

**Town of Manalapan
General Employees' and Police Officers'
Retirement Fund**

Summary Plan Description

OCTOBER, 2026

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Introduction

As a member in the Town of Manalapan General Employees' and Police Officers' Retirement Fund (the "Fund"), you are included in a program of benefits to help you meet your financial needs in retirement, or in the event of disability or death. The purpose of this Summary Plan Description (SPD) is to give you a brief description of benefits available to you under your Fund. All of the examples in this SPD are samples only; none of the examples represent any member's actual benefit.

Planning for retirement begins now. This Summary Plan Description can be a valuable tool in preparing for your retirement and financial future. If you need any further information on any of the topics presented in this Summary Plan Description, please contact the Fund Administrator or the Board of Trustees. They will answer any questions to help you better understand your benefits.

The information presented is a summary of the Fund as provided in the Town of Manalapan Code of Ordinances which governs your Fund. The legal citation for your Fund is Title III, Chapter 31, Section 31.17, Town of Manalapan Code (the "Plan"). This Summary Plan Description is current through Ordinance 406, adopted on July 14, 2026. **Any discrepancies between information in this SPD and the Plan will be governed by the Plan.** A copy of the Plan can be obtained online at www.municode.com or from the Fund Administrator or Town Liaison to the Fund at:

Fund Administrator:
Florida League of Cities
Ms. Laura Underhill
Mr. Jeremy Langley
P.O. Box 1757
Tallahassee, FL 32302
Telephone: 850-701-3633
E-mail: Lunderhill@FLCities.com

Town Liaison:
Town of Manalapan
Ashley Watson,
Finance Administrator
600 South Ocean Blvd.
Manalapan, FL 33462
Telephone: 561-383-2543
Email: AWatson@manalapan.org

Chair of the Board, Town of Manalapan
General Employees' and Police Officers'
Retirement Fund

Date

DEFINITIONS

Accumulated member contribution - a member's contributions accumulated without interest. If a member terminates employment before becoming vested, then he or she will receive a refund of those accumulated member contributions.

Average final compensation - one-twelfth of the average compensation for the highest 5 years and the years do not need to be consecutive.

Beneficiary - the person or persons entitled to receive benefits at the death of a member who is designated in writing by the member and filed with the Board.

Board - the Board of Trustees which administers, manages and operates the Fund.

Credited service - the total number of years of employment with the Town after January 1, 2019, as a general employee or a police officer. Credited service also includes the purchase of Town service prior to January 1, 2019. A member who serves in any branch of the Armed Forces of the United States will have that time added to their years of credited service for all purposes, including vesting, provided the member returns to employment with the Town within 1 year from the date of military discharge or release from active service under honorable conditions and provided further, the contributions that would have been paid to the Fund if the member had been employed during the period of military service are paid to the Fund.

Fund administrator - the person who oversees the Fund's daily operations. The Fund utilizes the services of the Town Manager.

General employee - a person employed by the Town in a general employment capacity on a full-time basis, including any probationary employment period. Full-time refers to general employees who work more than 30 hours a week and more than 5 months in any Plan year.

Member - an actively employed general employee or police officer with the Town of Manalapan.

Police officer - an actively employed person who works full-time in the Police Department, including their initial probationary employment period, who is certified as a police officer.

Salary - is a member's base salary plus any educational incentives and tax deferred items of income. Salary excludes overtime, extra duty or special detail work as well as payments for unused annual leave at termination of employment.

PARTICIPATION IN THE PENSION FUND

Each full-time general employee and police officer employed on or after January 1, 2019, in the Town of Manalapan is a member of the Fund.

ELIGIBILITY FOR NORMAL RETIREMENT

Members who have attained age 55 with 8 or more years of credited service or who have attained age 52 with 25 or more years of credited service are eligible for normal retirement. To be eligible to begin receiving benefits, a member must terminate employment. An application for normal retirement must be filed with the Fund Administrator and approved by the Board of Trustees.

AMOUNT OF A NORMAL RETIREMENT PENSION

The amount of a normal retirement pension is based on a member's years of credited service, average final compensation, and pension multiplier.

Average final compensation is the monthly average of salary during the last 5 years of employment producing the highest average.

Credited service is generally a member's period of employment after January 1, 2019, as a general employee or police officer in the Town of Manalapan, measured in years and fractional parts of years. Military service and police service with another Florida police department will be recognized as credited service if purchased.

