

DIVISION 5. GENERAL EMPLOYEES' PENSION PLAN

Sec. 2-252. Definitions.

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

1. Accumulated Contributions - means a Member's own contributions to the Fund at the rate of four point five percent (4.5%) of Salary on a pretax basis as provided for in Section 414(h)(2) of the Internal Revenue Code.

2. Actuarial Equivalence - means a form of benefit differing in time, period, or manner of payment from a specific benefit provided hereunder but having the same value when computed using the 1983 Group Annuity Mortality Table and eight percent (8%) interest.

3. Agreement - means this written instrument setting forth the provisions of the Pension Plan.

4. Average Final Compensation - means one-twelfth (1/12th) of the arithmetic average of Salary for the best five (5) years of employment during the last ten (10) years. For those Members who are employed for fewer than five years, Average Final Compensation shall be the arithmetic average of Earnings during the total months of employment. A year shall be 12 consecutive months.

5. Beneficiary - means the person or persons designated to receive benefits hereunder at the post-retirement death of a Member who has been designated in writing by the Member and filed with the Board. If no person so designated is living at that time, the Beneficiary, if applicable, shall be the estate of the Member.

6. Board - means the Board of Trustees, which shall administer and manage the Plan herein provided and serve as Trustees of the Fund.

7. Town - means Town of Indialantic, Florida.

8. Credited Service - means the total number of years and completed months of service with the Town as a General Employee, but omitting intervening years and completed months when such General Employee was not employed by the Town and years and completed months for which the Member has received a refund of Accumulated Contributions.

Members whose service is interrupted by active military service with the U. S. Armed Forces will receive benefit credit for up to four such years of active military service provided:

A. the Member is entitled to reemployment under the provisions of the Veterans' Reemployment Rights Act,

B. the Member was employed by the Town as a General Employee immediately prior to the commencement of active military service, and

C. the Member applies for reemployment with the Town as a General Employee within 90 days of discharge from active military service.

9. Joint Annuitant - means a Spouse, dependent child, or any person receiving 50% or more of their support from the Member who is designated by the Member for purposes of

receiving benefits in the event of the pre-retirement death of the Member.

10. Employee or General Employee - means all full-time persons employed by the Town who are classified as General Employees.

11. Salary - means total W-2 compensation, plus tax deferred and tax-exempt items of income.

Effective July 1, 2011 overtime included in salary is limited to 300 hours per member per year. Prior to July 1, 2011 all overtime is included in the definition of salary. No hours of unused vacation leave earned after July 1, 2011 shall be considered salary, however, member's hours earned as of June 30, 2011 shall be included, provided that number of hours are cashed in at retirement.

12. Fund - means the Trust Fund established herein as part of the Plan.

13. Member - means an actively employed General Employee who fulfills the prescribed participation requirements.

14. Plan - means the Town of Indialantic General Employees' Pension Plan as contained herein and all amendments thereto.

15. Spouse - means the lawful wife or husband of a Member at the time of pre-retirement death or retirement.

(Ord. No. 13-06, 1, 1-15-13)

Sec. 2-253. Membership.

1. Conditions and Eligibility.

All full-time General Employees who are employed by the Town on the Effective Date may make a one-time irrevocable election to participate in the Plan. Full-time General Employees who are hired after the Effective Date shall participate in the Plan as a condition of employment. Provided, however, the Town Manager, solely, shall not participate.

2. Beneficiary Designation.

Each eligible General Employee shall complete a Beneficiary Designation form for purposes of naming beneficiaries to receive any death benefits provided hereunder.

A Member may from time to time change his or her 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.

Sec. 2-254. Benefit amounts and eligibility.

1. Retirement Dates

A. Normal Retirement - a Member's Normal Retirement Date shall be the first day of the month coincident with or next following the later of the attainment of age sixty-five (65) and the completion of five (5) years of Credited Service.

Members who continue in employment beyond their Normal Retirement Date continue to earn benefit credit under the Plan.

Each Member shall become 100% vested in his or her accrued benefit on his or her Normal Retirement Date.

B. Early Retirement - a Member's Early Retirement Date shall be the first day of the month coincident with or next following the attainment of age sixty (60) and the completion of five (5) years of Credited Service.

