

**CITY OF LAKELAND POLICE OFFICERS' RETIREMENT SYSTEM  
SUMMARY PLAN DESCRIPTION**

**February 1, 2024**

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

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**INTRODUCTION**

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

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

The information presented is only a summary of the pension plan ("Plan") as provided in the ordinances of the City of City of Lakeland. If there are any conflicts between the information in this booklet and the ordinances of the City of City of Lakeland, the ordinances shall govern. The provisions of this Summary Plan Description shall not constitute a contract between the Member and the Board of Trustees. The Plan shall be administered in accordance with state and federal law, notwithstanding any provisions in this booklet or ordinances to the contrary. A copy of the ordinance establishing the Plan can be obtained from the City Clerk's office, which is located at 228 S. Massachusetts Ave., Lakeland, FL 33801.

  
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Chairman, Board of Trustees, City of  
Lakeland Police Officers' Retirement System

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Date

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

A. Administration.

(1) The City of Lakeland Police Officers' Retirement System is a defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the plan. The Board consists of 5 Trustees, 2 of whom shall be legal residents of the City who are appointed by the City Commission, 2 of whom are Members of the plan who are elected by a majority of the Police Officers who are Members of the plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a four year term.

(2) DROP participants can be elected as but not vote for elected Trustees.

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

2. **ELIGIBILITY FOR PLAN MEMBERSHIP**

A. Conditions of eligibility. All Police Officers as of June 1, 2009 will be members of the system and make member contributions and receive benefits as provided for herein as a Tier 1 or Tier 2 member, as elected at that time. All new Police Officers hired after June 1, 2009 shall be a Tier 2 member and shall become a member of the plan as a condition of his employment. All Police Officers are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

B. Designation of beneficiary. Each Police Officer shall complete a form prescribed by the board designating a beneficiary or beneficiaries.

3. **PLAN BENEFITS**

All claims for benefits under the plan shall be made in writing to the Board. It is your responsibility to contact the plan and make a written application for benefits when you are eligible to start receiving your benefit at your normal or early retirement date. You should file your application for benefits with the plan administrator at least 45 days prior to the date that benefits are to commence. Benefit payments shall begin only after a written application is filed and payments shall not be made retroactive to your original eligibility date should you delay in applying for benefits.

A. Normal Retirement Eligibility. You are eligible for retirement upon the attainment of age 55 and the completion of 10 years of credited service or the completion of 25 years of credited service regardless of age .

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

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

In the event that you have also accumulated Credited Service in another pension system maintained by the City, then such other Credited Service will be used in determining vesting and for determining eligibility for normal or early retirement. Such other credited service will not be considered in determining benefits under this system. Only your credited service under this system on or after your date of membership in this system will be considered for benefit calculation. Any benefit calculation, once you are or become eligible for a benefit from this system, after you have become a member of another pension system maintained by the City, will be based upon the your Credited Service, Average Final Compensation and the benefit accrual rate in effect as of the date you cease to be a member of this system.

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

"Salary" is total compensation for services rendered to the city as a Police Officer reportable on your W-2 form, excluding certain taxable compensation that must be excluded pursuant to state law and excluding certain taxable reimbursements for an employee's out of pocket expenses for tuition costs, mileage reimbursement, etc., plus all tax deferred, tax sheltered, or tax exempt items of income derived from elective employee payroll deductions or salary reductions including unused sick and vacation pay lump sums but excluding special details paid for by a 3<sup>rd</sup> party at a flat rate. That portion of unused sick pay included in this calculation shall be limited to the amount that is payable as a lump sum upon separation from service subject to limitations on the percentage payable and maximum lump sums payable as established by city policy, and limited to the portion of that benefit that could have been accrued pursuant to that lump sum payment policy over the same five-year period of time used to calculate average final compensation.

Effective March 19, 2012, salary shall include no more than 300 hours of overtime in a calendar year. To the extent a members regularly scheduled biweekly work period includes hours in excess of the FLSA overtime threshold, those regularly scheduled hours are to be counted as one-half hours for purpose of determining the 300 hour limit. Effective March 24, 2012, salary payments for unused sick and vacation time, shall be limited to the lesser of the number of unused sick and vacation hours accrued by each member as of March 24, 2012 multiplied by the member's final hourly rate and payable pursuant to established City Policy or the amount actually paid pursuant to established City Policy.

The normal retirement benefit is calculated by multiplying 3% times years of credited service times your average final compensation:  $(3\% \times CS \times AFC = \text{normal retirement benefit})$ .

