

*The Altamonte Springs Retirement System*

# **POLICE OFFICERS' PENSION PLAN**



**A Retirement Guide  
for Police Officers**

**October 2016 Edition**

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## INTRODUCTION

Upon hiring, all full time City employees are automatically enrolled in one of the employee pension plans offered by the City. These include:

- The Florida Retirement System (FRS) – Includes all full-time employees hired prior to January 1, 1996.
- The Altamonte Springs Police Officers' Pension Plan – Includes all full-time Police Officers hired on or after January 1, 1996.
- The Altamonte Springs General Employees' Pension Plan – Includes full-time employees other than Police Officers hired on or after January 1, 1996
- The Altamonte Springs Employees' Investment Plan – Includes General Employees who have elected to move from the General Employees' Pension Plan to the Employees Investment Plan. This plan is not available to Police Officers.

For pension purposes full-time employees carry one of several classifications. These include:

- Police Officer - Sworn Police Officers
- General Employee - all full time employees other than Police Officers further classified as either –
  - ↳ Regular Employee - General Employees other than Senior Management
  - ↳ Senior Management – Department Directors, City Manager, and Elected Officials.

This *Summary Plan Description* is for employees enrolled in the **Altamonte Springs Police Officers' Pension Plan**. There are separate summary plan descriptions for the Florida Retirement System, Altamonte Springs General Employee's Defined Benefit Pension Plan and the Altamonte Springs Employee Investment Plan. This guide explains your retirement plan - its benefits and policies, and your rights as a member of the City of Altamonte Springs Police Officers' Pension Plan. Membership in the Pension Plan is an important benefit provided to you by the City.

This guide is a basic employee handbook intended to be a reference for you. Inside you will find explanations of certain provisions of your Pension Plan. You are encouraged to study these provisions to familiarize yourself with the benefits provided by the Plan.

This handbook is only a brief explanation of the Plan. If there are any conflicts

between this handbook and the ordinances of the City of Altamonte Springs, the ordinances will govern. A copy of the ordinances governing the Plan can be obtained from the City Clerk. If you have questions about a particular item or issue, please contact the City's Human Resources Department.

## BASIC PLAN INFORMATION

**Name of Plan** The Altamonte Springs Police Officers' Pension Plan (the Plan).

**Type of Plan** The Plan is a defined benefit plan, qualified under section 401(a) of the Internal Revenue Code.

**Administration** The Plan is administered by the Altamonte Springs Police Officers' Pension Plan Board of Trustees (Code Ch. 2-42.03).

**Service of Legal Process** The Board Chairman is designated for service of legal process. The contact information is:

Board Chairman, Altamonte Springs Police Officers Pension Plan  
225 Newburyport Avenue  
Altamonte Springs, FL 32701

**Provisions of Law** The Plan was established in 1995 and is operated pursuant to applicable law including but not limited to the United States Internal Revenue Code, Chapters 112 and 185, Florida Statutes, City Code of Ordinances ("Code"), Chapter 2, Article II, Division 4, and other City ordinances and resolutions.

**Funding** The Plan is contributory; contributions are made by members and the City (Code 2-42.05).

**Plan Year** The plan year is October 1<sup>st</sup> through September 30<sup>th</sup>. Plan records are maintained on a Plan Year basis (Code 2-42.01(20)).

**Employment Rights Not Implied** Membership in the Plan does not give you the right to be retained in the employ of the City, nor does it give you a right or claim to any benefit you have not accrued under the terms of the Plan.

## BOARD OF TRUSTEES

The City of Altamonte Springs Police Officers' Pension Plan is administered by a Board of Trustees. The Board consists of five Trustees, two of whom are legal residents of the City appointed by the City Commission, two of whom are Members of the Plan (Police Officers elected by other Police Officers who are Members of the Plan), and a fifth Trustee who is chosen by a majority of the first four Trustees and appointed by the City Commission. Each Trustee serves a four year term.

