

City of Lauderhill Firefighters' Retirement System



**Lauderhill
Fire-Rescue**

**Summary Plan Description
June 2025**

**STATEMENT FROM THE BOARD OF TRUSTEES
OF
THE CITY OF LAUDERHILL
FIREFIGHTERS' RETIREMENT SYSTEM**

This document is a plain language summary of the administration and benefits provided by the City of Lauderhill Firefighters' Retirement System (the "Plan"). This summary is not a legal document and any precise questions regarding your benefits are governed by the Lauderhill City Code, Sections 2-40 through 2-60. The Plan is also governed by certain provisions of Chapters 112 and 175, Florida Statutes. The provisions of your Plan may only be determined by reading the actual Plan documents, which consists of the Code of Ordinances of the City of Lauderhill, Florida, the applicable provisions of Chapters 112, Part VII, Chapter 175, Florida Statutes and the Internal Revenue Code. In the event of any discrepancy between this Summary Plan Description and the actual provisions of the Plan, the provisions of the Plan will govern.

Nothing in this document is intended to, nor does it create a contract for benefits greater than that provided by law. Any questions regarding the document or your rights should be directed to the Board of Trustees or the Plan Administrator.

Sean Henderson
Sean Henderson
Chairman

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I. GENERAL INFORMATION

A. GENERAL PLAN INFORMATION

The name of your pension plan is the City of Lauderhill Firefighters' Retirement System (hereinafter the "Plan"). It is a defined benefit plan which means that you will receive upon retirement a guaranteed percentage of your average monthly earnings multiplied by the number of years of service.

The Plan is governed by Florida State Statutes, Chapters 112 and 175, City of Lauderhill Code of Ordinances, Chapter 2, Article II, Division 3, Part 1, and the Collective Bargaining Agreement between the City of Lauderhill and the International Association of Firefighters, Local 3080.

The Plan records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on October 1 and ends on September 30.

B. PLAN ADMINISTRATOR INFORMATION

The Plan has a Board of Trustees consisting of five members. The Board of Trustees is responsible for the administration of the Plan. Two members are elected from among the fire employees of the City, who are members of the Plan, two city residents appointed by the Commission and one person who is chosen by a majority of the other four members. The Trustees serve two-year terms. The names of the Plan's Trustees are:

Chair:	Sean Henderson
Vice Chair:	Michael Taussig
Secretary:	Matthew Newman
Trustee:	Ryan Gabner
Trustee:	Daniel Speerin

The Plan has contracted with a Third-Party Administrator to handle the routine day to day administrative duties. The contract Third-Party administrator is S&D Mac, Inc., a Florida Corporation. The person assigned by the Corporation as Administrator is:

Barbara White, Plan Administrator
City of Lauderhill Firefighters' Retirement System
107 Griffis Court
Palatka, Florida 32177
Phone: (386) 336-7573
Email: barbara.pensionoffice@gmail.com

C. SERVICE OF LEGAL PROCESS

The Chair of the Board of Trustees is the designated agent. In his absence, service of legal process may also be made upon the Vice Chair or the Secretary. Their addresses are as follows:

City of Lauderhill Firefighters' Retirement System
Pension Office
107 Griffis Court
Palatka, Florida 32177

II. SOURCES OF FUNDING

A. CITY CONTRIBUTIONS

The City will make contributions to the Plan in amounts determined by consulting actuaries to be sufficient, after allowing for Employee Contributions, Premium Tax Refunds, and earnings on the Plan, to fund all benefits under the Plan. Under Florida Law the City of Lauderhill is required to keep the Plan actuarially sound.

B. MEMBER CONTRIBUTIONS

Effective October 1, 2019 through September 30, 2020, the regular contributions of each firefighter Member of the Fund shall be eleven and seventy-two-one-hundredths (11.72) percent of earnings. Effective October 1, 2020, the regular contributions of each firefighter Member of the system shall be ten and seventy-two-one-hundredths (10.72) percent of earnings. Earnings mean the fixed monthly remuneration paid by the City to a member, but excluding overtime, bonuses and any other non-regular payment. Contributions are made by having the money withdrawn from the employees' earnings prior to taxes. This is known as a "pick-up" contribution.

C. STATE PREMIUM TAX REFUND

Premium taxes are collected by the State of Florida and returned to the City to be paid into the Plan to provide additional benefits for Firefighters.