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

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

C. Early Retirement. You are eligible for early retirement upon the attainment of age 50 and the completion of 10 years of credited service.

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

- (1) A deferred monthly retirement benefit which will commence on what would have been your normal retirement date determined based upon actual years of credited service and will be continued on the first day of each month thereafter. The amount of each such deferred monthly retirement benefit will be determined in the same manner as for retirement on your normal retirement date determined based upon actual years of credited service except that credited service and average final compensation will be determined as of your early retirement date; or
- (2) An immediate monthly retirement benefit which will commence on your early retirement date and shall be continued on the first day of each month thereafter. The benefit payable will be as determined in paragraph (1) above, reduced by 3 percent for each year by which the commencement of benefits precedes the date which would have been your normal retirement date determined based on actual years of credited service.

E. Supplemental Benefit - Share Plan. Pursuant to Florida law, a separate member "share account" has been created for each member and DROP Participant of the plan. This supplemental benefit may or may not be funded and thus, you may or may not receive a retirement benefit from the share plan. If the share plan is funded, then at retirement, termination (vested), disability or death, there shall be an additional benefit paid to you. If you terminate employment with less than 10 years of credited service, you will forfeit your share plan benefits. The share plan is funded solely with state premium tax money and the funding that is received for this Share Plan is allocated to your share account based on a formula which gives you an allocation based on your years of credited service. Your share account receives its proportionate share of the income or loss on the assets in the plan.

If you terminate employment and you are vested at that time, in the event you receive a distribution of your share account balance, you will no longer have the option of receiving a refund of your member contributions as you are deemed to have begun receipt of benefits from the plan by receiving share plan benefits. You will continue to have a right to begin your monthly benefit from the plan starting at your early or normal retirement date. If you terminate employment and receive a refund of your contributions, you forfeit your entitlement to your share plan account balance, whether or not you were vested.

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

- (1) Optional Forms of Retirement. In lieu of the amount and form of retirement income payable under normal and early retirement, you may elect to receive a retirement benefit in a different form so long as the form you elect is of equal actuarial value as the normal benefit. The optional forms of benefits which are available are:
  - (a) A retirement income of a monthly amount payable to you for your lifetime only.
  - (b) A retirement income of a modified monthly amount, payable to you during your lifetime and following your death, 100%, 75%, 66 2/3% or 50% of such monthly amount payable to a joint pensioner for his lifetime.
  - (c) Pop up option. In the event that you elect a joint and survivor annuity form of pension and your joint pensioner predeceases you, you may, in lieu of the normal retirement benefit above,

elect that the survivorship benefit shall be deemed canceled and your annuity shall revert to the amount of the original normal form of benefit determined before the joint and survivor option was elected. The dollar amount of cost of living adjustments since the date of retirement shall be added to the revised benefit amount. The adjusted amount will be effective on the first day of the month following the death of your joint pensioner. By electing this pop-up feature, you consent to the actuarial adjustment of your retirement benefits sufficient to cover the cost of this provision. If you choose the pop up option, you may not change your joint pensioner after your first benefit check is issued. This pop up option may only be elected at the time of retirement.

- (d) If you retire prior to the time at which social security benefits are payable, you 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.
- (e) Partial Lump Sum Option Plan (PLOP). You may also elect to receive an initial lump sum payment equal to 5%, 10%, 15% or 20% of your accrued benefit with the remaining 95% 90%, 85% or 80%, respectively, payable in a form selected by you and provided for in (a), (b), (c) or (d) above or in the normal form (10 years certain and life).

In the event that you elect a PLOP and also elect to enter the DROP, the PLOP amount shall be added to your DROP account and shall be treated as a DROP addition and shall earn a return in accordance with your DROP election. The PLOP amount shall not be distributed to you until termination of employment and shall be included in your DROP distribution.

(2) Deferred Retirement Option Plan (DROP).