The Board meets once every three months usually in City Hall. The dates, times and locations of these meetings are publicly posted. The meetings are open to the public.

The names and contact address of the Trustees are listed below. The Chairman of the Board of Trustees is designated as agent for the service of legal process.

Board of Trustees	
<b>Elected Board Members</b>	
Daniel L. Smutz, Chairman 225 Newburyport Avenue Altamonte Springs, FL 32701	Steven F. Deloach, Jr. 225 Newburyport Avenue Altamonte Springs, FL 32701
<b>Board Members Appointed by the City Commission</b>	
James Perry, Secretary 225 Newburyport Avenue Altamonte Springs, FL 32701	Vacant
<b>5<sup>th</sup> Member</b>	
Charles Stansel 225 Newburyport Avenue Altamonte Springs, FL 32701	

## MEMBERSHIP

### Membership in the Plan

Each full-time sworn City Police Officer hired on or after January 1, 1996, becomes a Plan Member as a condition of employment (Code 2-42.02).

### Social Security Coverage

As a City employee you are automatically covered for Social Security and Medicare. Your pension plan benefits provided through the Police Officers' Pension Plan are not offset (reduced) by Social Security benefits you receive. Social Security contributions are automatically deducted from your salary and matched by the City. Although Social Security coverage is a part of your overall benefit package, the City has no control

over your Social Security or Medicare benefits. Information on Social Security or Medicare benefits can be obtained from the local Social Security office or call the toll-free number, 1-800-772-1213, or visit their website at [www.ssa.gov](http://www.ssa.gov).

### **Deferred Compensation Program**

In addition to the pension benefits provided by the Pension Plan, as a City employee you have the opportunity to participate in the City's deferred compensation program operated under Section 457 of the Internal Revenue Code. This program provides you the opportunity to build tax-deferred retirement savings separate and distinct from the Pension Plan.

You can elect to defer a portion of your compensation on a pre-tax basis through payroll deduction. This pre-tax advantage allows you to defer federal income taxes on the amount you invest, as well as on earnings on your investments, until you withdraw your money from the program, usually during retirement when you may be in a lower tax bracket. The amounts you withdraw from your deferred compensation account are in addition to pension plan benefits or any other benefits you may receive.

This program is completely voluntary with deposits into your deferred compensation account made solely by you. Your pension plan benefits provided through the Pension Plan are not affected in any way by your participation in the deferred compensation program. Further information can be obtained from the City's Human Resources Department.

## **CONTRIBUTIONS**

The Plan is an employee contributory plan. This means you are required to contribute to the Plan. One percent (1%) of your compensation is deducted from payroll and paid into the Plan. Use of these contributions is restricted for the sole purpose of funding the Plan. Other contributions come from the State and the City. The City is ultimately responsible for contributing sufficient funds to ensure the Plan remains adequately funded (Code 2-42.05).

### **Refund of Contributions**

You may request a refund of contributions you made to the Plan if you terminate all employment with the City. Your refund will not include contributions made by or from any source other than yourself nor will your refund include any interest. Further information can be obtained from the City's Human Resources Department (Code 2-42.10(1)).

## BENEFICIARY DESIGNATION

### Before You Retire

A beneficiary is a person or persons named by you to receive any pension benefits due if die before retirement. When you started work you should have filled out a form naming one or more beneficiaries. You may name any person or persons you choose as beneficiary (Code 2-42.13(1)).

You may change the beneficiary at any time by completing a new designation of beneficiary form. This is important to remember if your designated beneficiary dies or your marital or family status changes. *A Member's will or divorce decree has **no bearing** on how Member survivor's benefits are paid.* Any benefits due upon your death are paid only to the designated beneficiaries or to your estate if you have not named a beneficiary or if your designated beneficiary has died (Code 2-42.21).

### When You Retire

When you retire you will be asked to rename a beneficiary and to choose a retirement option on your application for retirement. Retirement options are explained later under the section titled "RETIRING FROM THE CITY".

