shall be appointed as follows:

a. One member shall be appointed by the Chancellor of the State University System and shall be an employee of the university system.

b. One member shall be appointed by the Chief Financial Officer and shall be an employee of the Chief Financial Officer.

c. One member shall be appointed by the Governor and shall be an employee of the executive branch.

d. One member shall be appointed by the Executive Director of the State Board of Administration and shall be an employee of the State Board of Administration.

e. One member shall be appointed by the Chancellor of the Florida College System and shall be an employee of the Florida College System.

(b) Each member shall serve for a term of 4 years from the date of appointment, except that a vacancy shall be filled by appointment for the remainder of the term.

(c) Members shall elect a chair annually.

(d) The council shall meet at the call of its chair, at the request of a majority of its membership, or at the request of the Chief Financial Officer, but not less than twice a year. The business of the council shall be presented to the council in the form of an agenda. The agenda shall be set by the Chief Financial Officer and shall include items of business requested by the council members.

(e) A majority of the members shall constitute a quorum, and action by a majority of a quorum shall be official.

(f) The council shall make a report of each meeting to the Chief Financial Officer, which shall show the names of the members present and shall include a record of its discussions, recommendations, and actions taken. The Chief Financial Officer shall keep the records of the proceedings of each meeting on file and shall make the records available to any interested person or group.

(g) Members of the council shall serve without compensation but shall be entitled to receive reimbursement for per diem and travel expenses as provided in s. 112.061.

(h) The advisory council shall provide assistance and recommendations to the Chief Financial Officer relating to the provisions of the plan, the insurance or investment options to be offered under the plan, and any other contracts or appointments deemed necessary by the council and the Chief

Financial Officer to carry out the provisions of this act. The Chief Financial Officer shall inform the council of the manner in which each council recommendation is being addressed. The Chief Financial Officer shall provide the council, at least annually, a report on the status of the deferred compensation program, including, but not limited to, information on participant enrollment, amount of compensation deferred, total plan assets, product provider performance, and participant satisfaction with the program.

(9) The purchase of any insurance contract or annuity or the investment in another investment option under any plan of deferred compensation provided for in the United States Internal Revenue Code and not prohibited under the laws of this state for an employee shall impose no liability or responsibility whatsoever on the state, county, municipality, other political subdivision, or constitutional county officer, except to show that the payments have been remitted for the purposes for which the compensation has been deferred.

(10)(a) The moneys, pensions, annuities, or other benefits accrued or accruing to any person under the provisions of any plan providing for the deferral of compensation and the accumulated contributions and the cash and securities in the funds created thereunder are hereby exempt from any state, county, or municipal tax. They shall not be subject to execution or attachment or to any legal process whatsoever by a creditor of the employee and shall be unassignable by the employee.

(b)1. There is created in the State Treasury the Deferred Compensation Trust Fund, through which the Chief Financial Officer as trustee shall hold moneys, pensions, annuities, or other benefits accrued or accruing under and pursuant to 26 U.S.C. s. 457 and the deferred compensation plan provided for therein and adopted by this state; and

- a. All amounts of compensation deferred thereunder;
- b. All property and rights purchased with such amounts; and
- c. All income attributable to such amounts, property, or rights.

2. Notwithstanding the mandates of 26 U.S.C. s. 457(b)(6), all of the assets specified in subparagraph 1. shall be held in trust for the exclusive benefit of participants and their beneficiaries as mandated by 26 U.S.C. s. 457(g)(1).

(11) With respect to any funds held pursuant to a deferred compensation plan, any investment option provider that is a bank or savings association and that provides time deposit accounts and certificates of deposit as an investment product to the plan participants may, with the approval of the State Board of Administration for providers in the state plan, or with the approval of the appropriate official or body designated under subsection (5) for a plan of a county, municipality, other political subdivision, or constitutional county officer, be exempt from the provisions of chapter 280 requiring it to be a qualified public depository, provided:

(a) The bank or savings association shall, to the extent that the time deposit accounts or certificates of deposit are not insured by the Federal Deposit Insurance Corporation, deposit or issue collateral with the Chief Financial Officer for all state funds held by it under a deferred compensation plan, or with such other appropriate official for all public funds held by it under a deferred compensation plan of a county, municipality, other political subdivision, or constitutional county officer, in an amount which equals at least 150 percent of all uninsured deferred compensation funds then held.

(b) Said collateral shall be of the kind permitted by s. 280.13 and shall be pledged in the manner provided for by the applicable provisions of chapter 280.

The Chief Financial Officer shall have all the applicable powers provided in ss. 280.04, 280.05, and 280.08 relating to the sale or other disposition of the pledged collateral.

(12) The Chief Financial Officer may adopt any rule necessary to administer and implement this act with respect to the state deferred compensation plan or plans.

(13) When permitted by federal law, the plan administrator may provide for a pretax trustee-to-trustee transfer of amounts in a participant's deferred compensation account for the purchase of prior service credit in a public sector retirement system.

(14) This subsection may not impair an existing contract. In each county that has one or more constitutional county officers, the board of county commissioners and the constitutional county officers shall negotiate a joint deferred compensation program for all their respective employees under s. 163.01. If all parties to the negotiation cannot agree upon a joint deferred compensation program, the provisions of subsection (5) apply.



**History.**—s. 1, ch. 75-295; s. 1, ch. 76-279; s. 1, ch. 82-46; s. 1, ch. 83-43; s. 2, ch. 87-7; ss. 1, 3, 4, ch. 87-35; s. 1, ch. 87-138; s. 1, ch. 89-123; s. 28, ch. 90-360; s. 5, ch. 91-429; s. 694, ch. 95-147; s. 2, ch. 96-216; s. 35, ch. 96-406; s. 1, ch. 97-8; s. 40, ch. 99-2; s. 2, ch. 99-159; s. 40, ch. 2001-43; s. 2, ch. 2001-265; s. 126, ch. 2003-261; ss. 7, 8, ch. 2003-399; s. 3, ch. 2004-41; s. 8, ch. 2004-390; s. 3, ch. 2016-132; s. 2, ch. 2023-144.

**Note.**—Substituted by the editors for a reference to s. 1000.21(6) and (3) to conform to the redesignation of subsections in that section by s. 136, ch. 2023-8.

**112.217 Department of Highway Safety and Motor Vehicles; employees’ benefit fund.**—The Department of Highway Safety and Motor Vehicles is authorized to adopt rules creating and providing for the operation of an employees’ benefit fund for employees of the Department of Highway Safety and Motor Vehicles. The proceeds of the vending machines located in buildings occupied and used by the department, or such portions thereof as the department by rule may provide, shall be paid into such fund to be used for such benefits and purposes as the department by rule may provide.

**History.**—s. 1, ch. 81-37.

**112.218 Department of Highway Safety and Motor Vehicles personnel files; fees for copies.**—The Department of Highway Safety and Motor Vehicles is authorized to charge the following fees for copies of its personnel files:

- (1) Copies, per page. . . . . \$0.50.
- (2) Certified copies, per page. . . . . \$1.00.

Fees collected pursuant to this section shall be deposited in the General Revenue Fund.

**History.**—s. 1, ch. 82-130.

**112.219 Substitution of work experience for postsecondary educational requirements.**—

(1) The head of a public employer may elect to substitute verifiable, related work experience in lieu of postsecondary educational requirements for a position of employment if the person seeking the position of employment is otherwise qualified for such position.

(2) Related work experience may not substitute for any required licensure, certification, or registration required for the position of employment as established by the public employer and indicated in the advertised description of the position of employment.

(3) If the head of a public employer elects to substitute related work experience for postsecondary educational requirements, the public employer must, in all advertisements for the position of employment made by the public employer, include a notice that such substitution is authorized and a description of the related work experience equivalencies that may be substituted for the required postsecondary education.

(4) This section does not abridge state and federal laws and regulations governing equal opportunity employment.

(5) For purposes of this section, the term:

(a) “Postsecondary degree” means an associate degree, a bachelor’s degree, or a graduate degree from an accredited college or university.

(b) “Public employer” has the same meaning as in s. 448.095.

(6) A public employer may include a postsecondary degree as a baseline requirement only as an alternative to the number of years of direct experience required, not to exceed:

- (a) Two years of direct experience for an associate degree;
- (b) Four years of direct experience for a bachelor’s degree;
- (c) Six years of direct experience for a master’s degree;
- (d) Seven years of direct experience for a professional degree; or
- (e) Nine years of direct experience for a doctoral degree.

**History.**—s. 1, ch. 2022-184; s. 2, ch. 2023-256.

**112.22 Use of applications from foreign countries of concern prohibited.**—

(1) As used in this section, the term:

(a) “Department” means the Department of Management Services.

(b) “Employee or officer” means a person who performs labor or services for a public employer in exchange for salary, wages, or other remuneration.

(c) “Foreign country of concern” means the People’s Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People’s Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolás Maduro, or the Syrian Arab Republic, including any agency of or any other entity under significant control of such foreign country of concern.

(d) “Foreign principal” means:

- 1. The government or an official of the government of a foreign country of concern;

2. A political party or a member of a political party or any subdivision of a political party in a foreign country of concern;
  3. A partnership, an association, a corporation, an organization, or another combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or an affiliate or a subsidiary thereof; or
  4. Any person who is domiciled in a foreign country of concern and is not a citizen or a lawful permanent resident of the United States.
- (e) "Government-issued device" means a cellular telephone, desktop computer, laptop computer, computer tablet, or other electronic device capable of connecting to the Internet which is owned or leased by a public employer and issued to an employee or officer for work-related purposes.
- (f) "Prohibited application" means an application that meets the following criteria:
1. Any Internet application that is created, maintained, or owned by a foreign principal and that participates in activities that include, but are not limited to:
    - a. Collecting keystrokes or sensitive personal, financial, proprietary, or other business data;
    - b. Compromising e-mail and acting as a vector for ransomware deployment;
    - c. Conducting cyber-espionage against a public employer;
    - d. Conducting surveillance and tracking of individual users; or
    - e. Using algorithmic modifications to conduct disinformation or misinformation campaigns; or
  2. Any Internet application the department deems to present a security risk in the form of unauthorized access to or temporary unavailability of the public employer's records, digital assets, systems, networks, servers, or information.
- (g) "Public employer" means the state or any agency, authority, branch, bureau, commission, department, division, special district, institution, university, institution of higher education, or board thereof; or any county, district school board, charter school governing board, or municipality, or any agency, branch, department, board, or metropolitan planning organization thereof.
- (2)(a) A public employer shall do all of the following:
1. Block all prohibited applications from public access on any network and virtual private network that it owns, operates, or maintains.
  2. Restrict access to any prohibited application on a government-issued device.
  3. Retain the ability to remotely wipe and uninstall any prohibited application from a government-issued device that is believed to have been adversely impacted, either intentionally or unintentionally, by a prohibited application.
- (b) A person, including an employee or officer of a public employer, may not download or access any prohibited application on any government-issued device.
1. This paragraph does not apply to a law enforcement officer as defined in s. 943.10(1) if the use of the prohibited application is necessary to protect the public safety or conduct an investigation within the scope of his or her employment.
  2. A public employer may request a waiver from the department to allow designated employees or officers to download or access a prohibited application on a government-issued device.
- (c) Within 15 calendar days after the department issues or updates its list of prohibited applications pursuant to paragraph (3)(a), an employee or officer of a public employer who uses a government-issued device must remove, delete, or uninstall any prohibited applications from his or her government-issued device.
- (3) The department shall do all of the following:
- (a) Compile and maintain a list of prohibited applications and publish the list on its website. The department shall update this list quarterly and shall provide notice of any update to public employers.
  - (b) Establish procedures for granting or denying requests for waivers pursuant to subparagraph (2)(b)2. The request for a waiver must include all of the following:
    1. A description of the activity to be conducted and the state interest furthered by the activity.
    2. The maximum number of government-issued devices and employees or officers to which the waiver will apply.
    3. The length of time necessary for the waiver. Any waiver granted pursuant to subparagraph (2)(b)2. must be limited to a timeframe of no more than 1 year, but the department may approve an extension.

4. Risk mitigation actions that will be taken to prevent access to sensitive data, including methods to ensure that the activity does not connect to a state system, network, or server.

5. A description of the circumstances under which the waiver applies.

(4)(a) Notwithstanding s. 120.74(4) and (5), the department is authorized, and all conditions are deemed met, to adopt emergency rules pursuant to s. 120.54(4) and to implement paragraph (3)(a). Such rulemaking must occur initially by filing emergency rules within 30 days after July 1, 2023.

(b) The department shall adopt rules necessary to administer this section.

**History.**—s. 1, ch. 2023-32.

**112.23 Government-directed content moderation of social media platforms prohibited.—**

(1) As used in this section, the term:

(a) “Governmental entity” means any officer or employee of a state, county, district, authority, municipality, department, agency, division, board, bureau, commission, or other separate unit of government created or established by law, and includes any other public or private entity acting on behalf of such governmental entity.

(b) “Social media platform” means a form of electronic communication through which users create online communities or groups to share information, ideas, personal messages, and other content.

(2) A governmental entity may not communicate with a social media platform to request that it remove content or accounts from the social media platform.

(3) A governmental entity may not initiate or maintain any agreements or working relationships with a social media platform for the purpose of content moderation.

(4) Subsections (2) and (3) do not apply if the governmental entity or an officer or an employee acting on behalf of a governmental entity is acting as part of any of the following:

(a) Routine account management of the governmental entity’s account, including, but not limited to, the removal or revision of the governmental entity’s content or account or identification of accounts falsely posing as a governmental entity, officer, or salaried employee.

(b) An attempt to remove content that pertains to the commission of a crime or violation of this state’s public records law.

(c) An attempt to remove an account that pertains to the commission of a crime or violation of this state’s public records law.

(d) An investigation or inquiry related to an effort to prevent imminent bodily harm, loss of life, or property damage.

**History.**—s. 1, ch. 2023-201.

**PART II  
INTERCHANGE OF PERSONNEL  
BETWEEN GOVERNMENTS**

112.24 Intergovernmental interchange of public employees.

112.25 Declaration of policy.

112.26 Definitions.

112.27 Authority to interchange employees.

112.28 Status of employees of this state.

112.29 Travel expenses of employees of this state.

112.30 Status of employees of other governments.

112.31 Travel expenses of employees of other governments.

**112.24 Intergovernmental interchange of public employees.—**To encourage economical and effective utilization of public employees in this state, the temporary assignment of employees among agencies of government, both state and local, and including school districts and public institutions of higher education is authorized under terms and conditions set forth in this section. State agencies, municipalities, and political subdivisions are authorized to enter into employee interchange agreements with other state agencies, the Federal Government, another state, a municipality, or a political subdivision including a school district, or with a public institution of higher education. State agencies are also authorized to enter into employee interchange agreements with private institutions of higher education and other nonprofit organizations under the terms and conditions provided in this section. In addition, the Governor or the Governor and Cabinet may enter into employee interchange agreements with a state agency, the Federal Government, another state, a municipality, or a political subdivision including a school district, or with a public institution of higher learning to fill, subject to the requirements of chapter 20, appointive offices which are within the executive branch of



government and which are filled by appointment by the Governor or the Governor and Cabinet. Under no circumstances shall employee interchange agreements be utilized for the purpose of assigning individuals to participate in political campaigns. Duties and responsibilities of interchange employees shall be limited to the mission and goals of the agencies of government.

(1) Details of an employee interchange program shall be the subject of an agreement, which may be extended or modified, between a sending party and a receiving party. State agencies shall report such agreements and any extensions or modifications thereto to the Department of Management Services.

(2) The period of an individual's assignment or detail under an employee interchange program shall not exceed 2 years. Upon agreement of the sending party and the receiving party and under the same or modified terms, an assignment or detail of 2 years may be extended by 3 months. However, agreements relating to faculty members of the State University System may be extended biennially upon approval by the Department of Management Services. If the appointing agency is the Governor or the Governor and Cabinet, the period of an individual's assignment or detail under an employee interchange program shall not exceed 2 years plus an extension of 3 months or the number of years left in the term of office of the Governor, whichever is less.

(3) Salary, leave, travel and transportation, and reimbursements for an employee of a sending party that is participating in an interchange program shall be handled as follows:

(a) An employee of a sending party who is participating in an interchange agreement may be considered as on detail to regular work assignments of the sending party or in a leave status from the sending party except that the receiving agency shall pay the salary and benefits of such employee during the time, in excess of 1 week, that the employee is working for the receiving agency. However, an employee of a sending party who is participating in an interchange agreement pursuant to s. 10, chapter 91-429, Laws of Florida, shall be considered as on detail to regular work assignments of the sending party, and the sending party shall reimburse the receiving agency for the salary and benefits and expenses of such employee and any other direct costs of conducting the inspections during the time the employee is working for the receiving agency.

1. If on detail, an employee shall receive the same salary and benefits as if he or she were not on detail and shall remain the employee of the sending party for all purposes except that supervision during the period of detail may be governed by the interchange agreement.

2. If on leave, an employee shall have the same rights, benefits, and obligations as other employees in a leave status subject to exceptions provided in rules for state employees issued by the department or the rules or other decisions of the governing body of the municipality or political subdivision.

(b) The assignment of an employee of a state agency on detail or on leave of absence may be made without reimbursement by the receiving party for the travel and transportation expenses to or from the place of the assignment or for the pay and benefits, or a part thereof, of the employee during the assignment.

(c) If the rate of pay for an employee of an agency of the state on temporary assignment or on leave of absence is less than the rate of pay he or she would have received had the employee continued in his or her regular position, such employee is entitled to receive supplemental pay from the sending party in an amount equal to such difference.

(d) Any employee who participates in an exchange under the terms of this section who suffers disability or death as a result of personal injury arising out of and in the course of an exchange, or sustained in performance of duties in connection therewith, shall be treated, for the purposes of the sending party's employee compensation program, as an employee who sustained injury in the performance of duty, but shall not receive benefits under such program for any period for which the employee is entitled to, and elects to receive, similar benefits under the receiving party's employee compensation program.

(e) A sending party in this state may, in accordance with the travel regulations of such party, pay the travel expenses of an employee who is assigned to a receiving party on either detail or leave basis, but shall not pay the travel expenses of such an employee incurred in connection with work assignments at the receiving party. If the assignment or detail will exceed 8 months, travel expenses may include expenses to transport immediate family, household goods, and personal effects to and

from the location of the receiving party. If the period of assignment is 3 months or less, the sending party may pay a per diem allowance to the employee on assignment or detail.

(4)(a) When any agency, municipality, or political subdivision of this state acts as a receiving party, an employee of the sending party who is assigned under authority of this section may be given appointments by the receiving party covering the periods of such assignments, with compensation to be paid from the receiving party's funds, or without compensation, or be considered to be on detail to the receiving party.

(b) Appointments of persons so assigned may be made without regard to the laws or regulations governing the selection of employees of the receiving party.

(c) During the period of an assignment, the employee who is detailed to the receiving party shall not by virtue of such detail be considered an employee of the receiving party, except as provided in paragraph (d), nor shall the employee be paid a wage or salary by the receiving party. The supervision of an employee during the period of the detail may be governed by agreement between the sending party and the receiving party. A detail of an employee to a state agency may be made with or without reimbursement to the sending party by the receiving party for the pay and benefits, or a part thereof, of the employee during the period of the detail.

(d) If the sending party of an employee assigned to an agency, municipality, or political subdivision of this state fails to continue making the employer's contribution to the retirement, life insurance, and health benefit plans for that employee, the receiving party of this state may make the employer's contribution covering the period of the assignment or any part thereof.

(e) Any employee of a sending party assigned in this state who suffers disability or death as a result of personal injury arising out of and in the course of such assignment, or sustained in the performance of duties in connection therewith, shall be treated for the purpose of the receiving party's employee compensation program, as an employee who has sustained injury in the performance of duty, but shall not receive benefits under such program for any period for which he or she elects to receive similar benefits as an employee under the sending party's employee compensation program.

(f) A receiving party in this state may, in accordance with the travel regulations of such party, pay travel expenses of persons assigned thereto during the period of such assignments on the same basis as if they were regular employees of the receiving party.

(5) An agency may enter into agreements with private institutions of higher education in this state as the sending or receiving party as specified in subsections (3) and (4).

**History.**—s. 149, ch. 79-190; s. 1, ch. 85-1; s. 2, ch. 88-557; s. 1, ch. 89-315; s. 19, ch. 89-367; s. 43, ch. 92-279; s. 55, ch. 92-326; s. 695, ch. 95-147; s. 33, ch. 96-399; s. 2, ch. 98-331; s. 14, ch. 2008-153; s. 50, ch. 2009-82; s. 57, ch. 2010-153; s. 61, ch. 2011-47; s. 40, ch. 2012-119; s. 39, ch. 2013-41; s. 53, ch. 2014-53; s. 75, ch. 2015-222; s. 114, ch. 2016-62; s. 53, ch. 2017-71; s. 80, ch. 2018-10; s. 107, ch. 2019-116; s. 99, ch. 2020-114; s. 2, ch. 2022-5.

**112.25 Declaration of policy.**—The state recognizes that intergovernmental cooperation is an essential factor in resolving problems affecting this state and that the interchange of personnel between and among governmental agencies at the same or different levels of government is a significant factor in achieving such cooperation.

**History.**—s. 1, ch. 65-524.

**112.26 Definitions.**—For the purposes of this part, the following words and phrases have the meanings ascribed to them in this section:

(1) "Receiving agency" means any department or agency of the federal government or a state government which receives an employee of another government under this part.

(2) "Sending agency" means any department or agency of the federal government or a state government which sends any employee thereof to another government agency under this part.

**History.**—s. 2, ch. 65-524; s. 34, ch. 2023-8.

**112.27 Authority to interchange employees.**—

(1) Any department, agency, or instrumentality of the state is authorized to participate in a program of interchange of employees with departments, agencies, or instrumentalities of the state, the Federal Government, or another state, as a sending or receiving agency.

(2) The period of individual assignment or detail under an interchange program shall not exceed 12 months, nor shall any person be assigned or detailed for more than 12 months during any 36-month period. Details relating to any matter covered in this part may be the subject of an agreement between the sending and receiving agencies. Elected officials shall not be assigned from a sending agency nor detailed to a receiving agency.

History.—s. 3, ch. 65-524; s. 3, ch. 98-331.

**112.28 Status of employees of this state.—**

(1) Employees of a sending agency participating in an exchange of personnel as authorized in s. 112.27 may be considered during such participation to be on detail to regular work assignments of the sending agency.

(2) Employees who are on detail shall be entitled to the same salary and benefits to which they would otherwise be entitled and shall remain employees of the sending agency for all other purposes except that the supervision of their duties during the period of detail may be governed by agreement between the sending agency and the receiving agency.

(3) Any employee who participates in an exchange under the terms of this section who suffers disability or death as a result of personal injury arising out of and in the course of an exchange, or sustained in performance of duties in connection therewith, shall be treated, for the purposes of the sending agency's employee compensation program, as an employee, as defined in such act, who has sustained such injury in the performance of such duty, but shall not receive benefits under that act for any period for which he or she is entitled to and elects to receive similar benefits under the receiving agency's employee compensation program.

History.—s. 4, ch. 65-524; s. 696, ch. 95-147.

**112.29 Travel expenses of employees of this state.—**A sending agency in this state may, in accordance with the travel regulations of such agency, pay the travel expenses of employees assigned to a receiving agency on either a detail or leave basis, but shall not pay the travel expenses of such employees incurred in connection with their work assignments at the receiving agency. During the period of assignment, the sending agency may pay a per diem allowance to the employee on assignment or detail.

History.—s. 5, ch. 65-524.

**112.30 Status of employees of other governments.—**

(1) When any unit of government of this state acts as a receiving agency, employees of the sending agency who are assigned under authority of this part may be considered to be on detail to the receiving agency.

(2) Appointments of persons so assigned may be made without regard to the laws or regulations governing the selection of employees of the receiving agency. Such person shall be in the unclassified service of the state.

(3) Employees who are detailed to the receiving agency shall not by virtue of such detail be considered to be employees thereof, except as provided in subsection (4), nor shall they be paid a salary or wage by the receiving agency during the period of their detail. The supervision of the duties of such employees during the period of detail may be governed by agreement between the sending agency and the receiving agency.

(4) Any employee of a sending agency assigned in this state who suffers disability or death as a result of personal injury arising out of and in the course of such assignment, or sustained in the performance of duties in connection therewith, shall be treated for the purpose of sending agency's employee compensation program, as an employee, as defined in such act, who has sustained such injury in the performance of such duty, but shall not receive benefits under that act for any period for which he or she elects to receive similar benefits as an employee under the receiving agency's employee compensation program.

History.—s. 6, ch. 65-524; s. 697, ch. 95-147.

**112.31 Travel expenses of employees of other governments.—**A receiving agency in this state may, in accordance with the travel regulations of such agency, pay travel expenses of persons assigned thereto under this part during the period of such assignments on the same basis as if they were regular employees of the receiving agency.

History.—s. 7, ch. 65-524.

**PART III  
CODE OF ETHICS FOR  
PUBLIC OFFICERS AND EMPLOYEES**

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**112.311 Legislative intent and declaration of policy.—**

(1) It is essential to the proper conduct and operation of government that public officials be independent and impartial and that public office not be used for private gain other than the remuneration provided by law. The public interest, therefore, requires that the law protect against any conflict of interest and establish standards for the conduct of elected officials and government employees in situations where conflicts may exist.

(2) It is also essential that government attract those citizens best qualified to serve. Thus, the law against conflict of interest must be so designed as not to impede unreasonably or unnecessarily the recruitment and retention by government of those best qualified to serve. Public officials should not be denied the opportunity, available to all other citizens, to acquire and retain private economic interests except when conflicts with the responsibility of such officials to the public cannot be avoided.

(3) It is likewise essential that the people be free to seek redress of their grievances and express their opinions to all government officials on current issues and past or pending legislative and executive actions at every level of government. In order to preserve and maintain the integrity of the governmental process, it is necessary that the identity, expenditures, and activities of those persons who regularly engage in efforts to persuade public officials to take specific actions, either by direct communication with such officials or by solicitation of others to engage in such efforts, be regularly disclosed to the people.

(4) It is the intent of this act to implement these objectives of protecting the integrity of government and of facilitating the recruitment and retention of qualified personnel by prescribing restrictions against conflicts of interest without creating unnecessary barriers to public service.

(5) It is hereby declared to be the policy of the state that no officer or employee of a state agency or of a county, city, or other political subdivision of the state, and no member of the Legislature or legislative employee, shall have any interest, financial or otherwise, direct or indirect; engage in any business transaction or professional activity; or incur any obligation of any nature which is in substantial conflict with the proper discharge of his or her duties in the public interest. To implement this policy and strengthen the faith and confidence of the people of the state in their government, there is enacted a code of ethics setting forth standards of conduct required of state, county, and city officers and employees, and of officers and employees of other political subdivisions of the state, in the performance of their official duties. It is the intent of the Legislature that this code shall serve not only as a guide for the official conduct of public servants in this state, but also as a basis for discipline of those who violate the provisions of this part.

(6) It is declared to be the policy of the state that public officers and employees, state and local, are agents of the people and hold their positions for the benefit of the public. They are bound to uphold the Constitution of the United States and the State Constitution and to perform efficiently and faithfully their duties under the laws of the federal, state, and local governments. Such officers and employees are bound to observe, in their official acts, the highest standards of ethics consistent with this code and the advisory opinions rendered with respect hereto regardless of personal considerations, recognizing that promoting the public interest and maintaining the respect of the people in their government must be of foremost concern.

**History.**—s. 1, ch. 67-469; s. 1, ch. 69-335; s. 1, ch. 74-177; s. 2, ch. 75-208; s. 698, ch. 95-147.

**112.312 Definitions.**—As used in this part and for purposes of the provisions of s. 8, Art. II of the State Constitution, unless the context otherwise requires:

(1) “Advisory body” means any board, commission, committee, council, or authority, however selected, whose total budget, appropriations, or authorized expenditures constitute less than 1 percent of the budget of each agency it serves or \$100,000, whichever is less, and whose powers, jurisdiction, and authority are solely advisory and do not include the final determination or adjudication of any personal or property rights, duties, or obligations, other than those relating to its internal operations.

(2) “Agency” means any state, regional, county, local, or municipal government entity of this state, whether executive, judicial, or legislative; any department, division, bureau, commission,



authority, or political subdivision of this state therein; any public school, community college, or state university; or any special district as defined in s. 189.012.

(3) "Breach of the public trust" means a violation of a provision of the State Constitution or this part which establishes a standard of ethical conduct, a disclosure requirement, or a prohibition applicable to public officers or employees in order to avoid conflicts between public duties and private interests, including, without limitation, a violation of s. 8, Art. II of the State Constitution or of this part.

(4) "Business associate" means any person or entity engaged in or carrying on a business enterprise with a public officer, public employee, or candidate as a partner, joint venturer, corporate shareholder where the shares of such corporation are not listed on any national or regional stock exchange, or co-owner of property.

(5) "Business entity" means any corporation, partnership, limited partnership, company, limited liability company, proprietorship, firm, enterprise, franchise, association, self-employed individual, or trust, whether fictitiously named or not, doing business in this state.

(6) "Candidate" means any person who has filed a statement of financial interest and qualification papers, has subscribed to the candidate's oath as required by s. 99.021, and seeks by election to become a public officer. This definition expressly excludes a committeeman or committeewoman regulated by chapter 103 and persons seeking any other office or position in a political party.

(7) "Commission" means the Commission on Ethics created by s. 112.320 or any successor to which its duties are transferred.

(8) "Conflict" or "conflict of interest" means a situation in which regard for a private interest tends to lead to disregard of a public duty or interest.

(9) "Corruptly" means done with a wrongful intent and for the purpose of obtaining, or compensating or receiving compensation for, any benefit resulting from some act or omission of a public servant which is inconsistent with the proper performance of his or her public duties.

(10) "Disclosure period" means the calendar year, if disclosure is required for the entire year, or the portion of a calendar year ending with the last day of the period for which disclosure is required.

(11) "Facts materially related to the complaint at issue" means facts which tend to show a violation of this part or s. 8, Art. II of the State Constitution by the alleged violator other than those alleged in the complaint and consisting of separate instances of the same or similar conduct as alleged in the complaint, or which tend to show an additional violation of this part or s. 8, Art. II of the State Constitution by the alleged violator which arises out of or in connection with the allegations of the complaint.

(12)(a) "Gift," for purposes of ethics in government and financial disclosure required by law, means that which is accepted by a donee or by another on the donee's behalf, or that which is paid or given to another for or on behalf of a donee, directly, indirectly, or in trust for the donee's benefit or by any other means, for which equal or greater consideration is not given within 90 days, including:

1. Real property.
2. The use of real property.
3. Tangible or intangible personal property.
4. The use of tangible or intangible personal property.
5. A preferential rate or terms on a debt, loan, goods, or services, which rate is below the customary rate and is not either a government rate available to all other similarly situated government employees or officials or a rate which is available to similarly situated members of the public by virtue of occupation, affiliation, age, religion, sex, or national origin.
6. Forgiveness of an indebtedness.
7. Transportation, other than that provided to a public officer or employee by an agency in relation to officially approved governmental business, lodging, or parking.
8. Food or beverage.
9. Membership dues.
10. Entrance fees, admission fees, or tickets to events, performances, or facilities.
11. Plants, flowers, or floral arrangements.
12. Services provided by persons pursuant to a professional license or certificate.
13. Other personal services for which a fee is normally charged by the person providing the services.

14. Any other similar service or thing having an attributable value not already provided for in this section.

(b) "Gift" does not include:

1. Salary, benefits, services, fees, commissions, gifts, or expenses associated primarily with the donee's employment, business, or service as an officer or director of a corporation or organization.

2. Except as provided in s. 112.31485, contributions or expenditures reported pursuant to chapter 106, contributions or expenditures reported pursuant to federal election law, campaign-related personal services provided without compensation by individuals volunteering their time, or any other contribution or expenditure by a political party or affiliated party committee.

3. An honorarium or an expense related to an honorarium event paid to a person or the person's spouse.

4. An award, plaque, certificate, or similar personalized item given in recognition of the donee's public, civic, charitable, or professional service.

5. An honorary membership in a service or fraternal organization presented merely as a courtesy by such organization.

6. The use of a public facility or public property, made available by a governmental agency, for a public purpose.

7. Transportation provided to a public officer or employee by an agency in relation to officially approved governmental business.

8. Gifts provided directly or indirectly by a state, regional, or national organization which promotes the exchange of ideas between, or the professional development of, governmental officials or employees, and whose membership is primarily composed of elected or appointed public officials or staff, to members of that organization or officials or staff of a governmental agency that is a member of that organization.

(c) For the purposes of paragraph (a), "intangible personal property" means property as defined in s. 192.001(11)(b).

(d) For the purposes of paragraph (a), the term "consideration" does not include a promise to pay or otherwise provide something of value unless the promise is in writing and enforceable through the courts.

(13) "Indirect" or "indirect interest" means an interest in which legal title is held by another as trustee or other representative capacity, but the equitable or beneficial interest is held by the person required to file under this part.

(14) "Liability" means any monetary debt or obligation owed by the reporting person to another person, entity, or governmental entity, except for credit card and retail installment accounts, taxes owed unless reduced to a judgment, indebtedness on a life insurance policy owed to the company of issuance, contingent liabilities, or accrued income taxes on net unrealized appreciation. Each liability which is required to be disclosed by s. 8, Art. II of the State Constitution shall identify the name and address of the creditor.

(15) "Material interest" means direct or indirect ownership of more than 5 percent of the total assets or capital stock of any business entity. For the purposes of this act, indirect ownership does not include ownership by a spouse or minor child.

(16) "Materially affected" means involving an interest in real property located within the jurisdiction of the official's agency or involving an investment in a business entity, a source of income or a position of employment, office, or management in any business entity located within the jurisdiction or doing business within the jurisdiction of the official's agency which is or will be affected in a substantially different manner or degree than the manner or degree in which the public in general will be affected or, if the matter affects only a special class of persons, then affected in a substantially different manner or degree than the manner or degree in which such class will be affected.

(17) "Ministerial matter" means action that a person takes in a prescribed manner in obedience to the mandate of legal authority, without the exercise of the person's own judgment or discretion as to the propriety of the action taken.

(18) "Parties materially related to the complaint at issue" means any other public officer or employee within the same agency as the alleged violator who has engaged in the same conduct as that alleged in the complaint, or any other public officer or employee who has participated with the alleged violator in the alleged violation as a conspirator or as an aider and abettor.

(19) “Person or business entities provided a grant or privilege to operate” includes state and federally chartered banks, state and federal savings and loan associations, cemetery companies, insurance companies, mortgage companies, credit unions, small loan companies, alcoholic beverage licensees, pari-mutuel wagering companies, utility companies, and entities controlled by the Public Service Commission or granted a franchise to operate by either a city or county government.

(20) “Purchasing agent” means a public officer or employee having the authority to commit the expenditure of public funds through a contract for, or the purchase of, any goods, services, or interest in real property for an agency, as opposed to the authority to request or requisition a contract or purchase by another person.

(21) “Relative,” unless otherwise specified in this part, means an individual who is related to a public officer or employee as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, grandparent, great grandparent, grandchild, great grandchild, step grandparent, step great grandparent, step grandchild, step great grandchild, person who is engaged to be married to the public officer or employee or who otherwise holds himself or herself out as or is generally known as the person whom the public officer or employee intends to marry or with whom the public officer or employee intends to form a household, or any other natural person having the same legal residence as the public officer or employee.

(22) “Represent” or “representation” means actual physical attendance on behalf of a client in an agency proceeding, the writing of letters or filing of documents on behalf of a client, and personal communications made with the officers or employees of any agency on behalf of a client.

(23) “Source” means the name, address, and description of the principal business activity of a person or business entity.

(24) “Value of real property” means the most recently assessed value in lieu of a more current appraisal.

**History.**—s. 2, ch. 67-469; ss. 11, 12, ch. 68-35; s. 8, ch. 69-353; s. 2, ch. 74-177; s. 1, ch. 75-196; s. 1, ch. 75-199; s. 3, ch. 75-208; s. 4, ch. 76-18; s. 1, ch. 77-174; s. 2, ch. 82-98; s. 1, ch. 83-282; s. 2, ch. 90-502; s. 2, ch. 91-85; s. 3, ch. 91-292; s. 699, ch. 95-147; s. 1, ch. 96-328; s. 1, ch. 2000-243; ss. 28, 30, ch. 2011-6; s. 75, ch. 2011-40; HJR 7105, 2011 Regular Session; s. 1, ch. 2013-36; s. 3, ch. 2014-22; s. 2, ch. 2019-97.

**112.3121 Definitions.**—As used in this section and for purposes of implementing s. 8(f), Art. II of the State Constitution, the term:

(1) “Administrative action” means any process or decision regulated by chapter 120 or, for a state government body or agency or a political subdivision not subject to chapter 120, any action or a decision on a license, permit, waiver of regulation, development order or permit, or development agreement; any quasi-judicial proceeding on local government land use matters regulated by s. 286.0115(2); any decision subject to judicial review by petition for writ of certiorari or as otherwise prescribed by general law; or any other administrative procedure or procedure governed by existing law, ordinance, rule, or regulation, except on an issue of procurement.

(2) “Compensation” means a payment, a distribution, a loan, an advance, a reimbursement, a deposit, a salary, a fee, a retainer, or anything of value provided or owed to a recipient, directly or indirectly, from any source for lobbying activity.

(3) “Elected special district officer in a special district with ad valorem taxing authority” means an officer elected by the qualified electors of a special district, or appointed to fill an unexpired term of such officer, and does not include an officer elected by landowners when an election by qualified electors is a condition precedent to the exercise of the ad valorem taxing authority under s. 190.006(3). If such condition precedent does not apply, the term “elected special district officer in a special district with ad valorem taxing authority” means an officer elected by any method prescribed by law for a special district with ad valorem taxing authority.

(4) “Executive director” means the chief administrative employee or officer of a department headed by a board or by the Governor and Cabinet.

(5) “Federal government” means the United States Congress, any federal executive branch department, office, agency, or instrumentality, corporate or otherwise, or any federal independent agency, including any unit thereof.

(6) “Governmental entity” means a state government body or agency, the Legislature, a political subdivision, or the federal government.



(7) “Issue of appropriation” means a legislative decision to expend or approve an expenditure of public funds, including decisions that are delegated to an administrator.

(8) “Issue of policy” means a change in a law or an ordinance or a decision, plan, or course of action designed to influence or determine the subsequent decisions or actions of a governmental entity, to sell or otherwise divest public property, or to regulate conduct. The term does not include a decision or determination of any rights, duties, or obligations made on a case-by-case basis.

(9) “Issue of procurement” means a proposal to purchase or acquire property, an interest in property, or services by a governmental entity.

(10) “Legislative action” means introduction, sponsorship, testimony, debate, voting, or any other official action on a measure, a resolution, an amendment, a nomination, an appointment, a report, or an other matter.

(11)(a) “Lobby” means to influence or attempt to influence an action or decision through oral, written, or electronic communication and, with respect to:

1. A state government body or agency, is limited to influencing decisions, other than administrative action, that are vested in or delegated to the state government body or agency, or an officer thereof;

2. The Legislature or other body that is vested with legislative power or the power to propose revisions to the State Constitution, is limited to influencing a procurement decision or any legislative action or nonaction by either the Senate or the House of Representatives, or any committee or office thereof, or by such other body or a committee or office thereof;

3. A political subdivision, is limited to influencing legislative actions or other discretionary decisions, but does not include administrative actions; or

4. The federal government, is limited to influencing a decision of the legislative or executive branch of the United States government for which registration as a lobbyist is required.

(b) The term “lobby” does not mean any of the following:

1. Providing or seeking to provide confidential information to be used for law enforcement purposes.

2. Appearing as a witness to provide information at the written request of the chair of a legislative body or committee, including a legislative delegation meeting.

3. Appearing or offering written testimony under oath as an expert witness in any proceeding for any purpose related to the proceeding and communications related to such testimony.

(12)(a) “Lobby for compensation” means being employed or contracting for compensation, for the purpose of lobbying, and includes being principally employed for governmental affairs to lobby on behalf of a person or governmental entity.

(b) The term “lobby for compensation” does not include any of the following:

1. A public officer carrying out the duties of his or her public office.

2. A public or private employee, including an officer of a private business, nonprofit entity, or governmental entity, acting in the normal course of his or her duties, unless he or she is principally employed for governmental affairs.

3. Advice or services to a governmental entity pursuant to a contractual obligation with the governmental entity.

4. Representation of a person on a legal claim cognizable in a court of law, in an administrative proceeding, or in front of an adjudicatory body, including representation during prelitigation offers, demands, and negotiations, but excluding representation on a claim bill pending in the Legislature.

5. Representation of a person in any proceeding on a complaint or other allegation that could lead to discipline or other adverse action against the person.

6. Representation of a person with respect to a subpoena or other legal process.

(13) “Other agency head” means the chief administrative employee or officer of a department that is not headed by an executive director or secretary.

(14) “Political subdivision” means a county, municipality, school district, special district with ad valorem taxing authority, or any agency or unit thereof.

(15) “Principally employed for governmental affairs” means that the principal or most significant responsibility of the employee is to oversee the employer’s various relationships with governmental entities or representing the employer in its contacts with governmental entities.

(16) “Secretary” means the head of a department who is appointed by the Governor.

(17) “State government body or agency” means any department, agency, commission, council, board, or instrumentality created by the State Constitution or established by general law and any official or officer thereof. The term includes, but is not limited to, a state attorney, a public defender, a criminal conflict and civil regional counsel, and a capital collateral regional counsel.

History.—s. 1, ch. 2022-140.

**112.3122 Enforcement and penalties for constitutional prohibition against lobbying by a public officer.—**

(1) Section 8(f), Art. II of the State Constitution applies to persons serving as public officers on or after December 31, 2022.

(2) For purposes of administrative enforcement, a violation of s. 8(f), Art. II of the State Constitution is deemed a violation of this part.

(3) If the commission finds that there has been a violation of s. 8(f)(3), Art. II of the State Constitution, the commission must report its findings and recommendations for appropriate action to the Governor, who has the power to invoke any of the penalties under subsection (4).

(4) A violation of s. 8(f), Art. II of the State Constitution may be punished by one or more of the following:

(a) Public censure and reprimand.

(b) A civil penalty not to exceed \$10,000.

(c) Forfeiture of any pecuniary benefits received for conduct that violates this section. The amount of the pecuniary benefits must be paid to the General Revenue Fund.

(5) The Attorney General and Chief Financial Officer are independently authorized to collect any penalty imposed under this section.

History.—s. 2, ch. 2022-140.

**112.3123 Definitions.—**As used in this section and for purposes of implementing s. 13(b), Art. V of the State Constitution, the term:

(1) “Administrative action” means any process or decision regulated by chapter 120 or, for agencies of the executive branch of state government not subject to chapter 120, any action or a decision on a license, permit, waiver of regulation, or any other administrative procedure or procedure governed by existing law, rule, or regulation, except on an issue of procurement.

(2) “Compensation” means a payment, a distribution, a loan, an advance, a reimbursement, a deposit, a salary, a fee, a retainer, or anything of value provided or owed to a recipient, directly or indirectly, from any source for lobbying activity.

(3) “Governmental entity” means an officer or agency of the executive or legislative branches of state government.

(4) “Issue of appropriation” means a legislative decision to expend or approve an expenditure of public funds, including decisions that are delegated to an administrator.

(5) “Issue of policy” means a change in a law or a decision, plan, or course of action designed to influence or determine the subsequent decisions or actions of a governmental entity, to sell or otherwise divest public property, or to regulate conduct. The term does not include a decision or determination of any rights, duties, or obligations made on a case-by-case basis.

(6) “Issue of procurement” means a proposal to purchase or acquire property, an interest in property, or services by a governmental entity.

(7) “Legislative action” means introduction, sponsorship, testimony, debate, voting, or any other official action on a measure, a resolution, an amendment, a nomination, an appointment, a report, or an other matter.

(8)(a) “Lobby” means to influence or attempt to influence an action or decision through oral, written, or electronic communication and, with respect to:

1. The executive branch of state government, is limited to influencing decisions, other than administrative action, that are vested in or delegated to an agency or officer thereof.

2. The legislative branch of state government, is limited to influencing a procurement decision or any legislative action or nonaction by either the Senate or the House of Representatives, or any committee or office thereof.

(b) The term “lobby” does not mean any of the following:

1. Providing or seeking to provide confidential information to be used for law enforcement purposes.

2. Appearing as a witness to provide information at the written request of the chair of a legislative body or committee, including a legislative delegation meeting.

3. Appearing or offering written testimony under oath as an expert witness in any proceeding for any purpose related to the proceeding and communications related to such testimony.

(9)(a) “Lobby for compensation” means being employed or contracting for compensation for the purpose of lobbying, and includes being principally employed for governmental affairs to lobby on behalf of a person or public entity.

(b) The term “lobby for compensation” does not include any of the following:

1. A public officer carrying out the duties of his or her public office.

2. A public or private employee, including an officer of a private business, nonprofit entity, or any public entity acting in the normal course of his or her duties, unless he or she is principally employed for governmental affairs.

3. Advice or services to a governmental entity pursuant to a contractual obligation with the governmental entity.

4. Representation of a person on a legal claim cognizable in a court of law, in an administrative proceeding, or in front of an adjudicatory body, including representation during prelitigation offers, demands, and negotiations, but excluding representation on a claim bill pending in the Legislature.

5. Representation of a person in any proceeding on a complaint or other allegation that could lead to discipline or other adverse action against the person.

6. Representation of a person with respect to a subpoena or other legal process.

(10) “Principally employed for governmental affairs” means that the principal or most significant responsibility of the employee is to oversee the employer’s various relationships with governmental entities or representing the employer in its contacts with governmental entities.

History.—s. 1, ch. 2022-141.

**112.3124 Enforcement and penalties for constitutional prohibition against lobbying by a former justice or judge.—**

(1) Section 13(b), Art. V of the State Constitution applies to justices or judges who vacate their judicial position on or after December 31, 2022.

(2) For purposes of administrative enforcement, a violation of s. 13(b), Art. V of the State Constitution is deemed a violation of this part.

(3) If the commission finds that there has been a violation of s. 13(b), Art. V of the State Constitution, the commission must report its findings and recommendations for appropriate action to the Governor, who has the power to invoke any of the penalties under subsection (4).

(4) A violation of s. 13(b), Art. V of the State Constitution may be punished by one or more of the following:

(a) Public censure and reprimand.

(b) A civil penalty not to exceed \$10,000.

(c) Forfeiture of any pecuniary benefits received for conduct that violates this section. The amount of the pecuniary benefits must be paid to the General Revenue Fund.

(5) The Attorney General and Chief Financial Officer are independently authorized to collect any penalty imposed under this section.

History.—s. 2, ch. 2022-141.

**112.3125 Dual public employment.—**

(1) As used in this section, the term “public officer” includes any person who is elected to state or local office or, for the period of his or her candidacy, any person who has qualified as a candidate for state or local office.

(2) A public officer may not accept public employment with the state or any of its political subdivisions if the public officer knows, or with the exercise of reasonable care should know, that the position is being offered by the employer for the purpose of gaining influence or other advantage based on the public officer’s office or candidacy.

(3) Any public employment accepted by a public officer must meet all of the following conditions:

(a) The position was already in existence or was created by the employer without the knowledge or anticipation of the public officer’s interest in such position;

(b) The position was publicly advertised;

(c) The public officer was subject to the same application and hiring process as other candidates for the position; and

(d) The public officer meets or exceeds the required qualifications for the position.

(4) A person who was employed by the state or any of its political subdivisions before qualifying as a public officer for his or her current term of office or the next available term of office may continue his or her employment. However, he or she may not accept promotion, advancement, additional compensation, or anything of value that he or she knows, or with the exercise of reasonable care should know, is provided or given as a result of his or her election or position, or that is otherwise inconsistent with the promotion, advancement, additional compensation, or anything of value provided or given an employee who is similarly situated.

(5) This section may not be interpreted as authorizing employment that is otherwise prohibited by law.

History.—s. 2, ch. 2013-36.

**112.313 Standards of conduct for public officers, employees of agencies, and local government attorneys.—**

(1) DEFINITION.—As used in this section, unless the context otherwise requires, the term “public officer” includes any person elected or appointed to hold office in any agency, including any person serving on an advisory body.

(2) SOLICITATION OR ACCEPTANCE OF GIFTS.—No public officer, employee of an agency, local government attorney, or candidate for nomination or election shall solicit or accept anything of value to the recipient, including a gift, loan, reward, promise of future employment, favor, or service, based upon any understanding that the vote, official action, or judgment of the public officer, employee, local government attorney, or candidate would be influenced thereby.

(3) DOING BUSINESS WITH ONE’S AGENCY.—No employee of an agency acting in his or her official capacity as a purchasing agent, or public officer acting in his or her official capacity, shall either directly or indirectly purchase, rent, or lease any realty, goods, or services for his or her own agency from any business entity of which the officer or employee or the officer’s or employee’s spouse or child is an officer, partner, director, or proprietor or in which such officer or employee or the officer’s or employee’s spouse or child, or any combination of them, has a material interest. Nor shall a public officer or employee, acting in a private capacity, rent, lease, or sell any realty, goods, or services to the officer’s or employee’s own agency, if he or she is a state officer or employee, or to any political subdivision or any agency thereof, if he or she is serving as an officer or employee of that political subdivision. The foregoing shall not apply to district offices maintained by legislators when such offices are located in the legislator’s place of business or when such offices are on property wholly or partially owned by the legislator. This subsection shall not affect or be construed to prohibit contracts entered into prior to:

(a) October 1, 1975.

(b) Qualification for elective office.

(c) Appointment to public office.

(d) Beginning public employment.

(4) UNAUTHORIZED COMPENSATION.—No public officer, employee of an agency, or local government attorney or his or her spouse or minor child shall, at any time, accept any compensation, payment, or thing of value when such public officer, employee, or local government attorney knows, or, with the exercise of reasonable care, should know, that it was given to influence a vote or other action in which the officer, employee, or local government attorney was expected to participate in his or her official capacity.

(5) SALARY AND EXPENSES.—No public officer shall be prohibited from voting on a matter affecting his or her salary, expenses, or other compensation as a public officer, as provided by law. No local government attorney shall be prevented from considering any matter affecting his or her salary, expenses, or other compensation as the local government attorney, as provided by law.

(6) MISUSE OF PUBLIC POSITION.—No public officer, employee of an agency, or local government attorney shall corruptly use or attempt to use his or her official position or any property or resource which may be within his or her trust, or perform his or her official duties, to secure a special privilege, benefit, or exemption for himself, herself, or others. This section shall not be construed to conflict with s. 104.31.

(7) CONFLICTING EMPLOYMENT OR CONTRACTUAL RELATIONSHIP.—

(a) No public officer or employee of an agency shall have or hold any employment or contractual relationship with any business entity or any agency which is subject to the regulation of, or is doing business with, an agency of which he or she is an officer or employee, excluding those organizations and their officers who, when acting in their official capacity, enter into or negotiate a collective bargaining contract with the state or any municipality, county, or other political subdivision of the state; nor shall an officer or employee of an agency have or hold any employment or contractual relationship that will create a continuing or frequently recurring conflict between his or her private interests and the performance of his or her public duties or that would impede the full and faithful discharge of his or her public duties.

1. When the agency referred to is that certain kind of special tax district created by general or special law and is limited specifically to constructing, maintaining, managing, and financing improvements in the land area over which the agency has jurisdiction, or when the agency has been organized pursuant to chapter 298, then employment with, or entering into a contractual relationship with, such business entity by a public officer or employee of such agency is not prohibited by this subsection<sup>1</sup> or deemed a conflict per se. However, conduct by such officer or employee that is prohibited by, or otherwise frustrates the intent of, this section, including conduct that violates subsections (6) and (8), is deemed a conflict of interest in violation of the standards of conduct set forth by this section.

2. When the agency referred to is a legislative body and the regulatory power over the business entity resides in another agency, or when the regulatory power which the legislative body exercises over the business entity or agency is strictly through the enactment of laws or ordinances, then employment or a contractual relationship with such business entity by a public officer or employee of a legislative body shall not be prohibited by this subsection or be deemed a conflict.

(b) This subsection shall not prohibit a public officer or employee from practicing in a particular profession or occupation when such practice by persons holding such public office or employment is required or permitted by law or ordinance.

(8) DISCLOSURE OR USE OF CERTAIN INFORMATION.—A current or former public officer, employee of an agency, or local government attorney may not disclose or use information not available to members of the general public and gained by reason of his or her official position, except for information relating exclusively to governmental practices, for his or her personal gain or benefit or for the personal gain or benefit of any other person or business entity.

(9) POSTEMPLOYMENT RESTRICTIONS; STANDARDS OF CONDUCT FOR LEGISLATORS AND LEGISLATIVE EMPLOYEES.—

(a)1. It is the intent of the Legislature to implement by statute the provisions of s. 8(e), Art. II of the State Constitution relating to legislators, statewide elected officers, appointed state officers, and designated public employees.

2. As used in this paragraph:

a. “Employee” means:

(I) Any person employed in the executive or legislative branch of government holding a position in the Senior Management Service as defined in s. 110.402 or any person holding a position in the Selected Exempt Service as defined in s. 110.602 or any person having authority over policy or procurement employed by the Department of the Lottery.

(II) The Auditor General, the director of the Office of Program Policy Analysis and Government Accountability, the Sergeant at Arms and Secretary of the Senate, and the Sergeant at Arms and Clerk of the House of Representatives.

(III) The executive director and deputy executive director of the Commission on Ethics.

(IV) An executive director, staff director, or deputy staff director of each joint committee, standing committee, or select committee of the Legislature; an executive director, staff director, executive assistant, analyst, or attorney of the Office of the President of the Senate, the Office of the Speaker of the House of Representatives, the Senate Majority Party Office, Senate Minority Party Office, House Majority Party Office, or House Minority Party Office; or any person, hired on a contractual basis, having the power normally conferred upon such persons, by whatever title.

(V) The Chancellor and Vice Chancellors of the State University System; the general counsel to the Board of Governors of the State University System; and the president, provost, vice presidents, and deans of each state university.



(VI) Any person, including an other-personal-services employee, having the power normally conferred upon the positions referenced in this sub-subparagraph.

b. "Appointed state officer" means any member of an appointive board, commission, committee, council, or authority of the executive or legislative branch of state government whose powers, jurisdiction, and authority are not solely advisory and include the final determination or adjudication of any personal or property rights, duties, or obligations, other than those relative to its internal operations.

c. "State agency" means an entity of the legislative, executive, or judicial branch of state government over which the Legislature exercises plenary budgetary and statutory control.

3.a. No member of the Legislature, appointed state officer, or statewide elected officer shall personally represent another person or entity for compensation before the government body or agency of which the individual was an officer or member for a period of 2 years following vacation of office. No member of the Legislature shall personally represent another person or entity for compensation during his or her term of office before any state agency other than judicial tribunals or in settlement negotiations after the filing of a lawsuit.

b. For a period of 2 years following vacation of office, a former member of the Legislature may not act as a lobbyist for compensation before an executive branch agency, agency official, or employee. The terms used in this sub-subparagraph have the same meanings as provided in s. 112.3215.

4. An agency employee, including an agency employee who was employed on July 1, 2001, in a Career Service System position that was transferred to the Selected Exempt Service System under chapter 2001-43, Laws of Florida, may not personally represent another person or entity for compensation before the agency with which he or she was employed for a period of 2 years following vacation of position, unless employed by another agency of state government.

5. Any person violating this paragraph shall be subject to the penalties provided in s. 112.317 and a civil penalty of an amount equal to the compensation which the person receives for the prohibited conduct.

6. This paragraph is not applicable to:

a. A person employed by the Legislature or other agency prior to July 1, 1989;

b. A person who was employed by the Legislature or other agency on July 1, 1989, whether or not the person was a defined employee on July 1, 1989;

c. A person who was a defined employee of the State University System or the Public Service Commission who held such employment on December 31, 1994;

d. A person who has reached normal retirement age as defined in s. 121.021(29), and who has retired under the provisions of chapter 121 by July 1, 1991; or

e. Any appointed state officer whose term of office began before January 1, 1995, unless reappointed to that office on or after January 1, 1995.

(b) In addition to the provisions of this part which are applicable to legislators and legislative employees by virtue of their being public officers or employees, the conduct of members of the Legislature and legislative employees shall be governed by the ethical standards provided in the respective rules of the Senate or House of Representatives which are not in conflict herewith.

(10) EMPLOYEES HOLDING OFFICE.—

(a) No employee of a state agency or of a county, municipality, special taxing district, or other political subdivision of the state shall hold office as a member of the governing board, council, commission, or authority, by whatever name known, which is his or her employer while, at the same time, continuing as an employee of such employer.

(b) The provisions of this subsection shall not apply to any person holding office in violation of such provisions on the effective date of this act. However, such a person shall surrender his or her conflicting employment prior to seeking reelection or accepting reappointment to office.

(11) PROFESSIONAL AND OCCUPATIONAL LICENSING BOARD MEMBERS.—No officer, director, or administrator of a Florida state, county, or regional professional or occupational organization or association, while holding such position, shall be eligible to serve as a member of a state examining or licensing board for the profession or occupation.

(12) EXEMPTION.—The requirements of subsections (3) and (7) as they pertain to persons serving on advisory boards may be waived in a particular instance by the body which appointed the person to the advisory board, upon a full disclosure of the transaction or relationship to the appointing body prior to

the waiver and an affirmative vote in favor of waiver by two-thirds vote of that body. In instances in which appointment to the advisory board is made by an individual, waiver may be effected, after public hearing, by a determination by the appointing person and full disclosure of the transaction or relationship by the appointee to the appointing person. In addition, no person shall be held in violation of subsection (3) or subsection (7) if:

(a) Within a city or county the business is transacted under a rotation system whereby the business transactions are rotated among all qualified suppliers of the goods or services within the city or county.

(b) The business is awarded under a system of sealed, competitive bidding to the lowest or best bidder and:

1. The official or the official's spouse or child has in no way participated in the determination of the bid specifications or the determination of the lowest or best bidder;

2. The official or the official's spouse or child has in no way used or attempted to use the official's influence to persuade the agency or any personnel thereof to enter such a contract other than by the mere submission of the bid; and

3. The official, prior to or at the time of the submission of the bid, has filed a statement with the Commission on Ethics, if the official is a state officer or employee, or with the supervisor of elections of the county in which the agency has its principal office, if the official is an officer or employee of a political subdivision, disclosing the official's interest, or the interest of the official's spouse or child, and the nature of the intended business.

(c) The purchase or sale is for legal advertising in a newspaper, for any utilities service, or for passage on a common carrier.

(d) An emergency purchase or contract which would otherwise violate a provision of subsection (3) or subsection (7) must be made in order to protect the health, safety, or welfare of the citizens of the state or any political subdivision thereof.

(e) The business entity involved is the only source of supply within the political subdivision of the officer or employee and there is full disclosure by the officer or employee of his or her interest in the business entity to the governing body of the political subdivision prior to the purchase, rental, sale, leasing, or other business being transacted.

(f) The total amount of the transactions in the aggregate between the business entity and the agency does not exceed \$500 per calendar year.

(g) The fact that a county or municipal officer or member of a public board or body, including a district school officer or an officer of any district within a county, is a stockholder, officer, or director of a bank will not bar such bank from qualifying as a depository of funds coming under the jurisdiction of any such public board or body, provided it appears in the records of the agency that the governing body of the agency has determined that such officer or member of a public board or body has not favored such bank over other qualified banks.

(h) The transaction is made pursuant to s. 1004.22 or s. 1004.23 and is specifically approved by the president and the chair of the university board of trustees. The chair of the university board of trustees shall submit to the Governor and the Legislature by March 1 of each year a report of the transactions approved pursuant to this paragraph during the preceding year.

(i) The public officer or employee purchases in a private capacity goods or services, at a price and upon terms available to similarly situated members of the general public, from a business entity which is doing business with his or her agency.

(j) The public officer or employee in a private capacity purchases goods or services from a business entity which is subject to the regulation of his or her agency and:

1. The price and terms of the transaction are available to similarly situated members of the general public; and

2. The officer or employee makes full disclosure of the relationship to the agency head or governing body prior to the transaction.

(13) COUNTY AND MUNICIPAL ORDINANCES AND SPECIAL DISTRICT AND SCHOOL DISTRICT RESOLUTIONS REGULATING FORMER OFFICERS OR EMPLOYEES.—The governing body of any county or municipality may adopt an ordinance and the governing body of any special district or school district may adopt a resolution providing that an appointed county, municipal, special district, or school district officer or a county, municipal, special district, or school district employee may not personally represent another person or entity for compensation before the government body or agency of which

the individual was an officer or employee for a period of 2 years following vacation of office or termination of employment, except for the purposes of collective bargaining. Nothing in this section may be construed to prohibit such ordinance or resolution.

(14) **LOBBYING BY FORMER LOCAL OFFICERS; PROHIBITION.**—A person who has been elected to any county, municipal, special district, or school district office or appointed superintendent of a school district may not personally represent another person or entity for compensation before the government body or agency of which the person was an officer for a period of 2 years after vacating that office. For purposes of this subsection:

(a) The “government body or agency” of a member of a board of county commissioners consists of the commission, the chief administrative officer or employee of the county, and their immediate support staff.

(b) The “government body or agency” of any other county elected officer is the office or department headed by that officer, including all subordinate employees.

(c) The “government body or agency” of an elected municipal officer consists of the governing body of the municipality, the chief administrative officer or employee of the municipality, and their immediate support staff.

(d) The “government body or agency” of an elected special district officer is the special district.

(e) The “government body or agency” of an elected school district officer is the school district.

(15) **ADDITIONAL EXEMPTION.**—No elected public officer shall be held in violation of subsection (7) if the officer maintains an employment relationship with an entity which is currently a tax-exempt organization under s. 501(c) of the Internal Revenue Code and which contracts with or otherwise enters into a business relationship with the officer’s agency and:

(a) The officer’s employment is not directly or indirectly compensated as a result of such contract or business relationship;

(b) The officer has in no way participated in the agency’s decision to contract or to enter into the business relationship with his or her employer, whether by participating in discussion at the meeting, by communicating with officers or employees of the agency, or otherwise; and

(c) The officer abstains from voting on any matter which may come before the agency involving the officer’s employer, publicly states to the assembly the nature of the officer’s interest in the matter from which he or she is abstaining, and files a written memorandum as provided in s. 112.3143.

(16) **LOCAL GOVERNMENT ATTORNEYS.**—

(a) For the purposes of this section, “local government attorney” means any individual who routinely serves as the attorney for a unit of local government. The term shall not include any person who renders legal services to a unit of local government pursuant to contract limited to a specific issue or subject, to specific litigation, or to a specific administrative proceeding. For the purposes of this section, “unit of local government” includes, but is not limited to, municipalities, counties, and special districts.

(b) It shall not constitute a violation of subsection (3) or subsection (7) for a unit of local government to contract with a law firm, operating as either a partnership or a professional association, or in any combination thereof, or with a local government attorney who is a member of or is otherwise associated with the law firm, to provide any or all legal services to the unit of local government, so long as the local government attorney is not a full-time employee or member of the governing body of the unit of local government. However, the standards of conduct as provided in subsections (2), (4), (5), (6), and (8) shall apply to any person who serves as a local government attorney.

(c) No local government attorney or law firm in which the local government attorney is a member, partner, or employee shall represent a private individual or entity before the unit of local government to which the local government attorney provides legal services. A local government attorney whose contract with the unit of local government does not include provisions that authorize or mandate the use of the law firm of the local government attorney to complete legal services for the unit of local government shall not recommend or otherwise refer legal work to that attorney’s law firm to be completed for the unit of local government.

(17) **BOARD OF GOVERNORS AND BOARDS OF TRUSTEES.**—No citizen member of the Board of Governors of the State University System, nor any citizen member of a board of trustees of a local constituent university, shall have or hold any employment or contractual relationship as a legislative lobbyist requiring annual registration and reporting pursuant to s. 11.045.



**History.**—s. 3, ch. 67-469; s. 2, ch. 69-335; ss. 10, 35, ch. 69-106; s. 3, ch. 74-177; ss. 4, 11, ch. 75-208; s. 1, ch. 77-174; s. 1, ch. 77-349; s. 4, ch. 82-98; s. 2, ch. 83-26; s. 6, ch. 83-282; s. 14, ch. 85-80; s. 12, ch. 86-145; s. 1, ch. 88-358; s. 1, ch. 88-408; s. 3, ch. 90-502; s. 3, ch. 91-85; s. 4, ch. 91-292; s. 1, ch. 92-35; s. 1, ch. 94-277; s. 1406, ch. 95-147; s. 3, ch. 96-311; s. 34, ch. 96-318; s. 41, ch. 99-2; s. 29, ch. 2001-266; s. 20, ch. 2002-1; s. 894, ch. 2002-387; s. 2, ch. 2005-285; s. 2, ch. 2006-275; s. 10, ch. 2007-217; s. 16, ch. 2011-34; s. 3, ch. 2013-36; s. 2, ch. 2018-5; s. 1, ch. 2023-121.

<sup>1</sup>**Note.**—The word “be” following the word “or” was deleted by the editors to improve clarity.

**112.3135 Restriction on employment of relatives.—**

(1) In this section, unless the context otherwise requires:

(a) “Agency” means:

1. A state agency, except an institution under the jurisdiction of the Board of Governors of the State University System;
2. An office, agency, or other establishment in the legislative branch;
3. An office, agency, or other establishment in the judicial branch;
4. A county;
5. A city; and
6. Any other political subdivision of the state, except a district school board or community college district.

(b) “Collegial body” means a governmental entity marked by power or authority vested equally in each of a number of colleagues.

(c) “Public official” means an officer, including a member of the Legislature, the Governor, and a member of the Cabinet, or an employee of an agency in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals or to recommend individuals for appointment, employment, promotion, or advancement in connection with employment in an agency, including the authority as a member of a collegial body to vote on the appointment, employment, promotion, or advancement of individuals.

(d) “Relative,” for purposes of this section only, with respect to a public official, means an individual who is related to the public official as father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

(2)(a) A public official may not appoint, employ, promote, or advance, or advocate for appointment, employment, promotion, or advancement, in or to a position in the agency in which the official is serving or over which the official exercises jurisdiction or control any individual who is a relative of the public official. An individual may not be appointed, employed, promoted, or advanced in or to a position in an agency if such appointment, employment, promotion, or advancement has been advocated by a public official, serving in or exercising jurisdiction or control over the agency, who is a relative of the individual or if such appointment, employment, promotion, or advancement is made by a collegial body of which a relative of the individual is a member. However, this subsection shall not apply to appointments to boards other than those with land-planning or zoning responsibilities in those municipalities with less than 35,000 population. This subsection does not apply to persons serving in a volunteer capacity who provide emergency medical, firefighting, or police services. Such persons may receive, without losing their volunteer status, reimbursements for the costs of any training they get relating to the provision of volunteer emergency medical, firefighting, or police services and payment for any incidental expenses relating to those services that they provide.

(b) Mere approval of budgets shall not be sufficient to constitute “jurisdiction or control” for the purposes of this section.

(3) An agency may prescribe regulations authorizing the temporary employment, in the event of an emergency as defined in s. 252.34, of individuals whose employment would be otherwise prohibited by this section.

(4) Legislators’ relatives may be employed as pages or messengers during legislative sessions.

**History.**—ss. 1, 2, 3, ch. 69-341; ss. 15, 35, ch. 69-106; s. 70, ch. 72-221; s. 3, ch. 83-334; s. 1, ch. 89-67; s. 4, ch. 90-502; s. 2, ch. 94-277; s. 1407, ch. 95-147; s. 1, ch. 98-160; s. 42, ch. 99-2; s. 11, ch. 2007-217; s. 47, ch. 2011-142.

**Note.**—Former s. 116.111.

**112.3136 Standards of conduct for officers and employees of entities serving as chief administrative officer of political subdivisions.—**The officers, directors, and chief executive officer of a corporation, partnership, or other business entity that is serving as the chief administrative or

executive officer or employee of a political subdivision, and any business entity employee who is acting as the chief administrative or executive officer or employee of the political subdivision, for the purposes of the following sections, are public officers and employees who are subject to the following standards of conduct of this part:

(1) Section 112.313, and their “agency” is the political subdivision that they serve; however, the contract under which the business entity serves as chief executive or administrative officer of the political subdivision is not deemed to violate s. 112.313(3) or (7).

(2) Section 112.3145, as a “local officer.”

(3) Sections 112.3148 and 112.3149, as a “reporting individual.”

History.—s. 1, ch. 2009-126.

**112.3142 Ethics training for specified constitutional officers, elected municipal officers, commissioners of community redevelopment agencies, and elected local officers of independent special districts.—**

(1) As used in this section, the term “constitutional officers” includes the Governor, the Lieutenant Governor, the Attorney General, the Chief Financial Officer, the Commissioner of Agriculture, state attorneys, public defenders, sheriffs, tax collectors, property appraisers, supervisors of elections, clerks of the circuit court, county commissioners, district school board members, and superintendents of schools.

(2)(a) All constitutional officers must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation if the required subjects are covered.

(b) All elected municipal officers must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation if the required subjects are covered.

(c) Beginning January 1, 2020, each commissioner of a community redevelopment agency created under part III of chapter 163 must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation, if the required subject material is covered by the class.

(d) Beginning January 1, 2024, each elected local officer of an independent special district, as defined in s. 189.012, and each person who is appointed to fill a vacancy for an unexpired term of such elective office must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation, if the required subject matter is covered by such class, seminar, or presentation.

(e) The commission shall adopt rules establishing minimum course content for the portion of an ethics training class which addresses s. 8, Art. II of the State Constitution and the Code of Ethics for Public Officers and Employees.

(f) The Legislature intends that a constitutional officer, a commissioner of a community redevelopment agency, an elected municipal officer, or an elected local officer of an independent special district who is required to complete ethics training pursuant to this section receive the required training as close as possible to the date that he or she assumes office. A constitutional officer, a commissioner of a community redevelopment agency, an elected municipal officer, or an elected local officer of an independent special district assuming a new office or new term of office on or before March 31 must complete the annual training on or before December 31 of the year in which the term of office began. A constitutional officer, a commissioner of a community redevelopment agency, an elected municipal officer, or an elected local officer of an independent special district assuming a new

office or new term of office after March 31 is not required to complete ethics training for the calendar year in which the term of office began.

(3) Each house of the Legislature shall provide for ethics training pursuant to its rules.

History.—s. 4, ch. 2013-36; s. 2, ch. 2014-183; s. 1, ch. 2019-163; s. 2, ch. 2023-49; s. 2, ch. 2023-121.

**112.3143 Voting conflicts.—**

(1) As used in this section:

(a) “Principal by whom retained” means an individual or entity, other than an agency as defined in s. 112.312(2), that for compensation, salary, pay, consideration, or similar thing of value, has permitted or directed another to act for the individual or entity, and includes, but is not limited to, one’s client, employer, or the parent, subsidiary, or sibling organization of one’s client or employer.

(b) “Public officer” includes any person elected or appointed to hold office in any agency, including any person serving on an advisory body.

(c) “Relative” means any father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, or daughter-in-law.

(d) “Special private gain or loss” means an economic benefit or harm that would inure to the officer, his or her relative, business associate, or principal, unless the measure affects a class that includes the officer, his or her relative, business associate, or principal, in which case, at least the following factors must be considered when determining whether a special private gain or loss exists:

1. The size of the class affected by the vote.
2. The nature of the interests involved.
3. The degree to which the interests of all members of the class are affected by the vote.
4. The degree to which the officer, his or her relative, business associate, or principal receives a greater benefit or harm when compared to other members of the class.

The degree to which there is uncertainty at the time of the vote as to whether there would be any economic benefit or harm to the public officer, his or her relative, business associate, or principal and, if so, the nature or degree of the economic benefit or harm must also be considered.