2. Retirement Benefits.

A. Normal - a Member retiring hereunder on or after his or her Normal Retirement Date shall receive a monthly benefit which shall commence on his or her Retirement Date and be continued thereafter during his or her lifetime. The monthly retirement benefit shall equal two percent (2.0%) of Average Final Compensation for each year of Credited Service.

B. Early - a Member retiring hereunder on or after his or her Early Retirement Date shall receive a monthly benefit which shall be computed as for Normal Retirement, but shall be reduced one-fifteenth (1/15th) for each year by which the commencement of monthly benefit payments precedes the Member's Normal Retirement Date.

3. Disability Benefits - None. Members who terminate employment as a result of injury or disease are entitled to benefits payable based upon their age and service at termination as set forth herein.

4. Pre-Retirement Death - if a Member dies while actively employed by the Town, the Member's designated Beneficiary shall receive, at their discretion, either 1) a refund of Accumulated Contributions, or 2) an immediate annuity payable for 120 months which shall be the actuarial equivalent of the accrued benefit earned by the Member as of the date of death.

5. Vesting - if a Member terminates his employment, either voluntarily or by discharge, and is not eligible for any other benefits under this Plan, he shall be entitled to the following:

A. With less than five (5) years of Credited Service - refund of Accumulated Contributions.

B. With 5 or more years of Credited Service -

1. The pension benefit accrued to his date of termination payable for life, commencing at the Member's Normal Retirement Date or Early Retirement Date, provided the Member survives until benefit payments actually begin. If the benefit is

paid prior to the Normal Retirement Date, the monthly amount shall be determined as for Normal Retirement, but shall be reduced one-fifteenth (1/15th) for each year that the benefit commencement date precedes the Normal Retirement Date, or

2. Refund of Accumulated Contributions.

In the event that the Member dies prior to the commencement of benefits, the designated Beneficiary shall receive a refund of Accumulated Contributions.

Forfeitures arising from terminations of employment shall serve only to reduce future Town contributions and shall remain as a part of the assets of the Fund.

(Ord. 06-04, 1, 1-17-06)

2-254.1. Credit for workers' compensation payment periods.

A member who has been eligible or becomes eligible to receive workers' compensation payments for an injury or illness occurring during his or her employment while a member shall, upon return to active employment with the Town for one (1) calendar month or upon approval for disability retirement in accordance with sec. 2-254 3., receive full retirement credit for the period prior to such return to active employment or disability retirement for which the workers' compensation payments were received by the member. However, no member may receive retirement credit for any such period occurring after the earlier of the date of maximum medical improvement as defined in s. 440.02, Florida Statutes, or the date termination of employment with the Town has occurred. The Town and the member at the time of and during the worker's compensation injury or illness shall make the required retirement contributions, as required by sec. 2-256, based on the member's rate of monthly compensation immediately prior to his or her receiving workers' compensation payments for retirement credit received by the member. (Ord. 10-01, 1, 11-17-09)

Sec. 2-255. Optional forms of benefits.

Each Member entitled to a Normal or Early Retirement Benefit shall have the right at any time prior to the date on which benefit payments begin to elect to have his or her benefit payable under any of the Options hereinafter set forth in lieu of the benefits provided herein, and to revoke any such elections and make a new election at any time prior to the actual commencement of payments. The Member shall make such an election by written request to the Board, such request being retained in the Board's files.

OPTION 1 - Joint and Last Survivor Option

The Member may elect to receive a benefit during his or her lifetime and have such benefit (or designated fraction thereof) continued after his or her death to and during the lifetime of his or her Beneficiary. The Election of Option 1 shall be null and void if the designated Beneficiary dies before the Member's benefit payments commence.

OPTION 2 - Ten Year Certain and Life Annuity Option

The Member may elect to receive a reduced benefit which is payable for life, with the first 120 monthly payments guaranteed payable in any event.

OPTION 3 - Social Security Option

If a Member retires prior to the time at which Social Security benefits are payable, he may elect to receive an increased retirement benefit until such time as Social Security benefits shall be assumed to commence and a reduced benefit thereafter in order to provide, to as great an extent as possible, a more level retirement allowance during the entire period of retirement. The amounts payable shall be as recommended by the actuaries for the Plan, based upon the Social Security law in effect at the time of the Member's retirement.