- If you choose option 1, 2, or 4 you may name a beneficiary as described above.
- If you choose option 3 you must name a person as your joint pensioner

Please refer to the Plan for more details and restrictions on this subject (Code 2-42.11).

### After You Retire

If you retire under option 1, 2, or 4 you may change your designated beneficiary at any time. If you choose option 3 you may change your joint pensioner only two times after your retirement benefit has started. When you change your joint pensioner, the monthly benefit you receive will be adjusted based on your current age and the age of your new joint pensioner annuitant (Code 2-42.11(2)).

## VESTING

Being vested means you are eligible to receive a current or future retirement benefit. You vest in the Plan upon the completion of six years of creditable service. Once you vest, you are eligible for a future benefit when you leave employment with the City and apply for your retirement benefit. Being vested does not entitle you to a disability benefit based on a disability that occurs after you terminate employment (Code 2-42.10(2)).

You will lose your vested rights if:

- You forfeit your benefits as described in the section “Forfeiture of Benefits”, (Code 2-42.22) or
- You receive a refund of your personal employee retirement contributions (Code 2-42.10(4)).

## TERMINATING EMPLOYMENT

### Before You Are Vested

If you terminate your employment with the City prior to being vested, you can:

- Receive a refund of your personal contributions, or
- Leave your personal contributions on deposit with the Plan for a period of up to 5 years and retain all service credit you earned in the event you return to employment with the City as a Police Officer (Code 2-42.10(1)).

### After You Are Vested

If you terminate your employment with the City after you are vested, you can:

- Receive a refund of your personal contributions (Code 2-42.10(4)), or
- Leave your personal contributions on deposit with the Plan for a period of up to 5 years and retain all service credit you earned in the event you return to employment with the City as a Police Officer (Code 2-42.10(2)), or
- Retire. Depending on your age, you can take a normal or early retirement or defer your retirement until a future date of your choice. If you defer your retirement, the amount of your benefit will be calculated using your age at the time you begin receiving benefits (Code 2-42.10(2)).

If you return to employment with the City as a Police Officer within 5 years of termination and you have not received a refund of your personal contributions you will retain all of your earlier creditable service.

## YOUR RETIREMENT BENEFIT

### Retirement Benefit Formula

Your pension benefit will be paid to you monthly. The amount of the monthly pension benefit payment you receive when you retire depends on your Average Final Compensation, age, Percentage Value, years of Creditable Service, and the benefit

payment option you select. The formula for calculating the normal monthly retirement benefit is a two-step process illustrated as follows:

First, calculate the normal *annual* retirement benefit like this –



Then calculate the normal *monthly* retirement benefit by dividing the normal annual retirement benefit by 12 like this –



- **Average Final Compensation** is the average annual compensation of the five best of the last ten years of Creditable Service prior to retirement. Certain payments are not included in compensation. These are lump sum payments for accrued leave, clothing, meal, mileage, telephone, or vehicle allowances, and overtime in excess of 300 hours per year (Code 2-42.01(4)).
- **Percentage Value** is the value you receive for each year of your Creditable Service. This amount is 3% (Code 2-42.01(18)).
- **Creditable Service** is your total number of years and fractional parts of years of service as a City Police Officer with Member contributions (Code 2-42.01(11)).
- **Other Types of Creditable Service**  
In addition to the service credit you earn for current work, you may claim credit for certain other types of service to increase your benefits. To receive extra service credit, you may be required to pay additional retirement contributions. Other types of qualified creditable service include the following:
  - ↳ **Qualified Military Service.** Qualified Military Service occurs when you leave your Police Officer position to serve in the United States military. If you return to employment with the City as a Police Officer within one year of release from active military service, you may receive credit for up to five years of such active military service (Code 2-42.01(11)(c)).
  - ↳ **Workers' Compensation Credit.** You may claim up to two years of creditable service for periods you receive temporary Workers' Compensation payments if you return to employment as a Police Officer for at least 30 days or you retire on a disability (Code 2-42.01(11)(f)).

