

**CITY OF LAKE LAND FIREFIGHTERS' RETIREMENT SYSTEM  
SUMMARY PLAN DESCRIPTION**

**August 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.**

# CITY OF LAKELAND FIREFIGHTERS' RETIREMENT SYSTEM

## SUMMARY PLAN DESCRIPTION

### INTRODUCTION

The Board of Trustees of the City of Lakeland Firefighters' Retirement System (the "Plan") is pleased to present this booklet which briefly explains the provisions of your Firefighters' 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.

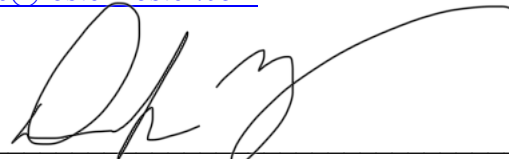
This booklet can assist you in preparing for your retirement and financial future. If you need further information on any of the topics presented in this booklet, please contact any member of the Board of Trustees (the "Board"). They will either answer questions you might have to help you understand 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 Plan as provided in the ordinances of the City of Lakeland, and includes the last amendment to the Plan, Ordinance No. 5896, dated October 4, 2021. The legal citation for your Plan is Part II, Article II, City of Lakeland Firefighters' Retirement System, Section 42-31, et seq.. **If there are any conflicts between the information in this booklet and the ordinances of the City of Lakeland, the ordinances shall govern.** The provisions of this Summary Plan Description shall not constitute a contract between the you and the Board. 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 Plan document can be obtained at [www.municode.com](http://www.municode.com) or from the Plan Administrator:

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Chairman, Board of Trustees, City of  
Lakeland Firefighters' Retirement System

Date: 09/07/2024

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

A. Administration. The City of Lakeland Firefighters' Retirement System is a defined benefit pension plan administered by a Board of Trustees which acts as the administrator (the "Plan 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 Firefighters 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.

B. Trustees. 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**

Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of their employment. All Firefighters are therefore eligible for Plan benefits as provided for in the Plan document and by applicable law.

**3. PLAN BENEFITS**

All claims for benefits under the Plan shall be made in writing to the Board.

A. Normal Retirement Eligibility. You are eligible for retirement upon the attainment of age 55 with 10 or more years of Credited Service, or attains age 52 with 25 years of Credited Service.

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 Firefighter in the Fire Department measured in years and parts of years. Credited Service will include credit for up to 5 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 K. below).

"Average Final Compensation" is 1/12 of your average compensation of the 5 highest years of the last 10 years of Credited Service prior to your termination, retirement or death or the career average as a full-time Firefighter, whichever is greater. A year is defined as 12 consecutive months.

"Compensation" includes the following amounts of gross pay, calculated without a limitation: salary, wages, bonuses, step up pay, incentive pays (such as Technical Rescue Team/USAR, ARFF, Paramedic, EMT), educational incentive, and differential wages for intervening military service.

herein: "Compensation" shall also include the following, subject to limitations as specified

- (1) Overtime earned prior to December 14, 2012, and effective for overtime pay received on or after December 14, 2012, up to 300 hours of overtime in a calendar year. To the extent your 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;
- (2) Compensatory time paid when used to replace normally scheduled work time;
- (3) Unused sick, vacation, and comp time paid upon retirement, subject to the following limitations:
  - (a) If you are employed as of December 14, 2012, compensation for unused accrued sick time shall be limited to the lesser of:
    - (i) The dollar value of unused accrued sick time based on the number of hours accrued as of March 10, 2012, multiplied by your regular hourly rate at retirement or separation from employment;
    - (ii) The dollar value of unused accrued sick time based on the number of hours accrued as of the date of separation from employment multiplied by your regular hourly rate at separation from employment;
    - (iii) \$8,000.00.
  - (b) If you are employed as of December 14, 2012, compensation for unused accrued vacation time shall be limited to the lesser of:
    - (i) The dollar value of unused accrued vacation time based on the number of hours accrued as of March 10, 2012, multiplied by your regular hourly rate at separation from service; or
    - (ii) The dollar value of unused accrued vacation time based on the number of hours accrued as of the date of separation from employment multiplied by your regular hourly rate at separation from employment.
  - (c) If you were hired after March 10, 2012, compensation shall exclude payment for accrued unused sick and vacation leave.
  - (d) The pensionable portion of compensation for unused accrued comp time shall be limited to 60 hours.