OPTION 4 - Other

In lieu of the other optional forms enumerated in this Section, benefits may be paid in any form approved by the Board so long as actuarial equivalence with the benefits otherwise payable is maintained. Provided, however, lump sum payments of all or a portion of the Member's benefit entitlement are prohibited.

Sec. 2- 256. Contributions.

1. Member Contributions.

Active Members of the Plan shall make contributions to the Fund through payroll deductions in the amount of four point five percent (4.5%) of their Salary. These amounts shall be made on a pretax basis as provided for in Section 414(h)(2) of the Internal Revenue Code. Such Member contributions shall be deposited no less frequently than monthly. Members shall always be 100% vested in the amount of the Member contributions as these amounts shall represent the minimum benefits payable from the Plan.

2. Town Contributions.

So long as this Plan is in effect, the Town shall make contributions to the Fund in an amount equal to the difference between the total cost for the year as shown in the most recent actuarial valuation of the Plan and amounts contributed by the Members as set forth in the actuarial valuation report. The Town contributions shall be made in quarterly installments. The total cost for any year shall be defined as the total Normal Cost plus the additional amount sufficient to amortize any Unfunded Actuarial Accrued Liabilities over not more than a forty (40) year period.

Sec. 2-257. Administration.

1. The General Administration and responsibility for the proper operation of the Pension Plan and for making effective the provisions of this Ordinance are hereby vested in a Board of Trustees which shall be designated as the Plan Administrator for the Plan. The Board shall consist of five (5) persons as follows:

A. Two legal residents of the Town who shall be appointed by the Town Council to serve for a period of 2 years unless sooner replaced by the Town Council. An appointed Member may succeed himself or herself.

B. Two Members of the Plan to be elected as hereinafter provided, and

C. A fifth Member, elected by a majority of the other four (4) members of the Board, to be appointed by the Town Council as a ministerial duty for a two (2) year term. Such fifth member shall be allowed to succeed himself or herself in office for additional two (2) years terms if reelected.

2. The regular term of office of each elected or appointed Trustee shall be two (2) years. Each elected Trustee may succeed himself or herself if reelected as hereinafter provided.

3. Elected General Employee Trustees shall be elected in the following manner: by vote of all actively employed Members of the Plan at places designated by the Board, of which all qualified Members entitled to vote shall be notified in person or by written notice ten (10) days in advance of said election. The candidate who receives the highest number of votes for office shall be declared elected and shall take office immediately upon commencement of the term of office for which elected or as soon thereafter as he or she shall qualify therefore. The Board shall establish and administer the nominating and election procedure for each election. The Board of Trustees shall elect from among its Members a Chairman, Vice Chairman and Secretary, within (10) days after a new Trustee is elected or appointed.

4. If a vacancy occurs in the office of Trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled.

5. The Trustees shall serve without compensation, but they may be reimbursed from the Fund for all official expenses which they may necessarily actually expend through service on the Board.

6. Each Trustee shall, within ten (10) days after his or her appointment or election, take an oath of office before the Town Clerk of the Town, that so far as it develops upon him or her they will diligently and honestly administer the affairs of the said Board, and that he or she will not knowingly violate or willingly permit to be violated any of the provisions of the law applicable to the Pension Plan. Such oath shall be subscribed to by the Members making it and shall be certified by the said Clerk and filed in the office of the Town Clerk.

7. Each Trustee shall be entitled to one (1) vote on the Board. Three (3) affirmative votes shall be necessary for a decision by the Trustees at any meeting of the Board. The Chairman shall have the right to one (1) vote only. Trustees may not cast proxy votes.

8. Subject to the limitations of this ordinance, the Board of Trustees shall from time to time establish uniform rules and regulations for the administration of funds created by this Ordinance and for transactions of its business, including provisions for expulsion due

to non-attendance of its elected Members which could result in a vacancy.

9. The Board of Trustees shall engage such actuarial, accounting, legal and other services as shall be required to transact the business of the Pension Plan. The compensation of all persons engaged by the Board of Trustees and all other expenses of the Board necessary for the operation of the Pension Plan shall be paid by the Town or from the Fund at such rates and in such amounts as the Board of Trustees shall agree. Funds may be distributed by a disbursing agent as determined by the Board, but only upon written authorization by the Board of Trustees.