(2)(a) A state public officer may not vote on any matter that the officer knows would inure to his or her special private gain or loss. Any state public officer who abstains from voting in an official capacity upon any measure that the officer knows would inure to the officer’s special private gain or loss, or who votes in an official capacity on a measure that he or she knows would inure to the special private gain or loss of any principal by whom the officer is retained or to the parent organization or subsidiary of a corporate principal by which the officer is retained other than an agency as defined in s. 112.312(2); or which the officer knows would inure to the special private gain or loss of a relative or business associate of the public officer, shall make every reasonable effort to disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes. If it is not possible for the state public officer to file a memorandum before the vote, the memorandum must be filed with the person responsible for recording the minutes of the meeting no later than 15 days after the vote.

(b) A member of the Legislature may satisfy the disclosure requirements of this section by filing a disclosure form created pursuant to the rules of the member’s respective house if the member discloses the information required by this subsection.

(3)(a) No county, municipal, or other local public officer shall vote in an official capacity upon any measure which would inure to his or her special private gain or loss; which he or she knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained, other than an agency as defined in s. 112.312(2); or which he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Such public officer shall, prior to the vote being taken, publicly state to the assembly the nature of the officer’s interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

(b) However, a commissioner of a community redevelopment agency created or designated pursuant to s. 163.356 or s. 163.357, or an officer of an independent special tax district elected on a one-acre, one-vote basis, is not prohibited from voting, when voting in said capacity.

(4) No appointed public officer shall participate in any matter which would inure to the officer's special private gain or loss; which the officer knows would inure to the special private gain or loss of any principal by whom he or she is retained or to the parent organization or subsidiary of a corporate principal by which he or she is retained; or which he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer, without first disclosing the nature of his or her interest in the matter.

(a) Such disclosure, indicating the nature of the conflict, shall be made in a written memorandum filed with the person responsible for recording the minutes of the meeting, prior to the meeting in which consideration of the matter will take place, and shall be incorporated into the minutes. Any such memorandum shall become a public record upon filing, shall immediately be provided to the other members of the agency, and shall be read publicly at the next meeting held subsequent to the filing of this written memorandum.

(b) In the event that disclosure has not been made prior to the meeting or that any conflict is unknown prior to the meeting, the disclosure shall be made orally at the meeting when it becomes known that a conflict exists. A written memorandum disclosing the nature of the conflict shall then be filed within 15 days after the oral disclosure with the person responsible for recording the minutes of the meeting and shall be incorporated into the minutes of the meeting at which the oral disclosure was made. Any such memorandum shall become a public record upon filing, shall immediately be provided to the other members of the agency, and shall be read publicly at the next meeting held subsequent to the filing of this written memorandum.

(c) For purposes of this subsection, the term "participate" means any attempt to influence the decision by oral or written communication, whether made by the officer or at the officer's direction.

(5) If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

(6) Whenever a public officer or former public officer is being considered for appointment or reappointment to public office, the appointing body shall consider the number and nature of the memoranda of conflict previously filed under this section by said officer.

**History.**—s. 6, ch. 75-208; s. 2, ch. 84-318; s. 1, ch. 84-357; s. 2, ch. 86-148; s. 5, ch. 91-85; s. 3, ch. 94-277; s. 1408, ch. 95-147; s. 43, ch. 99-2; s. 6, ch. 2013-36.

#### **112.3144 Full and public disclosure of financial interests.—**

(1)(a) An officer who is required by s. 8, Art. II of the State Constitution to file a full and public disclosure of his or her financial interests for any calendar or fiscal year, or any other person required by law to file a disclosure under this section, shall file that disclosure with the Florida Commission on Ethics. Additionally, an officer who is required to complete annual ethics training pursuant to s. 112.3142 must certify on his or her full and public disclosure of financial interests that he or she has completed the required training.

(b) A member of an expressway authority, transportation authority, bridge authority, toll authority, or expressway agency created pursuant to chapter 343, chapter 348, or any other general law shall comply with the applicable financial disclosure requirements of s. 8, Art. II of the State Constitution.

(c) Each member of the governing body of a large-hub commercial service airport, except for members required to comply with the financial disclosure requirements of s. 8, Art. II of the State Constitution, shall comply with the financial disclosure requirements of s. 112.3145(3). For purposes of this paragraph, the term "large-hub commercial service airport" means a publicly owned airport that has at least 1 percent of the annual passenger boardings in the United States as reported by the Federal Aviation Administration.

(d) Beginning January 1, 2024, the following local officers must comply with the financial disclosure requirements of s. 8, Art. II of the State Constitution and this section:

1. Mayors.
2. Elected members of the governing body of a municipality.

(e) Beginning January 1, 2024, each member of the Commission on Ethics must comply with the financial disclosure requirements of s. 8, Art. II of the State Constitution and this section.

(2) Beginning January 1, 2022, all disclosures filed with the commission must be filed electronically through an electronic filing system that is created and maintained by the commission as provided in s. 112.31446.

(3) A person who is required, pursuant to s. 8, Art. II of the State Constitution, to file a full and public disclosure of financial interests and who has filed a full and public disclosure of financial interests for any calendar or fiscal year is not required to file a statement of financial interests pursuant to s. 112.3145(2) and (3) for the same year or for any part thereof notwithstanding any requirement of this part. Until the electronic filing system required by subsection (2) is implemented, if an incumbent in an elective office has filed the full and public disclosure of financial interests to qualify for election to the same office or if a candidate for office holds another office subject to the annual filing requirement, the qualifying officer shall forward an electronic copy of the full and public disclosure of financial interests to the commission no later than July 1. The electronic copy of the full and public disclosure of financial interests satisfies the annual disclosure requirement of this section. A candidate who does not qualify until after the annual full and public disclosure of financial interests has been filed pursuant to this section shall file a copy of his or her disclosure with the officer before whom he or she qualifies.

(4) Beginning January 1, 2022, an incumbent in an elective office or a candidate holding another position subject to an annual filing requirement may submit a copy of the full and public disclosure of financial interests filed with the commission, or a verification or receipt of the filing, with the officer before whom he or she qualifies. A candidate not subject to an annual filing requirement does not file with the commission, but may complete and print a full and public disclosure of financial interests to file with the officer before whom he or she qualifies.

(5) For purposes of full and public disclosure under s. 8(a), Art. II of the State Constitution, the following items, if not held for investment purposes and if valued at over \$1,000 in the aggregate, may be reported in a lump sum and identified as “household goods and personal effects”:

- (a) Jewelry;
- (b) Collections of stamps, guns, and numismatic properties;
- (c) Art objects;
- (d) Household equipment and furnishings;
- (e) Clothing;
- (f) Other household items; and
- (g) Vehicles for personal use.

(6)(a) With respect to reporting, assets valued in excess of \$1,000 which the reporting individual holds jointly with another person, the amount reported shall be based on the reporting individual’s legal percentage of ownership in the property. However, assets that are held jointly, with right of survivorship, must be reported at 100 percent of the value of the asset. For purposes of this subsection, a reporting individual is deemed to own a percentage of a partnership which is equal to the reporting individual’s interest in the capital or equity of the partnership.

(b)1. With respect to reporting liabilities valued in excess of \$1,000 for which the reporting individual is jointly and severally liable, the amount reported shall be based on the reporting individual’s percentage of liability rather than the total amount of the liability. However, liability for a debt that is secured by property owned by the reporting individual but that is held jointly, with right of survivorship, must be reported at 100 percent of the total amount owed.

2. A separate section of the form shall be created to provide for the reporting of the amounts of joint and several liability of the reporting individual not otherwise reported in subparagraph 1.

(c) Each separate source and amount of income which exceeds \$1,000 must be identified. For the purpose of a filer reporting income, the commission shall accept federal income tax returns. If a filer submits a federal income tax return for the purpose of reporting income, he or she must also include all attachments and schedules associated with such federal income tax return.

(7)(a) Beginning January 1, 2023, a filer may not include in a filing to the commission a social security number; a bank, mortgage, or brokerage account number; a debit, charge, or credit card number; a personal identification number; or a taxpayer identification number. If a filer includes such information in his or her filing, the information may be made available as part of the official records of the commission available for public inspection and copying unless redaction is requested by the filer. The commission is not liable for the release of social security numbers or bank account, debit, charge,



or credit card numbers included in a filing to the commission if the filer has not requested redaction of such information.

(b) The commission shall redact a filer's social security number; bank account number; debit, charge, or credit card number; or any other personal or account information that is legally protected from disclosure under state or federal law upon written notification from the filer of its inadvertent inclusion. Such notice must specify the information inadvertently included and the specific section or sections of the disclosure in which it was included.

(c) The commission must conspicuously post a notice, in substantially the following form, in the instructions for the electronic filing system specifying that:

1. Any filer submitting information through the electronic filing system may not include a social security number; a bank, mortgage, or brokerage account number; a debit, charge, or credit card number; a personal identification number; or a taxpayer identification number in any filing unless required by law.

2. Information submitted through the electronic filing system may be open to public inspection and copying.

3. Any filer has a right to request that the commission redact from his or her filing any social security number; bank account number; or debit, charge, or credit card number contained in the filing. Such request must be made in writing and delivered to the commission. The request must specify the information to be redacted and the specific section or sections of the disclosure in which it was included.

(8) Forms or fields of information for compliance with the full and public disclosure requirements of s. 8, Art. II of the State Constitution must be prescribed by the commission. The commission shall allow a filer to include attachments or other supporting documentation when filing a disclosure. The commission shall give notice of disclosure deadlines and delinquencies and distribute forms in the following manner:

(a) Not later than May 1 of each year, the commission shall prepare a current list of the names, e-mail addresses, and physical addresses of and the offices held by every person required to file full and public disclosure annually by s. 8, Art. II of the State Constitution, or other state law. Each unit of government shall assist the commission in compiling the list by providing to the commission not later than February 1 of each year the name, e-mail address, physical address, and name of the office held by such person within the respective unit of government as of December 31 of the preceding year.

(b) Not later than June 1 of each year, the commission shall notify by e-mail all persons required to file a full and public disclosure of financial interests of all of the following:

1. All applicable filing deadlines for completing and filing the full and public disclosure of financial interests prescribed under subsection (3) on the electronic filing system.

2. Instructions on how to complete and file the full and public disclosure of financial interests as prescribed by subsection (3) on the electronic filing system, or where to access such instructions. Beginning January 1, 2023, paper forms may not be provided and persons required to file a full and public disclosure of financial interests must complete and file their disclosures on the electronic filing system pursuant to subsection (2).

(c) Not later than August 1 of each year, the commission shall determine which persons on the list have failed to file full and public disclosure and shall send delinquency notices to such persons. Each notice must state that a grace period is in effect until September 1 of the current year. The notice required under this paragraph must be delivered by e-mail and must be redelivered on a weekly basis by e-mail as long as a person remains delinquent.

(d) Disclosures must be received by the commission not later than 11:59 p.m. of the due date. Beginning January 1, 2023, upon request of the filer, the commission must provide verification to the filer that the commission has received the filed disclosure.

(e) Beginning January 1, 2023, a written declaration, as provided for under s. 92.525(2), accompanied by an electronic signature satisfies the requirement that the disclosure be sworn.

(f) Any person who is required to file full and public disclosure of financial interests and whose name is on the commission's list, and to whom notice has been sent, but who fails to timely file is assessed a fine of \$25 per day for each day late up to a maximum of \$1,500; however this \$1,500 limitation on automatic fines does not limit the civil penalty that may be imposed if the statement is filed more than 60 days after the deadline and a complaint is filed, as provided in s. 112.324. The

commission must provide by rule the grounds for waiving the fine and the procedures by which each person whose name is on the list and who is determined to have not filed in a timely manner will be notified of assessed fines and may appeal. The rule must provide for and make specific that the amount of the fine due is based upon when the disclosure is filed on the electronic filing system created and maintained by the commission as provided in s. 112.31446.

1. Upon receipt of the disclosure statement or upon accrual of the maximum penalty, whichever occurs first, the commission shall determine the amount of the fine which is due and shall notify the delinquent person. The notice must include an explanation of the appeal procedure under subparagraph 2. Such fine must be paid within 30 days after the notice of payment due is transmitted, unless appeal is made to the commission pursuant to subparagraph 2. The moneys shall be deposited into the General Revenue Fund.

2. Any reporting person may appeal or dispute a fine, based upon unusual circumstances surrounding the failure to file on the designated due date, and may request and is entitled to a hearing before the commission, which may waive the fine in whole or in part for good cause shown. Any such request must be in writing and received by the commission within 30 days after the notice of payment due is transmitted. In such a case, the reporting person must, within the 30-day period, notify the person designated to review the timeliness of reports in writing of his or her intention to bring the matter before the commission. For purposes of this subparagraph, "unusual circumstances" does not include the failure to monitor an e-mail account or failure to receive notice if the person has not notified the commission of a change in his or her e-mail address.

(g) Any person subject to the annual filing of full and public disclosure under s. 8, Art. II of the State Constitution, or other state law, whose name is not on the commission's list of persons required to file full and public disclosure is not subject to the fines or penalties provided in this part for failure to file full and public disclosure in any year in which the omission occurred, but nevertheless is required to file the disclosure statement.

(h) The notification requirements and fines of this subsection do not apply to candidates or to the first filing required of any person appointed to elective constitutional office or other position required to file full and public disclosure, unless the person's name is on the commission's notification list and the person received notification from the commission. The appointing official shall notify such newly appointed person of the obligation to file full and public disclosure by July 1. The notification requirements and fines of this subsection do not apply to the final filing provided for in subsection (10).

(i) Notwithstanding any provision of chapter 120, any fine imposed under this subsection which is not waived by final order of the commission and which remains unpaid more than 60 days after the notice of payment due or more than 60 days after the commission renders a final order on the appeal must be submitted to the Department of Financial Services as a claim, debt, or other obligation owed to the state, and the department shall assign the collection of such fine to a collection agent as provided in s. 17.20.

(9) If a person holding public office or public employment fails or refuses to file a full and public disclosure of financial interests for any year in which the person received notice from the commission regarding the failure to file and has accrued the maximum automatic fine authorized under this section, regardless of whether the fine imposed was paid or collected, the commission shall initiate an investigation and conduct a public hearing without receipt of a complaint to determine whether the person's failure to file is willful. Such investigation and hearing must be conducted in accordance with s. 112.324. Except as provided in s. 112.324(4), if the commission determines that the person willfully failed to file a full and public disclosure of financial interests, the commission shall enter an order recommending that the officer or employee be removed from his or her public office or public employment. The commission shall forward its recommendations as provided in s. 112.324.

(10) Each person required to file full and public disclosure of financial interests shall file a final disclosure statement within 60 days after leaving his or her public position for the period between January 1 of the year in which the person leaves and the last day of office or employment, unless within the 60-day period the person takes another public position requiring financial disclosure under s. 8, Art. II of the State Constitution, or is otherwise required to file full and public disclosure for the final disclosure period. The head of the agency of each person required to file full and public disclosure for the final disclosure period shall notify such persons of their obligation to file the final disclosure and may designate a person to be responsible for the notification requirements of this subsection.

When an elected local officer specified in paragraph (1)(d) leaves office before the expiration of his or her term, any individual appointed to replace such officer for the remainder of that term must file a full and public disclosure of financial interests annually thereafter for the remainder of his or her term in office.

(11)(a) The commission shall treat an amendment to a full and public disclosure of financial interests which is filed before September 1 of the year in which the disclosure is due as part of the original filing, regardless of whether a complaint has been filed. If a complaint alleges only an immaterial, inconsequential, or de minimis error or omission, the commission may not take any action on the complaint other than notifying the filer of the complaint. The filer must be given 30 days to file an amendment to the full and public disclosure of financial interests correcting any errors. If the filer does not file an amendment to the full and public disclosure of financial interests within 30 days after the commission sends notice of the complaint, the commission may continue with proceedings pursuant to s. 112.324.

(b) For purposes of the final full and public disclosure of financial interests, the commission shall treat an amendment to a new final full and public disclosure of financial interests as part of the original filing if filed within 60 days after the original filing, regardless of whether a complaint has been filed. If, more than 60 days after a final full and public disclosure of financial interests is filed, a complaint is filed alleging a complete omission of any information required to be disclosed by this section, the commission may immediately follow the complaint procedures in s. 112.324. However, if the complaint alleges an immaterial, inconsequential, or de minimis error or omission, the commission may not take any action on the complaint, other than notifying the filer of the complaint. The filer must be given 30 days to file an amendment to the new final full and public disclosure of financial interests correcting any errors. If the filer does not file an amendment to the new final full and public disclosure of financial interests within 30 days after the commission sends notice of the complaint, the commission may continue with proceedings pursuant to s. 112.324.

(c) For purposes of this section, an error or omission is immaterial, inconsequential, or de minimis if the original filing provided sufficient information for the public to identify potential conflicts of interest. However, failure to certify completion of annual ethics training required under s. 112.3142 does not constitute an immaterial, inconsequential, or de minimis error or omission.

(12)(a) An individual required to file a disclosure pursuant to this section may have the disclosure prepared by an attorney in good standing with The Florida Bar or by a certified public accountant licensed under chapter 473. After preparing a disclosure form, the attorney or certified public accountant must sign the form indicating that he or she prepared the form in accordance with this section and the instructions for completing and filing the disclosure forms and that, upon his or her reasonable knowledge and belief, the disclosure is true and correct. If a complaint is filed alleging a failure to disclose information required by this section, the commission shall determine whether the information was disclosed to the attorney or certified public accountant. The failure of the attorney or certified public accountant to accurately transcribe information provided by the individual required to file is not a violation of this section.

(b) An elected officer or candidate who chooses to use an attorney or a certified public accountant to prepare his or her disclosure may pay for the services of the attorney or certified public accountant from funds in an office account created pursuant to s. 106.141 or, during a year that the individual qualifies for election to public office, the candidate's campaign depository pursuant to s. 106.021.

(13) The commission shall adopt rules and forms specifying how a person who is required to file full and public disclosure of financial interests may amend his or her disclosure statement to report information that was not included on the form as originally filed. If the amendment is the subject of a complaint filed under this part, the commission and the proper disciplinary official or body shall consider as a mitigating factor when considering appropriate disciplinary action the fact that the amendment was filed before any complaint or other inquiry or proceeding, while recognizing that the public was deprived of access to information to which it was entitled.

(14) The provisions of this section constitute a revision to the schedule included in s. 8(i), Art. II of the State Constitution.

**History.**—s. 1, ch. 82-98; s. 3, ch. 88-358; s. 19, ch. 91-45; s. 4, ch. 94-277; s. 1409, ch. 95-147; s. 2, ch. 2000-243; s. 30, ch. 2000-258; s. 127, ch. 2003-261; s. 3, ch. 2006-275; s. 7, ch. 2013-36; s. 3, ch. 2014-183; s. 3, ch. 2019-97; s. 2, ch. 2019-169; s. 2, ch. 2020-167; ss. 91, 92, ch. 2022-157; ss. 35, 36, ch. 2023-8; s. 3, ch. 2023-49.

**112.31445 Electronic filing system; full and public disclosure of financial interests.—**



(1) As used in this section, the term “electronic filing system” means an Internet system for recording and reporting full and public disclosure of financial interests or any other form that is required pursuant to s. 112.3144.

(2) Beginning with the 2012 filing year, all full and public disclosures of financial interests filed with the commission pursuant to s. 8, Art. II of the State Constitution or s. 112.3144 must be scanned and made publicly available by the commission through a searchable Internet database.

(3) By December 1, 2015, the commission shall submit a proposal to the President of the Senate and the Speaker of the House of Representatives for a mandatory electronic filing system. The proposal must, at a minimum:

(a) Provide for access through the Internet.

(b) Establish a procedure to make filings available in a searchable format that is accessible by an individual using standard web-browsing software.

(c) Provide for direct completion of the full and public disclosure of financial interests forms as well as upload such information using software approved by the commission.

(d) Provide a secure method that prevents unauthorized access to electronic filing system functions.

(e) Provide a method for an attorney or certified public accountant licensed in this state to sign the disclosure form to indicate that he or she prepared the form in accordance with s. 112.3144 and the instructions for completing and filing the disclosure form and that, upon his or her reasonable knowledge and belief, the form is true and correct.

(f) Address whether additional statutory or rulemaking authority is necessary for implementation of the system, and must include, at a minimum, the following elements: alternate filing procedures to be used in the event that the commission’s electronic filing system is inoperable, issuance of an electronic receipt via electronic mail indicating and verifying to the individual who submitted the full and public disclosure of financial interests form that the form has been filed, and a determination of the feasibility and necessity of including statements of financial interests filed pursuant to s. 112.3145 in the proposed system.

(4) The commission shall publish a notice on the electronic filing system instructing filers to redact a social security number; a bank, mortgage, or brokerage account number; a debit, charge, or credit card number; a personal identification number; or a taxpayer identification number in their filings.

(5) The electronic filing system must allow a filer to include attachments or other supporting documentation when submitting a disclosure through the system.

History.—s. 8, ch. 2013-36; s. 4, ch. 2023-49.

**112.31446 Electronic filing system for financial disclosure.—**

(1) As used in this section, the term:

(a) “Disclosure of financial interests” or “disclosure” includes a full and public disclosure of financial interests and a final full and public disclosure of financial interests, and any amendments thereto.

(b) “Electronic filing system” means an Internet-based system for receiving, reporting, and publishing disclosures of financial interests, statements of financial interests, or any other form that is required under s. 112.3144 or s. 112.3145.

(c) “Statement of financial interests” or “statement” includes a statement of financial interests and a final statement of financial interests, and any amendments thereto.

(2) By January 1, 2022, the commission shall procure and test an electronic filing system. At a minimum, the electronic filing system must:

(a) Provide access through the Internet for the completion and submission of disclosures of financial interests, statements of financial interests, or any other form that is required under s. 112.3144 or s. 112.3145.

(b) Make filings available in a searchable format that is accessible by an individual using standard Internet-browsing software.

(c) Issue a verification or receipt that the commission has received the submitted disclosure or statement.

(d) Provide security that prevents unauthorized access to the electronic filing system’s functions or data.

(e) Provide a method for an attorney or a certified public accountant licensed in this state to complete the disclosure or statement and certify that he or she prepared the disclosure or statement in accordance with s. 112.3144 or s. 112.3145 and the instructions for completing the disclosure or statement, and that, upon his or her reasonable knowledge and belief, the information on the disclosure or statement is true and correct.

(f) Allow a filer to include attachments or other supporting documentation when submitting a disclosure or a statement through the system.

(3) Each unit of government shall provide an e-mail address to any of its officers, members, or employees who must file a disclosure of financial interests or a statement of financial interests, and provide such e-mail addresses to the commission by February 1 of each year. A person required to file a disclosure of financial interests or statement of financial interests must inform the commission immediately of any change in his or her e-mail address.

(4) The commission shall provide each person required to file a disclosure of financial interests or statement of financial interests a secure log-in to the electronic filing system. Such person is responsible for protecting his or her secure log-in credentials from disclosure and is responsible for all filings submitted to the commission with such credentials, unless the person has notified the commission that his or her credentials have been compromised.

(5) If the electronic filing system is inoperable which prevents timely submission of disclosures of financial interests or statements of financial interests, as determined by the commission chair, or if the Governor has declared a state of emergency and a person required to submit a disclosure or statement resides in an area included in the state of emergency which prevents the submission of the disclosure or statement electronically, the commission chair must extend the filing deadline for submission of the disclosures or statements by the same period of time for which the system was inoperable or by 90 days for persons who reside in an area included in a state of emergency, whichever is applicable.

(6)(a) All secure login credentials held by the commission for the purpose of allowing access to the electronic filing system are exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

(b) Information entered in the electronic filing system for purposes of financial disclosure is exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Information entered in the electronic filing system is no longer exempt once the disclosure of financial interests or statement of financial interests is submitted to the commission or, in the case of a candidate, filed with a qualifying officer, whichever occurs first.

(c) This subsection is subject to the Open Government Sunset Review Act in accordance with s. 119.15 and shall stand repealed on October 2, 2024, unless reviewed and saved from repeal through reenactment by the Legislature.

History.—s. 1, ch. 2019-40; s. 1, ch. 2019-97; s. 5, ch. 2023-49.

**112.3145 Disclosure of financial interests and clients represented before agencies.—**

(1) For purposes of this section, unless the context otherwise requires, the term:

(a) “Local officer” means:

1. Every person who is elected to office in any political subdivision of the state, and every person who is appointed to fill a vacancy for an unexpired term in such an elective office.

2. Any appointed member of any of the following boards, councils, commissions, authorities, or other bodies of any county, municipality, school district, independent special district, or other political subdivision of the state:

a. The governing body of the political subdivision, if appointed;

b. A community college or junior college district board of trustees;

c. A board having the power to enforce local code provisions;

d. A planning or zoning board, board of adjustment, board of appeals, community redevelopment agency board, or other board having the power to recommend, create, or modify land planning or zoning within the political subdivision, except for citizen advisory committees, technical coordinating committees, and such other groups who only have the power to make recommendations to planning or zoning boards;

e. A pension board or retirement board having the power to invest pension or retirement funds or the power to make a binding determination of one’s entitlement to or amount of a pension or other retirement benefit; or

f. Any other appointed member of a local government board who is required to file a statement of financial interests by the appointing authority or the enabling legislation, ordinance, or resolution creating the board.

3. Any person holding one or more of the following positions: mayor; county or city manager; chief administrative employee of a county, municipality, or other political subdivision; county or municipal attorney; finance director of a county, municipality, or other political subdivision; chief county or municipal building code inspector; county or municipal water resources coordinator; county or municipal pollution control director; county or municipal environmental control director; county or municipal administrator, with power to grant or deny a land development permit; chief of police; fire chief; municipal clerk; district school superintendent; community college president; district medical examiner; or purchasing agent having the authority to make any purchase exceeding the threshold amount provided for in s. 287.017 for CATEGORY TWO, on behalf of any political subdivision of the state or any entity thereof.

(b) "Specified state employee" means:

1. Public counsel created by chapter 350, an assistant state attorney, an assistant public defender, a criminal conflict and civil regional counsel, an assistant criminal conflict and civil regional counsel, a full-time state employee who serves as counsel or assistant counsel to any state agency, an administrative law judge, or a hearing officer.

2. Any person employed in the office of the Governor or in the office of any member of the Cabinet if that person is exempt from the Career Service System, except persons employed in clerical, secretarial, or similar positions.

3. The State Surgeon General or each appointed secretary, assistant secretary, deputy secretary, executive director, assistant executive director, or deputy executive director of each state department, commission, board, or council; unless otherwise provided, the division director, assistant division director, deputy director, and bureau chief of any state department or division; or any person having the power normally conferred upon such persons, by whatever title.

4. The superintendent or institute director of a state mental health institute established for training and research in the mental health field or the warden or director of any major state institution or facility established for corrections, training, treatment, or rehabilitation.

5. Business managers, purchasing agents having the power to make any purchase exceeding the threshold amount provided for in s. 287.017 for CATEGORY TWO, finance and accounting directors, personnel officers, or grants coordinators for any state agency.

6. Any person, other than a legislative assistant exempted by the presiding officer of the house by which the legislative assistant is employed, who is employed in the legislative branch of government, except persons employed in maintenance, clerical, secretarial, or similar positions.

7. Each employee of the Commission on Ethics.

(c) "State officer" means:

1. Any elected public officer, excluding those elected to the United States Senate and House of Representatives, not covered elsewhere in this part and any person who is appointed to fill a vacancy for an unexpired term in such an elective office.

2. An appointed member of each board, commission, authority, or council having statewide jurisdiction, excluding a member of an advisory body.

3. A member of the Board of Governors of the State University System or a state university board of trustees, the Chancellor and Vice Chancellors of the State University System, and the president of a state university.

4. A member of the judicial nominating commission for any district court of appeal or any judicial circuit.

(2)(a) A person seeking nomination or election to a state or local elective office shall file a statement of financial interests together with, and at the same time he or she files, qualifying papers. When a candidate has qualified for office prior to the deadline to file an annual statement of financial interests, the statement of financial interests that is filed with the candidate's qualifying papers shall be deemed to satisfy the annual disclosure requirement of this section. The qualifying officer must record that the statement of financial interests was timely filed. However, if a candidate does not qualify until after the annual statement of financial interests has been filed, the candidate may file a copy of his or her statement with the qualifying officer.

(b) Each state or local officer, except local officers specified in s. 112.3144(1)(d), and each specified state employee shall file a statement of financial interests no later than July 1 of each year. Each state officer, local officer, and specified state employee shall file a final statement of financial interests within 60 days after leaving his or her public position for the period between January 1 of the year in which the person leaves and the last day of office or employment, unless within the 60-day period the person takes another public position requiring financial disclosure under this section or s. 8, Art. II of the State Constitution or otherwise is required to file full and public disclosure or a statement of financial interests for the final disclosure period. Each state or local officer who is appointed and each specified state employee who is employed shall file a statement of financial interests within 30 days from the date of appointment or, in the case of a specified state employee, from the date on which the employment begins, except that any person whose appointment is subject to confirmation by the Senate shall file before confirmation hearings or within 30 days from the date of appointment, whichever comes first.

(c) Beginning January 1, 2023, an incumbent in an elective office or a candidate holding another position subject to an annual filing requirement may submit a copy of the statement of financial interests filed with the commission, or a verification or receipt of the filing, with the officer before whom he or she qualifies. A candidate not subject to an annual filing requirement does not file with the commission, but may complete and print a statement of financial interests to file with the officer before whom he or she qualifies.

(d) State officers and specified state employees shall file their statements of financial interests with the commission. Local officers shall file their statements of financial interests with the supervisor of elections of the county in which they permanently reside. Local officers who do not permanently reside in any county in the state shall file their statements of financial interests with the supervisor of elections of the county in which their agency maintains its headquarters. Persons seeking to qualify as candidates for local public office shall file their statements of financial interests with the officer before whom they qualify.

(e) Beginning January 1, 2024, a statement of financial interests, a final statement of financial interests and any amendments thereto, or any other form required by this section, except any statement of a candidate who is not subject to an annual filing requirement, must be filed electronically through an electronic filing system created and maintained by the commission as provided in s. 112.31446.

(3) The statement of financial interests for state officers, specified state employees, local officers, and persons seeking to qualify as candidates for state or local office shall be filed even if the reporting person holds no financial interests requiring disclosure in a particular category, in which case that section of the statement shall be marked “not applicable.” Otherwise, the statement of financial interests must include the information under paragraph (a) or paragraph (b). The reporting person must indicate on the statement whether he or she is using the reporting method under paragraph (a) or paragraph (b). Beginning January 1, 2023, only the reporting method specified under paragraph (b) may be used.

(a)1. All sources of income in excess of 5 percent of the gross income received during the disclosure period by the person in his or her own name or by any other person for his or her use or benefit, excluding public salary. However, this shall not be construed to require disclosure of a business partner’s sources of income. The person reporting shall list such sources in descending order of value with the largest source first;

2. All sources of income to a business entity in excess of 10 percent of the gross income of a business entity in which the reporting person held a material interest and from which he or she received an amount which was in excess of 10 percent of his or her gross income during the disclosure period and which exceeds \$1,500. The period for computing the gross income of the business entity is the fiscal year of the business entity which ended on, or immediately prior to, the end of the disclosure period of the person reporting;

3. The location or description of real property in this state, except for residences and vacation homes, owned directly or indirectly by the person reporting, when such person owns in excess of 5 percent of the value of such real property, and a general description of any intangible personal property worth in excess of 10 percent of such person’s total assets. For the purposes of this paragraph, indirect ownership does not include ownership by a spouse or minor child; and

4. Every individual liability that equals more than the reporting person's net worth; or

(b)1. All sources of gross income in excess of \$2,500 received during the disclosure period by the person in his or her own name or by any other person for his or her use or benefit, excluding public salary. However, this shall not be construed to require disclosure of a business partner's sources of income. The person reporting shall list such sources in descending order of value with the largest source first;

2. All sources of income to a business entity in excess of 10 percent of the gross income of a business entity in which the reporting person held a material interest and from which he or she received gross income exceeding \$5,000 during the disclosure period. The period for computing the gross income of the business entity is the fiscal year of the business entity which ended on, or immediately prior to, the end of the disclosure period of the person reporting;

3. The location or description of real property in this state, except for residence and vacation homes, owned directly or indirectly by the person reporting, when such person owns in excess of 5 percent of the value of such real property, and a general description of any intangible personal property worth in excess of \$10,000. For the purpose of this paragraph, indirect ownership does not include ownership by a spouse or minor child; and

4. Every liability in excess of \$10,000.

(4)(a) A filer may not include in a filing to the commission a social security number; a bank, mortgage, or brokerage account number; a debit, charge, or credit card number; a personal identification number; or a taxpayer identification number. If a filer includes such information in his or her filing, the information may be made available as part of the official records of the commission available for public inspection and copying unless redaction is requested by the filer. The commission is not liable for the release of social security numbers; bank account numbers; or debit, charge, or credit card numbers included in a filing to the commission if the filer has not requested redaction of the information.

(b) The commission shall redact a filer's social security number; bank account number; debit, charge, or credit card number; or any other personal or account information that is legally protected from disclosure under state or federal law upon written notification from the filer of its inadvertent inclusion. Such notice must specify the information inadvertently included and the specific section or sections of the statement in which it was included.

(c) The commission must conspicuously post a notice, in substantially the following form, in the instructions for the electronic filing system specifying that:

1. Any filer submitting information through the electronic filing system may not include a social security number; a bank, mortgage, or brokerage account number; a debit, charge, or credit card number; a personal identification number; or a taxpayer identification number in any filing unless required by law.

2. Information submitted through the electronic filing system may be open to public inspection and copying.

3. Any filer has a right to request that the commission redact from his or her filing any social security number; bank account number; or debit, charge, or credit card number contained in the filing. Such request must be made in writing and delivered to the commission. The request must specify the information to be redacted and the specific section or sections of the disclosure in which it was included.

(5) An officer who is required to complete annual ethics training pursuant to s. 112.3142 must certify on his or her statement of financial interests that he or she has completed the required training.

(6) Each elected constitutional officer, state officer, local officer, and specified state employee shall file a quarterly report of the names of clients represented for a fee or commission, except for appearances in ministerial matters, before agencies at his or her level of government. For the purposes of this part, agencies of government shall be classified as state-level agencies or agencies below state level. Each state officer, elected constitutional officer, and specified state employee shall file such report with the commission. Beginning January 1, 2024, each local officer shall file such report with the commission. The report must be filed only when a reportable representation is made during the calendar quarter and must be filed no later than the last day of each calendar quarter, for the previous calendar quarter. Representation before any agency shall be deemed to include representation by such



officer or specified state employee or by any partner or associate of the professional firm of which he or she is a member and of which he or she has actual knowledge. For the purposes of this subsection, the term “representation before any agency” does not include appearances before any court or the Deputy Chief Judge of Compensation Claims or judges of compensation claims or representations on behalf of one’s agency in one’s official capacity. Such term does not include the preparation and filing of forms and applications merely for the purpose of obtaining or transferring a license based on a quota or a franchise of such agency or a license or operation permit to engage in a profession, business, or occupation, so long as the issuance or granting of such license, permit, or transfer does not require substantial discretion, a variance, a special consideration, or a certificate of public convenience and necessity.

(7) Each elected constitutional officer and each candidate for such office, any other public officer required pursuant to s. 8, Art. II of the State Constitution to file a full and public disclosure of his or her financial interests, and each state officer, local officer, specified state employee, and candidate for elective public office who is or was during the disclosure period an officer, director, partner, proprietor, or agent, other than a resident agent solely for service of process, of, or owns or owned during the disclosure period a material interest in, any business entity which is granted a privilege to operate in this state shall disclose such facts as a part of the disclosure form filed pursuant to s. 8, Art. II of the State Constitution or this section, as applicable. The statement shall give the name, address, and principal business activity of the business entity and shall state the position held with such business entity or the fact that a material interest is owned and the nature of that interest.

(8) Beginning January 1, 2024, forms for compliance with the disclosure requirements of this section and a current list of persons subject to disclosure must be created by the commission. The commission shall allow a filer to include attachments or other supporting documentation when filing a disclosure. Beginning January 1, 2024, the commission shall give notice of disclosure deadlines, delinquencies, and instructions in the following manner:

(a) Not later than May 1 of each year, the commission shall prepare a current list of the names, e-mail addresses, and physical addresses of, and the offices or positions held by, every state officer, local officer, and specified employee. Each unit of government shall assist the commission in compiling the list by providing to the commission not later than February 1 of each year the name, e-mail address, physical address, and name of agency of, and the office or position held by, each state officer, local officer, or specified state employee within the respective unit of government as of December 31 of the preceding year.

(b) The commission shall notify by e-mail, not later than June 1 of each year, all persons required to file a statement of financial interests under subsection (3) of all of the following:

1. All applicable filing deadlines for completing and filing the statement on the electronic filing system.
2. Instructions on how to complete and file the statement on the electronic filing system, or where to access such instructions.

Beginning January 1, 2024, paper forms may not be provided and persons required to file a statement of financial interests must complete and file such statements on the electronic filing system pursuant to paragraph (2)(e).

(c) Not later than August 1 of each year, the commission shall determine which persons required to file a statement of financial interests have failed to do so and shall send delinquency notices to these persons. Through December 31, 2023, delinquency notices must be sent by certified mail, return receipt requested. Each notice must state that a grace period is in effect until September 1 of the current year; that no investigative or disciplinary action based upon the delinquency will be taken by the agency head or commission if the statement is filed by September 1 of the current year; that, if the statement is not filed by September 1 of the current year, a fine of \$25 for each day late will be imposed, up to a maximum penalty of \$1,500; and that, if upon the filing of a sworn complaint the commission finds that the person has failed to timely file the statement within 60 days after September 1 of the current year, such person will also be subject to the penalties provided in s. 112.317. Beginning January 1, 2024, notice required under this paragraph must be delivered by e-mail and must be redelivered on a weekly basis by e-mail as long as the person remains delinquent.

(d) Beginning January 1, 2024, disclosure statements required to be filed with the commission must be filed by 11:59 p.m. on the due date using the commission's electronic filing system pursuant to s. 112.31446.

(e) Beginning January 1, 2023, the statement must be accompanied by a declaration as provided in s. 92.525(2) and an electronic acknowledgment thereof.

(f) Any person required to file a statement of financial interests whose name is on the commission's list, and to whom notice has been sent, but who fails to timely file is assessed a fine of \$25 per day for each day late up to a maximum of \$1,500; however, this \$1,500 limitation on automatic fines does not limit the civil penalty that may be imposed if the statement is filed more than 60 days after the deadline and a complaint is filed, as provided in s. 112.324. The commission must provide by rule the grounds for waiving the fine and procedures by which each person whose name is on the list and who is determined to have not filed in a timely manner will be notified of assessed fines and may appeal. The rule must provide for and make specific that the amount of the fine is based upon the date and time that the disclosure is filed on the electronic filing system as provided in s. 112.31446.

1. Beginning January 1, 2024, for a specified state employee, state officer, or local officer, upon receipt of the disclosure statement by the commission or upon accrual of the maximum penalty, whichever occurs first, the commission shall determine the amount of the fine which is due and shall notify the delinquent person. The notice must include an explanation of the appeal procedure under subparagraph 2. The fine must be paid within 30 days after the notice of payment due is transmitted, unless appeal is made to the commission pursuant to subparagraph 2. The moneys are to be deposited into the General Revenue Fund.

2. Any reporting person may appeal or dispute a fine, based upon unusual circumstances surrounding the failure to file on the designated due date, and may request and is entitled to a hearing before the commission, which may waive the fine in whole or in part for good cause shown. Any such request must be in writing and received by the commission within 30 days after the notice of payment due is transmitted. In such a case, the reporting person must, within the 30-day period, notify the person designated to review the timeliness of reports in writing of his or her intention to bring the matter before the commission. For purposes of this subparagraph, the term "unusual circumstances" does not include the failure to monitor an e-mail account or failure to receive notice if the person has not notified the commission of a change in his or her e-mail address.

(g) Any state officer, local officer, or specified employee whose name is not on the list of persons required to file an annual statement of financial interests is not subject to the penalties provided in s. 112.317 or the fine provided in this section for failure to timely file a statement of financial interests in any year in which the omission occurred, but nevertheless is required to file the disclosure statement.

(h) The notification requirements and fines of this subsection do not apply to candidates or to the first or final filing required of any state officer, specified employee, or local officer as provided in paragraph (2)(b).

(i) Notwithstanding any provision of chapter 120, any fine imposed under this subsection which is not waived by final order of the commission and which remains unpaid more than 60 days after the notice of payment due or more than 60 days after the commission renders a final order on the appeal must be submitted to the Department of Financial Services as a claim, debt, or other obligation owed to the state, and the department shall assign the collection of such a fine to a collection agent as provided in s. 17.20.

(9)(a) The appointing official or body shall notify each newly appointed local officer, state officer, or specified state employee, not later than the date of appointment, of the officer's or employee's duty to comply with the disclosure requirements of this section. The agency head of each employing agency shall notify each newly employed local officer or specified state employee, not later than the day of employment, of the officer's or employee's duty to comply with the disclosure requirements of this section. The appointing official or body or employing agency head may designate a person to be responsible for the notification requirements of this paragraph.

(b) The agency head of each local officer, state officer, or specified state employee who is required to file a statement of financial interests for the final disclosure period shall notify such persons of their obligation to file the final disclosure and may designate a person to be responsible for the notification requirements of this paragraph.

(c) If a person holding public office or public employment fails or refuses to file an annual statement of financial interests for any year in which the person received notice from the commission regarding the failure to file and has accrued the maximum automatic fine authorized under this section, regardless of whether the fine imposed was paid or collected, the commission shall initiate an investigation and conduct a public hearing without receipt of a complaint to determine whether the person's failure to file is willful. Such investigation and hearing must be conducted in accordance with s. 112.324. Except as provided in s. 112.324(4), if the commission determines that the person willfully failed to file a statement of financial interests, the commission shall enter an order recommending that the officer or employee be removed from his or her public office or public employment. The commission shall forward its recommendation as provided in s. 112.324.

(10) A public officer who has filed a disclosure for any calendar or fiscal year shall not be required to file a second disclosure for the same year or any part thereof, notwithstanding any requirement of this act, except that any public officer who qualifies as a candidate for public office shall file a copy of the disclosure with the officer before whom he or she qualifies as a candidate at the time of qualification.

(11)(a) The commission shall treat an amendment to an annual statement of financial interests which is filed before September 1 of the year in which the statement is due as part of the original filing, regardless of whether a complaint has been filed. If a complaint alleges only an immaterial, inconsequential, or de minimis error or omission, the commission may not take any action on the complaint other than notifying the filer of the complaint. The filer must be given 30 days to file an amendment to the statement of financial interests correcting any errors. If the filer does not file an amendment to the statement of financial interests within 30 days after the commission sends notice of the complaint, the commission may continue with proceedings pursuant to s. 112.324.

(b) For purposes of the final statement of financial interests, the commission shall treat an amendment to a final statement of financial interests as part of the original filing, if filed within 60 days of the original filing regardless of whether a complaint has been filed. If, more than 60 days after a final statement of financial interests is filed, a complaint is filed alleging a complete omission of any information required to be disclosed by this section, the commission may immediately follow the complaint procedures in s. 112.324. However, if the complaint alleges an immaterial, inconsequential, or de minimis error or omission, the commission may not take any action on the complaint other than notifying the filer of the complaint. The filer must be given 30 days to file an amendment to the final statement of financial interests correcting any errors. If the filer does not file an amendment to the final statement of financial interests within 30 days after the commission sends notice of the complaint, the commission may continue with proceedings pursuant to s. 112.324.

(c) For purposes of this section, an error or omission is immaterial, inconsequential, or de minimis if the original filing provided sufficient information for the public to identify potential conflicts of interest. However, failure to certify completion of annual ethics training required under s. 112.3142 does not constitute an immaterial, inconsequential, or de minimis error or omission.

(12)(a) An individual required to file a statement pursuant to this section may have the statement prepared by an attorney in good standing with The Florida Bar or by a certified public accountant licensed under chapter 473. After preparing a statement form, the attorney or certified public accountant must sign the form indicating that he or she prepared the form in accordance with this section and the instructions for completing and filing the disclosure forms and that, upon his or her reasonable knowledge and belief, the disclosure is true and correct. If a complaint is filed alleging a failure to disclose information required by this section, the commission shall determine whether the information was disclosed to the attorney or certified public accountant. The failure of the attorney or certified public accountant to accurately transcribe information provided by the individual who is required to file the statement does not constitute a violation of this section.

(b) An elected officer or candidate who chooses to use an attorney or a certified public accountant to prepare his or her statement may pay for the services of the attorney or certified public accountant from funds in an office account created pursuant to s. 106.141 or, during a year that the individual qualifies for election to public office, the candidate's campaign depository pursuant to s. 106.021.

(13) The commission shall adopt rules and forms specifying how a state officer, local officer, or specified state employee may amend his or her statement of financial interests to report information that was not included on the form as originally filed. If the amendment is the subject of a complaint



filed under this part, the commission and the proper disciplinary official or body shall consider as a mitigating factor when considering appropriate disciplinary action the fact that the amendment was filed before any complaint or other inquiry or proceeding, while recognizing that the public was deprived of access to information to which it was entitled.

**History.**—s. 5, ch. 74-177; ss. 2, 6, ch. 75-196; s. 2, ch. 76-18; s. 1, ch. 77-174; s. 63, ch. 77-175; s. 54, ch. 79-40; s. 3, ch. 82-98; s. 2, ch. 83-128; ss. 2, 5, ch. 83-282; s. 3, ch. 84-318; s. 1, ch. 88-316; s. 1, ch. 90-169; s. 5, ch. 90-502; s. 27, ch. 91-46; s. 6, ch. 91-85; s. 6, ch. 91-292; ss. 5, 13, ch. 94-277; s. 3, ch. 94-340; s. 1410, ch. 95-147; s. 14, ch. 96-410; s. 31, ch. 97-286; s. 17, ch. 99-399; s. 2, ch. 2000-161; s. 3, ch. 2000-243; s. 31, ch. 2000-258; s. 23, ch. 2000-372; s. 3, ch. 2001-91; s. 2, ch. 2001-282; s. 128, ch. 2003-261; s. 4, ch. 2006-275; s. 12, ch. 2007-217; s. 7, ch. 2008-6; s. 9, ch. 2013-36; s. 4, ch. 2014-183; s. 4, ch. 2019-97; ss. 94, 95, ch. 2022-157; s. 6, ch. 2023-49.

**112.31455 Collection methods for unpaid automatic fines for failure to timely file disclosure of financial interests.—**

(1) Before referring any unpaid fine accrued pursuant to s. 112.3144(8) or s. 112.3145(8) to the Department of Financial Services, the commission shall attempt to determine whether the individual owing such a fine is a current public officer or current public employee. If so, the commission may notify the Chief Financial Officer or the governing body of the appropriate county, municipality, district school board, or special district of the total amount of any fine owed to the commission by such individual.

(a) After receipt and verification of the notice from the commission, the Chief Financial Officer or the governing body of the county, municipality, district school board, or special district shall begin withholding the lesser of 10 percent or the maximum amount allowed under federal law from any salary-related payment. The withheld payments shall be remitted to the commission until the fine is satisfied.

(b) The Chief Financial Officer or the governing body of the county, municipality, district school board, or special district may retain an amount of each withheld payment, as provided in s. 77.0305, to cover the administrative costs incurred under this section.

(2) If the commission determines that the individual who is the subject of an unpaid fine accrued pursuant to s. 112.3144(8) or s. 112.3145(8) is no longer a public officer or public employee or if the commission is unable to determine whether the individual is a current public officer or public employee, the commission may, 6 months after the order becomes final, seek garnishment of any wages to satisfy the amount of the fine, or any unpaid portion thereof, pursuant to chapter 77. Upon recording the order imposing the fine with the clerk of the circuit court, the order shall be deemed a judgment for purposes of garnishment pursuant to chapter 77.

(3) The commission may refer unpaid fines to the appropriate collection agency, as directed by the Chief Financial Officer, to utilize any collection methods provided by law. Except as expressly limited by this section, any other collection methods authorized by law are allowed.

(4) Action may be taken to collect any unpaid fine imposed by ss. 112.3144 and 112.3145 within 20 years after the date the final order is rendered.

**History.**—s. 10, ch. 2013-36; s. 10, ch. 2015-2; s. 3, ch. 2018-5; s. 5, ch. 2019-97; s. 19, ch. 2020-2.

**112.3146 Public records.**—The statements required by ss. 112.313, 112.3145, 112.3148, and 112.3149 shall be public records within the meaning of s. 119.01.

**History.**—s. 6, ch. 74-177; s. 6, ch. 90-502; s. 7, ch. 91-85.

**112.3147 Forms.**—Except as otherwise provided, all information required to be furnished by ss. 112.313, 112.3143, 112.3144, 112.3145, 112.3148, and 112.3149 and by s. 8, Art. II of the State Constitution shall be on forms prescribed by the Commission on Ethics.

**History.**—s. 7, ch. 74-177; s. 3, ch. 76-18; s. 7, ch. 90-502; s. 8, ch. 91-85; s. 12, ch. 2000-243; s. 5, ch. 2006-275; s. 11, ch. 2013-36.

**112.3148 Reporting and prohibited receipt of gifts by individuals filing full or limited public disclosure of financial interests and by procurement employees.—**

(1) The provisions of this section do not apply to gifts solicited or accepted by a reporting individual or procurement employee from a relative.

(2) As used in this section:

(a) “Immediate family” means any parent, spouse, child, or sibling.

(b)1. “Lobbyist” means any natural person who, for compensation, seeks, or sought during the preceding 12 months, to influence the governmental decisionmaking of a reporting individual or procurement employee or his or her agency or seeks, or sought during the preceding 12 months, to

encourage the passage, defeat, or modification of any proposal or recommendation by the reporting individual or procurement employee or his or her agency.

2. With respect to an agency that has established by rule, ordinance, or law a registration process for persons seeking to influence decisionmaking or to encourage the passage, defeat, or modification of any proposal or recommendation by such agency or an employee or official of the agency, the term “lobbyist” includes only a person who is required to be registered as a lobbyist in accordance with such rule, ordinance, or law or who was during the preceding 12 months required to be registered as a lobbyist in accordance with such rule, ordinance, or law. At a minimum, such a registration system must require the registration of, or must designate, persons as “lobbyists” who engage in the same activities as require registration to lobby the Legislature pursuant to s. 11.045.

(c) “Person” includes individuals, firms, associations, joint ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.

(d) “Reporting individual” means any individual, including a candidate upon qualifying, who is required by law, pursuant to s. 8, Art. II of the State Constitution or s. 112.3145, to file full or limited public disclosure of his or her financial interests or any individual who has been elected to, but has yet to officially assume the responsibilities of, public office. For purposes of implementing this section, the “agency” of a reporting individual who is not an officer or employee in public service is the agency to which the candidate seeks election, or in the case of an individual elected to but yet to formally take office, the agency in which the individual has been elected to serve.

(e) “Procurement employee” means any employee of an officer, department, board, commission, council, or agency of the executive branch or judicial branch of state government who has participated in the preceding 12 months through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, or auditing or in any other advisory capacity in the procurement of contractual services or commodities as defined in s. 287.012, if the cost of such services or commodities exceeds or is expected to exceed \$10,000 in any fiscal year.

(f) “Vendor” means a business entity doing business directly with an agency, such as renting, leasing, or selling any realty, goods, or services.

(3) A reporting individual or procurement employee is prohibited from soliciting any gift from a vendor doing business with the reporting individual’s or procurement employee’s agency, a political committee as defined in s. 106.011, or a lobbyist who lobbies the reporting individual’s or procurement employee’s agency, or the partner, firm, employer, or principal of such lobbyist, where such gift is for the personal benefit of the reporting individual or procurement employee, another reporting individual or procurement employee, or any member of the immediate family of a reporting individual or procurement employee.

(4) A reporting individual or procurement employee or any other person on his or her behalf is prohibited from knowingly accepting, directly or indirectly, a gift from a vendor doing business with the reporting individual’s or procurement employee’s agency, a political committee as defined in s. 106.011, or a lobbyist who lobbies the reporting individual’s or procurement employee’s agency, or directly or indirectly on behalf of the partner, firm, employer, or principal of a lobbyist, if he or she knows or reasonably believes that the gift has a value in excess of \$100; however, such a gift may be accepted by such person on behalf of a governmental entity or a charitable organization. If the gift is accepted on behalf of a governmental entity or charitable organization, the person receiving the gift shall not maintain custody of the gift for any period of time beyond that reasonably necessary to arrange for the transfer of custody and ownership of the gift.

(5)(a) A vendor doing business with the reporting individual’s or procurement employee’s agency; a political committee as defined in s. 106.011; a lobbyist who lobbies a reporting individual’s or procurement employee’s agency; the partner, firm, employer, or principal of a lobbyist; or another on behalf of the lobbyist or partner, firm, principal, or employer of the lobbyist is prohibited from giving, either directly or indirectly, a gift that has a value in excess of \$100 to the reporting individual or procurement employee or any other person on his or her behalf; however, such person may give a gift having a value in excess of \$100 to a reporting individual or procurement employee if the gift is intended to be transferred to a governmental entity or a charitable organization.

(b) However, a person who is regulated by this subsection, who is not regulated by subsection (6), and who makes, or directs another to make, an individual gift having a value in excess of \$25, but not

in excess of \$100, other than a gift that the donor knows will be accepted on behalf of a governmental entity or charitable organization, must file a report on the last day of each calendar quarter for the previous calendar quarter in which a reportable gift is made. The report shall be filed with the Commission on Ethics, except with respect to gifts to reporting individuals of the legislative branch, in which case the report shall be filed with the Office of Legislative Services. The report must contain a description of each gift, the monetary value thereof, the name and address of the person making such gift, the name and address of the recipient of the gift, and the date such gift is given. In addition, if a gift is made which requires the filing of a report under this subsection, the donor must notify the intended recipient at the time the gift is made that the donor, or another on his or her behalf, will report the gift under this subsection. Under this paragraph, a gift need not be reported by more than one person or entity.

(6)(a) Notwithstanding the provisions of subsection (5), an entity of the legislative or judicial branch, a department or commission of the executive branch, a water management district created pursuant to s. 373.069, South Florida Regional Transportation Authority, a county, a municipality, an airport authority, or a school board may give, either directly or indirectly, a gift having a value in excess of \$100 to any reporting individual or procurement employee if a public purpose can be shown for the gift; and a direct-support organization specifically authorized by law to support a governmental entity may give such a gift to a reporting individual or procurement employee who is an officer or employee of such governmental entity.

(b) Notwithstanding the provisions of subsection (4), a reporting individual or procurement employee may accept a gift having a value in excess of \$100 from an entity of the legislative or judicial branch, a department or commission of the executive branch, a water management district created pursuant to s. 373.069, South Florida Regional Transportation Authority, a county, a municipality, an airport authority, or a school board if a public purpose can be shown for the gift; and a reporting individual or procurement employee who is an officer or employee of a governmental entity supported by a direct-support organization specifically authorized by law to support such governmental entity may accept such a gift from such direct-support organization.

(c) No later than March 1 of each year, each governmental entity or direct-support organization specifically authorized by law to support a governmental entity which has given a gift to a reporting individual or procurement employee under paragraph (a) shall provide the reporting individual or procurement employee with a statement of each gift having a value in excess of \$100 given to such reporting individual or procurement employee by the governmental entity or direct-support organization during the preceding calendar year. Such report shall contain a description of each gift, the date on which the gift was given, and the value of the total gifts given by the governmental entity or direct-support organization to the reporting individual or procurement employee during the calendar year for which the report is made. A governmental entity may provide a single report to the reporting individual or procurement employee of gifts provided by the governmental entity and any direct-support organization specifically authorized by law to support such governmental entity.

(d) No later than July 1 of each year, each reporting individual or procurement employee shall file a statement listing each gift having a value in excess of \$100 received by the reporting individual or procurement employee, either directly or indirectly, from a governmental entity or a direct-support organization specifically authorized by law to support a governmental entity. The statement shall list the name of the person providing the gift, a description of the gift, the date or dates on which the gift was given, and the value of the total gifts given during the calendar year for which the report is made. The reporting individual or procurement employee shall attach to the statement any report received by him or her in accordance with paragraph (c), which report shall become a public record when filed with the statement of the reporting individual or procurement employee. The reporting individual or procurement employee may explain any differences between the report of the reporting individual or procurement employee and the attached reports. The annual report filed by a reporting individual shall be filed with the financial disclosure statement required by either s. 8, Art. II of the State Constitution or s. 112.3145, as applicable to the reporting individual. The annual report filed by a procurement employee shall be filed with the Commission on Ethics. The report filed by a reporting individual or procurement employee who left office or employment during the calendar year covered by the report shall be filed by July 1 of the year after leaving office or employment at the same location as his or her

final financial disclosure statement or, in the case of a former procurement employee, with the Commission on Ethics.

(7)(a) The value of a gift provided to a reporting individual or procurement employee shall be determined using actual cost to the donor, less taxes and gratuities, except as otherwise provided in this subsection, and, with respect to personal services provided by the donor, the reasonable and customary charge regularly charged for such service in the community in which the service is provided shall be used. If additional expenses are required as a condition precedent to eligibility of the donor to purchase or provide a gift and such expenses are primarily for the benefit of the donor or are of a charitable nature, such expenses shall not be included in determining the value of the gift.

(b) Compensation provided by the donee to the donor, if provided within 90 days after receipt of the gift, shall be deducted from the value of the gift in determining the value of the gift.

(c) If the actual gift value attributable to individual participants at an event cannot be determined, the total costs shall be prorated among all invited persons, whether or not they are reporting individuals or procurement employees.

(d) Transportation shall be valued on a round-trip basis unless only one-way transportation is provided. Round-trip transportation expenses shall be considered a single gift. Transportation provided in a private conveyance shall be given the same value as transportation provided in a comparable commercial conveyance.

(e) Lodging provided on consecutive days shall be considered a single gift. Lodging in a private residence shall be valued at the per diem rate provided in s. 112.061(6)(a)1. less the meal allowance rate provided in s. 112.061(6)(b).

(f) Food and beverages which are not consumed at a single sitting or meal and which are provided on the same calendar day shall be considered a single gift, and the total value of all food and beverages provided on that date shall be considered the value of the gift. Food and beverage consumed at a single sitting or meal shall be considered a single gift, and the value of the food and beverage provided at that sitting or meal shall be considered the value of the gift.

(g) Membership dues paid to the same organization during any 12-month period shall be considered a single gift.

(h) Entrance fees, admission fees, or tickets shall be valued on the face value of the ticket or fee, or on a daily or per event basis, whichever is greater.

(i) Except as otherwise specified in this section, a gift shall be valued on a per occurrence basis.

(j) The value of a gift provided to several individuals may be attributed on a pro rata basis among all of the individuals. If the gift is food, beverage, entertainment, or similar items, provided at a function for more than 10 people, the value of the gift to each individual shall be the total value of the items provided divided by the number of persons invited to the function, unless the items are purchased on a per person basis, in which case the value of the gift to each person is the per person cost.

(k) The value of a gift of an admission ticket shall not include that portion of the cost which represents a charitable contribution, if the gift is provided by the charitable organization.

(8)(a) Each reporting individual or procurement employee shall file a statement with the Commission on Ethics not later than the last day of each calendar quarter, for the previous calendar quarter, containing a list of gifts which he or she believes to be in excess of \$100 in value, if any, accepted by him or her, for which compensation was not provided by the donee to the donor within 90 days of receipt of the gift to reduce the value to \$100 or less, except the following:

1. Gifts from relatives.
2. Gifts prohibited by subsection (4) or s. 112.313(4).
3. Gifts otherwise required to be disclosed by this section.

(b) The statement shall include:

1. A description of the gift, the monetary value of the gift, the name and address of the person making the gift, and the dates thereof. If any of these facts, other than the gift description, are unknown or not applicable, the report shall so state.
2. A copy of any receipt for such gift provided to the reporting individual or procurement employee by the donor.

(c) The statement may include an explanation of any differences between the reporting individual's or procurement employee's statement and the receipt provided by the donor.

(d) The reporting individual's or procurement employee's statement shall be sworn to by such person as being a true, accurate, and total listing of all such gifts.

(e) Statements must be filed not later than 5 p.m. of the due date. However, any statement that is postmarked by the United States Postal Service by midnight of the due date is deemed to have been filed in a timely manner, and a certificate of mailing obtained from and dated by the United States Postal Service at the time of the mailing, or a receipt from an established courier company, which bears a date on or before the due date constitutes proof of mailing in a timely manner.

(f) If a reporting individual or procurement employee has not received any gifts described in paragraph (a) during a calendar quarter, he or she is not required to file a statement under this subsection for that calendar quarter.

(9) A person, other than a lobbyist regulated under s. 11.045, who violates the provisions of subsection (5) commits a noncriminal infraction, punishable by a fine of not more than \$5,000 and by a prohibition on lobbying, or employing a lobbyist to lobby, before the agency of the reporting individual or procurement employee to which the gift was given in violation of subsection (5), for a period of not more than 24 months. The state attorney, or an agency, if otherwise authorized, may initiate an action to impose or recover a fine authorized under this section or to impose or enforce a limitation on lobbying provided in this section.

(10) A member of the Legislature may request an advisory opinion from the general counsel of the house of which he or she is a member as to the application of this section to a specific situation. The general counsel shall issue the opinion within 10 days after receiving the request. The member of the Legislature may reasonably rely on such opinion.

**History.**—s. 2, ch. 89-380; s. 8, ch. 90-502; s. 9, ch. 91-85; s. 7, ch. 91-292; s. 6, ch. 94-277; s. 1411, ch. 95-147; s. 2, ch. 96-328; s. 8, ch. 98-136; s. 4, ch. 2000-243; s. 32, ch. 2000-258; s. 8, ch. 2003-159; s. 6, ch. 2006-275; s. 4, ch. 2012-51; s. 12, ch. 2013-36; s. 29, ch. 2013-37; s. 3, ch. 2013-235.

#### **112.31485 Prohibition on gifts involving political committees.—**

(1)(a) For purposes of this section, the term “gift” means any purchase, payment, distribution, loan, advance, transfer of funds, or disbursement of money or anything of value that is not primarily related to contributions, expenditures, or other political activities authorized pursuant to chapter 106.

(b) For purposes of this section, the term “immediate family” means any parent, spouse, child, or sibling.

(2)(a) A reporting individual or procurement employee or a member of his or her immediate family is prohibited from soliciting or knowingly accepting, directly or indirectly, any gift from a political committee.

(b) A political committee is prohibited from giving, directly or indirectly, any gift to a reporting individual or procurement employee or a member of his or her immediate family.

(3) Any person who violates this section is subject to a civil penalty equal to three times the amount of the gift. Such penalty is in addition to the penalties provided in s. 112.317 and shall be paid to the General Revenue Fund of the state. A reporting individual or procurement employee or a member of his or her immediate family who violates this section is personally liable for payment of the treble penalty. Any agent or person acting on behalf of a political committee who gives a prohibited gift is personally liable for payment of the treble penalty.

**History.**—s. 13, ch. 2013-36.

#### **112.3149 Solicitation and disclosure of honoraria.—**

(1) As used in this section:

(a) “Honorarium” means a payment of money or anything of value, directly or indirectly, to a reporting individual or procurement employee, or to any other person on his or her behalf, as consideration for:

1. A speech, address, oration, or other oral presentation by the reporting individual or procurement employee, regardless of whether presented in person, recorded, or broadcast over the media.

2. A writing by the reporting individual or procurement employee, other than a book, which has been or is intended to be published.

The term “honorarium” does not include the payment for services related to employment held outside the reporting individual's or procurement employee's public position which resulted in the person becoming a reporting individual or procurement employee, any ordinary payment or salary received in consideration for services related to the reporting individual's or procurement employee's public duties,



a campaign contribution reported pursuant to chapter 106, or the payment or provision of actual and reasonable transportation, lodging, and food and beverage expenses related to the honorarium event, including any event or meeting registration fee, for a reporting individual or procurement employee and spouse.

(b) "Person" includes individuals, firms, associations, joint ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups or combinations.

(c) "Reporting individual" means any individual who is required by law, pursuant to s. 8, Art. II of the State Constitution or s. 112.3145, to file a full or limited public disclosure of his or her financial interests.

(d)1. "Lobbyist" means any natural person who, for compensation, seeks, or sought during the preceding 12 months, to influence the governmental decisionmaking of a reporting individual or procurement employee or his or her agency or seeks, or sought during the preceding 12 months, to encourage the passage, defeat, or modification of any proposal or recommendation by the reporting individual or procurement employee or his or her agency.

2. With respect to an agency that has established by rule, ordinance, or law a registration process for persons seeking to influence decisionmaking or to encourage the passage, defeat, or modification of any proposal or recommendation by such agency or an employee or official of the agency, the term "lobbyist" includes only a person who is required to be registered as a lobbyist in accordance with such rule, ordinance, or law or who was during the preceding 12 months required to be registered as a lobbyist in accordance with such rule, ordinance, or law. At a minimum, such a registration system must require the registration of, or must designate, persons as "lobbyists" who engage in the same activities as require registration to lobby the Legislature pursuant to s. 11.045.

(e) "Procurement employee" means any employee of an officer, department, board, commission, council, or agency of the executive branch or judicial branch of state government who has participated in the preceding 12 months through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, or auditing or in any other advisory capacity in the procurement of contractual services or commodities as defined in s. 287.012, if the cost of such services or commodities exceeds \$10,000 in any fiscal year.

(f) "Vendor" means a business entity doing business directly with an agency, such as renting, leasing, or selling any realty, goods, or services.

(2) A reporting individual or procurement employee is prohibited from soliciting an honorarium which is related to the reporting individual's or procurement employee's public office or duties.

(3) A reporting individual or procurement employee is prohibited from knowingly accepting an honorarium from a political committee, as defined in s. 106.011, from a vendor doing business with the reporting individual's or procurement employee's agency, from a lobbyist who lobbies the reporting individual's or procurement employee's agency, or from the employer, principal, partner, or firm of such a lobbyist.

(4) A political committee, as defined in s. 106.011, a vendor doing business with the reporting individual's or procurement employee's agency, a lobbyist who lobbies a reporting individual's or procurement employee's agency, or the employer, principal, partner, or firm of such a lobbyist is prohibited from giving an honorarium to a reporting individual or procurement employee.

(5) A person who is prohibited by subsection (4) from paying an honorarium to a reporting individual or procurement employee, but who provides a reporting individual or procurement employee, or a reporting individual or procurement employee and his or her spouse, with expenses related to an honorarium event, shall provide to the reporting individual or procurement employee, no later than 60 days after the honorarium event, a statement listing the name and address of the person providing the expenses, a description of the expenses provided each day, and the total value of the expenses provided for the honorarium event.

(6) A reporting individual or procurement employee who receives payment or provision of expenses related to any honorarium event from a person who is prohibited by subsection (4) from paying an honorarium to a reporting individual or procurement employee shall publicly disclose on an annual statement the name, address, and affiliation of the person paying or providing the expenses; the amount of the honorarium expenses; the date of the honorarium event; a description of the expenses paid or provided on each day of the honorarium event; and the total value of the expenses provided to

the reporting individual or procurement employee in connection with the honorarium event. The annual statement of honorarium expenses shall be filed by July 1 of each year for those expenses received during the previous calendar year. The reporting individual or procurement employee shall attach to the annual statement a copy of each statement received by him or her in accordance with subsection (5) regarding honorarium expenses paid or provided during the calendar year for which the annual statement is filed. The attached statement shall become a public record upon the filing of the annual report. The annual statement of a reporting individual shall be filed with the financial disclosure statement required by either s. 8, Art. II of the State Constitution or s. 112.3145, as applicable to the reporting individual. The annual statement of a procurement employee shall be filed with the Commission on Ethics. The statement filed by a reporting individual or procurement employee who left office or employment during the calendar year covered by the statement shall be filed by July 1 of the year after leaving office or employment at the same location as his or her final financial disclosure statement or, in the case of a former procurement employee, with the Commission on Ethics.

(7) A person, other than a lobbyist regulated under s. 11.045, who violates the provisions of subsection (4) commits a noncriminal infraction, punishable by a fine of not more than \$5,000 and by a prohibition on lobbying, or employing a lobbyist to lobby, before the agency of the reporting individual or procurement employee to whom the honorarium was paid in violation of subsection (4), for a period of not more than 24 months. The state attorney, or an agency, if otherwise authorized, may initiate an action to impose or recover a fine authorized under this section or to impose or enforce a limitation on lobbying provided in this section.

(8) A member of the Legislature may request an advisory opinion from the general counsel of the house of which he or she is a member as to the application of this section to a specific situation. The general counsel shall issue the opinion within 10 days after receiving the request. The member of the Legislature may reasonably rely on such opinion.

**History.**—s. 9, ch. 90-502; s. 7, ch. 94-277; s. 1412, ch. 95-147; s. 5, ch. 2000-243; s. 33, ch. 2000-258; s. 7, ch. 2006-275; s. 14, ch. 2013-36; s. 30, ch. 2013-37.

**112.3151 Extensions of time for filing disclosure.**—The Commission on Ethics may grant, for good cause, on an individual basis, an extension of time for filing of any disclosure required under the provisions of this part or s. 8(a), Art. II of the State Constitution. However, no extension may extend the filing deadline to a date within 20 days before a primary election. The commission may delegate to its chair the authority to grant any extension of time which the commission itself may grant under this section; however, no extension of time granted by the chair may exceed 45 days. Extensions of time granted under this section shall be exempt from the provisions of chapter 120.

**History.**—s. 4, ch. 83-282; s. 700, ch. 95-147.

**112.316 Construction.**—It is not the intent of this part, nor shall it be construed, to prevent any officer or employee of a state agency or county, city, or other political subdivision of the state or any legislator or legislative employee from accepting other employment or following any pursuit which does not interfere with the full and faithful discharge by such officer, employee, legislator, or legislative employee of his or her duties to the state or the county, city, or other political subdivision of the state involved.

**History.**—s. 6, ch. 67-469; s. 2, ch. 69-335; s. 701, ch. 95-147.

**112.317 Penalties.**—

(1) Any violation of this part, including, but not limited to, failure to file disclosures required by this part or violation of any standard of conduct imposed by this part, or any violation of s. 8, Art. II of the State Constitution, in addition to any criminal penalty or other civil penalty involved, under applicable constitutional and statutory procedures, constitutes grounds for, and may be punished by, one or more of the following:

(a) In the case of a public officer:

1. Impeachment.
2. Removal from office.
3. Suspension from office.
4. Public censure and reprimand.
5. Forfeiture of no more than one-third of his or her salary per month for no more than 12 months.
6. A civil penalty not to exceed \$20,000.

7. Restitution of any pecuniary benefits received because of the violation committed. The commission may recommend that the restitution penalty be paid to the agency of which the public officer was a member or to the General Revenue Fund.

(b) In the case of an employee or a person designated as a public officer by this part who otherwise would be deemed to be an employee:

1. Dismissal from employment.
2. Suspension from employment for not more than 90 days without pay.
3. Demotion.
4. Reduction in his or her salary level.
5. Forfeiture of no more than one-third salary per month for no more than 12 months.
6. A civil penalty not to exceed \$20,000.

7. Restitution of any pecuniary benefits received because of the violation committed. The commission may recommend that the restitution penalty be paid to the agency by which the public employee was employed, or of which the officer was deemed to be an employee, or to the General Revenue Fund.

8. Public censure and reprimand.

(c) In the case of a candidate who violates this part or s. 8(a) and (i), Art. II of the State Constitution:

1. Disqualification from being on the ballot.
2. Public censure.
3. Reprimand.
4. A civil penalty not to exceed \$20,000.

(d) In the case of a former public officer or employee who has violated a provision applicable to former officers or employees or whose violation occurred before the officer's or employee's leaving public office or employment:

1. Public censure and reprimand.
2. A civil penalty not to exceed \$20,000.
3. Restitution of any pecuniary benefits received because of the violation committed. The

commission may recommend that the restitution penalty be paid to the agency of the public officer or employee or to the General Revenue Fund.