✦ Leave-of-Absence Without Pay Credit. A leave-of-absence without pay is a period when you are on approved leave from work without pay and plan to return to work after your leave. You may claim up to 2 years of such time as creditable service if you have at least 10 years of creditable service, the leave was approved in writing, in advance, by the City and the Board of Trustees, you return to work as a Police Officer immediately upon termination of the leave-of-absence and remain employed for at least 30 days, and you pay into the Pension Trust Fund the full amount of both the City and employee contributions, with interest, for the period of creditable service claimed (Code 2-42.01(11)(d)).

✦ Suspension Without Pay Credit. If you are suspended without pay and later reinstated, you may purchase creditable service for up to two years. You must return to active employment as a Police Officer for at least 30 days and pay the Pension Trust Fund the full amount of both City and employee contributions, with interest, for the period of creditable service claimed (Code 2-42.01(11)(e)).

## RETIRING FROM THE CITY

### Normal Retirement

Your normal retirement date is the time you are first eligible to receive a retirement benefit without a reduction of the benefits because of your age. You qualify for normal retirement at the earlier of (Code 2-42.06(1)):

- The attainment of age 55 and the completion of 6 years of Credited Service, or
- The completion of 25 years of Credited Service, regardless of age.

### Early Retirement

If you have at least 6 years of Credited Service but have not reached your normal retirement date you can take early retirement. The amount of the retirement benefit will be reduced by one-quarter of one percent (0.25%) for each month the commencement of retirement benefits precedes your normal retirement date (age 55 with at least 6 years of creditable service, or, 25 years of creditable service, regardless of age). For example, if you decide to retire early, after say 20 years of creditable service, 5 years before your full 25 years of creditable service necessary for normal retirement, your monthly pension benefit would be reduced by 15% (60 months X 0.25% = 15%) (Code 2-42.06(4)).

### Retirement Benefit Options

When you retire and before you can begin receiving your pension benefits, you must choose one of the four benefit options, or methods of payment, described below. Once

you cash or deposit your first benefit payment your option selection cannot be changed.

Option 1 is considered the Normal Benefit Option. Options 2, 3, and 4 are adjusted to be actuarially equal to Option 1. Generally, Option 2 will provide the highest monthly benefit since no benefits are payable after you die. For options 1 and 3 the monthly benefit is usually lower because the total benefits are expected to be paid for a longer period of time to you and your beneficiary. Under each option the total of dollar value of benefits is actuarially equal to what you alone are expected to receive under Option 1.

**Option 1**     10 Years Certain and Life Thereafter - This option provides a monthly pension benefit to you for so long as you live. If you die within 10 years after your effective retirement date, your beneficiary will receive a monthly benefit payment in the same amount as you were receiving for the balance of the 10 year period. No further benefits are then payable. This is considered the normal retirement option (Code 2-42.06(2)).

**Option 2**     Life Only - This option provides a monthly pension benefit which is larger than the Option 1 benefit but is only payable for so long as you live. Upon your death no further benefits will be paid (Code 2-42.11(1)(a)).

**Option 3**     Joint Annuitant - This option provides a reduced monthly pension benefit to you while both you and your joint annuitant are living. Upon the death of either you or your joint annuitant, the monthly pension benefit payment to the survivor will be adjusted to 100%, 75%, 66 2/3% or 50% of the amount you were receiving while you both were living. At the time you retire, you must choose the adjustment percentage. No further benefits are payable after both you and your joint annuitant are deceased (Code 2-42.11(1)(b)).

**Option 4**     Partial Lump Sum – This option allows you to take a portion of your pension benefits in a lump sum at retirement with the balance paid as a reduced lifetime monthly pension benefit paid as described in Options 1, 2, or 3. (Code 2-42.11(1)(d)).

