

RETIREMENT PLAN AND TRUST FOR THE FIREFIGHTERS AND POLICE OFFICERS OF THE CITY OF DUNNELLON

Summary Plan Description

Plan Trustee

Florida Municipal Pension Trust Fund

Plan Sponsor and Administrator

Florida League of Cities, Inc.
P.O. Box 1757
Tallahassee, FL 32302-1757

Plan

Plan representing the Chapter 175 Municipal Firefighters and Chapter 185 Municipal Police Officers Pension Trust Fund of the City of Dunnellon, whom were hired after January 1, 1996.

Agent for Legal Process

City of Dunnellon
20750 River Drive
Dunnellon, FL 34431

Effective Date

01/01/96

Plan Anniversary Date

September 30 each year

Plan Year

Twelve month period beginning
10/01 and ending 09/30

Eligibility

All full-time firefighters and police officers when hired,
shall become a participant after the effective date.

Salary:

Firefighter - Compensation means the fixed monthly compensation paid a firefighter. Salary shall be the total cash compensation received yearly for such services, prorated on a monthly basis excluding lump sum payment for accrued sick leave and other lump sums such as bonuses and severance payments.

Police Officer – Compensation means the total cash remuneration paid to a police officer for services rendered excluding extra duty or special detail work performed on behalf of a second party employer, lump sum payment for accrued sick leave and other lump sums such as bonuses and severance payments.

Credited Service:

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. Participants may purchase up to five additional years of credited service under the plan for all or a portion of their previous full time employment as a Police Officer or Firefighter with the federal government, including military service, any state, county or city government other than City of Dunnellon. Participants may purchase an increased multiplier rate for all previous credited service in the plan earned prior to October 1, 2011 in the amount half (½) of one percent (1%) such all years of credited service in the plan will be multiplied by two and one half percent (2.5%).

Final Monthly Compensation:

One-twelfth (1/12) of the highest average earnings during the five (5) best years out of the last ten (10) years of Creditable service prior to separation as an active member or the career average, whichever is greater.

Accrued benefit:

Means a fraction of the benefit to which a participant would be entitled at their Normal Retirement Date based on final monthly compensation. The numerator of the fraction is the years of participation at the time of severance and the denominator is the years of participation in the Plan that would have been accrued at their Normal Retirement Date.

Normal Form of Benefit:

The normal form of benefit is a ten (10) year certain and life annuity.

Normal Retirement Date:

The first day of the month coincident with or next following attainment of age fifty five (55) and ten (10) years of service or the attainment twenty five (25) years of service regardless of age.

Normal Retirement Benefit:

The number of years of credited service and purchased prior to October 1, 2011 multiplied by two percent (2%) and multiplied by average final compensation. Added to the number of years of credited service both earned and purchased after September 30, 2011 multiplied by two and one half percent (2.5%) and multiplied by average final compensation.

Early Retirement:

A member shall 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 (50) and the completion of ten (10) years of credited service.

Early Retirement Benefit:

The amount of accrued benefits will be reduced a maximum of three percent (3%) for each year before the Normal Retirement Age.

Termination of Service Benefit:

If a member terminates before completing ten (10) years of credited service all contributions are returned to the member. After the completion of ten (10) years of credited service, any member who elects to leave their contributions in the fund will receive their accrued benefit at their normal or early retirement date.

Disability - (On-Duty):

A member deemed to be totally and permanently disabled from service connected injury or disease will receive the greater of a monthly pension equal to sixty five percent (65%) of average monthly salary at the time of disability or an amount equal to the accrued retirement benefit.

Disability - (Off-Duty):

A member deemed to be totally and permanently disabled from non-service connected injury or disease will receive the greater of monthly pension equal to twenty five percent (25%) of average compensation or an amount equal to the accrued retirement benefit.

Death Benefit prior to Vesting :

If a member dies prior to retirement and he is not vested, his beneficiary shall receive a refund of one hundred percent (100%) of the Members' accumulated contributions.

Death Benefit after Vesting:

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

Employee Contributions:

All participants contribute 1% (pre-tax) of his salary.