The pension multiplier is 3% for all years of credited service. The benefit will commence on the first day of the first month following the member's attainment of normal retirement date, filing an application for retirement with the Board, and termination of employment.

The amount of benefits a member receives under normal retirement shall not exceed 100% of his or her final average compensation.

EARLY RETIREMENT PENSION

Members may elect an early retirement upon separation from service after attaining age 50 with 8 or more years of service. Early retirement benefits are determined in the same manner as normal retirement benefits, however early retirement benefits which commence before age 55 will be reduced by 5% for

each year that the early retirement date precedes the member's normal retirement age. This takes into account the member's younger age and the earlier commencement of retirement benefit payments.

Members may defer receiving their early retirement benefit until attaining age 55, in which case there will be no reduction to their retirement benefit payments.

FORMS OF PAYMENT OF A PENSION

Normal Form

The standard form of payment for the pension described above is a benefit payable for 10 years certain, in other words, you are guaranteed at least 120 monthly payments. The retiree will receive a benefit for life. However, if the retiree dies prior to receiving 120 payments, then pension payments will continue until a total of 120 payments have been made to the retiree and a designated beneficiary.

A member may designate a beneficiary to receive the benefit payable, if any, upon his or her death. A designation of beneficiary may be changed from time to time by written notice to the Board. If no designated beneficiary has been named or if the designated beneficiary is no longer living at the time of the member's death, benefits will be paid in the following order: (a) the member's surviving spouse, (b) if no spouse is alive, then to the member's surviving children, (c) if no children are alive, then to the estate of the actively employed member.

**IT IS IMPORTANT TO KEEP YOUR BENEFICIARY
DESIGNATION UP TO DATE**

Optional Forms of Payment

Optional forms of payment are available instead of the normal form described above. The amount of pension under each optional form has the same actuarial value as the normal form of payment. The normal form of payment is a lifetime benefit payable to the retiree, with 120 payments guaranteed (for example, in the event that the retiree dies after receiving only 100 payments, the remaining 20 payments will be paid to the named beneficiary or to the estate of the retiree).

- **Option I - Life Annuity** - The straight life form of payment pays the retiree an increased monthly pension for life. The amount of this benefit is more than the normal form and other optional forms. No monthly pension is ever paid to a spouse, child, dependent parent or other beneficiary under this form of payment.
- **Option II - Joint and 100% Survivor** - The joint and 100% survivor form of payment pays the retiree a reduced monthly pension for life. Upon the retiree's death, the beneficiary designated when the form of payment was elected will be paid 100% of the reduced monthly pension for life.
- **Option III - Joint and 75% Survivor** - The joint and 75% survivor form of payment pays the retiree a reduced monthly pension during his or her lifetime. The reduction is not as great as under Option II. Upon the retiree's death, the beneficiary will be paid 75% of the reduced monthly pension for life.
- **Option IV - Joint and 66-2/3% Survivor** - The joint and 66-2/3% survivor form of payment pays the retiree a reduced monthly pension during his or her lifetime. The reduction is not as great as under Option III. Upon the retiree's death, the beneficiary will be paid 66-2/3% of the reduced monthly pension for life.
- **Option V - Joint and 50% Survivor** - The joint and 50% survivor form of payment pays the retiree a reduced monthly pension during his or her lifetime. The reduction is not as great as under Option IV. Upon the retiree's death, the beneficiary will be paid 50% of the reduced monthly pension for life.

Members may get an estimate of their pension under any of the forms of payment from the Fund Administrator. A request for an optional form of payment must be submitted in writing to the Board before the effective date of retirement. An optional form of payment cannot be changed after the first pension check is cashed. The election of Options II, III, IV, and V shall be null and void if the joint annuitant dies before member's payments commence.

DEFERRED RETIREMENT OPTION PLAN

- (1) If you become eligible for normal retirement, and are still employed by the Town as a General Employee or Police Officer, you have the option of "retiring" from the pension plan but continuing your employment for an additional 5 years. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the Town not later than 5 years from the commencement of DROP participation. You must request, in writing, to enter the DROP.