(e) In the case of a person who is subject to the standards of this part, other than a lobbyist or lobbying firm under s. 112.3215 for a violation of s. 112.3215, but who is not a public officer or employee:

1. Public censure and reprimand.
2. A civil penalty not to exceed \$20,000.
3. Restitution of any pecuniary benefits received because of the violation committed. The

commission may recommend that the restitution penalty be paid to the agency of the person or to the General Revenue Fund.

(2) In any case in which the commission finds a violation of this part or of s. 8, Art. II of the State Constitution and the proper disciplinary official or body under s. 112.324 imposes a civil penalty or restitution penalty, the Attorney General shall bring a civil action to recover such penalty. No defense may be raised in the civil action to enforce the civil penalty or order of restitution that could have been raised by judicial review of the administrative findings and recommendations of the commission by certiorari to the district court of appeal. The Attorney General shall collect any costs, attorney fees, expert witness fees, or other costs of collection incurred in bringing the action.

(3) The penalties prescribed in this part shall not be construed to limit or to conflict with:

(a) The power of either house of the Legislature to discipline its own members or impeach a public officer.

(b) The power of agencies to discipline officers or employees.

(4) Any violation of this part or of s. 8, Art. II of the State Constitution by a public officer constitutes malfeasance, misfeasance, or neglect of duty in office within the meaning of s. 7, Art. IV of the State Constitution.

(5) By order of the Governor, upon recommendation of the commission, any elected municipal officer who violates this part or s. 8, Art. II of the State Constitution may be suspended from office and the office filled by appointment for the period of suspension. The suspended officer may at any time



before removal be reinstated by the Governor. The Senate may, in proceedings prescribed by law, remove from office, or reinstate, the suspended official, and for such purpose the Senate may be convened in special session by its President or by a majority of its membership.

(6) In any case in which the commission finds probable cause to believe that a complainant has committed perjury in regard to any document filed with, or any testimony given before, the commission, it shall refer such evidence to the appropriate law enforcement agency for prosecution and taxation of costs.

(7) In any case in which the commission determines that a person has filed a complaint against a public officer or employee with a malicious intent to injure the reputation of such officer or employee by filing the complaint with knowledge that the complaint contains one or more false allegations or with reckless disregard for whether the complaint contains false allegations of fact material to a violation of this part, the complainant shall be liable for costs plus reasonable attorney fees incurred in the defense of the person complained against, including the costs and reasonable attorney fees incurred in proving entitlement to and the amount of costs and fees. If the complainant fails to pay such costs and fees voluntarily within 30 days following such finding by the commission, the commission shall forward such information to the Department of Legal Affairs, which shall bring a civil action in a court of competent jurisdiction to recover the amount of such costs and fees awarded by the commission.

**History.**—s. 7, ch. 67-469; s. 1, ch. 70-144; s. 2, ch. 74-176; s. 8, ch. 74-177; s. 2, ch. 75-199; s. 7, ch. 75-208; s. 5, ch. 82-98; s. 10, ch. 90-502; s. 10, ch. 91-85; s. 8, ch. 94-277; s. 1413, ch. 95-147; s. 1, ch. 95-354; s. 13, ch. 2000-151; s. 8, ch. 2006-275; s. 2, ch. 2009-126; s. 15, ch. 2013-36; s. 1, ch. 2020-182; s. 7, ch. 2023-49.

**112.3173 Felonies involving breach of public trust and other specified offenses by public officers and employees; forfeiture of retirement benefits.—**

(1) **INTENT.**—It is the intent of the Legislature to implement the provisions of s. 8(d), Art. II of the State Constitution.

(2) **DEFINITIONS.**—As used in this section, unless the context otherwise requires, the term:

(a) “Conviction” and “convicted” mean an adjudication of guilt by a court of competent jurisdiction; a plea of guilty or of nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.

(b) “Court” means any state or federal court of competent jurisdiction which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense.

(c) “Public officer or employee” means an officer or employee of any public body, political subdivision, or public instrumentality within the state.

(d) “Public retirement system” means any retirement system or plan to which the provisions of part VII of this chapter apply.

(e) “Specified offense” means:

1. The committing, aiding, or abetting of an embezzlement of public funds;
2. The committing, aiding, or abetting of any theft by a public officer or employee from his or her employer;
3. Bribery in connection with the employment of a public officer or employee;
4. Any felony specified in chapter 838, except ss. 838.15 and 838.16;
5. The committing of an impeachable offense;
6. The committing of any felony by a public officer or employee who, willfully and with intent to defraud the public or the public agency for which the public officer or employee acts or in which he or she is employed of the right to receive the faithful performance of his or her duty as a public officer or employee, realizes or obtains, or attempts to realize or obtain, a profit, gain, or advantage for himself or herself or for some other person through the use or attempted use of the power, rights, privileges, duties, or position of his or her public office or employment position; or
7. The committing on or after October 1, 2008, of any felony defined in s. 800.04 against a victim younger than 16 years of age, or any felony defined in chapter 794 against a victim younger than 18 years of age, by a public officer or employee through the use or attempted use of power, rights, privileges, duties, or position of his or her public office or employment position.

(3) **FORFEITURE.**—Any public officer or employee who is convicted of a specified offense committed prior to retirement, or whose office or employment is terminated by reason of his or her admitted commission, aid, or abetment of a specified offense, shall forfeit all rights and benefits under

any public retirement system of which he or she is a member, except for the return of his or her accumulated contributions as of the date of termination.

(4) NOTICE.—

(a) The clerk of a court in which a proceeding involving a specified offense is being conducted against a public officer or employee shall furnish notice of the proceeding to the Commission on Ethics after the state attorney advises the clerk that the defendant is a public officer or employee and that the defendant is alleged to have committed a specified offense. Such notice is sufficient if it is in the form of a copy of the indictment, information, or other document containing the charges. In addition, if a verdict of guilty is returned by a jury or by the court trying the case without a jury, or a plea of guilty or of nolo contendere is entered in the court by the public officer or employee, the clerk shall furnish a copy thereof to the Commission on Ethics.

(b) The Secretary of the Senate shall furnish to the Commission on Ethics notice of any proceeding of impeachment being conducted by the Senate. In addition, if such trial results in conviction, the Secretary of the Senate shall furnish notice of the conviction to the commission.

(c) The employer of any member whose office or employment is terminated by reason of his or her admitted commission, aid, or abetment of a specified offense shall forward notice thereof to the commission.

(d) The Commission on Ethics shall forward any notice and any other document received by it pursuant to this subsection to the governing body of the public retirement system of which the public officer or employee is a member or from which the public officer or employee may be entitled to receive a benefit. When called on by the Commission on Ethics, the Department of Management Services shall assist the commission in identifying the appropriate public retirement system.

(5) FORFEITURE DETERMINATION.—

(a) Whenever the official or board responsible for paying benefits under a public retirement system receives notice pursuant to subsection (4), or otherwise has reason to believe that the rights and privileges of any person under such system are required to be forfeited under this section, such official or board shall give notice and hold a hearing in accordance with chapter 120 for the purpose of determining whether such rights and privileges are required to be forfeited. If the official or board determines that such rights and privileges are required to be forfeited, the official or board shall order such rights and privileges forfeited.

(b) Any order of forfeiture of retirement system rights and privileges is appealable to the district court of appeal.

(c) The payment of retirement benefits ordered forfeited, except payments drawn from nonemployer contributions to the retiree's account, shall be stayed pending an appeal as to a felony conviction. If such conviction is reversed, no retirement benefits shall be forfeited. If such conviction is affirmed, retirement benefits shall be forfeited as ordered in this section.

(d) If any person's rights and privileges under a public retirement system are forfeited pursuant to this section and that person has received benefits from the system in excess of his or her accumulated contributions, such person shall pay back to the system the amount of the benefits received in excess of his or her accumulated contributions. If he or she fails to pay back such amount, the official or board responsible for paying benefits pursuant to the retirement system or pension plan may bring an action in circuit court to recover such amount, plus court costs.

(6) FORFEITURE NONEXCLUSIVE.—

(a) The forfeiture of retirement rights and privileges pursuant to this section is supplemental to any other forfeiture requirements provided by law.

(b) This section does not preclude or otherwise limit the Commission on Ethics in conducting under authority of other law an independent investigation of a complaint which it may receive against a public officer or employee involving a specified offense.

**History.**—s. 14, ch. 84-266; s. 4, ch. 90-301; s. 44, ch. 92-279; s. 55, ch. 92-326; s. 22, ch. 94-249; s. 1414, ch. 95-147; s. 13, ch. 99-255; s. 3, ch. 2008-108; s. 14, ch. 2012-100.

**112.3175 Remedies; contracts voidable.—**

(1) Any contract that has been executed in violation of this part is voidable:

(a) By any party to the contract.

(b) In any circuit court, by any appropriate action, by:

1. The commission.

2. The Attorney General.

3. Any citizen materially affected by the contract and residing in the jurisdiction represented by the officer or agency entering into such contract.

(2) Any contract that has been executed in violation of this part is presumed void with respect to any former employee or former public official of a state agency and is voidable with respect to any private sector third party who employs or retains in any capacity such former agency employee or former public official.

**History.**—s. 8, ch. 75-208; s. 2, ch. 2001-266.

**112.3185 Additional standards for state agency employees.—**

(1) For the purposes of this section:

(a) “Contractual services” shall be defined as set forth in chapter 287.

(b) “Agency” means any state officer, department, board, commission, or council of the executive or judicial branch of state government and includes the Public Service Commission.

(2) An agency employee who participates through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, or auditing or in any other advisory capacity in the procurement of contractual services may not become or be, while an agency employee, the employee of a person contracting with the agency by whom the employee is employed.

(3) An agency employee may not, after retirement or termination, have or hold any employment or contractual relationship with any business entity other than an agency in connection with any contract in which the agency employee participated personally and substantially through decision, approval, disapproval, recommendation, rendering of advice, or investigation while an officer or employee. When the agency employee’s position is eliminated and his or her duties are performed by the business entity, this subsection does not prohibit him or her from employment or contractual relationship with the business entity if the employee’s participation in the contract was limited to recommendation, rendering of advice, or investigation and if the agency head determines that the best interests of the state will be served thereby and provides prior written approval for the particular employee.

(4) An agency employee may not, within 2 years after retirement or termination, have or hold any employment or contractual relationship with any business entity other than an agency in connection with any contract for contractual services which was within his or her responsibility while an employee. If the agency employee’s position is eliminated and his or her duties are performed by the business entity, this subsection may be waived by the agency head through prior written approval for a particular employee if the agency head determines that the best interests of the state will be served thereby.

(5) The sum of money paid to a former agency employee during the first year after the cessation of his or her responsibilities, by the agency with whom he or she was employed, for contractual services provided to the agency, shall not exceed the annual salary received on the date of cessation of his or her responsibilities. This subsection may be waived by the agency head for a particular contract if the agency head determines that such waiver will result in significant time or cost savings for the state.

(6) An agency employee acting in an official capacity may not directly or indirectly procure contractual services for his or her own agency from any business entity of which a relative is an officer, partner, director, or proprietor or in which the officer or employee or his or her spouse or child, or any combination of them, has a material interest.

(7) A violation of any provision of this section is punishable in accordance with s. 112.317.

(8) This section is not applicable to any employee of the Public Service Commission who was so employed on or before December 31, 1994.

**History.**—s. 6, ch. 82-196; s. 32, ch. 83-217; s. 2, ch. 90-268; s. 11, ch. 90-502; s. 9, ch. 94-277; s. 1415, ch. 95-147; s. 9, ch. 2006-275.

**112.3187 Adverse action against employee for disclosing information of specified nature prohibited; employee remedy and relief.—**

(1) **SHORT TITLE.**—Sections 112.3187-112.31895 may be cited as the “Whistle-blower’s Act.”

(2) **LEGISLATIVE INTENT.**—It is the intent of the Legislature to prevent agencies or independent contractors from taking retaliatory action against an employee who reports to an appropriate agency violations of law on the part of a public employer or independent contractor that create a substantial and specific danger to the public’s health, safety, or welfare. It is further the intent of the Legislature to prevent agencies or independent contractors from taking retaliatory action against any person who discloses information to an appropriate agency alleging improper use of governmental office, gross

waste of funds, or any other abuse or gross neglect of duty on the part of an agency, public officer, or employee.

(3) DEFINITIONS.—As used in this act, unless otherwise specified, the following words or terms shall have the meanings indicated:

(a) “Adverse personnel action” means the discharge, suspension, transfer, or demotion of any employee or the withholding of bonuses, the reduction in salary or benefits, or any other adverse action taken against an employee within the terms and conditions of employment by an agency or independent contractor.

(b) “Agency” means any state, regional, county, local, or municipal government entity, whether executive, judicial, or legislative; any official, officer, department, division, bureau, commission, authority, or political subdivision therein; or any public school, community college, or state university.

(c) “Employee” means a person who performs services for, and under the control and direction of, or contracts with, an agency or independent contractor for wages or other remuneration.

(d) “Gross mismanagement” means a continuous pattern of managerial abuses, wrongful or arbitrary and capricious actions, or fraudulent or criminal conduct which may have a substantial adverse economic impact.

(e) “Independent contractor” means a person, other than an agency, engaged in any business and who enters into a contract, including a provider agreement, with an agency.

(4) ACTIONS PROHIBITED.—

(a) An agency or independent contractor shall not dismiss, discipline, or take any other adverse personnel action against an employee for disclosing information pursuant to the provisions of this section.

(b) An agency or independent contractor shall not take any adverse action that affects the rights or interests of a person in retaliation for the person’s disclosure of information under this section.

(c) The provisions of this subsection shall not be applicable when an employee or person discloses information known by the employee or person to be false.

(5) NATURE OF INFORMATION DISCLOSED.—The information disclosed under this section must include:

(a) Any violation or suspected violation of any federal, state, or local law, rule, or regulation committed by an employee or agent of an agency or independent contractor which creates and presents a substantial and specific danger to the public’s health, safety, or welfare.

(b) Any act or suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or gross neglect of duty committed by an employee or agent of an agency or independent contractor.

(6) TO WHOM INFORMATION DISCLOSED.—The information disclosed under this section must be disclosed to any agency or federal government entity having the authority to investigate, police, manage, or otherwise remedy the violation or act, including, but not limited to, the Office of the Chief Inspector General, an agency inspector general or the employee designated as agency inspector general under s. 112.3189(1) or inspectors general under s. 20.055, the Florida Commission on Human Relations, and the whistle-blower’s hotline created under s. 112.3189. However, for disclosures concerning a local governmental entity, including any regional, county, or municipal entity, special district, community college district, or school district or any political subdivision of any of the foregoing, the information must be disclosed to a chief executive officer as defined in s. 447.203(9) or other appropriate local official.

(7) EMPLOYEES AND PERSONS PROTECTED.—This section protects employees and persons who disclose information on their own initiative in a written and signed complaint; who are requested to participate in an investigation, hearing, or other inquiry conducted by any agency or federal government entity; who refuse to participate in any adverse action prohibited by this section; or who initiate a complaint through the whistle-blower’s hotline or the hotline of the Medicaid Fraud Control Unit of the Department of Legal Affairs; or employees who file any written complaint to their supervisory officials or employees who submit a complaint to the Chief Inspector General in the Executive Office of the Governor, to the employee designated as agency inspector general under s. 112.3189(1), or to the Florida Commission on Human Relations. The provisions of this section may not be used by a person while he or she is under the care, custody, or control of the state correctional system or, after release from the care, custody, or control of the state correctional system, with

respect to circumstances that occurred during any period of incarceration. No remedy or other protection under ss. 112.3187-112.31895 applies to any person who has committed or intentionally participated in committing the violation or suspected violation for which protection under ss. 112.3187-112.31895 is being sought.

(8) REMEDIES.—

(a) Any employee of or applicant for employment with any state agency, as the term “state agency” is defined in s. 216.011, who is discharged, disciplined, or subjected to other adverse personnel action, or denied employment, because he or she engaged in an activity protected by this section may file a complaint, which complaint must be made in accordance with s. 112.31895. Upon receipt of notice from the Florida Commission on Human Relations of termination of the investigation, the complainant may elect to pursue the administrative remedy available under s. 112.31895 or bring a civil action within 180 days after receipt of the notice.

(b) Within 60 days after the action prohibited by this section, any local public employee protected by this section may file a complaint with the appropriate local governmental authority, if that authority has established by ordinance an administrative procedure for handling such complaints or has contracted with the Division of Administrative Hearings under s. 120.65 to conduct hearings under this section. The administrative procedure created by ordinance must provide for the complaint to be heard by a panel of impartial persons appointed by the appropriate local governmental authority. Upon hearing the complaint, the panel must make findings of fact and conclusions of law for a final decision by the local governmental authority. Within 180 days after entry of a final decision by the local governmental authority, the public employee who filed the complaint may bring a civil action in any court of competent jurisdiction. If the local governmental authority has not established an administrative procedure by ordinance or contract, a local public employee may, within 180 days after the action prohibited by this section, bring a civil action in a court of competent jurisdiction. For the purpose of this paragraph, the term “local governmental authority” includes any regional, county, or municipal entity, special district, community college district, or school district or any political subdivision of any of the foregoing.

(c) Any other person protected by this section may, after exhausting all available contractual or administrative remedies, bring a civil action in any court of competent jurisdiction within 180 days after the action prohibited by this section.

(9) RELIEF.—In any action brought under this section, the relief must include the following:

(a) Reinstatement of the employee to the same position held before the adverse action was commenced, or to an equivalent position or reasonable front pay as alternative relief.

(b) Reinstatement of the employee’s full fringe benefits and seniority rights, as appropriate.

(c) Compensation, if appropriate, for lost wages, benefits, or other lost remuneration caused by the adverse action.

(d) Payment of reasonable costs, including attorney’s fees, to a substantially prevailing employee, or to the prevailing employer if the employee filed a frivolous action in bad faith.

(e) Issuance of an injunction, if appropriate, by a court of competent jurisdiction.

(f) Temporary reinstatement to the employee’s former position or to an equivalent position, pending the final outcome on the complaint, if an employee complains of being discharged in retaliation for a protected disclosure and if a court of competent jurisdiction or the Florida Commission on Human Relations, as applicable under s. 112.31895, determines that the disclosure was not made in bad faith or for a wrongful purpose or occurred after an agency’s initiation of a personnel action against the employee which includes documentation of the employee’s violation of a disciplinary standard or performance deficiency. This paragraph does not apply to an employee of a municipality.

(10) DEFENSES.—It shall be an affirmative defense to any action brought pursuant to this section that the adverse action was predicated upon grounds other than, and would have been taken absent, the employee’s or person’s exercise of rights protected by this section.

(11) EXISTING RIGHTS.—Sections 112.3187-112.31895 do not diminish the rights, privileges, or remedies of an employee under any other law or rule or under any collective bargaining agreement or employment contract; however, the election of remedies in s. 447.401 also applies to whistle-blower actions.

**History.**—ss. 1, 2, 3, 4, 5, 6, 7, 8, ch. 86-233; s. 1, ch. 91-285; s. 12, ch. 92-316; s. 1, ch. 93-57; s. 702, ch. 95-147; s. 1, ch. 95-153; s. 15, ch. 96-410; s. 20, ch. 99-333; s. 2, ch. 2002-400; s. 37, ch. 2023-8.



**112.3188 Confidentiality of information given to the Chief Inspector General, internal auditors, inspectors general, local chief executive officers, or other appropriate local officials.–**

(1) The name or identity of any individual who discloses in good faith to the Chief Inspector General or an agency inspector general, a local chief executive officer, or other appropriate local official information that alleges that an employee or agent of an agency or independent contractor:

(a) Has violated or is suspected of having violated any federal, state, or local law, rule, or regulation, thereby creating and presenting a substantial and specific danger to the public's health, safety, or welfare; or

(b) Has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty

may not be disclosed to anyone other than a member of the Chief Inspector General's, agency inspector general's, internal auditor's, local chief executive officer's, or other appropriate local official's staff without the written consent of the individual, unless the Chief Inspector General, internal auditor, agency inspector general, local chief executive officer, or other appropriate local official determines that: the disclosure of the individual's identity is necessary to prevent a substantial and specific danger to the public's health, safety, or welfare or to prevent the imminent commission of a crime; or the disclosure is unavoidable and absolutely necessary during the course of the audit, evaluation, or investigation.

(2)(a) Except as specifically authorized by s. 112.3189, all information received by the Chief Inspector General or an agency inspector general or information produced or derived from fact-finding or other investigations conducted by the Florida Commission on Human Relations or the Department of Law Enforcement is confidential and exempt from s. 119.07(1) if the information is being received or derived from allegations as set forth in paragraph (1)(a) or paragraph (1)(b), and an investigation is active.

(b) All information received by a local chief executive officer or appropriate local official or information produced or derived from fact-finding or investigations conducted pursuant to the administrative procedure established by ordinance by a local government as authorized by s. 112.3187(8)(b) is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution, if the information is being received or derived from allegations as set forth in paragraph (1)(a) or paragraph (1)(b) and an investigation is active.

(c) Information deemed confidential under this section may be disclosed by the Chief Inspector General, agency inspector general, local chief executive officer, or other appropriate local official receiving the information if the recipient determines that the disclosure of the information is absolutely necessary to prevent a substantial and specific danger to the public's health, safety, or welfare or to prevent the imminent commission of a crime. Information disclosed under this subsection may be disclosed only to persons who are in a position to prevent the danger to the public's health, safety, or welfare or to prevent the imminent commission of a crime based on the disclosed information.

1. An investigation is active under this section if:

a. It is an ongoing investigation or inquiry or collection of information and evidence and is continuing with a reasonable, good faith anticipation of resolution in the foreseeable future; or

b. All or a portion of the matters under investigation or inquiry are active criminal intelligence information or active criminal investigative information as defined in s. 119.011.

2. Notwithstanding sub-subparagraph 1.a., an investigation ceases to be active when:

a. The written report required under s. 112.3189(9) has been sent by the Chief Inspector General to the recipients named in s. 112.3189(9);

b. It is determined that an investigation is not necessary under s. 112.3189(5); or

c. A final decision has been rendered by the local government or by the Division of Administrative Hearings pursuant to s. 112.3187(8)(b).

3. Notwithstanding paragraphs (a), (b), and this paragraph, information or records received or produced under this section which are otherwise confidential under law or exempt from disclosure under chapter 119 retain their confidentiality or exemption.

4. Any person who willfully and knowingly discloses information or records made confidential under this subsection commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

**History.**—s. 6, ch. 90-247; s. 1, ch. 91-150; s. 3, ch. 91-285; s. 2, ch. 93-57; s. 1, ch. 95-136; s. 2, ch. 95-153; s. 1, ch. 95-166; ss. 36, 37, ch. 96-406; s. 21, ch. 99-333.

<sup>1</sup>**Note.**—As amended by s. 1, ch. 95-166, s. 2, ch. 95-153, and s. 36, ch. 96-406; this version of paragraph (2)(a) was also amended by s. 21, ch. 99-333. For a description of multiple acts in the same session affecting a statutory provision, see preface to the *Florida Statutes*, “Statutory Construction.” This section was also amended by s. 1, ch. 95-136, and s. 37, ch. 96-406, and that version reads:

**112.3188 Confidentiality of information given to the Chief Inspector General and agency inspectors general.—**

(1) The identity of any individual who discloses in good faith to the Chief Inspector General or an agency inspector general information that alleges that an employee or agent of an agency or independent contractor has violated or is suspected of having violated any federal, state, or local law, rule, or regulation, thereby creating and presenting a substantial and specific danger to the public’s health, safety, or welfare or has committed or is suspected of having committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty is exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution and shall not be disclosed to anyone other than a member of the Chief Inspector General’s or agency inspector general’s staff without the written consent of the individual, unless the Chief Inspector General or agency inspector general determines that:

(a) The disclosure of the individual’s identity is necessary to prevent a substantial and specific danger to the public’s health, safety, or welfare or to prevent the imminent commission of a crime, provided that such information is disclosed only to persons who are in a position to prevent the danger to the public’s health, safety, or welfare or to prevent the imminent commission of a crime;

(b) The disclosure of the individual’s identity is unavoidable and absolutely necessary during the course of the inquiry or investigation; or

(c) The disclosure of the individual’s identity is authorized as a result of the individual consenting in writing to attach general comments signed by such individual to the final report required pursuant to s. 112.3189(6)(b).

(2)(a) Except as specifically authorized by s. 112.3189 and except as provided in subsection (1), all information received by the Chief Inspector General or an agency inspector general or information produced or derived from fact-finding or other investigations conducted by the Department of Legal Affairs, the Office of the Public Counsel, or the Department of Law Enforcement is confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution for an initial period of not more than 30 days during which time a determination is made whether an investigation is required pursuant to s. 112.3189(5)(a) and, if an investigation is determined to be required, until the investigation is closed or ceases to be active. For the purposes of this subsection, an investigation is active while such investigation is being conducted with a reasonable good faith belief that it may lead to the filing of administrative, civil, or criminal charges. An investigation does not cease to be active so long as the Chief Inspector General or the agency inspector general is proceeding with reasonable dispatch and there is a good faith belief that action may be initiated by the Chief Inspector General or agency inspector general or other administrative or law enforcement agency. Except for active criminal intelligence or criminal investigative information as defined in s. 119.011, and except as otherwise provided in this section, all information obtained pursuant to this subsection shall become available to the public when the investigation is closed or ceases to be active. An investigation is closed or ceases to be active when the final report required pursuant to s. 112.3189(9) has been sent by the Chief Inspector General to the recipients specified in s. 112.3189(9)(c).

(b) Information deemed confidential under this subsection may be disclosed by the Chief Inspector General or agency inspector general receiving the information if the Chief Inspector General or agency inspector general determines that the disclosure of the information is absolutely necessary to prevent a substantial and specific danger to the public’s health, safety, or welfare or to prevent the imminent commission of a crime, and such information may be disclosed only to persons who are in a position to prevent the danger to the public’s health, safety, or welfare or to prevent the imminent commission of a crime based on the disclosed information.

(3) Information or records obtained under this section which are otherwise confidential under law or exempt from disclosure shall retain their confidentiality or exemption.

(4) Any person who willfully and knowingly discloses information or records made confidential under this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

**112.3189 Investigative procedures upon receipt of whistle-blower information from certain state employees.—**

(1) This section only applies to the disclosure of information as described in s. 112.3187(5) by an employee or former employee of, or an applicant for employment with, a state agency, as the term “state agency” is defined in s. 216.011, to the Office of the Chief Inspector General of the Executive Office of the Governor or to the agency inspector general. If an agency does not have an inspector general, the head of the state agency, as defined in s. 216.011, shall designate an employee to receive information described in s. 112.3187(5). For purposes of this section and s. 112.3188 only, the employee designated by the head of the state agency shall be deemed an agency inspector general.

(2) To facilitate the receipt of information described in subsection (1), the Chief Inspector General shall maintain an in-state toll-free whistle-blower’s hotline and shall circulate among the various state agencies an advisory for all employees which indicates the existence of the toll-free number and its purpose and provides an address to which written whistle-blower information may be forwarded.



(3) When a person alleges information described in s. 112.3187(5), the Chief Inspector General or agency inspector general actually receiving such information shall within 20 days of receiving such information determine:

(a) Whether the information disclosed is the type of information described in s. 112.3187(5).

(b) Whether the source of the information is a person who is an employee or former employee of, or an applicant for employment with, a state agency, as defined in s. 216.011.

(c) Whether the information actually disclosed demonstrates reasonable cause to suspect that an employee or agent of an agency or independent contractor has violated any federal, state, or local law, rule, or regulation, thereby creating and presenting a substantial and specific danger to the public's health, safety, or welfare, or has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty.

(4) If the Chief Inspector General or agency inspector general under subsection (3) determines that the information disclosed is not the type of information described in s. 112.3187(5), or that the source of the information is not a person who is an employee or former employee of, or an applicant for employment with, a state agency, as defined in s. 216.011, or that the information disclosed does not demonstrate reasonable cause to suspect that an employee or agent of an agency or independent contractor has violated any federal, state, or local law, rule, or regulation, thereby creating and presenting a substantial and specific danger to the public's health, safety, or welfare, or has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty, the Chief Inspector General or agency inspector general shall notify the complainant of such fact and copy and return, upon request of the complainant, any documents and other materials that were provided by the complainant.

(5)(a) If the Chief Inspector General or agency inspector general under subsection (3) determines that the information disclosed is the type of information described in s. 112.3187(5), that the source of the information is from a person who is an employee or former employee of, or an applicant for employment with, a state agency, as defined in s. 216.011, and that the information disclosed demonstrates reasonable cause to suspect that an employee or agent of an agency or independent contractor has violated any federal, state, or local law, rule, or regulation, thereby creating a substantial and specific danger to the public's health, safety, or welfare, or has committed an act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty, the Chief Inspector General or agency inspector general making such determination shall then conduct an investigation, unless the Chief Inspector General or the agency inspector general determines, within 30 days after receiving the allegations from the complainant, that such investigation is unnecessary. For purposes of this subsection, the Chief Inspector General or the agency inspector general shall consider the following factors, but is not limited to only the following factors, when deciding whether the investigation is not necessary:

1. The gravity of the disclosed information compared to the time and expense of an investigation.

2. The potential for an investigation to yield recommendations that will make state government more efficient and effective.

3. The benefit to state government to have a final report on the disclosed information.

4. Whether the alleged whistle-blower information primarily concerns personnel practices that may be investigated under chapter 110.

5. Whether another agency may be conducting an investigation and whether any investigation under this section could be duplicative.

6. The time that has elapsed between the alleged event and the disclosure of the information.

(b) If the Chief Inspector General or agency inspector general determines under paragraph (a) that an investigation is not necessary, the Chief Inspector General or agency inspector general making such determination shall:

1. Copy and return, upon request of the complainant, any documents and other materials provided by the individual who made the disclosure.

2. Inform in writing the head of the state agency for the agency inspector general making the determination that the investigation is not necessary and the individual who made the disclosure of the specific reasons why an investigation is not necessary and why the disclosure will not be further acted on under this section.

(6) The agency inspector general may conduct an investigation pursuant to paragraph (5)(a) only if the person transmitting information to the agency inspector general is an employee or former employee of, or an applicant for employment with, the agency inspector general's agency. The agency inspector general shall:

(a) Conduct an investigation with respect to the information and any related matters.

(b) Submit to the complainant and the Chief Inspector General, within 60 days after the date on which a determination to conduct an investigation is made under paragraph (5)(a), a final written report that sets forth the agency inspector general's findings, conclusions, and recommendations, except as provided under subsection (11). The complainant shall be advised in writing by the agency head that the complainant may submit to the Chief Inspector General and agency inspector general comments on the final report within 20 days of the date of the report and that such comments will be attached to the final report.

(7) If the Chief Inspector General decides an investigation should be conducted pursuant to paragraph (5)(a), the Chief Inspector General shall either:

(a) Promptly transmit to the appropriate head of the state agency the information with respect to which the determination to conduct an investigation was made, and such agency head shall conduct an investigation and submit to the Chief Inspector General a final written report that sets forth the agency head's findings, conclusions, and recommendations; or

(b)1. Conduct an investigation with respect to the information and any related matters; and

2. Submit to the complainant within 60 days after the date on which a determination to conduct an investigation is made under paragraph (5)(a), a final written report that sets forth the Chief Inspector General's findings, conclusions, and recommendations, except as provided under subsection (11). The complainant shall be advised in writing by the Chief Inspector General that the complainant may submit to the Chief Inspector General comments on the final report within 20 days of the date of the report and that such comments will be attached to the final report.

(c) The Chief Inspector General may require an agency head to conduct an investigation under paragraph (a) only if the information was transmitted to the Chief Inspector General by:

1. An employee or former employee of, or an applicant for employment with, the agency that the information concerns; or

2. An employee who obtained the information in connection with the performance of the employee's duties and responsibilities.

(8) Final reports required under this section must be reviewed and signed by the person responsible for conducting the investigation (agency inspector general, agency head, or Chief Inspector General) and must include:

(a) A summary of the information with respect to which the investigation was initiated.

(b) A description of the conduct of the investigation.

(c) A summary of any evidence obtained from the investigation.

(d) A listing of any violation or apparent violation of any law, rule, or regulation.

(e) A description of any action taken or planned as a result of the investigation, such as:

1. A change in an agency rule, regulation, or practice.

2. The restoration of an aggrieved employee.

3. A disciplinary action against an employee.

4. The referral to the Department of Law Enforcement of any evidence of a criminal violation.

(9)(a) A report required of the agency head under paragraph (7)(a) shall be submitted to the Chief Inspector General and the complainant within 60 days after the agency head receives the complaint from the Chief Inspector General, except as provided under subsection (11). The complainant shall be advised in writing by the agency head that the complainant may submit to the Chief Inspector General comments on the report within 20 days of the date of the report and that such comments will be attached to the final report.

(b) Upon receiving a final report required under this section, the Chief Inspector General shall review the report and determine whether the report contains the information required by subsection (8). If the report does not contain the information required by subsection (8), the Chief Inspector General shall determine why and note the reasons on an addendum to the final report.

(c) The Chief Inspector General shall transmit any final report under this section, any comments provided by the complainant, and any appropriate comments or recommendations by the Chief

Inspector General to the Governor, the Legislative Auditing Committee, the investigating agency, and the Chief Financial Officer.

(d) If the Chief Inspector General does not receive the report of the agency head within the time prescribed in paragraph (a), the Chief Inspector General may conduct the investigation in accordance with paragraph (7)(b) or request that another agency inspector general conduct the investigation in accordance with subsection (6) and shall report the complaint to the Governor, to the Joint Legislative Auditing Committee, and to the investigating agency, together with a statement noting the failure of the agency head to file the required report.

(10) For any time period set forth in subsections (3), (6), (7), and (9), such time period may be extended in writing by the Chief Inspector General for good cause shown.

(11) If an investigation under this section produces evidence of a criminal violation, the report shall not be transmitted to the complainant, and the agency head or agency inspector general shall notify the Chief Inspector General and the Department of Law Enforcement.

**History.**—s. 13, ch. 92-316; s. 3, ch. 93-57; s. 129, ch. 2003-261; s. 17, ch. 2011-34.

### **112.31895 Investigative procedures in response to prohibited personnel actions.—**

#### **(1) COMPLAINT.—**

(a) If a disclosure under s. 112.3187 includes or results in alleged retaliation by an employer, the employee or former employee of, or applicant for employment with, a state agency, as defined in s. 216.011, that is so affected may file a complaint alleging a prohibited personnel action, which complaint must be made by filing a written complaint with the Office of the Chief Inspector General in the Executive Office of the Governor or the Florida Commission on Human Relations, no later than 60 days after the prohibited personnel action.

(b) Within 5 working days after receiving a complaint under this section, the office or officer receiving the complaint shall acknowledge receipt of the complaint and provide copies of the complaint and any other preliminary information available concerning the disclosure of information under s. 112.3187 to each of the other parties named in paragraph (a), which parties shall each acknowledge receipt of such copies to the complainant.

#### **(2) FACT FINDING.—**The Florida Commission on Human Relations shall:

(a) Receive any allegation of a personnel action prohibited by s. 112.3187, including a proposed or potential action, and conduct informal fact finding regarding any allegation under this section, to the extent necessary to determine whether there are reasonable grounds to believe that a prohibited personnel action under s. 112.3187 has occurred, is occurring, or is to be taken.

(b) Within 180 days after receiving the complaint, provide the agency head and the complainant with a fact-finding report that may include recommendations to the parties or proposed resolution of the complaint. The fact-finding report shall be presumed admissible in any subsequent or related administrative or judicial review.

#### **(3) CORRECTIVE ACTION AND TERMINATION OF INVESTIGATION.—**

(a) The Florida Commission on Human Relations, in accordance with this act and for the sole purpose of this act, is empowered to:

1. Receive and investigate complaints from employees alleging retaliation by state agencies, as the term “state agency” is defined in s. 216.011.

2. Protect employees and applicants for employment with such agencies from prohibited personnel practices under s. 112.3187.

3. Petition for stays and petition for corrective actions, including, but not limited to, temporary reinstatement.

4. Recommend disciplinary proceedings pursuant to investigation and appropriate agency rules and procedures.

5. Coordinate with the Chief Inspector General in the Executive Office of the Governor and the Florida Commission on Human Relations to receive, review, and forward to appropriate agencies, legislative entities, or the Department of Law Enforcement disclosures of a violation of any law, rule, or regulation, or disclosures of gross mismanagement, malfeasance, misfeasance, nonfeasance, neglect of duty, or gross waste of public funds.

6. Review rules pertaining to personnel matters issued or proposed by the Department of Management Services, the Public Employees Relations Commission, and other agencies, and, if the Florida Commission on Human Relations finds that any rule or proposed rule, on its face or as

implemented, requires the commission of a prohibited personnel practice, provide a written comment to the appropriate agency.

7. Investigate, request assistance from other governmental entities, and, if appropriate, bring actions concerning, allegations of retaliation by state agencies under subparagraph 1.

8. Administer oaths, examine witnesses, take statements, issue subpoenas, order the taking of depositions, order responses to written interrogatories, and make appropriate motions to limit discovery, pursuant to investigations under subparagraph 1.

9. Intervene or otherwise participate, as a matter of right, in any appeal or other proceeding arising under this section before the Public Employees Relations Commission or any other appropriate agency, except that the Florida Commission on Human Relations must comply with the rules of the commission or other agency and may not seek corrective action or intervene in an appeal or other proceeding without the consent of the person protected under ss. 112.3187-112.31895.

10. Conduct an investigation, in the absence of an allegation, to determine whether reasonable grounds exist to believe that a prohibited action or a pattern of prohibited action has occurred, is occurring, or is to be taken.

(b) Within 15 days after receiving a complaint that a person has been discharged from employment allegedly for disclosing protected information under s. 112.3187, the Florida Commission on Human Relations shall review the information and determine whether temporary reinstatement is appropriate under s. 112.3187(9)(f). If the Florida Commission on Human Relations so determines, it shall apply for an expedited order from the appropriate agency or circuit court for the immediate reinstatement of the employee who has been discharged subsequent to the disclosure made under s. 112.3187, pending the issuance of the final order on the complaint.

(c) The Florida Commission on Human Relations shall notify a complainant of the status of the investigation and any action taken at such times as the commission considers appropriate.

(d) If the Florida Commission on Human Relations is unable to conciliate a complaint within 35 days after providing the agency head and complainant with the fact-finding report, the Florida Commission on Human Relations shall terminate the investigation. Upon termination of any investigation, the Florida Commission on Human Relations shall notify the complainant and the agency head of the termination of the investigation, providing a summary of relevant facts found during the investigation and the reasons for terminating the investigation. A written statement under this paragraph is presumed admissible as evidence in any judicial or administrative proceeding but is not admissible without the consent of the complainant.

(e)1. The Florida Commission on Human Relations may request an agency or circuit court to order a stay, on such terms as the court requires, of any personnel action for 45 days if the Florida Commission on Human Relations determines that reasonable grounds exist to believe that a prohibited personnel action has occurred, is occurring, or is to be taken. The Florida Commission on Human Relations may request that such stay be extended for appropriate periods of time.

2. If, in connection with any investigation, the Florida Commission on Human Relations determines that reasonable grounds exist to believe that a prohibited action has occurred, is occurring, or is to be taken which requires corrective action, the Florida Commission on Human Relations shall report the determination together with any findings or recommendations to the agency head and may report that determination and those findings and recommendations to the Governor and the Chief Financial Officer. The Florida Commission on Human Relations may include in the report recommendations for corrective action to be taken.

3. If, after 35 days, the agency does not implement the recommended action, the Florida Commission on Human Relations shall terminate the investigation and notify the complainant of the right to appeal under subsection (4), or may petition the agency for corrective action under this subsection.

4. If the Florida Commission on Human Relations finds, in consultation with the individual subject to the prohibited action, that the agency has implemented the corrective action, the commission shall file such finding with the agency head, together with any written comments that the individual provides, and terminate the investigation.

(f) If the Florida Commission on Human Relations finds that there are no reasonable grounds to believe that a prohibited personnel action has occurred, is occurring, or is to be taken, the commission shall terminate the investigation.

(g)1. If, in connection with any investigation under this section, it is determined that reasonable grounds exist to believe that a criminal violation has occurred which has not been previously reported, the Florida Commission on Human Relations shall report this determination to the Department of Law Enforcement and to the state attorney having jurisdiction over the matter.

2. If an alleged criminal violation has been reported, the Florida Commission on Human Relations shall confer with the Department of Law Enforcement and the state attorney before proceeding with the investigation of the prohibited personnel action and may defer the investigation pending completion of the criminal investigation and proceedings. The Florida Commission on Human Relations shall inform the complainant of the decision to defer the investigation and, if appropriate, of the confidentiality of the investigation.

(h) If, in connection with any investigation under this section, the Florida Commission on Human Relations determines that reasonable grounds exist to believe that a violation of a law, rule, or regulation has occurred, other than a criminal violation or a prohibited action under this section, the commission may report such violation to the head of the agency involved. Within 30 days after the agency receives the report, the agency head shall provide to the commission a certification that states that the head of the agency has personally reviewed the report and indicates what action has been or is to be taken and when the action will be completed.

(i) During any investigation under this section, disciplinary action may not be taken against any employee of a state agency, as the term "state agency" is defined in s. 216.011, for reporting an alleged prohibited personnel action that is under investigation, or for reporting any related activity, or against any employee for participating in an investigation without notifying the Florida Commission on Human Relations.

(j) The Florida Commission on Human Relations may also petition for an award of reasonable attorney's fees and expenses from a state agency, as the term "state agency" is defined in s. 216.011, pursuant to s. 112.3187(9).

**(4) RIGHT TO APPEAL.—**

(a) Not more than 21 days after receipt of a notice of termination of the investigation from the Florida Commission on Human Relations, the complainant may file, with the Public Employees Relations Commission, a complaint against the employer-agency regarding the alleged prohibited personnel action. The Public Employees Relations Commission shall have jurisdiction over such complaints under ss. 112.3187 and 447.503(4) and (5).

(b) Judicial review of any final order of the commission shall be as provided in s. 120.68.

**History.**—s. 14, ch. 92-316; s. 4, ch. 93-57; s. 703, ch. 95-147; s. 22, ch. 99-333; s. 130, ch. 2003-261; s. 7, ch. 2020-153.

**112.31901 Investigatory records.—**

(1) If certified pursuant to subsection (2), an investigatory record of the Chief Inspector General within the Executive Office of the Governor or of the employee designated by an agency head as the agency inspector general under s. 112.3189 is exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution until the investigation ceases to be active, or a report detailing the investigation is provided to the Governor or the agency head, or 60 days from the inception of the investigation for which the record was made or received, whichever first occurs. Investigatory records are those records that are related to the investigation of an alleged, specific act or omission or other wrongdoing, with respect to an identifiable person or group of persons, based on information compiled by the Chief Inspector General or by an agency inspector general, as named under the provisions of s. 112.3189, in the course of an investigation. An investigation is active if it is continuing with a reasonable, good faith anticipation of resolution and with reasonable dispatch.

(2) The Governor, in the case of the Chief Inspector General, or agency head, in the case of an employee designated as the agency inspector general under s. 112.3189, may certify that such investigatory records require an exemption to protect the integrity of the investigation or avoid unwarranted damage to an individual's good name or reputation. The certification must specify the nature and purpose of the investigation and shall be kept with the exempt records and made public when the records are made public.

(3) This section does not apply to whistle-blower investigations conducted pursuant to ss. 112.3187, 112.3188, 112.3189, and 112.31895.

**History.**—s. 4, ch. 93-405; s. 35, ch. 95-398; s. 38, ch. 2005-251; s. 13, ch. 2006-1.

**Note.**—Former s. 119.07(6)(w).



**112.3191 Short title.**—This act shall be known and cited as “The John J. Savage Memorial Act of 1974.”

**History.**—s. 1, ch. 74-176.

**112.320 Commission on Ethics; purpose.**—There is created a Commission on Ethics, the purpose of which is to serve as guardian of the standards of conduct for the officers and employees of the state, and of a county, city, or other political subdivision of the state, as defined in this part, and to serve as the independent commission provided for in s. 8(f), Art. II of the State Constitution.

**History.**—s. 2, ch. 74-176; s. 11, ch. 91-85.

**112.321 Membership, terms; travel expenses; staff.**—

(1) The commission shall be composed of nine members. Five of these members shall be appointed by the Governor, no more than three of whom shall be from the same political party, subject to confirmation by the Senate. One member appointed by the Governor shall be a former city or county official and may be a former member of a local planning or zoning board which has only advisory duties. Two members shall be appointed by the Speaker of the House of Representatives, and two members shall be appointed by the President of the Senate. Neither the Speaker of the House of Representatives nor the President of the Senate shall appoint more than one member from the same political party. Of the nine members of the Commission, no more than five members shall be from the same political party at any one time. No member may hold any public employment. An individual who qualifies as a lobbyist pursuant to s. 11.045 or s. 112.3215 or pursuant to any local government charter or ordinance may not serve as a member of the commission, except that this prohibition does not apply to an individual who is a member of the commission on July 1, 2006, until the expiration of his or her current term. A member of the commission may not lobby any state or local governmental entity as provided in s. 11.045 or s. 112.3215 or as provided by any local government charter or ordinance, except that this prohibition does not apply to an individual who is a member of the commission on July 1, 2006, until the expiration of his or her current term. All members shall serve 2-year terms. A member may not serve more than two full terms in succession. Any member of the commission may be removed for cause by majority vote of the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Chief Justice of the Supreme Court.

(2) The members of the commission shall elect a chair from their number, who shall serve for a 1-year term and may not succeed himself or herself as chair.

(3) Members of the commission shall receive no salary but shall receive travel and per diem as provided in s. 112.061.

(4) In accordance with the uniform personnel, job classification, and pay plan adopted with the approval of the President of the Senate and the Speaker of the House of Representatives and administered by the Office of Legislative Services, the commission shall employ an executive director and shall provide the executive director with necessary office space, assistants, and secretaries. Within the above uniform plan, decisions relating to hiring, promotion, demotion, and termination of commission employees shall be made by the commission or, if so delegated by the commission, by its executive director.

**History.**—s. 2, ch. 74-176; s. 3, ch. 75-199; s. 6, ch. 82-98; s. 1, ch. 86-148; s. 3, ch. 88-29; s. 2, ch. 91-49; s. 704, ch. 95-147; s. 24, ch. 98-136; s. 6, ch. 2000-243; s. 10, ch. 2006-275.

**112.3213 Legislative intent and purpose.**—The Legislature finds that the operation of open and responsible government requires the fullest opportunity to be afforded to the people to petition their government for the redress of grievances and to express freely their opinions on executive branch action. Further, the Legislature finds that preservation of the integrity of the governmental decisionmaking process is essential to the continued functioning of an open government. Therefore, in order to preserve and maintain the integrity of the process and to better inform citizens of the efforts to influence executive branch action, the Legislature finds it necessary to require the public disclosure of the identity, expenditures, and activities of certain persons who attempt to influence actions of the executive branch in the areas of policy and procurement.

**History.**—s. 5, ch. 93-121.

**112.3215 Lobbying before the executive branch or the Constitution Revision Commission; registration and reporting; investigation by commission.**—

(1) For the purposes of this section:

(a) “Agency” means the Governor, Governor and Cabinet, or any department, division, bureau, board, commission, or authority of the executive branch. In addition, “agency” shall mean the Constitution Revision Commission as provided by s. 2, Art. XI of the State Constitution.

(b) “Agency official” or “employee” means any individual who is required by law to file full or limited public disclosure of his or her financial interests.

(c) “Compensation” means a payment, distribution, loan, advance, reimbursement, deposit, salary, fee, retainer, or anything of value provided or owed to a lobbying firm, directly or indirectly, by a principal for any lobbying activity.

(d) “Expenditure” means a payment, distribution, loan, advance, reimbursement, deposit, or anything of value made by a lobbyist or principal for the purpose of lobbying. The term “expenditure” does not include contributions or expenditures reported pursuant to chapter 106 or contributions or expenditures reported pursuant to federal election law, campaign-related personal services provided without compensation by individuals volunteering their time, any other contribution or expenditure made by or to a political party or an affiliated party committee, or any other contribution or expenditure made by an organization that is exempt from taxation under 26 U.S.C. s. 527 or s. 501(c)(4).

(e) “Fund” means the Executive Branch Lobby Registration Trust Fund.

(f) “Lobbies” means seeking, on behalf of another person, to influence an agency with respect to a decision of the agency in the area of policy or procurement or an attempt to obtain the goodwill of an agency official or employee. “Lobbies” also means influencing or attempting to influence, on behalf of another, the Constitution Revision Commission’s action or nonaction through oral or written communication or an attempt to obtain the goodwill of a member or employee of the Constitution Revision Commission.

(g) “Lobbying firm” means a business entity, including an individual contract lobbyist, that receives or becomes entitled to receive any compensation for the purpose of lobbying, where any partner, owner, officer, or employee of the business entity is a lobbyist.

(h) “Lobbyist” means a person who is employed and receives payment, or who contracts for economic consideration, for the purpose of lobbying, or a person who is principally employed for governmental affairs by another person or governmental entity to lobby on behalf of that other person or governmental entity. “Lobbyist” does not include a person who is:

1. An attorney, or any person, who represents a client in a judicial proceeding or in a formal administrative proceeding conducted pursuant to chapter 120 or any other formal hearing before an agency, board, commission, or authority of this state.

2. An employee of an agency or of a legislative or judicial branch entity acting in the normal course of his or her duties.

3. A confidential informant who is providing, or wishes to provide, confidential information to be used for law enforcement purposes.

4. A person who lobbies to procure a contract pursuant to chapter 287 which contract is less than the threshold for CATEGORY ONE as provided in s. 287.017.

(i) “Principal” means the person, firm, corporation, or other entity which has employed or retained a lobbyist.

(2) The Executive Branch Lobby Registration Trust Fund is hereby created within the commission to be used for the purpose of funding any office established to administer the registration of lobbyists lobbying an agency, including the payment of salaries and other expenses. The trust fund is not subject to the service charge to General Revenue provisions of chapter 215. All annual registration fees collected pursuant to this section shall be deposited into such fund.

(3) A person may not lobby an agency until such person has registered as a lobbyist with the commission. Such registration shall be due upon initially being retained to lobby and is renewable on a calendar year basis thereafter. Upon registration the person shall provide a statement signed by the principal or principal’s representative that the registrant is authorized to represent the principal. The principal shall also identify and designate its main business on the statement authorizing that lobbyist pursuant to a classification system approved by the commission. The registration shall require each lobbyist to disclose, under oath, the following information:

(a) Name and business address;

(b) The name and business address of each principal represented;



- (c) His or her area of interest;
- (d) The agencies before which he or she will appear; and
- (e) The existence of any direct or indirect business association, partnership, or financial relationship with any employee of an agency with which he or she lobbies, or intends to lobby, as disclosed in the registration.

(4) The annual lobbyist registration fee shall be set by the commission by rule, not to exceed \$40 for each principal represented.

(5)(a)1. Each lobbying firm shall file a compensation report with the commission for each calendar quarter during any portion of which one or more of the firm's lobbyists were registered to represent a principal. The report shall include the:

- a. Full name, business address, and telephone number of the lobbying firm;
- b. Name of each of the firm's lobbyists; and
- c. Total compensation provided or owed to the lobbying firm from all principals for the reporting period, reported in one of the following categories: \$0; \$1 to \$49,999; \$50,000 to \$99,999; \$100,000 to \$249,999; \$250,000 to \$499,999; \$500,000 to \$999,999; \$1 million or more.

2. For each principal represented by one or more of the firm's lobbyists, the lobbying firm's compensation report shall also include the:

- a. Full name, business address, and telephone number of the principal; and
- b. Total compensation provided or owed to the lobbying firm for the reporting period, reported in one of the following categories: \$0; \$1 to \$9,999; \$10,000 to \$19,999; \$20,000 to \$29,999; \$30,000 to \$39,999; \$40,000 to \$49,999; or \$50,000 or more. If the category "\$50,000 or more" is selected, the specific dollar amount of compensation must be reported, rounded up or down to the nearest \$1,000.

3. If the lobbying firm subcontracts work from another lobbying firm and not from the original principal:

- a. The lobbying firm providing the work to be subcontracted shall be treated as the reporting lobbying firm's principal for reporting purposes under this paragraph; and
- b. The reporting lobbying firm shall, for each lobbying firm identified under subparagraph 2., identify the name and address of the principal originating the lobbying work.

4. The senior partner, officer, or owner of the lobbying firm shall certify to the veracity and completeness of the information submitted pursuant to this paragraph.

(b) For each principal represented by more than one lobbying firm, the commission shall aggregate the reporting-period and calendar-year compensation reported as provided or owed by the principal.

(c) The reporting statements shall be filed no later than 45 days after the end of each reporting period. The four reporting periods are from January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31, respectively. Reporting statements must be filed by electronic means as provided in s. 112.32155.

(d) The commission shall provide by rule the grounds for waiving a fine, the procedures by which a lobbying firm that fails to timely file a report shall be notified and assessed fines, and the procedure for appealing the fines. The rule shall provide for the following:

1. Upon determining that the report is late, the person designated to review the timeliness of reports shall immediately notify the lobbying firm as to the failure to timely file the report and that a fine is being assessed for each late day. The fine shall be \$50 per day per report for each late day up to a maximum of \$5,000 per late report.

2. Upon receipt of the report, the person designated to review the timeliness of reports shall determine the amount of the fine due based upon the earliest of the following:

- a. When a report is actually received by the lobbyist registration and reporting office.
- b. When the electronic receipt issued pursuant to s. 112.32155 is dated.

3. Such fine shall be paid within 30 days after the notice of payment due is transmitted by the Lobbyist Registration Office, unless appeal is made to the commission. The moneys shall be deposited into the Executive Branch Lobby Registration Trust Fund.

4. A fine shall not be assessed against a lobbying firm the first time any reports for which the lobbying firm is responsible are not timely filed. However, to receive the one-time fine waiver, all reports for which the lobbying firm is responsible must be filed within 30 days after the notice that any reports have not been timely filed is transmitted by the Lobbyist Registration Office. A fine shall be assessed for any subsequent late-filed reports.

5. Any lobbying firm may appeal or dispute a fine, based upon unusual circumstances surrounding the failure to file on the designated due date, and may request and shall be entitled to a hearing before the commission, which shall have the authority to waive the fine in whole or in part for good cause shown. Any such request shall be made within 30 days after the notice of payment due is transmitted by the Lobbyist Registration Office. In such case, the lobbying firm shall, within the 30-day period, notify the person designated to review the timeliness of reports in writing of his or her intention to bring the matter before the commission.

6. The person designated to review the timeliness of reports shall notify the commission of the failure of a lobbying firm to file a report after notice or of the failure of a lobbying firm to pay the fine imposed. All lobbyist registrations for lobbyists who are partners, owners, officers, or employees of a lobbying firm that fails to timely pay a fine are automatically suspended until the fine is paid or waived, and the commission shall promptly notify all affected principals of each suspension and each reinstatement.

7. Notwithstanding any provision of chapter 120, any fine imposed under this subsection that is not waived by final order of the commission and that remains unpaid more than 60 days after the notice of payment due or more than 60 days after the commission renders a final order on the lobbying firm's appeal shall be collected by the Department of Financial Services as a claim, debt, or other obligation owed to the state, and the department may assign the collection of such fine to a collection agent as provided in s. 17.20.

(e) Each lobbying firm and each principal shall preserve for a period of 4 years all accounts, bills, receipts, computer records, books, papers, and other documents and records necessary to substantiate compensation. Any documents and records retained pursuant to this section may be subpoenaed for audit by the Legislative Auditing Committee pursuant to s. 11.40, and such subpoena may be enforced in circuit court.

(6)(a) Notwithstanding s. 112.3148, s. 112.3149, or any other provision of law to the contrary, no lobbyist or principal shall make, directly or indirectly, and no agency official, member, or employee shall knowingly accept, directly or indirectly, any expenditure.

(b) No person shall provide compensation for lobbying to any individual or business entity that is not a lobbying firm.

(7) A lobbyist shall promptly send a written statement to the commission canceling the registration for a principal upon termination of the lobbyist's representation of that principal. Notwithstanding this requirement, the commission may remove the name of a lobbyist from the list of registered lobbyists if the principal notifies the office that a person is no longer authorized to represent that principal.

(8)(a) The commission shall investigate every sworn complaint that is filed with it alleging that a person covered by this section has failed to register, has failed to submit a compensation report, has made a prohibited expenditure, or has knowingly submitted false information in any report or registration required in this section.

(b) All proceedings, the complaint, and other records relating to the investigation are confidential and exempt from the provisions of s. 119.07(1) and s. 24(a), Art. I of the State Constitution, and any meetings held pursuant to an investigation are exempt from the provisions of s. 286.011(1) and s. 24(b), Art. I of the State Constitution either until the alleged violator requests in writing that such investigation and associated records and meetings be made public or until the commission determines, based on the investigation, whether probable cause exists to believe that a violation has occurred.

(c) The commission shall investigate any lobbying firm, lobbyist, principal, agency, officer, or employee upon receipt of information from a sworn complaint or from a random audit of lobbying reports indicating that the entity or individual has intentionally failed to disclose any material fact or has knowingly submitted false information in any report required by this section or by rules adopted pursuant to this section.

(d) Notwithstanding paragraphs (a)-(c), the commission may dismiss any complaint or investigation resulting from a random audit of lobbying reports at any stage of disposition if it determines that the public interest is not served by proceeding further, in which case the commission must issue a public report stating with particularity its reasons for the dismissal.

(e)1. Records relating to an audit conducted pursuant to this section or an investigation conducted pursuant to this section or s. 112.32155 are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

2. Any portion of a meeting wherein such investigation or audit is discussed is exempt from s. 286.011 and s. 24(b), Art. I of the State Constitution.

3. The exemptions no longer apply if the lobbying firm requests in writing that such investigation and associated records and meetings be made public or the commission determines there is probable cause that the audit reflects a violation of the reporting laws.

(9) If the commission finds no probable cause to believe that a violation of this section occurred, it must dismiss the complaint, whereupon the complaint, together with a written statement of the findings of the investigation and a summary of the facts, becomes a matter of public record, and the commission must send a copy of the complaint, findings, and summary to the complainant and the alleged violator. If, after investigating information from a random audit of lobbying reports, the commission finds no probable cause to believe that a violation of this section occurred, a written statement of the findings of the investigation and a summary of the facts becomes a matter of public record, and the commission must send a copy of the findings and summary to the alleged violator. If the commission finds probable cause to believe that a violation occurred, it must report the results of its investigation to the Governor and Cabinet and send a copy of the report to the alleged violator by certified mail. Such notification and all documents made or received in the disposition of the complaint become public records. Upon a request submitted to the Governor and Cabinet in writing, any person whom the commission finds probable cause to believe has violated this section shall be entitled to a public hearing. Such person shall be deemed to have waived the right to a public hearing if the request is not received within 14 days following the mailing of the probable cause notification. However, the Governor and Cabinet may on its own motion require a public hearing and may conduct such further investigation as it deems necessary.

(10) If the Governor and Cabinet find that a violation occurred, the Governor and Cabinet may reprimand the violator, censure the violator, or prohibit the violator from lobbying all agencies for a period not to exceed 2 years. If the violator is a lobbying firm, lobbyist, or principal, the Governor and Cabinet may also assess a fine of not more than \$5,000 to be deposited in the Executive Branch Lobby Registration Trust Fund.

(11) Any person who is required to be registered or to provide information under this section or under rules adopted pursuant to this section and who knowingly fails to disclose any material fact that is required by this section or by rules adopted pursuant to this section, or who knowingly provides false information on any report required by this section or by rules adopted pursuant to this section, commits a noncriminal infraction, punishable by a fine not to exceed \$5,000. Such penalty is in addition to any other penalty assessed by the Governor and Cabinet pursuant to subsection (10).

(12) Any person, when in doubt about the applicability and interpretation of this section to himself or herself in a particular context, may submit in writing the facts of the situation to the commission with a request for an advisory opinion to establish the standard of duty. An advisory opinion shall be rendered by the commission and, until amended or revoked, shall be binding on the conduct of the person who sought the opinion, unless material facts were omitted or misstated in the request.

(13) Agencies shall be diligent to ascertain whether persons required to register pursuant to this section have complied. An agency may not knowingly permit a person who is not registered pursuant to this section to lobby the agency.

(14) Upon discovery of violations of this section an agency or any person may file a sworn complaint with the commission.

(15) The commission shall adopt rules to administer this section, which shall prescribe forms for registration and compensation reports, procedures for registration, and procedures that will prevent disclosure of information that is confidential as provided in this section.

**History.**—s. 2, ch. 89-325; s. 3, ch. 90-268; s. 29, ch. 90-360; s. 5, ch. 91-292; s. 2, ch. 92-35; s. 6, ch. 93-121; s. 705, ch. 95-147; s. 1, ch. 95-357; s. 2, ch. 96-203; s. 38, ch. 96-406; s. 1, ch. 97-12; s. 2, ch. 2000-232; s. 131, ch. 2003-261; ss. 5, 6, ch. 2005-359; s. 1, ch. 2005-361; ss. 12, 13, 14, ch. 2006-275; s. 6, ch. 2010-151; ss. 29, 30, ch. 2011-6; s. 76, ch. 2011-40; s. 1, ch. 2011-178; HJR 7105, 2011 Regular Session; s. 3, ch. 2012-25; s. 16, ch. 2013-36; s. 17, ch. 2014-17; s. 8, ch. 2023-49.

**112.32151 Requirements for reinstatement of lobbyist registration after felony conviction.**—A person convicted of a felony after January 1, 2006, may not be registered as a lobbyist pursuant to s. 112.3215 until the person:

(1) Has been released from incarceration and any postconviction supervision, and has paid all court costs and court-ordered restitution; and

(2) Has had his or her civil rights restored.

History.—s. 9, ch. 2005-359; s. 8, ch. 2007-5.

**112.32155 Electronic filing of compensation reports and other information.—**

(1) As used in this section, the term “electronic filing system” means an Internet system for recording and reporting lobbying compensation and other required information by reporting period.

(2) Each lobbying firm who is required to file reports with the Commission on Ethics pursuant to s. 112.3215 must file such reports with the commission by means of the electronic filing system.

(3) A report filed pursuant to this section must be completed and filed through the electronic filing system not later than 11:59 p.m. of the day designated in s. 112.3215. A report not filed by 11:59 p.m. of the day designated is a late-filed report and is subject to the penalties under s. 112.3215(5).

(4) Each report filed pursuant to this section is considered to meet the certification requirements of s. 112.3215(5)(a)4. Persons given a secure sign-on to the electronic filing system are responsible for protecting it from disclosure and are responsible for all filings using such credentials, unless they have notified the commission that their credentials have been compromised.

(5) The electronic filing system must:

(a) Be based on access by means of the Internet.

(b) Be accessible by anyone with Internet access using standard web-browsing software.

(c) Provide for direct entry of compensation report information as well as upload of such information from software authorized by the commission.

(d) Provide a method that prevents unauthorized access to electronic filing system functions.

(6) The commission shall provide by rule procedures to implement and administer this section, including, but not limited to:

(a) Alternate filing procedures in case the electronic filing system is not operable.

(b) The issuance of an electronic receipt to the person submitting the report indicating and verifying the date and time that the report was filed.

(7) The commission shall make all the data filed available on the Internet in an easily understood and accessible format. The Internet website shall also include, but not be limited to, the names and business addresses of lobbyists, lobbying firms, and principals, the affiliations between lobbyists and principals, and the classification system designated and identified by each principal pursuant to s. 112.3215(3).

History.—s. 7, ch. 2005-359.

**112.3217 Contingency fees; prohibitions; penalties.—**

(1) “Contingency fee” means a fee, bonus, commission, or nonmonetary benefit as compensation which is dependent or in any way contingent on the enactment, defeat, modification, or other outcome of any specific executive branch action.

(2) No person may, in whole or in part, pay, give, or receive, or agree to pay, give, or receive, a contingency fee. However, this subsection does not apply to claims bills.

(3) Any person who violates this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. If such person is a lobbyist, the lobbyist shall forfeit any fee, bonus, commission, or profit received in violation of this section and is subject to the penalties set forth in s. 112.3215. When the fee, bonus, commission, or profit is nonmonetary, the fair market value of the benefit shall be used in determining the amount to be forfeited. All forfeited benefits shall be deposited into the Executive Branch Lobby Registration Trust Fund.

(4) Nothing in this section may be construed to prohibit any salesperson engaging in legitimate state business on behalf of a company from receiving compensation or commission as part of a bona fide contractual arrangement with that company.

History.—s. 7, ch. 93-121; s. 9, ch. 2000-336.

**112.322 Duties and powers of commission.—**

(1) It is the duty of the Commission on Ethics to receive and investigate sworn complaints of violation of the code of ethics as established in this part and of any other breach of the public trust, as provided in s. 8(f), Art. II of the State Constitution, including investigation of all facts and parties materially related to the complaint at issue.

(2)(a) Any public officer or employee may request a hearing before the Commission on Ethics to present oral or written testimony in response to allegations that such person violated the code of ethics established in this part or allegations of any other breach of the public trust, as provided in s. 8, Art. II of the State Constitution, provided a majority of the commission members present and voting

consider that the allegations are of such gravity as to affect the general welfare of the state and the ability of the subject public officer or employee effectively to discharge the duties of the office. If the allegations made against the subject public officer or employee are made under oath, then he or she shall also be required to testify under oath.

(b) Upon completion of any investigation initiated under this subsection, the commission shall make a finding and public report as to whether any provision of the code of ethics has been violated or any other breach of the public trust has been committed by the subject official or employee. In the event that a violation or breach is found to have been committed, the commission shall recommend appropriate action to the agency or official having power to impose any penalty provided by s. 112.317.

(c) All proceedings conducted pursuant to this subsection shall be public meetings within the meaning of chapter 286, and all documents made or received in connection with the commission's investigation thereof shall be public records within the meaning of chapter 119.

(d) Any response to a request of a public official or employee shall be addressed in the first instance to the official or employee making the request.

(3)(a) Every public officer, candidate for public office, or public employee, when in doubt about the applicability and interpretation of this part or s. 8, Art. II of the State Constitution to himself or herself in a particular context, may submit in writing the facts of the situation to the Commission on Ethics with a request for an advisory opinion to establish the standard of public duty. Any public officer or employee who has the power to hire or terminate employees may likewise seek an advisory opinion from the commission as to the application of the provisions of this part or s. 8, Art. II of the State Constitution to any such employee or applicant for employment. An advisory opinion shall be rendered by the commission, and each such opinion shall be numbered, dated, and published without naming the person making the request, unless such person consents to the use of his or her name.

(b) Such opinion, until amended or revoked, shall be binding on the conduct of the officer, employee, or candidate who sought the opinion or with reference to whom the opinion was sought, unless material facts were omitted or misstated in the request for the advisory opinion.

(4) The commission has the power to subpoena, audit, and investigate. The commission may subpoena witnesses and compel their attendance and testimony, administer oaths and affirmations, take evidence, and require by subpoena the production of any books, papers, records, or other items relevant to the performance of the duties of the commission or to the exercise of its powers. The commission may delegate to its investigators the authority to administer oaths and affirmations. The commission may delegate the authority to issue subpoenas to its chair, and may authorize its employees to serve any subpoena issued under this section. In the case of a refusal to obey a subpoena issued to any person, the commission may make application to any circuit court of this state which shall have jurisdiction to order the witness to appear before the commission and to produce evidence, if so ordered, or to give testimony touching on the matter in question. Failure to obey the order may be punished by the court as contempt. Witnesses shall be paid mileage and witnesses fees as authorized for witnesses in civil cases, except that a witness who is required to travel outside the county of his or her residence to testify is entitled to per diem and travel expenses at the same rate provided for state employees under s. 112.061, to be paid after the witness appears.

(5) The commission may recommend that the Governor initiate judicial proceedings in the name of the state against any executive or administrative state, county, or municipal officer to enforce compliance with any provision of this part or of s. 8, Art. II of the State Constitution or to restrain violations of this part or of s. 8, Art. II of the State Constitution, pursuant to s. 1(b), Art. IV of the State Constitution; and the Governor may without further action initiate such judicial proceedings.

(6) The commission is authorized to call upon appropriate agencies of state government for such professional assistance as may be needed in the discharge of its duties. The Department of Legal Affairs shall, upon request, provide legal and investigative assistance to the commission.

(7) The commission may prepare materials designed to assist persons in complying with the provisions of this part and with s. 8, Art. II of the State Constitution.

(8) It shall be the further duty of the commission to submit to the Legislature from time to time a report of its work and recommendations for legislation deemed necessary to improve the code of ethics and its enforcement.



(9) The commission is authorized to make such rules not inconsistent with law as are necessary to carry out the duties and authority conferred upon the commission by s. 8, Art. II of the State Constitution or by this part. Such rules shall be limited to:

(a) Rules providing for the practices and procedures of the commission.

(b) Rules interpreting the disclosures and prohibitions established by s. 8, Art. II of the State Constitution and by this part.

**History.**—s. 2, ch. 74-176; s. 4, ch. 75-199; s. 1, ch. 76-89; s. 1, ch. 77-174; s. 7, ch. 82-98; s. 33, ch. 89-169; s. 12, ch. 91-85; s. 13, ch. 94-277; s. 1416, ch. 95-147; s. 7, ch. 2000-243; s. 15, ch. 2006-275.

**112.3231 Time limitations.—**

(1) On or after October 1, 1993, all sworn complaints alleging a violation of this part, or of any other breach of the public trust within the jurisdiction of the Commission on Ethics under s. 8, Art. II of the State Constitution, shall be filed with the commission within 5 years of the alleged violation or other breach of the public trust.

(2) A violation of this part or any other breach of public trust is committed when every element has occurred or, if the violation or breach of public trust involves a continuing course of conduct, at the time when the course of conduct or the officer's, employee's, or candidate's complicity therein is terminated. Time starts to run on the day after the violation or breach of public trust is committed.

(3) The applicable period of limitation is tolled on the day a sworn complaint against the public officer, employee, or candidate is filed with the Commission on Ethics. If it can be concluded from the face of the complaint that the applicable period of limitation has run, the complaint shall be dismissed and the commission shall issue a public report.

**History.**—s. 13, ch. 91-85; s. 10, ch. 94-277.

**112.3232 Compelled testimony.—**If any person called to give evidence in a commission proceeding shall refuse to give evidence because of a claim of possible self-incrimination, the commission, with the written authorization of the appropriate state attorney, may apply to the chief judge of the appropriate judicial circuit for a judicial grant of immunity ordering the testimony or other evidence of such person notwithstanding his or her objection, but in such case no testimony or other information compelled under the order, or any information directly or indirectly derived from such testimony or other information, may be used against the witness in any criminal proceeding.

**History.**—s. 10, ch. 2000-243.

**112.324 Procedures on complaints of violations and referrals; public records and meeting exemptions.—**

(1) The commission shall investigate an alleged violation of this part or other alleged breach of the public trust within the jurisdiction of the commission as provided in s. 8(f), Art. II of the State Constitution:

(a) Upon a written complaint executed on a form prescribed by the commission and signed under oath or affirmation by any person; or

(b) Upon receipt of a written referral of a possible violation of this part or other possible breach of the public trust from the Governor, the Department of Law Enforcement, a state attorney, or a United States Attorney which at least six members of the commission determine is sufficient to indicate a violation of this part or any other breach of the public trust.

Within 5 days after receipt of a complaint by the commission or a determination by at least six members of the commission that the referral received is deemed sufficient, a copy shall be transmitted to the alleged violator.

(2)(a) The complaint and records relating to the complaint or to any preliminary investigation held by the commission or its agents, by a Commission on Ethics and Public Trust established by any county defined in s. 125.011(1) or by any municipality defined in s. 165.031, or by any county or municipality that has established a local investigatory process to enforce more stringent standards of conduct and disclosure requirements as provided in s. 112.326 are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

(b) Written referrals and records relating to such referrals held by the commission or its agents, the Governor, the Department of Law Enforcement, or a state attorney, and records relating to any preliminary investigation of such referrals held by the commission or its agents, are confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution.