10. For all acts and determinations of the Board the Secretary shall prepare minutes.

11. The duties and responsibilities of the Board of Trustees shall include, but not necessarily be limited to the following:

A. Construe the provisions of the Plan and determine all questions arising thereunder.

B. Determine all questions relating to eligibility for benefits hereunder.

C. Determine and certify the amount of all retirement allowances or other benefits hereunder.

D. Establish uniform rules and procedures to be followed for administrative purposes, benefit applications and all matters required to administer the Plan.

E. Distribute to the Members information concerning the Plan.

F. Receive and process all applications for participation and benefits.

G. 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.

H. Have actuarial studies and actuarial valuations performed, and make recommendations regarding any and all changes in the provisions of the Plan.

I. Perform such other duties as are specified in this Ordinance.

12. The Board of Trustees shall furnish to the Town Auditor and the Town Finance Director such required investment and actuarial information regarding the Plan as shall be requested.

Sec. 2-258. Finances and fund management.

1. All of the contributions and assets whatsoever attributable to the Plan shall be deposited to the Fund.

2. The actual custody and supervision of the Fund (and assets thereof) shall be

vested in the Board of Trustees. Payments of benefits and disbursements from the Fund shall be made by the disbursing agent but only upon written authorization from the Board.

3. The Board may appoint a National or State Bank with Trust powers or the Town Finance Director for the purpose of serving as Custodian of the Fund and all assets of the Fund shall be promptly and continually deposited therewith. In order to fulfill its investment responsibilities as set forth herein, the Board may utilize the services of the Finance Director or retain the services of the Custodian Bank, an investment advisor registered under Investment Advisory Act of 1940, an insurance company, or a combination of these, for purposes of investment decisions and management.

Such investment manager shall have full discretion in the investment of assets subject to limitation of this agreement and any guidelines as prescribed by the Board.

4. All funds and securities of the Plan may be commingled in the Fund, provided that accurate records are maintained at all times reflecting the financial composition of the Fund, including accurate current accounts and entries as regards the following:

- A. Receipts and disbursements of the fund;
- B. Benefit payments;
- C. All cash investments realized and unrealized gains or losses whatsoever;
- D. All interest, dividends and capital gains (or losses) whatsoever attributable to contributions and deposits to the Fund;
- E. Such other entries as may be properly required so as to reflect a clear and complete financial report of the Fund.

5. The Board of Trustees shall have the following investment powers and authority:

A. 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 Town Council of the Town of Indialantic, Florida to amend or terminate this Trust, provided that no amendment or Fund termination shall ever result in the use of any assets of this Fund except for the payment of regular expenses and benefits under this Plan. All contributions from time to time paid 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.

B. The Fund may be invested and reinvested in such securities or property, real or personal, wherever situated and whatever kind, as shall be approved by the Board of Trustees, including but not limited to stocks, common or preferred, and bonds, and other evidences of indebtedness or ownership.

C. The Board of Trustees may retain in cash and keep unproductive of income such amount of the Fund as it may deem advisable, having regard for the cash requirements of the Plan.

D. No person or entity shall be liable for the making, retention or sale of any investment or reinvestment made as herein provided nor for any loss or diminishment of the Fund, except that due to his, her or its own negligence, willful misconduct or lack of good faith.

E. 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 form permitting transferability, but the books and records shall at all times show that all investments are part of the Trust Fund.

F. 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 of power of attorney with or without power of substitutions; to participate in mergers, reorganizations, recapitalizations, 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 Trustees 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 power 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.

G. The Board shall not be required to make any inventory or appraisal or report to any court, nor to secure any order of court for the exercise of any power herein contained.

H. Where any action which the Board is required to take or any duty or function which it is required to perform, either under the terms herein or under the general law applicable to it as Trustee under this Ordinance, can reasonably be taken or performed only after receipt by it from a Member, the Town or any other entity, of specific information, certification, direction or instructions, the Board shall be free of liability in failing to take such action or perform such duty or function until such information, certification, direction or instruction has been received by it.