- (2) Upon entering the DROP, your retirement benefit is immediately calculated and each monthly benefit payment is credited to your DROP balance. Your account earns an investment return approximately equal to the other assets of the Fund, but not less than 0.00% and not more than 5.0%.
- (3) At the time of termination of employment at the end of the DROP period, you will receive your account balance in a lump sum and you will also begin receiving your monthly retirement benefit. The Board has the right to hold back 20% of the distribution balance to account for losses in the portfolio and pay those assets the following quarter.
- (4) Once you enter the DROP, you are no longer eligible for disability or pre-retirement death benefits, nor do you accrue any additional credited service. Your retirement benefit is fixed as of your entry date. You pay no member contributions to the plan once you enter the DROP.
- (5) Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.
- (6) Additional information about the DROP can be obtained from the Fund Administrator.

SURVIVOR BENEFITS - DEATH BEFORE RETIREMENT

Benefit Payable When Member Has Less Than 8 Years of Service

The designated beneficiary of a member with less than 8 years of credited services who dies, will receive the member's accumulated contributions.

Benefit Payable When Member Has At Least 8 Years of Service

If a member dies after attaining 8 or more years of credited service, his or her designated beneficiary is entitled to a monthly benefit equal to 3% of the member's average final compensation multiplied by their years of credited service. After filing an application, the designated beneficiary is paid a pension equal to the benefits otherwise payable at early or normal retirement age. A monthly benefit that commences on what would have been the member's early retirement date is reduced 3% for each year that the early retirement date precedes the normal retirement date.

Death benefit payments are payable under the normal form of payment, a benefit payable for 10 years with 120 payments guaranteed, unless the member elected an optional form of payment. Non-spouse beneficiaries may request that the Board approve payment of their benefit paid in a lump sum within 5 years of the member's death.

DISABILITY RETIREMENT

A pension may be payable to a member who becomes disabled while employed as a general employee or police officer of the Town. Eligibility and the amount of the pension are dependent on whether or not the disability occurred in the line of duty. An application for disability retirement must be filed with the Board while the member is still employed by the Town.

The disability must arise from a mental or physical illness, disease or injury which totally and permanently prevents the member from performing useful and efficient service as a general employee or police officer of the Town. A line of duty mental injury or impairment may be granted if it is proved to the Board that the injury was the result of a sudden, unexpected, and extraordinary stress directly related to the member's employment.

No member shall be permitted to retire under a disability retirement until examined by a duly qualified physician or surgeon to be selected by the Board and the physician or surgeon finds the member to be disabled from performing the functions of a general employee or police officer. The final determination of disability is made by the Board.

If disability results from excessive and habitual use of drugs, intoxicants or narcotics, willful and illegal participation in fights, riots or civil insurrection, or while committing a crime, or injury or disease sustained while serving in an armed force, no disability pension can be awarded. This exclusion does not affect participants who have become disabled as a result of intervening military service under the federal Heroes Earnings Assistance and Relief Tax Act of 2008 (H.R. 6081; P.L. 100-245).

A member who is retired for disability may be required to undergo periodic medical examination under the direction of the Board to determine if the retired member is capable of performing the duties of a general employee or a police officer of the Town.

Duty Disability Retirement

If the Board finds the disability to have arisen out of and in the course of the member's performance of duty as a general employee or police officer of the Town, the amount of pension will not be less than 42% the member's average monthly compensation at the time of disability.

Police Officers' Duty Disability Presumption

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

For conditions diagnosed on or after January 1, 2019, a police officer member who suffers any impairment of health caused by hepatitis, meningococcal meningitis, or tuberculosis, resulting in total and permanent disability, it will be presumed that the disability is in the line of duty, unless the contrary is shown by competent evidence as provided for in Section 112,181, Florida Statutes; providing the statutory conditions have been met.

Non-Duty Disability Retirement

There is an 8 year credited service requirement for disability retirement if the disability is not the result of performing duty as general employee or police officer of the Town.

The amount of pension is calculated the same as a normal retirement pension based on average monthly earnings and credited service at the time of disability. The minimum pension is 25% of average monthly compensation.

There is no non-duty disability pension if a member's credited service is less than 8 years. In that event, accumulated contributions are refunded.

ENDING EMPLOYMENT BEFORE RETIREMENT

Members become vested in Plan benefits upon completing 8 years of credited service. A member with less than 8 years of credited service who quits or is fired from employment as a Town general employee or police officer, is only entitled to a refund of their accumulated contributions.