"Compensation" shall exclude payments made as reimbursements for out-of-pocket expenses incurred by employees that do not represent payments for hours worked, (such as mileage, travel expenses and tuition reimbursements).

For all purposes under this Plan, your compensation contributed as employee elective compensation reductions or deferrals to any compensation reduction, deferred compensation, or tax-sheltered annuity program authorized under the Internal Revenue Code shall be deemed to be the compensation or gross compensation which you would receive if you were not participating in such program and shall be treated as compensation for retirement purposes under this Plan.

If you were hired as a firefighter prior to October 1, 2003, the normal retirement benefit is calculated by multiplying 3.30 times years of Credited Service times your Average Final Compensation:  $(3.30 \times CS \times AFC = \text{normal retirement benefit})$ .

If you were hired as a Firefighter on or after October 1, 2003, the normal retirement benefit is calculated by multiplying 3.0 times years of Credited Service times your Average Final Compensation:  $(3.0 \times CS \times AFC = \text{normal retirement benefit})$ .

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.

Upon vesting, you are entitled, at the Plan's expense, to receive two actuarial studies (one preliminary and one final) to estimate your retirement benefits. Any additional studies shall be provided only at your 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 shall commence on what would have been the normal retirement date determined based upon actual years of Credited Service and shall be continued on the first day of each month thereafter. If you are vested and terminate service with less than 25 years of Credited Service you shall be eligible to begin receiving benefits at age 50, with payments reduced by 3% for each year by which the commencement of benefits precedes age 55. If you are vested and terminate service with more than 25 years of Credited Service you shall be eligible to begin receiving benefits at age 50, with payments reduced by 3% for each year by which the commencement of benefits precedes age 52. The amount of each such deferred monthly retirement benefit shall be determined in the same manner as for retirement on the normal retirement date determined based upon actual

years of Credited Service except that Credited Service and Average Final Compensation shall be determined as of the early retirement date; or

- (2) An immediate monthly retirement benefit which shall commence on or after the early retirement date and before the normal retirement date, and shall be continued on the first day of each month thereafter. The benefit payable shall be calculated as the normal retirement benefit, reduced by 3% 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, there has been a separate member "share account" created for each member and DROP participant of the Plan. As of October 1, 2019, all members and DROP participants who were actively employed as of October 1, 2019 have an individual member "share account." If the share plan is funded, at retirement, termination (vested), disability or death, there shall be an additional benefit paid to you. The share plan is funded solely with state premium tax money and the amount of premium tax money to be allocated to the share plan is determined annually. On each valuation date, current actively employed members of the Plan, DROP participants, and each retiree who retires or DROP participant who has terminated DROP participation in the Plan shall receive a share allocation based on a formula which gives you an allocation based on your years of Credited Service and the years of Credited Service of all individuals entitled to an allocation. Beneficiaries who are entitled will also receive an allocation based on your years of Credited Service. Re-employed retirees are considered new employees and shall receive an allocation based solely on the Credited Service in the re-employment period. Retirees and Beneficiaries are entitled to a distribution only in the fiscal year the member retired or died. Your share account receives its proportionate share of the income or loss on the assets in the Plan. Your share account will be adjusted on a proportionate basis concerning the costs, fees, and expenses of the administration of the share plan. At the end of the Plan year, members and DROP participants will receive annual statements with their share account balance. Any member who has less than ten years of Credited Service and not otherwise eligible for benefits shall forfeit their separate member "share account." Any member (or their Beneficiary) or DROP participant who terminates employment with the City or who dies, upon application filed with the Board, shall be paid the value of their individual member "share account" based on the following:

- (1) A member is entitled to 100% of their "share account" upon normal or early retirement, or if a member enters DROP, upon termination of employment.
- (2) A member who is terminated other than by reason of death or disability will only be entitled to the value of their share account if the member is vested.
- (3) A member is entitled to 100% of their "share account" if the member is determined to be eligible for an in-line of duty or not-in-line of duty disability benefit.
- (4) In the event a member or DROP participant dies while employed, 100% of their share account shall be paid to their Beneficiary in accordance with Section 42-38 of the Plan.