(c) Any portion of a proceeding conducted by the commission, a Commission on Ethics and Public Trust, or a county or municipality that has established such local investigatory process, pursuant to a

complaint or preliminary investigation, is exempt from s. 286.011, s. 24(b), Art. I of the State Constitution, and s. 120.525.

(d) Any portion of a proceeding of the commission in which a determination regarding a referral is discussed or acted upon is exempt from s. 286.011 and s. 24(b), Art. I of the State Constitution, and s. 120.525.

(e) The exemptions in paragraphs (a)-(d) apply until:

1. The complaint is dismissed as legally insufficient;
2. The alleged violator requests in writing that such records and proceedings be made public;
3. The commission determines that it will not investigate the referral; or
4. The commission, a Commission on Ethics and Public Trust, or a county or municipality that has established such local investigatory process determines, based on such investigation, whether probable cause exists to believe that a violation has occurred.

(f) A complaint or referral under this part against a candidate in any general, special, or primary election may not be filed nor may any intention of filing such a complaint or referral be disclosed on the day of any such election or within the 30 days immediately preceding the date of the election, unless the complaint or referral is based upon personal information or information other than hearsay.

(3) A preliminary investigation shall be undertaken by the commission of each legally sufficient complaint or referral over which the commission has jurisdiction to determine whether there is probable cause to believe that a violation has occurred. If, upon completion of the preliminary investigation, the commission finds no probable cause to believe that this part has been violated or that any other breach of the public trust has been committed, the commission shall dismiss the complaint or referral with the issuance of a public report to the complainant and the alleged violator, stating with particularity its reasons for dismissal. At that time, the complaint or referral and all materials relating to the complaint or referral shall become a matter of public record. If the commission finds from the preliminary investigation probable cause to believe that this part has been violated or that any other breach of the public trust has been committed, it shall so notify the complainant and the alleged violator in writing. Such notification and all documents made or received in the disposition of the complaint or referral shall then become public records. Upon request submitted to the commission in writing, any person who the commission finds probable cause to believe has violated any provision of this part or has committed any other breach of the public trust shall be entitled to a public hearing. Such person shall be deemed to have waived the right to a public hearing if the request is not received within 14 days following the mailing of the probable cause notification required by this subsection. However, the commission may on its own motion, require a public hearing, may conduct such further investigation as it deems necessary, and may enter into such stipulations and settlements as it finds to be just and in the best interest of the state. The commission is without jurisdiction to, and no respondent may voluntarily or involuntarily, enter into a stipulation or settlement which imposes any penalty, including, but not limited to, a sanction or admonition or any other penalty contained in s. 112.317. Penalties shall be imposed only by the appropriate disciplinary authority as designated in this section.

(4) If, in cases pertaining to members of the Legislature, upon completion of a full and final investigation by the commission, the commission finds that there has been a violation of this part or of any provision of s. 8, Art. II of the State Constitution, the commission shall forward a copy of the complaint or referral and its findings by certified mail to the President of the Senate or the Speaker of the House of Representatives, whichever is applicable, who shall refer the complaint or referral to the appropriate committee for investigation and action which shall be governed by the rules of its respective house. It is the duty of the committee to report its final action upon the matter to the commission within 90 days of the date of transmittal to the respective house. Upon request of the committee, the commission shall submit a recommendation as to what penalty, if any, should be imposed. In the case of a member of the Legislature, the house in which the member serves has the power to invoke the penalty provisions of this part.

(5) If, in cases against impeachable officers, upon completion of a full and final investigation by the commission, the commission finds that there has been a violation of this part or of any provision of s. 8, Art. II of the State Constitution, and the commission finds that the violation may constitute grounds for impeachment, the commission shall forward a copy of the complaint or referral and its findings by certified mail to the Speaker of the House of Representatives, who shall refer the complaint



or referral to the appropriate committee for investigation and action which shall be governed by the rules of the House of Representatives. It is the duty of the committee to report its final action upon the matter to the commission within 90 days of the date of transmittal.

(6) If the commission finds that there has been a violation of this part or of any provision of s. 8, Art. II of the State Constitution by an impeachable officer other than the Governor, and the commission recommends public censure and reprimand, forfeiture of a portion of the officer's salary, a civil penalty, or restitution, the commission shall report its findings and recommendation of disciplinary action to the Governor, who has the power to invoke the penalty provisions of this part.

(7) If the commission finds that there has been a violation of this part or of any provision of s. 8, Art. II of the State Constitution by the Governor, and the commission recommends public censure and reprimand, forfeiture of a portion of the Governor's salary, a civil penalty, or restitution, the commission shall report its findings and recommendation of disciplinary action to the Attorney General, who shall have the power to invoke the penalty provisions of this part.

(8) If, in cases other than complaints or referrals against impeachable officers or members of the Legislature, upon completion of a full and final investigation by the commission, the commission finds that there has been a violation of this part or of s. 8, Art. II of the State Constitution, it is the duty of the commission to report its findings and recommend appropriate action to the proper disciplinary official or body as follows, and such official or body has the power to invoke the penalty provisions of this part, including the power to order the appropriate elections official to remove a candidate from the ballot for a violation of s. 112.3145 or s. 8(a) and (i), Art. II of the State Constitution:

(a) The President of the Senate and the Speaker of the House of Representatives, jointly, in any case concerning the Public Counsel, members of the Public Service Commission, members of the Public Service Commission Nominating Council, the Auditor General, or the director of the Office of Program Policy Analysis and Government Accountability.

(b) The Supreme Court, in any case concerning an employee of the judicial branch.

(c) The President of the Senate, in any case concerning an employee of the Senate; the Speaker of the House of Representatives, in any case concerning an employee of the House of Representatives; or the President and the Speaker, jointly, in any case concerning an employee of a committee of the Legislature whose members are appointed solely by the President and the Speaker or in any case concerning an employee of the Public Counsel, Public Service Commission, Auditor General, or Office of Program Policy Analysis and Government Accountability.

(d) Except as otherwise provided by this part, the Governor, in the case of any other public officer, public employee, former public officer or public employee, candidate or former candidate, or person who is not a public officer or employee, other than lobbyists and lobbying firms under s. 112.3215 for violations of s. 112.3215.

(e) The President of the Senate or the Speaker of the House of Representatives, whichever is applicable, in any case concerning a former member of the Legislature who has violated a provision applicable to former members or whose violation occurred while a member of the Legislature.

(9) In addition to reporting its findings to the proper disciplinary body or official, the commission shall report these findings to the state attorney or any other appropriate official or agency having authority to initiate prosecution when violation of criminal law is indicated.

(10) Notwithstanding the foregoing procedures of this section, a sworn complaint against any member or employee of the Commission on Ethics for violation of this part or of s. 8, Art. II of the State Constitution shall be filed with the President of the Senate and the Speaker of the House of Representatives. Each presiding officer shall, after determining that there are sufficient grounds for review, appoint three members of their respective bodies to a special joint committee who shall investigate the complaint. The members shall elect a chair from among their number. If the special joint committee finds insufficient evidence to establish probable cause to believe a violation of this part or of s. 8, Art. II of the State Constitution has occurred, it shall dismiss the complaint. If, upon completion of its preliminary investigation, the committee finds sufficient evidence to establish probable cause to believe a violation has occurred, the chair thereof shall transmit such findings to the Governor who shall convene a meeting of the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Chief Justice of the Supreme Court to take such final action on the complaint as they shall deem appropriate, consistent with the penalty provisions of this part. Upon request of a majority of the Governor, the President of the Senate, the Speaker of the House of

Representatives, and the Chief Justice of the Supreme Court, the special joint committee shall submit a recommendation as to what penalty, if any, should be imposed.

(11)(a) Notwithstanding subsections (1)-(8), the commission may dismiss any complaint or referral at any stage of disposition if it determines that the violation that is alleged or has occurred is a de minimis violation attributable to inadvertent or unintentional error. In determining whether a violation was de minimis, the commission shall consider whether the interests of the public were protected despite the violation.

(b) For the purposes of this subsection, a de minimis violation is any violation that is unintentional and not material in nature.

(12) Notwithstanding the provisions of subsections (1)-(8), the commission may, at its discretion, dismiss any complaint or referral at any stage of disposition should it determine that the public interest would not be served by proceeding further, in which case the commission shall issue a public report stating with particularity its reasons for the dismissal.

**History.**—s. 2, ch. 74-176; s. 5, ch. 75-199; s. 3, ch. 83-282; s. 30, ch. 90-360; s. 14, ch. 91-85; s. 11, ch. 94-277; s. 1417, ch. 95-147; s. 2, ch. 95-354; s. 4, ch. 96-311; s. 3, ch. 97-293; s. 14, ch. 2000-151; s. 17, ch. 2000-331; s. 30, ch. 2001-266; s. 1, ch. 2002-186; s. 1, ch. 2005-186; s. 17, ch. 2008-4; s. 3, ch. 2009-126; s. 1, ch. 2010-116; s. 1, ch. 2010-130; s. 18, ch. 2011-34; s. 17, ch. 2013-36; s. 1, ch. 2013-38; s. 18, ch. 2014-17; s. 1, ch. 2018-76; s. 9, ch. 2023-49.

**112.3241 Judicial review.**—Any final action by the commission taken pursuant to this part shall be subject to review in a district court of appeal upon the petition of the party against whom an adverse opinion, finding, or recommendation is made.

**History.**—s. 6, ch. 75-199; s. 4, ch. 84-318.

**112.3251 Citizen support and direct-support organizations; standards of conduct.**—A citizen support or direct-support organization created or authorized pursuant to law must adopt its own ethics code. The ethics code must contain the standards of conduct and disclosures required under ss. 112.313 and 112.3143(2), respectively. However, an ethics code adopted pursuant to this section is not required to contain the standards of conduct specified in s. 112.313(3) or (7). The citizen support or direct-support organization may adopt additional or more stringent standards of conduct and disclosure requirements if those standards of conduct and disclosure requirements do not otherwise conflict with this part. The ethics code must be conspicuously posted on the citizen support or direct-support organization's website.

**History.**—s. 5, ch. 2014-183.

**112.326 Additional requirements by political subdivisions and agencies not prohibited.**—Nothing in this act shall prohibit the governing body of any political subdivision, by ordinance, or agency, by rule, from imposing upon its own officers and employees additional or more stringent standards of conduct and disclosure requirements than those specified in this part, provided that those standards of conduct and disclosure requirements do not otherwise conflict with the provisions of this part.

**History.**—s. 5, ch. 75-196; s. 12, ch. 94-277.

**112.3261 Lobbying before water management districts; registration and reporting.**—

(1) As used in this section, the term:

(a) “District” means a water management district created in s. 373.069 and operating under the authority of chapter 373.

(b) “Lobbies” means seeking, on behalf of another person, to influence a district with respect to a decision of the district in an area of policy or procurement or an attempt to obtain the goodwill of a district official or employee. The term “lobbies” shall be interpreted and applied consistently with the rules of the commission implementing s. 112.3215.

(c) “Lobbyist” has the same meaning as provided in s. 112.3215.

(d) “Principal” has the same meaning as provided in s. 112.3215.

(2) A person may not lobby a district until such person has registered as a lobbyist with that district. Such registration shall be due upon initially being retained to lobby and is renewable on a calendar-year basis thereafter. Upon registration, the person shall provide a statement signed by the principal or principal's representative stating that the registrant is authorized to represent the principal. The principal shall also identify and designate its main business on the statement authorizing that lobbyist pursuant to a classification system approved by the district. Any changes to the information required by this section must be disclosed within 15 days by filing a new registration form. The registration form shall require each lobbyist to disclose, under oath, the following:

- (a) The lobbyist's name and business address.
  - (b) The name and business address of each principal represented.
  - (c) The existence of any direct or indirect business association, partnership, or financial relationship with any officer or employee of a district with which he or she lobbies or intends to lobby.
  - (d) In lieu of creating its own lobbyist registration forms, a district may accept a completed legislative branch or executive branch lobbyist registration form.
- (3) A district shall make lobbyist registrations available to the public. If a district maintains a website, a database of currently registered lobbyists and principals must be available on the district's website.
- (4) A lobbyist shall promptly send a written statement to the district canceling the registration for a principal upon termination of the lobbyist's representation of that principal. A district may remove the name of a lobbyist from the list of registered lobbyists if the principal notifies the district that a person is no longer authorized to represent that principal.
- (5) A district may establish an annual lobbyist registration fee, not to exceed \$40, for each principal represented. The district may use registration fees only to administer this section.
- (6) A district shall be diligent to ascertain whether persons required to register pursuant to this section have complied. A district may not knowingly authorize a person who is not registered pursuant to this section to lobby the district.
- (7) Upon receipt of a sworn complaint alleging that a lobbyist or principal has failed to register with a district or has knowingly submitted false information in a report or registration required under this section, the commission shall investigate a lobbyist or principal pursuant to the procedures established under s. 112.324. The commission shall provide the Governor with a report of its findings and recommendations in any investigation conducted pursuant to this subsection. The Governor is authorized to enforce the commission's findings and recommendations.
- (8) Water management districts may adopt rules to establish procedures to govern the registration of lobbyists, including the adoption of forms and the establishment of a lobbyist registration fee.
- History.—s. 6, ch. 2014-183.

**PART IV  
SUPPLEMENTAL RETIREMENT ACT FOR  
RETIRED MEMBERS OF STATE  
RETIREMENT SYSTEMS**

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**112.351 Short title.**—This act shall be known and cited as the “Florida Supplemental Retirement Act for Retired Members of State Retirement Systems.”

History.—s. 1, ch. 67-276.

**112.352 Definitions.**—The following words and phrases as used in this act shall have the following meaning unless a different meaning is required by the context:

- (1) “Base year” means the year in which a retired member actually retired from a system or the year in which the member attained age 65, if later.
- (2) “Department” means the Department of Management Services.
- (3) “Funds” shall mean the special trust funds in the State Treasury created under each of the retirement laws covered by this act.
- (4) “Joint annuitant” means any person named by a retired member under the applicable system to receive any retirement benefits due and payable from the system after the member's death.

(5) “Retired member” shall mean any person who had both attained age 65 and retired prior to January 1, 1966, and is receiving benefits under any of the following systems:

(a) State and County Officers and Employees Retirement System, created by authority of chapter 122.

(b) Supreme Court Justices, District Courts of Appeal Judges and Circuit Judges Retirement System, created by authority of former chapter 123.

(c) Teachers’ Retirement System of the state, created by authority of chapter 238; or

(d) Highway Patrol Pension Trust Fund, created by authority of chapter 321.

(6) “Retirement benefit” means the monthly benefit which a retired member or joint annuitant is receiving from a system.

(7) “Social security benefit” shall mean the monthly primary insurance amount, computed in accordance with the Social Security Act from which is derived the monthly benefit amount, which the retired member is receiving, entitled to receive, or would be entitled to receive upon application to the Social Security Administration, without taking into account any earned income which would cause a reduction in such amount. For purposes of this act, the social security benefit of:

(a) A retired member who is not insured under the Social Security Act shall be zero, and

(b) A deceased retired member who was insured under the Social Security Act shall be the primary insurance amount from which is derived the monthly benefit amount which the member was receiving or entitled to receive in the month immediately preceding his or her date of death.

(8) “System” shall mean any of the retirement systems specified in subsection (5).

**History.**—s. 2, ch. 67-276; ss. 31, 35, ch. 69-106; s. 35, ch. 71-377; s. 1, ch. 73-326; s. 45, ch. 92-279; s. 55, ch. 92-326; s. 706, ch. 95-147; s. 1, ch. 95-154; s. 44, ch. 99-2; s. 14, ch. 99-255; s. 38, ch. 2023-8.

**112.353 Purpose of act.**—The purpose of this act is to provide a supplement to the monthly retirement benefits being paid to, or with respect to, retired members under the retirement systems specified in s. 112.352(5) and any permanently and totally disabled retired member who became thus disabled in the line of duty and while performing the duties incident to his or her employment, such supplement to be approximately equal to the excess of the increase in social security benefits that the retired member would have received had he or she been covered for maximum benefits under the Social Security Act at age 65 or at date of retirement, whichever is later, over the amount of increase he or she has previously received or is entitled to receive by virtue of coverage under the Social Security Act.

**History.**—s. 3, ch. 67-276; s. 707, ch. 95-147; s. 39, ch. 2023-8.

**112.354 Eligibility for supplement.**—Each retired member or, if applicable, a joint annuitant, except any person receiving survivor benefits under the teachers’ retirement system of the state in accordance with s. 238.07(18), shall be entitled to receive a supplement computed in accordance with s. 112.355 upon:

(1) Furnishing to the Department of Management Services evidence from the Social Security Administration setting forth the retired member’s social security benefit or certifying the noninsured status of the retired member under the Social Security Act, and

(2) Filing written application with the Department of Management Services for such supplement.

**History.**—s. 4, ch. 67-276; ss. 31, 35, ch. 69-106; s. 1, ch. 73-326; s. 15, ch. 99-255; s. 7, ch. 2010-5.

**112.355 Supplement amount.**—

(1) The supplement amount shall be calculated in the following manner, based on the retired member’s social security benefit and the table of values below:

TABLE OF VALUES

Base Year	I	II	III	IV
Prior to 1951	\$57.00	\$34.00	\$58.00	\$102.00
1951-1952	33.00	24.00	69.00	113.00
1953-1954	28.00	19.00	69.00	113.00
1955-1958	16.00	14.00	81.00	125.00
1959-1965	9.00	4.00	92.00	136.00

(2) The supplement amount for a retired member whose social security benefit is less than \$44 shall be equal to (a) minus the product of (b) and (c) where:

(a) Is the value shown in column I of the table of values for the retired member’s base year,

(b) Is the value shown in column II of the table of values for the retired member's base year, and  
(c) Is the retired member's social security benefit divided by \$44, subject to the provisions of subsection (4).

(3) The supplement amount for a retired member whose social security benefit is \$44 or more shall be equal to the product of paragraphs (a) and (b) of this subsection where:

(a) Is the difference between the value shown in column I and column II of the table of values for the retired member's base year, and

(b) Is the value shown in column IV of the table of values for the retired member's base year minus the retired member's social security benefit, such difference divided by the value shown in column III of the table of values. In no event shall (b), as calculated in the previous sentence, be less than zero; subject to the provisions of subsection (4).

(4) The supplement amount for any retired member of, if applicable, a joint annuitant, who is receiving a retirement benefit of lesser amount than the normal retirement benefit to which the retired member was entitled at time of retirement because of early retirement or election of an optional form of payment, shall be reduced to an amount equal to the product of paragraphs (a) and (b) of this subsection where:

(a) Is the reduced retirement benefit such member or joint annuitant is receiving divided by the normal retirement benefit to which the retired member was entitled at retirement, and

(b) Is the supplement amount computed in accordance with subsection (2) or subsection (3), whichever is applicable.

(5) The supplement amount calculated in accordance with this section shall be rounded to the nearest dollar.

**History.**—s. 5, ch. 67-276; s. 708, ch. 95-147.

**112.356 Payment of supplement.**—Any supplement due and payable under this act shall be paid by the department or under the direction and control of the department, based on information furnished by the retired member, or a joint annuitant, and the administrator of the system under which retirement benefits are being paid, beginning on the first day of the month coincident with or next following the later of the effective date of this act and the date of approval of the application for supplement by the department, and payable thereafter on the first day of each month in the normal or optional form in which retirement benefits under the applicable system are being paid; provided, however, that if application for supplement is made subsequent to December 31, 1967, not more than 6 retroactive monthly supplements shall be paid.

**History.**—s. 6, ch. 67-276; ss. 31, 35, ch. 69-106; s. 16, ch. 99-255.

**112.357 Appropriation.**—There is hereby appropriated annually from the respective retirement trust fund from which the retired member is receiving his or her normal retirement benefit, an amount necessary to provide the benefits hereunder, and the amount necessary for the effective and efficient administration of this act.

**History.**—s. 7, ch. 67-276; s. 709, ch. 95-147.

**112.359 Benefits exempt from taxes and execution.**—The benefits provided for any person under the provisions of this act are exempt from any state, county or municipal tax of the state and shall not be subject to assignment, execution or attachment or to any legal process whatsoever.

**History.**—s. 9, ch. 67-276.

**112.360 Amendments.**—References in this act to state and federal laws are intended to include such laws as they now exist or may hereafter be amended.

**History.**—s. 10, ch. 67-276.

**112.361 Additional and updated supplemental retirement benefits.**—

(1) **SHORT TITLE.**—This section shall be known and cited as “The 1969 Florida Supplemental Retirement Act.”

(2) **DEFINITIONS.**—As used in this section, unless a different meaning is required by the context:

(a) “Department” means the Department of Management Services.

(b) “Funds” means the special trust funds in the State Treasury created under each of the retirement laws covered by this section.

(c) “Joint annuitant” means any person named by a retired member under the applicable system to receive any retirement benefits due and payable from the system after his or her death.

(d) “Retired member” means any person:

1. Who either:



a. Had both attained age 65 and retired for reasons other than disability prior to January 1, 1968; or

b. Had retired because of disability prior to January 1, 1968, and who, if he or she had been covered under the Social Security Act, would have been eligible for disability benefits under Title II of the Social Security Act; and

2. Who is receiving benefits under any of the following systems:

a. State and County Officers and Employees Retirement System created by authority of chapter 122;

b. Supreme Court Justices, District Courts of Appeal Judges and Circuit Judges Retirement System created by authority of former chapter 123;

c. Teachers' Retirement System of the state created by authority of chapter 238; or

d. Highway Patrol Pension Trust Fund created by authority of chapter 321.

In addition, "retired member" includes any state official or state employee who retired prior to January 1, 1958, and is receiving benefits by authority of s. 112.05.

(e) "Retirement benefit" means the monthly benefit which a retired member or joint annuitant is receiving from a system.

(f) "Social security benefit" means the monthly primary insurance amount, computed in accordance with the Social Security Act, from which is derived the monthly benefit amount which the retired member is receiving, entitled to receive, or would be entitled to receive upon application to the Social Security Administration, without taking into account any earned income which would cause a reduction in such amount. For purposes of this section:

1. The social security benefit of a retired member who is not insured under the Social Security Act shall be zero, and

2. The social security benefit of a deceased retired member who was insured under the Social Security Act shall be the primary insurance amount from which is derived the monthly benefit amount which the member was receiving or entitled to receive in the month immediately preceding his or her date of death.

(g) "System" means any of the retirement systems specified in paragraph (d), including that pursuant to s. 112.05.

(3) PURPOSE OF SECTION.—The purpose of this section is to provide a supplement to the monthly retirement benefits being paid to, or with respect to, retired members under the retirement systems specified in paragraph (2)(d), such supplement to be approximately equal to the excess of the increase in social security benefits that the retired member would have received as a result of the 1967 amendments to the Social Security Act had he or she been covered for maximum benefits under the Social Security Act at age 65 or at date of retirement, whichever is later, over the amount of increase he or she has previously received or is entitled to receive as a result of the 1967 amendments to the Social Security Act by virtue of coverage under the Social Security Act.

(4) ELIGIBILITY FOR SUPPLEMENT.—Each retired member or, if applicable, a joint annuitant, except any person receiving survivor's benefits under the Teachers' Retirement System of the state in accordance with s. 238.07(18), shall be entitled to receive a supplement computed in accordance with subsection (5), upon:

(a) Furnishing to the department evidence from the Social Security Administration setting forth the retired member's social security benefit or certifying the noninsured status of the retired member under the Social Security Act, and

(b) Filing written application with the department for such supplement.

(5) SUPPLEMENT AMOUNT.—

(a) The supplement amount for any retired member who is receiving the full normal retirement benefit to which the member was entitled at time of retirement shall be equal to \$18 minus 11.5 percent of the member's social security benefit.

(b) The supplement amount for any retired member or, if applicable, a joint annuitant, who is receiving a retirement benefit of lesser amount than the normal retirement benefit to which the retired member was entitled at time of retirement because of early retirement or election of an optional form of payment, shall be reduced to an amount equal to the product of subparagraphs 1. and 2. where:

1. Is the reduced retirement benefit such member or joint annuitant is receiving divided by the normal retirement benefit to which the retired member was entitled at retirement; and

2. Is the supplement amount computed in accordance with paragraph (a).

(c) The supplement amount calculated in accordance with this subsection shall be rounded to the nearest dollar.

(6) **PAYMENT OF SUPPLEMENT.**—Any supplement due and payable under this section shall be paid by the department or under the direction and control of the department, based on information furnished by the retired member, or a joint annuitant, and the administrator of the system under which retirement benefits are being paid, beginning on the first day of the month coincident with or next following the later of:

(a) July 1, 1969, or

(b) The date of approval of the application for supplement by the department, and payable thereafter on the first day of each month in the normal or optional form in which retirement benefits under the applicable system are being paid. However, no retroactive monthly supplements shall be paid for any period prior to the date specified in this paragraph.

(7) **APPROPRIATION.**—

(a) There is hereby appropriated annually from the respective retirement trust fund from which the retired member is receiving his or her retirement benefit an amount necessary to provide the benefits hereunder and the amount necessary for the effective and efficient administration of this section.

(b) Amounts necessary to provide for benefits and expenses hereunder on behalf of retired members receiving benefits pursuant to s. 112.05 are hereby annually appropriated out of any moneys in the State Treasury not otherwise appropriated which amount out of the general revenue fund shall not exceed \$50,000 annually.

(8) **BENEFITS EXEMPT FROM TAXES AND EXECUTION.**—The benefits provided for any person under the provisions of this section are exempt from any state, county, or municipal tax and shall not be subject to assignment, execution, or attachment or to any legal process whatsoever.

(9) **AMENDMENTS.**—References in this section to state and federal laws are intended to include such laws as they now exist or may hereafter be amended.

**History.**—s. 1, ch. 69-126; ss. 31, 35, ch. 69-106; s. 36, ch. 71-377; s. 1, ch. 73-326; s. 46, ch. 92-279; s. 55, ch. 92-326; s. 710, ch. 95-147; s. 2, ch. 95-154; s. 45, ch. 99-2; s. 18, ch. 99-255; s. 8, ch. 2010-5; s. 6, ch. 2013-18; s. 40, ch. 2023-8.

**112.362 Recomputation of retirement benefits.**—

(1)(a) A member of any state-supported retirement system who retired prior to July 1, 1987, who has not less than 10 years of creditable service, and who is not entitled to the minimum benefit provided for in paragraph (b), upon reaching 65 years of age and upon application to the administrator of his or her retirement system, may have his or her present monthly retirement benefits recomputed and receive a monthly retirement allowance equal to \$8 multiplied by the total number of years of creditable service. Effective July 1, 1980, this minimum monthly benefit shall be equal to \$10.50 multiplied by the total number of years of creditable service, and thereafter said minimum monthly benefit shall be recomputed as provided in paragraph (5)(a). No present retirement benefits shall be reduced under this computation.

(b) A member of any state-supported retirement system who has already retired under a retirement plan or system which does not require its members to participate in social security pursuant to a modification of the federal-state social security agreement as authorized by the provisions of chapter 650, who is over 65 years of age, and who has more than 15 years of creditable service, upon application to the administrator, may have his or her present monthly retirement benefits recomputed and receive a monthly retirement allowance equal to \$8 multiplied by the first 15 years of creditable service and \$10 multiplied by every additional year of creditable service thereafter. No present retirement benefits shall be reduced under this computation. The minimum monthly benefit provided by this paragraph shall not apply to any member or the beneficiary of any member who retires after June 30, 1978.

(c) A member of any state-supported retirement system who, during the period July 1, 1975, through June 30, 1976, was on the retired payroll with more than 15 years of creditable service, was over 65 years of age, and was not eligible for the \$10 minimum benefit provided by paragraph (b) shall receive the \$8 minimum benefit provided by paragraph (a) retroactive to the date such retired person



would first have been eligible for the \$8 minimum benefit under the provisions of this section, had said section not been amended by chapter 75-242, Laws of Florida. Such retroactive \$8 minimum benefit shall also be payable to the beneficiary or surviving spouse of a member who, if living, would have qualified for this retroactive minimum benefit.

(d) A member of any state-supported retirement system who retires on or after July 1, 1987, with at least 10 years of creditable service, having attained normal retirement date shall, upon reaching age 65 and making proper application to the administrator, be eligible to receive the applicable minimum monthly benefit provided by this subsection with the exception that only those years of creditable service accumulated by the member through June 30, 1987, shall be used in the calculation of the minimum monthly benefit amount and that no benefit shall exceed the average monthly compensation of the retiree due to the application of the minimum monthly benefit. All creditable service claimed for periods which occurred prior to July 1, 1987, shall be presumed to have been accumulated as of June 30, 1987, irrespective of the date on which such creditable service is claimed and credited. The minimum monthly benefit provided by this paragraph shall be reduced by the actuarial factor applied to the optional form of benefit under which the benefit is paid. The surviving spouse or beneficiary who is receiving a monthly benefit from a deceased retiree's account shall be eligible to receive the minimum monthly benefit provided herein at the time the retiree would have been eligible for it had he or she lived, subject to the limitations herein and the appropriate actuarial reductions.

(2)(a) A retired member of any state-supported retirement system who retires prior to July 1, 1987, and who possesses the creditable service requirements contained in paragraph (1)(a) or paragraph (1)(b), or the surviving spouse or beneficiary of said member if such spouse or beneficiary is receiving a retirement benefit, shall, at the time the retiree reaches 65 years of age or would have reached 65 years of age if deceased, and upon proper application to the administrator, have his or her monthly retirement benefit recomputed and may receive a retirement benefit as provided in either paragraph (1)(a) or paragraph (1)(b) and, if a retirement option has been elected by the member, multiplied by the actuarial reduction factor relating to such retirement option and, if the member is deceased, multiplied by the percentage of the benefit payable to the surviving spouse or beneficiary. No present retirement benefits shall be reduced under this computation.

(b) A member of any state-supported retirement system who retires after July 1, 1975, and before July 1, 1987, who is over 65 years of age at the time of his or her retirement may be entitled to the benefit recalculation options provided by either paragraph (1)(a) or paragraph (1)(b).

(3) A member of any state-supported retirement system who has already retired under a retirement plan or system which does not require its members to participate in social security pursuant to a modification of the federal-state social security agreement as authorized by the provisions of chapter 650, who is over 65 years of age, and who has not less than 10 years of creditable service, or the surviving spouse or beneficiary of said member who, if living, would be over 65 years of age, upon application to the administrator, may have his or her present monthly retirement benefits recomputed and receive a monthly retirement allowance equal to \$10 multiplied by the total number of years of creditable service. Effective July 1, 1978, this minimum monthly benefit shall be equal to \$10.50 multiplied by the total number of years of creditable service, and thereafter said minimum monthly benefit shall be recomputed as provided in paragraph (5)(a). This adjustment shall be made in accordance with subsection (2). No retirement benefits shall be reduced under this computation. Retirees receiving additional benefits under the provisions of this subsection shall also receive the cost-of-living adjustments provided by the appropriate state-supported retirement system for the fiscal year beginning July 1, 1977, and for each fiscal year thereafter. The minimum monthly benefit provided by this subsection shall not apply to any member or the beneficiary of any member who retires after June 30, 1978.

(4)(a) Effective July 1, 1980, any person who retired prior to July 1, 1987, under a state-supported retirement system with not less than 10 years of creditable service and who is not receiving or entitled to receive federal social security benefits shall, upon reaching 65 years of age and upon application to the Department of Management Services, be entitled to receive a minimum monthly benefit equal to \$16.50 multiplied by the member's total number of years of creditable service and adjusted by the actuarial factor applied to the original benefit for optional forms of retirement. Thereafter, the minimum monthly benefit shall be recomputed as provided in paragraph (5)(a). Application for this minimum monthly benefit shall include certification by the retired member that he or she is not

receiving and is not entitled to receive social security benefits and shall include written authorization for the Department of Management Services to have access to information from the Federal Social Security Administration concerning the member's entitlement to or eligibility for social security benefits. The minimum benefit provided by this paragraph shall not be paid unless and until the application requirements of this paragraph are satisfied.

(b) Effective July 1, 1978, the surviving spouse or beneficiary who is receiving or entitled to receive a monthly benefit commencing prior to July 1, 1987, from the account of any deceased retired member who had completed at least 10 years of creditable service shall, at the time such deceased retiree would have reached age 65, if living, and, upon application to the Department of Management Services, be entitled to receive the minimum monthly benefit described in paragraph (a), adjusted by the actuarial factor applied to the optional form of benefit payable to said surviving spouse or beneficiary, provided said person is not receiving or entitled to receive federal social security benefits. Application for this minimum monthly benefit shall include certification by the surviving spouse or beneficiary that he or she is not receiving and is not entitled to receive social security benefits and shall include written authorization for the Department of Management Services to have access to information from the Federal Social Security Administration concerning such person's entitlement to or eligibility for social security benefits. The minimum benefit provided by this paragraph shall not be paid unless and until the application requirements of this paragraph are satisfied.

(c) The minimum benefits authorized by this subsection shall be payable from the first day of the month following the month during which the retired member becomes or would have become age 65.

(d) A member of any state-supported retirement system who retires on or after July 1, 1987, with at least 10 years of creditable service, having attained normal retirement date shall, upon reaching age 65 and making proper application to the administrator, be eligible to receive the applicable minimum monthly benefit provided by this subsection with the exception that only those years of creditable service accumulated by the member through June 30, 1987, shall be used in the calculation of the minimum monthly benefit amount and that no benefit shall exceed the average monthly compensation of the retiree due to the application of the minimum monthly benefit. All creditable service claimed for periods which occurred prior to July 1, 1987, shall be presumed to have been accumulated as of June 30, 1987, irrespective of the date on which such creditable service is claimed and credited. The minimum monthly benefit provided by this paragraph shall be reduced by the actuarial factor applied to the optional form of benefit under which the benefit is paid. The surviving spouse or beneficiary who is receiving a monthly benefit from a deceased retiree's account shall be eligible to receive the minimum monthly benefit provided herein at the time the retiree would have been eligible for it had he or she lived, subject to the limitations herein and the appropriate actuarial reductions.

(5)(a) Effective July 1, 1981, the dollar factors used in determining the minimum benefits provided by this section shall be adjusted by an amount derived by multiplying said dollar factors by the percentage change in the average cost-of-living index since the previous July 1, not to exceed 3 percent. Each July 1 thereafter, the adjusted dollar factors used in determining the minimum benefits provided by this section shall continue to be adjusted by an amount derived by multiplying the current adjusted dollar factors by the percentage change in the average cost-of-living index since the previous July 1, not to exceed 3 percent for any annual adjustment.

(b) "Average cost-of-living index" as of any July 1 date means the average of the monthly Consumer Price Index figures for the 12-month period from April 1 through March 31 immediately prior to the adjustment date, relative to the United States as a whole, issued by the Bureau of Labor Statistics of the United States Department of Labor.

(c) Effective July 1, 1987, the adjusted dollar factors used in determining the minimum benefits provided by this section shall be adjusted by a constant 3 percent.

(6) The funds necessary to pay the minimum monthly benefits provided by this section are hereby annually appropriated from the fund from which the original benefits are paid.

(7) A member, or a joint annuitant or other beneficiary, who is receiving a monthly benefit may refuse the application of the minimum benefit adjustment to such benefit.

**History.**—s. 1, ch. 70-224; s. 1, ch. 72-282; ss. 1, 2, 3, ch. 75-242; ss. 1, 2, ch. 76-228; s. 1, ch. 77-241; s. 1, ch. 78-364; s. 6, ch. 79-377; s. 1, ch. 80-242; s. 2, ch. 81-307; s. 3, ch. 85-246; s. 1, ch. 86-137; s. 2, ch. 88-382; s. 711, ch. 95-147; s. 19, ch. 99-255; s. 1, ch. 2000-347; s. 8, ch. 2016-10.

**112.363 Retiree health insurance subsidy.—**

(1) PURPOSE OF SECTION.—The purpose of this section is to provide a monthly subsidy payment to retired members of any state-administered retirement system in order to assist such retired members in paying the costs of health insurance.

(2) ELIGIBILITY FOR RETIREE HEALTH INSURANCE SUBSIDY.—

(a) A person who is retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system, is eligible for health insurance subsidy payments provided under this section; except that pension recipients under ss. 121.40, 238.07(18)(a), and 250.22, recipients of health insurance coverage under s. 110.1232, or any other special pension or relief act shall not be eligible for such payments.

(b) For purposes of this section, a person is deemed retired from a state-administered retirement system when he or she terminates employment with all employers participating in the Florida Retirement System as described in s. 121.021(39) and:

1. For a member of the investment plan established under part II of chapter 121, the participant meets the age or service requirements to qualify for normal retirement as set forth in s. 121.021(29) and meets the definition of retiree in s. 121.4501(2).

2. For a member of the Florida Retirement System Pension Plan, or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan.

(c) Effective July 1, 2001, any person retiring on or after that date as a member of the Florida Retirement System, including a member of the investment plan administered pursuant to part II of chapter 121, must have satisfied the vesting requirements for his or her membership class under the pension plan as administered under part I of chapter 121. However, a person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit as provided in s. 121.091(4) or qualify for a disability benefit under a disability plan established under part II of chapter 121, as appropriate.

(d) Payment of the retiree health insurance subsidy shall be made only after coverage for health insurance for the retiree or beneficiary has been certified in writing to the Department of Management Services. Participation in a former employer's group health insurance program is not a requirement for eligibility under this section. Coverage issued pursuant to s. 408.9091 is considered health insurance for the purposes of this section.

(e) Participants in the Senior Management Service Optional Annuity Program as provided in s. 121.055(6) and the State University System Optional Retirement Program as provided in s. 121.35 shall not receive the retiree health insurance subsidy provided in this section. The employer of such participant shall pay the contributions required in subsection (8) to the annuity program provided in s. 121.055(6)(d) or s. 121.35(4)(a), as applicable.

(3) RETIREE HEALTH INSURANCE SUBSIDY AMOUNT.—

(a) Beginning January 1, 1988, each eligible retiree or a beneficiary who is a spouse or financial dependent thereof shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as defined in s. 121.021(17), completed at the time of retirement multiplied by \$1; however, no retiree may receive a subsidy payment of more than \$30 or less than \$10.

(b) Beginning January 1, 1989, each eligible retiree or a beneficiary who is a spouse or financial dependent shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as defined in s. 121.021(17), completed at the time of retirement multiplied by \$2; however, no retiree may receive a subsidy payment of more than \$60 or less than \$20.

(c) Beginning January 1, 1991, each eligible retiree or a beneficiary who is a spouse or financial dependent shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as defined in s. 121.021(17), completed at the time of retirement multiplied by \$3; however, no retiree may receive a subsidy payment of more than \$90 or less than \$30.

(d) Beginning January 1, 1999, each eligible retiree or, if the retiree is deceased, his or her beneficiary who is receiving a monthly benefit from such retiree's account and who is a spouse, or a person who meets the definition of joint annuitant in s. 121.021(28), shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as defined in s. 121.021(17), completed at the time of retirement multiplied by \$5; however, no eligible retiree or

such beneficiary may receive a subsidy payment of more than \$150 or less than \$50. If there are multiple beneficiaries, the total payment must not be greater than the payment to which the retiree was entitled.

(e)1. Beginning July 1, 2001, each eligible retiree of the pension plan of the Florida Retirement System, or, if the retiree is deceased, his or her beneficiary who is receiving a monthly benefit from such retiree's account and who is a spouse, or a person who meets the definition of joint annuitant in s. 121.021, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as defined in s. 121.021, completed at the time of retirement multiplied by \$5; however, no eligible retiree or beneficiary may receive a subsidy payment of more than \$150 or less than \$30. If there are multiple beneficiaries, the total payment may not be greater than the payment to which the retiree was entitled. The health insurance subsidy amount payable to any person receiving the retiree health insurance subsidy payment on July 1, 2001, may not be reduced solely by operation of this subparagraph.

2. Beginning July 1, 2002, each eligible member of the investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement, multiplied by \$5; however, an eligible retiree or beneficiary may not receive a subsidy payment of more than \$150 or less than \$30. For purposes of determining a member's creditable service used to calculate the health insurance subsidy, a member's years of service credit or fraction thereof shall be based on the member's work year as defined in s. 121.021(54). Credit must be awarded for a full work year if health insurance subsidy contributions have been made for each month in the member's work year. In addition, all years of creditable service retained under the Florida Retirement System Pension Plan must be included as creditable service for purposes of this section. Notwithstanding any other provision in this section, the spouse at the time of death is the member's beneficiary unless such member has designated a different beneficiary subsequent to the member's most recent marriage.

(f)1. Beginning July 1, 2023, each eligible retiree of the pension plan of the Florida Retirement System, or, if the retiree is deceased, his or her beneficiary who is receiving a monthly benefit from such retiree's account and who is a spouse, or a person who meets the definition of joint annuitant in s. 121.021(28), shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as defined in s. 121.021(17), completed at the time of retirement multiplied by \$7.50; however, an eligible retiree or beneficiary may not receive a subsidy payment of more than \$225 or less than \$45. If there are multiple beneficiaries, the total payment may not be greater than the payment to which the retiree was entitled. The health insurance subsidy amount payable to any person receiving the retiree health insurance subsidy payment on July 1, 2023, may not be reduced solely by operation of this subparagraph.

2. Beginning July 1, 2023, each eligible member of the investment plan of the Florida Retirement System who has met the requirements of this section, or, if the member is deceased, his or her spouse who is the member's designated beneficiary, shall receive a monthly retiree health insurance subsidy payment equal to the number of years of creditable service, as provided in this subparagraph, completed at the time of retirement multiplied by \$7.50; however, an eligible retiree or beneficiary may not receive a subsidy payment of more than \$225 or less than \$45. For purposes of determining a member's creditable service used to calculate the health insurance subsidy, a member's years of service credit or fraction thereof must be based on the member's work year as defined in s. 121.021(54). Credit must be awarded for a full work year if health insurance subsidy contributions have been made for each month in the member's work year. In addition, all years of creditable service retained under the Florida Retirement System Pension Plan must be included as creditable service for purposes of this section. Notwithstanding this section, the spouse at the time of death is the member's beneficiary unless such member has designated a different beneficiary subsequent to the member's most recent marriage.

(4) PAYMENT OF RETIREE HEALTH INSURANCE SUBSIDY.—Beginning January 1, 1988, any monthly retiree health insurance subsidy amount due and payable under this section shall be paid to retired members by the Department of Management Services or under the direction and control of the department.



(5) TRUST FUND ESTABLISHED.—There is hereby established a trust fund in the state treasury to be entitled the Retiree Health Insurance Subsidy Trust Fund. Said trust fund shall be used to account for all moneys received and disbursed pursuant to this section. Should funding for the retiree health insurance subsidy program fail to provide full benefits for all participants, the benefits may be reduced or canceled at any time.

(6) INVESTMENTS OF THE TRUST FUND.—The State Board of Administration created by the authority of the State Constitution shall invest and reinvest the funds of the trust fund in accordance with ss. 215.44-215.53. Costs incurred by the Board of Administration incurring from the provisions of this section shall be deducted from the interest earnings accruing to the trust fund.

(7) ADMINISTRATION OF SYSTEM.—The Department of Management Services may adopt such rules and regulations as are necessary for the effective and efficient administration of this section. The cost of administration shall be appropriated from the trust fund.

(8) CONTRIBUTIONS.—For purposes of funding the insurance subsidy provided by this section:

(a) Beginning October 1, 1987, the employer of each member of a state-administered retirement plan shall contribute 0.24 percent of gross compensation each pay period.

(b) Beginning January 1, 1989, the employer of each member of a state-administered retirement plan shall contribute 0.48 percent of gross compensation each pay period.

(c) Beginning January 1, 1994, the employer of each member of a state-administered retirement plan shall contribute 0.56 percent of gross compensation each pay period.

(d) Beginning January 1, 1995, the employer of each member of a state-administered retirement plan shall contribute 0.66 percent of gross compensation each pay period.

(e) Beginning July 1, 1998, the employer of each member of a state-administered retirement plan shall contribute 0.94 percent of gross compensation each pay period.

(f) Beginning July 1, 2001, the employer of each member of a state-administered plan shall contribute 1.11 percent of gross compensation each pay period.

(g) Beginning July 1, 2013, the employer of each member of a state-administered plan shall contribute 1.20 percent of gross compensation each pay period.

(h) Beginning July 1, 2014, the employer of each member of a state-administered plan shall contribute 1.26 percent of gross compensation each pay period.

(i) Beginning July 1, 2015, the employer of each member of a state-administered plan shall contribute 1.66 percent of gross compensation each pay period.

(j) Beginning July 1, 2023, the employer of each member of a state-administered retirement plan shall contribute 2.00 percent of gross compensation each pay period.

Such contributions shall be submitted to the Department of Management Services and deposited in the Retiree Health Insurance Subsidy Trust Fund.

(9) BENEFITS.—Subsidy payments shall be payable under the retiree health insurance subsidy program only to participants in the program or their beneficiaries, beginning with the month the division receives certification of coverage for health insurance for the eligible retiree or beneficiary. If the division receives such certification at any time during the 6 months after retirement benefits commence, the retiree health insurance subsidy shall be paid retroactive to the effective retirement date. If, however, the division receives such certification 7 or more months after commencement of benefits, the retroactive retiree health insurance subsidy payment will cover a maximum of 6 months. Such subsidy payments shall not be subject to assignment, execution, or attachment or to any legal process whatsoever.

**History.**—s. 4, ch. 87-373; s. 3, ch. 88-382; s. 2, ch. 90-274; s. 47, ch. 92-279; s. 55, ch. 92-326; s. 2, ch. 93-193; s. 2, ch. 94-259; s. 1, ch. 98-413; s. 20, ch. 99-255; s. 18, ch. 2000-169; s. 13, ch. 2001-262; s. 1, ch. 2004-71; s. 1, ch. 2008-32; s. 9, ch. 2010-5; s. 3, ch. 2011-68; s. 1, ch. 2013-53; s. 1, ch. 2014-54; s. 1, ch. 2015-227; s. 1, ch. 2023-193.

#### **PART V SUSPENSION, REMOVAL, OR RETIREMENT OF PUBLIC OFFICERS**

112.40 Disposition of order of suspension.

112.41 Contents of order of suspension; Senate select committee; special magistrate.

112.42 Period during which grounds may have occurred.

112.43 Prosecution of suspension before Senate.

112.44 Failure to prove charges; payment of attorney's fees or salary.

112.45 Senate's report; results of prosecution.

- 112.46 Period during which suspension will lie.
- 112.47 Hearing before Senate select committee; notice.
- 112.48 Suspension when Senate not in session.
- 112.49 Persons exercising powers and duties of county officers subject to suspension by Governor.
- 112.50 Governor to retain power to suspend public officers.
- 112.501 Municipal board members; suspension; removal.
- 112.51 Municipal officers; suspension; removal from office.
- 112.511 Members of special district governing bodies; suspension; removal from office.
- 112.52 Removal of a public official when a method is not otherwise provided.

**112.40 Disposition of order of suspension.**—An order of suspension by the Governor, upon its execution, shall be delivered to the Department of State. The department shall forthwith deliver copies by registered mail, or otherwise as it may be advised, to the officer suspended, the Secretary of the Senate, and the Attorney General. The order of suspension shall be effective upon the filing of the same with the department of state. No further communication by the Governor with the Senate shall be necessary to permit the Senate to act.

*History.*—s. 1, ch. 69-277; ss. 10, 35, ch. 69-106.

**112.41 Contents of order of suspension; Senate select committee; special magistrate.**—

(1) The order of the Governor, in suspending any officer pursuant to the provisions of s. 7, Art. IV of the State Constitution, shall specify facts sufficient to advise both the officer and the Senate as to the charges made or the basis of the suspension.

(2) The Senate shall conduct a hearing in the manner prescribed by rules of the Senate adopted for this purpose.

(3) The Senate may provide for a select committee to be appointed by the Senate in accordance with its rules for the purpose of hearing the evidence and making its recommendation to the Senate as to the removal or reinstatement of the suspended officer.

(4) The Senate may, in lieu of the use of a select committee, appoint a special magistrate to receive the evidence and make recommendations to the Senate.

*History.*—s. 2, ch. 69-277; s. 60, ch. 2004-11.

**112.42 Period during which grounds may have occurred.**—The Governor may suspend any officer on any constitutional ground for such suspension that occurred during the existing term of the officer or during the next preceding 4 years.

*History.*—s. 3, ch. 69-277; s. 1, ch. 71-333.

**112.43 Prosecution of suspension before Senate.**—All suspensions heard by the Senate, a select committee, or special magistrate in accordance with rules of the Senate shall be prosecuted by the Governor, the Governor's legal staff, or an attorney designated by the Governor. Should the Senate, or the select committee appointed by the Senate to hear the evidence and to make recommendations, desire private counsel, either the Senate or the select committee shall be entitled to employ its own counsel for this purpose. Nothing herein shall prevent the Senate or its select committee from making its own investigation and presenting such evidence as its investigation may reveal. The Governor may request the advice of the Department of Legal Affairs relative to the suspension order prior to its issuance by the Governor. Following the issuance of the suspension order, either the Senate or the select committee may request the Department of Legal Affairs to provide counsel for the Senate to advise on questions of law or otherwise advise with the Senate or the select committee, but the Department of Legal Affairs shall not be required to prosecute before the Senate or the committee and shall, pursuant to the terms of this section, act as the legal adviser only.

*History.*—s. 4, ch. 69-277; s. 33, ch. 77-104; s. 712, ch. 95-147; s. 61, ch. 2004-11.

**112.44 Failure to prove charges; payment of attorney's fees or salary.**—In the event any officer suspended by the Governor shall not be removed by the Senate, the officer shall be reinstated, and the Senate may provide that the county, district, or state, as the case may be, shall pay reasonable attorney's fees and costs of the reinstated officer upon his or her exoneration; or the Legislature may at any time after such reinstatement provide for the payment from general revenue funds of reasonable attorney's fees and costs or the salary and emoluments of office from the date of suspension to the date of reinstatement. The appropriation for such fees, costs, and salary and emoluments may be contained in the General Appropriations Act or any other appropriate general act. This part shall constitute sufficient authority for the payment of such attorney's fees and costs as the officer may reasonably have incurred in his or her own defense.

History.—s. 5, ch. 69-277; s. 2, ch. 80-333; s. 713, ch. 95-147.

**112.45 Senate’s report; results of prosecution.—**

(1) The Secretary of the Senate shall, as soon as reasonably possible following the action of the Senate, file with the Department of State a report of the action of the Senate, including an order signed by the President and the Secretary specifying the action taken by the Senate. The action of the Senate shall become effective immediately upon the filing of the order with the Department of State, and the Department of State shall forthwith deliver copies of such order to the Governor, the officer involved, and the governing body of the county, district, or state, as the case may be. Any such order or any certified copy thereof, under the signature of the Secretary of State, may be recorded in the public records of any county in this state.

(2) The date of delivery of the order to the Department of State shall be the effective date of the removal or reinstatement, as the case may be, and, should the official be reinstated, he or she shall be entitled to reimbursement for such pay and emoluments of office from the date of suspension to that date, as though he or she had never been suspended, and the order of the Senate, or a certified copy thereof, shall constitute the authority of the county, district, or state, to make such payment for reimbursement.

History.—s. 6, ch. 69-277; ss. 10, 35, ch. 69-106; s. 714, ch. 95-147.

**112.46 Period during which suspension will lie.—**Any officer subject to suspension by the Governor pursuant to the State Constitution shall be subject to such suspension from the date provided by law for such officer to take office whether or not the Governor has executed and delivered the commission of office to the said officer. It is the intent of this part to provide that the formal execution of a commission by the Governor and a delivery thereof to the officer is a ministerial duty not necessary either to the performance of the duties of that officer or to the susceptibility to suspension of that officer. However, nothing in this part shall prohibit or preclude any officer claiming title to any office from seeking a judicial determination of his or her right to such office, regardless of the issuance or nonissuance of a commission to such office.

History.—s. 7, ch. 69-277; s. 715, ch. 95-147.

**112.47 Hearing before Senate select committee; notice.—**The Senate shall afford each suspended official a hearing before a select committee or special magistrate, and shall notify such suspended official of the time and place of the hearing sufficiently in advance thereof to afford such official an opportunity fully and adequately to prepare such defenses as the official may be advised are necessary and proper, and all such defenses may be presented by the official or by the official’s attorney. In the furtherance of this provision the Senate shall adopt sufficient procedural rules to afford due process both to the Governor in the presentation of his or her evidence and to the suspended official, but in the absence of such adoption, this section shall afford a full and complete hearing, public in nature, as required by the State Constitution. However, nothing in this part shall prevent either the select committee or the Senate from conducting portions of the hearing in executive session if the Senate rules so provide.

History.—s. 8, ch. 69-277; s. 716, ch. 95-147; s. 62, ch. 2004-11.

**112.48 Suspension when Senate not in session.—**The Governor may suspend any officer at any time, whether or not the Senate is in session. However, the Senate need not hear or determine the question of the suspension of the officer during any regular session.

History.—s. 9, ch. 69-277.

**112.49 Persons exercising powers and duties of county officers subject to suspension by Governor.—**In the administration of any city-county merger or city-county charter, or any such form of government which provides for the merging of the powers, duties, and functions of any municipal and county governments, any officer, official, or employee of such merged government who exercises the powers and duties of a county officer, whether he or she shall be elected or appointed, shall be deemed to be a county officer and therefore subject to the power of the Governor under the State Constitution to suspend officers. If the charter or other authority under which any city-county merger is accomplished shall provide means for the suspension or removal of such officers, then the power to suspend shall be concurrent in the city-county government and in the Governor.

History.—s. 2, ch. 71-333; s. 717, ch. 95-147.

**112.50 Governor to retain power to suspend public officers.—**Whenever any state, county, or municipal officer is made subject to suspension or removal by the terms of any statute or municipal charter, the power of the Governor to suspend officers shall not be affected by such statutory or



charter provisions, and the power to suspend shall reside concurrently in the Governor and in the statutory or charter authority.

History.—s. 3, ch. 71-333.

**112.501 Municipal board members; suspension; removal.—**

(1) For the purposes of this section, the term “municipal board member” is defined as any person who is appointed or confirmed by the governing body of a municipality to be a member of a board, commission, authority, or council which is created or authorized by general law, special act, or municipal charter.

(2) By resolution specifying facts sufficient to advise a municipal board member as to the basis for his or her suspension or removal and after reasonable notice to the municipal board member and an opportunity for the member to be heard, a governing body of the municipality may:

(a) Suspend or remove from office any municipal board member for malfeasance, misfeasance, neglect of duty, habitual drunkenness, incompetence, or permanent inability to perform his or her official duties.

(b) Suspend from office any municipal board member who is arrested for a felony or for a misdemeanor related to the duties of office or who is indicted or informed against for the commission of any federal felony or misdemeanor or state felony or misdemeanor.

(3) In addition to the authority granted under subsection (2), the governing body of a municipality may remove from office any municipal board member who is convicted of a federal felony or misdemeanor or state felony or misdemeanor. For the purposes of this subsection, any person who pleads guilty or nolo contendere or who is found guilty shall be deemed to have been convicted, notwithstanding a suspension of sentence or a withholding of adjudication.

(4) A suspended municipal board member may, at any time before his or her removal, be reinstated by the governing body of the municipality in its discretion.

(5) The suspension of a municipal board member by the governing body of a municipality creates a temporary vacancy in such office during the suspension. Any temporary vacancy in office created by the suspension of a municipal board member under the provisions of this section shall be filled by a temporary appointment to such office for the period of the suspension, not to extend beyond the term of the suspended municipal board member. Such temporary appointment shall be made in the same manner and by the same authority as provided by law for the filling of a permanent vacancy in such office. If no provision for filling a permanent vacancy in such office is provided by law, special act, or municipal charter, the temporary appointment shall be made by the governing body of the municipality.

(6) No municipal board member who has been suspended from office under this section may perform any official act, duty, or function during his or her suspension; receive any pay or allowance during his or her suspension; or be entitled to any of the emoluments or privileges of his or her office during suspension.

(7) If the municipal board member is acquitted or found not guilty or is otherwise cleared of the charges which were the basis of the arrest, indictment, or information by reason of which he or she was suspended under the provisions of this section, the governing body of the municipality shall forthwith revoke the suspension and restore such municipal board member to office; and the member shall be entitled to and be paid full back pay and other emoluments or allowances to which he or she would have been entitled for the full period of time of the suspension. If, during the suspension, the term of office of the municipal board member expires and a successor is either appointed or confirmed, such back pay, emoluments, or allowances shall only be paid for the duration of the term of office during which the municipal board member was suspended under the provisions of this section, and he or she shall not be reinstated.

(8) This section applies in the absence of a charter provision.

History.—s. 1, ch. 84-245; s. 718, ch. 95-147.

**112.51 Municipal officers; suspension; removal from office.—**

(1) By executive order stating the grounds for the suspension and filed with the Secretary of State, the Governor may suspend from office any elected or appointed municipal official for malfeasance, misfeasance, neglect of duty, habitual drunkenness, incompetence, or permanent inability to perform official duties.

(2) Whenever any elected or appointed municipal official is arrested for a felony or for a misdemeanor related to the duties of office or is indicted or informed against for the commission of a

federal felony or misdemeanor or state felony or misdemeanor, the Governor has the power to suspend such municipal official from office.

(3) The suspension of such official by the Governor creates a temporary vacancy in such office during the suspension. Any temporary vacancy in office created by suspension of an official under the provisions of this section shall be filled by a temporary appointment to such office for the period of the suspension. Such temporary appointment shall be made in the same manner and by the same authority by which a permanent vacancy in such office is filled as provided by law. If no provision for filling a permanent vacancy in such office is provided by law, the temporary appointment shall be made by the Governor.

(4) No municipal official who has been suspended from office under this section may perform any official act, duty, or function during his or her suspension; receive any pay or allowance during his or her suspension; or be entitled to any of the emoluments or privileges of his or her office during suspension.

(5) If the municipal official is convicted of any of the charges contained in the indictment or information by reason of which he or she was suspended under the provisions of this section, the Governor shall remove such municipal official from office. If a person was selected to fill the temporary vacancy pursuant to subsection (3), that person shall serve the remaining balance, if any, of the removed official's term of office. Otherwise, any vacancy created by the removal shall be filled as provided by law. For the purposes of this section, any person who pleads guilty or nolo contendere or who is found guilty shall be deemed to have been convicted, notwithstanding a suspension of sentence or a withholding of adjudication.

(6) If the municipal official is acquitted or found not guilty or is otherwise cleared of the charges which were the basis of the arrest, indictment, or information by reason of which he or she was suspended under the provisions of this section, then the Governor shall forthwith revoke the suspension and restore such municipal official to office; and the official shall be entitled to and be paid full back pay and such other emoluments or allowances to which he or she would have been entitled for the full period of time of the suspension. If, during the suspension, the term of office of the municipal official expires and a successor is either appointed or elected, such back pay, emoluments, or allowances shall only be paid for the duration of the term of office during which the municipal official was suspended under the provisions of this section, and he or she shall not be reinstated.

**History.**—s. 1, ch. 67-66; s. 1, ch. 69-256; s. 3, ch. 73-129; s. 2, ch. 84-245; s. 16, ch. 87-224; s. 719, ch. 95-147; s. 50, ch. 2007-30.

**Note.**—Former s. 166.16.

**112.511 Members of special district governing bodies; suspension; removal from office.—**

(1) A member of the governing body of a special district, as defined in s. 189.012, who exercises the powers and duties of a state or a county officer, is subject to the Governor's power under s. 7(a), Art. IV of the State Constitution to suspend such officers.

(2) A member of the governing body of a special district, as defined in s. 189.012, who exercises powers and duties other than that of a state or county officer, is subject to the suspension and removal procedures under s. 112.51.

**History.**—s. 4, ch. 2014-22.

**112.52 Removal of a public official when a method is not otherwise provided.—**

(1) When a method for removal from office is not otherwise provided by the State Constitution or by law, the Governor may by executive order suspend from office an elected or appointed public official, by whatever title known, who is indicted or informed against for commission of any felony, or for any misdemeanor arising directly out of his or her official conduct or duties, and may fill the office by appointment for the period of suspension, not to extend beyond the term.

(2) During the period of the suspension, the public official shall not perform any official act, duty, or function or receive any pay, allowance, emolument, or privilege of office.

(3) If convicted, the public official may be removed from office by executive order of the Governor. For the purpose of this section, any person who pleads guilty or nolo contendere or who is found guilty shall be deemed to have been convicted, notwithstanding the suspension of sentence or the withholding of adjudication.

(4) If the public official is acquitted or found not guilty, or the charges are otherwise dismissed, the Governor shall by executive order revoke the suspension; and the public official shall be entitled to

full back pay and such other emoluments or allowances to which he or she would have been entitled had he or she not been suspended.

History.—s. 1, ch. 80-333; s. 720, ch. 95-147.

## PART VI LAW ENFORCEMENT AND CORRECTIONAL OFFICERS

112.531 Definitions.

112.532 Law enforcement officers' and correctional officers' rights.

112.533 Receipt and processing of complaints.

112.534 Failure to comply; official misconduct.

112.535 Construction.

112.536 Requirements for maintaining a Brady identification system.

**112.531 Definitions.**—As used in this part, the term:

(1) “Brady identification system” means a list or identification, in whatever form, of the name or names of law enforcement officers or correctional officers about whom a prosecuting agency is in possession of impeachment evidence as defined by court decision, statute, or rule.

(2) “Correctional officer” means any person, other than a warden, who is appointed or employed full time or part time by the state or any political subdivision thereof whose primary responsibility is the supervision, protection, care, custody, or control of inmates within a correctional institution; and includes correctional probation officers, as defined in s. 943.10(3). However, the term “correctional officer” does not include any secretarial, clerical, or professionally trained personnel.

(3) “Law enforcement officer” means any person, other than a chief of police, who is employed full time or part time by any municipality or the state or any political subdivision thereof and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, traffic, or highway laws of this state; and includes any person who is appointed by the sheriff as a deputy sheriff under s. 30.07.

(4) “Prosecuting agency” means the Attorney General or an assistant attorney general, the statewide prosecutor or an assistant statewide prosecutor, a state attorney or an assistant state attorney, a city or county attorney, a special prosecutor, or any other person or entity charged with the prosecution of a criminal case.

History.—s. 1, ch. 74-274; s. 1, ch. 75-41; s. 34, ch. 77-104; s. 1, ch. 82-156; s. 1, ch. 89-223; s. 1, ch. 93-19; s. 3, ch. 2000-161; s. 2, ch. 2020-104; s. 1, ch. 2023-230.

**112.532 Law enforcement officers' and correctional officers' rights.**—All law enforcement officers and correctional officers employed by or appointed to a law enforcement agency or a correctional agency shall have the following rights and privileges:

(1) **RIGHTS OF LAW ENFORCEMENT OFFICERS AND CORRECTIONAL OFFICERS WHILE UNDER INVESTIGATION.**—Whenever a law enforcement officer or correctional officer is under investigation and subject to interrogation by members of his or her agency for any reason that could lead to disciplinary action, suspension, demotion, or dismissal, the interrogation must be conducted under the following conditions:

(a) The interrogation shall be conducted at a reasonable hour, preferably at a time when the law enforcement officer or correctional officer is on duty, unless the seriousness of the investigation is of such a degree that immediate action is required.

(b) The interrogation shall take place either at the office of the command of the investigating officer or at the office of the local precinct, police unit, or correctional unit in which the incident allegedly occurred, as designated by the investigating officer or agency.

(c) The law enforcement officer or correctional officer under investigation shall be informed of the rank, name, and command of the officer in charge of the investigation, the interrogating officer, and all persons present during the interrogation. All questions directed to the officer under interrogation shall be asked by or through one interrogator during any one investigative interrogation, unless specifically waived by the officer under investigation.

(d) The law enforcement officer or correctional officer under investigation must be informed of the nature of the investigation before any interrogation begins, and he or she must be informed of the names of all complainants. All identifiable witnesses shall be interviewed, whenever possible, prior to the beginning of the investigative interview of the accused officer. The complaint, all witness statements, including all other existing subject officer statements, and all other existing evidence,

including, but not limited to, incident reports, GPS locator information, and audio or video recordings relating to the incident under investigation, must be provided to each officer who is the subject of the complaint before the beginning of any investigative interview of that officer. An officer, after being informed of the right to review witness statements, may voluntarily waive the provisions of this paragraph and provide a voluntary statement at any time.

(e) Interrogating sessions shall be for reasonable periods and shall be timed to allow for such personal necessities and rest periods as are reasonably necessary.

(f) The law enforcement officer or correctional officer under interrogation may not be subjected to offensive language or be threatened with transfer, dismissal, or disciplinary action. A promise or reward may not be made as an inducement to answer any questions.

(g) The formal interrogation of a law enforcement officer or correctional officer, including all recess periods, must be recorded on audio tape, or otherwise preserved in such a manner as to allow a transcript to be prepared, and there shall be no unrecorded questions or statements. Upon the request of the interrogated officer, a copy of any recording of the interrogation session must be made available to the interrogated officer no later than 72 hours, excluding holidays and weekends, following said interrogation.

(h) If the law enforcement officer or correctional officer under interrogation is under arrest, or is likely to be placed under arrest as a result of the interrogation, he or she shall be completely informed of all his or her rights before commencing the interrogation.

(i) At the request of any law enforcement officer or correctional officer under investigation, he or she has the right to be represented by counsel or any other representative of his or her choice, who shall be present at all times during the interrogation whenever the interrogation relates to the officer's continued fitness for law enforcement or correctional service.

(j) Notwithstanding the rights and privileges provided by this part, this part does not limit the right of an agency to discipline or to pursue criminal charges against an officer.

(2) COMPLAINT REVIEW BOARDS.—A complaint review board shall be composed of three members: One member selected by the chief administrator of the agency or unit; one member selected by the aggrieved officer; and a third member to be selected by the other two members. Agencies or units having more than 100 law enforcement officers or correctional officers shall utilize a five-member board, with two members being selected by the administrator, two members being selected by the aggrieved officer, and the fifth member being selected by the other four members. The board members shall be law enforcement officers or correctional officers selected from any state, county, or municipal agency within the county. There shall be a board for law enforcement officers and a board for correctional officers whose members shall be from the same discipline as the aggrieved officer. The provisions of this subsection shall not apply to sheriffs or deputy sheriffs.

(3) CIVIL SUITS BROUGHT BY LAW ENFORCEMENT OFFICERS OR CORRECTIONAL OFFICERS.—Every law enforcement officer or correctional officer shall have the right to bring civil suit against any person, group of persons, or organization or corporation, or the head of such organization or corporation, for damages, either pecuniary or otherwise, suffered during the performance of the officer's official duties, for abridgment of the officer's civil rights arising out of the officer's performance of official duties, or for filing a complaint against the officer which the person knew was false when it was filed. This section does not establish a separate civil action against the officer's employing law enforcement agency for the investigation and processing of a complaint filed under this part.

(4) NOTICE OF DISCIPLINARY ACTION; COPY OF AND OPPORTUNITY TO ADDRESS CONTENTS OF INVESTIGATIVE FILE; CONFIDENTIALITY.—

(a) A dismissal, demotion, transfer, reassignment, or other personnel action that might result in loss of pay or benefits or that might otherwise be considered a punitive measure may not be taken against any law enforcement officer or correctional officer unless the law enforcement officer or correctional officer is notified of the action and the reason or reasons for the action before the effective date of the action.

(b) Notwithstanding s. 112.533(2), whenever a law enforcement officer or correctional officer is subject to disciplinary action consisting of suspension with loss of pay, demotion, or dismissal, the officer or the officer's representative shall, upon request, be provided with a complete copy of the investigative file, including the final investigative report and all evidence, and with the opportunity to

address the findings in the report with the employing law enforcement agency before imposing disciplinary action consisting of suspension with loss of pay, demotion, or dismissal. The contents of the complaint and investigation shall remain confidential until such time as the employing law enforcement agency makes a final determination whether or not to issue a notice of disciplinary action consisting of suspension with loss of pay, demotion, or dismissal. This paragraph does not provide law enforcement officers with a property interest or expectancy of continued employment, employment, or appointment as a law enforcement officer.

(5) RETALIATION FOR EXERCISING RIGHTS.—No law enforcement officer or correctional officer shall be discharged; disciplined; demoted; denied promotion, transfer, or reassignment; or otherwise discriminated against in regard to his or her employment or appointment, or be threatened with any such treatment, by reason of his or her exercise of the rights granted by this part.

(6) LIMITATIONS PERIOD FOR DISCIPLINARY ACTIONS.—

(a) Except as provided in this subsection, disciplinary action, suspension, demotion, or dismissal may not be undertaken by an agency against a law enforcement officer or correctional officer for any act, omission, or other allegation or complaint of misconduct, regardless of the origin of the allegation or complaint, if the investigation of the allegation or complaint is not completed within 180 days after the date the agency receives notice of the allegation or complaint by a person authorized by the agency to initiate an investigation of the misconduct. If the agency determines that disciplinary action is appropriate, it shall complete its investigation and give notice in writing to the law enforcement officer or correctional officer of its intent to proceed with disciplinary action, along with a proposal of the specific action sought, including length of suspension, if applicable. Notice to the officer must be provided within 180 days after the date the agency received notice of the alleged misconduct, regardless of the origin of the allegation or complaint, except as follows:

1. The running of the limitations period may be tolled for a period specified in a written waiver of the limitation by the law enforcement officer or correctional officer.

2. The running of the limitations period is tolled during the time that any criminal investigation or prosecution is pending in connection with the act, omission, or other allegation of misconduct.

3. If the investigation involves an officer who is incapacitated or otherwise unavailable, the running of the limitations period is tolled during the period of incapacitation or unavailability.

4. In a multijurisdictional investigation, the limitations period may be extended for a period of time reasonably necessary to facilitate the coordination of the agencies involved.

5. The running of the limitations period may be tolled for emergencies or natural disasters during the time period wherein the Governor has declared a state of emergency within the jurisdictional boundaries of the concerned agency.

6. The running of the limitations period is tolled during the time that the officer's compliance hearing proceeding is continuing beginning with the filing of the notice of violation and a request for a hearing and ending with the written determination of the compliance review panel or upon the violation being remedied by the agency.

(b) An investigation against a law enforcement officer or correctional officer may be reopened, notwithstanding the limitations period for commencing disciplinary action, demotion, or dismissal, if:

1. Significant new evidence has been discovered that is likely to affect the outcome of the investigation.

2. The evidence could not have reasonably been discovered in the normal course of investigation or the evidence resulted from the predisciplinary response of the officer.

Any disciplinary action resulting from an investigation that is reopened pursuant to this paragraph must be completed within 90 days after the date the investigation is reopened.

(7) RIGHTS OF LAW ENFORCEMENT OFFICERS AND CORRECTIONAL OFFICERS RELATING TO A BRADY IDENTIFICATION SYSTEM.—

(a) A law enforcement officer or correctional officer has all of the rights specified in s. 112.536 relating to the inclusion of the name and information of the officer in a Brady identification system.

(b) A law enforcement officer or correctional officer may not be discharged, suspended, demoted, or otherwise disciplined, or threatened with discharge, suspension, demotion, or other discipline, by his or her employing agency solely as a result of a prosecuting agency determining that the officer's name and information should be included in a Brady identification system. This paragraph does not prohibit an officer's employing agency from discharging, suspending, demoting, or taking other



disciplinary action against a law enforcement officer or correctional officer based on the underlying actions of the officer which resulted in his or her name being included in a Brady identification system. If a collective bargaining agreement applies, the actions taken by the officer's employing agency must conform to the rules and procedures adopted by the collective bargaining agreement.

**History.**—s. 2, ch. 74-274; s. 2, ch. 82-156; s. 2, ch. 93-19; s. 721, ch. 95-147; s. 1, ch. 98-249; s. 1, ch. 2000-184; s. 1, ch. 2003-149; s. 3, ch. 2005-100; s. 1, ch. 2007-110; s. 1, ch. 2009-200; s. 3, ch. 2020-104; s. 2, ch. 2023-230.