A member who terminates employment with the Town after attaining 8 or more years of credited service will be entitled to a benefit beginning at either their early or normal retirement date. The member will receive a monthly retirement benefit equal to 3% of his or her average final compensation multiplied by their years of credited service. Member may receive a reduced benefit for early retirement depending on their benefit commencement date.

Vested members, whose position is terminated, will have their retirement benefits accrued up to the date of termination preserved so long as they do not elect a refund of their accumulated contributions. These benefits are payable at the member's otherwise early or normal retirement date.

FILING FOR RETIREMENT

In order to ensure that you receive your pension on time, you should file your application with the Fund Administrator at least 45 days before retirement. All forms can be obtained from the Fund Administrator at the address on the Introduction page. Penalties will be imposed for making a false or misleading statement to obtain a pension benefit. It can take up to 60 days after your date of retirement to receive your first pension check.

If an error in retirement benefits is discovered and result in any member or beneficiary receiving from the retirement plan more or less than they would have been entitled to receive had the records been correct, the board shall have the power to correct such error and, as far as possible, adjust the payments in such a manner that the actuarial equivalent of a benefit to which such member or beneficiary was correctly entitled to shall be paid.

COST OF THE PENSION FUND

Members are required to contribute 7% of their covered salary. Contributions are deducted from each paycheck and are designated as employer contributions.

The Town also contributes to the Pension Fund. The amount of Town contributions is mathematically determined in accordance with State statutes to finance Fund benefits as they are earned.

ADMINISTRATION OF THE PENSION FUND

The Fund is administered by a Board of Trustees which is responsible for overseeing the investment of Fund assets and application of the provisions of the Plan document contained in the Town of Manalapan Code. The Board has authority over distribution of all pensions and makes final decisions on claims and appeals.

Five trustees make up the Board: 2 legal residents of the Town appointed by the Town Commission; 1 full-time police officer who is a member of the Plan elected by a majority of the police officers Plan members; 1 full-time general employee who is a member of the Plan elected by a majority of the general employee Plan members;

and 1 trustee chosen by a majority of the previous 4 trustees. Each trustee serves a 4 year term. DROP participants are ineligible to be trustees on the Board as they are considered retired for Plan purposes.

Fund assets are maintained and invested entirely separate from Town assets and cannot be used for any purpose other than those specified in the Plan.

INVESTMENTS

Fund assets are presently invested by various investment managers retained by the Board under investment guidelines adopted by the Board in consultation with their investment advisors.

FEDERAL INCOME TAX CONSEQUENCES

The Fund is intended to qualify under Section 401 of the Internal Revenue Code as a qualified pension plan. It is important that you consult qualified experts to determine whether or not you must pay taxes on the pension benefits you receive.

DIVORCE OR DISSOLUTION OF MARRIAGE

The Town of Manalapan General Employees' and Police Officers' Retirement System is a governmental plan, and therefore, is not subject to Qualified Domestic Relations Orders ("QDROs") under federal law, or court orders to effectuate an equitable distribution of marital assets.

The Fund is subject to Section 61.1301, Florida Statutes, entitled Income Deduction Orders ("IDOs"). Section 61.1301 is limited to the collection of alimony and child support. Therefore, if the Fund receives an IDO for alimony or child support the Fund will comply with the Order. Additionally, pension benefits may be distributed by using an "Order Distributing Marital Interest in a Public Retirement Plan." A copy of this order may be obtained from the Office of the Fund Administrator.

Effective January 1, 2019, changes in the federal tax laws have eliminated tax deductions for alimony if a marriage was dissolved or a property settlement agreement was made on or after January 1, 2019. Modifications to existing orders or agreements on or after January 1, 2019, may be tax deductible if both parties agree.

ACTUARIAL SOUNDNESS

The actuary for the Fund has determined that the Fund is actuarially sound and can adequately fund the benefits based upon projected contributions to the Fund and investment earnings.

A report of pertinent financial and actuarial information on the solvency and actuarial soundness of the Plan has been prepared by the plan's actuary and is attached as Exhibit "B".

A copy of the detailed accounting report of the plan's expenses for the previous fiscal year is available for review upon request to the Fund Administrator.

A copy of the administrative expense budget for the plan, for each fiscal year is available for review upon request to the Fund Administrator .