F. For all members, any form of payment must comply with the minimum distribution requirements of the IRC 401(a)(9). For example, payments must commence by age 72, provided the member had not attained the age of 70½ by December 31, 2019.

G. 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. In the event your joint pensioner predeceases you, the election shall be canceled and the normal form and amount of benefit described in subsection B., shall thereafter be paid.
  - (c) BAC-DROP. In lieu of participation in the DROP, you may elect to participate in an actuarially equivalent BAC-DROP to a date of your choosing, provided that the date is not further back than your normal retirement date. The total BAC-DROP period shall not exceed 60 months and shall provide an immediate partial lump sum distribution, payable to your DROP Account. The lump sum shall be the accrued benefit, determined as if you had entered the DROP retroactively, as described above, accumulated with interest at the annual fixed rate of 3%. You may choose an actuarially equivalent form of benefit at the time of BAC-DROP entry, as described in Section 11, Optional Forms of Benefits of the Plan document. Member contributions shall be returned for the period of the BAC-DROP participation. When you elect the BAC-DROP you shall terminate employment not later than the first day of the month following your election to participate in the BAC-DROP. The Board's authority and power for administration of the BAC-DROP shall be the same as those provided for in the DROP.
  - (d) Partial lump sum option (PLOP). If you have 25 or more years of Credited Service and are eligible for normal or early retirement you may, at the time of retirement or entry into DROP, elect to receive or have deposited into your DROP account, up to a maximum of 20% in five percent increments, of the total actuarial equivalent value of your accrued benefit paid as a lump sum, with the remaining

percentage paid in a monthly amount in accordance with the option you select. Your benefit amount once you have attained age 50 but are not eligible for normal retirement upon electing a partial lump sum option shall be reduced in accordance with section D. Your benefit amount if you elect a partial lump sum option prior to age 50 shall be actuarially reduced to reflect the actuarial cost to the Plan of the partial lump sum option.

(2) Deferred Retirement Option Plan (DROP).

DROP. A deferred retirement option plan shall be established for members effective December 14, 2012, in accordance with this subsection (2).

(a) Eligibility and participation:

- (i) When you attain age 50 with 25 or more years of Credited Service or age 53 with 15 or more years of Credited Service you shall be eligible to participate in the DROP.
- (ii) Your election to participate in the DROP shall be irrevocable.
- (iii) If you are eligible, you may participate in the DROP for a maximum of 60 months. If you wish to participate in the DROP you must provide at least 30 days' advance written notice to the City of your election to participate in the DROP. If you elect to participate in the DROP you may elect to terminate DROP participation and City employment sooner than the maximum DROP period, with 30 days' advance written notice to the City.

(b) DROP plan features:

- (i) If you elect to participate in the DROP you will be considered to have retired for purposes of the Plan. Your monthly retirement benefit, determined in accordance with the Plan based on years of Creditable Service and Average Final Compensation at the time you enter the DROP, will be paid into your DROP account every month during the DROP period. Member contributions shall not be required after you enter the DROP, and you will not accrue any additional Creditable Service or any additional benefits under the Plan after entering the DROP.
- (ii) If you enter the DROP prior to your normal retirement date you shall have your monthly retirement benefit reduced for early retirement in accordance with subsection D., calculated as if you terminated service on the date of DROP entry.