III. ELIGIBILITY TO PARTICIPATE, SERVICE, VESTING

A. ELIGIBILITY

All Firefighters of the City hired after June 14, 1982 are required to be members of the Plan on their first day of full-time non-temporary employment with the City. Employees hired on or after October 1, 2009 shall be part of Tier Two of the Plan. Employees hired prior to October 1, 2009 are part of Tier One.

B. SERVICE

Service means years and completed months of continuous uninterrupted employment as a full-time firefighter of the City. Service is used to calculate the amount of your monthly pension benefit when you retire and is also used to determine your eligibility for benefits, including whether you are entitled to a "vested" benefit if you leave the City before becoming entitled to retirement benefits.

C. VESTING CREDITS

You earn one Vesting Credit for each year of Service. Members become 100% vested in the Plan and are guaranteed the receipt of a pension benefit upon the completion of ten (10) years of Service. Once a member has completed at least ten (10) years of Service, the member can leave the service of the City and still receive a pension benefit upon reaching their Normal Retirement Date, or at their Early Retirement Date with a reduction, if accumulated contributions are not paid upon termination.

Members who terminate with less than ten (10) years of Service will receive a refund of accumulated contributions plus interest. Members who terminate employment with less than 10 years of Service may elect to allow their contributions to remain in the Plan for up to five (5) years, pending reemployment, without earning any additional interest. At the end of the five (5) year period, the contributions plus interest will be returned to the member.

IV. NORMAL RETIREMENT, VARIABLE BENEFIT, COLAs

A. NORMAL RETIREMENT DATE

A member may retire on the first day of the month coincident with or next following that date upon which the member attains the age of fifty-five (55) with at least ten (10) years of Service, or the completion of twenty (20) years of Service regardless of age, whichever occurs first.

B. NORMAL RETIREMENT BENEFIT

Average monthly earnings means one-twelfth (1/12) of the arithmetic average of annual earnings for consecutive years immediately preceding the actual retirement or termination date of a Tier One or Tier Two Member, subject to the following conditions:

The amount of the Tier One Normal Retirement Benefit is based on:

- 1) Effective October 1, 2003 through November 24, 2019, for Tier One members, average monthly earnings means one-twelfth (1/12) of the arithmetic average of annual earnings for the highest consecutive three (3) years of the ten (10) full years immediately preceding the actual retirement or termination date of a Tier One member; provided, that if a Tier One

member shall have been employed for fewer than five (5) years such average shall be taken only over the period of his actual employment.

- 2) Average monthly earnings for prospective credited service as of November 25, 2019, means one-twelfth (1/12) of the arithmetic average of annual earnings for the highest consecutive five (5) years of the ten (10) full years; provided, in no event will a member's average monthly earnings be less than the highest three (3) year average (for Tier One members). As such, the applicable average monthly earnings is the greater of the three (3) year average (for Tier One members) as of November 25, 2019, or the five (5) year average as of the retirement date.
- 3) Tier One Service-You earn a multiplier of 3% for Service prior to October 1, 2003 and 4% for Service on and after October 1, 2003 through November 24, 2019. For all years of credited service earned on or after November 25, 2019, the monthly retirement benefit for Tier One members not eligible for normal retirement as of November 25, 2019, is an amount equal to three (3) percent of average monthly earning times years and completed months of credited service.

Your Tier One Normal Retirement Benefit equals:

3% x Service prior to October 1, 2003 x Average Final Compensation
(Plus)

4% x Service on or after October 1, 2003 through not later than November 24,
2019 x Average Final Compensation

Example: A Tier One member retires on October 1, 2011, with Average Final Compensation of \$7,000 and 20 years of Service. The Tier One Normal Retirement Benefit payable monthly is computed as follows:

3% x 12 Years of Service x \$7,000 + 4% x 8 Years of Service x \$7,000 = \$4,760.

C. TIER TWO NORMAL RETIREMENT BENEFIT

The amount of the Tier Two Normal Retirement Benefit is calculated using a 3% multiplier for all Service, with a maximum Normal Retirement Benefit of 75% of Average Final Compensation. Tier Two members may increase their pension multiplier to 3.5% provided that all costs associated with the increase (or its actuarially equivalent cost) are borne solely by the member as determined by the Plan Actuary. The cap of 75% of Average Final Compensation is inapplicable for Tier Two members who purchase an enhanced multiplier; however, a member's total benefit shall not under any circumstance exceed 100% of Average Final Compensation.