Deferred Retirement Option Program – "DROP"

Available to participants who reach normal retirement age. Election to participate must be made within sixty (60) months immediately following the date on which a participant reaches Normal Retirement date, or, for a participant that reached Normal Retirement Age based on service before he or she reaches age fifty five (55). Maximum participation of sixty (60) months. Interest shall accrue at an effective annual rate of two percent (2%) compounded monthly on the prior month's accumulated ending balance. 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.

Retirement Plan Changes For Firefighters Effective October 1, 2017

Accordingly, the Plan was closed to firefighters on October 1, 2017, and all assets in this Fund attributable to firefighters shall remain in this Fund, for the purpose of providing benefits to firefighters as provided in this Plan

Police Officers' - Share Plan

A defined contribution plan component (share plan) for police officers is hereby established as part of the City of Dunnellon Retirement Plan for Firefighters and Police Officers pursuant to section 185.35(6), Florida Statutes. The share plan shall be funded solely and entirely by Chapter 185 premium tax revenues allocated to the share plan, as provided herein. The share plan benefit is in addition to the benefits provided by the Retirement Plan.

Eligible Police Officers' and share accounts.

Police officers who were contributing to and participating in the Retirement Plan on October 1, 2017 shall be eligible to participate in the share plan for purposes of the initial allocation. Police officers who were contributing to and participating in the Retirement Plan on October 1, 2017, and police officers hired after that date shall be eligible to participate in the share plan for purposes of the annual allocation. Police officers who retired before October 1, 2017, former police officers who left city employment before October 1, 2017, and the beneficiaries of any police officer shall not be eligible to participate in the share plan. An individual share account shall be established for each eligible police officer, and the board shall ensure that appropriate records are maintained showing the respective share account balance of each eligible police officer. The maintenance of separate share accounts is for accounting purposes only, and a segregation of the assets of the trust fund to each account shall not be required.

Allocation of Chapter 185 Premium Tax Revenues to the Share Plan

- (a) Initial allocation. One-half of the accumulated excess Chapter 185 premium tax revenues on October 1, 2018 (\$34,248) shall be allocated to the share plan as soon as administratively practical after the adoption of this ordinance.
- (b) Annual allocation. The City and the union representing City police officers have mutually agreed that all annual Chapter 185 premium tax revenues shall be used to offset future City contributions to the Retirement Plan. Unless the mutual agreement is renegotiated, there shall be no annual allocation of premium tax revenues to the share plan.

Share account funding to the Share Plan

In any year that Chapter 185 premium tax revenues are allocated to the share plan, the total amount of premium tax revenues allocated to the share plan shall be divided equally among all eligible police officers as of September 30 of the plan year in which the allocation is made, with each eligible police officer receiving an equal share of the total. Share plan monies credited to actively employed police officers shall be placed in the police officer's share account. Share plan monies credited to vested terminated and retired police officers (police

officers who are employed on September 30 of any year in which an annual allocation is made to the share plan and retire or terminate City employment with ten (10) or more years of credited service after that date) shall be paid directly to the vested terminated or retired police officer in a one-time payment.

Forfeitures to the Share Plan

An eligible police officer who terminates city employment with less than ten (10) years of credited service, other than for disability or death, shall forfeit his individual police officer share account. A police officer's share account is also subject to forfeiture as provided in section 112.3173, Florida Statutes. Forfeited amounts shall be redistributed to the other share plan participants in the year following forfeiture, in equal shares, except forfeitures of the initial allocation amount, plus interest, shall be redistributed only among the police officers who were contributing to and participating in the Retirement Plan on October 1, 2017.

Forfeiture of retirement benefits

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.

Source of Financing Plan

The plan will be funding by three sources, employer, employee, and state contributions.

Applicable Regulations Governing Establishment, Operation and Administration of the Plan

Chapter 175, Florida Statutes; Chapter 185, Florida Statutes; Chapter 112, Part VII, Florida Statutes; Chapter 60T-1, FAC, Internal Revenue Code

Attachments

The following documents should be attached to the Summary Plan Description, if applicable.

- 1) List of Board of Trustees including names, titles and addresses
- 2) A description of the relevant provisions of any applicable collective bargaining agreement
- 3) Claims Procedures
- 4) Disability Procedures