## DISABILITY BENEFITS

### Regular Disability Benefits

You are eligible for regular disability benefits if you have completed at least 8 years of creditable service. Your disability must be total and permanent and the injury or illness causing the disability must have occurred before you terminate employment with the City. The minimum regular disability retirement benefit paid under Option 1

is 25% of your average final compensation. Your actual earned benefit, based on your years of service, will be used if it is higher than the minimum of 25% (Code 2-42.09(5)).

### **In-Line-of-Duty Disability Benefits**

You are eligible for in-line-of-duty disability benefits beginning on your first day of covered employment, regardless of length of service. An in-line-of-duty disability must be total and permanent and caused by injury or illness that happens in the performance of duties required by your job. The minimum in-line-of-duty disability retirement benefit paid under Option 1 is 65% of your final average compensation. Your actual earned benefit, based on your years of service, will be used if it is higher than the minimum of 65% (Code 2-42.09(4)).

### **Presumptions**

You may be entitled to a presumption that the disability was incurred in the line of duty if the disability was due to tuberculosis, heart disease, hypertension, hepatitis, or, meningococcal meningitis pursuant to the provisions of sections 112.18 and 112.181, Florida Statutes (Code 2-42.09(3)).

### **Optional Disability Benefits Coverage**

In addition to the disability benefits provided by the Pension Plan, the City provides all City employees the opportunity to purchase additional disability insurance through payroll deduction at group rates. The City offers both short-term and long-term disability options. Short-term covers temporary disabilities lasting less than six months. Long-term covers long-term or permanent disabilities lasting longer than six months. These policies pay income directly to you in the event you become disabled as defined by the insurance policies. Disability benefits provided by the Pension Plan are not offset or reduced by benefits you may receive from these optional disability insurance programs. However, disability benefits provided by these optional disability insurance programs may be affected by the disability benefits provided by the Plan. Further information on these optional disability insurance programs can be obtained from the City's Human Resources Department.

### **Other Disability Benefits**

If you become disabled you may be eligible for benefits through Florida's Workers Compensation Program and/or the Federal Social Security Administration. However, these programs are administered separately from the Pension Plan. For questions relating to workers compensation please refer to the Florida Department of Financial Services, Division of Workers Compensation. For questions relating to Social Security please refer to the Social Security Administration.

## SURVIVOR BENEFITS

### Regular Survivor Benefits

If you die with less than 6 years of creditable service your beneficiary will receive a refund of your personal contributions (Code 2-42.08(2)(a)).

If death occurs after you have completed 6 years of creditable service, a beneficiary, who is your spouse, dependent child or any person receiving at least 50% of his or her support from you, may choose one of the following benefits:

- A refund of your personal contributions; or
- An immediate or deferred lifetime monthly benefit calculated as if you had retired on the date of death and chosen the 100% joint and survivor benefit option (Option 3). The benefit will be adjusted for early retirement if you were not of normal retirement age at the time of your death (Code 2-42.08(2)(b)).

If your beneficiary does not qualify as a joint annuitant, he or she is entitled only to a refund of your personal contributions. No monthly benefit would be payable (Code 2-42.08(2)(b)).

### In-Line-of-Duty Survivor Benefits

If you die in the line of duty your spouse may elect one of the following two benefit options.

- A lifetime monthly benefit equal to seventy five percent (75%) your average monthly salary. This benefit continues so long as your spouse is alive, regardless of his or her future marital status, or,
- If you were vested the surviving spouse can elect to receive a monthly benefit computed as if you retired on the date of death and elected the 100% joint and survivor optional form of benefit (Option 3).
- If your surviving spouse dies the monthly payments paid to your spouse will be paid for the use and benefit of your natural or adopted child or children under 24 years of age and unmarried. These payments will continue until the 24<sup>th</sup> birthday of the youngest child.
- If there is no surviving spouse the monthly benefit described above will be paid for the use and benefit of your natural or adopted child or children under the age of 24.
- If there is neither a surviving spouse or children but there is a surviving parent or

grandparent or any person age 24 or older for whom you are the legal guardian and for whom you provide at least one-half of the financial support then the survivor benefits describe above shall be paid for the use and benefit of such survivor(s). (Code 2-42.08(1)).