Average Final Compensation for Tier Two members who retire with less than 25 years of Service is one-twelfth (1/12) of the average of annual Earnings for the highest consecutive four (4) years of the ten (10) full years immediately preceding the actual retirement or termination. Average Final Compensation for

Tier Two members who retire with 25 or more years of Service is one-twelfth (1/12) of the average of annual Earnings for the highest consecutive three (3) years of the ten (10) full years immediately preceding the actual retirement or termination.

Effective November 25, 2019, for members not eligible for normal retirement as of November 25, 2019, average monthly earnings for prospective credited service for Tier Two members as of November 25, 2019, means one-twelfth (1/12) of the arithmetic average of annual earnings for the highest consecutive five (5) years of the ten (10) full years; provided, in no event will a Tier Two member's average monthly earnings be less than the four (4) year average as of November 25, 2019. As such, the applicable average monthly earnings would be the greater of the four (4) year average for Tier Two members, as of the November 25, 2019, or the five (5) year average as of the retirement date.

Example: A Tier Two member retires with Average Final Compensation of \$7,000 and 20 years of Service. No purchase was made by the member for an increased multiplier. The Tier Two Normal Retirement Benefit payable monthly is computed as follows:

$$3\% \times 20 \text{ Years of Service} \times \$7,000 = \$4,200.00$$

D. VARIABLE BENEFITS

For all firefighters employed on or after October 1, 1997, a Variable Benefit will be paid, effective October 1, 1999. Based upon procedures and methods adopted by the Board of Trustees, as determined to be actuarially sound by the City of Lauderhill Firefighters' Retirement System's actuary, benefits currently payable under this article shall be increased from time to time. The funds required for the financing of any benefits under this provision shall be derived solely from the investment return of Plan assets, both realized and unrealized, as allocable to firefighters and beneficiaries receiving benefits from the Plan, and only in such amount as exceeds the investment return assumed for purposes of the actuarial valuation of the Plan and a total experience gain under the Plan as compared to the actuarial assumptions. The benefit increase granted in any one calendar year shall in no event exceed 3% of the amount being paid immediately prior thereto. Any increases granted under this provision shall be expressed as a percentage of a retiree's current benefit, and such percentage shall be uniform in respect to all retirees in any given year, except that retirees whose payments start during a fiscal year shall receive a pro rata increase reflecting the number of payments received divided by 12. The increase shall be calculated for each year ending September 30, and shall be payable effective the following October 1. This provision shall be effective October 1, 1999.

E. COST OF LIVING ADJUSTMENTS (COLA's)

“COLA” for Tier One Members:

Effective October 1, 2006 each retiree who was a Tier One member, (or and any Tier One member thereafter who is eligible for normal retirement as of November 25, 2019, including all retirees who retired prior to October 1, 2006, will have their monthly retirement benefits increased by a sum equal to one and one-half (1.5) percent per year (the "COLA"). Provided however, that before any Tier One member who was a retiree as of October 1, 2006, including all retirees who retired prior to October 1, 2006, and or any Tier One member who was eligible for normal retirement as of November 25, 2019, is entitled to receive a COLA, the retiree must have been retired for three (3) years. Tier One members who were not eligible for normal retirement as of November 25, 2019, shall have their monthly retirement benefit increased by a sum equal to one and one-half (1.5) percent per year for credited service earned on or before October 29, 2018, upon having been retired for three (3) years.

“Tier Two COLA”:

For Tier Two Members, regarding credited service earned on or before October 29, 2018, they will have their monthly retirement benefit increased after being retired for three (3) years, by a sum equal to the net return of the plan per year, with a one and one-half (1.5) percent cap and zero (0) percent floor per year, which is referred to as the "Tier Two COLA." For credited service earned after October 29, 2018, Tier Two members shall have their monthly retirement benefit increased after five (5) years of separation of service as a firefighter from the City of Lauderhill, by a sum equal to one (1) percent, with no more than eight (8) cost of living adjustments to this portion of their monthly retirement benefit during their lifetime.

“COLA 2”:

Each member who was a Tier One member not eligible for normal retirement as of November 25, 2019, or was a Tier Two member as of October 29, 2018, shall have their monthly retirement benefit increased by a sum equal to one (1) percent per year, which is called the "COLA 2" based on credited service earned after October 29, 2018. Provided however, that before any retiree is entitled to a COLA 2 based on any credited service earned after October 29, 2018, the retiree must have been separated from City service for five (5) years. Retirees shall not receive more than eight (8) COLA 2 adjustments to their benefit based on credited service earned after October 29, 2018, during their lifetime.

Following a retiree's death who was a Tier One member, the "COLA" will be paid to each designated beneficiary.