- (a) If you become eligible for normal retirement, and are still employed by the City as a Police Officer, you have the option of "retiring" from the pension plan but continuing your employment as a Police Officer for an additional ~~five~~ 8 years. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the City not later than ~~5~~ 8 years from the commencement of DROP participation. You must request, in writing, to enter the DROP.
- (b) Upon entering the DROP, your retirement benefit is immediately calculated and each monthly benefit payment is deposited into your DROP account. You may elect to either:
  - (i) have your account credited with interest at the rate of 6.5% per annum for years 1 through 5 of participation and 4.5% per annum for years 6 through 8 of participation or;

- (ii) have your account credited or debited with an investment return or loss equal to the net investment return realized by the System for that quarter for years 1 through 5 of participation and the net investment return realized by the System for that quarter, less 2.0% annually (.4963% quarterly), for years 6 through 8 of participation.
- (c) Your DROP account shall only be credited or debited with earnings or interest and monthly benefits while you are a participant in the DROP. Your final DROP account value for distribution to you upon termination of participation in the DROP shall be:
  - (i) Less than 96 months participation: the value of the account at the end of the quarter immediately preceding termination of participation date, plus any monthly periodic additions made to the DROP account subsequent to the end of the previous quarter and prior to distribution, or
  - (ii) 96 months participation: the value of the account at the end of the quarter immediately preceding termination of participation date, plus any monthly periodic additions made to the DROP account subsequent to the end of the previous quarter and prior to distribution, plus any investment earnings in the current quarter prorated to the day of termination.
- (d) In the event that you also elected a partial lump sum option (PLOP), the total amount of the PLOP shall be added to your DROP account. 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. As an alternative, you may elect to participate in the Post Retirement Investment Account (PRIA), as provided for in subsection G., below.
- (e) 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.
- (f) 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.
- (g) Additional information about the DROP can be obtained from the Board.

G. Post Retirement Investment Account (PRIA). In lieu of receiving a lump sum payment from the plan from your DROP account, as provided for in subsection F.(2) above, you may defer the receipt of such payment(s) and elect to participate in the PRIA.

By electing to participate in the PRIA, you may, until the end of the quarter you reach the age of 65 or for a period of time ending not later than 60 months after separation from employment, have your transferred lump sum amounts from the DROP remain in the fund and receive investment earnings or losses at a rate equal to the net investment return realized by the plan for each quarter, less 2% annually (.4963% quarterly). You may take a distribution of all of your PRIA account only at the end of a fiscal quarter, after 30 days' notice of the intent to remove funds. No post retirement funds from any other source may be made to the PRIA.

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

- (1) If the injury or disease is service connected, a benefit equal to 3% of your average final compensation multiplied by the total years of service, but in any event the minimum amount paid to you will be 65% of your final pay.
- (2) If the injury or disease is not service connected, a benefit equal to 3% of your average final compensation multiplied by the total years of credited service, but in any event the minimum amount paid to you will be 40% of your final pay. This non-service connected benefit is only available if you have at least 10 years of credited service.

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

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

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



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

Your benefit will be reduced if you receive workers' compensation benefits and your combined benefit exceeds 100% of your average monthly wage. The pension benefit will be reduced so that the total does not exceed 100%, except that the pension benefit shall not be reduced below the greater of 42% of average final compensation or 2.75% of average final compensation times years of credited service.

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

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

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

- (1) Excessive or habitual use of any drugs, intoxicants or narcotics.
- (2) Injury or disease sustained while willfully and illegally participating in fights, riots or civil insurrections or while committing a crime.
- (3) Injury or disease sustained while serving in any branch of the Armed Forces.
- (4) Injury or disease sustained after your employment as a Police Officer with the City of City of Lakeland shall have terminated.
- (5) Injury or disease sustained while working for anyone other than the City and arising out of such employment.

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

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

- (1) Prior to Vesting or Eligibility for Retirement. If you were not receiving monthly benefits or were not yet vested or eligible for early or normal retirement, your beneficiary shall receive a refund of 100% of your accumulated contributions.
- (2) Deceased Members Vested or Eligible for Retirement with Spouse as Beneficiary. If you die and, at the date of your death were vested or eligible for early or normal retirement, your spouse beneficiary shall be entitled to a benefit as follows:
  - (a) If you were vested, but not eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, beginning on the date that you would

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

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

J. Termination of Employment and Vesting. If your employment is terminated, either voluntarily or involuntarily, the following benefits are payable:

- (1) If you have less than 10 years of credited service upon termination, you shall be entitled to a refund of the money you have contributed or you may leave it deposited with the plan.
- (2) If you have 10 or more years of credited service upon termination, you shall be entitled to a monthly retirement benefit. The benefit shall be determined in the same manner as for normal or early retirement and shall be based upon your credited service, average

final compensation and the benefit accrual rate as of the date of termination. The benefit shall be payable to you starting at your otherwise normal retirement date, determined based upon your actual years of credited service, provided you do not elect to withdraw your contributions and provided you survive to your otherwise normal or early retirement date. If you do not withdraw your accumulated contributions and do not survive to your otherwise normal or early retirement date, your designated beneficiary shall be entitled to a benefit as provided herein for a deceased member, vested or eligible for retirement under Death Before Retirement.