- (iii) If you elect to participate in the DROP you shall not be eligible for disability or pre-retirement death benefits under the Plan.
- (iv) As a condition of participating in the DROP, you must agree to terminate City employment period, and to submit an irrevocable letter of resignation stating this prior to entering the DROP. If you elect to participate in the DROP you must also submit an irrevocable written DROP election on forms provided by the City prior to entering the DROP.
- (v) Participation in the DROP is not a guarantee of employment, and you will be subject to the same employment standards and policies that are applicable to employees who are not DROP participants. As a DROP participant you shall retain your seniority with the City.
- (vi) During your participation in the DROP, your monthly retirement benefit will be paid into the DROP account. Your DROP account will earn interest in accordance with this paragraph (vi). Prior to commencing participation in DROP, you shall make a one-time irrevocable selection of one of the following two options:
  - a) Your DROP account will accrue interest at a fixed annual rate of 3% to be calculated quarterly.
  - b) Your DROP account will accrue interest at a variable rate of 1% less than the actual rate of return on Plan investments for the same period, with a maximum of 8% and a minimum of 0%, to be calculated quarterly. If you choose the variable rate your interest will be credited annually. At termination from employment, you are eligible for the balance as of the prior September 30; interest, if any, will be credited as of the following September 30 and you will receive a check for that payment.
- (c) Within 30 days following your termination of City employment or death, you, or in the event of your death, your designated beneficiary, may submit a written election on a form approved by the Board, to receive your entire DROP account balance, which shall be distributed to you (or in the event of your death to your designated beneficiary or estate in accordance with paragraph (e) below) in a cash lump sum, unless you elect to have all or any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by you in a direct rollover. In the event you or your designated

beneficiary does not submit a written election to receive a distribution of your DROP account balance within 30 days following your termination of City employment or death, the DROP account shall be maintained but shall not earn interest. If you choose the variable rate your interest will be credited annually. At termination from employment, you are eligible for the balance as of the prior September 30; interest, if any, will be credited as of the following September 30 and you will receive a check for that payment.

- (d) If you die before your DROP account is distributed, your designated beneficiary shall have the same rights as you with respect to the distribution of the DROP account. If you have not designated a beneficiary, the DROP account balance shall be paid to your estate.
- (e) The Board shall adopt any necessary rules for administering the DROP.

H. Disability Retirement.

- (1) If you have 10 or more years of Credited Service or if you become totally and permanently disabled in the line of duty regardless of length of service, you may retire from the service of the City if you become totally and permanently disabled as defined in subsection (2) by reason of any cause other than a cause set out in subsection (3) on or after December 14, 2012. Such retirement shall herein be referred to as "disability retirement." The applicable disability presumptions in Florida Statutes Chapters 112 and 175, in effect at the time of disability, shall apply.

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

- (a) Terminated persons, either vested or non-vested, are not eligible for disability benefits.
- (b) If you voluntarily terminate your employment either before or after filing an application for disability benefits, you are not eligible for disability benefits.
- (c) 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.
- (d) The only exception to (a) above is:

- (i) If you are terminated by the City for medical reasons and you have already applied for disability benefits before the medical termination, or;
- (ii) If you are terminated by the City for medical reasons and you apply within 30 days after your medical termination date.

If either (d)(i), or (d)(ii) above applies, your application will be processed and fully considered by the board.

- (2) You will be considered totally disabled if, in the opinion of the Board, you are wholly prevented from rendering useful and efficient service as a Firefighter; and you will be considered permanently disabled if, in the opinion of the Board, you are likely to remain so disabled continuously and permanently from a cause other than is specified in subsection (3).
- (3) You shall not be entitled to receive any disability retirement income if the disability is a result of:
  - (a) Excessive and habitual use of drugs, intoxicants, or narcotics;
  - (b) Injury or disease sustained while willfully and illegally participating in fights, riots, or civil insurrections or while committing a crime;
  - (c) Injury or disease sustained while serving in any armed forces; or
  - (d) Injury or disease sustained after your employment has terminated.
- (4) You shall not be permitted to retire under the provisions of this section until you are examined by a duly qualified physician or surgeon, to be selected by the Board for that purpose, and are found to be disabled in the degree and in the manner specified in this Section. If you are retiring under this Section you may be examined periodically by a duly qualified physician or surgeon or board of physicians and surgeons, to be selected by the Board for that purpose, to determine if such disability has ceased to exist.
- (5) The benefit payable to you when you retire due to total and permanent disability as a direct result of a disability is the monthly income payable for 10 years certain and life for which, if your disability occurred in the line of duty, your monthly benefit shall be the accrued retirement benefit, but shall not be less than 65% of your Average Final Compensation at the time of disability. If after 10 years of service the disability is other than in the line of duty, the monthly benefit shall be the accrued benefit, but shall not be less than 40% of your Average Final Compensation at the time of disability.