I. Any overpayments or underpayments from the Fund to a Member or Beneficiary caused by errors of computation shall be adjusted with interest at a rate per annum approved by the Board. Overpayments shall be charged against payments next succeeding the correction. Underpayments shall be made up from the Trust Fund.

J. The Board shall sustain no liability whatsoever for the sufficiency of the Fund to meet the payments and benefits herein provided for.

K. In any application to or proceeding or action in the courts, only the Town and the Board shall be necessary parties, and no Member 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.

6. Any of the foregoing powers and functions reposed in 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 said Fund shall always remain in the Board of Trustees.

Sec. 2-259. Maximum benefit limitations.

1. Basic Limitation.

Subject to the adjustments hereinafter set forth, the maximum amount of annual retirement income payable with respect to a Member under this Plan shall not exceed \$90,000 (or such lesser dollar amount as may be allowable for any calendar year pursuant to Section 415(b) of the Internal Revenue Code, as adjusted in such calendar year for increases in the cost of living in accordance with regulations issued by the Secretary of the Treasury under Section 415(d) of the Code).

For purposes of applying the above limitation, benefits payable in any form other than a straight life annuity with no ancillary benefits shall be adjusted, as provided by Treasury Regulations, so that such benefits are the Actuarial Equivalent of a straight life annuity. For purposes of this Section, the following benefits shall not be taken into account:

- i. Any ancillary benefit which is not directly related to retirement income benefits;
- ii. Any other benefit not required under Section 415(b)(2) of the Internal Revenue Code and Regulations thereunder to be taken into account for purposes of the limitation of Section 415(b)(1) of the Internal Revenue Code.

2. Participation in Other Defined Benefit Plan. The limitation 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 Section 414(j) of the Internal Revenue Code) maintained by the Town shall apply as if the total benefits payable under all defined benefit Plans in which the Member has been a Member were payable from one Plan.

3. Adjustments in Limitations. In the event the Member's retirement benefits become payable before unreduced Social Security benefits are payable, the \$90,000 limitation prescribed by this Section shall be reduced in accordance with Regulations issued by the Secretary of the Treasury pursuant to the provisions of Section 415(b) of the Internal Revenue Code. If the Member's retirement benefit becomes payable after unreduced Social Security benefits are payable, for purposes of determining whether this benefit meets the limitation set forth in subsection 1 herein, such benefit shall be adjusted

so that it is actuarially equivalent to the benefit beginning at the age when unreduced Social Security benefits are payable. This adjustment shall be made using an assumed interest rate of five percent (5%) and shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his or her delegate.

4. Less than Ten 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 with the Town shall be the amount determined under subsection 1 of this Section 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).

5. \$10,000 Limit. Notwithstanding the foregoing, the retirement benefit payable with respect to a Member shall be deemed not to exceed the limitations set forth in this Section if the benefits payable, with respect to such Member under this Plan and under all other qualified defined benefit pension plans to which the Town contributes, do not exceed \$10,000 for the applicable Plan Year and for any prior Plan Year and the Town has not at any time maintained a qualified defined contribution Plan in which the Member participated.

6. Accrued Benefit of Effective Date. Notwithstanding the above limitations, if any Member as of the effective date hereof, has an Accrued Benefit as of that date that exceeds the above limitations, then such limitations shall equal such Accrued Benefit. However, no cost of living adjustments as provided in subsection 9 below shall be applicable to the amount of retirement benefit so determined.

7. Member in Defined Contribution Plan. In any case where a Member under this Plan is also a Member in a "Defined Contribution Plan" as defined in Section 414(i) of the Internal Revenue Code, maintained by the Town, the sum of the "Defined Benefit Plan Fraction" and the "Defined Contribution Plan Fraction" (both as defined in Section 415(e) of the Internal Revenue Code) shall not, subject to the restrictions and exceptions contained in Section 2004 of the Act, exceed 1.0.

8. 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 Trustees and the Plan Administrator of such other Plans, and next, by reducing or allocating excess forfeitures for 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 Trustees and the Plan Administrator for such other provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the Trustees and the Plan Administrator of all other Plans covering such Member.