The Internal Revenue Code provides that certain eligible lump sum distributions from the pension plan may be directly rolled over into qualified individual retirement accounts, annuities or certain other pension plans. A 20% withholding shall be required on taxable portions of such lump sum distributions not directly transferred to a new custodian.

In the event that you have also accumulated Credited Service in another pension system maintained by the City, then such other Credited Service will be used in determining vesting and for determining eligibility for normal or early retirement. Such other credited service will not be considered in determining benefits under this system. Only your credited service under this system on or after your date of membership in this system will be considered for benefit calculation. Any benefit calculation, once you are or become eligible for a benefit from this system, after you have become a member of another pension system maintained by the City, will be based upon the your Credited Service, Average Final Compensation and the benefit accrual rate in effect as of the date you cease to be a member of this system.

K. Reemployment After Retirement. If you retire under normal, early or disability retirement and wish to be reemployed by the city, you should be aware that your ability to continue to receive your pension benefit upon reemployment may be restricted. While the plan may be permitted to make benefit payments to you if you are reemployed, in this event you may be subject to a 10% tax penalty, which penalty may continue until you attain age 59 ½, whether or not you continue to be employed by the City.

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

- (1) "Buy-Back" for Prior Police Service. The years or fractional parts of years that you previously served as a Police Officer with the City of Lakeland during a period of previous employment and for which period accumulated contributions were withdrawn from the plan shall be added to your years of credited service provided that within the first 90 days of your reemployment you pay into the plan the withdrawn contributions with interest.

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

- (a) You contribute to the plan a sum equal to:
  - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the plan for the years or fractional parts of years for which you are requesting credit, plus

- (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the plan in giving you the additional years of credited service, plus
    - (iii) the amount charged by the actuary for determining the amount you must contribute.
  - (b) Multiple requests to purchase credited service may be made at any time prior to retirement.
  - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given or you may elect to make payments over a period of up to 60 months, by after-tax payroll deduction, with interest at the plan's actuarially assumed rate of return.
  - (d) The maximum credit under this subsection for service other than with the City of Lakeland, when combined with credited service purchased for military service prior to employment, shall be 5 years of credited service and shall count for all purposes, except vesting and eligibility for not-in-line of duty disability benefits. There shall be no maximum purchase of credit for prior service with the City of Lakeland and such credit shall count for all purposes, including vesting.
  - (e) In no event, however, may credited service be purchased pursuant to this subsection for prior service with any other municipal, county or state law enforcement department, if such prior service forms or will form the basis of a retirement benefit or pension from a different employer's retirement system or plan.
  - (f) In addition to service as a Police Officer in this State, credit may be purchased in the same manner as provided above for federal, other state, county or municipal service if the prior service is recognized by the Criminal Justice Standards and Training Commission within the Department of Law Enforcement, as provided under Chapter 943, Florida Statutes, or you provide proof to the Board that such service is equivalent to the service required to meet the definition of a Police Officer.
  - (g) You may not purchase credited service after the effective date of your election to participate in the DROP.
- (2) "Buy-Back" of Time Lost Due to Absences Authorized by the Family and Medical Leave Act. If you are absent on unpaid leave under the Family & Medical Leave Act, you may purchase lost credited service by making an actuarially determined contribution to the plan, such that there is no cost to the plan in allowing such credited service, within strict time periods provided for in the plan document.

- (3) "Buy-Back" for Military Service Prior to Employment. The years or fractional parts of years that you serve or have served on active duty in the military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily and honorably or under honorable conditions, prior to first and initial employment with the City Police Department shall be added to your years of credited service provided that:
- (a) You contribute to the plan a sum equal to:
    - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the plan for the years or fractional parts of years for which you are requesting credit, plus
    - (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the plan in giving you the additional years of credited service, plus
    - (iii) the amount charged by the actuary for determining the amount you must contribute.
  - (b) Multiple requests to purchase credited service may be made at any time prior to retirement.
  - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given or you may elect to make payments over a period of up to 60 months, by after-tax payroll deduction, with interest at the plan's actuarially assumed rate of return.
  - (d) The maximum credit under this subsection, when combined with credited service purchased as a Police Officer other than with the City of Lakeland, shall be 5 years and shall count for all purposes except vesting and eligibility for not-in-line of duty disability benefits.
  - (e) You may not purchase credited service after the effective date of your election to participate in the DROP.
- (4) Rollovers or Transfers of Funds to Purchase Service. In the event you are eligible to purchase additional credited service as provided above, you may be eligible to rollover or transfer funds from another retirement program in which you participate (traditional IRA, deferred compensation plan maintained by a government employer 457 plan, 401k plan, profit sharing plan, defined benefit plan, money purchase plan, annuity plan or tax sheltered annuity) in order to pay all or part of the cost of purchasing such additional credited service.