- (6) The monthly retirement income to which you are entitled in the event of your disability retirement shall be payable on the first day of the first month after the Board determines such entitlement. However, the monthly retirement income shall be payable as of the date the Board determines such entitlement, and any portion due for a partial month shall be paid together with the first payment. The last payment will be, if you recover from the disability, the payment due next preceding the date of such recovery or, if you die without recovering from the disability, the payment due next preceding your death or the 120th monthly payment, whichever is later. In lieu of the benefit payment as provided in this paragraph, you may select an optional form as provided in section F. Any monthly retirement income payments due after the death of a disabled member shall be paid to your designated beneficiary (or beneficiaries) as provided in section 12 of the Plan document.
- (7) If the Board finds that you are receiving a disability retirement income and are no longer disabled, as provided herein, the Board shall direct that the disability retirement income be discontinued. "Recovery from disability" as used herein means your ability to render useful and efficient service as a Firefighter.
- (8) If you recover from disability and reenter the service as a Firefighter, service will be deemed to have been continuous, but the period beginning with the first month for which you received a disability retirement income payment and ending with the date you reentered the service may not be considered as Credited Service for the purpose of this Plan.
- (9) Workers' compensation. When you are receiving a disability pension and workers' compensation benefits pursuant to F.S. ch. 440, for the same disability, and the total monthly benefits received from both exceed 100% of your average monthly wage, as defined in F.S. ch. 440, the disability pension benefit shall be reduced so that the total monthly amount received by the retiree does not exceed 100% of such average monthly wage. The amount of any lump sum workers' compensation payment shall be converted to an equivalent monthly benefit payable for 10 years certain by dividing the lump sum amount by 83.9692. Notwithstanding the foregoing, in no event shall in-line-of-duty disability pension benefits be reduced below the greater of 42% of Average Final Compensation or 2.75% of Average Final Compensation times years of Credited Service.
- (10) In-Line of Duty Presumptions
  - (a) Certain conditions or impairments of health are presumed to have been suffered in the line of duty. Any condition or impairment of health caused by hypertension or heart disease which results in total and permanent disability is presumed to have been suffered in the line of duty unless the contrary is shown by competent evidence;

provided the Member successfully passed a physical examination on entering into service and there is no evidence of the condition at that time.

- (b) Similarly, Members who are diagnosed on or after January 1, 1996, with a condition that is caused by hepatitis, meningococcal meningitis, or tuberculosis, which results in total and permanent disability, will be presumed to have suffered the disability 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.
- (c) Effective July 1, 2019, state law provides a conclusive irrebuttable cancer presumption for firefighters. Once certain criteria are met, firefighters diagnosed with varying types of cancer may receive benefits under the Plan in lieu of seeking Worker's Compensation benefits.

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

- (1) If you die before being eligible to retire, your heirs, legatees, beneficiaries, or personal representatives shall be entitled to a refund of 100% of your member contributions, without interest.
- (2) If you have at least 10 years of Credited Service and die prior to retirement, your beneficiary is entitled to the benefits otherwise payable to you at early or normal retirement age. A beneficiary may choose to have the benefit paid as a lifetime benefit instead of the normal form of 120 payments guaranteed. Such benefit will be calculated on an actuarial equivalent basis to the normal form of benefit.
- (3) In-Line of -Duty Presumption.
  - (a) A condition or impairment of health caused by tuberculosis, hypertension, meningococcal meningitis, hepatitis or heart disease resulting in death is presumed to be duty-related unless shown otherwise by competent evidence. Duty-relatedness requires, however, that a pre-employment physical examination fail to reveal any evidence of the condition.
  - (b) Effective July 1, 2019, state law provides a conclusive irrebuttable cancer presumption for firefighters.