### **Presumptions**

Your survivors may be entitled to a presumption that your death was incurred in the line of duty if the death was due to tuberculosis, heart disease, hypertension, hepatitis, or, meningococcal meningitis pursuant to the provisions of sections 112.18 and 112.181, Florida Statutes (Code 2-42.09(3)).

### **Other Survivor Benefits**

In addition to the pension benefits provided by the Plan, if you die while actively employed by the City as a Police Officer, your survivors may be entitled to other death benefits. These include:

- **Basic Life Insurance Coverage.** The City, at its expense, provides basic life and accidental death and dismemberment insurance for every full-time employee. If you die while employed by the City this policy will provide a single death benefit to survivors equal to your annual salary. If your death was the result of an accident, the benefit is two times your annual salary. In addition you may purchase, at your own expense, additional life insurance coverage at group rates through payroll deduction.
  
- **Additional AD&D Insurance Coverage – Death in Line of Duty.** In addition to the basic life and accidental death and dismemberment insurance the City, at its expense, provides additional accidental death and dismemberment insurance coverage for every full-time employee. If you die in an accident while you are on duty the single benefit to your survivor(s) is \$70,700. If your death occurs while you are in fresh pursuit, responding to an emergency, responding to a traffic accident, or enforcing a traffic law the death benefit is increased to \$141,400. If, while in the line of duty, you are unlawfully and intentionally killed or die from the result of such unlawful and intentional act, the death benefit is increased to \$270,680. This policy also provides benefits for dismemberment occurring in the line of duty, such as the loss of hand(s), feet, speech and hearing, sight and finger(s). Please note the stated dollar values were the amount in effect as of October 1, 2015. They are subject to change (Ch. 112.19, Florida Statutes).

Further information on these City programs can be obtained from the City's Human Resources Department.

### **Survivor's Health Insurance Premium Benefit**

If a police officer is killed in the line of duty as the result of an act of violence inflicted

by another person while engaged in the performance of law enforcement duties or as a result of an assault against the officer under riot conditions the City will pay the entire premium for the officer's surviving spouse until remarried, and for each dependent child of the officer until the child reaches the age of majority or until the calendar year in which the child reaches the age 25 if:

- At the time of the officer's death the child is dependent on the officer for support; and
- The surviving child continues to be dependent for support, or the surviving child is a full-time or part-time student and is dependent for support.

There are limitations to this benefit. Please refer to Chapter 112.19, Florida Statutes for more information.

### **Survivor's Education Waiver**

If a police officer is accidentally killed as specified in Chapter 112.19(2)(b), Florida Statutes, or is unlawfully and intentionally killed as specified in Chapter 112.19(2)(c), Florida Statute, the State of Florida will waive certain educational expenses that the child or spouse of the deceased officer incurs while obtaining a career certificate, an undergraduate education, or a postgraduate education. There are limitations to this benefit. Please refer to Chapter 112.19(3), Florida Statutes for more information.

### **Public Safety Officers' Benefits Act**

In addition to the survivor benefits described above, the Federal government, through the Public Safety Officers' Benefits Act, provides a death benefit to eligible survivors of police officers who die as the direct and proximate result of a traumatic injury sustained in the line of duty. The current benefit amount is \$339,881 for deaths occurring on or after October 1, 2015. The amount of the benefit is adjusted on October 1<sup>st</sup> of each year to reflect the percentage change in the consumer price index.

Further information on this federal program can be obtained from the U.S. Department of Justice at their website [www.psob.gov](http://www.psob.gov).

## **SHARE PLAN**

In addition to regular pension benefits, the Plan provides special benefits to vested members through the Share Plan, a defined contribution component of the Plan. An individual investment account will be established for you when you become vested. Each year a portion of additional premium tax revenues are deposited into your individual investment account.