#### **112.533 Receipt and processing of complaints.—**

(1)(a) Every law enforcement agency and correctional agency shall establish and put into operation a system for the receipt, investigation, and determination of complaints received by such agency from any person, which shall be the procedure for investigating a complaint against a law enforcement and correctional officer and for determining whether to proceed with disciplinary action or to file disciplinary charges, notwithstanding any other law or ordinance to the contrary. When law enforcement or correctional agency personnel assigned the responsibility of investigating the complaint prepare an investigative report or summary, regardless of form, the person preparing the report shall, at the time the report is completed:

1. Verify pursuant to s. 92.525 that the contents of the report are true and accurate based upon the person's personal knowledge, information, and belief.

2. Include the following statement, sworn and subscribed to pursuant to s. 92.525:

“I, the undersigned, do hereby swear, under penalty of perjury, that, to the best of my personal knowledge, information, and belief, I have not knowingly or willfully deprived, or allowed another to deprive, the subject of the investigation of any of the rights contained in ss. 112.532 and 112.533, Florida Statutes.”

The requirements of subparagraphs 1. and 2. shall be completed prior to the determination as to whether to proceed with disciplinary action or to file disciplinary charges. This subsection does not preclude the Criminal Justice Standards and Training Commission from exercising its authority under chapter 943.

(b)1. Any political subdivision that initiates or receives a complaint against a law enforcement officer or correctional officer must within 5 business days forward the complaint to the employing agency of the officer who is the subject of the complaint for review or investigation.

2. For purposes of this paragraph, the term “political subdivision” means a separate agency or unit of local government created or established by law or ordinance and the officers thereof and includes, but is not limited to, an authority, board, branch, bureau, city, commission, consolidated government, county, department, district, institution, metropolitan government, municipality, office, officer, public corporation, town, or village.

Notwithstanding the rights and privileges provided under this part or any provisions provided in a collective bargaining agreement, the agency head or the agency head's designee may request a sworn or certified investigator from a separate law enforcement or correctional agency to conduct the investigation when a conflict is identified with having an investigator conduct the investigation of an officer of the same employing agency; the employing agency does not have an investigator trained to conduct such investigations; or the agency's investigator is the subject of, or a witness in, the investigation and such agency is composed of any combination of 35 or fewer law enforcement officers or correctional officers. The employing agency must document the identified conflict. Upon completion of the investigation, the investigator shall present the findings without any disciplinary recommendation to the employing agency.

(2)(a) A complaint filed against a law enforcement officer or correctional officer with a law enforcement agency or correctional agency and all information obtained pursuant to the investigation by the agency of the complaint is confidential and exempt from the provisions of s. 119.07(1) until the investigation ceases to be active, or until the agency head or the agency head's designee provides written notice to the officer who is the subject of the complaint, either personally or by mail, that the agency has either:

1. Concluded the investigation with a finding not to proceed with disciplinary action or to file charges; or

2. Concluded the investigation with a finding to proceed with disciplinary action or to file charges.

Notwithstanding the foregoing provisions, the officer who is the subject of the complaint, along with legal counsel or any other representative of his or her choice, may review the complaint and all statements regardless of form made by the complainant and witnesses and all existing evidence, including, but not limited to, incident reports, analyses, GPS locator information, and audio or video

recordings relating to the investigation, immediately before beginning the investigative interview. All statements, regardless of form, provided by a law enforcement officer or correctional officer during the course of a complaint investigation of that officer shall be made under oath pursuant to s. 92.525. Knowingly false statements given by a law enforcement officer or correctional officer under investigation may subject the law enforcement officer or correctional officer to prosecution for perjury. If a witness to a complaint is incarcerated in a correctional facility and may be under the supervision of, or have contact with, the officer under investigation, only the names and written statements of the complainant and nonincarcerated witnesses may be reviewed by the officer under investigation immediately prior to the beginning of the investigative interview.

(b) This subsection does not apply to any public record which is exempt from public disclosure pursuant to chapter 119. For the purposes of this subsection, an investigation shall be considered active as long as it is continuing with a reasonable, good faith anticipation that an administrative finding will be made in the foreseeable future. An investigation shall be presumed to be inactive if no finding is made within 45 days after the complaint is filed.

(c) Notwithstanding other provisions of this section, the complaint and information shall be available to law enforcement agencies, correctional agencies, and state attorneys in the conduct of a lawful criminal investigation.

(3) A law enforcement officer or correctional officer has the right to review his or her official personnel file at any reasonable time under the supervision of the designated records custodian. A law enforcement officer or correctional officer may attach to the file a concise statement in response to any items included in the file identified by the officer as derogatory, and copies of such items must be made available to the officer.

(4) Any person who is a participant in an internal investigation, including the complainant, the subject of the investigation and the subject's legal counsel or a representative of his or her choice, the investigator conducting the investigation, and any witnesses in the investigation, who willfully discloses any information obtained pursuant to the agency's investigation, including, but not limited to, the identity of the officer under investigation, the nature of the questions asked, information revealed, or documents furnished in connection with a confidential internal investigation of an agency, before such complaint, document, action, or proceeding becomes a public record as provided in this section commits a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083. However, this subsection does not limit a law enforcement or correctional officer's ability to gain access to information under paragraph (2)(a). Additionally, a sheriff, police chief, or other head of a law enforcement agency, or his or her designee, is not precluded by this section from acknowledging the existence of a complaint and the fact that an investigation is underway.

**History.**—s. 3, ch. 74-274; s. 3, ch. 82-156; s. 1, ch. 82-405; s. 1, ch. 83-136; s. 1, ch. 87-59; s. 2, ch. 89-223; s. 1, ch. 90-32; s. 31, ch. 90-360; s. 3, ch. 93-19; s. 722, ch. 95-147; s. 39, ch. 96-406; s. 2, ch. 98-249; s. 2, ch. 2000-184; s. 2, ch. 2003-149; s. 33, ch. 2004-335; s. 42, ch. 2005-251; s. 2, ch. 2007-110; s. 1, ch. 2007-118; s. 2, ch. 2009-200; s. 4, ch. 2020-104.

#### **112.534 Failure to comply; official misconduct.**—

(1) If any law enforcement agency or correctional agency, including investigators in its internal affairs or professional standards division, or an assigned investigating supervisor, intentionally fails to comply with the requirements of this part, the following procedures apply. For purposes of this section, the term “law enforcement officer” or “correctional officer” includes the officer's representative or legal counsel, except in application of paragraph (d).

(a) The law enforcement officer or correctional officer shall advise the investigator of the intentional violation of the requirements of this part which is alleged to have occurred. The officer's notice of violation is sufficient to notify the investigator of the requirements of this part which are alleged to have been violated and the factual basis of each violation.

(b) If the investigator fails to cure the violation or continues the violation after being notified by the law enforcement officer or correctional officer, the officer shall request the agency head or his or her designee be informed of the alleged intentional violation. Once this request is made, the interview of the officer shall cease, and the officer's refusal to respond to further investigative questions does not constitute insubordination or any similar type of policy violation.

(c) Thereafter, within 3 working days, a written notice of violation and request for a compliance review hearing shall be filed with the agency head or designee which must contain sufficient information to identify the requirements of this part which are alleged to have been violated and the



factual basis of each violation. All evidence related to the investigation must be preserved for review and presentation at the compliance review hearing. For purposes of confidentiality, the compliance review panel hearing shall be considered part of the original investigation.

(d) Unless otherwise remedied by the agency before the hearing, a compliance review hearing must be conducted within 10 working days after the request for a compliance review hearing is filed, unless, by mutual agreement of the officer and agency or for extraordinary reasons, an alternate date is chosen. The panel shall review the circumstances and facts surrounding the alleged intentional violation. The compliance review panel shall be made up of three members: one member selected by the agency head, one member selected by the officer filing the request, and a third member to be selected by the other two members. The review panel members shall be law enforcement officers or correctional officers who are active from the same law enforcement discipline as the officer requesting the hearing. Panel members may be selected from any state, county, or municipal agency within the county in which the officer works. The compliance review hearing shall be conducted in the county in which the officer works.

(e) It is the responsibility of the compliance review panel to determine whether or not the investigator or agency intentionally violated the requirements provided under this part. It may hear evidence, review relevant documents, and hear argument before making such a determination; however, all evidence received shall be strictly limited to the allegation under consideration and may not be related to the disciplinary charges pending against the officer. The investigative materials are considered confidential for purposes of the compliance review hearing and determination.

(f) The officer bears the burden of proof to establish that the violation of this part was intentional. The standard of proof for such a determination is by a preponderance of the evidence. The determination of the panel must be made at the conclusion of the hearing, in writing, and filed with the agency head and the officer.

(g) If the alleged violation is sustained as intentional by the compliance review panel, the agency head shall immediately remove the investigator from any further involvement with the investigation of the officer. Additionally, the agency head shall direct an investigation be initiated against the investigator determined to have intentionally violated the requirements provided under this part for purposes of agency disciplinary action. If that investigation is sustained, the sustained allegations against the investigator shall be forwarded to the Criminal Justice Standards and Training Commission for review as an act of official misconduct or misuse of position.

(2)(a) All the provisions of s. 838.022 shall apply to this part.

(b) The provisions of chapter 120 do not apply to this part.

**History.**—s. 4, ch. 74-274; s. 35, ch. 77-104; s. 1, ch. 78-291; s. 4, ch. 82-156; s. 4, ch. 93-19; s. 3, ch. 2000-184; s. 8, ch. 2003-158; s. 3, ch. 2009-200; s. 5, ch. 2011-4; s. 6, ch. 2016-151.

**112.535 Construction.**—The provisions of chapter 93-19, Laws of Florida, shall not be construed to restrict or otherwise limit the discretion of the sheriff to take any disciplinary action, without limitation, against a deputy sheriff, including the demotion, reprimand, suspension, or dismissal thereof, nor to limit the right of the sheriff to appoint deputy sheriffs or to withdraw their appointment as provided in chapter 30. Neither shall the provisions of chapter 93-19, Laws of Florida, be construed to grant collective bargaining rights to deputy sheriffs or to provide them with a property interest or continued expectancy in their appointment as a deputy sheriff.

**History.**—s. 6, ch. 93-19.

**112.536 Requirements for maintaining a Brady identification system.**—

(1)(a) A prosecuting agency is not required to maintain a Brady identification system and may determine, in its discretion, that its obligations under the decision in *Brady v. Maryland*, 373 U.S. 83 (1963), are better fulfilled through any such procedure the prosecuting agency otherwise chooses to utilize.

(b) The employing agency of a law enforcement officer or correctional officer shall forward all sustained and finalized internal affairs complaints relevant to s. 90.608, s. 90.609, or s. 90.610 to the prosecuting agency in the circuit in which the employing agency is located to assist the prosecuting agency in complying with its obligations under the *Brady* decision. The employing agency of a law enforcement officer or correctional officer must notify the law enforcement officer or correctional officer of any sustained and finalized internal affairs complaints that are sent to a prosecuting agency as required under this section. If the law enforcement officer or correctional officer is no longer

employed by the employing agency, the employing agency must mail through United States mail such notification to the officer's last known address on file with the employing agency.

(2) A prosecuting agency that maintains a Brady identification system must adopt written policies that, at a minimum, require all of the following:

(a) The right of a law enforcement officer or correctional officer to receive written notice by United States mail or e-mail, which must be sent to the officer's current or last known employing agency before or contemporaneously with the prosecuting agency including the name and information of the officer in the Brady identification system, unless a pending criminal case requires immediate disclosure or providing such notice to the officer would jeopardize a pending investigation.

(b) The right of a law enforcement officer or correctional officer to request reconsideration of the prosecuting agency's decision to include the name and information of the officer in a Brady identification system and his or her right to submit documents and evidence in support of the request for reconsideration.

(3) If, after a request for reconsideration is made under paragraph (2)(b), the prosecuting agency subsequently determines that the law enforcement officer or correctional officer should not be included in a Brady identification system, the prosecuting agency must do all of the following:

(a) Remove such officer from the Brady identification system.

(b) Send written notice by United States mail or e-mail to the law enforcement officer or correctional officer at the officer's current or last known employing agency confirming that the officer's name has been removed from the Brady identification system.

(c) If the name of a law enforcement officer or correctional officer was previously included in a Brady identification system and his or her name was disclosed in a pending criminal case, notify all parties to the pending criminal case of the officer's removal from the Brady identification system.

(4) If a prosecuting agency fails to comply with this section, a law enforcement officer or correctional officer may petition a court for a writ of mandamus to compel the prosecuting agency to comply with the requirements of this section. The court's scope of review in such matter is limited to whether the prosecuting agency acted in accordance with the procedural requirements of this section and may not include a judicial review of the evidence or merits that were the basis for the inclusion of the officer's name in a Brady identification system. This section does not preclude a law enforcement officer or correctional officer from pursuing any other available administrative or judicial remedies.

(5) This section does not:

(a) Require a prosecuting agency to give notice to or provide an opportunity for review and input from a law enforcement officer or correctional officer if the information in a Brady identification system is:

1. A criminal conviction that may be used for impeachment under s. 90.610; or

2. A sustained and finalized internal affairs complaint that may be used for impeachment under s. 90.608, s. 90.609, or s. 90.610;

(b) Limit the duty of a prosecuting agency to produce *Brady* evidence in all cases as required by the United States Constitution, the State Constitution, and the Florida Rules of Criminal Procedure and relevant case law;

(c) Limit or restrict a prosecuting agency's ability to remove the name and information of a law enforcement officer or correctional officer from a Brady identification system if, at any time, the prosecuting agency determines that the name and information of the officer are no longer proper for identification; or

(d) Create a private cause of action against a prosecuting agency or any employee of a prosecuting agency, other than the writ of mandamus authorized in subsection (4).

History.—s. 3, ch. 2023-230.

## PART VII ACTUARIAL SOUNDNESS OF RETIREMENT SYSTEMS

112.60 Short title.

112.61 Legislative intent.

112.62 Application.

112.625 Definitions.

112.63 Actuarial reports and statements of actuarial impact; review.

- 112.64 Administration of funds; amortization of unfunded liability.
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- 112.656 Fiduciary duties; certain officials included as fiduciaries.
- 112.658 Office of Program Policy Analysis and Government Accountability to determine compliance of the Florida Retirement System.
- 112.66 General provisions.
- 112.661 Investment policies.
- 112.662 Investments; exercising shareholder rights.
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- 112.665 Duties of Department of Management Services.
- 112.67 Special acts prohibited.

**112.60 Short title.**—This part may be cited as the “Florida Protection of Public Employee Retirement Benefits Act.”

**History.**—s. 1, ch. 78-170.

**112.61 Legislative intent.**—It is the intent of the Legislature in implementing the provisions of s. 14, Art. X of the State Constitution, relating to governmental retirement systems, that such retirement systems or plans be managed, administered, operated, and funded in such a manner as to maximize the protection of public employee retirement benefits. Inherent in this intent is the recognition that the pension liabilities attributable to the benefits promised public employees be fairly, orderly, and equitably funded by the current, as well as future, taxpayers. Accordingly, except as herein provided, it is the intent of this act to prohibit the use of any procedure, methodology, or assumptions the effect of which is to transfer to future taxpayers any portion of the costs which may reasonably have been expected to be paid by the current taxpayers. Actuarial experience may be used to fund additional benefits, provided that the present value of such benefits does not exceed the net actuarial experience accumulated from all sources of gains and losses. This act hereby establishes minimum standards for the operation and funding of public employee retirement systems and plans.

**History.**—s. 1, ch. 78-170; s. 13, ch. 79-183; s. 1, ch. 83-37; s. 3, ch. 94-259.

**112.62 Application.**—The provisions of this part are applicable to any and all units, agencies, branches, departments, boards, and institutions of state, county, special district, and municipal governments which participate in, operate, or administer a retirement system or plan for public employees, funded in whole or in part by public funds. The provisions of this part supplement and, to the extent there are conflicts, prevail over the provisions of existing laws and local ordinances relating to such retirement systems or plans.

**History.**—s. 1, ch. 78-170.

**112.625 Definitions.**—As used in this act:

(1) “Benefit increase” means a change or amendment in the plan design or benefit structure which results in increased benefits for plan members or beneficiaries.

(2) “Enrolled actuary” means an actuary who is enrolled under Subtitle C of Title III of the Employee Retirement Income Security Act of 1974 and who is a member of the Society of Actuaries or the American Academy of Actuaries.

(3) “Governmental entity” means the state, for the Florida Retirement System, and the county, municipality, special district, or district school board which is the employer of the member of a local retirement system or plan.

(4) “Named fiduciary,” “board,” or “board of trustees” means the person or persons so designated by the terms of the instrument or instruments, ordinance, or statute under which the plan is operated.

(5) “Pension or retirement benefit” means any benefit, including a disability benefit, paid to a member or beneficiary of a retirement system or plan as defined in subsection (8).

(6) “Plan administrator” means the person so designated by the terms of the instrument or instruments, ordinance, or statute under which the plan is operated. If no plan administrator has been designated, the plan sponsor shall be considered the plan administrator.

(7) “Plan sponsor” means the local governmental entity that has established or that may establish a local retirement system or plan.

(8) “Retirement system or plan” means any employee pension benefit plan supported in whole or in part by public funds, provided such plan is not:

(a) An employee benefit plan described in s. 4(a) of the Employee Retirement Income Security Act of 1974, which is not exempt under s. 4(b)(1) of such act;

- (b) A plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees;
- (c) A coverage agreement entered into pursuant to s. 218 of the Social Security Act;
- (d) An individual retirement account or an individual retirement annuity within the meaning of s. 408, or a retirement bond within the meaning of s. 409, of the Internal Revenue Code of 1954;
- (e) A plan described in s. 401(d) of the Internal Revenue Code of 1954; or
- (f) An individual account consisting of an annuity contract described in s. 403(b) of the Internal Revenue Code of 1954.

(9) "Statement value" means the value of assets in accordance with s. 302(c)(2) of the Employee Retirement Income Security Act of 1974 and as permitted under regulations prescribed by the Secretary of the Treasury as amended by Pub. L. No. 100-203, as such sections are in effect on August 16, 2006. Assets for which a fair market value is not provided shall be excluded from the assets used in the determination of annual funding cost.

**History.**—s. 14, ch. 79-183; s. 2, ch. 83-37; s. 1, ch. 2000-264; s. 7, ch. 2004-305; s. 1, ch. 2008-139; s. 41, ch. 2023-8.

**112.63 Actuarial reports and statements of actuarial impact; review.—**

(1) Each retirement system or plan subject to the provisions of this act shall have regularly scheduled actuarial reports prepared and certified by an enrolled actuary. The actuarial report shall consist of, but is not limited to, the following:

(a) Adequacy of employer and employee contribution rates in meeting levels of employee benefits provided in the system and changes, if any, needed in such rates to achieve or preserve a level of funding deemed adequate to enable payment through the indefinite future of the benefit amounts prescribed by the system, which shall include a valuation of present assets, based on statement value, and prospective assets and liabilities of the system and the extent of unfunded accrued liabilities, if any.

(b) A plan to amortize any unfunded liability pursuant to s. 112.64 and a description of actions taken to reduce the unfunded liability.

(c) A description and explanation of actuarial assumptions.

(d) A schedule illustrating the amortization of unfunded liabilities, if any.

(e) A comparative review illustrating the actual salary increases granted and the rate of investment return realized over the 3-year period preceding the actuarial report with the assumptions used in both the preceding and current actuarial reports.

(f) Effective January 1, 2016, the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement. Appropriate risk and collar adjustments must be made based on plan demographics. The tables must be used for assumptions for preretirement and postretirement mortality.

(g) A statement by the enrolled actuary that the report is complete and accurate and that in his or her opinion the techniques and assumptions used are reasonable and meet the requirements and intent of this act.

The actuarial cost methods utilized for establishing the amount of the annual actuarial normal cost to support the promised benefits shall only be those methods approved in the Employee Retirement Income Security Act of 1974 and as permitted under regulations prescribed by the Secretary of the Treasury.

(2) The frequency of actuarial reports must be at least every 3 years commencing from the last actuarial report of the plan or system. The results of each actuarial report shall be filed with the plan administrator within 60 days of certification. Thereafter, the results of each actuarial report shall be made available for inspection upon request. Additionally, each retirement system or plan covered by this act which is not administered directly by the Department of Management Services shall furnish a copy of each actuarial report to the Department of Management Services within 60 days after receipt from the actuary. The requirements of this section are supplemental to actuarial valuations necessary to comply with the requirements of s. 218.39.

(3) No unit of local government shall agree to a proposed change in retirement benefits unless the administrator of the system, prior to adoption of the change by the governing body, and prior to the last public hearing thereon, has issued a statement of the actuarial impact of the proposed change upon the local retirement system, consistent with the actuarial review, and has furnished a copy of

such statement to the division. Such statement shall also indicate whether the proposed changes are in compliance with s. 14, Art. X of the State Constitution and with s. 112.64.

(4) Upon receipt, pursuant to subsection (2), of an actuarial report, or, pursuant to subsection (3), of a statement of actuarial impact, the Department of Management Services shall acknowledge such receipt, but shall only review and comment on each retirement system's or plan's actuarial valuations at least on a triennial basis.

(a) If the department finds that the actuarial valuation is not complete, accurate, or based on reasonable assumptions or otherwise materially fails to satisfy the requirements of this part; requires additional material information necessary to complete its review of the actuarial valuation of a system or plan or material information necessary to satisfy the duties of the department pursuant to s. 112.665(1); or does not receive the actuarial report or statement of actuarial impact, the department shall notify the administrator of the affected retirement system or plan and the affected governmental entity and request appropriate adjustment, the additional material information, or the required report or statement. The notification must inform the administrator and the affected governmental entity of the consequences for failing to comply with the requirements of this subsection.

(b) If, after a reasonable period of time, a satisfactory adjustment is not made or the report, statement, or additional material information is not provided, the department may notify the Department of Revenue and the Department of Financial Services of the noncompliance, and the Department of Revenue and the Department of Financial Services shall withhold any funds not pledged for satisfaction of bond debt service which are payable to the affected governmental entity until the adjustment is made or the report, statement, or additional material information is provided to the department. The Department of Management Services shall specify the date such action is to begin and notify the Department of Revenue, the Department of Financial Services, and the affected governmental entity 30 days before the specified date.

(c) Within 21 days after receipt of the notice, the affected governmental entity may petition the Department of Management Services for a hearing under ss. 120.569 and 120.57. The Department of Revenue and the Department of Financial Services may not be parties to the hearing, but may request to intervene if requested by the Department of Management Services or if the Department of Revenue or the Department of Financial Services determines its interests may be adversely affected by the hearing.

1. If the administrative law judge recommends in favor of the department, the department shall perform an actuarial review, prepare the statement of actuarial impact, or collect the requested material information. The cost to the department of performing the actuarial review, preparing the statement, or collecting the requested material information shall be charged to the affected governmental entity whose employees are covered by the retirement system or plan. If payment is not received by the department within 60 days after the affected governmental entity receives the request for payment, the department shall certify to the Department of Revenue and the Department of Financial Services the amount due, and the Department of Revenue and the Department of Financial Services shall pay such amount to the Department of Management Services from funds not pledged for satisfaction of bond debt service which are payable to the affected governmental entity.

2. If the administrative law judge recommends in favor of the affected governmental entity and the department performs an actuarial review, prepares the statement of actuarial impact, or collects the requested material information, the cost to the department shall be paid by the Department of Management Services.

(d) In the case of an affected special district, the Department of Management Services shall also notify the Department of Economic Opportunity. Upon receipt of notification, the Department of Economic Opportunity shall proceed pursuant to s. 189.067.

1. Failure of a special district to provide a required report or statement, to make appropriate adjustments, or to provide additional material information after the procedures specified in s. 189.067(1) are exhausted shall be deemed final action by the special district.

2. The Department of Management Services may notify the Department of Economic Opportunity of those special districts that failed to come into compliance. Upon receipt of notification, the Department of Economic Opportunity shall proceed pursuant to s. 189.067(4).

(5) Payments made to the fund as required by this chapter shall be based on the normal and past service costs contained in the most recent actuarial valuation, subject to being state-accepted.



(6) Beginning July 1, 1980, each retirement system or plan of a unit of local government shall maintain, in accurate and accessible form, the following information:

(a) For each active and inactive member of the system, a number or other means of identification; date of birth; sex; date of employment; period of credited service, split, if required, between prior service and current service; and occupational classification.

(b) For each active member, current pay rate, cumulative contributions together with accumulated interest, if credited, age at entry into system, and current rate of contribution.

(c) For each inactive member, average final compensation or equivalent and age at which deferred benefit is to begin.

(d) For each retired member and other beneficiary, a number or other means of identification, date of birth, sex, beginning date of benefit, type of retirement and amount of monthly benefit, and type of survivor benefit.

**History.**—s. 1, ch. 78-170; s. 15, ch. 79-183; s. 3, ch. 83-37; s. 48, ch. 92-279; s. 55, ch. 92-326; s. 23, ch. 94-249; s. 1418, ch. 95-147; s. 2, ch. 96-324; s. 16, ch. 96-410; s. 21, ch. 99-255; s. 1, ch. 99-392; s. 31, ch. 2001-266; s. 132, ch. 2003-261; s. 8, ch. 2004-305; s. 14, ch. 2005-2; s. 45, ch. 2011-142; s. 3, ch. 2011-144; s. 1, ch. 2011-216; s. 12, ch. 2013-15; s. 1, ch. 2013-100; s. 59, ch. 2014-22; s. 1, ch. 2015-157; s. 20, ch. 2020-2.

**112.64 Administration of funds; amortization of unfunded liability.—**

(1) Employee contributions shall be deposited in the retirement system or plan at least monthly. Employer contributions shall be deposited at least quarterly; however, any revenues received from any source by an employer which are specifically collected for the purpose of allocation for deposit into a retirement system or plan shall be so deposited within 30 days of receipt by the employer. All employers and employees participating in the Florida Retirement System and other existing retirement systems which are administered by the Department of Management Services shall continue to make contributions at least monthly.

(2) From and after October 1, 1980, for those plans in existence on October 1, 1980, the total contributions to the retirement system or plan shall be sufficient to meet the normal cost of the retirement system or plan and to amortize the unfunded liability, if any, within 40 years; however, nothing contained in this subsection permits any retirement system or plan to amortize its unfunded liabilities over a period longer than that which remains under its current amortization schedule.

(3) For a retirement system or plan which comes into existence after October 1, 1980, the unfunded liability, if any, shall be amortized within 40 years of the first plan year.

(4) The net increase, if any, in unfunded liability under the plan arising from significant plan amendments adopted, changes in actuarial assumptions, changes in funding methods, or actuarial gains or losses shall be amortized within 30 plan years.

(5)(a) If the amortization schedule for unfunded liability is to be based on a contribution derived in whole or in part from a percentage of the payroll of the system or plan membership, the assumption as to payroll growth shall not exceed the average payroll growth for the 10 years prior to the latest actuarial valuation of the system or plan unless a transfer, merger, or consolidation of government functions or services occurs, in which case the assumptions for payroll growth may be adjusted and may be based on the membership of the retirement plan or system subsequent to such transfer, merger, or consolidation.

(b) An unfunded liability amortization schedule that includes a payroll growth assumption and is in existence on September 30, 1996, or is established thereafter, may be continued using the same payroll growth assumption, or one not exceeding the payroll growth assumption established at the start of the schedule, regardless of the actual 10-year average payroll growth rate, provided that:

1. The assumptions underlying the payroll growth rate are consistent with the actuarial assumptions used to determine unfunded liabilities, including, but not limited to, the inflation assumption; and

2. The payroll growth rate is reasonable and consistent with future expectations of payroll growth.

(c) An unfunded liability amortization schedule that does not include a payroll growth assumption and is in existence on September 30, 1996, or is established thereafter, may be continued or modified to include a payroll growth assumption, provided that such assumption does not exceed the 10-year average payroll growth rate as of the actuarial valuation date such change in the amortization schedule commences. Such schedule may be continued thereafter, subject to the reasonable and consistent requirements in paragraph (b).

(6)(a) Notwithstanding any other provision of this part, the proceeds of a pension liability surtax imposed by a county pursuant to s. 212.055, which is levied for the purpose of funding or amortizing the unfunded liability of a defined benefit retirement plan or system, excluding the Florida Retirement System, shall be actuarially recognized, and the county shall apply the present value of the total projected proceeds of the surtax to reduce the unfunded liability or to amortize it as part of the county's annual required contribution, beginning with the fiscal year immediately following approval of the pension liability surtax. The unfunded liability amortization schedule must be adjusted beginning with the fiscal year immediately following approval of the pension liability surtax and amortized over a period of 30 years.

(b) The payroll of all employees in classifications covered by a closed retirement plan or system that receives funds from the pension liability surtax must be included in determining the unfunded liability amortization schedule for the closed plan, regardless of the plan in which the employees currently participate, and the payroll growth assumption must be adjusted to reflect the payroll of those employees when calculating the amortization of the unfunded liability.

(7) Nothing contained in this section shall result in the allocation of chapter 175 or chapter 185 premium tax funds to any other retirement system or plan or for any other use than the exclusive purpose of providing retirement benefits for firefighters or police officers.

**History.**—s. 1, ch. 78-170; s. 16, ch. 79-183; s. 2, ch. 84-266; s. 2, ch. 96-368; s. 22, ch. 99-255; s. 1, ch. 2016-146.

**112.65 Limitation of benefits.—**

(1) ESTABLISHMENT OF PROGRAM.—The normal retirement benefit or pension payable to a retiree who becomes a member of any retirement system or plan and who has not previously participated in such plan, on or after January 1, 1980, may not exceed 100 percent of his or her average final compensation. However, this section does not apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments. For the purposes of this section, benefits accruing in individual member accounts established under the investment plan established in part II of chapter 121 are considered supplemental benefits. As used in this section, the term “average final compensation” means the average of the member's earnings over a period of time which the governmental entity has established by statute, charter, or ordinance.

(2) RESTRICTION.—No member of a retirement system or plan covered by this part who is not now a member of such plan shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the member is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under chapter 67, Title 10, United States Code.

**History.**—s. 1, ch. 78-170; s. 17, ch. 79-183; s. 4, ch. 88-382; s. 723, ch. 95-147; s. 2, ch. 99-392; s. 1, ch. 2000-169; s. 4, ch. 2011-68.

**112.656 Fiduciary duties; certain officials included as fiduciaries.—**

(1) A fiduciary shall discharge his or her duties with respect to a plan solely in the interest of the participants and beneficiaries for the exclusive purpose of providing benefits to participants and their beneficiaries and defraying reasonable expenses of administering the plan. Investment decisions must comply with s. 112.662.

(2) Each retirement system or plan shall have one or more named fiduciaries with authority to control and manage the administration and operation of the retirement system or plan. However, the plan administrator, and any officer, trustee, and custodian, and any counsel, accountant, and actuary of the retirement system or plan who is employed on a full-time basis, shall be included as fiduciaries of such system or plan.

(3) A retirement system or plan may purchase insurance for its named fiduciary to cover liability or losses incurred by reason of act or omission of the fiduciary.

**History.**—s. 18, ch. 79-183; s. 724, ch. 95-147; s. 3, ch. 2023-28.

**112.658 Office of Program Policy Analysis and Government Accountability to determine compliance of the Florida Retirement System.—**

(1) The Office of Program Policy Analysis and Government Accountability shall determine, through the examination of actuarial reviews, financial statements, and the practices and procedures of the Department of Management Services, the compliance of the Florida Retirement System with the provisions of this act.



(2) The Office of Program Policy Analysis and Government Accountability shall employ an independent consulting actuary who is an enrolled actuary as defined in this part to assist in the determination of compliance.

(3) The Office of Program Policy Analysis and Government Accountability shall employ the same actuarial standards to monitor the Department of Management Services as the Department of Management Services uses to monitor local governments.

**History.**—s. 18, ch. 79-183; s. 4, ch. 83-37; s. 3, ch. 96-368; s. 23, ch. 99-255.

**112.66 General provisions.**—The following general provisions relating to the operation and administration of any retirement system or plan covered by this part shall be applicable:

(1) The provisions of each retirement system or plan shall be contained in a written summary plan description, to be published on a biennial basis, in a manner calculated to be understood by the average plan participant and sufficiently accurate and comprehensive to apprise participants of their rights and obligations under the plan and which shall include a report of pertinent financial and actuarial information on the solvency and actuarial soundness of the plan. Such summary plan description shall be furnished to a member of the system or plan upon initial employment or participation in such plan and, thereafter, with each new biennial publication by the administrator. The administrator of each plan shall publish the summary plan description not later than 210 days after the end of the plan year in which publication is required. During those years when a complete summary plan description is not published, the administrator of each plan or retirement system shall publish a supplement of changes during the previous year to be furnished to new members of the system upon initial employment or participation in the plan.

(2) The plan description shall contain the following information: the name and type of administration of the plan; the name and address of the person designated as agent for the service of legal process, if such person is not the administrator; the name and address of the administrator; the names, titles, and addresses of any trustee or trustees, if they are persons different from the administrator; a description of the relevant provisions of any applicable collective bargaining agreement; the plan's requirements respecting eligibility for participation and benefits; a description of the provisions providing for nonforfeitable pension benefits; the circumstances which may result in disqualification, ineligibility, or denial or forfeiture of benefits; the source of financing of the plan and the identity of any organization through which benefits are provided; the date of the end of the plan year and whether the records of the plan are kept on a calendar, policy, or fiscal year basis; the procedures to be followed in presenting claims for benefits under the plan and the remedies available under the plan for the redress of claims which are denied in whole or in part; citations to the relevant provisions of state or local law and regulations governing the establishment, operation, and administration of the plan; a description of those provisions which specify the conditions under which pension benefits become vested pension benefits; and a report of pertinent financial and actuarial information on the solvency and actuarial soundness of the plan.

(3) Each retirement system or plan shall provide for a plan administrator.

(4) Any provision in a legal agreement, contract, or instrument which purports to relieve a fiduciary of a retirement system or plan from responsibility or liability is void as being against public policy.

(5) A civil action may be brought by a member or beneficiary of a retirement system or plan to recover benefits due to him or her under the terms of his or her retirement system or plan, to enforce the member's or beneficiary's rights, or to clarify his or her rights to future benefits under the terms of the retirement system or plan.

(6) The governmental entity responsible for the administration and operation of a retirement system or plan may sue or be sued as an entity.

(7) There shall be timely adequate written notice given to any member or beneficiary whose claim for benefits under the terms of his or her retirement system or plan has been denied, setting forth the specific reasons for such denial. Unless otherwise provided by law, the terms of the retirement system or plan shall provide for a full and fair review in those cases when a member or beneficiary has had his or her claim to benefits denied.

(8) The assets and liabilities of a retirement system or plan shall remain under the ultimate control of the governmental unit responsible for the retirement system or plan, unless an irrevocable trust has been or is established for the purpose of managing and controlling the retirement system or plan, in

which case the board of trustees shall have ultimate control over the assets and liabilities of the retirement system or plan. Nothing herein shall absolve the governmental unit from being ultimately responsible for the payment of its contribution to a retirement system or plan nor remove from the governmental unit the ultimate authority to adjust benefits consistent with the Florida Statutes and the retirement system or plan; however, nothing contained herein shall be construed to permit the creation of such irrevocable trust except by special act of the Legislature.

(9) The instrument or instruments, ordinance, or statute under which a retirement system or plan operates shall provide that all assets of such retirement system or plan shall be held in trust by the board of trustees or, when an irrevocable trust does not exist, by the governmental entity.

(10) No plan shall discriminate in its benefit formula based on color, national origin, sex, or marital status. Nothing herein shall preclude a plan from actuarially adjusting benefits or offering options based on age, early retirement, or disability.

(11) For noncollectively bargained service earned on or after July 1, 2011, or for service earned under collective bargaining agreements entered into on or after July 1, 2011, when calculating retirement benefits, a defined benefit pension system or plan sponsored by a local government may include up to 300 hours per year of overtime compensation as specified in the plan or collective bargaining agreement, but may not include any payments for accrued unused sick leave or annual leave. For those members whose terms and conditions of employment are collectively bargained, this subsection is effective for the first agreement entered into on or after July 1, 2011. This subsection does not apply to state-administered retirement systems or plans.

(12) An actuarial or cash surplus in any system or plan may not be used for any expenses outside the plan.

(13) A local government sponsor of a retirement system or plan may not reduce contributions required to fund the normal cost. This subsection does not apply to state-administered retirement systems or plans.

(14) The state is not liable for any obligation relating to any current or future shortfall in any local government retirement system or plan.

**History.**—s. 1, ch. 78-170; s. 20, ch. 79-183; s. 3, ch. 90-274; s. 725, ch. 95-147; s. 2, ch. 2011-216; s. 2, ch. 2013-100.

**112.661 Investment policies.**—Investment of the assets of any local retirement system or plan must be consistent with a written investment policy adopted by the board. Such policies shall be structured to maximize the financial return to the retirement system or plan consistent with the risks incumbent in each investment and shall be structured to establish and maintain an appropriate diversification of the retirement system or plan's assets.

(1) **SCOPE.**—The investment policy shall apply to funds under the control of the board.

(2) **INVESTMENT OBJECTIVES.**—The investment policy shall describe the investment objectives of the board.

(3) **PERFORMANCE MEASUREMENT.**—The investment policy shall specify performance measures as are appropriate for the nature and size of the assets within the board's custody.

(4) **INVESTMENT AND FIDUCIARY STANDARDS.**—The investment policy shall describe the level of prudence and ethical standards to be followed by the board in carrying out its investment activities with respect to funds described in this section. The board in performing its investment duties shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 at 29 U.S.C. s. 1104(a)(1)(A)-(C). Except as provided in s. 112.662, in case of conflict with other provisions of law authorizing investments, the investment and fiduciary standards set forth in this section prevail.

(5) **AUTHORIZED INVESTMENTS.**—

(a) The investment policy shall list investments authorized by the board. Investments not listed in the investment policy are prohibited. Unless otherwise authorized by law or ordinance, the investment of the assets of any local retirement system or plan covered by this part shall be subject to the limitations and conditions set forth in s. 215.47(1)-(6), (8), (9), (11) and (17).

(b) If a local retirement system or plan has investments that, on October 1, 2000, either exceed the applicable limit or do not satisfy the applicable investment standard, such excess or investment not in compliance with the policy may be continued until such time as it is economically feasible to dispose of such investment. However, no additional investment may be made in the investment category which exceeds the applicable limit, unless authorized by law or ordinance.

(6) **MATURITY AND LIQUIDITY REQUIREMENTS.**—The investment policy shall require that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. To that end, the investment policy should direct that, to the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash-flow requirements.

(7) **PORTFOLIO COMPOSITION.**—The investment policy shall establish guidelines for investments and limits on security issues, issuers, and maturities. Such guidelines shall be commensurate with the nature and size of the funds within the custody of the board.

(8) **RISK AND DIVERSIFICATION.**—The investment policy shall provide for appropriate diversification of the investment portfolio. Investments held should be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold. Diversification strategies within the established guidelines shall be reviewed and revised periodically, as deemed necessary by the board.

(9) **EXPECTED ANNUAL RATE OF RETURN.**—The investment policy shall require that, for each actuarial valuation, the board determine the total expected annual rate of return for the current year, for each of the next several years, and for the long term thereafter. This determination must be filed promptly with the Department of Management Services and with the plan's sponsor and the consulting actuary. The department shall use this determination only to notify the board, the plan's sponsor, and consulting actuary of material differences between the total expected annual rate of return and the actuarial assumed rate of return.

(10) **THIRD-PARTY CUSTODIAL AGREEMENTS.**—The investment policy shall provide appropriate arrangements for the holding of assets of the board. Securities should be held with a third party, and all securities purchased by, and all collateral obtained by, the board should be properly designated as an asset of the board. No withdrawal of securities, in whole or in part, shall be made from safekeeping except by an authorized member of the board or the board's designee. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

(11) **MASTER REPURCHASE AGREEMENT.**—The investment policy shall require all approved institutions and dealers transacting repurchase agreements to execute and perform as stated in the Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master Repurchase Agreement.

(12) **BID REQUIREMENT.**—The investment policy shall provide that the board determine the approximate maturity date based on cash-flow needs and market conditions, analyze and select one or more optimal types of investment, and competitively bid the security in question when feasible and appropriate. Except as otherwise required by law, the most economically advantageous bid must be selected.

(13) **INTERNAL CONTROLS.**—The investment policy shall provide for a system of internal controls and operational procedures. The board shall establish a system of internal controls which shall be in writing and made a part of the board's operational procedures. The policy shall provide for review of such controls by independent certified public accountants as part of any financial audit periodically required of the board's unit of local government. The internal controls should be designed to prevent losses of funds which might arise from fraud, error, misrepresentation by third parties, or imprudent actions by the board or employees of the unit of local government.

(14) **CONTINUING EDUCATION.**—The investment policy shall provide for the continuing education of the board members in matters relating to investments and the board's responsibilities.

(15) **REPORTING.**—The investment policy shall provide for appropriate annual or more frequent reporting of investment activities. To that end, the board shall prepare periodic reports for submission to the governing body of the unit of local government which shall include investments in the portfolio by class or type, book value, income earned, and market value as of the report date. Such reports shall be available to the public.

(16) **FILING OF INVESTMENT POLICY.**—Upon adoption by the board, the investment policy shall be promptly filed with the Department of Management Services and the plan's sponsor and consulting

actuary. The effective date of the investment policy, and any amendment thereto, shall be the 31st calendar day following the filing date with the plan sponsor.

(17) **VALUATION OF ILLIQUID INVESTMENTS.**—The investment policy shall provide for the valuation of illiquid investments for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism. If those investments are utilized, the investment policy must include the criteria set forth in s. 215.47(6), except that submission to the Investment Advisory Council is not required. The investment policy shall require that, for each actuarial valuation, the board must verify the determination of the fair market value for those investments and ascertain that the determination complies with all applicable state and federal requirements. The investment policy shall require that the board disclose to the Department of Management Services and the plan’s sponsor each such investment for which the fair market value is not provided.

**History.**—s. 2, ch. 2000-264; s. 6, ch. 2009-21; s. 4, ch. 2023-28; s. 5, ch. 2023-111.

**112.662 Investments; exercising shareholder rights.**—

(1) As used in this section, the term “pecuniary factor” means a factor that the plan administrator, named fiduciary, board, or board of trustees prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with the investment objectives and funding policy of the retirement system or plan. The term does not include the consideration of the furtherance of any social, political, or ideological interests.

(2) Notwithstanding any other law, when deciding whether to invest and when investing the assets of any retirement system or plan, only pecuniary factors may be considered and the interests of the participants and beneficiaries of the system or plan may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor. The weight given to any pecuniary factor must appropriately reflect a prudent assessment of its impact on risk or returns.

(3) Notwithstanding any other law, when deciding whether to exercise shareholder rights or when exercising such rights on behalf of a retirement system or plan, including the voting of proxies, only pecuniary factors may be considered and the interests of the participants and beneficiaries of the system or plan may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor.

(4)(a) By December 15, 2023, and by December 15 of each odd-numbered year thereafter, each retirement system or plan shall file a comprehensive report detailing and reviewing the governance policies concerning decisionmaking in vote decisions and adherence to the fiduciary standards required of such retirement system or plan under this section, including the exercise of shareholder rights.

1. The State Board of Administration, on behalf of the Florida Retirement System, shall submit its report to the Governor, the Attorney General, the Chief Financial Officer, the President of the Senate, and the Speaker of the House of Representatives.

2. All other retirement systems or plans shall submit their reports to the Department of Management Services.

(b) By January 15, 2024, and by January 15 of each even-numbered year thereafter, the Department of Management Services shall submit a summary report to the Governor, the Attorney General, the Chief Financial Officer, the President of the Senate, and the Speaker of the House of Representatives that includes a summary of the reports submitted under paragraph (a) and identifies any relevant trends among such systems and plans.

(c) The Department of Management Services shall report incidents of noncompliance to the Attorney General, who may institute proceedings to enjoin any person found violating this section. If such action is successful, the Attorney General is entitled to reasonable attorney fees and costs.

(d) The Department of Management Services shall adopt rules to implement this subsection.

(5) This section does not apply to individual member-directed investment accounts established as part of a defined contribution plan under s. 401(a), s. 403(b), or s. 457 of the Internal Revenue Code.

**History.**—s. 5, ch. 2023-28.

**112.664 Reporting standards for defined benefit retirement plans or systems.**—

(1) In addition to the other reporting requirements of this part, within 60 days after receipt of the certified actuarial report submitted after the close of the plan year that ends on or after December 31, 2015, and thereafter in each year required under s. 112.63(2), each defined benefit retirement system or plan, excluding the Florida Retirement System, shall prepare and electronically report the following information to the Department of Management Services in a format prescribed by the department:

(a) Annual financial statements that comply with the requirements of the Governmental Accounting Standards Board's Statement No. 67, titled "Financial Reporting for Pension Plans," and Statement No. 68, titled "Accounting and Financial Reporting for Pensions," using mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement. Appropriate risk and collar adjustments must be made based on plan demographics. The tables must be used for assumptions for preretirement and postretirement mortality.

(b) Annual financial statements similar to those required under paragraph (a), but which use an assumed rate of return on investments and an assumed discount rate that are equal to 200 basis points less than the plan's assumed rate of return.

(c) Information indicating the number of months or years for which the current market value of assets are adequate to sustain the payment of expected retirement benefits as determined in the plan's latest valuation and under the financial statements prepared pursuant to paragraphs (a) and (b).

(d) Information indicating the recommended contributions to the plan based on the plan's latest valuation, and the contributions necessary to fund the plan based on financial statements prepared pursuant to paragraphs (a) and (b), stated as an annual dollar value and a percentage of valuation payroll.

(2) Each defined benefit retirement system or plan, excluding the Florida Retirement System, and its plan sponsor:

(a) Shall provide the information required by this section and the funded ratio of the system or plan as determined in the most recent actuarial valuation as part of the disclosures required under s. 166.241(3) and on any website that contains budget information relating to the plan sponsor or actuarial or performance information related to the system or plan.

(b) That has a publicly available website shall provide on that website:

1. The plan's most recent financial statement and actuarial valuation, including a link to the Division of Retirement Actuarial Summary Fact Sheet for that plan.

2. For the previous 5 years, beginning with 2013, a side-by-side comparison of the plan's assumed rate of return compared to the actual rate of return, as well as the percentages of cash, equity, bond, and alternative investments in the plan portfolio.

3. Any charts and graphs of the data provided in subparagraphs 1. and 2., presented in a standardized, user-friendly, and easily interpretable format as prescribed by the department.

(3) The plan shall be deemed to be in noncompliance if it has not submitted the required information to the Department of Management Services within 60 days after receipt of the certified actuarial report for the plan year for which the information is required to be submitted to the department.

(a) The Department of Management Services may notify the Department of Revenue and the Department of Financial Services of the noncompliance, and the Department of Revenue and the Department of Financial Services shall withhold any funds not pledged for satisfaction of bond debt service and which are payable to the plan sponsor until the information is provided to the department. The department shall specify the date the withholding is to begin and notify the Department of Revenue, the Department of Financial Services, and the plan sponsor 30 days before the specified date.

(b) Within 21 days after receipt of the notice, the plan sponsor may petition the Department of Management Services for a hearing under ss. 120.569 and 120.57. The Department of Revenue and the Department of Financial Services may not be parties to the hearing, but may request to intervene if requested by the department or if the Department of Revenue or the Department of Financial Services determines its interests may be adversely affected by the hearing.

History.—s. 3, ch. 2013-100; s. 2, ch. 2015-157.

**112.665 Duties of Department of Management Services.—**

(1) The Department of Management Services shall:

(a) Gather, catalog, and maintain complete, computerized data information on all public employee retirement systems or plans in the state based upon a review of audits, reports, and other data pertaining to the systems or plans;

(b) Receive and comment upon all actuarial reviews of retirement systems or plans maintained by units of local government;



(c) Cooperate with local retirement systems or plans on matters of mutual concern and provide technical assistance to units of local government in the assessment and revision of retirement systems or plans;

(d) Annually issue, by January 1, a report to the President of the Senate and the Speaker of the House of Representatives, which details division activities, findings, and recommendations concerning all governmental retirement systems. The report may include legislation proposed to carry out such recommendations;

(e) Provide a fact sheet for each participating local government defined benefit pension plan which summarizes the plan's actuarial status. The fact sheet should provide a summary of the plan's most current actuarial data, minimum funding requirements as a percentage of pay, and a 5-year history of funded ratios. The fact sheet must include a brief explanation of each element in order to maximize the transparency of the local government plans. The fact sheet must also contain the information specified in s. 112.664(1). These documents shall be posted on the department's website. Plan sponsors that have websites must provide a link to the department's website;

(f) Annually issue, by January 1, a report to the Special District Accountability Program of the Department of Economic Opportunity which includes the participation in and compliance of special districts with the local government retirement system provisions in s. 112.63 and the state-administered retirement system provisions specified in part I of chapter 121; and

(g) Adopt reasonable rules to administer this part.

(2) The department may subpoena actuarial witnesses, review books and records, hold hearings, and take testimony. A witness shall have the right to be accompanied by counsel.

**History.**—s. 19, ch. 79-183; s. 7, ch. 84-254; s. 34, ch. 89-169; s. 49, ch. 92-279; s. 55, ch. 92-326; s. 24, ch. 94-249; s. 24, ch. 99-255; s. 14, ch. 2000-169; s. 46, ch. 2011-142; s. 3, ch. 2011-216; s. 4, ch. 2013-100; s. 60, ch. 2014-22.

**112.67 Special acts prohibited.**—Pursuant to s. 11(a)(21), Art. III of the State Constitution, the Legislature hereby prohibits special laws or general laws of local application in conflict with the requirements of this part.

**History.**—s. 2, ch. 78-170.

## PART VIII FIREFIGHTERS

112.80 Short title.

112.81 Definitions.

112.82 Rights of firefighters.

112.83 Rights of firefighters with respect to civil suits.

112.84 Rights of firefighters nonexclusive.

**112.80 Short title.**—This part may be cited as the “Firefighters’ Bill of Rights.”

**History.**—s. 1, ch. 86-6.

**112.81 Definitions.**—As used in this part:

(1) “Administrative proceeding” means any nonjudicial hearing which may result in the recommendation, approval, or order of disciplinary action against, or suspension or discharge of, a firefighter.

(2) “Employing agency” means any municipality or the state or any political subdivision thereof, including authorities and special districts, which employs firefighters.

(3) “Firefighter” means a person who is certified in compliance with s. 633.408 and who is employed solely within the fire department or public safety department of an employing agency as a full-time firefighter whose primary responsibility is the prevention and extinguishment of fires; the protection of life and property; and the enforcement of municipal, county, and state fire prevention codes and laws pertaining to the prevention and control of fires.

(4) “Formal investigation” means the process of investigation ordered by supervisory or management personnel, to determine if the firefighter should be disciplined, reprimanded, suspended, or removed, during which the questioning of a firefighter is conducted for the purpose of gathering evidence of misconduct.

(5) “Informal inquiry” means a meeting by supervisory or management personnel with a firefighter about whom an allegation of misconduct has come to the attention of such supervisory or management personnel, the purpose of which meeting is to mediate a complaint or discuss the facts to determine whether a formal investigation should be commenced. The term does not include routine work-related discussions, such as safety sessions or normal operational fire debriefings.

(6) “Interrogation” means the questioning of a firefighter by an employing agency in connection with a formal investigation or an administrative proceeding but does not include arbitration or civil service proceedings. The term does not include questioning during an informal inquiry.

History.—s. 1, ch. 86-6; s. 118, ch. 2013-183; s. 1, ch. 2022-110.

**112.82 Rights of firefighters.**—Whenever a firefighter is subjected to an informal inquiry or interrogation, the inquiry or interrogation must be conducted in accordance with this section.

(1) An interrogation must take place at the facility where the investigating officer is assigned, or at the facility that has jurisdiction over the place where the incident under investigation allegedly occurred, as designated by the investigating officer.

(2) A firefighter may not be subjected to interrogation without first receiving written notice in sufficient detail of the formal investigation in order to reasonably apprise the firefighter of the nature of the investigation. The firefighter must be informed beforehand of the names of all complainants.

(3) All interrogations must be conducted at a reasonable time of day, preferably when the firefighter is on duty, unless the importance of the interrogation is of such a nature that immediate action is required.

(4) The firefighter under formal investigation must be informed of the name, rank, and unit or command of the officer in charge of the investigation, the interrogators, and all persons present during any interrogation.

(5) Informal inquiries and interrogation sessions must be of reasonable duration, and the firefighter must be permitted reasonable periods for rest and personal necessities.

(6) During an informal inquiry or interrogation, the firefighter may not be subjected to offensive language; threatened with a transfer, suspension, dismissal, or other disciplinary action; or offered any incentive as an inducement to answer any questions.

(7) A complete record of any interrogation must be made, and if a transcript of such interrogation is made, the firefighter under formal investigation is entitled to a copy of the transcript without charge. Such record may be electronically recorded.

(8) An employee or officer of an employing agency may represent the agency, and an employee organization may represent any member of a bargaining unit desiring such representation in any proceeding to which this part applies. If a collective bargaining agreement provides for the presence of a representative of the collective bargaining unit during investigations or interrogations, such representative shall be allowed to be present.

(9) A firefighter may not be discharged, disciplined, demoted, denied promotion or seniority, transferred, reassigned, or otherwise disciplined or discriminated against in regard to his or her employment, or be threatened with any such treatment as retaliation for or by reason solely of his or her exercise of any of the rights granted or protected by this part.

History.—s. 1, ch. 86-6; s. 2, ch. 2022-110.

**112.83 Rights of firefighters with respect to civil suits.**—If an agency employing firefighters fails to comply with the requirements of this part, a firefighter employed by such agency who is personally injured by such failure to comply may apply directly to the circuit court of the county wherein such employing agency is headquartered and permanently resides for an injunction to restrain and enjoin such violation of the provisions of this part and to complete the performance of the duties imposed by this part.

History.—s. 1, ch. 86-6.

**112.84 Rights of firefighters nonexclusive.**—

(1) The rights of firefighters as set forth in this part shall not be construed to diminish the rights and privileges of firefighters that are guaranteed to all citizens by the Constitution and laws of the United States and of this state or limit the granting of broader rights by other law, ordinance, or rule. These rights include the right to bring suit against any individual, group of persons, association, organization, or corporation for damages, either monetary or otherwise, suffered during the performance of the firefighter’s official duties or for abridgment of the firefighter’s rights, civil or otherwise, arising out of the performance of his or her official duties.

(2) This part is neither designed to abridge nor expand the rights of firefighters to bring civil suits for injuries suffered in the course of their employment as recognized by the courts, nor is it designed to abrogate any common-law or statutory limitation on the rights of recovery.

History.—s. 1, ch. 86-6.



**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES  
OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
TUESDAY, SEPTEMBER 13, 2011**

1. **CALL TO ORDER:** The meeting was called to order at 6:00 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.
2. **ROLL CALL:**

**TRUSTEES PRESENT:** Lyndon Bonner, City Manager  
Darcee Siegel, City Attorney  
Mac Serda, Assistant City Manager (designee of Interim Finance Director)

Ordinance 2002-30 calls for two additional board members as retirees chosen by the other three board members.

*Trustee Siegel nominated Marilyn Spencer for one of these positions, and the motion was seconded by Trustee Bonner and unanimously approved.*

*Trustee Spencer nominated Gary Wohlforth for the other position, and the motion was seconded by Trustee Serda and unanimously approved.*

Both members were present and joined the other three Trustees at this time.

**ALSO PRESENT:** Pamela Latimore, City Clerk  
Dustin Heintz, Administrator FLC

3. **SWEARING IN OF TRUSTEES**

Ms. Latimore performed the swearing in of the Trustees.

4. **SELECTION OF CHAIR AND SECRETARY**

The Trustees first item of business was to select a Chair and Secretary for the Board.

*A motion was made by Trustee Serda and seconded by Trustee Bonner to appoint Trustee Siegel as Chair. The motion passed unanimously.*

*A motion was made by Trustee Wohlforth and seconded by Trustee Bonner to appoint Trustee Serda as Secretary. The motion passed unanimously.*

5. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Heintz provided the Trustees a list of invoice payments made by the plan previously approved by the finance director. The Trustees asked Mr. Heintz for clarification of a few invoices.

***A motion was made by Trustee Bonner and seconded by Secretary Serda to table the ratification of invoices until the next meeting. The motion passed unanimously.***

## **6. RATIFICATION OF APPROVED RETIREES**

Mr. Heintz provided the Trustees a list of all retirees previously approved by the finance director for ratification.

***A motion was made by Trustee Wohlforth and seconded by Secretary Serda to approve benefit payments to participants as presented. The motion passed unanimously.***

## **7. NEW BUSINESS**

Mr. Heintz provided the Trustees with a review of the plan documents, investment policy, and a brief overview of the most recent actuary valuation as of October 1, 2010.

***A motion was made by Trustee Bonner and seconded by Secretary Serda to request an actuarial valuation be performed as of October 1, 2011. The motion passed unanimously.***

Mr. Heintz discussed with the Trustees the need to have a plan attorney available to provide legal advice to the Board. The Trustees discussed the process to select a plan attorney qualified in the area of pension law.

***A motion was made by Trustee Bonner and seconded by Secretary Serda to have the Administrator create a Request for Qualifications to be presented to the Trustees at the next meeting. The motion passed unanimously.***

The Trustees discussed the need to obtain a liability insurance policy. Mr. Heintz proposed to work with the city finance department and the other pension plans for the city to determine the appropriate course of action to obtain such a policy.

***A motion was made by Trustee Bonner and seconded by Secretary Serda to obtain a liability insurance policy for the Board. The motion passed unanimously.***

Mr. Heintz discussed with the Trustees the current services provided by the Administrator, as well as outlining the additional services required for board meeting administration. Mr. Heintz discussed with the Trustees that the Administrator handles these functions for a few other boards at a cost of \$750 per meeting, and is willing to provide these duties to this Board as well for the same amount.

***A motion was made by Trustee Bonner and seconded by Secretary Serda to hire the Administrator to perform additional duties related to Board Administration for \$750 per meeting. The motion passed unanimously.***

**8. INVESTMENT PERFORMANCE**

Mr. Heintz provided a review of the investment performance through June 30, 2011. For the quarter, the investment returns were up 10.77% and the one year return was 19.76%.

**9. REPORTS:**

Attorneys – No Report

Chairman – No Report

Secretary – No Report

Administrator – No Report

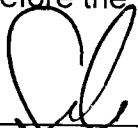
**10. NEXT MEETING:**

The next meeting is scheduled for **Wednesday, November 16, 2011** at a time and location to be announced, to discuss the RFQ for the plan attorney.

The next regular meeting is scheduled for **Tuesday, March 5, 2012** at 6:00 p.m. in a location to be announced.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 7:43 p.m.



\_\_\_\_\_  
Secretary Mac Serda

9-10-12

\_\_\_\_\_  
Date

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT EMPLOYEES  
OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
TUESDAY, NOVEMBER 16, 2011**

1. **CALL TO ORDER:** The meeting was called to order at 6:10 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Secretary Mac Serda  
Trustee Lyndon Bonner  
Trustee Marilyn Spencer  
Trustee Gary Wohlforth

**ALSO PRESENT:** Dustin Heintz, Administrator FLC

3. **APPROVAL OF MINUTES**

Mr. Heintz notified the Trustees that minutes for the September 13, 2011 meeting will be available for approval at the next meeting. The Trustees agreed to table approval of minutes until they are available for review.

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Heintz provided the Trustees a list of invoice payments made by the plan previously approved by the finance director.

***A motion was made by Mr. Bonner and seconded by Ms. Spencer to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **AUTHORIZATION OF INVOICE PAYMENTS AND BENEFIT DISTRIBUTIONS**

Mr. Heintz discussed the previous process of approving invoice payments with the Trustees and recommended that the Board authorize the Chairperson to approve these payments and distributions in the future with limits provided by the Board.

***A motion was made by Trustee Bonner and seconded by Trustee Wohlforth to allow the chairperson or secretary to approve the payment of invoices not to exceed \$5,000, excluding any contractually obligated expenses which exceed \$5,000, and also provided the Board will ratify such payments at the following meeting. The motion passed unanimously.***

***A motion was made by Secretary Serda and seconded by Trustee Wohlforth to the plan will absorb the cost of one benefit calculation and one service purchase calculation per individual per career basis. The motion passed unanimously.***

***A motion was made by Trustee Bonner and seconded by Secretary Serda that participants requiring additional calculations after the initial calculations provided by the plan will make payment to the City and the City will reimburse the plan. The motion passed unanimously.***

#### **6. RATIFICATION OF APPROVED RETIREES**

Mr. Heintz provided the Trustees a list of all participants requesting benefits since the previous meeting for ratification. Mr. Heintz answered questions from Trustees on benefit calculations and the use of the excess plan.

***A motion was made by Trustee Wohlforth and seconded by Trustee Bonner to approve benefit payments to participants as presented. The motion passed unanimously.***

#### **7. NEW BUSINESS**

The Trustees discussed the draft document for the Request for Qualifications for a plan attorney. The Trustees provided Mr. Heintz with required changes and additions to the RFQ. The Trustees have requested the City's purchasing department to assist in submitting the RFQ to the public with all responses due to the City no later than December 30, 2011. The Trustees agreed to have a meeting in January to review all submitted RFQ's with the intention to select a plan attorney.

***A motion was made by Trustee Bonner and seconded by Trustee Spencer to solicit responses for the Request for Qualifications subject to changes made to the document as discussed by the Trustees. The motion passed unanimously.***

Trustee Bonner discussed with the Board the idea to provide flexibility in retirement benefits to the three charter officers of the city (the city manager, city clerk, and city attorney) to be able to attract strong candidates for future openings. One option presented was to allow these three positions the ability to "opt out" of the pension plan. After discussion, the Board agreed that a possible solution would be to provide a one year vesting schedule for these three positions, as well as all new employees joining the plan in the future.

***A motion was made by Secretary Serda and seconded by Trustee Wohlforth to request the actuary to prepare a cost study considering a change the vesting schedule to one year for the three charter officers and all participants of the plan, and Trustee Bonner clarified that the cost study should show both changes to only the three charter officers and also to all plan participants. The motion passed unanimously.***

Mr. Heintz discussed the process of approving benefit payments to participants applying for retirement with the Trustees and recommended that the Board authorize the Chairperson to approve these benefit payment distributions.

***A motion was made by Trustee Bonner and seconded by Secretary Serda authorizing the Chairperson to approve benefit payments for new retirees***

***subject to ratification by the Board at the next meeting. The motion passed unanimously.***

Mr. Heintz provided the Trustees with information about training opportunities for public pension plan trustees. The Trustees discussed the merits of pursuing such training and educational programs but asked for more information before taking any action.

**8. INVESTMENT PERFORMANCE**

Mr. Heintz provided a review of the investment performance through September 30, 2011. For the quarter, the investment returns were down -8.63% and the one year return was up 1.21%.

**9. REPORTS:**

Attorneys – No Report

Chairman – No Report

Secretary – The Secretary expressed concern over using city staff to perform functions for the retirement plan and the Board. Mr. Heintz provided that the Administrator and future plan attorney will assume more responsibilities in the future and that we should consider revisiting this issue in the future.

Administrator – No Report

**10. NEXT MEETING:**

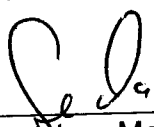
The next meeting is scheduled for Wednesday, January 18, 2012 or Thursday January 19, 2012 at 4:00 p.m. and location to be announced, to review results of the RFQ for the plan attorney.

The next regular meeting is scheduled for Monday, March 5, 2012 at 6:00 p.m. in a location to be announced.

**11. ADJOURNMENT:**

Prior to adjournment, the Board held a moment of silence in memory of Dave O'Brien, a plan member who recently passed away.

With no further business before the Board, the meeting adjourned at 8:53 p.m.

  
\_\_\_\_\_  
Secretary Mac Serda

9.10.12  
\_\_\_\_\_  
Date

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, JANUARY 18, 2012**

1. **CALL TO ORDER:** The meeting was called to order at 4:14 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Secretary Mac Serda  
Trustee Marilyn Spencer  
Trustee Gary Wohlforth

**TRUSTEE ABSENT:** Trustee Lyndon Bonner

**ALSO PRESENT:** Brian O'Connor, Chief Procurement Officer  
Maria Salvatierra, Purchasing Supervisor  
Dustin Heintz, Administrator FLC  
Chuck Carr, Southern Actuarial Services

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 13, 2011 meeting.

*A motion was made by Trustee Wohlforth, and Seconded by Trustee Spencer to accept the minutes as presented. The motion passed unanimously.*

Members reviewed the minutes from the November 16, 2011 meeting.

*A motion was made by Trustee Serda, and Seconded by Trustee Spencer to accept the minutes as presented. The motion passed unanimously.*

4. **NEW BUSINESS**

a. Discussion of RFQ for Plan Attorney

Mr. O'Connor presented the Trustees with a recommended review process to rank responses for the Request for Qualifications for a plan attorney. Five responses submitted to the City by December 30, 2011 from the following firms: Ronald J. Cohen, P.A.; Cypen & Cypen, P.A.; Goren Cherof Doody & Ezrol, P.A.; Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.; and Sugarman & Susskind, P.A. Ms. Salvatierra briefly reviewed these companies indicating all are members of the Florida Bar Association and are legally registered to do business in the state of Florida. The Trustees discussed each



of their highest scoring firms and then submitted each scoring sheet to Mr. O'Connor for a composite ranking of each firm. The Trustees discussed how to proceed with interviews and determined to invite only the top ranking firm for a formal interview. Mr. O'Connor informed the Trustees that after tabulating all scores, Ronald J. Cohen, P.A. had the highest composite.

***A motion was made by Trustee Wohlforth and seconded by Trustee Spencer to invite Ronald J. Cohen, P.A. to the March 5, 2012 meeting for a formal interview. The motion passed unanimously.***

b. Discussion of Interest Calculation on Return of Employee Contributions

Mr. Heintz provided the Trustees with an overview on how the Administrator calculates interest on the return of employee contributions. Contributions for the current year are divided in half to get a basic average, to which the 3% interest is applied. An additional 3% is added to the balance as of the end of the previous year as well, to provide for annual compounding of interest. The interest calculation is also adjust if the employee leaves in the middle of the fiscal year as well. Mr. Carr provided information that this method is the standard method utilized by most all pension plans paying interest on return of employee contributions. The Trustees decided to take no further action at this time.

c. Presentation of October 1, 2011 Actuarial Valuation

Mr. Carr presented the Trustees with the actuarial valuation report and answered questions regarding changes to the report from the previous year. Mr. Carr and the Trustees also discussed the option of moving to a roll-forward report in which the city would use the current valuation for the following fiscal year rather than applying it to the current fiscal year. The Trustees discussed that since the report was just finished, approval of the report would be tabled until the next meeting to give sufficient time to review the report.

**5. REPORTS:**

Attorneys – No Report

Chairperson – Ms. Siegel requested the Administrator to add an agenda item to the next meeting to discuss the transfer of position for the new Finance Director Janette Smith and the current designee of the Finance Director, Secretary Serda.

Secretary – No Report

Administrator – Mr. Heintz presented the Board with information regarding the fiduciary insurance policy for the other city pension plans. The Trustees agreed to have Mr. Heintz receive quotes from multiple firms for multiple coverage amount to be presented at the next scheduled meeting for review.

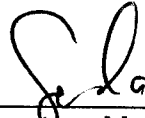
Mr. Heintz provided the Trustees with a review of the forfeiture of pension assets by Mr. Martin King. According to Florida statutes, Mr. King forfeited his pension but is legally still due to receive a return of employee contributions. Mr. Heintz informed the Trustees that the Administrator identified the employee contributions as \$25,897.30 from the original 401 plan rolled into the current plan, as well as \$56,828,21 in employee salary contributions to the current plan for a total of \$82,725.51. Since the IRS views the return of employee contributions as a taxable action, an amount of 20% withholding will be remitted to the IRS. Mr. King and the City have agreed to leave remainder of these funds in the plan assets.

**6. NEXT MEETING:**

The next regular meeting is scheduled for **Monday, March 5, 2012** at 6:00 p.m. in a location to be announced.

**7. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 5:55 p.m.



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Secretary Mac Serda

9.10.12

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Date

**MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
MONDAY, MARCH 5, 2012**

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1. **CALL TO ORDER:** The meeting was called to order at 6:10 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Secretary Mac Serda  
Trustee Lyndon Bonner  
Trustee Marilyn Spencer  
Trustee Gary Wohlforth

**ALSO PRESENT:** Dustin Heintz, Administrator FLC  
Ronald Cohen, Plan Attorney

3. **DISCUSSION OF DIRECTOR OF FINANCE TRUSTEE POSITION**

Mr. Heintz stated City Ordinance 2002-30, section 6 designates the finance director of the City to be a member of the Board if the finance director is a plan member. The previous interim finance director was not a member of the plan so Mac Serda was appointed in her stead. Chairperson Siegel stated the new finance director, Janette Smith, was present at the meeting and expressed her desire to be a board member. Ms. Smith is a member of the plan at this point and would qualify as a Trustee based on the Ordinance. Ms. Smith was sworn in as a Trustee by the city clerk.

***A motion was made by Trustee Bonner to nominate Janette Smith as a Secretary of the Board. The motion passed unanimously.***

4. **APPROVAL OF MINUTES**

Members reviewed the minutes from the January 18, 2012 meeting.

***A motion was made by Trustee Wohlforth, and Seconded by Trustee Spencer to accept the minutes as presented. The motion passed unanimously.***

5. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Heintz provided the Trustees a list of invoice payments made by the plan previously approved by the finance director.

***A motion was made by Trustee Smith and seconded by Trustee Spencer to approve the ratification of invoices as presented. The motion passed unanimously.***

6. **RATIFICATION OF APPROVED DISTRIBUTIONS**

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Mr. Heintz provided the Trustees a list of all participants requesting distributions  
***A motion was made by Trustee Smith and seconded by Trustee Spencer to approve the distribution payments as presented. The motion passed unanimously.***

**7. INVESTMENT PERFORMANCE – Quarter Ended: December 31, 2011**

Mr. Heintz provided a review of the investment performance through December 31, 2011. For the quarter, the investment returns were up 6.85% and the one year return was up 2.11%.

**8. OLD BUSINESS**

a. Plan Attorney Interview

Ronald Cohen gave a presentation of his background in pension law. The Trustees discussed details of bringing Mr. Cohen on as the plan attorney.

***A motion was made by Trustee Bonner and seconded by Trustee Smith to appoint Mr. Cohen as Board Attorney. The motion passed unanimously.***

Mr. Cohen discussed his fees and that he could either charge by the hour or charge a flat \$1,000 per month retainer fee. The retainer fee would include presence at all board of trustees' meetings, up to 5 meetings. There was a discussion of how communication between Mr. Cohen and the Board would take place.

***A motion was made by Trustee Bonner and seconded by Trustee Wohlforth to offer Mr. Cohen a retainer of \$1,000 per month to include attendance for up to 5 meetings. The informational flow will run through the administrator and the administrator will then communicate with the Board and/or Chairman to the Attorney. The motion passed unanimously.***

b. Discussion of October 1, 2011 Actuarial Valuation Report

The Trustees discussed the October 1, 2012 Actuarial Valuation Report.

***A motion was made by Trustee Smith and seconded by Trustee Wohlforth to approve the October 1, 2011 Actuarial Valuation Report. The motion passed unanimously.***

**9. NEW BUSINESS**

a. Fiduciary Insurance Application

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Mr. Heintz brought up they are still in the process of researching options for fiduciary liability insurance. Mr. Cohen discussed the importance of the waiver of recourse. This will be placed on the agenda for the next meeting.

***A motion was made by Trustee Bonner and seconded by Trustee Smith to approve Chair Darcee Siegel to sign the fiduciary insurance application. The motion passed unanimously.***

- b. Trustee Bonner – Discussion on one-year vesting and allowing for the 3 charter officers to opt out of the plan

Mr. Bonner brought up the topic of allowing for a one-year vesting and for the three charter officers to opt out of the pension plan. There was discussion regarding allowing the 3 charter officers to opt out of the pension plan.