9. Cost-of-Living Adjustments. The limitations as stated in subsections 1, 2, 3, and 7 herein shall be adjusted to the time payment of a benefit begins in accordance with any

cost-of-living adjustments prescribed by the Secretary of the Treasury pursuant to Section 415(d) of the Internal Revenue Code.

Sec. 2-260. Repeal or termination of system.

1. This Ordinance establishing the Plan and Fund, and subsequent ordinances pertaining to said Plan and Fund, may be modified, terminated or amended in whole or in part; provided that if this or any subsequent Ordinance 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 Member or Beneficiary shall not be affected thereby, except to the extent that the assets of the Fund may be determined to be inadequate.

2. If this Ordinance shall be repealed, or if contributions to the Plan are discontinued, the Board shall continue to administer the Plan in accordance with the provisions of this Ordinance, for the sole benefit of the then Members, any Beneficiaries then receiving retirement allowances, and any future person entitled to receive benefits under one of the Options provided for in this ordinance who are designated by any of said Members. In the event of repeal, or if contributions to the Plan are discontinued, there shall be full vesting (100%) of benefits accrued to date of repeal and the assets of the Plan shall be allocated in an equitable manner to provide benefits on a proportionate basis to the persons so entitled to benefits in accordance with the provisions thereof.

3. The following shall be the order of priority for purposes of allocating the assets of the Plan upon repeal of this ordinance or if contributions to the Plan are discontinued:

A. Members already retired under the Early or Normal Retirement provisions of the Plan and those eligible for such Retirement provisions of the Plan and those eligible for such Retirement, active or deceased, but not actually retired, and their Beneficiaries, in proportion to and to the extent of the then actuarially determined present value of the benefits payable less amounts received. If any funds remain, then

B. Beneficiaries of deceased Members, in the same manner as in B. above. If any funds remain, then

C. Accumulated Contributions, then

D. To all other Members and their Beneficiaries in the same manner as B. but based upon Credited Service and Average Final Compensation as of the date of Termination of the Plan, and with any vested benefits given precedence.

The allocation of the Fund provided for in this subsection may, as decided by the Board 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 may direct. The Trust may be continued in existence for purposes of subsequent distributions.

4. After all the vested accrued benefits provided hereunder have been paid and after all other liabilities have been satisfied, then and only then shall any remaining funds revert to the general fund of the Town.

Sec. 2-261. Direct transfer of eligible rollover distributions.

1. General. This Section applies to distributions made on or after January 1, 1993. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

2. Definitions.

A. Eligible Rollover Distribution: 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 Section 401(a)(9) of the Internal Revenue Code; and the portion of any distribution that is not includable in gross income.

B. Eligible Retirement Plan: An eligible retirement plan is an individual retirement account described in Section 408(a) of the Internal Revenue Code, and individual retirement annuity described in Section 408(b) of the Internal Revenue Code, an annuity plan described in Section 403(a) of the Internal Revenue Code, or a qualified trust described in Section 401(a) of the Internal Revenue Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving Spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

C. Distributee: 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.

D. Direct Rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

Sec. 2-262. Miscellaneous.

1. Discharged Members - Unless otherwise required by Florida law, Members entitled to a pension shall not forfeit the same upon dismissal by the Town, but shall be retired as herein described.

2. Non-Assignability - no benefit provided for herein shall be assignable or subject

to garnishment for debt or for other legal process.

3. Pension Validity - The Board of Trustees shall have the power to examine 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. Said Board is empowered to purge the pension rolls of any person heretofore granted a pension under prior or existing law or heretofore granted under this Ordinance if the same is found to be erroneous, fraudulent or illegal for any reason; and to reclassify any pensioner who has heretofore under any prior or existing law or who shall hereafter under this Ordinance be erroneously, improperly or illegally classified.

4. Incompetents - if any Beneficiary is a minor or if a Member or Beneficiary is, in the judgment of the Board, otherwise incapable of personally receiving and giving a valid receipt for any payment due him or her under the Plan, the Board may, unless and until claims shall have been made by a duly appointed guardian or committee of such person, make such payment or any part thereof to such persons, Spouse, children or other person deemed by the Board to have incurred expenses or assumed responsibility for the expenses of such person. Any payment so made shall be a complete discharge of any liability under the Plan for such payment.

(Ord. No. 97-13, 1, 9-9-97)