These accounts are self-directed. This means you decide how to invest these funds.

An account will be established for you when you become vested. At that time you receive individual account information.

When you terminate you will be given the option of receiving the balance in your individual investment account in cash, less applicable income taxes, or you may elect to roll it over into another tax deferred account like an IRA. Further information on the Share Plan can be obtained from the City's Human Resources Department (Code 2-42.07).

## AFTER RETIREMENT

### Cost-of-Living Increase

Retirees receive an annual 3% cost-of-living increase in October of each year. The first cost-of-living increase will be a prorated amount if you have been retired for less than one full year (Code 2-42.12).

### Retiree Health Insurance Coverage

The City offers retirees, at the retirees' expense, the option of continuing to participate in the City's employee group health insurance plan. The premium cost of health insurance offered to retirees is the same as that paid by the City for each active employee. Retirees are required to purchase Medicare parts A and B upon reaching eligibility year (Ch. 112.0801, Florida Statutes).

## FORFEITURE OF BENEFITS

### Specific Offenses

If you are convicted of any of the following offenses committed prior to retirement, or your employment with the City is terminated because you admitted to commission, aid or abetment of any of the following offenses, you forfeit all rights to any pension benefits under this Plan, except for the return of your accumulated personal contributions as of the date of termination. Specific offenses are as follows (Code 2-42.22(1)):

- Committing, aiding or abetting of an embezzlement of public funds;
- Committing, aiding or abetting of any theft by a public officer or employee from employer;
- Bribery in connection with the employment of a public officer or employee;
- Any felony specified in Chapter 838 (Bribery; Misuse of Public Funds), Florida Statutes except ss. 838.15 and 838.16.
- The committing of an impeachable offense;

- The committing of any felony by a public officer or employee who willfully, and with intent to defraud the public or public agency for which he or she 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 obtain a profit, gain, or advantage for himself or herself or for some other person through use or attempted use of the power, rights, privileges, duties or position of his or her public office of employment position;
- The committing on or after October 1, 2008, of any felony defined in Section 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.

### **Fraud**

Any Member or Beneficiary who is convicted of willfully and knowingly making, or causing to be made, or to assisting, conspiring with, or urging another to make, or cause to be made, any false, fraudulent, or misleading oral or written statement or withholding or concealing material information to obtain a benefit available under the Plan may, in the discretion of the Board, be required to forfeit the right to receive any or all benefits to which the person would otherwise be entitled under the Plan. For purposes of this paragraph, "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld (Code 2-42.22(2)).

### **Strikes**

Any Member who, prior to retirement, is adjudged by a court of competent jurisdiction to have violated any state law against strikes by public employees, or who has been found guilty by such court of violating any state law prohibiting strikes by public employee, shall forfeit all rights and benefits under this chapter, except the return of his or her accumulated contributions, without interest, as of the date of the conviction (Code 2-42.22(3)).

### **Beneficiary Forfeiture of Benefits**

Any beneficiary who by a verdict of a jury or by the court trying the case without a jury is found guilty, or who has entered a plea of guilty or nolo contendere, of unlawfully and intentionally killing or procuring the death of the Member forfeits all rights to the deceased Member's benefits under this Plan, and the benefits will be paid as if such beneficiary had predeceased the decedent (Code 2-42.22(4)).

## GENERAL INFORMATION

### **Applicable Law**

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

- United States Internal Revenue Code and amendments thereto.
- The federal Employee Retirement Income Security Act (ERISA) of 1974 and amendments thereto.
- Miscellaneous other Federal laws and regulations.
- Chapter 185, Florida Statutes, "Municipal Police Pensions".
- Part VIII, Chapter 112, Florida Statutes, "Public Officers and Employees; General Provisions".
- Miscellaneous other State statutes and regulations.
- Chapter 2, Article II, Division 4 of the Code of Ordinances of the City of Altamonte Springs.
- Other ordinances, resolutions and policies of the City of Altamonte Springs.
- Administrative rules and regulations adopted by the Board of Trustees.