***A motion was made by Trustee Smith and seconded by Trustee Bonner for the actuary to prepare a cost study for the 3 charter officers to have the option to opt out of the plan.***

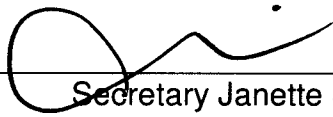
**10. REPORTS**

- a. Attorney – No report
- b. Chairman – No report
- c. Secretary – No report
- d. Administrator – No report

11. The next regular meeting is scheduled for some time in **May** at 2:00 p.m. in a location to be announced.

**12. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 8:49 p.m.

  
\_\_\_\_\_  
Secretary Janette Smith  
  
8-22-12  
\_\_\_\_\_  
Date

**MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, AUGUST 22, 2012**

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1. **CALL TO ORDER:** The meeting was called to order at 5:41 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Secretary Janette Smith  
Trustee Lyndon Bonner

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney  
Brent J. Chudachek

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the March 5, 2012 meeting.

***A motion was made by Trustee Bonner and Seconded by Secretary Smith to accept the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Trustee Bonner and seconded by Secretary Smith to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of all participants requesting distributions.

***A motion was made by Trustee Bonner and seconded by Secretary Smith to approve the distribution payments as presented. The motion passed unanimously.***

6. **INVESTMENT PERFORMANCE – Quarter Ended: June 30, 2012**

Mr. Shamoun provided a review of the investment performance through June 30, 2012. For the quarter, the investment returns were down 1.7% and for the current fiscal year the investment returns were up 12.71%. The 3 year return was around 11%, the 5 year return was 2.7% and the 10 year return was 5.3%. Mr. Shamoun said he was encouraged by the new International portfolio manager hired last

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May. They have outperformed the index by a whole percent and the previous manager was under the index by about a percent on average.

There was then a discussion on having a 2012 actuarial valuation prepared by the actuary.

***A motion was made by Secretary Smith and seconded by Trustee Bonner to have a 2012 actuarial valuation prepared by the actuary. The motion passed unanimously.***

**7. NEW BUSINESS**

a. Professional Legal Services Agreement

Chairperson Siegel presented the agreement to the Board.

***A motion was made by Trustee Bonner and seconded by Secretary Smith to approve the agreement. The motion passed unanimously.***

Chairperson Siegel then signed the agreement and Secretary Smith then signed the agreement.

b. Question from participant regarding early retirement

Mr. Shamoun brought up the question from a current member in the plan as to whether he could retire under normal retirement. He had obtained 75 points, but was not yet age 55. Mr. Shamoun said the answer was no, because he was earlier than age 55. He can retire early, but he would have the reduction. The plan parameters are specific to this plan and there is a 5% reduction from age 55.

c. Fiduciary Liability Insurance

There was a discussion on the different options offered. Mr. Cohen reminded the Trustees of importance of a waiver of recourse and let the Trustees know this can't be paid out of plan assets. Mr. Cohen said they should request the City to pay the waiver of recourse. Chairperson Siegel requested Mr. Shamoun to write the letter and send it to Mr. Cohen. The letter should then be sent back to Chairperson Siegel.

***A motion was made by Trustee Bonner and seconded by Secretary Smith to request City to pay the waiver of recourse. The motion passed unanimously.***



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Chairperson Siegel said there appeared to be 2 policies. Mr. Cohen said 1 million would be adequate based on the current plan assets. Secretary Smith asked if Travelers' rates were provided. The Trustees only saw rates provided by US Specialty Insurance Company. Mr. Cohen said the rates were reasonable and this was an appropriate expenditure and they would need the waiver of recourse and the policy should cover defense costs. Mr. Cohen recommended going ahead and purchasing the policy.

***A motion was made by Trustee Bonner to go with the 1 million dollar policy with \$2,500 deductible. There was no second, so the motion died.***

Secretary Smith wanted to see the rates for Travelers Insurance instead.

Chairperson Siegel passed the gavel to Trustee Bonner.

***A motion was made by Chairperson Siegel and seconded by Secretary Smith to go with the 5 million dollar policy with \$2,500 deductible. The motion passed unanimously.***

Trustee Bonner passed the gavel back to Chairperson Siegel.

**d. Update on Martin King's forfeiture of retirement**

Mr. Shamoun stated we processed a distribution for Martin King, whose retirement had been forfeited. 20% of the gross payment was withheld and sent to IRS. The net amount had been credited back to the pension plan. The gross amount of his employee contributions was \$56,820.36; \$11,364.07 was remitted to the IRS; the net amount of \$45,456.29 remained in the pension plan. Chairperson Siegel clarified that Mr. King was vested with the Plan and with his forfeiture, all of the contributions made on his behalf remained in the pension plan and future distributions to him would not occur. This would make the plan richer and should be indicated on the 2012 valuation. Mr. Shamoun stated that any liability that would have been paid out to him would be removed from the calculation. Chairperson Siegel asked Mr. Shamoun if this should lower the unfunded liability of the plan and Mr. Shamoun agreed.

**e. Cost study on allowing an opt out provision for 3 charter officers**

Chairperson didn't feel the cost study reflected what the Board decided to have prepared by the actuary.

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The Board intended for the 3 charter officers to be calculated out individually and they wanted to look at 1 year vesting.

Chairperson Siegel wanted to look at freezing entire plan and she then asked Mr. Cohen if, under Plan, it was permissible to carve out the 3 charter officers. She asked what the process would be to freeze plan and convert to a defined contribution plan. Mr. Cohen pulled up ordinance 2002-30, which created the Plan and discussed the process of changing the plan. There was then a discussion on what closing, freezing and terminating a pension plan meant.

Mr. Bonner said Mr. Linn was preparing an ordinance to modify the ordinance that enabled pension plan.

***A motion was made by Trustee Bonner and seconded by Secretary Smith to recommend the 3 charter officers be excluded from the Plan by ordinance. Chairperson Siegel voted no.***

Chairperson Siegel passed the gavel to Trustee Bonner.

***A motion was made by Chairperson Siegel for the management plan to be frozen and for all members to be eligible for a defined contribution plan. There was no second.***

Trustee Bonner passed the gavel to Secretary Smith.

Trustee Bonner stated he would be inclined to support Chairperson Siegel's motion if, by seconding the motion, this would not compromise his first motion. He asked to Mr. Cohen if they would compromise each other and Mr. Cohen stated he wasn't sure.

Chairperson Siegel asked Mr. Cohen if there was an individual who wasn't happy and wanted to bring an action, whether Mr. Cohen would handle the claim. Mr. Cohen stated if there was a claim on the City's action that this would be an individual claim.

Trustee Bonner withdrew his second on Chairperson's motion, so the motion died.

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Howard Lenard, a current retiree with the City of North Miami Beach, spoke of his concern with the possible changes and wants to make sure retirees' benefits are protected.

Chairperson Siegel asked Mr. Cohen what effect freezing or closing the plan would have on those members in the plan. Mr. Cohen said that if the members were already vested and plan was closed, this doesn't change future accruals. There would be no new participants and they could keep it going.

Howard Lenard stated his concerns about freezing the plan. Mr. Shamoun said that when freezing plan, no one accrues any more benefit. There would be a calculation of the retirement benefit the members would receive at retirement and the members would stop accruing.

Howard Lenard asked if there was an alternative where members could continue accruing. Mr. Shamoun said they could close the plan to new people and new hires would have a new deal. Mr. Lenard clarified that the plan would shut down for new hires and that current members could continue. Mr. Shamoun said that is an option.

Chairperson Siegel requested to see the actuary prepare a calculation for those members who were vested in the plan but not yet eligible to retire, so that when they reach 55, with whatever they had accrued, they would not lose. Chairperson Siegel would like to ask the actuary to figure out those who aren't yet vested, as though they would vest immediately upon freezing. Mr. Cohen said that is the way it should happen.

Howard Lenard wanted to make sure that it could be an alternative to allow current member to continue accruing. Mr. Shamoun said yes, this could be an alternative. Mr. Lenard didn't feel that this was being considered and felt this should be considered as well.

Chairperson Siegel asked Mr. Shamoun whether the Board should make a motion for the cost study. Mr. Shamoun said yes, and they should have it done in conjunction with the valuation process. Mr. Shamoun said the cost study should be complete in time to have a meeting in November or December.

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Secretary Smith requested to have the actuary contact one of the Board members to know exactly what they want calculated.

Mr. Shamoun would like a conference call with the Chair and actuary. Chairperson Siegel would like Mr. Cohen on the conference call as well.

Mr. Shamoun said he would make notes of what he thought the Board was requesting for the actuarial cost study, and then each Trustee could then send what they think the study should be back to Mr. Shamoun.

**f. HB 401 – Effect of Dissolution or Annulment of Marriage on Certain Designations**

Mr. Cohen discussed House Bill 401. He stated if a member has designated a spouse as their beneficiary and they are then divorced, the designation was then void. This would cover beneficiary designations made both prior to and after 7/1/2012. There were exceptions where a member could designate a former spouse as long as they were designated as a former spouse. Mr. Cohen stated the Board may want to look carefully at their current beneficiary designation form. Mr. Cohen suggested sending this notice out to the entire membership. Chairperson Siegel will forward what Bob Sugarman prepared to Mr. Cohen. Mr. Cohen stated he will take a look at it. Chairperson Siegel requested Mr. Cohen send a copy of the letter he prepared to all Trustees so they could take a look at it.

**8. REPORTS**

- a. Attorney – Mr. Cohen asked if the receivable from the 2011 actuarial valuation had been paid. Mr. Shamoun stated that most likely it was a payment made after September 30, 2011 to be applied to the 2011 fiscal year. Mr. Cohen wanted this clarified. Chairperson Siegel requested Mr. Shamoun to contact Mr. Cohen with the answer. Secretary Smith will look into this and contact Mr. Shamoun and Mr. Shamoun will then get in contact with Mr. Cohen with the answer.
- b. Chairman – No report
- c. Secretary – Secretary Smith stated she heard complaints about the meeting not being noticed. Mr. Cohen checked the website and did see it listed, but wouldn't be able to tell when it was posted. Chairperson Siegel will make sure it is posted to the web site.

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- d. Administrator – Mr. Shamoun said he took a look at the financial statement in response to Mr. Cohen's question about the receivables from the 2011 actuarial valuation for last October and there was about \$70,000 in deposits for the month of October for the previous fiscal year. 2 ½ payrolls were paid in October for September payrolls, but the check was received in his office in October, so this was a timing issue. Mr. Shamoun will check with actuary, but it appears those payments were made.

Trustee Bonner appointed Mac Serda as his designee at his departure to take his place on the Board of Trustees.

9. The next regular meeting will be set. Mr. Shamoun, will set a date that will work in with the same schedule in south Florida with our other Board Meetings for other members. The meeting will possibly be in October or November. Mr. Shamoun will reach out the Board to set a date.

**10. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 7:38 p.m.

  
\_\_\_\_\_  
Secretary Janette Smith

2-6-13  
\_\_\_\_\_  
Date

**FINAL  
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RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, NOVEMBER 29, 2012**

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1. **CALL TO ORDER:** The meeting was called to order at 9:25 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Secretary Janette Smith  
Trustee Marilyn Spencer  
Trustee Mac Serda

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Jeffrey Blomeley, Administrator FLC  
Ronald Cohen, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the August 22, 2012 meeting.

***A motion was made by Secretary Smith and Seconded by Trustee Spencer to accept the minutes as presented. The motion passed unanimously.***

Mr. Cohen concluded that at the prior meeting on August 22, 2012, there was a motion to recommend the removal of the Charter officers from the Plan which was null and void. The Charter officers could not have voted on that motion, so there was not a quorum.

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Secretary Smith and seconded by Trustee Spencer to approve the ratification of invoices as presented. The motion passed unanimously.***

Secretary Smith made a comment that she would like to see copies of the actual invoices paid in the future.

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of all participants requesting distributions.

***A motion was made by Secretary Smith and seconded by Trustee Serda to approve the distribution payments as presented. The motion passed unanimously.***

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**6. INVESTMENT PERFORMANCE – Quarter Ended: September 30, 2012**

Mr. Shamoun provided a review of the investment performance through September 30, 2012. For the quarter, the investment returns were up about 4% and for the current fiscal year the investment returns were up 17.2%.

Secretary Smith asked if there was a desire from the Board to increase their allocation to 70% equities/30% fixed income mix instead of the current 60% equities/40% fixed income mix. Chairperson Siegel asked Mr. Shamoun if this was an option. Mr. Shamoun stated this was an option the Board could consider. He suggested at the next meeting to have the asset allocation study on the agenda so the Board can take a look at this. This study looked at the probabilities of meeting their goal based upon alternate portfolios.

**7. NEW BUSINESS**

a. Ordinance Amending Plan

Mr. Cohen gave an overview of the proposed ordinance by the City Council to amend the Plan. Mr. Shamoun requested some clarification language added to the ordinance regarding preserving past service that had already been purchased by members. Chairperson Siegel stated they could add language protecting those individuals who have purchased credited service. Mr. Cohen added that final compensation doesn't change.

Chairperson Siegel emphasized that members did have the option to purchase service before December 31, 2012. Chairperson Siegel, Mr. Shamoun and Mr. Cohen discussed how the timing would work for anyone who wanted to purchase service and Mr. Shamoun stated the participants needed to make the request to purchase service by the deadline of December 31, 2012.

***A motion was made by Secretary Smith and seconded by Trustee Serda to approve the ordinance for discussion. The motion passed unanimously.***

There was discussion amongst Trustees and questions brought up by members of the Plan who were in the audience. Ms. Barbara Trinkka, plan member, stated her concern that current plan members may not understand the proposed ordinance. Trustee Serda stated that members would be able to contact someone for further explanation, such as the administrator, board members, city manager, the actuary or the plan attorney. Mr. Shamoun then gave his phone number for members to contact him with questions.



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There was discussion of when the election by the membership for approval of the proposed ordinance would take place.

There was discussion regarding the summary of the proposed ordinance which Mr. Cohen would be providing. Mr. Cohen wanted the summary to come from the Board. Chairperson Siegel then requested Mr. Cohen to send the summary out to the entire Board for their review.

Mr. Shamoun left at 10:55 a.m. to attend another meeting.

Mr. Chris Heid, plan member, had some questions regarding the voting procedures. Mr. Heid asked if once the ordinance had been approved by the Board and the plan members, if the Council could make any changes. Chairperson Siegel stated the Council could not change the ordinance without the vote of the members. Mr. Heid asked the Board to discuss the advantages of the proposed ordinance. Chairperson Siegel gave her input on the advantages. Mr. Cohen gave his input on the advantages.

Ms. Roslyn Weisblum, city manager, stated the Council could put in an adhoc COLA in the future in certain circumstances. Ms. Weisblum stated they may have a workshop before the vote.

***A motion was made by Trustee Serda and seconded by Trustee Spencer to amend the whereas clause regarding the election date on the proposed ordinance. The motion passed unanimously.***

***A motion was made by Trustee Serda and seconded by Trustee Spencer to amend the ordinance by making it clear that those members who had already purchased credited service would keep that period of service at the 3% multiplier. The motion passed unanimously.***

Chairperson Siegel stated under Section 5, "or she" needed to be added where there was a space.

***A motion was made by Trustee Serda and seconded by Trustee Spencer to amend the ordinance by changing average final compensation as discussed. The motion passed unanimously.***

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***A motion was made by Trustee Serda and seconded by Secretary Smith to approve the ordinance as amended. The motion passed unanimously.***

- b. Approval of ballot to be sent to membership for approval of proposed ordinance

Chairperson Siegel stated the date on the ballot needed to be changed.

***A motion was made by Trustee Serda and seconded by Trustee Spencer to amend the ballot by changing the election dates to December 5-7, 2012. The motion passed unanimously.***

There was discussion of where the election should take place and additional changes to the ballot. There was discussion regarding who would count the votes and how it would take place. Mr. Cohen stated that customarily the vote would continue until 5:00 p.m. and they would be opened and counted in public. Chairperson Siegel stated plan members would need to sign in when they vote. Chairperson Siegel stated the votes would be taken to Council Chambers to be opened and counted and this would be videotaped. Mr. Cohen recommended not including the summary as a part of the ballot.

***A motion was made by Trustee Smith and seconded by Trustee Serda to approve the ballot as amended. The motion passed unanimously.***

**8. REPORTS**

- a. Attorney – No report
- b. Chairman – No report
- c. Secretary – No report
- d. Administrator – Mr. Blomeley introduced himself to the Board.

9. The next regular meeting was scheduled for February 28, 2013 at 9:00 a.m.

Chairperson Siegel stated that Mr. Cohen would email the summary of the proposed ordinance and the proposed ballot to the entire board, and if there are any corrections, they would respond to Mr. Cohen, Mr. Shamoun or Mr. Blomeley.

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Ms. Barbara Trinka, plan member, requested the regular meeting dates be notified to members. Chairperson Siegel suggested the League send out an email to active and retired members.

Mr. Howard Lenard, plan retiree, stated his concern that at the February meeting there would be a new board and he suggested there be a special meeting to pick the board prior to the February meeting. Chairperson Siegel suggested the election of the new members would be the first item on the agenda for the February meeting, as they do not want to incur more cost for the League and Mr. Cohen to attend a special meeting. Chairperson Siegel stated the open seats on the board would be advertised to retirees and active members. If a member was interested, they would send an email to League.

There was a discussion of the impact statement and who would pay for the impact statement.

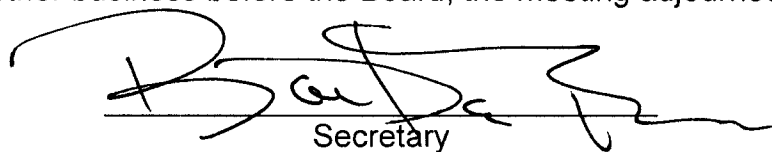
***A motion was made by Trustee Serda to order the actuarial impact statement at the plan's expense. There was no second. Chairperson Siegel then passed the gavel to Trustee Serda. Trustee Spencer then made the motion to order the actuarial impact statement at the plan's expense and Chairperson Siegel seconded the motion. Trustee Smith voted no. The motion passed 3-1.***

Mr. Cohen stated his contract called for extra payment for preparation of the ordinance and he was told the City would be willing to pay for it, but needed approval by the Board.

***A motion was made by Trustee Serda and seconded by Trustee Spencer to have Mr. Cohen paid by the City of North Miami Beach for preparation of the City Ordinance.***

**10. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:48 a.m.

  
Secretary  
7/17/2013  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, APRIL 17, 2013**

---

1. **CALL TO ORDER:** The meeting was called to order at 9:20 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Trustee Mac Serda  
Trustee Phyllis Smith

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney  
Brent Chudachek, Plan Attorney  
Charles Carr, Plan Actuary, *by telephone*

The City Clerk swore in all Trustees.

3. **BOARD MEMBER ELECTION**

a. **Retiree**

Retiree Dale Lee withdrew his name from consideration.  
Ms. Marilyn Spencer accepted the position.

***All Trustees voted to have Ms. Spencer on the board of trustees as the Retiree Member position.***

b. **Active Member**

Active Member Eric Wardle withdrew his name from consideration.  
Ms. Barbara Trinkka accepted the position.

***All Trustees voted to have Ms. Trinkka serve on the board of trustees as the Active Member position.***

The City Clerk then swore in the new Trustees.

4. **ELECTION OF CHAIRPERSON**

***A motion was made by Trustee Spencer and Seconded by Trustee Serda to nominate Darcee Siegel as Chairperson. Chairperson Siegel accepted the nomination. The motion passed unanimously.***

5. **ELECTION OF SECRETARY**

***A motion was made by Trustee Spencer and Seconded by Trustee Smith to nominate Barbara Trinkka as Secretary. Trustee Trinkka accepted the nomination. The motion passed unanimously.***

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**6. APPROVAL OF MINUTES**

Members reviewed the minutes from the November 29, 2012 meeting. Trustee Serda believed there was a mistake in the motion regarding who would pay for the actuarial impact statement. He believed there was a duplication of motions. Chairperson Siegel tabled this item upon a second review of the November 29, 2012 meeting by Paul Shamoun.

***A motion was made by Trustee Trinka and Seconded by Trustee Spencer to table the minutes. The motion passed unanimously.***

**7. RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Trustee Serda and seconded by Trustee Spencer to approve the ratification of invoices as presented. The motion passed unanimously.***

**8. RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of all participants requesting distributions.

***A motion was made by Secretary Trinka and seconded by Trustee Serda to approve the distribution payments as presented. The motion passed unanimously.***

**9. INVESTMENT PERFORMANCE – Quarter Ended: December 31, 2012**

Mr. Shamoun provided a review of the investment performance through December 31, 2012. For the quarter, the investment returns were up about 1.1%. Mr. Shamoun pointed out the compliance page and that all portfolios were in compliance according to the investment policy for the allocation. Mr. Shamoun also pointed out there was a lot of cash due to members paying the entire City's contribution upfront. Mr. Shamoun stated there would be another asset allocation study prepared and it would be placed on the agenda when completed.

**10. NEW BUSINESS**

a. Approval of 2012 Actuarial Valuation

Mr. Carr provided a review of the 2012 actuarial valuation. Mr. Carr pointed out the valuation provided a fixed dollar amount of \$418,835 as the required minimum contribution by the City of North Miami Beach. Mr. Carr recommended the Board question the City to determine if the delinquent payment of \$171,830, as provided in the valuation, had been made to the

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pension fund. The total required employer contribution for the 2013 fiscal year was approximately \$600,000. Mr. Carr encouraged the Board to have the City contribute more than the required amount to build up a cushion of an advanced employer contribution. Trustee Smith recommended placing on the next agenda discussion on whether the delinquency had been paid. Mr. Shamoun stated the information would be brought to the next board meeting as to what payments had been made. Mr. Carr requested someone get back to him as to whether the delinquent amount had been paid.

***A motion was made by Trustee Serda and seconded by Secretary Trinkka to table the approval of the actuarial valuation. The motion passed unanimously.***

b. Asset Allocation Study

Mr. Shamoun provided a review of the asset allocation study prepared by Asset Consulting Group on March 16, 2012. Mr. Shamoun explained the study showed the probability of receiving the expected rate of return according to different asset allocations. Chairperson Siegel suggested having an action item on the next board meeting agenda with a report from the actuary showing alternative interest rates. Mr. Shamoun stated his recommendation would be to lower the assumption rate rather than being aggressive in the investment portfolio.

c. Discussion on having new benefit statements prepared based on changes from Ordinance 2012-33

Mr. Shamoun stated the only difference in having new benefit statements prepared would be the projected benefits, not the accrued benefits, as that would not change.

***A motion was made by Trustee Smith to wait until the next actuarial valuation is prepared in October 2013 to have the benefit statements prepared. The motion passed 4-1 with Secretary Trinkka voting against the motion.***

d. Discussion regarding a returning, vested employee and their 2<sup>nd</sup> vesting period

Chairperson Siegel explained there was an employee who was previously vested in the plan and had terminated employment; he then returned to work at the City of North Miami Beach. The question was whether or not this participant would already be vested in the plan when he returned. Mr. Cohen said he would not have to vest again since he left his contributions in the plan.

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e. Review of Summary Plan Description

Mr. Shamoun stated the summary plan description will be provided to active members in the plan and it had been updated with Ordinance 2012-33. Mr. Cohen stated this should be mailed out to retirees as well.

Trustee Smith and Trustee Spencer requested to have their future agenda packets mailed to them instead of by email.

***A motion was made by Trustee Smith and seconded by Secretary Trinko to table the approval of the summary plan description. The motion passed unanimously.***

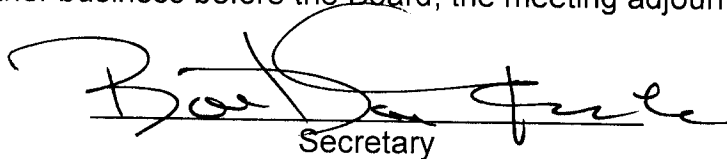
**11. REPORTS**

- a. Attorney – No report
- b. Chairman – No report
- c. Secretary – No report
- d. Administrator – Mr. Shamoun provided a brief legislation update.

12. The next regular meeting was scheduled for June 11, 2013 at 9:00 a.m.

**13. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:16 a.m.

  
Secretary

12-5-13

Date



**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, JULY 17, 2013**

---

1. **CALL TO ORDER:** The meeting was called to order at 9:11 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Secretary Barbara Trinka  
Trustee Mac Serda  
Trustee Phyllis Smith, *arriving at approximately 9:25 a.m.*

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney  
Charles Carr, Plan Actuary, *by telephone*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the November 29, 2012 meeting.

***A motion was made by Trustee Serda and Seconded by Secretary Trinka to approve the minutes as presented. The motion passed unanimously.***

Members reviewed the minutes from the April 17, 2013 meeting.

Secretary Trinka had a minor revision to the section regarding the Summary Plan Description.

***A motion was made by Secretary Trinka and Seconded by Trustee Serda to approve the minutes as amended. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Trustee Serda and seconded by Secretary Trinka to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of all participants requesting distributions.

***A motion was made by Trustee Serda and seconded by Secretary Trinka to approve the distribution payments as presented. The motion passed unanimously.***

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**6. NEW BUSINESS**

- a. Approval of 2012 Actuarial Valuation (This item moved up on the agenda as requested by the Actuary)

Mr. Carr provided a review of the 2012 actuarial valuation. Mr. Carr pointed out the delinquent amount due from the City discussed at the previous board had been paid. Mr. Carr also discussed the different cost methods.

Chairperson Siegel stated she received a note from the City Manager regarding what the City has currently contributed thus far during the 2013 fiscal year. As of that day, the City had contributed 564,000. The City's required annual contribution was 418,000. This amount did not include the 175,000 deficiency that was also paid.

***A motion was made by Trustee Serda and seconded by Secretary Trinko to approve the 2012 actuarial valuation as presented. The motion passed unanimously.***

Mr. Carr provided a brief overview of the new GASB 68 requirements.

- b. Discussion of alternative valuation results at various interest rates

Mr. Carr provided a brief overview of the alternative interest rate assumptions. If the Board decided to lower the interest assumption rate, the Board may also want to lower the salary scale, which was currently at 5.75%. Mr. Carr stated the Board should think in terms of the spread between the interest assumption rate and the salary scale.

Mr. Shamoun requested from Mr. Carr to produce a table showing the several alternatives prior to the next actuarial valuation, so Board could look at the different alternatives prior to making a decision.

Chairperson Siegel stated the Board would discuss items relating to the 2013 actuarial valuation: (1) cost method; (2) interest assumption rate; (3) salary scale; and (4) the mortality table.

- c. Fiduciary Liability Insurance

Mr. Shamoun stated the premium cost was \$6,094 plus \$80.85 for hurricane cat fund surcharge, and \$125 for the waiver of recourse. Trustee Serda asked if the pension attorney, Mr. Cohen, recommended this level of insurance and Mr. Cohen stated he did.

***A motion was made by Trustee Serda and seconded by Trustee Smith to accept the insurance policy and for the pension fund to pay***

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*the premium with the exception of the waiver of recourse to be paid by the City of North Miami Beach. The motion passed unanimously.*

d. Employee contributions due to beneficiary

Mr. Shamoun stated that when a retiree passed away and had not yet received at least his or her employee contributions, then the beneficiary would be due the difference. Mr. Shamoun stated there was one retiree with this Plan, named David O'Brien, where he had passed away and had not received at least his employee contributions. Mr. Shamoun then asked the Board whether interest should be applied to the return of contributions. Chairperson Siegel requested this be placed on the next agenda for the Board's consideration.

e. Senate Bill 50

Mr. Cohen provided an overview of Senate Bill 50 regarding public comments which had been signed by the Governor and would take effect October 1, 2013. Mr. Shamoun stated that on the next agenda there would be a line item for Public Comments.

**7. REPORTS**

a. Attorney – Mr. Cohen briefly spoke on the additional reporting issues as required by Senate Bill 534.

b. Chairman – Chairperson Siegel thanked Vice Mayor DeFillipo for attending the meeting.

c. Secretary – Secretary Trinkka stated she believed the City's website wasn't updated and wanted to make sure appropriate documents were posted. Chairperson Siegel requested Secretary Trinkka coordinate with the City's IT department to make sure appropriate documents were posted to the website. Secretary Trinkka stated she would.

d. Administrator – Mr. Shamoun asked the Board about timing of future board meetings.

8. The next regular meeting was scheduled for December 5, 2013 at 9:00 a.m.


9. Trustee Smith thanked the Board and stated she would ask the Mayor to replace her on the Board.

**10. ADJOURNMENT:**

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With no further business before the Board, the meeting adjourned at 11:24 a.m.

  
\_\_\_\_\_  
Secretary

1-2-2014  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, DECEMBER 5, 2013**

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1. **CALL TO ORDER:** The meeting was called to order at 9:19 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairperson Darcee Siegel  
Secretary Barbara Trinka  
Trustee Anthony DeFillipo  
Trustee Mac Serda  
Trustee Marilyn Spencer

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney

Chairperson Siegel welcomed Trustee DeFillipo to the Board.

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the July 17, 2013 meeting. Secretary Trinka had changes on page 1, to remove the comma in the footer, and on page 3 under section D of new business where it stated the Chair requested this to be placed on for "consideration".

***A motion was made by Trustee DeFillipo and Seconded by Trustee Spencer to approve the minutes as amended. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Trustee Serda and seconded by Trustee DeFillipo to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of all participants requesting distributions and the new retiree.

***A motion was made by Trustee Serda and seconded by Trustee DeFillipo to approve the distribution payments as presented. The motion passed unanimously.***

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**6. INVESTMENT PERFORMANCE – Quarter Ended: September 30, 2013**

Mr. Shamoun provided a review of the investment performance through September 30, 2013. For the fiscal year, the investment returns were 11.98%. Mr. Shamoun informed the Board the Investment Advisory Committee decided to diversify and go more global on fixed income. The Committee decided to add another manager. Another portfolio would consist of Pioneer & Franklin Templeton. There would be more information provided on this at the next meeting.

**7. NEW BUSINESS**

a. Discussion on whether to apply interest when returning employee contributions due to beneficiary

Mr. Shamoun provided information regarding a retiree who passed away prior to receiving at least the amount he contributed to the pension plan. The question was whether interest should be applied to the contributions.

***A motion was made by Secretary Trinkka and seconded by Trustee Spencer to not apply any interest to the remaining employee contributions due to the beneficiary. The motion passed unanimously.***

b. Discussion of items for the 2013 valuation to include the cost method, interest assumption rate, salary scale and the mortality table

Mr. Shamoun recommended the roll forward method as it would be easier for planning, and would provide the finance department a picture ahead of time.

***A motion was made by Trustee Serda and seconded by Trustee DeFillipo for the actuary to use the roll forward method when preparing the 2013 actuarial valuation. The motion passed unanimously.***

c. FMPTF Master Plan Document revisions

Mr. Shamoun reviewed the changes and stated it reflected changes in law and added a participant-directed DROP program.

Trustee Spencer asked whether there was something in the document regarding 2-year terms of board members. Mr. Shamoun asked whether this board had changed to 4-year terms, as the terms could be changed. Mr. Shamoun stated he would research whether the terms of board members had been extended to 4 years. Chairperson Siegel requested this be placed on the agenda for the next regular meeting.

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d. FMPTF Investment Policy revisions

Mr. Shamoun reviewed the changes to the investment policy and stated the Board would need to adopt the amended investment policy.

***A motion was made by Trustee DeFillipo and seconded by Secretary Trinkka to adopt the amended FMPTF Investment Policy. The motion passed unanimously.***

e. Review of Summary Plan Description

Mr. Shamoun stated the Summary Plan Description (SPD) would be distributed to plan members along with their annual benefit statements.

***A motion was made by Secretary Trinkka and seconded by Trustee DeFillipo to approve the Summary Plan Description. The motion passed unanimously.***

**8. REPORTS**

a. Attorney – Mr. Cohen stated the Board was in compliance with the new law requiring public comment.

b. Chairman – Chairperson Siegel welcomed Trustee DeFillipo to the Board.

c. Secretary – Secretary Trinkka thanked Trustee DeFillipo for serving on the Board. She also asked about the waiver of recourse and wanted to make sure it had been paid. Mr. Shamoun stated he would double check on that. She brought up the League's website to house documents. Mr. Shamoun stated they had made progress. He hoped to have something to show the Board by the next meeting. Chairperson Siegel asked whether the meeting minutes were being posted to the city's website and Secretary Trinkka stated they were currently being posted.

d. Administrator – Mr. Shamoun stated the League would be watching upcoming legislation.

**9. 2014 MEETINGS – MARCH 6, JUNE 5, SEPTEMBER 11 & DECEMBER 4 AT 9:00 A.M.**

**10. PUBLIC COMMENTS**

Mr. Solomon Odenz, a current retiree in the Plan, asked whether all meeting minutes would be on the website. Mr. Shamoun stated that all meeting minutes since the League became full administrator would be on the website.

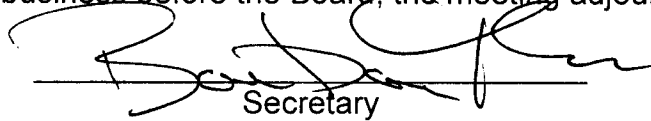


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BOARD OF TRUSTEES MEETING  
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**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:52 a.m.

  
\_\_\_\_\_  
Secretary

3/6/14  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 6, 2014**

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1. **CALL TO ORDER:** The meeting was called to order at 9:21 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Secretary Barbara Trinka  
Trustee Anthony DeFillipo  
Trustee Dotie Joseph  
Trustee Mac Serda  
Trustee Marilyn Spencer

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney  
Brent Chudachek, Plan Attorney  
Charles Carr, Plan Actuary, *by telephone*

New Trustee, Dotie Joseph, was sworn in.

3. **ELECTION OF NEW CHAIR**

***A motion was made by Trustee DeFillipo and Seconded by Trustee Serda to elect Barbara Trinka as the Chair.***

Trustee Trinka declined the nomination at this time.

***A motion was made by Trustee Spencer and Seconded by Trustee Joseph to elect Mac Serda as the Chair. The motion passed unanimously.***

Trustee Serda accepted the nomination.

4. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 5, 2013 meeting.

***A motion was made by Trustee DeFillipo and Seconded by Secretary Trinka to approve the minutes as presented. The motion passed unanimously.***

5. **DISCUSSION AND APPROVAL OF 2013 ACTUARIAL VALUATION**

Mr. Carr provided an overview of the 2013 actuarial valuation.

The actuarial cost method was changed from the frozen initial liability cost method to the aggregate cost method. The assumed interest rate was decreased from

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7.75% to 7%. The assumed increase in future salaries was decreased from 5.75% to 4% per year. The mortality tables were updated as well.

***A motion was made by Secretary Trinka and Seconded by Trustee Spencer to approve the 2013 actuarial valuation. The motion passed 4-1, with Chairman Serda voting no.***

Mr. Carr stated his office would be issuing a separate report in the summer after the state issues their guidelines. The report would contain informational disclosures. Once this report is issued, it is to be posted to the city's website.

**6. RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Secretary Trinka and seconded by Trustee Spencer to approve the ratification of invoices as presented. The motion passed unanimously.***

**7. RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of a participant requesting a distribution.

***A motion was made by Trustee DeFillipo and seconded by Trustee Spencer to approve the distribution payment as presented. The motion passed unanimously.***

**8. INVESTMENT PERFORMANCE – Quarter Ended: December 31, 2013**

Mr. Shamoun provided a review of the investment performance through December 31, 2013. For the fiscal year so far, the investment return was 5.3%, the 10-year return was 6.2%, and the 5-year return was 11.5%. The Investment Advisory Committee hired Pioneer and Franklin Templeton as the 2 new bond fund managers. 60% of the current assets in the Board Marked Bond Fund will be equally transferred to the new managers.

**9. NEW BUSINESS**

a. Discussion on trustee terms

Mr. Shamoun stated that currently the trustee term limits were 2 years and that there was discussion previously regarding moving the limits to 4 years. Trustees wanted to see a proposed ordinance to make this change. Mr. Shamoun stated the ordinance language would be placed on the next agenda.

b. Discussion on missing Social Security card for beneficiary distribution

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Mr. Shamoun stated there was a beneficiary who was due a benefit from the pension plan but was not able to produce a copy of her Social Security card.

***A motion was made by Trustee Joseph and seconded by Trustee DeFillipo to table this item and request the beneficiary to produce documentation from the Social Security Administration regarding the reasoning for not issuing her a Social Security card and an affidavit from the beneficiary stating her Social Security number and identity, and the Board could revisit the matter at the next meeting. The motion passed unanimously.***

**10. REPORTS**

- a. Attorney – Mr. Cohen informed the Board his firm was joining another law firm, but their services and charges would not change. Mr. Cohen requested the Board to approve his services with the new firm.

***A motion was made by Trustee Joseph and seconded by Trustee DeFillipo to approve keeping Mr. Cohen as their plan attorney as he moves to the new law firm. The motion passed unanimously.***

- b. Chairman – Chairperson Serda informed the Board the City Council would be considering providing the 3 charter officers a 6 month window to opt in or opt out of the defined benefit pension plan at their March meeting.
- c. Secretary – Secretary Trinkka wanted to make sure the record showed that Trustee Joseph was sworn in. Mr. Shamoun stated he would make a note of it.
- d. Administrator – No additional comments.

Secretary Trinkka mentioned there was not a copy of the ordinance, as mentioned by Chairperson Serda, for the Board to review. Chairperson Serda stated he could send a copy out and there could be a special meeting called for the Board to discuss. Chairperson Serda stated that when the proposed ordinance was ready, he could forward it to the Board. Mr. Shamoun stated it may be more appropriate for Chairperson Serda to forward the ordinance to Laura Underhill, at his office, and she could then forward it to the Board for their input. It could then be decided whether or not to call a special meeting.

**11. 2014 MEETINGS – JUNE 5, SEPTEMBER 11 & DECEMBER 4 AT 9:00 A.M.**

**12. PUBLIC COMMENTS**

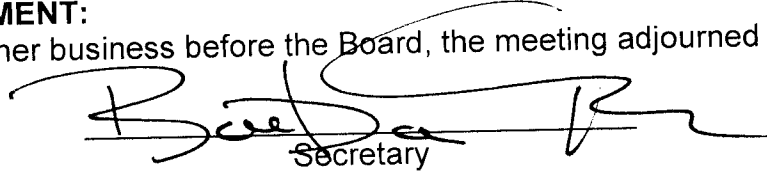
There were no public comments.

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**13. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:20 a.m.

  
Secretary

6/23/14  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
MONDAY, JUNE 23, 2014**

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1. **CALL TO ORDER:** The meeting was called to order at 2:25 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee Anthony DeFillipo  
Trustee Jose Smith  
Trustee Marilyn Spencer

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the March 6, 2014 meeting.

***A motion was made by Trustee DeFillipo and Seconded by Secretary Smith to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATON OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Trustee DeFillipo and seconded by Trustee Smith to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of participants who requested distributions.

***A motion was made by Trustee DeFillipo and seconded by Secretary Trinka to approve the distribution payment as presented. The motion passed unanimously.***

6. **INVESTMENT PERFORMANCE – Quarter Ended: March 31, 2014**

Mr. Shamoun provided a review of the investment performance through March 31, 2014. For the quarter, the investment return was .79% and the fiscal year to date returns was 6.2%. The Investment Advisory Committee would be meeting to

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---

discuss the current international fund manager and to possibly interview new managers as well.

**7. NEW BUSINESS**

a. Discussion on trustee terms

Mr. Cohen discussed increasing trustee terms from 2 years to 4 years. There were concerns that would be discussed with the Mayor and Council: whether the City Attorney should be on the Board and whether the City Attorney could designate someone to serve on his behalf; whether or not the Trustee terms should be increased to 4 years; and how to handle the current designees.

***A motion was made by Trustee Smith and seconded by Secretary Trinkka to table this item for the next meeting. The motion passed unanimously.***

b. Discussion on retiree benefit and working as a contractor for the City

Mr. Cohen presented to the Board that there was a current Member of the Plan who had retired and requested to defer his payment and be available for the City on an as-needed basis for emergencies. Mr. Shamoun stated the Member should be paid immediately and his office would take care of it.

***A motion was made by Trustee Smith and seconded by Trustee DeFillipo to have a policy developed by the plan attorney regarding retired members who would be available to the City to provide their services on an as-needed basis and have Trustees review this at the next regular meeting. The motion passed unanimously.***

c. Fiduciary Liability Insurance Renewal Application

Mr. Shamoun presented the application for the renewal of the fiduciary liability insurance policy with U.S. Specialty Insurance Company.

***A motion was made by Trustee DeFillipo and seconded by Secretary Trinkka to approval the renewal application for fiduciary liability insurance. The motion passed unanimously.***

d. Reconsider actuarial assumptions and proposed increase in the required contribution

***A motion was made by Trustee Smith and seconded by DeFillipo to have the actuary prepare an analysis of the assumed interest rate at 7%, 7.25%, 7.5% and 7.75% as of October 1, 2013. The motion passed 4-1, with Secretary Trinkka opposing.***

Trustees would receive the analysis and have a special meeting in July to discuss the possibility of changing the interest rate assumption.



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**8. REPORTS**

- a. Attorney – Mr. Cohen reminded Trustees to complete their Financial Disclosures by July 1, 2014.
- b. Chairman – No additional comments.
- c. Secretary – Secretary Trinka requested a discussion of Ordinance 2014-02. This would be placed on the agenda for the next regular meeting.
- d. Administrator – Mr. Shamoun provided a legislative update. For the special meeting to take place next month, his office would get in touch with Trustees to set that up. The next regular meeting was changed to September 17, 2014 at 2:00 p.m., as Council Chambers weren't available on September 11, 2014.

**9. 2014 MEETINGS –SEPTEMBER 17 AT 2:00 P.M. & DECEMBER 4 AT 9:00 A.M.**

**10. PUBLIC COMMENTS**

There were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 3:46 p.m.

  
\_\_\_\_\_  
Secretary

9/17/14

\_\_\_\_\_  
Date

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EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
SPECIAL MEETING  
FRIDAY, JULY 11, 2014**

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1. **CALL TO ORDER:** The meeting was called to order at 9:12 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinkka  
Trustee Anthony DeFillipo  
Trustee Jose Smith

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney  
Charles Carr, Plan Actuary *by telephone*

3. **DISCUSSION OF ALTERNATIVE VALUATION RESULTS**

Members reviewed the alternative valuation results.

***A motion was made by Trustee Smith and Seconded by Secretary Trinkka to change the interest assumption rate to 7.5% for the 2013 actuarial valuation, then revisit again for the next actuarial valuation. The motion passed unanimously.***

Mr. Carr stated he would revise the 2013 actuarial valuation. Mr. Carr requested clarification regarding changing the interest assumption rate to 7.25% for the 2014 actuarial valuation. Chairman Serda stated that was correct and Trustee Smith agreed. Chairperson Serda requested some additional information from the actuary by email.

4. **PUBLIC COMMENTS**

There were no public comments.

5. **APPROVAL OF FIDUCIARY LIABILITY INSURANCE RENEWAL**

Trustees discussed the quote provided by U.S. Specialty Insurance Company for the renewal of the fiduciary liability insurance policy.

***A motion was made by Trustee Smith and seconded by Trustee DeFillipo to approve the quote provided by U.S. Specialty Insurance Company for renewal of the Board's fiduciary liability insurance policy. The motion passed unanimously.***

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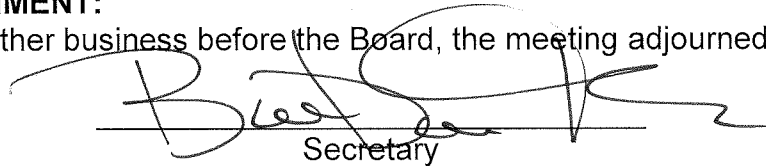
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Mr. Cohen brought up the Waiver of Recourse and that it could not be paid from plan assets and the Board could request the City of North Miami Beach to pay this portion. Mr. Blomeley clarified the City of North Miami Beach typically pays this invoice.

Chairperson Serda updated Trustees that the invoices pertaining to impact statements on behalf of the City would be paid by the City and the City had reimbursed the pension plan for the previous invoice. He also wanted to let Trustees know he instructed Ms. Underhill to follow up with Trustees on their action items from the last meeting.

**6. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 9:48 a.m.

  
\_\_\_\_\_  
Secretary

9/17/14  
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Date

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EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, SEPTEMBER 17, 2014**

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1. **CALL TO ORDER:** The meeting was called to order at 2:05 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee Anthony DeFillipo  
Trustee Jose Smith  
Trustee Marilyn Spencer

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ronald Cohen, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the June 23, 2014 meeting & the Special Meeting on July 11, 2014.

*A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to approve the minutes as presented. The motion passed unanimously.*

4. **BOARD AUTHORIZATION FOR A 2014 ACTUARIAL VALUATION**

Chairman Serda mentioned he had spoken to the actuary regarding the 2014 valuation and requested the valuations be prepared showing the upcoming contribution rate instead of the current contribution rate.

*A motion was made by Secretary Trinka and Seconded by Trustee Smith to authorize the 2014 actuarial valuation be prepared by the actuary using the roll forward method for the 2015-2016 fiscal year. The motion passed unanimously.*

5. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided the Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

Trustee Smith discussed the fiduciary liability insurance policy and his concerns of the "claims made" policy. Mr. Shamoun stated he would have the FMIT research whether another policy-type would be available for next year.

*A motion was made by Trustee Smith and seconded by Secretary Trinka to approve the ratification of invoices as presented and to have*

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***the Administrator work with Trustee Smith to review future fiduciary liability insurance policies prior to the next renewal. The motion passed unanimously.***

Secretary Trinka brought up the Excess Plan information as presented in the agenda packet. Trustees requested information from the Administrator regarding the Excess Plan: (1) Where the City Council adopted this; (2) How the calculations were made; and (3) What the City's portion is.

**6. RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of participants who requested distributions and new retirees.

***A motion was made by Trustee DeFillipo and seconded by Secretary Trinka to approve the distribution payments as presented. The motion passed unanimously.***

**7. INVESTMENT PERFORMANCE – Quarter Ended: June 30, 2014**

Mr. Shamoun provided a review of the investment performance through June 30, 2014. For the quarter, the investment return was 2.94% and the fiscal year to date returns was 9.32%. Mr. Shamoun mentioned the Investment Advisory Committee had terminated the current international manager and hired a new international manager, Investec Asset Management.

**8. NEW BUSINESS**

a. Discussion on trustee terms

***A motion was made by Trustee DeFillipo and seconded by Secretary Trinka to recommend to the City Council to extend the trustee terms to 4 years for the next term and thereafter of the elected positions. The motion passed unanimously.***

Mr. Cohen would provide a sample ordinance to provide to the City Council.

PUBLIC COMMENT

Plan retiree, Howard Lenard, wanted to know the process of electing members to the Board. Chairman Serda requested the Board Election Process be placed on the next agenda.

b. Review policy on allowing retired employees to work on an as-needed basis

Mr. Cohen presented a policy on allowing retired employees to work on an as-needed basis. Trustees provided changes.

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PUBLIC COMMENT

Plan retiree, Howard Lenard, expressed his concerns about the language in the policy.

*A motion was made by Trustee Smith and seconded by Trustee DeFillipo to approve the policy as amended. The motion passed unanimously.*

c. Ordinance 2014-02

This was placed on the agenda for informational purposes only.

**9. REPORTS**

a. Attorney – No report.

b. Chairman – Chairman Serda mentioned that at an earlier meeting, there was a charge for an impact statement that shouldn't have been paid by plan assets. There was a plan account statement emailed out to Trustees showing where the City of North Miami Beach had reimbursed the pension plan in the amount of \$525 for the impact statement.

c. Secretary – No report.

d. Administrator – Mr. Shamoun stated he confirmed with the Florida Municipal Insurance Trust that all of the fiduciary liability insurance policies are on a "claims made" basis. Mr. Shamoun announced he was promoted to the Associate Director of Financial Services and that Jeff Blomeley or Matt Dickey would be taking over attending the meetings.

Secretary Trinkka asked for an update on the website portal. Mr. Shamoun stated the State had not yet provided guidance regarding what is to be on the website portal.

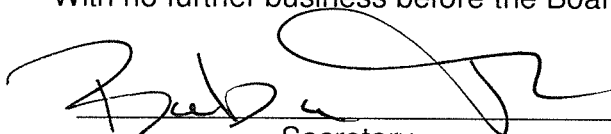
**10. 2014 MEETINGS –DECEMBER 4 AT 9:00 A.M.**

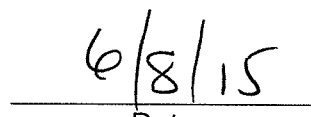
**11. PUBLIC COMMENTS**

There were no public comments.

**12. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 3:49 p.m.

  
Secretary

  
Date

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BOARD OF TRUSTEES MEETING  
THURSDAY, DECEMBER 4, 2014**

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1. **CALL TO ORDER:** The meeting was called to order at 9:12 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee Jose Smith, *arrived at 9:17 a.m.*  
Trustee Marilyn Spencer

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Brent Chudachek, Plan Attorney

Chairman Serda requested item 7a, discussion of Ordinance 2014-02, be moved to 3a.

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 17, 2014 meeting.

***A motion was made by Secretary Trinka and Seconded by Trustee Spencer to approve the minutes as presented. The motion passed unanimously.***

a. Discussion of Ordinance 2014-02, clarification on accrued benefit

Chairman Serda brought up a specific section in Ordinance 2014-02, C (C3) (a). He requested clarification on "accrued benefit". If a participant was not vested and chose not to participate, would their employee contributions remain in plan? Mr. Chudachek responded as the ordinance stated, the participant would receive their accrued benefit at their normal retirement date.

Ms. Ana Garcia, a plan participant in attendance, asked whether interest would be applied to her employee contributions when she terminated service from the City. Mr. Chudachek would research this and get back to Ms. Garcia. Chairman Serda stated they would also need clarification from Jim Linn, who prepared the ordinance, on whether Ms. Garcia's benefit should have been calculated at 100%. This would be clarified and brought back to the next meeting.

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson.



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***A motion was made by Secretary Trinko and seconded by Trustee Smith to approve the ratification of invoices as presented. The motion passed unanimously.***

**5. RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of participants who requested distributions.

***A motion was made by Trustee Spencer and seconded by Trustee Smith to approve the distribution payments as presented. The motion passed unanimously.***

**6. INVESTMENT PERFORMANCE – Quarter Ended: September 30, 2014**

Mr. Shamoun provided a review of the investment performance through September 30, 2014. For the quarter, the investment return was (0.70%), the fiscal year to date return was 8.55% and the five year return was 9.46%.

**7. NEW BUSINESS**

a. Article – The Muni Bond Lobby

Trustee Smith provided an article for Trustees' information.

b. Board election & nomination process

Mr. Chudachek discussed how the last election took place for the active and retiree positions and that this would occur again when the terms were up. For the last election, an email was sent out to all active and retiree participants requesting interest in those 2 positions on the Board. The other 3 remaining Board members then chose the active and retiree representatives to serve on the Board at their next meeting.

**8. OLD BUSINESS**

a. Discussion of Excess Plan

Mr. Shamoun stated this was a follow up on how the Excess Plan worked and provided a calculation on how the actuary prepares these calculations.

b. Final copy of policy on rehired employees

Mr. Chudachek provided an overview of the amended policy on whether a retiree could perform services for the City.

***A motion was made by Trustee Spencer and seconded by Secretary Trinko to adopt the Policy for Establishing Whether a Retiree Can Perform Services for the City. The motion passed unanimously.***

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**9. REPORTS**

- a. Attorney – Mr. Chudachek provided a sample ordinance extending trustee terms to 4 years.  
*A motion was made by Trustee Spencer and seconded by Chairman Serda to table this item until the next meeting. The motion passed 3-1, with Secretary Trinko opposing.*
- b. Chairman – Chairman Serda had no additional comments.
- c. Secretary – Secretary Trinko mentioned there would be a change in the timing of employer contributions to a quarterly basis.
- d. Administrator – Mr. Shamoun updated Trustees on the State reports and they would be due 60 days after the Board adopts their next actuarial valuation. The actuary was awaiting instruction from the State on the formatting of the report. GASB 67/68 reports were being completed.

**10. 2015 MEETINGS** –MARCH 5, JUNE 4, SEPTEMBER 3 & DECEMBER 3 AT 9:00 A.M.

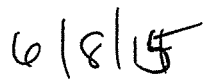
**11. PUBLIC COMMENTS**

There were no public comments.

**12. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:52 a.m.

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Date

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EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, MARCH 25, 2015**

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1. **CALL TO ORDER:** The meeting was called to order at 9:15 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trink  
Trustee Jose Smith  
Trustee Marilyn Spencer

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ron Cohen, Plan Attorney  
Brent Chudachek, Plan Attorney

3. **BOARD MEMBER ELECTION**

Trustees discussed the election process. Mr. Cohen confirmed the Board Members consisting of the City Manager Designee, City Attorney and City Council shall appoint the Active and Retiree Members. The City Council Member, Trustee DeFillipo was not present at the meeting.

***A motion was made by Trustee Smith and Seconded by Secretary Trink to defer the election until the end of the meeting while they attempted to reach Trustee DeFillipo to attend the meeting. The motion passed unanimously.***

At the end of the meeting, with Trustee DeFillipo still not in attendance, there was a discussion regarding how the election would take place without the 3<sup>rd</sup> voting member. Mr. Cohen researched and stated he felt that if the 2 remaining members of the electing Board – the City Attorney and City Manager Designee – were to unanimously vote for the Active & Retiree members, then this would be acceptable.

***A motion was made by Trustee Smith and Seconded by Chairman Serda to defer the Active & Retiree election until a later date when Trustee DeFillipo would be in attendance. The motion passed 3-1, with Trustee Spencer opposing.***

Retiree in audience, Solomon Odenz, requested clarification that Trustee Spencer would be able to vote at the June meeting. It was clarified that she would be able to vote on items other than the election.

Retiree in audience, Dale Lee, stated he didn't understand why the Retiree member couldn't be appointed since there was only 1 retiree interested in the position. Chairman Serda stated they felt all 3 needed to be in attendance. Mr.

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Cohen stated the present retiree member would remain in office until her successor was appointed.

**4. APPROVAL OF MINUTES**

Members reviewed the minutes from the December 4, 2014 meeting.

***A motion was made by Trustee Smith and Seconded by Secretary Trinka to approve the minutes as presented. The motion passed unanimously.***

**5. RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Secretary Trinka and seconded by Trustee Spencer to approve the ratification of invoices as presented. The motion passed unanimously.***

**6. RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of participants who requested distributions.

***A motion was made by Secretary Trinka and seconded by Trustee Spencer to approve the distribution payments as presented. The motion passed unanimously.***

Secretary Trinka asked how many were remaining in the Plan who had not yet received a return of their employee contributions. Mr. Shamoun stated this information could be provided at the next meeting.

**7. INVESTMENT PERFORMANCE – Quarter Ended: December 31, 2014**

Mr. Shamoun provided a review of the investment performance through December 31, 2014. For the quarter, the investment return was 2.71%, the five year return was 9.4% and the ten year return was 6.13%.

**8. OLD BUSINESS**

a. Discussion of Ordinance 2014-02, clarification on accrued benefit

Mr. Chudachek stated his office interpreted that Ms. Ana Garcia's employee contributions would continue to accrue interest until she terminated employment, not at the point at which she opted out of the Plan. The Board would need to reaffirm this interpretation.

***A motion was made by Trustee Smith and seconded by Chairman Serda to accept the interpretation that 3% interest would continue to accrue until their date of termination for those Charter Officers who***

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***opted out of the Plan and chose to receive a return of their employee contributions. The motion passed unanimously.***

Secretary Trinka was concerned this was informal and would like to see it as a formal policy. Mr. Shamoun stated this could be formulated into a Board Policy. Mr. Chudachek would create this policy and provide to Trustees at the next meeting.

**9. NEW BUSINESS**

a. 2014 Actuarial Valuation

Mr. Shamoun provided an overview of the 2014 actuarial valuation.

***A motion was made by Secretary Trinka and seconded by Trustee Spencer to approve the 2014 actuarial valuation. The motion passed unanimously.***

**10. REPORTS**

a. Attorney – No additional comments

b. Chairman – Chairman Serda spoke about training Trustees could attend. He also asked whose responsibility it was to set up meetings on the web page and to set up the videographer. Secretary Trinka responded she was responsible and worked with the city clerk for the calendar and Parks & Recreation to schedule a videographer. She also worked with IT to manage another calendar.

c. Secretary – Secretary Trinka requested an update on the web page.

d. Administrator – Mr. Shamoun provided an update on the reporting as required by the Division of Retirement. Because the valuation was adopted prior to the effective date of the rule, this would not apply to their plan until the following year. They were awaiting the final update in 3 weeks. He then provided a legislative update.

Mr. Shamoun stated Ms. Underhill would reach out to the Board to set up the date for the meeting to elect the Active and Retiree members.

**11. 2015 MEETINGS – JUNE 10, SEPTEMBER 3 & DECEMBER 3 AT 9:00 A.M.**

**12. PUBLIC COMMENTS**

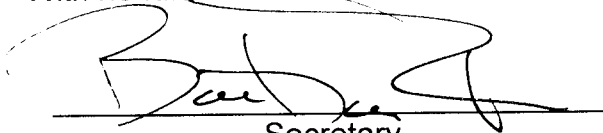
There were no public comments.

**13. ADJOURNMENT:**

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With no further business before the Board, the meeting adjourned at 10:34 a.m.

  
Secretary

6/15/15  
Date

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MONDAY, JUNE 15, 2015**

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1. **CALL TO ORDER:** The meeting was called to order at 9:07 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee Anthony DeFillipo  
Trustee Jose Smith  
Trustee Marilyn Spencer

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ron Cohen, Plan Attorney

3. **BOARD MEMBER ELECTION**

a. Retiree Member  
Trustees DeFillipo and Smith mentioned there was another nominee.

***A motion was made by Trustee Smith and Seconded by Trustee DeFillipo to nominate Gil Rosenkoff.***

Mr. Cohen stated Chairman Serda should check to see if there were other nominations.

Trustee Spencer stated that when the email went out to retirees regarding interest in the Retiree Member position on the Board, Darcee Siegel received a lot of support from the retiree members to serve on the Board.

***A motion was made by Trustee Spencer to table the motion and re solicit nominations from the retirees. The motion received no 2<sup>nd</sup> and the motion died.***

Chairman Serda asked if there was a motion to appoint Darcee Siegel to the Board. There was no motion.

***A motion was made by Trustee Smith and Seconded by Trustee DeFillipo to appoint Gil Rosenkoff to the Board as the Retiree Member. The motion passed unanimously among the 3 members who were eligible to vote.***

Mr. Shamoun stated his office would contact Mr. Rosenkoff regarding his appointment to the Board.



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b. Active Member

Chairman Serda asked who was in favor of reappointing Barbara Trinkka to the Board as the Active Member. All 3 voting members voted in favor to reappoint Barbara Trinkka as the Active Member.

**4. APPROVAL OF MINUTES**

Members reviewed the minutes from the March 25, 2015 meeting.

***A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to approve the minutes as presented. The motion passed unanimously.***

**5. RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Trustee DeFillipo and seconded by Trustee Smith to approve the ratification of invoices as presented. The motion passed unanimously.***

**6. RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of participants who requested distributions.

***A motion was made by Trustee DeFillipo and seconded by Secretary Trinkka to approve the distribution payments as presented. The motion passed unanimously.***

**7. INVESTMENT PERFORMANCE – Quarter Ended: March 31, 2015**

Mr. Shamoun provided a review of the investment performance through March 31, 2015. For the quarter, the investment return was 2.44%, the five year return was 9.11% and the ten year return was 6.52%.

Trustee Smith spoke of his concerns about having 40% in fixed income. Mr. Shamoun stated the Board has the ability to make a change if they chose to do so. Chairperson Serda asked if the Board would like to discuss the asset allocation at a future meeting. Other Trustees agreed this should be discussed at a future meeting. Mr. Shamoun said he would try to have someone from Asset Consulting Group attend the next meeting during the asset allocation discussion.

**8. NEW BUSINESS**

a. Amendment to FMPTF Plan Document

Mr. Shamoun presented the amendment to the FMPTF Plan Document. He also mentioned there would be additional amendments at the next meeting.

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b. Granting access to an alternate person for approving distributions and retiree payments.

Chairperson Serda stated he would like to find someone else on the Board to be a second trustee to approve payments in the online system when he wasn't available. Secretary Trinka stated she would be available to do this.

***A motion was made by Trustee DeFillipo and seconded by Trustee Smith to allow Secretary Trinka to have access to transact payments online from the pension system. The motion passed unanimously.***

c. Fiduciary liability insurance renewal application

Chairperson Serda stated this was on the agenda due to a question on the application he wanted clarified. There was a question regarding any changes to the retirement plan. Mr. Shamoun stated the answer should be no since the Board doesn't have the authority to make these changes.

***A motion was made by Trustee Smith and seconded by Secretary Trinka to renew the fiduciary liability insurance, to allow the premium payment to be made from the pension fund and to request the City to pay the waiver of recourse expense. The motion passed unanimously.***

**9. REPORTS**

- a. Attorney – Mr. Cohen spoke about the new legislation on the new reporting requirements.
- b. Chairman – Chairman Serda reiterated action items from the meeting: future asset allocation discussion; renewal of retirement age versus Social Security age in the ordinance; he would execute the fiduciary liability insurance renewal; resolution for members' contribution in the plan; he clarified someone would contact Darcee Siegel and Gil Rosenkoff; he also requested clarification on whether they needed to elect a new Chairman and Secretary. Mr. Shamoun would check on this.
- c. Secretary – Secretary Trinka brought up a concern regarding the Social Security age and how this affects their plan. She also requested a formal policy on the 3% interest that accrues on employee contributions. Mr. Cohen stated he would email that to her. She also requested it to be placed on the next agenda.
- d. Administrator – Mr. Shamoun stated that pension plans must now comply with the law from 2013 regarding the disclosure information. The websites have been built and would be released Friday. The website being built would house all of the information required from the new legislation. The Board would also need to pass a budget. The next valuation would need to use the FRS mortality

**FINAL  
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---

tables. The Board had previously requested the amounts of terminated, non-vested employees and the amounts of their contributions still remaining in the pension plan. There was currently \$71,000 in employee contributions for terminated, non-vested employees, and those employees were: Bonner, Delgado, Fierman and Santovenia. They had all been contacted.

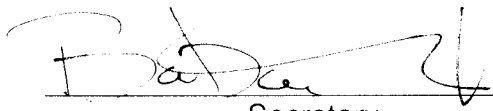
**10.2015 MEETINGS** – SEPTEMBER 3 & DECEMBER 3 AT 9:00 A.M.

**11.PUBLIC COMMENTS**

There were no public comments.

**12.ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:12 a.m.

  
\_\_\_\_\_  
Secretary

9/3/15  
\_\_\_\_\_  
Date

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---

***A motion was made by Trustee Smith and seconded by Trustee Rosenkoff to adopt the amended FMPTF Investment Policy. The motion passed unanimously.***

b. Asset allocation discussion

Mr. Shamoun provided an overview of the asset allocation analysis prepared by Asset Consulting Group.

c. Election policy concerning Chair and Secretary

Mr. Cohen stated there was a question from the last meeting as to when the election for Chair and Secretary should take place. He recommended this take place every 2 years.

***A motion was made by Trustee Smith and seconded by Secretary Trinko to have the election for Chair and Secretary every 2 years. The motion passed unanimously.***

d. New legislation regarding mortality tables

Mr. Cohen discussed a memo his office sent out regarding House Bill 1309 and the change of mortality tables in the actuarial valuation.

**8. OLD BUSINESS**

a. 3% Interest accrual on employee contributions

Mr. Cohen spoke on a policy his office provided regarding the 3% interest accrual on employee contributions for those employees who opted out of the plan.

***A motion was made by Secretary Trinko and seconded by Trustee Smith to adopt the Policy for Establishing Crediting of Interest for Plan Opt-Out Employees as amended to include the "opt out" definition. The motion passed unanimously.***

**9. REPORTS**

a. Attorney – Mr. Cohen had no additional comments.

b. Chairman – Chairman Serda spoke about Ordinance 2012-33 specifically regarding normal retirement age and that Social Security age was not referenced in the ordinance.

c. Secretary – Secretary Trinko had no additional comments.

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EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, SEPTEMBER 3, 2015**

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1. **CALL TO ORDER:** The meeting was called to order at 9:10 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee Jose Smith  
Trustee Gilbert Rosenkoff

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ron Cohen, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the June 15, 2015 meeting.

***A motion was made by Secretary Trinka and Seconded by Trustee Rosenkoff to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson.

***A motion was made by Secretary Trinka and seconded by Trustee Smith to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of participants who requested distributions.

***A motion was made by Trustee Smith and seconded by Secretary Trinka to approve the distribution payments as presented. The motion passed unanimously.***

6. **INVESTMENT PERFORMANCE – Quarter Ended: June 30, 2015**

Mr. Shamoun provided a review of the investment performance through June 30, 2015. For the quarter, the investment return was 0.08%, the five year return was 10.42% and the ten year return was 6.29%.

7. **NEW BUSINESS**

a. Amendment to FMPTF Investment Policy

Mr. Shamoun presented the amended FMPTF Investment Policy.

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d. Administrator – Mr. Shamoun had no additional comments.

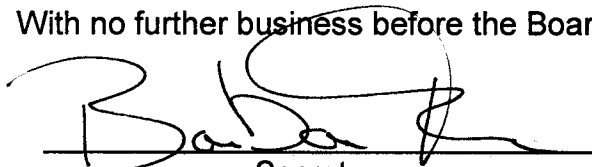
**10. 2015 MEETINGS – DECEMBER 3 AT 9:00 A.M.**

**11. PUBLIC COMMENTS**

There were no public comments.

**12. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:08 a.m.

  
\_\_\_\_\_  
Secretary

12/3/15  
\_\_\_\_\_  
Date

**FINAL  
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EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, DECEMBER 3, 2015**

---

1. **CALL TO ORDER:** The meeting was called to order at 9:10 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee DeFillipo, *by phone*  
Trustee Jose Smith  
Trustee Gilbert Rosenkoff

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Laura Underhill, Administrator FLC  
Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney

Mr. Chudachek spoke to Trustees about having a Trustee attend a meeting by phone and that his phone presence couldn't count towards a quorum but that if a quorum was physically present, a Trustee could call in and vote.

***A motion was made by Trustee Smith and Seconded by Secretary Trinka to allow Trustee DeFillipo to attend the meeting by phone. The motion passed unanimously.***

Trustee DeFillipo was then called and attended by phone.

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 3, 2015 meeting.

***A motion was made by Secretary Trinka and Seconded by Trustee Rosenkoff to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson or Secretary.

***A motion was made by Secretary Trinka and seconded by Trustee Smith to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of one new retiree. Chairman Serda asked about the term "Late Retirement" in the new retiree's calculation. Mr. Shamoun stated this simply meant he was taking his retirement late and that it did not change the calculation in any way. Mr. Shamoun then brought up that since



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their plan would now have 2 different benefit dates for retirees, that retirees would have 2 different benefit elections. He questioned whether retirees should be allowed to select different options for the different benefit periods. Trustees discussed many possible issues surrounding the 2 different benefits. Chairman Serda recommended placing this item on the next agenda for trustees to discuss.

***A motion was made by Secretary Trinka and seconded by Trustee Smith to approve the new retiree payment. The motion passed unanimously.***

**6. INVESTMENT PERFORMANCE – Quarter Ended: September 30, 2015**

Mr. Shamoun provided a review of the investment performance through September 30, 2015. For the quarter, the investment return was (5.08)%, the five year return was 7.58% and the ten year return was 5.41%.

**7. OLD BUSINESS**

a. Policy for Establishing Crediting of Interest for Plan Opt-Out Employees

Mr. Chudachek provided the amended policy which added the definition of “opt-out”. The policy had already been approved by Trustees at the September meeting.

**8. REPORTS**

a. Attorney – Mr. Chudachek had no additional comments.

b. Chairman – Chairman Serda spoke about having someone from the Finance Department attend the next meeting to make sure administratively things are moving well. He asked Secretary Trinka to invite someone from the Finance Department to the next meeting if there were any concerns.

c. Secretary – (This occurred immediately following item # 5) Secretary Trinka discussed the upcoming actuarial valuation and whether to have one prepared every year or every other year. She also mentioned the possible assumption changes. She discussed having another board meeting to specifically discuss the actuarial valuation earlier than the March regular meeting. Mr. Shamoun stated his office would be in touch regarding a meeting in January.

***A motion was made by Trustee Smith and seconded by Trustee Rosenkoff to have the actuary look at the new mortality tables as required in 2016 and bring down the assumed rate of return by ¼ %. The motion passed unanimously.***

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d. Administrator – Mr. Shamoun introduced Jeremy Langley and Laura Underhill from his office. He spoke about some of the bills being filed for the upcoming legislative session.


**9. PROPOSED 2016 MEETINGS** – MARCH 3, JUNE 9, SEPTEMBER 8 AND DECEMBER 8 AT 9:00 A.M.

**10. PUBLIC COMMENTS**

There were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:05 a.m.

  
\_\_\_\_\_  
Secretary

4/1/16  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
FRIDAY, APRIL 1, 2016**

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1. **CALL TO ORDER:** The meeting was called to order at 9:06 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee DeFillipo  
Trustee Jose Smith  
Trustee Gilbert Rosenkoff

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Ron Cohen, Plan Attorney  
Brent Chudachek, Plan Attorney

3. **ELECTION OF CHAIR & SECRETARY**

*A motion was made by Trustee Smith and Seconded by Secretary Trinka to nominate Trustee Serda as Chair. The motion passed unanimously.*

*A motion was made by Trustee DeFillipo and Seconded by Chair Serda to nominate Trustee Trinka as Secretary. The motion passed unanimously.*

4. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 3, 2015 meeting.

*A motion was made by Secretary Trinka and Seconded by Trustee DeFillipo to approve the minutes as presented. The motion passed unanimously.*

5. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson or Secretary.

*A motion was made by Trustee Rosenkoff and seconded by Trustee Smith to approve the ratification of invoices as presented. The motion passed unanimously.*

6. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of one lump sum distribution.

*A motion was made by Secretary Trinka and seconded by Trustee Rosenkoff to approve the lump sum distribution payment. The motion passed unanimously.*

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**7. INVESTMENT PERFORMANCE – Quarter Ended: December 31, 2015**

Mr. Shamoun provided a review of the investment performance through December 31, 2015. For the quarter, the investment return was 2.87%, the five year return was 6.96% and the ten year return was 5.55%.

**8. OLD BUSINESS**

- a. Allowing 2 different benefit options for the 2 different benefit commencement dates.

Mr. Shamoun introduced the discussion on whether or not two different benefit options should be allowed on the two different benefit commencement dates. Mr. Chudachek stated his office felt retirees should be allowed to select two different benefit options if they choose. He stated he had spoken to the actuary and the actuary agreed.

Secretary Trinka wanted to make sure the members would be notified of this. Mr. Shamoun stated his office could add a line in the Summary Plan Description (SPD) and add something in a cover letter when retirement calculations were provided to members.

***A motion was made by Trustee DeFillipo and seconded by Trustee Smith to allow retirees to choose two different benefit options for their two different benefit commencement dates if they choose to do so. The motion passed unanimously.***

**9. NEW BUSINESS**

- a. Request from member, Patrick Brett

Mr. Cohen read the plan document as it relates to the issue of the 90-day repayment period for returning employees to pay back their refund of contributions with interest in order to receive the credited service back and stated it was clear that returning employees must do this within 90 days after reemployment. The Board was informed that the 90 day period had passed for Mr. Brett who was the member making the request.

***A motion was made by Trustee Rosenkoff to table this issue. There was no second.***

***A motion was made by Trustee DeFillipo and seconded by Secretary Trinka to deny the request from Patrick Brett to allow him more time to repay his employee contributions, based on legal counsel's advice. The motion passed unanimously.***

- b. 2015 valuation options

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---

Mr. Shamoun reviewed the valuation options at the current rate of 7.25% or moving down to 7.00%, and then moving to the new mortality table.