J. Vesting. You shall become entitled to receive a benefit under the Plan, payable at the normal or early retirement date, upon completing 10 years of Credited Service. If you terminate employment as a Firefighter, either voluntarily or by discharge, and are not eligible for any other benefits under this Plan, you shall be entitled to the following:

- (1) If you have less than 10 years of Credited Service upon termination, you shall be entitled to a refund of your accumulated contributions without interest, or you may leave your accumulated contributions in the Plan.
- (2) If you have 10 or more years of Credited Service upon termination, you shall be entitled to a monthly retirement benefit, determined in the same manner as for normal or early retirement and based upon your Credited rate as of the date of termination, payable at the normal or early retirement date, determined based upon your actual years of Credited Service, provided you do not elect to withdraw your accumulated 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 pre-retirement death.
- (3) Cross Credit.
  - (a) In the event that you have also accumulated Credited Service in another pension system maintained by the City, then such other Credited Service shall be used in determining vesting as provided for in this section J., and for determining eligibility for early or normal retirement. Such other Credited Service will not be considered in determining benefits under this Plan.
  - (b) Only your Credited Service under this Plan on or after your date of membership in this Plan will be considered for benefit calculation. If you are or become eligible for a benefit from this Plan after you have become a member of another pension system maintained by the City, the benefit calculation shall be based upon 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 Plan.

K. Additional Credited Service. In addition to Credited Service actually earned in the employment of the Fire Department, you may also receive Credited Service as follows:

- (1) "Buy-Back" for Prior Fire Service. The years or fractional parts of years that you previously served as a Firefighter with the City of Lakeland only 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.

- (2) "Buy-Back" for Military Service Prior to Employment and Prior Fire Service. The years or fractional parts of years that you 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 Fire Department or the time that you have served with another municipality, county, state or federal firefighting agency 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 compensation 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, but no purchase is permitted for a period of less than one year unless the total eligible time is less than one year.
  - (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.
  - (d) The maximum credit under this subsection when combined with Credited Service with an employer other than the City of Lakeland shall be 6 years and shall count for all purposes except vesting.
- (3) 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.

L. Contributions and Funding. The City is paying the portion of the cost of the Plan over and above your contributions and all or a portion of the amounts received from the state insurance rebates, pursuant to a mutual consent agreement between the City and the Union. You contribute an amount which is actuarially determined. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits.

M. Maximum Benefits. In no event will the annual benefits paid from this Plan exceed \$220,000 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.

N. 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.

O. 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.

P. 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 in an administratively reasonable time and enter a decision as it deems proper. The time period for review 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 Plan 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 Plan. 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 Firefighters; 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 175, Florida Statutes, "Municipal Firefighters' Retirement Trust Fund."
- C. Part VII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems."
- D. Ordinances of the City of Lakeland.
- E. Administrative rules and regulations adopted by the Board.

**7. PLAN YEAR AND PLAN RECORDS**

The Plan year begin 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 currently collective bargaining agreement between the City and the Firefighters. 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 a member of the Board 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.

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. Additionally, modifications made to existing orders or agreements on or after January 1, 2019, may be made tax deductible if both parties agree.

## **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 Plan benefits. This law went into effect on July 1, 2012.

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, up to \$3,000.00 if that amount is 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. To claim the exclusion, you enter the smaller of the amount of the insurance premiums or \$3,000.00 on your tax forms. You can only make this election for amounts that would otherwise be included in your income. If you have questions about this exclusion, please seek guidance from your tax preparer.

## **13. FILING FOR RETIREMENT**

In order to ensure that you receive your pension on time, you should file your application with the Pension Administrator at least 30 days before retirement. All forms can be obtained from the Pension 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.

**EXHIBIT "A"**

**BOARD OF TRUSTEES**

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

Chairman: Derek McBrayer  
500 North Lake Parker Avenue  
Lakeland, FL 33801-2097

Secretary: Kyle Davis  
500 North Lake Parker Avenue  
Lakeland, FL 33801-2097

Member: Susan Buchanon  
500 North Lake Parker Avenue  
Lakeland, FL 33801-2097

Member: Taylor Riley  
500 North Lake Parker Avenue  
Lakeland, FL 33801-2097

Member: Chris Hammond  
500 North Lake Parker Avenue  
Lakeland, FL 33801-2097

**PLAN ADMINISTRATOR**

Ms. Ferrell Jenne  
Lakeland Firefighters' 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)