### **Plan Year and Plan Records**

The Plan year begins on October 1<sup>st</sup> of each year and ends on September 30<sup>th</sup> of the following year. All records of the Plan are maintained on the basis of the Plan year (Code 2-42.01(20)).

### **Assignment, Execution or Attachment**

Except as otherwise provided by law, your retirement benefits and accumulated contributions accrued under this Plan are not subject to execution, attachment, garnishment or any other legal process and are not assignable.

## FINANCIAL AND ACTUARIAL INFORMATION

The Plan is audited annually. The annual financial report is included in the City's Comprehensive Annual Financial Report. A separate actuarial report on the solvency and actuarial soundness of the Plan is prepared annually. Copies of either or both of these reports are available from the City's Finance Department. The following is selected financial and actuarial information.

	Fiscal Year *	
	2014	2015
<b>FINANCIAL INFORMATION</b>		
<b>Plan net position</b>		
Restricted for pensions as of September 30th	\$ 13.57	\$ 13.87
<b>Plan investments</b>		
Market value as of September 30th		
U.S. treasuries	\$ 0.06	\$ 0.06
Corporate bonds	0.72	0.20
Mutual funds	3.85	5.04
Common stocks	8.31	8.53
Total investments	<u>\$ 12.94</u>	<u>\$ 13.83</u>
<b>Increase in net position</b>		
For the year ended September 30th	\$ 2.51	\$ 0.30
<b>ACTUARIAL INFORMATION at September 30th</b>		
<b>Funding progress</b>		
Plan fiduciary net position	\$ 12.60	\$ 12.90
Total plan pension liability	<u>13.36</u>	<u>15.90</u>
Unfunded actuarial accrued liability	\$ (0.76)	\$ (3.00)
Percentage funded	94%	81%
<b>Employer contributions</b>		
Actuarially determined contribution	\$ 1.00	\$ 1.04
Contribution in relation to the actuarially determined contribution	<u>1.01</u>	<u>0.98</u>
Contribution deficiency (excess)	\$ (0.01)	\$ 0.06
Covered payroll	\$ 4.37	\$ 4.74
Contributions as a percentage of covered payroll	23.1%	20.7%
<b>Plan membership</b>		
Active	72	79
Retirees and beneficiaries	1	1
Vested terminated and limited members	9	13
* <b>Note:</b> Dollar figures are in millions.		

## GLOSSARY OF TERMS

The following is a list of terms and definitions which may be helpful in understanding your pension benefits (Code 2-42.01).

**Average Final Monthly Compensation** is one-twelfth (1/12) of the average annual compensation of the five best years of the last ten years of creditable service.

**Beneficiary** is the person or persons you designate to receive any benefits which may be payable upon your death.

**Compensation** is the total amount paid by the City to a Police Officer for services and includes regular earnings and overtime for up to 300 hours per year. Compensation excludes payments for accrued vacation or sick leave, clothing, meal, telephone, or vehicle allowances. Compensation also excludes payments for extra duty or special detail work performed on behalf of a second party employer.

**Creditable Service** is the aggregate number of years you work as a City Police Officer and may include other types of qualified service periods.

**Early Retirement Age or Date** is the age or date when, after you have vested, you choose to receive a retirement benefit which is reduced because you have not reached normal retirement age or date.

**Joint Annuitant or Pensioner** means a person you choose to receive continuing benefits under either benefit options 3 or 4 upon your death.

**Normal Retirement Age or Date** is the age or date when you first become eligible to retire, without a reduction of benefits, by being vested and reaching age 55 or completing 25 years of creditable service regardless of age.

**Termination** occurs when you end all employment with the City.

**Vested or Vesting** is the guarantee that you will receive future benefit after you work a certain number of years. You are vested after completing 6 years of creditable service.