Secretary Trinka stressed the 10-year investment return was currently at 5.55%. Trustee Smith spoke about changing the plan's allocation to the 70/30 fund. Mr. Shamoun spoke on the advantages and disadvantages of switching from the 60/40 to the 70/30 allocation. Chair Serda requested this potential change be placed on the next agenda for further discussion. Mr. Shamoun stated there may be a new asset allocation study by the next meeting. Mr. Shamoun stated someone from Asset Consultant Group may be able to attend the next meeting by phone to provide more information.

***A motion was made by Secretary Trinka and seconded by Trustee DeFillipo to approve the assumption rate at 7:00% and the revised mortality table for the 2015 actuarial valuation. The motion passed 3-2, with Chair Serda and Trustee Rosenkoff dissenting.***

**10. REPORTS**

- a. Attorney – There were no further comments.

Trustee DeFillipo asked a question regarding GASB 68 and why their audit was being delayed. Mr. Shamoun stated the reports had already been distributed to the City.

- b. Chairman – Chairman Serda had no additional comments.

- c. Secretary – Secretary Trinka asked when the valuation would be completed. Mr. Shamoun stated it should be ready soon and would be placed on the next agenda.

- d. Administrator – Mr. Shamoun had no additional comments.

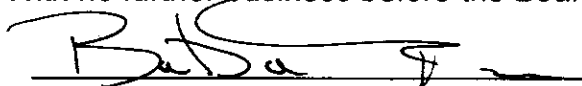
**11. 2016 MEETINGS – JUNE 9, SEPTEMBER 8 AND DECEMBER 8 AT 9:00 A.M.**

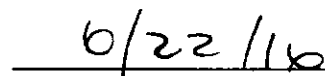
**12. PUBLIC COMMENTS**

There were no public comments.

**13. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:07 a.m.

  
Secretary

  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, JUNE 22, 2016**

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1. **CALL TO ORDER:** The meeting was called to order at 9:45 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee DeFillipo, *arriving at 9:50 a.m.*  
Trustee Gilbert Rosenkoff

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the April 1, 2016 meeting.

***A motion was made by Secretary Trinka and Seconded by Trustee Rosenkoff to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson or Secretary.

***A motion was made by Secretary Trinka and seconded by Trustee Rosenkoff to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of two lump sum distributions.

***A motion was made by Secretary Trinka and seconded by Trustee Rosenkoff to approve the lump sum distribution payments. The motion passed unanimously.***

6. **INVESTMENT PERFORMANCE – Quarter Ended: March 31, 2016**

Mr. Shamoun provided a review of the investment performance through March 31, 2016. For the quarter, the investment return was 0.96%, the five year return was 6.42% and the ten year return was 5.28%.

Chairman Serda mentioned his concern of the Value portfolio and requested a report at the September meeting. Secretary Trinka mentioned her concerns that distributions exceeded earnings.

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**7. NEW BUSINESS**

- a. Approval of 2015 actuarial valuation & required disclosures.

*A motion was made by Secretary Trinkka and seconded by Trustee DeFillipo to approve the 2015 actuarial valuation. The motion passed unanimously.*

- b. Determination of the total expected annual rate of investment return.

*A motion was made by Secretary Trinkka and seconded by Trustee Rosenkoff to adopt the 7% rate of return on the short, mid and long-term for the pension plan. The motion passed unanimously.*

- c. Discussion of investment options.

*A motion was made by Trustee DeFillipo and seconded by Secretary Trinkka to table this item for the September meeting to allow for Jason Pulos with Asset Consulting Group to attend. The motion passed unanimously.*

- d. Pension article.

Mr. Shamoun provided an overview of the article regarding pension investments.

- e. Fiduciary liability insurance renewal.

Chairman Serda provided the renewal application and requested board approval before signing the application.

*A motion was made by Trustee DeFillipo and seconded by Secretary Trinkka to approve the fiduciary liability application. The motion passed unanimously.*

**8. REPORTS**

- a. Attorney – There were no further comments.
- b. Chairman – Chairman Serda mentioned for the next meeting he would like a report on the Value portfolio and would like for Jason to meet with the board on investment options.
- c. Secretary – There were no further comments.
- d. Administrator – There were no further comments.



**FINAL**  
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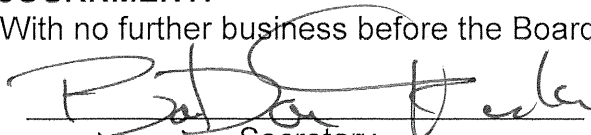
9. **2016 MEETINGS** –SEPTEMBER 8 AND DECEMBER 8 AT 9:00 A.M.

10. **PUBLIC COMMENTS**

There were no public comments.

11. **ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:25 a.m.

  
Secretary

8/8/16  
Date

**FINAL  
MINUTES  
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EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, SEPTEMBER 8, 2016**

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1. **CALL TO ORDER:** The meeting was called to order at 9:12 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Mac Serda  
Secretary Barbara Trinka  
Trustee Jose Smith

**ALSO PRESENT:** Paul Shamoun, Administrator FLC  
Jeff Blomeley, Administrator FLC  
Ron Cohen, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the June 22, 2016 meeting.

***A motion was made by Secretary Trinka and Seconded by Trustee Smith to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Mr. Shamoun provided Trustees a list of invoice payments made by the plan previously approved by the Chairperson or Secretary.

***A motion was made by Secretary Trinka and seconded by Trustee Smith to approve the ratification of invoices as presented. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED DISTRIBUTIONS**

Mr. Shamoun provided the Trustees a list of three lump sum distributions and one retiree benefit.

***A motion was made by Secretary Trinka and seconded by Chairperson Serda to approve the lump sum distribution payments and the retirement benefit. The motion passed unanimously.***

6. **INVESTMENT PERFORMANCE – Quarter Ended: June 30, 2016**

Mr. Shamoun provided a review of the investment performance through June 30, 2016. For the quarter, the investment return was 1.49%, the five year return was 6.52% and the ten year return was 5.58%.

7. **NEW BUSINESS**

a. Discussion of investment options.

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Mr. Jason Pulos with Asset Consulting Group was called to provide an overview of the asset allocation analysis.

Mr. Shamoun recommended having the actuary by phone at the next meeting to discuss the health of the plan and assumptions for the next actuarial valuation, as requested by Trustees.

Trustees would like to see the 30 year historical return of the whole FMPTF at the next meeting.

**8. REPORTS**

- a. Attorney – There were no further comments.
- b. Chairman – There were no further comments.
- c. Secretary – Secretary Trinkka requested information regarding the member website. Mr. Shamoun stated there was already a website that currently houses their valuation and other required reports. He provided her with the website address.
- d. Administrator – Mr. Shamoun stated his role had changed and he would be transitioning into the role of the Executive Director of the FGFOA. He stated Jeff Blomeley and Jeremy Langley would be taking over the pension board meetings.

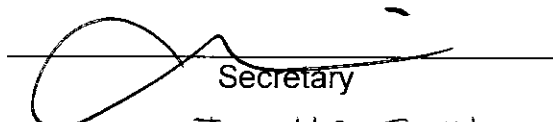
**9. 2016 MEETINGS – DECEMBER 8 AT 9:00 A.M.**

**10. PUBLIC COMMENTS**

There were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:24 a.m.

  
\_\_\_\_\_  
Secretary  
Janette Smith

12-8-16  
\_\_\_\_\_  
Date

**FINAL  
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BOARD OF TRUSTEES MEETING  
THURSDAY, DECEMBER 8, 2016**

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1. **CALL TO ORDER:** The meeting was called to order at 9:24 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Trustee Gilbert Rosenkoff  
Trustee Jose Smith  
Trustee Candido Sosa-Cruz

**ALSO PRESENT:** Jeff Blomeley, Administrator FLC  
Brent Chudachek, Plan Attorney  
Chuck Carr, Actuary (by telephone)

3. **SWEARING IN OF NEW TRUSTEE**

Candido Sosa-Cruz was sworn in.

*A motion was made by Trustee Sosa-Cruz and Seconded by Trustee Smith to nominate Janette Smith to the Board of Trustees as the Active Member. The motion passed unanimously.*

Janette Smith was sworn in.

4. **ELECTION OF CHAIRPERSON**

Trustee Janette Smith nominated Candido Sosa-Cruz as the Chairperson.  
Trustee Sosa-Cruz accepted the nomination.

*The motion passed unanimously.*

5. **ELECTION OF SECRETARY**

Trustee Jose Smith nominated Trustee Janette Smith as Secretary.

*The motion passed unanimously.*

6. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 8, 2016 meeting.

*A motion was made by Trustee Smith and Seconded by Secretary Smith to approve the minutes as presented. The motion passed unanimously.*

7. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

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*A motion was made by Trustee Smith and Seconded by Secretary Smith to approve the invoices approved for payment. The motion passed unanimously.*

**8. INVESTMENT PERFORMANCE – Quarter Ended: September 30, 2016**

Mr. Blomeley provided a review of the investment performance through September 30, 2016. For the quarter, the investment return was 2.56%, the fiscal year to date was 8.11% and the five-year return was 9.01%.

**9. NEW BUSINESS**

- a. Discussion with actuary regarding health of plan and assumptions for the 2016 actuarial valuation.

Mr. Carr joined the meeting by telephone. He provided an overview of the preliminary funding results for the 2016 actuarial valuation.

Trustees discussed the possibility of moving to the 70/30 fund. This would be brought to the board at the next meeting for discussion. They would like to see the advantages and disadvantages of moving to the 70/30 fund.

Mr. Carr discussed the mortality table.

Mr. Carr then discussed the salary increase assumption of 4%.

- b. Question from plan member.

There was a question from a plan member as to whether they could receive a return of their employee contributions for their 2<sup>nd</sup> tier benefit after they have begun receiving their 1<sup>st</sup> tier benefit.

Mr. Chudachek stated this could be done.

- c. Discussion of trustee election.

This was already discussed prior to electing Trustee Janette Smith.

**10. REPORTS**

- a. Attorney – There were no further comments.
- b. Chairman – There were no further comments.
- c. Secretary – There were no further comments.
- d. Administrator – There were no further comments.

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, DECEMBER 8, 2016**

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**11. 2017 MEETINGS – APPROVAL OF 2017 MEETING DATES.**

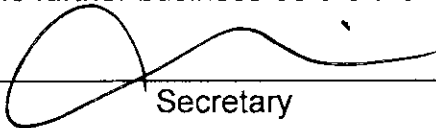
*A motion was made by Trustee Smith and Seconded by Trustee Rosenkoff to approve the meeting dates for 2017. The motion passed unanimously.*

**12. PUBLIC COMMENTS**

There were no public comments.

**13. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:33 a.m.

  
\_\_\_\_\_  
Secretary

3-9-17  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 9, 2017**

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1. **CALL TO ORDER:** The meeting was called to order at 9:00 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Candido Sosa-Cruz  
Secretary Janette Smith  
Trustee Anthony DeFillipo, *arriving at 9:07 a.m.*  
Trustee Gilbert Rosenkoff  
Trustee Jose Smith, *arriving at 9:07 a.m.*

**ALSO PRESENT:** Jeff Blomeley, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 8, 2016 meeting.

***A motion was made by Secretary Janette Smith and Seconded by Trustee Rosenkoff to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Secretary Janette Smith and Seconded by Trustee Rosenkoff to approve the invoices approved for payment. The motion passed unanimously.***

5. **RATIFICATION OF APPROVED LUMP SUM DISTRIBUTIONS**

Mr. Blomeley provided the Trustees a list of four lump sum distributions.

***A motion was made by Secretary Janette Smith and seconded by Trustee Rosenkoff to approve the lump sum distribution payments. The motion passed unanimously.***

6. **INVESTMENT PERFORMANCE – Quarter Ended: December 31, 2016**

Mr. Blomeley provided a review of the investment performance through December 31, 2016. For the quarter, the investment return was 1.66%, the three-year return was 4.21% and the five-year return was 7.93%.

7. **NEW BUSINESS**

a. Discussion and approval of the 2016 actuarial valuation.



**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 9, 2017**

---

***A motion was made by Trustee DeFillipo and seconded by Secretary Janette Smith to approve the 2016 actuarial valuation. The motion passed unanimously.***

b. Discussion of the 70/30 fund.

Mr. Blomeley provided an overview of information provided regarding the 70/30 fund performance.

***A motion was made by Trustee Jose Smith and seconded by Secretary Janette Smith to move the pension fund to the 70/30 fund. The motion passed unanimously.***

**8. REPORTS**

- a. Attorney – Mr. Chudachek spoke about a recent supreme court ruling.
- b. Chairman – There were no further comments.
- c. Secretary – There were no further comments.
- d. Administrator – There were no further comments.

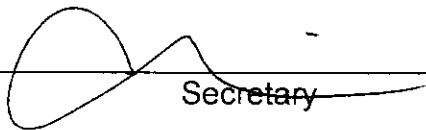
**9. 2017 MEETINGS – JUNE 8, SEPTEMBER 7 & DECEMBER 7 AT 9:00 A.M.**

**10. PUBLIC COMMENTS**

There were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 9:27 a.m.

  
Secretary

7-10-17  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
MONDAY, JULY 10, 2017**

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1. **CALL TO ORDER:** The meeting was called to order at 3:40 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Candido Sosa-Cruz  
Secretary Janette Smith  
Trustee Jose Smith

**ALSO PRESENT:** Jeff Blomeley, Administrator FLC  
Ron Cohen, Plan Attorney

3. **ELECTION OF RETIREE MEMBER**

*A motion was made by Trustee Jose Smith and Seconded by Chairman Sosa-Cruz to instruct the Florida League of Cities to send out a notice to current retirees that there was an open position on the board to see if there was interest. The motion passed unanimously.*

4. **APPROVAL OF MINUTES**

Members reviewed the minutes from the March 9, 2017 meeting.

*A motion was made by Trustee Jose Smith and Seconded by Secretary Janette Smith to approve the minutes as presented. The motion passed unanimously.*

5. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Secretary Janette Smith and Seconded by Trustee Jose Smith to approve the invoices approved for payment. The motion passed unanimously.*

6. **RATIFICATION OF NEW RETIREE BENEFIT PAYMENTS**

Mr. Blomeley provided the Trustees a list of new retirees.

*A motion was made by Secretary Janette Smith and seconded by Trustee Jose Smith to approve the retiree benefit payments. The motion passed unanimously.*

7. **INVESTMENT PERFORMANCE – Quarter Ended: MARCH 31, 2017**

Mr. Blomeley provided a review of the investment performance through March 31, 2017. For the quarter, the investment return was 4.84%, the three-year return was 5.59% and the five-year return was 7.44%.

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
MONDAY, JULY 10, 2017**

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**8. REPORTS**

- a. Attorney – Mr. Cohen reported there was no legislation on public pensions. There were changes to the public records.
- b. Chairman – There were no further comments.
- c. Secretary – Secretary Smith spoke regarding the closing of the plan.
- d. Administrator – There were no further comments.

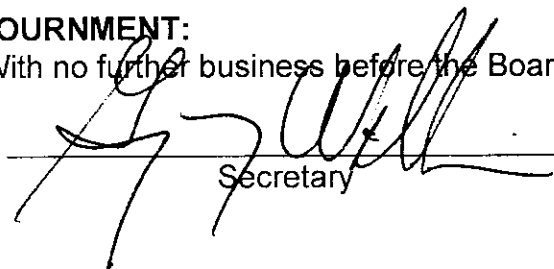
**9. 2017 MEETINGS –SEPTEMBER 7 & DECEMBER 7 AT 9:00 A.M.**

**10. PUBLIC COMMENTS**

There were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 4:05 p.m.

  
\_\_\_\_\_  
Secretary

11/7/2017  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
TUESDAY, NOVEMBER 7, 2017**

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1. **CALL TO ORDER:** The meeting was called to order at 9:40 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Candido Sosa-Cruz  
Trustee Anthony DeFillipo  
Trustee Jose Smith

**ALSO PRESENT:** Jeff Blomeley, Administrator FLC  
Ron Cohen, Plan Attorney

3. **ELECTION OF ACTIVE MEMBER**

*A motion was made by Trustee DeFillipo and Seconded by Trustee Smith approve Gregory Williams as the Active Member of the Board of Trustees. The motion passed unanimously.*

4. **ELECTION OF RETIREE MEMBER**

*A motion was made by Trustee DeFillipo and Seconded by Trustee Smith approve Dale Lee as the Retiree Member of the Board of Trustees. The motion passed unanimously.*

*Trustee Gregory Williams and Trustee Dale Lee were sworn in and joined the Board.*

5. **ELECTION OF SECRETARY**

*A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to appoint Trustee Williams as Secretary. The motion passed unanimously.*

6. **APPROVAL OF MINUTES**

Members reviewed the minutes from the July 10, 2017 meeting.

*A motion was made by Trustee Smith and Seconded by Trustee DeFillipo to approve the minutes as presented. The motion passed unanimously.*

7. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to ratify the invoices for payment. The motion passed unanimously.*

8. **RATIFICATION OF NEW RETIREE BENEFIT PAYMENT & LUMP SUM PAYMENTS**

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
TUESDAY, NOVEMBER 7, 2017**

---

Mr. Blomeley provided the Trustees a list of lump sum payments.

***A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to approve the lump sum payments. The motion passed unanimously.***

**9. INVESTMENT PERFORMANCE – Quarter Ended: JUNE 30, 2017**

Mr. Blomeley provided a review of the investment performance through June 30, 2017. For the quarter, the investment return was 3.56%, the fiscal year to date return was 11.06%, the three-year return was 6.32% and the five-year return was 9.68%.

**10. NEW FUNDS – CORE REAL ESTATE & EMERGING MARKET EQUITIES**

Mr. Blomeley provided an overview of the new funds added to the fund.

**11. APPROVAL OF REVISED SUMMARY PLAN DESCRIPTION**

***A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to approve the revised Summary Plan Description. The motion passed unanimously.***

**12. REPORTS**

- a. Attorney – Mr. Cohen spoke on the role of being a trustee in a public pension plan. He spoke of the trustees' fiduciary duty. Mr. Cohen mentioned there was a lawsuit by a former City Manager against the City and Pension Board. He would provide an update at the December pension board meeting.
- b. Chairman – There were no further comments.
- c. Secretary – There were no further comments.
- d. Administrator – Mr. Blomeley mentioned we would need another online approver. Trustee Williams agreed to be the additional approver. Mr. Blomeley also mentioned the possibility of having a member meeting for active members in the plan to go over the pension plan. Trustees discussed this and decided to have the member meeting immediately following the December pension board meeting. He also requested approval to have the 2017 actuarial valuation prepared.

***A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to approve to have the 2017 actuarial valuation prepared. The motion passed unanimously.***

**13. 2017 MEETINGS – DECEMBER 7 AT 9:00 A.M.**

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
TUESDAY, NOVEMBER 7, 2017**


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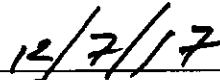
**14. PUBLIC COMMENTS**

There were no public comments.

**15. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:35 a.m.

  
\_\_\_\_\_  
~~Chair~~ Secretary

  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 8, 2018**

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1. **CALL TO ORDER:** The meeting was called to order at 10:33 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Candido Sosa-Cruz  
Secretary Gregory Williams  
Trustee Anthony DeFillipo  
Trustee Dale Lee  
Trustee Jose Smith

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 7, 2017 meeting.

*A motion was made by Trustee Smith and Seconded by Trustee DeFillipo to approve the minutes as presented. The motion passed unanimously.*

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to ratify the invoices for payment. The motion passed unanimously.*

5. **INVESTMENT PERFORMANCE – Quarter Ended: DECEMBER 31, 2017**

Mr. Langley provided a review of the investment performance through December 31, 2017. For the quarter, the investment return was 4.29%, the three-year return was 8.17% and the five-year return was 10.15%.

Mr. Langley stated there would be a shift to 50/50 in the fixed income if this was approved by the FMPTF Board of Trustees at their meeting the following week.

Trustee Smith stated he would like to see what was in the Diversified Large Cap fund. Mr. Langley stated he would provide this at the next meeting.

6. **REPORTS**

a. Attorney – Mr. Chudachek stated there was nothing new to report on the Bonner lawsuit and it is still pending. He stated there was an inquiry as to whether a retiree could name an irrevocable trust as a beneficiary to be paid

**DRAFT**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
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**BOARD OF TRUSTEES MEETING**  
**THURSDAY, MARCH 8, 2018**

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upon her death. He stated his office was still looking into this. He then provided a legislative update. There is a bill that has been introduced, SB980 and, if it passes there will be several new reporting requirements and changes. One significant change would be that the plan actuary would now be required to recommend to the Board what the assumed rate of return should be and if the Board doesn't adopt the Actuary's recommendation then the Board will be required to issue a written report to the State explaining why they are using a different assumed rate of return from the Actuary's recommendation.

Trustee Smith spoke on the Bonner lawsuit and felt the pension board would have no exposure.

- b. Chairman – There were no further comments.
- c. Secretary – There were no further comments.
- d. Administrator – There were no further comments.

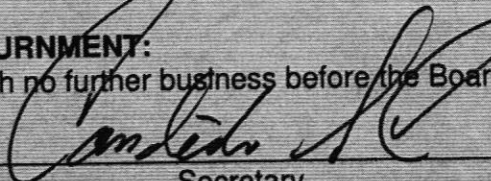
7. **2018 MEETINGS** –JUNE 7, SEPTEMBER 6 & DECEMBER 6 AT 10:30 A.M.

8. **PUBLIC COMMENTS**

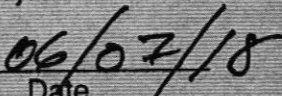
There were no public comments.

9. **ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:54 a.m.

  
Secretary

Chair

  
Date



**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, JUNE 7, 2018**

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1. **CALL TO ORDER:** The meeting was called to order at 10:37 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Candido Sosa-Cruz  
Trustee Anthony DeFillipo  
Trustee Dale Lee  
Trustee Jose Smith

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney  
Chuck Carr, Plan Actuary (by telephone)

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the March 8, 2018 meeting.

***A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to approve the minutes as presented. The motion passed unanimously.***

Trustee Smith stated he wanted to receive the documents he requested from the prior meeting regarding the large equity fund holdings. Mr. Langley stated he has that information and would forward it to the Board.

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to ratify the invoices for payment. The motion passed unanimously.***

5. **INVESTMENT PERFORMANCE – Quarter Ended: MARCH 31, 2018**

Mr. Langley provided an update on the change to the investment policy regarding the change in fixed income to a 50/50 split. The other change was allowing for a 10% variance. He also mentioned the Core Real Estate fund had been funded 25 million and the remaining 75 million should be funded by the end of June.

Mr. Langley provided a review of the investment performance through March 31, 2018. For the quarter, the investment return was (0.18)%, the fiscal year to date return was 4.10%, the three-year return was 7.18% and the five-year return was 8.65%.

6. **NEW BUSINESS**

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, JUNE 7, 2018**

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**a. Discussion and approval of 2017 actuarial valuation**

Mr. Carr was called in to the meeting and provided an overview of the report.

***A motion was made by Trustee DeFillipo and Seconded by Trustee Smith to approve the 2017 actuarial valuation. The motion passed unanimously.***

**b. Discussion of a “Trust” as a beneficiary**

Mr. Chudachek provided an overview of a retiree who was requesting her retirement benefit be switched to her Trust as the beneficiary. Mr. Chudachek’s office reviewed the Trust and they had concerns as the beneficiaries of the Trust were her children and her current joint annuitant was her husband. His office did not have an answer at this time due to their discussion with the retiree’s attorney regarding the Trust, but they do have concerns regarding the way the Trust is currently set up.

Trustee Smith spoke of his concerns of putting the pension Board in jeopardy by allowing the Trust to be the beneficiary and directed that Mr. Chudachek inform the attorney for the retiree that the Trust as it is currently set up is not acceptable.

Mr. Chudachek stated he would go back to the retiree’s attorney and state that the Board was not accepting of the way the Trust was currently set up and report back to the Board at the next meeting with an update.

**7. REPORTS**

- a. Attorney – There were no further comments.
- b. Chairman – There were no further comments.
- c. Secretary – There were no further comments.
- d. Administrator – There were no further comments.

**8. 2018 MEETINGS –SEPTEMBER 6 & DECEMBER 6 AT 10:30 A.M.**

**9. PUBLIC COMMENTS**

There were no public comments.

**10. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:17 a.m.

*Gregory Williams*  
Secretary

9/21/2018  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, SEPTEMBER 6, 2018**

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1. **CALL TO ORDER:** The meeting was called to order at 10:43 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Candido Sosa-Cruz  
Secretary Gregory Williams (*left at 10:55 a.m.*)  
Trustee Sarah Johnston  
Trustee Dale Lee

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the June 7, 2018 meeting.

*A motion was made by Trustee Lee and Seconded by Secretary Williams to approve the minutes as presented. The motion passed unanimously.*

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee Johnston and Seconded by Secretary Williams to ratify the invoices for payment. The motion passed unanimously.*

*A motion was made by Trustee Johnston and Seconded by Trustee Lee to move agenda item 6a to the next item. The motion passed unanimously.*

5. **INVESTMENT PERFORMANCE – Quarter Ended: JUNE 30, 2018**

Mr. Langley provided an update on the Core Real Estate fund that it was now 100% funded. He also mentioned the fixed income was now 50% Broad Market and 50% Core Plus.

Mr. Langley provided a review of the investment performance through June 30, 2018. For the quarter, the investment return was 0.82%, the fiscal year to date return was 4.95%, the three-year return was 7.40%, the five-year return was 8.64% and the ten-year return was 7.31%.

6. **NEW BUSINESS**

a. **Member Trust as Beneficiary Request**

**FINAL  
MINUTES  
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EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, SEPTEMBER 6, 2018**

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***(This item was moved directly after item 4)***

Mr. Chudachek introduced Ms. Bensinger and her request to the Board. She was requesting to name a Trust as beneficiary.

Ms. Bensinger spoke on her request. Her husband has Alzheimer's and is not able to handle his own affairs. If she were to predecease him, she wanted to make sure the joint and survivor benefit that she selected would provide for him. She proposed a Trust to receive the benefit and her son Menachem would be the Trustee. Her husband would be the sole beneficiary and her son would not be able to change that. She stated there would be no additional cost to the Plan for naming the Trust as the beneficiary. The calculation was based on her husband's age so the payment amount would not change either, because it's still based upon his life expectancy and contingent upon her predeceasing him and payments would cease upon his death if he was receiving any.

Mr. Chudachek spoke about the Trust and stated based upon the information he has there would be no additional cost to the Plan were the Board to grant her request. His office went through the Plan documents extensively and had several communications with Ms. Bensinger's trust attorney. His office's position is that the Board was well within their authority to allow the request to go through as stated by Ms. Bensinger, or could deny it based upon the language of the Plan documents. He stated it's their job to interpret and administer the provisions of the Plan and that it's their firm's opinion that an interpretation can be made should they so choose to grant her request. The benefit would cease upon Ms. Bensinger's husband's death if he were to receive a benefit.

***A motion was made by Trustee Johnston and Seconded by Trustee Lee to grant Ms. Bensinger's request to approve the Trust as beneficiary contingent on the Plan Attorney reviewing the terms of the Trust once finalized by Ms. Bensinger's attorney and furnished to the Plan Attorney. The motion passed unanimously.***

## **7. REPORTS**

- a. Attorney – There were no further comments.
- b. Chairman – There were no further comments.
- c. Secretary – There were no further comments.

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
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d. Administrator – There were no further comments.

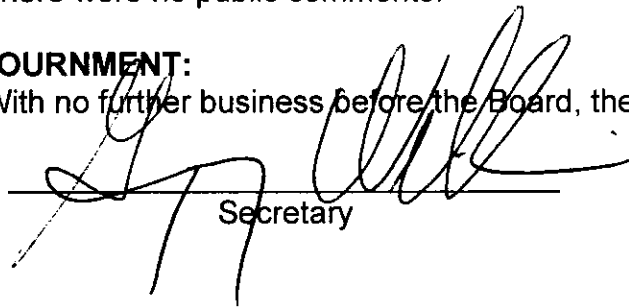
8. **2018 MEETINGS** –DECEMBER 6 AT 10:30 A.M.

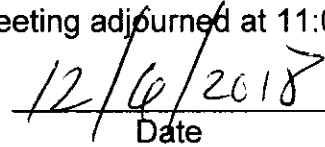
9. **PUBLIC COMMENTS**

There were no public comments.

10. **ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:04 a.m.

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, DECEMBER 6, 2018**

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1. **CALL TO ORDER:** The meeting was called to order at 10:35 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Candido Sosa-Cruz  
Secretary Gregory Williams  
Trustee Sarah Johnston

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Laura Underhill, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 6, 2018 meeting.

***A motion was made by Trustee Johnston and Seconded by Secretary Williams to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Johnston and Seconded by Secretary Williams to ratify the invoices for payment. The motion passed unanimously.***

5. **INVESTMENT PERFORMANCE – Quarter Ended: SEPTEMBER 30, 2018**

Mr. Langley provided a review of the investment performance through September 30, 2018. For the quarter ending September 30, 2018, the investment return was 3.77%, the fiscal year ending September 30, 2018 return was 8.91%, the three-year return was 10.81%, the five-year return was 8.41% and the ten-year return was 8.55%.

6. **REPORTS**

- a. Attorney – Mr. Chudachek spoke about the retiree, Ms. Bensinger, who was discussed at the last meeting regarding her Trust as her beneficiary. He had not yet received a copy of the Trust from her attorney to be reviewed.
- b. Chairman – There were no further comments.
- c. Secretary – There were no further comments.

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, DECEMBER 6, 2018**

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d. Administrator – There were no further comments.

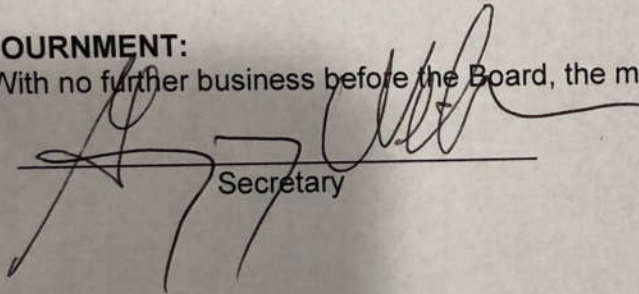
- 7. 2019 MEETINGS –** Meeting dates were presented:  
Thursday, March 7 at 10:30 a.m.  
Thursday, June 6 at 10:30 a.m.  
Thursday, September 12 at 10:30 a.m.  
Thursday, December 5 at 10:30 a.m.

**8. PUBLIC COMMENTS**

There were no public comments.

**9. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:51 a.m.

  
\_\_\_\_\_  
Secretary

3/8/2019  
Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, MARCH 7, 2019**

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1. **CALL TO ORDER:** The meeting was called to order at 10:09 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Secretary Gregory Williams  
Trustee Anthony DeFillipo  
Trustee Judeen Johnson  
Trustee Sarah Johnston

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney

**Election of New Chairperson**

*A motion was made by Trustee Johnston and Seconded by Secretary Williams to nominate Anthony DeFillipo as Chairperson. The motion passed unanimously.*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 6, 2018 meeting.

*A motion was made by Trustee Johnston and Seconded by Secretary Williams to approve the minutes as presented. The motion passed unanimously.*

4. **APPROVAL OF 2018 ACTUARIAL VALUATION**

Mr. Chuck Carr was called into the meeting by telephone. Mr. Carr provided an overview of the 2018 actuarial valuation.

*A motion was made by Trustee Johnston and Seconded by Chairman DeFillipo to approve the 2018 actuarial valuation. The motion passed unanimously.*

5. **DECLARATION OF PLAN RETURN**

*A motion was made by Trustee Johnston and Seconded by Trustee Johnson to set the annual rate of return at 7.5%. The motion passed unanimously.*

6. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee Johnston and Seconded by Chairman DeFillipo to ratify the invoices for payment. The motion passed unanimously.*



**FINAL**  
**MINUTES**

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 7, 2019**

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Mr. Langley discussed the need for a new invoice approver as Candido Sosa-Cruz was the prior approver of invoice payments.

*A motion was made by Trustee Johnson and Seconded by Chairman DeFillipo to nominate Trustee Johnston to approve invoice payments. The motion passed unanimously.*

**7. INVESTMENT PERFORMANCE – Quarter Ended: DECEMBER 31, 2018**

Mr. Langley provided a review of the investment performance through December 31, 2018. For the quarter ending December 31, 2018, the investment return was (9.38)%, the three-year return was 6.05%, the five-year return was 4.98% and the ten-year return was 8.96%.

**8. REPORTS**

a. Attorney:

a. Report on Bonner litigation

Mr. Chudachek provided an update on the Bonner litigation. He stated his office would most likely be filing a motion to dismiss in the near future as it's their desire to get this matter resolved and the Board dismissed from the case. His office will provide updates moving forward .

b. Update on Trust for Miriam Bensinger

Mr. Chudachek provided an overview to the new trustee Johnson regarding this matter and updated the Board as to the status. The trust document prepared by Ms. Bensinger's attorney was reviewed by legal and met their approval regarding the Sub-Trust related to Mr. Bensinger. As such, Ms. Bensinger would now need to complete a new beneficiary designation for the Trust and fill out any other required documents by the Plan Administrator in order to put the new designation in place and make it effective.

b. Chairman – Chairman DeFillipo thanked board members for their service.

c. Secretary – Secretary Williams was optimistic about the board.

d. Administrator – Mr. Langley asked Trustees if they be interested in meeting at an earlier time. Trustees discussed this and chose to change the meeting time to 10:00 a.m.

**9. 2019 MEETINGS** – June 6 and September 12 at 10:00 a.m. & December 3 at 12:00 p.m.

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, MARCH 7, 2019**

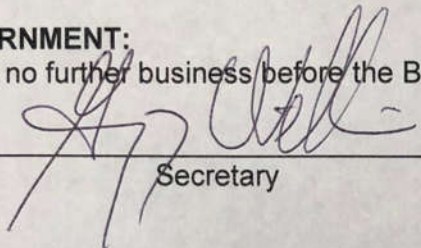
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**10. PUBLIC COMMENTS**

There were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:52 a.m.

  
\_\_\_\_\_  
Secretary

9/18/2019  
\_\_\_\_\_  
Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**WEDNESDAY, SEPTEMBER 18, 2019**

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1. **CALL TO ORDER:** The meeting was called to order at 10:32 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Anthony DeFillipo  
Secretary Gregory Williams  
Trustee Judeen Johnson  
Trustee Sarah Johnston

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the March 7, 2019 meeting.

*A motion was made by Trustee Johnston and Seconded by Chairman DeFillipo to approve the minutes as presented. The motion passed unanimously.*

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee Johnston and Seconded by Chairman DeFillipo to ratify the invoices for payment. The motion passed unanimously.*

5. **RATIFICATION OF BENEFICIARY BENEFIT & LUMP SUM PAYMENT**

Members reviewed the list of benefits paid.

*A motion was made by Trustee Johnston and Seconded by Chairman DeFillipo to approve beneficiary benefit and lumpsum payment. The motion passed unanimously.*

6. **INVESTMENT PERFORMANCE – Quarter Ended: JUNE 30, 2019**

Mr. Langley provided a review of the investment performance through June 30, 2019. For the quarter ending June 30, 2019, the investment return was 4.46%, the fiscal year to date return was 4.78%, three-year return was 10.47%, the five-year return was 7.26% and the ten-year return was 10.18%.

7. **VACANCY OF RETIREE SEAT & UPCOMING EXPIRATION OF ACTIVE MEMBER TERM**

Mr. Chudachek provided an overview of the expiration of the active member's term and the vacancy of the retiree member.

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**WEDNESDAY, SEPTEMBER 18, 2019**

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Chairman DeFillipo nominated Gregory Williams as the active member on the Board. Secretary Williams accepted the nomination.

*A motion was made by Trustee Johnston and Seconded by Trustee Johnson to reelect Gregory Williams as the active member on the Board. The motion passed unanimously.*

Mr. Chudachek asked Mr. Langley how the retiree position was chosen in the past.

This was discussed, and the League would send out an email to retirees to see if there is interest and this would be placed on the December agenda.

**8. QUESTION ON RETURN OF EMPLOYEE CONTRIBUTIONS**

Ms. Mashaer Ismail explained her situation. She was a member in the plan and then terminated employment with the City of North Miami Beach. She was then reemployed but at that point was unable to re-enter the Plan as it was now a closed plan. Mr. Chudachek stated she wasn't able to receive her contributions since she was now an active employee with the City of North Miami Beach and the Plan Documents do not allow a distribution to active employees of the City. He informed her that should she terminate her employment from the City at any time either voluntarily or involuntarily then she can request a refund of her contributions plus 3% interest at that time.

**9. REPORTS**

- a. Attorney – No additional comments.
- b. Chairman – No additional comments.
- c. Secretary – No additional comments.
- d. Administrator – No additional comments.

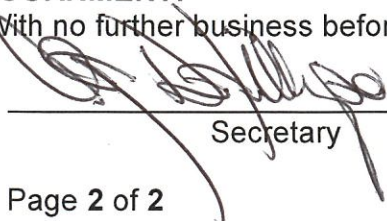
**10. 2019 MEETINGS** –December 3 at 12:00 p.m.

**11. PUBLIC COMMENTS**

There were no public comments.

**12. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:06 a.m.

  
\_\_\_\_\_  
Secretary

2-25-20  
Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**TUESDAY, DECEMBER 3, 2019**

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1. **CALL TO ORDER:** The meeting was called to order at 1:06 p.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Anthony DeFillipo  
Trustee Judeen Johnson  
Trustee Sarah Johnston

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Laura Underhill, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **ELECTION OF TRUSTEE**

Mr. Kenneth Imrisek was presented as the retiree trustee candidate.

***A motion was made by Trustee Johnson and Seconded by Trustee Johnston to approve the election of Kenneth Imrisek to the retiree position on the board. The motion passed unanimously.***

*Mr. Imrisek was sworn in prior the meeting.*

4. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 18, 2019 meeting.

***A motion was made by Trustee Johnson and Seconded by Trustee Johnston to approve the minutes as presented. The motion passed unanimously.***

5. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Johnston and Seconded by Trustee Johnson to ratify the invoices for payment. The motion passed unanimously.***

6. **RATIFICATION OF LUMP SUM PAYMENT**

Members reviewed the list of benefits paid.

***A motion was made by Trustee Johnston and Seconded by Trustee Johnson to approve the lumpsum payment. The motion passed unanimously.***

7. **DISCUSSION OF INTEREST PAID**



**FINAL**  
**MINUTES**

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
TUESDAY, DECEMBER 3, 2019**

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Ms. Underhill provided an overview of the interest paid to a terminated employee, Ms. Pamela Luckie-Latimore, and whether she should receive additional interest. She was paid interest through her “opt out” date in the plan, but not through her final termination date with the City. Mr. Chudachek provided an explanation of the plan and recommended to the Board that pursuant to the language in the Adoption Agreement regarding payment of interest in this situation, that the interest be paid through her termination date with the City.

***A motion was made by Trustee Johnston and Seconded by Chairman DeFillipo to approve payment of interest to Ms. Luckie-Latimore through her termination date with the City. The motion passed unanimously.***

**8. INVESTMENT PERFORMANCE – Quarter Ended: SEPTEMBER 30, 2019**

Mr. Langley provided a review of the investment performance through September 30, 2019. For the quarter ending September 30, 2019, the investment return was 0.67%, the fiscal year to date return was 5.49%, three-year return was 9.72%, the five-year return was 7.56% and the ten-year return was 9.08%.

**9. REPORTS**

- a. Attorney – Mr. Chudachek provided an update on the Bonner litigation. His office had filed a motion to dismiss on behalf of the board and the City also had a Motion to Dismiss pending. The motions were going to be heard at an upcoming hearing, but it appears that each side reached a stipulated agreement that would forego the necessity of having a hearing on the motions to dismiss. This all just happened this morning prior to and during this meeting. He should be able report at the next meeting how these events played out. He mentioned his office had handled this litigation and asked what the best way would be to request payment for their legal fees. Chairman DeFillipo requested him to get in contact with the City Attorney.
- b. Chairman – Chairman DeFillipo congratulated Mr. Imrisek. He mentioned Secretary Williams was on vacation.
- c. Secretary – No additional comments.
- d. Administrator – Mr. Langley spoke to Mr. Imrisek about the League and what they provide as the Administrator. He also mentioned there would be an investment presentation on January 23<sup>rd</sup> with their consultant to talk about asset allocation.

**10.2020 PROPOSED MEETING DATES –**

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**TUESDAY, DECEMBER 3, 2019**

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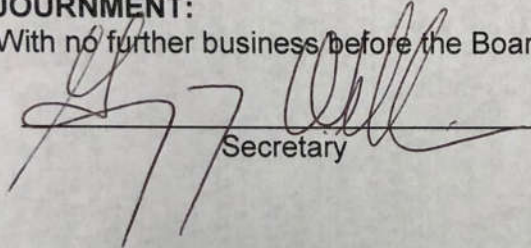
March 5<sup>th</sup> 10:00 a.m.  
June 4<sup>th</sup> 10:00 a.m.  
September 3<sup>rd</sup> 10:00 a.m.  
December 3<sup>rd</sup> 10:00 a.m.

**11. PUBLIC COMMENTS**

There were no public comments.

**12. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 1:42 p.m.

  
\_\_\_\_\_  
Secretary

3/5/2020  
Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, MARCH 5, 2020**

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1. **CALL TO ORDER:** The meeting was called to order at 10:07 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Anthony DeFillipo  
Secretary Gregory Williams  
Trustee Ken Imrisek  
Trustee Judeen Johnson  
Trustee Sarah Johnston

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 3, 2019 meeting.

*A motion was made by Trustee Johnston and Seconded by Trustee Johnson to approve the minutes as presented. The motion passed unanimously.*

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee Johnston and Seconded by Trustee Johnson to ratify the invoices for payment. The motion passed unanimously.*

5. **RATIFICATION OF LUMP SUM PAYMENT**

Members reviewed the list of benefits paid.

*A motion was made by Trustee Johnston and Seconded by Chairman DeFillipo to approve the lumpsum payment. The motion passed unanimously.*

6. **INVESTMENT PERFORMANCE – Quarter Ended: DECEMBER 31, 2019**

Mr. Langley provided a review of the investment performance through December 31, 2019. For the quarter ending December 31, 2019, the investment return was 5.87%, the three-year return was 11.11%, the five-year return was 8.10% and the ten-year return was 9.33%.

Mr. Langley spoke of the volatility in the current market due to the coronavirus and the upcoming presidential election.



**FINAL**  
**MINUTES**

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 5, 2020**

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**7. 2019 ACTUARIAL VALUATION**

Mr. Langley stated the Actuary was not available to provide an overview but that he could provide an overview of the valuation with Trustees, or they could move this agenda item to the next meeting. Trustees agreed they would like to hear a brief overview. Mr. Langley stated there was a drop in the employer contribution rate. Mr. Chudachek recommended Trustees table the approval of the actuarial valuation until they receive a full presentation from the Actuary at their next meeting.

***A motion was made by Trustee Johnston and Seconded by Trustee Johnson to table approval of the 2019 actuarial valuation to the June meeting. The motion passed unanimously.***

**8. SET ANNUAL RATE OF RETURN**

Mr. Langley stated this item should be tabled as well to be approved in conjunction with the actuarial valuation.

***A motion was made by Trustee Johnston and Seconded by Trustee Johnson to table the approval of the annual rate of return. The motion passed unanimously.***

**9. REPORTS**

a. Attorney

a. Update on Bonner Litigation

Mr. Chudachek stated the Board was dismissed from the lawsuit without prejudice and does not believe at this point that the Board will be re-joined based upon their conversations with Mr. Bonner's counsel. Mr. Chudachek explained that it's always been our position that the Board never should have been named as a Defendant in the lawsuit from the beginning and he thinks Bonner's attorney finally now understands that and why.

b. Chairman – No additional comments.

c. Secretary – No additional comments.

d. Administrator

Trustee Johnston stated Trustees would need to appoint someone to approve payments from the pension fund as her last day with the City would be March 18<sup>th</sup>. The City had hired a law firm to act as the City Attorney.

***A motion was made by Trustee Johnston and Seconded by Trustee Johnson to designate Secretary Greg Williams as the Trustee to handle payments from the pension fund. The motion passed unanimously.***

**FINAL**  
**MINUTES**

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 5, 2020**

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**10. 2020 MEETINGS** – June 4, September 3 & December 3 at 10 a.m.

Mr. Langley stated the June and December dates conflicted with Mayor DeFillipo's FMIvT trustee meeting dates. Trustees discussed this and decided they would keep the dates as is for other Trustees to attend.

**11. PUBLIC COMMENTS**

There were no public comments.

**12. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:46 a.m.

Gregory Williams  
Secretary

06/11/2020

Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, JUNE 4, 2020**  
***VIRTUAL MEETING via Microsoft Teams***

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1. **CALL TO ORDER:** The meeting was called to order at 10:10 a.m. virtually via Microsoft Teams.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Anthony DeFillipo  
Secretary Gregory Williams  
Trustee Judeen Johnson

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney  
Ronald Cohen, Plan Attorney  
Laura Underhill, Administrator FLC  
Chuck Carr, Plan Actuary

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the March 5, 2020 meeting.

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Secretary Williams and Seconded by Chairman DeFillipo to ratify the invoices for payment. The motion passed unanimously.***

5. **INVESTMENT PERFORMANCE – Quarter Ended: MARCH 31, 2020**

Mr. Langley provided a review of the investment performance March 31, 2020. For the quarter ending March 31, 2020, the investment return was (17.74)%, the fiscal year to date return was (12.91)%; the three-year return was 2.36%, the five-year return was 3.42% and the ten-year return was 6.76%.

Mr. Langley spoke of the change in the market since March 31, 2020. April and May were both positive months.

6. **2019 ACTUARIAL VALUATION**

*This item was taken out of order, immediately following the approval of minutes.*

**FINAL**  
**MINUTES**

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, JUNE 4, 2020  
*VIRTUAL MEETING via Microsoft Teams***

---

Mr. Carr provided an overview of the 2019 actuarial valuation. He spoke of the change in the mortality tables for the next valuation due to the FRS changing to the Pub 2010 tables. This change will be required for the 2021 valuation, but he recommended moving to this table for the 2020 valuation and will do so unless there was an objection.

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to approve the 2019 actuarial valuation. The motion passed unanimously.***

**7. SET ANNUAL RATE OF RETURN**

Mr. Langley stated trustees needed to set their annual rate of return.

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to set the annual rate of return at 7.5%. The motion passed unanimously.***

**8. REPORTS**

a. Attorney

Mr. Chudachek spoke about the new city attorney and that the city attorney holds a position on the Board per the City Ordinance. He stated he would reach out to the new city attorney, Dan Enos, and inform him that per the Ordinance the city attorney holds a seat on this Board of Trustees. He stated that he would check to see if the city attorney plans to sit on the Board or if he would prefer to take a different route regarding possibly changing the Ordinance. Chair DeFillipo stated he would reach out to the city attorney as well.

b. Chairman – Chair DeFillipo stated he was pleased with everything during these uncertain times.

c. Secretary – No additional comments.

d. Administrator – No additional comments.

**9. 2020 MEETINGS – September 3 & December 3 at 10 a.m.**

Mr. Langley stated his office would be in touch regarding whether they would meet in person or virtually.

**10. PUBLIC COMMENTS**

The Chair asked multiple times and gave the public an opportunity to speak and address the Board and there were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:50 a.m.

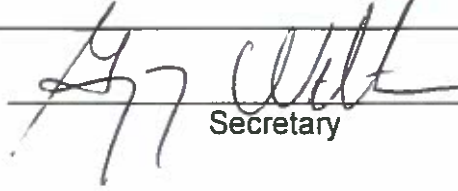
**DRAFT**

**MINUTES**

**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, JUNE 4, 2020**

***VIRTUAL MEETING via Microsoft Teams***

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Secretary

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9/3/2020  
Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, SEPTEMBER 3, 2020**  
***VIRTUAL MEETING via Zoom***

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1. **CALL TO ORDER:** The meeting was called to order at 10:02 a.m. virtually via Zoom.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Anthony DeFillipo  
Secretary Gregory Williams  
Trustee Daniel Espino  
Trustee Judeen Johnson

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney  
Ronald Cohen, Plan Attorney  
Laura Underhill, Administrator FLC

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the June 4, 2020 meeting.

***A motion was made by Trustee Johnson and Seconded by Chairman DeFillipo to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Espino and Seconded by Chairman DeFillipo to ratify the invoices for payment. The motion passed unanimously.***

5. **INVESTMENT PERFORMANCE – Quarter Ended: JUNE 30, 2020**

Mr. Langley provided a review of the investment performance June 30, 2020. For the quarter ending June 30, 2020, the investment return was 15.44%, the fiscal year to date return was 0.53%; the three-year return was 6.13%, the five-year return was 6.39% and the ten-year return was 9.08%.

6. **AMENDED FMPTF PLAN DOCUMENT**

Mr. Langley stated the plan document had been amended to change the minimum required distribution age from age 70 ½ to age 72.

7. **FIDUCIARY LIABILITY INSURANCE POLICY**

Ms. Underhill stated the policy had been renewed so the policy was being provided to Trustees for their records.



**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, SEPTEMBER 3, 2020**  
**VIRTUAL MEETING via Zoom**

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**8. REPORTS**

a. Attorney

Mr. Chudachek stated that virtual meetings were currently allowed through September 30, 2020 by Executive Order 20-193. He stated that the Board would most likely be required to meet in person for the December meeting unless the Governor extended the ability to meet virtually through the remainder of the year. His office was monitoring this situation and would keep everyone informed. He welcomed Trustee Daniel Espino.

b. Chairman – Chairman DeFillipo stated he was happy to see the investments improving. He thanked Trustees and welcomed Trustee Daniel Espino.

c. Secretary – Trustee Williams stated he felt good about the positive investments.

d. Administrator – Ms. Underhill asked Trustee Daniel Espino if he had been sworn in yet and he replied he had not. Trustee Espino stated he would be meeting with the City Clerk and could take care of it at that time.

Chairman DeFillipo requested Trustee Espino to send an email to Ms. Underhill once it has been done so that it was on the record.

*Note: Trustee Espino was sworn in immediately following the meeting.*

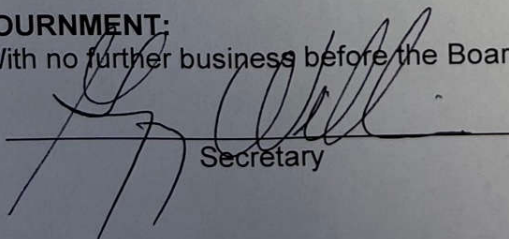
**9. 2020 MEETINGS** – December 3 at 10 a.m.

**10. PUBLIC COMMENTS**

There were no public comments.

**11. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:35 a.m.

  
\_\_\_\_\_  
Secretary

12/03/2020  
Date

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, DECEMBER 3, 2020**

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1. **CALL TO ORDER:** The meeting was called to order at 10:11 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Anthony DeFillipo  
Secretary Gregory Williams  
Trustee Daniel Espino

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney, *by telephone*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 3, 2020 meeting.

***A motion was made by Trustee Espino and Seconded by Chairman DeFillipo to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Espino and Seconded by Secretary Williams to ratify the invoices for payment. The motion passed unanimously.***

5. **INVESTMENT PERFORMANCE – Quarter Ended: SEPTEMBER 30, 2020**

Mr. Langley provided a review of the investment performance September 30, 2020. For the quarter ending September 30, 2020, the investment return was 6.52%, the fiscal year to date return was 7.08%; the three-year return was 7.15%, the five-year return was 8.98% and the ten-year return was 8.82%.

6. **REPORTS**

a. Attorney

Mr. Chudachek stated Governor's executive order 20-69 expired and wasn't extended, and his office didn't expect this to change.

b. Chairman – Chairman DeFillipo spoke about being cautious while meeting in person.

c. Secretary – Trustee Williams stated everything was going well and he was keeping up with paying the pension plan bills.



**FINAL**  
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d. Administrator – No additional comments.

**7. 2021 PROPOSED MEETING DATES:**

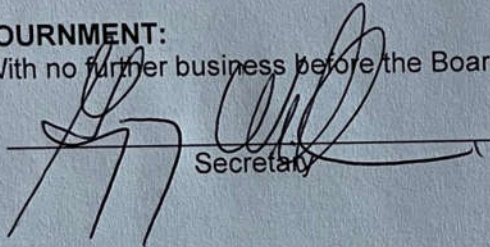
March 4 at 10:00 a.m.  
June 3 at 10:00 a.m.  
September 9 at 10:00 a.m.  
December 9 at 10:00 a.m.

**8. PUBLIC COMMENTS**

There were no public comments.

**9. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:29 a.m.

  
\_\_\_\_\_  
Secretary

3/4/2021  
Date

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MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, MARCH 4, 2021**

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1. **CALL TO ORDER:** The meeting was called to order at 10:10 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman Anthony DeFillipo  
Secretary Gregory Williams  
Trustee Judeen Johnson

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Laura Underhill, Administrator FLC, *by Zoom*  
Brent Chudachek, Plan Attorney, *by Zoom*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 3, 2020 meeting.

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to ratify the invoices for payment. The motion passed unanimously.***

5. **RATIFICATION OF RETIREE BENEFIT PAYMENT**

Members reviewed the new retiree benefit payment.

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to ratify the retiree benefit payment. The motion passed unanimously.***

6. **INVESTMENT PERFORMANCE – Quarter Ended: DECEMBER 31, 2020**

***This item was moved directly after setting the annual rate of return.***

Mr. Langley provided a review of the investment performance December 31, 2020. For the quarter ending December 31, 2020, the investment return was 12.37%, the three-year return was 9.85%, the five-year return was 10.81% and the ten-year return was 9.34%.

7. **REVIEW & APPROVAL OF THE 2020 ACTUARIAL VALUATION**

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Mr. Carr joined the meeting by Zoom. He presented an overview of the valuation. He provided an overview of the changes in the assumptions for the 2020 actuarial valuation. The mortality table had been changed to the PUB-2010.

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to approve the 2020 actuarial valuation. The motion passed unanimously.***

**8. SET ANNUAL RATE OF RETURN**

***A motion was made by Trustee Johnson and Seconded by Secretary Williams to set the annual rate of return at 7.5%. The motion passed unanimously.***

**9. RETIREE POSITION ON THE BOARD**

Mr. Chudachek stated the retiree member on the board had resigned and the Board now needed to appoint a new retiree. He stated Ms. Underhill sent out an email to retirees and received 2 responses, which were included in their agenda packet. He stated the retiree member was to be chosen by the City Manager designee, City Council member and City Attorney. Since the City Attorney member was not in attendance, they wouldn't be able to vote on the retiree member at this time. Chairman DeFillipo stated he would like to have the request sent out again to retirees to provide a fair opportunity and they could appoint the retiree member at the next meeting. Mr. Chudachek stated they could request a bio so that trustees would have something to review. Ms. Underhill stated she could mail out a request to the retirees as well.

**10. REPORTS**

a. Attorney

Mr. Cohen stated his firm combined with another firm. He stated this change would have no effect on their service to the Board. The name of the firm is Lorium.

a. E-Verify

Mr. Chudachek spoke on the E-verify database. The Board would be required to register with E-verify because they were considered a public employer. In order to enter into a new contract, the Board would need to be registered as well as any contractors they work with. He stated he would work with Ms. Underhill to get the Board registered. Mr. Langley stated their concerns with using a Social Security Number of an individual to get registered. There was a discussion of how the process would work and Mr. Chudachek stated he and Ms. Underhill would work on this. Chairman DeFillipo stated Ms. Underhill could contact Secretary Williams for anything she may need in this process.

Mr. Chudachek stated his office was working on an answer to a question from the former City Manager as to whether he could work as a Consultant for the

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City in his current capacity and still begin receiving his retirement benefit. Mr. Chudachek stated that this can be a complex question depending on the circumstances and a thorough review will need to be done. Mr. Chudachek stated he has some reservations as to whether this can be done in light of the Consultant Agreement terms that the former City Manager entered into with the City. Mr. Chudachek was working on this and would be providing answers to the former City Manager.

- b. Chairman – Chairman DeFillipo thanked everyone for their hard work. He then asked about inflation and interest rates. Mr. Langley provided a brief outlook.
- c. Secretary – Secretary Williams stated he appreciated the report from the FMPTF and all trustees.
- d. Administrator – No additional comments.

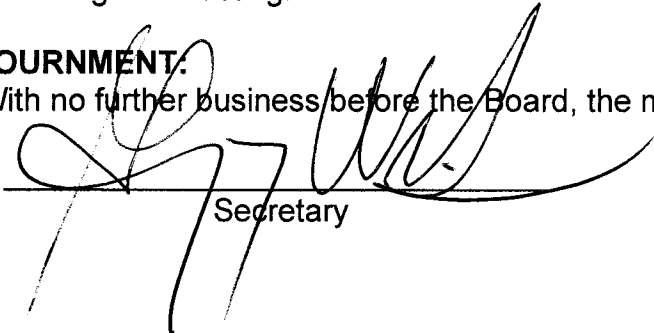
**11. 2021 MEETINGS – June 3, September 9 & December 9 at 10:00 a.m.**

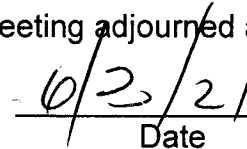
**12. PUBLIC COMMENTS**

Ms. Pamela Ryan, from the City Attorney's law firm, apologized for Mr. Ottinot not attending the meeting.

**13. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:22 a.m.

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Date

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1. **CALL TO ORDER:** The meeting was called to order at 10:07 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Secretary Gregory Williams  
Trustee Judeen Johnson  
Trustee Hans Ottinot

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Laura Underhill, Administrator FLC  
Brent Chudachek, Plan Attorney, *by Zoom*  
Ron Cohen, Plan Attorney, *by Zoom*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the March 4, 2021 meeting.

***A motion was made by Trustee Ottinot and Seconded by Trustee Johnson to approve the minutes as presented. The motion passed unanimously.***

4. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Ottinot and Seconded by Trustee Johnson to ratify the invoices for payment. The motion passed unanimously.***

5. **RATIFICATION OF RETIREE BENEFIT PAYMENT**

Trustee Johnson asked how Mr. Serda had reached retirement age. Ms. Underhill stated he had reached the "Rule of 75" that was in the old plan before the changes were made. This meant his age and years of service totaled "75". Trustee Johnson asked how they could get this provision back in the Plan. Mr. Langley stated the Board could have a cost study prepared by the actuary, and the Board could then make a recommendation to the City Commission to add this provision back to the Plan. The City Commission could then make this change to the Plan.

***A motion was made by Trustee Johnson and Seconded by Trustee Ottinot to have a cost study prepared by the actuary to add the "Rule of 75" provision back to the Plan with the price of the cost study not to exceed \$1,500. The motion passed unanimously.***

Members reviewed the new retiree benefit payment.

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***A motion was made by Secretary Williams and Seconded by Trustee Johnson to ratify the retiree benefit payment. The motion passed unanimously.***

**6. INVESTMENT PERFORMANCE – Quarter Ended: MARCH 31, 2021**

Mr. Langley provided a review of the investment performance March 31, 2021. For the quarter ending March 31, 2021, the investment return was 4.50%, the fiscal year to date return was 17.42%, the three-year return was 11.54%, the five-year return was 11.62% and the ten-year return was 9.38%.

**7. SELECTION OF RETIREE TRUSTEE**

Mr. Chudachek stated that the Commission member, City Manager member and City Attorney member are the Trustees who select the Retiree Member seat and therefore they all need to be present at the meeting in order to select the retiree trustee member per Ord. No. 2018-4. Since Chairman DeFillipo was not present at the member, this item would need to be tabled to the next meeting.

Trustee Johnson asked how the nominees were notified. Ms. Underhill stated she emailed and mailed letters to all retirees. Trustee Johnson also asked why Secretary Williams couldn't vote on the retiree member. Mr. Chudachek stated that Ordinance No. 2018-4 states that the active and retiree members are to be selected by the other 3 non-retiree members on the Board.

***A motion was made by Secretary Williams and Seconded by Trustee Ottinot to table this item to the next meeting. The motion passed unanimously.***

**8. AMENDED FMPTF INVESTMENT POLICY**

Mr. Langley spoke on the changes to the FMPTF Investment Policy due to market conditions. This change was recommended by the consultant.

**9. CHANGE TO CORE PLUS FUND**

Mr. Langley stated the change was made to the Core Plus Fund as he mentioned at the last meeting. Franklin Templeton had been underperforming, so the Board removed Franklin Templeton from the Core Plus Fund, and Pioneer would hold all of the assets.

**10. REPORTS**

a. Attorney

Mr. Cohen discussed the membership on the Board. He stated there was an ordinance that passed in 2018 that he and the Florida League of Cities weren't aware of that allowed the City Attorney to designate someone on the Board in place of them. Therefore, the City Attorney could designate someone else to the Board. He was also asked about dual office holding if there was a



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designation. There was an ex officio exception that when duties of office include sitting on the Board, there would not be dual office. If there was a delegation, then would that be dual office holding? The ex officio exception wouldn't apply to this situation because Ms. Ryan's current employment position as he understands it is not considered to be an office. He stated the view of his firm was that Ms. Ryan would not have dual office holding. He stated that if Ms. Ryan was the City Attorney for another City, then that would be dual office holding. Mr. Ottinot stated that both himself and Ms. Ryan would take on the duty of this Board.

Ms. Ryan thanked Mr. Cohen for his help on this issue. Her office agreed with his opinion. Mr. Langley wanted to clarify whether either Ms. Ryan or Mr. Ottinot could sit on the Board at any time. Mr. Cohen stated Mr. Ottinot could delegate Ms. Ryan to sit on the pension board in his place and could be delegated for each meeting. Mr. Cohen would like to see a memo from Mr. Ottinot where he was delegating Ms. Ryan to sit on a particular meeting for the records. Mr. Langley asked for communication purposes, who would need to receive communication from his office. Mr. Ottinot requested communication sent to his email address as well as to [cityattorney@citynmb.com](mailto:cityattorney@citynmb.com) so that Ms. Ryan could receive the communications as well.

Mr. Chudachek spoke on Mr. Esmond Scott. Mr. Scott was asking about receiving a retirement benefit while being a consultant with the City of North Miami Beach. After researching this topic, Mr. Chudachek stated the plan document specifically forbids an employee who is employed with the city from receiving their retirement benefit while still employed. Therefore, in their opinion based upon the current arrangement between the City and Mr. Scott as well as the plan documents. Mr. Scott would need to wait for his consulting agreement to expire in October of this year before receiving his retirement benefit. Ms. Underhill asked if Mr. Scott would receive retroactive payments back to March 1, 2021 when his benefit starts on November 1<sup>st</sup>. Mr. Chudachek would check on this and would get back to her.

- b. Chairman – Chairman DeFillipo was absent.
- c. Secretary – Secretary Williams thanked the League for managing the fund and thanked Trustee Johnson for bringing up the potential change to the Plan. He noticed his position was up in November. Mr. Chudachek stated his position would be done the same way as the retiree position. Ms. Underhill asked if she needed to send out an email to active participants and Mr. Chudachek stated that she would need to do that to keep it consistent with the way the retiree position was done.

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- d. Administrator – Mr. Langley asked Mr. Chudachek if Ms. Underhill needed to get this done for the next meeting and Mr. Chudachek stated this should be done for the next meeting so that at the December meeting this position would be filled.

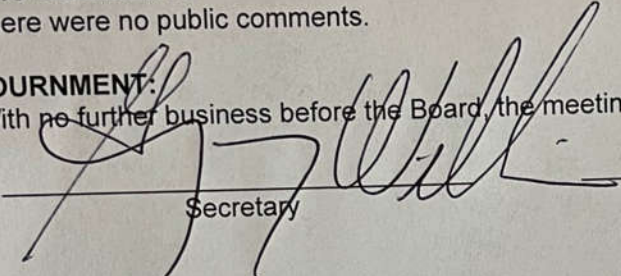
**11. 2021 MEETINGS – September 9 & December 9 at 10:00 a.m.**

**12. PUBLIC COMMENTS**

There were no public comments.

**13. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:48 a.m.

  
\_\_\_\_\_  
Secretary

9/9/2021  
\_\_\_\_\_  
Date



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THURSDAY, DECEMBER 9, 2021**

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1. **CALL TO ORDER:** The meeting was called to order at 10:00 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman DeFillipo  
Trustee Judeen Johnson  
Trustee Hans Ottinot  
Trustee Mac Serda

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Laura Underhill, Administrator FLC, *by Zoom*  
Brent Chudachek, Plan Attorney, *by Zoom*  
Ron Cohen, Plan Attorney, *by Zoom*

Chairman DeFillipo asked for a moment of silence for Secretary Williams' mother who recently passed away.

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 9, 2021 meeting.

***A motion was made by Trustee Serda and Seconded by Chairman DeFillipo to approve the minutes as presented. The motion passed unanimously.***

4. **NEW BUSINESS**

a. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Ottinot and Seconded by Trustee Serda to ratify the invoices for payment. The motion passed unanimously.***

b. **RETIREMENTS & LUMP SUMS FOR APPROVAL**

Trustees reviewed the list of a new retiree.

***A motion was made by Trustee Johnson and Seconded by Trustee Ottinot to ratify the retiree benefit payment. The motion passed unanimously.***

c. **QUARTERLY INVESTMENT RETURNS – 9/30/2021**

Mr. Langley provided a review of the investment performance September 30, 2021. For the quarter ending September 30, 2021, the investment return was (0.95)%, the fiscal year to date return was 22.32%, the three-year return was 11.38%, the five-year return was 11.59% and the ten-year return was 10.98%.

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Mr. Langley then discussed how a lot of Boards were discussing lowering their assumed rate of return. He stated the actuary could run different investment return assumptions for the actuarial valuation.

***A motion was made by Trustee Serda and Seconded by Trustee Johnson to have the actuary look at 2 other assumed rates of return for the actuarial valuation. The motion passed unanimously.***

**d. RETIREE TO ADDRESS THE BOARD – ESMOND SCOTT**

Mr. Scott addressed the Board regarding his retirement benefit. He left the City in February 2021 and he thought his pension benefit would be as of when he left the City as he was no longer an employee making contributions to the pension plan. When he left the City, he chose to receive a regular monthly payment as his severance pay rather than a lumpsum payment through October 31, 2021. He wanted to address the Board of Trustees to get their input on this situation. Trustee Serda asked if Mr. Scott's attorney had spoken to the pension attorney. Mr. Scott responded his attorney had not spoken to the pension attorney. Trustee Ottinot spoke that Mr. Scott's contract as a consultant was through October 31, 2021 and he was paid through that date. Trustee Ottinot stated that Mr. Scott's pension was not discussed in the contract. Mr. Cohen spoke of the IRS implications. He stated a member could receive retirement benefits while still working if the plan specifically allowed for this. This Plan does not allow it; and in fact it specifically prohibits it. He went through the IRS rules. The IRS considers these in-service distributions as a qualification issue. If Mr. Scott received his benefit during his contract, this very well could be viewed as violating the plan document and the IRS code.

Trustee Johnson stated her understanding at the time of Mr. Scott's separation was that he had a choice of a lumpsum or regular payments stretched out. Trustee Ottinot stated this was not accurate. He also stated the pension issue was not brought up at the time of Mr. Scott's contract. Trustee Johnson stated that since the pension issue was not brought up during his contract, it was now up to the Trustees to discuss the pension.

Mr. Cohen went over the language in the agreement for the period of February 23, 2021 through October 31, 2021.

Chairman DeFillipo stated he agreed with Trustee Johnson. He stated that since there was no provision in the contract regarding the pension, then the Board of Trustees would need to make a decision.

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Trustee Serda asked Mr. Scott to coordinate his information with the Pension Attorney so the Pension Attorney could provide guidance to the Board.

Chairman DeFillipo asked Mr. Scott if he could gather everything on his end and bring back to the next meeting. Mr. Scott stated he could do that.

Mr. Cohen asked if his office could consult with a tax attorney. He asked for a budget not to exceed \$5,000 and he would consult with Ice Miller.

***A motion was made by Trustee Serda and Seconded by Trustee Johnson to allow the pension attorney to seek advice from a tax attorney at a cost not to exceed \$5,000. The motion passed unanimously.***

**e. DISCUSSION OF COST STUDY FOR RESTORING PLAN TO PRE 2/1/2013 BENEFITS**

Mr. Langley introduced the cost study prepared by the actuary.

Trustee Johnson wanted to recommend taking this to the next level for consideration.

There was a discussion regarding the changes that were made to the pension plan in 2013.

Trustee Serda spoke of the changes in 2013 that adversely affected the management employees in this plan. He would be in favor of reinstating the plan back to those provisions prior to 2013.

Mr. Chudachek stated this would need to go to the City regarding restoring the plan. They could make a motion to have this moved along to the City Commission for discussion.

Trustee Serda stated they would need a more formal document showing what the plan as now and what would change.

Ms. Fennell, Finance Director, asked for a cost study showing not just what the cost would be for 1 year but over a number of years.

Mr. Langley asked Mr. Cohen if there was any reason that current retirees couldn't be impacted by the change.

Mr. Cohen stated it was entirely up to the City Commission as to who would be impacted by the change.

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Mr. Langley responded to Ms. Fennell that the actuary shows each year in the valuation what the cost would be for that year. He stated that in the cost study, it would only show the cost for one year.

Trustee Johnson asked if the current cost study only included current active members. Mr. Langley stated the current cost study was only for current active employees.

***A motion was made by Trustee Johnson and Seconded by Chairman DeFillipo to have the actuary revise the cost study to show clearly the current provisions of the Plan and the pre 2013 provisions of the Plan and to include all members, including retirees. The motion passed unanimously.***

Mr. Langley asked Ms. Underhill to send the new cost study out to all trustees when it was completed.

**5. REPORTS**

a. Attorney

There were no additional comments.

b. Trustees

There were no additional comments.

c. Plan Administrator

There were no additional comments.

**6. 2022 MEETINGS – March 3, June 9, September 8 & December 8 at 10:00 a.m.**

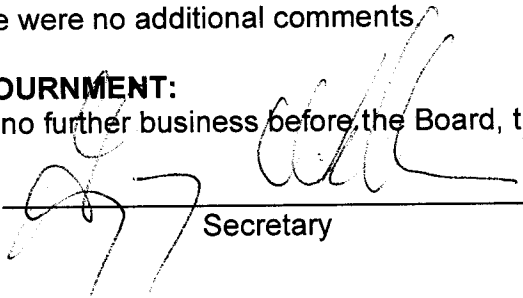
Trustee Johnson requested the March meeting be moved to March 9<sup>th</sup>. Mr. Langley requested to attend this meeting virtually.

**7. PUBLIC COMMENTS**

There were no additional comments.

**8. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:29 a.m.

  
\_\_\_\_\_  
Secretary

6/9/2022  
Date

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THURSDAY, JUNE 9, 2022**

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1. **CALL TO ORDER:** The meeting was called to order at 10:01 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman DeFillipo  
Trustee Agnew Jean-Pierre  
Trustee Hans Ottinot  
Trustee Mac Serda, *arrived at 10:05 a.m.*  
Trustee Gregory Williams

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Laura Underhill, Administrator FLC  
Jessica Johnson, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 9, 2021 meeting.

***A motion was made by Trustee Ottinot and Seconded by Chairman DeFillipo to approve the minutes as presented. The motion passed unanimously.***

4. **NEW BUSINESS**

*This item was moved after item #5*

a. **REVIEW OF ALTERNATIVE ASSUMPTION RATES FOR THE 2021 ACTUARIAL VALUATION**

Mr. Carr joined the meeting by Zoom. He provided an overview of the different assumption rates provided at 7%, 7.25% and 7.5%.

***A motion was made by Trustee Serda and Seconded by Trustee Ottinot to table this until the following meeting. The motion passed unanimously.***

b. **DISCUSSION OF COST STUDY FOR RESTORING THE PLAN TO THE PRE-2/1/2013 BENEFITS**

Mr. Carr provided an overview of the cost to restore the plan to the pre-2/1/2013 benefits for active members. There was a question as to whether these benefits could be restored to retirees and deferred-vested members as well. Mr. Carr was concerned that this may not be legal and recommended they have Mr. Chudachek research to determine whether this could be done.