M. Contributions and Funding. The City is paying the portion of the cost of the pension plan over and above your contributions and all or a portion of amounts received from the state insurance rebates pursuant to a mutual consent agreement between the City and the Union, but not less than 8.89% of payroll, subject to adjustment to maintain actuarial soundness. Additional amounts shall be allocated to the City's and Members' contributions on a ratio of 1.0 to 1.0. You shall be required to make regular contributions to the fund in the amount of 11.67% of your salary, with periodic adjustments in N., below.

N. Gain Sharing. The member contribution rates can vary and changes to the member contribution rates are determined each year and are effective on each October 1st.

O. Maximum Benefits. In no event will the annual benefits paid from this plan exceed \$275,000.00 annually, subject to certain cost of living adjustments and actuarial reductions, under certain circumstances, prior to age 62 as set forth in Section 415 of the Internal Revenue Code.

If you began participation for the first time on and after January 1, 1980, you cannot receive a benefit in excess of 100% of your average final compensation. If you began participation prior to this date, you are not subject to the 100% limitation.

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

Q. Conviction and Forfeiture; False, Misleading or Fraudulent Statements. It is unlawful for you to willfully and knowingly make, or cause to be made, or to assist, conspire with, or urge another to make, or cause to be made, any false, fraudulent, or misleading oral or written statement or withhold or conceal material information to obtain any benefit from the plan.

If you violate the previous paragraph, you commit a misdemeanor of the first degree, punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

In addition to any applicable criminal penalty, upon conviction for a violation described above, you or your beneficiary may, in the discretion of the Board, be required to forfeit the right to receive any or all benefits to which you would otherwise be entitled under the plan. For purposes of this subsection, "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

R. Claims Procedure Before the Board. You may request, in writing, that the Board review any claim for benefits under the plan. The Board will review the case and enter a decision as it deems proper within not more than 270 days from the date of the receipt of such written request, or in the case of a disability claim, from receipt of a medical release and completed interrogatories. The time period may be extended if you agree to the extension.

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

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

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

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

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

5. **VESTING OF BENEFITS**

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

6. **APPLICABLE LAW**

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

A. Internal Revenue Code and amendments thereto.

B. Chapter 185, Florida Statutes, "Municipal Police Officers' Retirement Trust Funds".

C. Part VII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".

D. Ordinances of the City of City of Lakeland.

E. Administrative rules and regulations adopted by the Board of Trustees.

7. **PLAN YEAR AND PLAN RECORDS**

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

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

There is a current collective bargaining agreement between the City and the Police Officers. Pension benefits are bargainable.

9. **FINANCIAL AND ACTUARIAL INFORMATION**

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

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

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

10. **DIVORCE OR DISSOLUTION OF MARRIAGE**

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

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

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

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

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

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

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

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



## **EXHIBIT "A"**

### **BOARD OF TRUSTEES**

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

Chairman: Jamey Henderson  
219 N. Massachusetts Ave.  
Lakeland, FL 33801-2097

Secretary: Cheryl Kimball  
219 N. Massachusetts Ave.  
Lakeland, FL 33801-2097

Member: Michael Wright  
219 N. Massachusetts Ave.  
Lakeland, FL 33801-2097

Member: Earl Morse  
219 N. Massachusetts Ave.  
Lakeland, FL 33801-2097

Member: Michael Lewis  
219 N. Massachusetts Ave.  
Lakeland, FL 33801-2097

### **PLAN ADMINISTRATOR**

Ms. Ferrell Jenne  
City of Lakeland Police Officers' Retirement System  
c/o Foster & Foster, Inc.  
2503 Del Prado Blvd S, Suite 502  
Cape Coral, FL 33904

Phone: 239-333-4872

E-Mail: [Ferrell.jenne@foster-foster.com](mailto:Ferrell.jenne@foster-foster.com)