REEMPLOYMENT AFTER RETIREMENT

Reemployment after normal retirement

A retiree who retired under normal retirement and who is reemployed by the Town after that retirement may continue to receive their pension benefits.

Upon receipt of benefits, terminated vested members may also be reemployed and continue to receive pension benefits.

Reemployment after early retirement

Any retiree, who retired under this Plan's early retirement provisions, must discontinue receiving his or her pension benefits upon reemployment as a police officer of the Town. Upon reemployment, the member will be vested and the additional credited service accrued during the reemployment period will be used to compute a second benefit.

FORFEITURE OF PENSION

Any member convicted of any of the below offenses committed prior to retirement or whose office or employment is terminated by reason of their admitted commission of the below offenses shall forfeit all rights and benefits under this Fund, except for a refund of their accumulated contributions. The specified offenses are:

- (1) Committing, aiding or abetting of an embezzlement of public funds
- (2) Committing, aiding or abetting of any theft by a public officer or employee from Town
- (3) Bribery in connection with the employment of a public officer or employee of the Town
- (4) Any felony specified in Chapter 838, Florida Statutes
- (5) The committing of 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.
- (7) The committing on or after October 1, 2008, of any felony defined in §800.04, Florida Statutes, against a victim younger than 16 years of age, or any felony defined in Chapter 794, Florida Statutes 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.

Any member who has received benefits from the Fund in excess of their accumulated contributions shall be required to repay the Fund. The Board may implement legal action necessary to recover such funds.

Additionally, a member who makes a false or misleading statement to obtain retirement benefits shall commit a misdemeanor of the first degree and if convicted, the member shall forfeit his or her benefit.

REVIEW PROCEDURE

Members, former members, or beneficiaries denied a benefit by a decision of the Board are entitled to request in writing that the Board give further consideration to the claim. This request, together with a written statement of the reasons why the applicant believes their claim should be allowed, must be filed with the Board within 30 days after receipt of the written notification of the denial. If no appeal is filed within this time period, the proposed order shall be final.

The Board shall then conduct a hearing within a reasonable time of the receipt of the appeal. Written notice of the hearing will be sent by certified mail to the applicant within a reasonable time prior to the hearing. The applicant may be represented at the hearing by an attorney or other representative of his or her choosing. During the hearing the applicant shall have the opportunity to submit written and oral evidence and arguments in support of his or her claim. The applicant shall also have the opportunity to review the Board's file at or prior to the hearing. Either the applicant or the Board may request that a court reporter record the proceedings. In this event, a complete written transcript of the proceedings shall be furnished to both parties at the expense of the party requesting the attendance of the court reporter. The Board will send its Order to the applicant.

AGENT FOR SERVICE OF LEGAL PROCESS

Board of Trustees
Florida League of Cities, Fund Administrator
P.O. Box 1757
Tallahassee, FL 32302

PLAN YEAR

The plan year is the 12 month period beginning each October 1. Records are kept on a fiscal year basis.

RELEVANT PROVISIONS OF COLLECTIVE BARGAINING AGREEMENT

Certain police officers are members of the Police Benevolent Association. The current collective bargaining agreement between the Town and the Union expires on September 30, 2029.

No sections of the Agreement specifically refer to pension matters. There is currently no collective bargaining agreement between the Town and the general employees.

EX-SPOUSES AS BENEFICIARY OR JOINT PENSIONER

The Florida Legislature has adopted Section 732.703, Florida Statutes. This law nullifies the designation of your ex-spouse as a Beneficiary or Joint Annuitant / Joint Pensioner on your pension plan retirement benefits. This law went into effect on July 1, 2012. This law contains several exceptions, including not changing the designation of your beneficiary or joint pensioner by Court Order.

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

EXHIBIT A
BOARD OF TRUSTEES

Trustee: Patricia Knobel
600 South Ocean Blvd.
Manalapan, FL 33462

Trustee: Vacant
600 South Ocean Blvd.
Manalapan, FL 33462

Trustee: Erika Petersen
600 South Ocean Blvd.
Manalapan, FL 33462

Trustee: Stephan Jacknowitz
600 South Ocean Blvd.
Manalapan, FL 33462

Trustee: Brent Watson
600 South Ocean Blvd.
Manalapan, FL 33462

EXHIBIT “B” - ACTUARIAL DATA