***A motion was made by Trustee Ottinot and Seconded by Trustee Serda to direct Mr. Chudachek to research whether it would be legal to restore the Plan to the pre-2/1/2013 benefits for retirees and***

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*deferred-vested members. If Mr. Chudachek determines it is legal, then he is to direct Mr. Carr to prepare a cost study to include the retirees and deferred-vested members. The motion passed unanimously.*

**c. RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee Ottinot and Seconded by Trustee Serda to ratify the invoices for payment. The motion passed unanimously.*

**d. RETIREMENTS & LUMP SUMS FOR APPROVAL**

Trustees reviewed the list of a new retiree and lumpsum payments.

*A motion was made by Trustee Serda and Seconded by Secretary Williams to ratify the retiree benefit payment and lumpsum payments. The motion passed unanimously.*

**e. QUARTERLY INVESTMENT RETURNS – 12/31/2021 & 3/31/2022**

Mr. Langley provided a review of the investment performance December 31, 2021. For the quarter ending December 31, 2021, the investment return was 4.96%, the three-year return was 16.97%, the five-year return was 12.24% and the ten-year return was 10.65%.

Mr. Langley provided a review of the investment performance March 31, 2022. For the quarter ending March 31, 2022, the investment return was (5.05)%, the three-year return was 11.14%, the five-year return was 9.96%, the ten-year return was 9.18% and the fiscal year to date return was (0.34)%..

**f. REVIEW AND APPROVAL OF ENGAGEMENT LETTER FOR ICE MILLER**

Trustees reviewed the engagement letter. Mr. Chudachek stated they needed the Chairman's signature on the letter. Chairman DeFillipo stated he had signed the letter.

**g. CONTINUATION OF DISCUSSION WITH RETIREE ESMOND SCOTT**

Mr. Chudachek stated his office consulted with a special tax counsel, Ice Miller. Ice Miller believed Mr. Scott didn't have a bona fide separation of service and therefore his retirement benefit should commence November 1, 2021 instead of March 1, 2021.

Mr. Scott addressed the Board regarding his retirement benefit. He asked if he was able to approach a trustee outside the meeting. Mr. Chudachek said he could speak to any trustee outside the meeting as long as it was 1 trustee. He could not speak to more than 1 trustee at the same time if the discussion is about matters

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which may come before the Board, as that would be in violation of the Sunshine Law.

*A motion was made by Trustee Serda and Seconded by Trustee Ottinot to follow the guidance of their pension attorney, Brent Chudachek, and the consulting tax attorney, Ice Miller, by providing a benefit commencement date of October 1, 2021, which would be the retirement date after his consulting contract ended. The motion passed 4-1, with Chairman DeFillipo opposing.*

Mr. Ottinot spoke on this situation setting an example so there would be more clarity if this type of situation should occur in the future.

**5. REPORTS**

*This item was moved after item #3*

a. Attorney

Mr. Chudachek welcomed Trustee Jean-Pierre to the Board and went over the Sunshine Law. He also spoke on Form 1 and the requirement to complete this form as a new Trustee.

b. Trustees

There were no additional comments.

c. Plan Administrator

- i) Reminder for Trustees to complete Form 1 Statement of Financial Interests which is due July 1, 2022

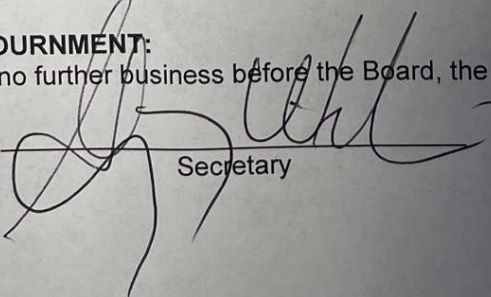
**6. 2022 MEETINGS –September 8 & December 8 at 10:00 a.m.**

**7. PUBLIC COMMENTS**

There were no additional comments.

**8. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 11:35 a.m.

  
Secretary

9/8/2022  
Date



**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, SEPTEMBER 8, 2022**

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1. **CALL TO ORDER:** The meeting was called to order at 10:00 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Secretary Gregory Williams, *chaired the meeting*  
Trustee Hans Ottinot, *left at 11:26 a.m.*  
Trustee Mac Serda

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney  
Ron Cohen, Plan Attorney  
Chuck Carr, Plan Actuary *via Zoom*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the June 9, 2022 meeting.

***A motion was made by Trustee Ottinot and Seconded by Trustee Serda to approve the minutes as presented. The motion passed unanimously.***

4. **NEW BUSINESS**

a. **REVIEW OF ALTERNATIVE ASSUMPTION RATES FOR THE 2021**

**ACTUARIAL VALUATION**

*Moved to immediately following the discussion of retirees being included in change to plan*

Mr. Carr provided an overview of the different assumption rates provided at 7%, 7.25% and 7.5%.

***A motion was made by Trustee Serda and Seconded by Trustee Ottinot to have the 2021 actuarial valuation prepared at the 7.25% assumption rate. The motion passed unanimously.***

b. **CONTINUED DISCUSSION OF CONSIDERATION OF RETIREES BEING INCLUDED IN CHANGE TO PLAN**

*Moved to immediately following the investment report*

Mr. Cohen spoke about an issue of changing pension benefits to pre-2013 levels for those members who have already retired. He stated that for active employees, the benefits could be changed. He cited a provision of FL law, Section 215.425 F.S., stating extra compensation was prohibited; no extra compensation shall be made to employees after services have been rendered. For members already receiving a retirement benefit, their service has already been rendered. This statute prohibits extra compensation, and it appears that an increase in a pension

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**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
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---

benefit to the retirees could more than likely be considered extra compensation. Mr. Cohen stated that due to this opinion, his office did not ask the actuary to prepare a cost study and wanted to bring it to the Board first. Trustee Serda asked if the change could be made for current employees and Mr. Cohen stated it could. Secretary Williams stated the City Commission approved changes to the General Employee Pension Plan making the pension changes only for those employees who were employed with the City of North Miami Beach when the change occurred in 2013. Mr. Carr did a quick estimate of what it would cost to restore the benefits for the one employee who was in the Management Plan when the changes took place in 2013. He stated this change would add between \$175,000 – 200,000 of liability to the plan. There was a discussion of instructing the actuary to prepare the cost study and it was decided that there would need to be another member of the Board in attendance to make that decision as one of the members present at the meeting would be affected by the decision, as he is the current active employee in the plan. It was decided they would have a special meeting after the next City Commission meeting. Mr. Langley was asked to contact the Chairman of the Board, Mayor DeFillipo, and request the Board hold a special meeting for this decision to be made. The city attorney, Trustee Ottinot, would speak to the City Commission at their next meeting regarding this matter and find out what the Commission intends or desires. At the special meeting, Trustees would discuss the draft ordinance to possibly be prepared and make a recommendation to the City Commission after an impact statement was prepared.

**c. RATIFICATION OF INVOICES FOR PAYMENT**

*Moved to immediately following approval of minutes*

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Serda and Seconded by Trustee Ottinot to ratify the invoices for payment. The motion passed unanimously.***

**d. RETIREMENTS & LUMP SUMS FOR APPROVAL**

Trustees reviewed the list of a new retiree.

***A motion was made by Trustee Serda and Seconded by Trustee Ottinot to ratify the retiree benefit payment. The motion passed unanimously.***

**e. QUARTERLY INVESTMENT RETURNS – 6/30/2022**

Mr. Langley provided a review of the investment performance June 30, 2022. For the quarter ending June 30, 2022, the investment return was (9.68)%, the three-year return was 5.88%, the five-year return was 6.99% and the ten-year return was 8.33%.

**5. REPORTS**

**FINAL**  
**MINUTES**  
**RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT**  
**EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH**  
**BOARD OF TRUSTEES MEETING**  
**THURSDAY, SEPTEMBER 8, 2022**

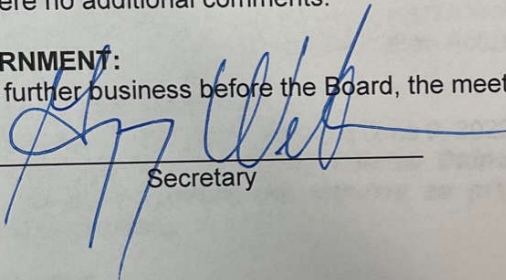
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- a. Attorney  
There were no additional comments.
  
- b. Trustees  
There were no additional comments.
  
- c. Plan Administrator  
There were no additional comments.

**6. 2022 MEETINGS – December 8 at 10:00 a.m.**

- 7. PUBLIC COMMENTS**  
There were no additional comments.

- 8. ADJOURNMENT:**  
With no further business before the Board, the meeting adjourned at 11:27 a.m.

  
\_\_\_\_\_  
Secretary

12/07/2022  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, DECEMBER 8, 2022**

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1. **CALL TO ORDER:** The meeting was called to order at 10:00 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Chairman DeFillipo  
Secretary Gregory Williams  
Trustee Agnew Jean-Pierre  
Trustee Hans Ottinot  
Trustee Mac Serda

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney  
Ron Cohen, Plan Attorney *via telephone*  
Chuck Carr, Plan Actuary *via telephone*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the September 8, 2022 meeting.

*A motion was made by Trustee Serda and Seconded by Trustee Ottinot to approve the minutes as presented. The motion passed unanimously.*

4. **NEW BUSINESS**

a. **REVIEW OF THE 2021 ACTUARIAL VALUATION**

Mr. Carr provided an overview of the 2021 actuarial valuation.

*A motion was made by Trustee Ottinot and Seconded by Chairman DeFillipo to approve the 2021 actuarial valuation as presented. The motion passed unanimously.*

b. **SET ANNUAL RATE OF RETURN**

Mr. Langley stated the Board is required by the State to set the annual rate of return. He stated the valuation was prepared using 7.25%.

*A motion was made by Trustee Serda and Seconded by Chairman DeFillipo to set the annual rate of return at 7.25%. The motion passed unanimously.*

c. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

*A motion was made by Trustee Serda and Seconded by Trustee Ottinot to ratify the invoices for payment. The motion passed unanimously.*

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**d. RETIREMENTS & LUMP SUMS FOR APPROVAL**

There were no new lumpsum or retiree payments this quarter.

**e. QUARTERLY INVESTMENT RETURNS – 9/30/2022**

Mr. Langley provided a review of the investment performance as of September 30, 2022. For the fiscal year, the investment return was (13.98)%; the quarter investment return was (4.43)%, the three-year return was 4.06%, the five-year return was 5.30% and the ten-year return was 7.38%.

**f. APPROVAL OF PROPOSED MEETING DATES FOR 2023**

Proposed meeting dates for 2023 were provided to Trustees.

All meetings at 10:00 a.m.

March 9<sup>th</sup>

June 8<sup>th</sup>

September 7<sup>th</sup>

December 7<sup>th</sup>

***A motion was made by Trustee Serda and Seconded by Trustee Ottinot to approve the proposed meeting dates for 2023. The motion passed unanimously.***

**5. REPORTS**

**a. Attorney**

Mr. Cohen was called via telephone to participate in the meeting. Trustee Ottinot spoke about the City Commission restoring plan benefits to the pre-2013 benefits. Mr. Chudachek spoke on the specifics of benefits to be restored. Mr. Cohen spoke about each benefit that was changed requesting the Board to provide input on which benefits they are requesting the City Commission to restore.

Multiplier - changing back to 3% - *Board requests this change*

Automatic 2.25% COLA - *Board requests this change*

DROP plan – *Board does not request this change*

Purchase of prior service – *Board does not request this change*

Vesting – Board does not request this change

Early retirement reduction rate – Board does not request this change

Normal retirement age change back to 55 – Board requests this change

Base salary compensation – Board does not request this change

Mr. Cohen also requested the Board to approve payment to his office of \$250 per hour to work on the ordinance amendment.



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---

*A motion was made by Trustee Ottinot and Seconded by Chairman DeFillipo to authorize the pension attorneys to rewrite the ordinance as directed as well as authorize the attorney's office to bill separately at a rate of \$250/hr to work on and draft the ordinance amendment, which is outside of their regular contracted monthly fee work. The motion passed unanimously.*

*Trustee Williams abstained from voting on this agenda item. Form 8B would be completed for this.*

Mr. Cohen asked how they should proceed. Trustee Ottinot stated Mr. Cohen's office could work with the City Attorney's office and once a draft is prepared send to him for review. Mr. Cohen stated they would need an actuarial impact statement prepared before the final reading. Mr. Langley requested Mr. Cohen forward the ordinance to his office and they would then send it to the actuary for the actuarial impact statement.

Trustee Serda stated that it needed to be clarified that none of the changes would affect anyone who has terminated service.

- b. Trustees  
There were no additional comments.
- c. Plan Administrator  
There were no additional comments.

**6. 2023 MEETINGS - 10:00 a.m.**

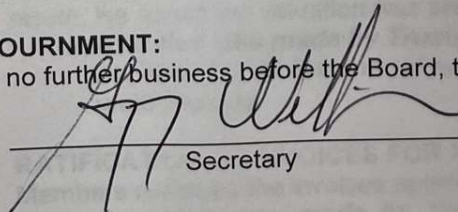
March 9  
June 8  
September 7  
December 7

**7. PUBLIC COMMENTS**

There were no additional comments.

**8. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:53 a.m.

  
\_\_\_\_\_  
Secretary

4/5/2023  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, APRIL 5, 2023**

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1. **CALL TO ORDER:** The meeting was called to order at 10:00 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Secretary Gregory Williams  
Trustee Sandria Barrett-Lee  
Trustee John Herin  
Trustee Mac Serda

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney, *via telephone*  
Chuck Carr, Plan Actuary, *via telephone*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the December 8, 2022 meeting.

*A motion was made by Trustee Serda and Seconded by Secretary Williams to approve the minutes as presented. The motion passed unanimously.*

4. **NEW BUSINESS**

a. **REVIEW OF THE 2022 ACTUARIAL VALUATION**

Mr. Carr provided an overview of the 2022 actuarial valuation.

*A motion was made by Trustee Serda and Seconded by Trustee Barrett-Lee to approve the 2022 actuarial valuation as presented. The motion passed unanimously.*

b. **SET EXPECTED ANNUAL RATE OF RETURN**

Mr. Langley stated the Board is required by the State to set the expected annual rate of return. He stated the valuation was prepared using 7.25%.

*A motion was made by Trustee Serda and Seconded by Secretary Williams to set the expected annual rate of return at 7.25%. The motion passed unanimously.*

Secretary Williams brought up the ordinance that is to be presented to the City Commission regarding the pre-2013 benefits. Mr. Chudachek stated his office did prepare a draft ordinance and they forwarded it to the City Attorney for review. Secretary Williams requested the draft ordinance be sent to the new City Attorney. Mr. Chudachek stated he would do that and Mr. Herin provided his email address to Mr. Chudachek.

c. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.



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---

*A motion was made by Trustee Herin and Seconded by Trustee Barrett-Lee to ratify the invoices for payment. The motion passed unanimously.*

**d. RETIREMENTS & LUMP SUMS FOR APPROVAL**

There were no new lumpsum or retiree payments this quarter.

**e. QUARTERLY INVESTMENT RETURNS – 12/31/2022**

Mr. Langley provided a review of the investment performance as of December 31, 2022. For the quarter, the investment return was 6.72%, the three-year return was 4.34%, the five-year return was 5.78% and the ten-year return was 7.95%.

**5. REPORTS**

a. Attorney

There were no additional comments.

b. Trustees

There were no additional comments.

c. Plan Administrator

Mr. Langley mentioned the texting reminders to trustees.

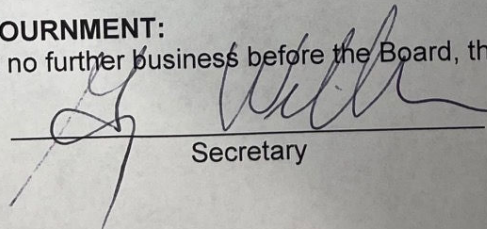
**6. Next meeting date – June 8<sup>th</sup> at 10: 00 a.m.**

**7. PUBLIC COMMENTS**

There were no additional comments.

**8. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:42 a.m.

  
\_\_\_\_\_  
Secretary

8/2/2023  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
WEDNESDAY, AUGUST 2, 2023**

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1. **CALL TO ORDER:** The meeting was called to order at 10:10 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Secretary Gregory Williams  
Trustee John Herin  
Trustee Mac Serda

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney, *via telephone*

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the April 5, 2023 meeting.

***A motion was made by Trustee Serda and Seconded by Trustee Herin to approve the minutes as presented. The motion passed unanimously.***

Mr. Langley asked the Board if they wanted to vote on a new Chair at this meeting (since the prior Chairman was no longer on the Board) or wait until they have a full Board to vote on this. The Board chose to wait until they have a full board to vote on the Chair position.

4. **NEW BUSINESS**

a. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Serda and Seconded by Trustee Herin to ratify the invoices for payment. The motion passed unanimously.***

b. **RETIREMENTS & LUMP SUMS FOR APPROVAL**

There were no new lump-sum or retiree payments this quarter.

c. **QUARTERLY INVESTMENT RETURNS – 3/31/2023**

Mr. Langley provided a review of the investment performance as of March 31, 2023. For the fiscal year to date, the investment return was 10.45%; the quarter return was 3.49%; the three-year return was 12.64%; the five-year return was 6.55% and the ten-year return was 7.59%.

d. **REMINDER FORM 1 DUE JULY 1<sup>ST</sup>**

Secretary Williams reminded the Board their form was due on July 1<sup>st</sup>.

e. **DEFERRED-VESTED MEMBER STEPHEN PIZZILLO**

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Mr. Langley stated this was an informational item. He stated Ms. Underhill has tried multiple times to get in touch with Mr. Pizzillo with no response and that his benefit was due 12/1/2020.

**f. LETTER FROM THE DEPARTMENT OF MANAGEMENT SERVICES**

Mr. Langley stated this was informational regarding their valuations being accepted by the State. The State would like to see the Board lower their investment return assumption.

**g. DISCUSSION OF COMMISSION MEMBER ON THE BOARD**

Trustee Herin stated this would be placed on the Commission agenda this month to appoint the member to the Board. He would also have a conversation with the City Manager about the City Manager designee position on the Board.

**h. DISCUSSION OF ACTIVE AND RETIREE MEMBERS REAPPOINTMENT ON THE BOARD**

There was a discussion as to how these positions are appointed. Mr. Chudachek stated that as per the ordinance, these 2 positions are appointed by the other 3 members of the Board. Since 2 of these positions are currently vacant, these members would hold over until this can be addressed. Mr. Langley asked Trustees Williams and Serda if they were willing to continue on the Board. Both members stated they were willing to continue on the Board.

**i. AMENDED FMPTF INVESTMENT POLICY**

Mr. Langley stated that due to House Bill 3, the FMPTF Investment Policy was updated to reflect the language required by the State regarding strictly pecuniary factor considerations when making investment decisions. He stated that it wouldn't have any impact on their investments as their investment managers were currently only making investment decisions based on pecuniary factors.

***A motion was made by Trustee Herin and Seconded by Trustee Serda to accept the amended FMPTF Investment Policy. The motion passed unanimously.***

**5. REPORTS**

a. Attorney

i. Memorandum on House Bill 3

Mr. Chudachek provide an overview of House Bill 3 regarding the ESG law. He stated investment decisions can only be made for pecuniary reasons. He stated the Florida League of Cities makes all the investment decisions for the Board. He stated there would be a report to be filed with the State and the Florida League of Cities would file this report for the Board. The State hasn't yet released any guidance on how this report is to be compiled.



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b. Trustees

Trustee Serda asked about the ad hoc COLA for the benefit period after 2/1/2013. Mr. Chudachek stated the COLA could be awarded by the City Council. This Board has no authority to grant a COLA to retirees. The Board can request the City Council award a COLA to retirees. Trustee Serda asked if there were currently any retirees receiving this benefit where an ad hoc COLA could occur. Mr. Langley stated Ms. Underhill could look into this. Trustee Serda then asked if the City Council could change the benefit if there were no retirees yet receiving this benefit. Mr. Chudachek stated they should first determine if there were any retirees currently receiving the post 2/1/2013 benefit and this could then be discussed at the next meeting.

Secretary Williams mentioned the proposed ordinance drafted by Mr. Chudachek. He asked if the City Manager had looked at it. Trustee Herin stated he would check with the City Manager on this.

c. Plan Administrator

There were no additional comments.

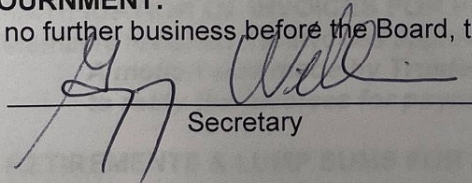
**6. Next meeting date – September 7<sup>th</sup> at 10: 00 a.m.**

**7. PUBLIC COMMENTS**

There were no public comments.

**8. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:49 a.m.

  
\_\_\_\_\_  
Secretary

9/7/23  
\_\_\_\_\_  
Date

**FINAL  
MINUTES  
RETIREMENT PLAN AND TRUST FOR THE GENERAL MANAGEMENT  
EMPLOYEES OF THE CITY OF NORTH MIAMI BEACH  
BOARD OF TRUSTEES MEETING  
THURSDAY, SEPTEMBER 7, 2023**

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1. **CALL TO ORDER:** The meeting was called to order at 10:03 a.m. in North Miami Beach City Hall, 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, Florida.

2. **ROLL CALL:**

**TRUSTEES PRESENT:** Secretary Gregory Williams  
Trustee John Herin  
Trustee Mac Serda

**ALSO PRESENT:** Jeremy Langley, Administrator FLC  
Brent Chudachek, Plan Attorney

3. **APPROVAL OF MINUTES**

Members reviewed the minutes from the August 2, 2023 meeting.

***A motion was made by Trustee Herin and Seconded by Trustee Serda to approve the minutes as presented. The motion passed unanimously.***

4. **NEW BUSINESS**

a. **RATIFICATION OF INVOICES FOR PAYMENT**

Members reviewed the invoices approved for payment since the last meeting.

***A motion was made by Trustee Herin and Seconded by Trustee Serda to ratify the invoices for payment. The motion passed unanimously.***

b. **RETIREMENTS & LUMP SUMS FOR APPROVAL**

There were no new lump-sum or retiree payments this quarter.

c. **QUARTERLY INVESTMENT RETURNS – 6/30/2023**

Mr. Langley provided a review of the investment performance as of June 30, 2023. For the fiscal year to date, the investment return was 13.01%; the quarter return was 2.32%; the three-year return was 8.20%; the five-year return was 6.87% and the ten-year return was 7.75%.

d. **DISCUSSION OF ACTIVE AND RETIREE MEMBERS REAPPOINTMENT ON THE BOARD**

Mr. Chudachek stated that since we don't have a full board, the 3 members who would appoint these 2 members aren't currently available.

Trustee Herin stated he reached out to the City Manager that he needed to appoint someone as his designee and that the City Commission needs to appoint someone from the City Commission to the Board. He stated this has been on the Commission agenda for several months, but no one has been appointed yet.

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Trustee Herin asked if any members on this Board had any issue with dual office holding. Mr. Chudachek stated that his position would not be dual office holding because the ordinance specifically designates his position on this Board and therefore is considered ex-officio. He then asked about Trustee Serda's position since he is a City Manager in another city. There was a discussion as to whether the position on this board is considered an office with regards to dual office holding. Mr. Chudachek directed Trustee Serda to speak to his City Attorney on this matter and that him and Trustee Herin would look into and speak regarding Trustee Serda's question as well.

**e. DISCUSSION OF COLA FOR RETIREES RECEIVING POST 2013 BENEFIT**

Trustee Serda stated he brought this up at the last meeting as his concern that there are 3 members receiving the retirement benefit that would only allow an ad hoc COLA. He feels the Board should review this each year. He felt this shouldn't slip the minds of the Board that they could bring this to the City Commission with their recommendation. Mr. Chudachek suggested having the actuary prepare a cost study. Trustee Serda asked how this could be brought up each year. Mr. Chudachek suggested an Administrative Policy. There was a discussion of having the actuary attend the December meeting to discuss an ad hoc COLA.

***A motion was made by Trustee Serda and Seconded by Secretary Williams to direct the plan attorney to draft an administrative policy to review an ad hoc COLA annually. The motion passed unanimously.***

**5. REPORTS**

a. Attorney

Mr. Chudachek stated they were still awaiting direction regarding the House Bill 3 comprehensive report that must be filed by December 15, 2023.

b. Trustees

Trustee Serda asked Mr. Chudachek for his contact information so he could have his Town Attorney contact him. If it does appear there is a dual office holding concern, then he would communicate that back to the Board. Trustee Herin would communicate with the City Manager regarding the City Manager designee position on the Board.

c. Plan Administrator

There were no additional comments.

**6. Next meeting date – December 7<sup>th</sup> at 10: 00 a.m.**

**7. PUBLIC COMMENTS**

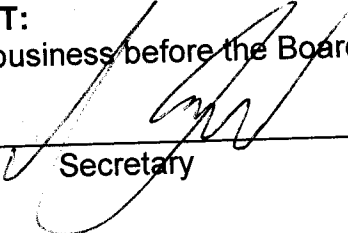
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There were no public comments.

**8. ADJOURNMENT:**

With no further business before the Board, the meeting adjourned at 10:41 a.m.

  
\_\_\_\_\_  
Secretary

12/7/2023  
Date



## **Policy for Establishing Whether A Retiree Can Perform Services For the City**

The Plan Ordinance states, "A General Management Employee will not be allowed to receive his or her benefit while he or she continues to be employed with the City of North Miami Beach." The Board is aware, however, that there may be occasions where a retiree, who has special expertise or knowledge, is asked by the City to provide emergency or temporary services on an *ad hoc* basis. Thus, the Board may from time to time need to determine whether a person who has been asked to provide emergency or ad hoc services is employed by the City. First, the retiree must have had a bona fide termination of employment (i.e. true separation from service), in order to be able to continue to receive his or her retirement benefit and perform services for the City in either an emergency situation or *ad hoc* basis. The services must be for a temporary period of time. And the person must be uniquely qualified to perform the services. Under no circumstances can there have been a prearrangement for that person to perform ad hoc or emergency services. A disqualifying prearrangement can be either oral or written.

For purposes of determining whether or not a retiree can perform ad hoc or emergency services for the City, and still receive a retirement benefit from the City, the Board will consider the following factors. This list is not meant to prevent the consideration of other factors in any particular case:

1. How soon the retiree is asked to perform services for the City after retirement;
2. Whether the requested services are for the same department or related to the job functions that the retiree performed prior to retirement;
3. The reason that the retiree has been asked to perform the services;
4. The contractual arrangement, if any, under which the person is asked to perform the services;
5. The type of services being performed and the reason that the retiree was asked to perform the services;
6. Whether or not the person is uniquely qualified to perform the services. .

The Board acknowledges that each situation will have to be examined on an individual case by case basis before a determination can be made.

Any employee or department director may come before the board to seek an advisory opinion.

The Board reserves the right to amend this policy.

**Policy for Annual Review of the Ad-Hoc COLA by the Board of Trustees of the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach**

This policy pertains to the City Council being vested with the authority to decide whether or not an Ad-Hoc COLA is granted to retirees and beneficiaries of the Retirement Plan and Trust for General Management Employees of the City of North Miami Beach (“Plan”) for credited service earned on or after February 1, 2013, for a particular fiscal year and each year thereafter, per Section L, “COST OF LIVING ADJUSTMENT” of the Adoption Agreement for the Plan.

It shall be the policy of the Board of Trustees for the Plan after the effective date as written below, that for the first meeting of the Board of Trustees for the Plan of each fiscal year that an item be placed on the meeting agenda as follows:

- “Discussion by Board of Trustees on whether to request to the City Council that an Ad-Hoc COLA be granted to retirees and beneficiaries of the Plan for credited service earned on or after February 1, 2013, for that particular fiscal year.”

The Board reserves the right to amend this policy at any time that it sees fit.

**Passed by the Board of Trustees and Effective Date on: December 7, 2023.**



TOKIO MARINE  
HCC

# U.S. Specialty Insurance Company

Houston, Texas

## DECLARATIONS CORPORATE FIDUCIARY LIABILITY INSURANCE (THIS IS A CLAIMS MADE AND REPORTED POLICY)

**Broker:** 2253 **Policy Number:** U723-53250  
Florida League of Cities, Inc. **Renewal of:** U722-53085

**Item 1 EMPLOYEE BENEFIT PLANS:** Any Plan of the SPONSOR ORGANIZATION Listed in item 2 as Defined in Section 3(1) of ERISA; any INSURED PLAN and any Plan Listed by Endorsement to this Policy.

**Item 2 SPONSOR ORGANIZATION:** City of North Miami Beach

**Item 3 Address of SPONSOR ORGANIZATION:** 17011 NE 19th Avenue,  
North Miami Beach, FL 33162

**Item 4 POLICY PERIOD:** Inception Date: August 23, 2023 Expiration Date: August 23, 2024  
12:01 a.m. Standard Time at the Principal Address of the SPONSOR ORGANIZATION herein.

**Item 5 Limit of Liability:** \$ 5,000,000 Each CLAIM and in the Aggregate for all CLAIMS including DEFENSE COSTS.

**Item 6 Deductible:** \$ 2,500 Each CLAIM including DEFENSE COSTS.

**Item 7 Premium:** \$ 6,950.00

FIGA Assessment 2022 \$ 48.65  
**Total Premium** \$ 6,998.65

**Item 8 Form numbers of endorsements attached at issuance:** FL0002 , FL0005, FL0006, FL0007, FL0010, FL0018, FL0029, FL0044, FL2006, FL2023, FL2036, FL2039, FL2063, ETRIA

By   
Authorized Representative

# U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site - <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

# CORPORATE FIDUCIARY LIABILITY INSURANCE

(CLAIMS MADE INSURANCE)

THIS POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD. DEFENSE COSTS REDUCE THE LIMIT OF LIABILITY PROVIDED. PLEASE REVIEW THIS POLICY CAREFULLY WITH YOUR INSURANCE BROKER OR ADVISOR.

In consideration of the payment of the premium, the undertaking of the **INSURED** to pay the deductible herein and in reliance upon all statements made and information in the application, which is attached hereto and made a part of this Policy, and subject to all the terms and conditions of this Policy, the Company agrees with the **INSURED** as follows:

## I. INSURING AGREEMENT

The Company shall pay on behalf of the **INSURED** all **LOSS** and **DEFENSE COSTS** that the **INSURED** becomes legally obligated to pay solely because of a **CLAIM** first made against the **INSURED** during the **POLICY PERIOD**, or the Extended Reporting Period if in effect, for a **WRONGFUL ACT** committed or allegedly committed by the **INSURED** or by any person for whom the **INSURED** is legally responsible.

## II. DEFENSE AGREEMENT

### A. COMPANY'S DUTY TO DEFEND

1. Except as hereinafter stated, the Company shall have both the right and duty to defend any **CLAIM** against an **INSURED** alleging a **WRONGFUL ACT**, even if such **CLAIM** is groundless, false or fraudulent.
2. The **INSURED** shall have the right, at their own cost and expense, to associate with the Company in the defense or settlement of any **CLAIM** subject to the provisions described in this clause. However, the Company shall not be obligated to defend any **CLAIM** after the applicable limit of the Company's liability has been exhausted or after the rejection of a settlement offer pursuant to Clause V(G)(1).

### B. OPTION TO ASSUME DEFENSE

Notwithstanding the above, the **INSUREDS** shall have the right to assume the defense of any **CLAIM** made against them. Such option shall be made in writing by the **SPONSOR ORGANIZATION** on behalf of each and every **INSURED** and shall be exercised within thirty (30) days of the reporting of the **CLAIM** to the Company pursuant to Clause V(F) of this policy. Upon receipt of such written request, the Company shall tender the defense of the **CLAIM** to the **INSUREDS**. Once the defense has been so tendered, the Company cannot re-assume the defense of the **CLAIM**. The Company shall have the right, at its own cost and expense, to associate and participate with the **INSUREDS** in the defense or settlement of any **CLAIM**.

### C. COMPANY'S RIGHT TO SELECT OR APPROVE COUNSEL

If the Company defends a **CLAIM** pursuant to Clause II(A)(1), it shall have the right to select legal counsel for such defense. If the **INSUREDS** elect to defend any **CLAIM** pursuant to the Clause II(B), the Company shall have the right to receive information regarding the legal counsel proposed by the **INSUREDS** and to consent to such counsel, which consent shall not be unreasonably withheld.

### III. DEFINITIONS

A. **CLAIM** means:

1. A written demand for monetary or injunctive relief received by the **INSURED**; or
2. A civil proceeding for monetary or injunctive relief which is commenced by:
  - a. Service upon the **INSURED** of a complaint or similar pleading; or
  - b. Receipt by the **INSURED** of a notice of charges; or
3. Any notice received by the **INSURED** of a formal agency adjudicative proceeding to which the **INSUREDS** are subject; or
4. Any notice received by the **INSURED** of an investigation by the Department of Labor, the Pension Benefit Guaranty Corporation, or any similar governmental agency outside of the United States, for the purpose of enforcement of statutory provisions dealing with fiduciary responsibility and conduct.

B. **CLOSING AGREEMENT PROGRAM** means that portion of the program administered by the United States Internal Revenue Service ("IRS") which permits sponsor employers or qualified pension plans to avoid disqualification due to certain types of violations, by voluntarily advising the IRS, before or after audit by the IRS, of the violations, voluntarily remedying the violations and paying a fine or sanction as negotiated with and set by the IRS.

C. **DEFENSE COSTS** means fees and expenses incurred, with the Company's written consent, in defending, investigating, or appealing a **CLAIM** insured herein, including a **CLAIM** for non-pecuniary relief. **DEFENSE COSTS** shall also mean that portion of the cost of any bond required to be posted on appeal, which is the proportion of the available Limit of Liability under this Policy to the total amount of the judgement on which the appeal has been filed. The Company shall not be obligated to obtain such bond on appeal, but only to pay that portion of the cost of the bond as calculated pursuant to this Clause III(C). **DEFENSE COSTS** shall not include fees and expenses incurred with respect to any criminal action or proceeding.

D. **EMPLOYEE BENEFIT PLAN** means a **SPONSORED PLAN** or an **INSURED PLAN**.

E. **ERISA** means the Employee Retirement Income Security Act of 1974, and its amendments.

F. **FIDUCIARY** shall have the same meaning as that term is defined under **ERISA**.

G. **INSURED** means:

1. the **SPONSOR ORGANIZATION(S)**;
2. the **EMPLOYEE BENEFIT PLAN** or **PLANS** named in Item 1 of the Declarations;
3. Any past, present, or future director, officer, employee, or trustee of the **SPONSOR ORGANIZATION** or **SPONSORED PLAN**, or the estates, heirs, legal representatives, or assigns of such persons who are deceased, or incompetent, and the spouses of such persons, but only to the extent that **CLAIMS** are asserted against such spouses arising solely out of any actual or alleged **WRONGFUL ACTS** of the spouse who is an **INSURED** under this definition; and
4. Any director, officer, employee or trustee of the **SPONSOR ORGANIZATION** for any matter arising out of his or her service as a **FIDUCIARY** of any multi-employer plan as defined by **ERISA**, but only if such service is at the specific written request or direction of the **SPONSOR ORGANIZATION** and such multi-employer plan is added by specific written endorsement attached to this Policy and identified as a multi-employer plan and any



required premium is paid. In no event shall coverage under this Policy extend to the multi-employer plan itself, or any other fiduciaries or administrators of such multi-employer plan.

- H. **INSURED PLAN** means any insurance program of the **SPONSOR ORGANIZATION** mandated by statute for workers' compensation, unemployment, social security or disability benefits.
- I. **LOSS** means the amount of money damages, including interest and awards of attorney's fees, which the **INSURED** is legally obligated to pay in settlement or satisfaction of **CLAIMS** insured herein. **LOSS** shall not include:
1. Any civil or criminal fines, penalties, multiples of compensatory damages, sanctions or taxes, other than a civil penalty assessed pursuant to section 502(l) of **ERISA** or a 5% civil penalty assessed pursuant to Section 502(i) of **ERISA**. However, notwithstanding the foregoing, **LOSS** shall include penalties or sanctions assessed against a **SPONSOR ORGANIZATION** by the United States Internal Revenue Service pursuant to the **CLOSING AGREEMENT PROGRAM**, provided that the **INSUREDS** first became aware of the violations during the **POLICY PERIOD** and notified the Company of the violations and the intent to pursue a resolution pursuant to the **CLOSING AGREEMENT PROGRAM** prior to notifying or submitting an application to the Internal Revenue Service as to the violations and a request for consideration under the **CLOSING AGREEMENT PROGRAM**.
  2. Benefits paid or payable to a participant or beneficiary of an **EMPLOYEE BENEFIT PLAN** if such benefits are or may be lawfully paid from the **EMPLOYEE BENEFIT PLAN**;
  3. Contributions paid or payable to the **EMPLOYEE BENEFIT PLAN** pursuant to the **SPONSOR ORGANIZATION'S** obligation to fund the **EMPLOYEE BENEFIT PLAN**;
  4. The return or restitution of any money, assets, or personal profit received by the **INSURED** to which the **INSURED** is not legally entitled;
  5. Any damages based upon an adjudication that the **INSURED** engaged in conduct that the **INSURED** knew to be dishonest or a breach of the responsibilities, obligations or duties imposed upon **FIDUCIARIES**.
- J. **POLICY PERIOD** means the period from the inception date stated in Item 4 of the Declarations to the expiration date or earlier termination date.
- K. **SPONSOR ORGANIZATION** means the entity named in Item 2 of the Declarations.
- L. **SPONSORED PLAN** means:
1. any plan named in Item 1 of the Declarations;
  2. any plan of the **SPONSOR ORGANIZATION** which is defined in section 3(1) of **ERISA** and which is governed by **ERISA**;
  3. any plan of the **SPONSOR ORGANIZATION**, except an Employee Stock Ownership Plan, created or acquired subsequent to the inception date of this Policy, but only for a period from the date of acquisition or creation to the end of the **POLICY PERIOD**. Clauses V(D) and V(E) do not apply to any such plan without the Company's written consent;
  4. any previously covered pension or welfare plan which was merged, sold, spun-off or terminated during or prior to the inception date of this Policy, but solely with respect to **WRONGFUL ACTS** that occurred prior to the date of such merger, sale or spin-off, or in the case of a terminated plan, prior to the final date of asset distribution of such plan, and further provided that notice of such merger, sale, spin-off or termination is provided to the Company before the end of the **POLICY PERIOD**.

M. **WRONGFUL ACT** means:

1. Any breach of the responsibilities, obligations, or duties prescribed by **ERISA** or by the common or statutory law of the United States, or any State or other jurisdiction therein which are imposed upon an **INSURED** while acting as a **FIDUCIARY** of a **SPONSORED PLAN**;
2. Any negligent act, error, or omission in informing employees of the content of a **SPONSORED PLAN** or **INSURED PLAN**, or in effecting or terminating enrollment in a **SPONSORED PLAN** or **INSURED PLAN**.

**IV. EXCLUSIONS**

The Company shall not be liable to pay any **LOSS** or **DEFENSE COSTS** with respect to any **CLAIM** made against any **INSURED**:

- A. Based on or involving facts or circumstances which at the original inception date of this Policy, any **INSURED** had a reasonable basis to believe such facts or circumstances might lead to a **CLAIM** against any **INSURED**; knowledge possessed by any one **INSURED** shall not be imputed to any other **INSURED** for the purpose of determining the application of this exclusion. The term "original inception date" shall mean the date when continuous coverage was first issued to the **INSURED** through Professional Indemnity Agency, Inc.;
- B. Based on or involving facts or circumstances about which an **INSURED** has provided notice to any prior insurer;
- C. Based on or involving bodily injury to, or sickness, disease, emotional distress, mental anguish, or death of any person, or loss of use of, damage to or destruction of any tangible property; or for libel or slander;
- D. Arising out of the failure of the **INSURED** to comply with any law governing workers' compensation, unemployment insurance, social security or disability benefits, or any similar law;
- E. Based on or involving seepage, pollution or contamination of any kind.

**V. OTHER CONDITIONS AND AGREEMENTS**

A. **LIMIT OF LIABILITY, DEDUCTIBLE AND OTHER INSURANCE**

1. Without regard to when payment is made, the Company's obligation to pay **LOSS** and **DEFENSE COSTS** because of all **CLAIMS** first made against the **INSURED** during the **POLICY PERIOD** is subject to and shall never exceed the amount stated as the Company's Limit of Liability stated in Item 5 of the Declarations. Any payment of **LOSS** and/or **DEFENSE COSTS** by the Company will reduce the stated Limit of Liability. Once the Limit of Liability is exhausted by such payments, the Company will have no further liability under this Policy.
2. The Company shall only be liable to pay, subject to the Limit of Liability, for **LOSS** and/or **DEFENSE COSTS** in excess of the Deductible stated in Item 6 of the Declarations. The Deductible applies to **LOSS** and **DEFENSE COSTS** with respect to each **CLAIM** insured.
3. This insurance is excess of any other valid and collectible insurance available to the **INSURED**, whether such insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as a specific excess insurance over the Limit of Liability stated in Item 5 of the Declarations of this Policy.

B. **ALLOCATION OF DEFENSE COSTS [WITH RESPECT TO CLAUSE II(B)]**

In the event that any portion of a **CLAIM** does not come within the coverage afforded by this Policy, the Company shall be entitled to an allocation of **DEFENSE COSTS** incurred on behalf of the **INSUREDS** based upon the ratio of the number of counts, causes of action or allegations for which coverage is afforded under this Policy as compared to the number of such counts, causes of action or allegations which are not within the scope of

coverage. The Company shall not be required or obligated to pay that portion of **DEFENSE COSTS** allocated to those counts, causes of action or allegations which are not within the scope of coverage herein.

C. INTERRELATED ACTS

A **CLAIM** or **CLAIMS** by one or more claimants made against one or more **INSUREDS** which arise out of the same actual or alleged **WRONGFUL ACTS** or interrelated **WRONGFUL ACTS** shall be deemed to be a single **CLAIM** and shall be deemed to have been first made when the earliest of such **CLAIMS** is made. Any interrelated actual or alleged **WRONGFUL ACTS** shall be deemed to have been committed when the first of any such actual or alleged **WRONGFUL ACTS** was committed.

D. REPORTING OF **WRONGFUL ACTS**

If, during the **POLICY PERIOD** or the Extended Reporting Period, if in effect, the **INSURED** first becomes aware of any specific and identifiable **WRONGFUL ACT** which could give rise to a **CLAIM** and written notice of such **WRONGFUL ACT** is given to the Company, including the circumstances by which the **INSURED** first became aware of such **WRONGFUL ACT**, then any **CLAIM** that is subsequently made against the **INSURED** arising out of such **WRONGFUL ACT** shall be deemed for the purpose of this Policy to have been made against the **INSURED** during the **POLICY PERIOD**. The **INSURED** shall not have the right to report any **WRONGFUL ACT** to the Company if such **WRONGFUL ACT** takes place or commences subsequent to the expiration date or date of termination of the Policy. The **INSURED** shall cooperate with and assist the Company and its representatives in the investigation of any **WRONGFUL ACT** reported under this Clause V(D).

E. EXTENDED REPORTING PERIOD OPTION

If the Company or the **SPONSOR ORGANIZATION** shall cancel or refuse to renew this Policy, the **SPONSOR ORGANIZATION** shall have the right, upon payment of an additional premium of seventy-five (75) percent of the annual premium stated in Item 7 of the Declarations, to an additional period of twelve (12) months following the effective date of such cancellation or the expiration date of the Policy in which to give written notice of **CLAIMS** first made against the **INSURED** during the Extended Reporting Period, but only in respect of any **WRONGFUL ACT** committed or allegedly committed prior to the effective date of such cancellation or date of termination of the Policy and subsequent to the Prior Acts Exclusion Date, if any. This right of extension shall terminate unless written notice of such election is received by the Company within ten (10) days of the effective date of cancellation or the expiration date of the Policy. For purposes of the Limit of Liability, the Extended Reporting Period shall be deemed part of the **POLICY PERIOD** and not in addition thereto, and shall not change or enlarge the Company's Limit of Liability. This clause and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium.

F. NOTICE

As a condition precedent to the **INSURED'S** right to coverage under this Policy, the **INSUREDS** shall:

1. give written notice to the Company as soon as practicable of any **CLAIM** made against the **INSUREDS**, and at their own expense, cooperate with and assist the Company and its representatives, as the Company may require, in the settlement, defense, appeal and/or investigation of such **CLAIM**;
2. immediately notify the Company of any summons, lawsuit or proceeding served upon the **INSURED**.

With regard to Paragraph 1 above, knowledge of a **CLAIM** possessed by one **INSURED** shall not be imputed to any other **INSURED**;

Any notice to the Company under this Clause V(F) shall be given to Wilson, Elser, Moskowitz, Edelman & Dicker, LLP, 150 East 42<sup>nd</sup> Street, New York, New York 10017.

#### G. SETTLEMENT OF **CLAIM**

1. The Company shall not settle or satisfy any **CLAIM** without the consent of the **INSURED**. If the **INSURED** elects not to settle or satisfy a **CLAIM** as recommended by the Company and acceptable to the claimant, then subject to the Limit of Liability of this Policy, the Company will not be liable for any **LOSS** in excess of the amount of the recommended settlement, or for any **DEFENSE COSTS** incurred after the date of the **INSURED'S** election not to settle or satisfy a **CLAIM** as recommended by the Company. In no event shall the Company be liable in excess of the available Limit of Liability.
2. The **INSURED** shall not assume or admit liability for, or pay, settle or satisfy any **CLAIM**, either as to **LOSS** or **DEFENSE COSTS**, without the Company's prior written consent, except at the **INSURED'S** own expense.

#### H. CANCELLATION

1. This Policy may be cancelled by the **SPONSOR ORGANIZATION** at any time by written notice to the Company stating when thereafter the cancellation shall be effective or by surrender of this Policy to the Company.
2. This Policy may also be cancelled by or on behalf of the Company by delivering to the **INSUREDS'** representative designated in the application, or by mailing to the **INSUREDS'** representative by registered, certified, or other first class mail, written notice stating when, not less than thirty (30) days thereafter (or ten (10) days in the event of non-payment of premium), the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice and this Policy shall terminate at the date and hour specified in such notice.
3. If this policy shall be cancelled by the Company, the Company shall retain the customary pro rata earned premium.
4. If this Policy shall be cancelled by the **SPONSOR ORGANIZATION**, the Company shall retain the customary short rate earned premium.
5. Payment or tender of any unearned premium by the Company shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable. If the period of limitation relating to the giving of notice of cancellation is prohibited or made void by any law controlling the construction thereof, such period shall be amended so as to be equal to the minimum period of limitation permitted by any such law.
6. For the purpose of this Policy, notice of cancellation given to the **INSUREDS'** representative pursuant to this paragraph shall be deemed to be notice to all **INSUREDS**.

#### I. REPRESENTATIONS AND SEVERABILITY

The Company, in issuing this Policy, has relied upon the declarations and statements contained in the written application for coverage and the documents attached thereto. All the declarations, statements and documents are the basis of coverage and shall be considered incorporated in and constituting part of the Policy. The written application for coverage shall be construed as a separate application by each **INSURED**. With respect to the declarations, statements and documents contained in the written application for coverage, no statement or knowledge possessed by an **INSURED** shall be imputed to any other **INSURED** in determining whether coverage is available for any **CLAIM** made against an **INSURED**.

#### J. ACTION AGAINST THE COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, the **INSURED** shall have fully complied with all the terms of this Policy, nor until the amount of the **INSURED'S** obligation to pay shall have

been finally determined either by judgement against the **INSURED** after actual trial, or by written agreement of the **INSURED**, the claimant and the Company.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this Policy to the extent of the insurance afforded by this Policy. No person or organization shall have any right under this Policy to join the Company as a part to any action against the **INSURED** to determine the **INSURED'S** liability, nor shall the Company be impleaded by the **INSURED** or his legal representative. Bankruptcy or insolvency of the **INSURED** or of the **INSURED'S** estate shall not relieve the Company of any of its obligations hereunder.

K. ASSSIGNMENT

Assignment of interest under this Policy shall not bind the Company without its written consent.

L. SUBROGATION AND RECOURSE

1. In the event of any **CLAIM** or payment under this Policy, the Company shall be subrogated to the extent of such payment to all rights of recovery therefore and the **INSUREDS** shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit in the name of the **INSUREDS**. The **INSUREDS** shall do nothing after **CLAIM** is made against them to prejudice such rights. Any recovery shall be first paid to the Company to the extent of any **LOSS** paid by the Company with the balance paid to the **INSURED**.
2. If any premium for the Policy is paid out of the assets of the **EMPLOYEE BENEFIT PLAN**, then the Company shall have the right of recourse required by Section 410(b)(1) of ERISA, unless the **INSURED** (other than the **EMPLOYEE BENEFIT PLAN** or **SPONSOR ORGANIZATION**) has paid a waiver of recourse premium.

M. ENTIRE AGREEMENT

By acceptance of the Policy, the **INSUREDS** and the Company agree that this Policy embodies all agreements existing between them or any of their representatives relating to this insurance.

N. NOTICE TO **INSUREDS**

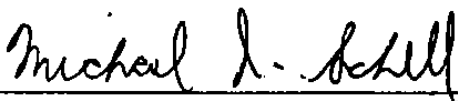
All **INSUREDS** appoint the person designated as the **INSUREDS'** representative in the application, at the address of the **SPONSOR ORGANIZATION** set forth in Item 3 of the Declarations, as their agent to receive any notice or communication from the Company.

O. CHANGES

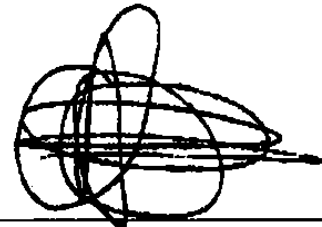
Notice to or knowledge possessed by any agent of the Company shall not effect a waiver or a change in any part of this Policy nor estop the Company from asserting any rights under the terms of this Policy. The terms of this Policy cannot be waived or changed, except by endorsement issued to form a part of this Policy, signed by an authorized representative of the Company.

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

BY



PRESIDENT



SECRETARY

**U.S. Specialty Insurance Company**  
Houston, TX

Endorsement Effective Date	Policyholder	Policy Number	Endorsement
<b>08/23/2023</b>	<b>City of North Miami Beach</b>	<b>U723-53250</b>	<b>2</b>

**PLANS COVERED**

In consideration of the premium charged, it is understood and agreed that Item Number 1. of the Declarations, Employee Benefit Plan, is amended to include the following:

1. City of North Miami Beach General Management Employees' Retirement Plan

All other terms, conditions and limitations of this Policy will remain unchanged.

FL0005 01/97

By   
Authorized Representative





**U.S. Specialty Insurance Company**  
Houston, TX

Endorsement Effective Date	Policyholder	Policy Number	Endorsement
<b>08/23/2023</b>	<b>City of North Miami Beach</b>	<b>U723-53250</b>	<b>4</b>

**NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD)**

In consideration of the premium charged, it is understood and agreed that this Policy of insurance does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction
  - (a) with respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - (b) resulting from the hazardous properties of nuclear material and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
  
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the hazardous properties of nuclear material, if
  - (a) the nuclear material (1) is at any nuclear facility owned by, or operated by or on behalf of, any insured or (2) has been discharged or dispersed therefrom;

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Houston, TX

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- (b) the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
- (c) the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include radioactive, toxic or explosive properties; "nuclear material" means source material, special nuclear material or byproduct material; "source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "waste" means any waste material (1) containing byproduct material and (2) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "nuclear facility" means

- (a) any nuclear reactor;
- (b) any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing spent fuel, or (3) handling, processing or packaging waste;
- (c) any equipment or device used for the processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

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Houston, TX

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It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the policy of Insurance to which it is attached.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL0007 01/97

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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**AMENDMENT OF EXCLUSION C**

In consideration of the premium charged, it is understood and agreed that Clause IV, Exclusion C, is amended to read as follows:

based on or involving bodily injury to, or sickness, disease, emotional distress, mental anguish, or death of any person, or loss of use of, damage to, or destruction of any tangible property, or for libel or slander; provided, however, that, in connection with claims made against any Insureds based solely on the performance of managed care services with respect to the selection of medical or health service providers, the Company shall, subject to all other coverage considerations, pay for DEFENSE COSTS, without any liability or responsibility to pay for any LOSS, including, but not limited to, any settlements, judgments, awards of attorneys' fees, costs or other sums whatsoever.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL0010 01/97

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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**DELETE CLAUSE III, L(2)**

In consideration of the premium charged, it is understood and agreed that Clause III, Definitions, L(2) is deleted in its entirety.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL0018 01/97

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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**PENDING & PRIOR LITIGATION EXCLUSION**

In consideration of the premium charged, it is understood and agreed that coverage is not afforded hereunder in respect of any CLAIM made against the INSURED, including but not limited to, any LOSS or DEFENSE COSTS, by reason of any litigation pending on or prior to the date specified below, including any CLAIMS based upon the factual background, allegations or underlying causes of such pending or prior litigation.

- August 23, 2012

All other terms, conditions and limitations of this Policy will remain unchanged.

FL0029 01/97

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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**FLORIDA AMENDATORY ENDORSEMENT**

It is hereby expressly understood and agreed that OTHER CONDITIONS AND AGREEMENTS, V, paragraph H of the Policy, is deleted and replaced by the following:

**H. CANCELLATION AND NON-RENEWAL**

1. This Policy may be cancelled on the customary short rate basis at any time at the written request of the INSURED stating when thereafter such cancellation shall be effective.
2. This Policy may also be cancelled, with or without the return by tender of the unearned premium, by or on behalf of the Company by delivering to the INSURED'S Agent at the address of the SPONSOR ORGANIZATION named in the Policy or by sending to the INSUREDS' agent at the address of the SPONSOR ORGANIZATION named in the Policy by mail written notice stating when the cancellation shall be effective. The Company shall refund any unearned premium pro rata.
3.
  - a. If cancellation is based upon nonpayment of premium, the Company shall give at least ten (10) days written notice of cancellation accompanied by the reason therefore.
  - b. If the Policy has been in effect for ninety (90) days or less and cancellation is based upon reasons other than nonpayment of premium, the Company shall give at least thirty (30) days written notice of cancellation accompanied by the reason therefore, except where there has been a material misstatement or misrepresentation or failure to comply with underwriting requirements established by the Company.
  - c. Where cancellation is not made pursuant to (a) or (b) of this paragraph, the Company shall give written notice of cancellation at least forty-five (45) days prior to the effective date, including in the notice the reason or reasons for the cancellation.
4. After this Policy has been in effect for ninety (90) days, the Company may not cancel this Policy unless cancellation is based upon one or more of the following:
  - a. a material misstatement;
  - b. nonpayment of premium;
  - c. a failure to comply with underwriting requirements established by the Company within ninety (90) days of the effectuation of coverage;
  - d. a substantial change in the risk covered by the Policy; or



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Houston, TX

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e. when the cancellation is for all INSURED'S under policies of trustees and fiduciaries liability insurance issued by the Company.

5. The Company shall give to the INSURED'S agent, at the address of the SPONSOR ORGANIZATION shown on the Policy, notice of any renewal premium or notice of the Company's intention not to renew the Policy. Such notice shall be in writing and shall be given at least forty-five (45) days prior to the expiration of the POLICY PERIOD. If the Policy is not to be renewed, the written notice shall state the reason or reasons for non-renewal.

6. In the event the Company fails to provide written notice of cancellation in accordance with paragraph 3 above, or written notice of renewal premium or non-renewal in accordance with paragraph 5 above, the Policy shall remain in effect until forty-five (45) days after such notice is given or until the effective date of replacement coverage obtained by the INSURED, whichever occurs first. The premium for any continuation of coverage shall remain the same during any such continuation period except that, in the event of failure to provide notice of non-renewal, if the rate filing then in effect would have resulted in a premium reduction, the premium for such continuation of coverage shall be calculated based upon the later rate filing.

7. If this Policy shall be cancelled by the INSURED, the Company shall retain the customary short rate earned premium. If this Policy shall be cancelled by or on behalf of the Company, the Company shall retain the customary pro rata earned premium. The Company shall return by mail any unearned premium within fifteen (15) working days after the effective date of cancellation.

8. Any notice of cancellation, non-renewal or renewal premium shall be delivered or mailed to the INSURED'S agent at the address of the SPONSOR ORGANIZATION shown on the Policy. Where the Company provides any such notice by mail, the notice shall be mailed by certified or registered mail of the U.S. Postal Service or the Company shall obtain a U.S. Postal Service proof of mailing form. The certification or registration receipts or the proof of mailing form shall indicate the INSURED, the Policy number, and the date mailed. Where such notice is delivered, the Company shall obtain a receipt from the INSURED, or an affidavit from the deliverer which shall indicate the INSURED, the Policy number and the date of delivery.

9. For the purposes of this Policy, notice of cancellation, non-renewal or change in coverage given to the INSURED'S agent at the SPONSOR ORGANIZATION named in the Policy, shall be deemed to be notice to all INSUREDS.

It is further understood and agreed that in the event any INSURED has inquiries, wishes to obtain information as to the coverage available under this Policy, or if an INSURED wishes to obtain

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Houston, TX

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assistance in resolving complaints, such INSURED may direct his or her inquiry or request for information to the Company by contacting Professional Indemnity Agency, Inc.

37 Radio Circle Drive

P.O. Box 5000

Mt. Kisco, New York 10549-5000

Telephone: (914) 241-8900

All other terms, conditions and limitations of this Policy will remain unchanged.

FL0044 01/97

By  \_\_\_\_\_  
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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In consideration of the premium charged, it is understood and agreed that OTHER CONDITIONS AND AGREEMENTS, V, paragraph L, SUBROGATION AND RECOURSE (2), is deleted in its entirety.

This endorsement forms a part of the Policy to which attached, effective on the inception date of the Policy unless otherwise stated herein.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL2006 01/97

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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In consideration of the premium charged, it is understood and agreed that Clause III, Definitions, Item M., is deleted in its entirety and replaced with the following:

M. **WRONGFUL ACT** means:

1. Any breach of the responsibilities, obligations, or duties prescribed by ERISA or by the common or statutory law of the United States, or any State or other jurisdiction therein which are imposed upon an INSURED while acting as a FIDUCIARY of a SPONSORED PLAN;
2. As respects an Insured Person, any negligent act, error, or omission solely in the performance of one or more of the following administrative duties or activities, but only with respect to a SPONSORED PLAN or INSURED PLAN:
  - \* Counseling employees;
  - \* Providing interpretations;
  - \* Handling of records; or
  - \* Activities effecting enrollment, termination or cancellation of participants or beneficiaries.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL2023 01/97

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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**AMEND NOTICE**

In consideration of the premium charged, it is agreed that the last sentence of Clause V(F), NOTICE, is amended to read in its entirety as follows:

Any notice to the Company provided for in this Clause V(F) shall be given to HCC Global Financial Products, 8 Forest Park Drive, Farmington, CT 06032, Attn: Claims Manager.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL2036 04/13

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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In consideration of the premium charged, it is understood and agreed that:

1. The following DEFINITIONS are added to the Policy:

SETTLOR WRONGFUL ACT means any actual or alleged breach of the responsibilities, obligations or duties imposed by any EMPLOYEE BENEFIT LAW by an INSURED in a settlor capacity with respect to any SPONSORED PLAN or INSURED PLAN.

SETTLOR ACT CLAIM means a CLAIM for any actual or alleged SETTLOR WRONGFUL ACT.

EMPLOYEE BENEFITS LAW means ERISA, HIPAA,, PPA, the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”), any similar common or statutory law of any domestic or foreign jurisdiction governing any SPONSORED PLAN or INSURED PLAN.

2. Clause III, DEFINITIONS, M. WRONGFUL ACT is amended to include any SETTLOR WRONGFUL ACT.
3. Clause III, DEFINITIONS H. INSURED PLAN and L. SPONSORED PLAN are hereby amended to include the following:

Any plan or program described in DEFINITIONS H. and L. while being actively developed, formed or proposed by a SPONSOR ORGANIZATION prior to formal creation.

4. Clause IV, EXCLUSIONS is amended to include the following:

The Company will not be liable to make any payment of LOSS, other than DEFENSE COSTS, in connection with any SETTLOR ACT CLAIM.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL2039

By  \_\_\_\_\_  
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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It is agreed that **Section III, Definitions E. ERISA** is deleted in its entirety and replaced with the following:

- E. **ERISA** means the Employee Retirement Income Security Act of 1974, and its amendments, including, but not limited to amendments pursuant to:
1. The Consolidated Omnibus Reconciliation Act of 1985;
  2. The Health Insurance Portability and Accountability Act of 1996 (“HIPAA”);
  3. The Pension Protection Act of 2006; and
  4. Health Care Reform Law;

and including any amendments thereto and regulations thereunder.

It is further agreed that **Section III, Definitions I. LOSS**, Clause 1 and 2 are deleted in their entirety and replaced with the following:

- I. **LOSS** means the amount of money damages, including interest and awards of attorney's fees, which the **INSURED** is legally obligated to pay in settlement or satisfaction of **CLAIMS** insured herein.

**LOSS** shall not include:

1. Any civil or criminal fines, penalties, multiples of compensatory damages, sanctions or taxes, other than a civil penalty assessed pursuant to Section 502(l) of **ERISA** or a 5% civil penalty assessed pursuant to Section 502(i) of **ERISA**. Notwithstanding the foregoing, **LOSS** shall include:
  - a. Penalties or sanctions assessed against a **SPONSOR ORGANIZATION** by the United States Internal Revenue Service or any other government body pursuant to the **CLOSING AGREEMENT PROGRAM** and the voluntary compliance resolution program, provided that the **INSUREDS** first became aware of the violations during the **POLICY PERIOD** and notified the Company of the violations and the intent to pursue a resolution prior to notifying or submitting an application to the Internal Revenue Service or any other governmental body as to the violations;

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- b. **HIPAA PENALTIES**, subject to a sublimit of liability of \$1,500,000 or the amount set forth in Item 5 of the Declarations, whichever is less;
- c. **SECTION 502(c) PENALTIES**, subject to a sublimit of liability of \$250,000;
- d. **PENSION PROTECTION ACT PENALTIES**, subject to a sublimit of liability of \$250,000;
- e. **HEALTH CARE REFORM PENALITES**, subject to a sublimit of liability of \$250,000; and
- f. **SECTION 4975 PENALTIES**, subject to a sublimit of liability of \$250,000;

provided that, each sublimit of liability set forth above shall be part of, and not in addition to, the Limit of Liability set forth in Item 5 of the Declarations and shall not be subject to the Deductible set forth in Item 6 of the Declarations.

- 2. Benefits paid or payable to a participant or beneficiary of an **EMPLOYEE BENEFIT PLAN** if such benefits are or may be lawfully paid from the **EMPLOYEE BENEFIT PLAN** unless and to the extent that a made against an **INSURED** alleges a loss to the **EMPLOYEE BENEFIT PLAN** and/or to the accounts of such **EMPLOYEE BENEFIT PLAN'S** participants by reason of a change in the value of the investments held by such **EMPLOYEE BENEFIT PLAN**, regardless of whether the amounts sought or recovered by the plaintiffs in such **CLAIM** are characterized by the plaintiffs as "benefits" or held by a court as "benefits".

Except as provided above, for each **CLAIM** the Company shall only be liable for the amount of covered **LOSS** that is in excess of the applicable Deductible set forth on the Declarations or in any endorsement to this Policy. Amounts with the Deductible shall remain uninsured.

It is further agreed that **Section IV, Exclusion D.**, is deleted in its entirety and replaced with the following:

- D.** arising out of the failure of the **INSURED** to comply with any law governing workers compensation, unemployment insurance, social security or disability benefits, or any similar law. However, this exclusion shall not apply to any



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**CLAIM** arising from any **WRONGFUL ACTS** committed or alleged to have been committed by the **INSURED** in violation of the Health Insurance Portability and Accountability Act of 1996, the Consolidated Omnibus Budget Reconciliation Act of 1985, The Pension Protection Act of 2006, Health Care Reform Law and any rules or regulations promulgated there under.

Furthermore, it is hereby understood and agreed that **Section III, DEFINITIONS, N., O., P., Q., R., S. and T.** are hereby added to the policy:

- N. VOLUNTARY COMPLIANCE PROGRAM** means the voluntary compliance resolution program as described in the Employee Plans Compliance Resolution System ("EPCRS"), IRS Rev. Proc. 98-22, as amended or the Tax Sheltered Annuity Voluntary Correction Program ("TVC"), for a Fiduciary Act involving the actual or alleged noncompliance by any Plan with any statute, rule or regulation.
- O. HEALTH CARE REFORM LAW** means the Patient Protection and Affordable Care Act ("PPACA) and the Health Care Education Reconciliation Act of 2010.
- P. HIPAA PENALTIES** are the civil penalties for violations of the privacy provisions of the Health Insurance Portability and Accountability Act of 1996, subject to the aggregate sublimit of liability set forth in this endorsement.
- Q. SECTION 502(C) PENALTIES** are the civil penalties under Section 502(c) of **ERISA**, other than penalties under the Pension Protection Act, subject to the aggregate sublimit of liability set forth in this endorsement.
- R. PENSION PROTECTION ACT PENALTIES** are the civil penalties under the Pension Protection Act of 2006, subject to the aggregate sublimit of liability set forth in this endorsement.
- S. HEALTH CARE REFORM PENALTIES** are the civil penalties imposed under rules and regulations (including interim final rules and regulations) provided by governmental agencies (including the U.S. Department of Health and Human Services, the U.S. Department of the Treasury, the U.S. Internal Revenue Service ("IRS"), and the DOL, the Office of Consumer Information and Insurance Oversight, and the Employee Benefits Security Administration),

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for inadvertent violations by an **INSURED** of **HEALTH CARE REFORM LAW**, subject to the aggregate sublimit of liability set forth in this endorsement.

- T. SECTION 4975 PENALTIES** are the 15% or less tax penalties imposed upon an Insured under Section 4975 of the Internal Revenue Code of 1986, with respect to covered judgments, subject to the aggregate sublimit of liability set forth in this endorsement.

All other terms, conditions and limitations of this Policy will remain unchanged.

FL2063

By   
Authorized Representative

**U.S. Specialty Insurance Company**  
Houston, TX

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**POLICYHOLDER DISCLOSURE – TERRORISM PREMIUM NOTICE**

Your Policy contains coverage for certain losses caused by terrorism. We are required to notify you of the portion of the premium, if any, attributable to the coverage for terrorist acts certified under the Terrorism Risk Insurance Act of 2002, as amended (hereinafter “TRIA”). TRIA also requires us to provide disclosure of federal participation in payment of terrorism losses resulting from an “act of terrorism” as defined by Section 102(1) of TRIA.

Section 102(1) of TRIA defines the term “act of terrorism” as any act that is certified by the Secretary of the Treasury of the United States – in concurrence with the Secretary of State of the United States and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Please be advised that the actual coverage provided by your Policy for acts of terrorism, as is true for all coverages, is limited by the terms, conditions, exclusions, limits and other provisions of your Policy, any endorsements to the Policy and generally applicable rules of law.

**YOU SHOULD KNOW THAT, WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY PAYS 90% (85% COMMENCING IN 2007) OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE.**

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THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER TRIA.

The amount of your premium that is attributable to coverage for terrorist acts certified under TRIA is \$0.

All other terms, conditions and limitations of this Policy will remain unchanged.

ETRIA 01/97

By   
Authorized Representative



HCC Global  
 37 Radio Circle Drive, Mount Kisco, New York 10549  
 main 914 241 8900 facsimile 914 241 8084

**U.S. SPECIALTY INSURANCE COMPANY  
 HOUSTON CASUALTY COMPANY  
 CORPORATE FIDUCIARY LIABILITY RENEWAL APPLICATION  
 (THIS IS AN APPLICATION FOR CLAIMS MADE INSURANCE)**

Expiring Policy Number U722-53085 Expiration Date: 8/23/2023

NOTICE: THIS INSURANCE PROVIDES THAT THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGEMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. FURTHER NOTE THAT AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

1. Sponsor Organization City of North Miami Beach Management Employees' Retirement Plan
2. Address 17011 NE 19<sup>th</sup> Avenue, North Miami Beach, FL 33162
3. Amount of insurance presently carried \$5,000,000
4. Amount of insurance desired on renewal \$5,000,000
5. Have any plan names been changed? YES \_\_\_\_\_ NO X If YES, provide details \_\_\_\_\_
6. Is coverage requested for additional plans and/or have any additional plans been created or acquired since the date of your last application? YES \_\_\_\_\_ NO X If YES, submit mainform application, latest Form 5500 and CPA audited financial statement for each plan OR Plan Document and latest CPA audited financial statement, if applicable, for non-ERISA, non-qualified plans. \_\_\_\_\_
7. List any plans covered under the expiring insurance which have been terminated, merged or sold. Indicate whether terminated, merged or sold and effective date. \_\_\_\_\_
8. Do you intend to terminate or merge any plans within the next twelve months? YES \_\_\_\_\_ NO X If YES, provide details: \_\_\_\_\_
9. During the past twelve months, has there been any change in any plan's Investment Manager or investment management guidelines? YES \_\_\_\_\_ NO X If YES, provide details: \_\_\_\_\_
10. Have there been any significant changes in the Sponsor Organization within the past twelve months or are any significant changes contemplated within the next twelve months? YES \_\_\_\_\_ NO X If YES, provide details: \_\_\_\_\_
11. Have any plans requested, or do any plans contemplate filing a request for a waiver of contributions? YES \_\_\_\_\_ NO X If YES, provide details: \_\_\_\_\_
12. Are there any pending claims? YES \_\_\_\_\_ NO X If YES, provide details: \_\_\_\_\_
13. The following person is designated as the Representative for all proposed Insureds to receive any and all notices from the Company or its authorized representatives concerning this insurance:  
 Name Gregory Williams Title Pension Board Secretary



HCC Global  
37 Radio Circle Drive, Mount Kisco, New York 10549  
main 914 241 8900 facsimite 914 241 8084

THE UNDERSIGNED, ON BEHALF OF THE PROPOSED INSURED, DECLARES THAT THE STATEMENTS SET FORTH HEREIN ARE TRUE. THE UNDERSIGNED AGREES THAT THIS RENEWAL APPLICATION IS SUPPLEMENTAL TO THE ORIGINAL APPLICATION SUBMITTED TO THE COMPANY AND TOGETHER WITH THAT APPLICATION SHALL BE THE BASIS OF THE RENEWAL CONTRACT.

ANY PERSON WHO KNOWINGLY, OR KNOWINGLY ASSISTS ANOTHER, FILES AN APPLICATION FOR INSURANCE OR CLAIM CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD AN INSURANCE COMPANY MAY BE GUILTY OF A CRIME AND MAY BE SUBJECT TO CRIMINAL AND CIVIL PENALTIES AND LOSS OF INSURANCE BENEFITS.

Signed [Signature]  
Employer Trustee  
Date 6/6/2023

- PLEASE ATTACH THE FOLLOWING:**
- (a) Latest Form 5500 for each funded plan
  - (b) Latest CPA audited financial statement with portfolio, for each funded plan
  - (c) Latest CPA audited financial statement for the Sponsor Organization

Submitted by: FLORIDA LEAGUE OF CITIES  
125 EAST COLONIAL DRIVE  
P.O. BOX 538135  
ORLANDO, FLORIDA 32853-8135  
CHRISTOPHER KREPCHO, LICENSE #W237716

Date 7/12/2023

THIS APPLICATION MUST BE SUBMITTED TO:

**HCC GLOBAL**  
37 Radio Circle Drive, P.O. Box 5000  
Mount Kisco, New York 10549-5000  
Phone: (914) 241-8900  
Fax: (914) 241-8045