Following the death of a retiree who was a Tier Two member, the "Tier Two COLA" will be paid to each designated beneficiary only if a Tier Two COLA for

retirees is to be given as a result of a net return being earned for the Fund that year.

F. EXAMPLE OF HOW COLA IS CALCULATED DUE TO VARYING MULTIPLIER PERCENTAGES AS THEY RELATE TO EARNED CREDITED YEARS OF SERVICE DATES:

Assume a firefighter has 12 years of past credited service when the benefit multiplier change took effect. His 12 years of past service earned a 4.0% per year benefit multiplier, so $12 \times 4\% = 48\%$ of his Average Final Compensation (AFC) will receive a 1.5% annual COLA with a 3-year delay. Let's say he earns 8 more years of credited service (at a 3% benefit multiplier) and then enters the DROP. He will have earned an additional 24% ($8 \times 3\%$) of his AFC after the effective date of the change. His total retirement benefit will then be $(12 \times 4\% + 8 \times 3\%) = (48\% + 24\%) = 72\%$ of AFC. The first part, 48% of his AFC, will receive the current 1.5% annual COLA for life after a 3-year delay. The second part, 24% of his AFC, will receive a 1.0% COLA (with a max of 8 COLAs) with a 5-year delay after separation from employment with the City.

If we put actual numbers to this and assume his final AFC at retirement is \$80,000 per year, his total annual pension benefit at retirement will be \$57,600 per year ($= 72\% \times \$80,000$). Of this amount \$38,400 (48% of AFC) would receive a 1.5% annual COLA for life after a 3-year delay and \$19,200 would receive a 1.0% COLA (with a maximum of 8 COLAs) after a 5-year delay following separation from employment with the City. So, there would be two pieces of the benefit to keep track of, each receiving a different COLA.

The final AFC used would be the greater of the 3-year (Tier 1) or 4-year (Tier 2) AFC as of the effective date or the final 5-year average as of the retirement date.

V. DEFERRED RETIREMENT OPTION PLAN (DROP)

A. ELIGIBILITY

Tier One members are eligible to enter the DROP on the first day of the month following the completion of 20 years of credited service, or upon earning a pension benefit equal to 80%, or upon completion of at least ten (10) years of credited service and attaining at least the age of fifty (50). The maximum participation in DROP is eighty-four (84) months. The maximum number of months a Tier One member may participate in DROP is reduced by 1 month for each month of eligibility after attaining the 80% accrued benefit during which the Tier One member does not participate in the DROP.

Tier One members may remain in the DROP for up to eighty-four (84) months, provided that while in the DROP, effective October 1, 2024, Tier One members will contribute one and a half percent (1.5%) of their base payroll earnings to the fund, during any time spent for years six (6) and seven (7) in the DROP. For Tier One members who are in the DROP as of October 1, 2024, they may remain in the DROP for up to five (5) years without making a contribution to the fund, but

must contribute one and a half percent (1.5%) of their base payroll earnings to the fund for any period spent in the DROP beyond five (5) complete years. DROP interest earnings for any period in excess of five (5) years in the DROP, for Tier One members who were not eligible to enter DROP as of October 29, 2018, but subsequently became eligible to enter DROP prior to November 25, 2019, will be variable and based on the actual annual net rate of return earnings (i.e., the gross return of the Plan less the Plan's investment expenses as reported by the investment monitor) of the Fund, with a floor of zero percent (0%) and a cap of five percent (5%) per year. Any actual annual net rate of return earnings for the Fund in excess of five percent (5%) will go back into the Fund.

Any Tier One member of the City of Lauderhill Firefighters' Retirement Trust Fund is eligible to enter the DROP on or after July 11, 2022, on the first day of the month following the participant's completion of twenty (20) years of credited service; or on the first day of the month following the participant's completion of ten (10) years of credited service and attaining the age of fifty (50); or upon earning a pension benefit equal to eighty (80) percent. If a Tier One member enters the DROP more than ninety (90) days after attaining the eighty (80) percent accrued benefit, the amount of time after the accrual of the eighty (80) percent benefit until the entry into the DROP will result in a commensurate reduction in the maximum time allowed for DROP participation. Tier One members may participate in the DROP for a maximum of eighty-four (84) months, with no requirement to contribute to the fund for the first five (5) years, but effective October 1, 2024, shall contribute one and a half percent (1.5%) of their base payroll earnings to the fund for any period that they elect to remain in the DROP beyond the first five (5) complete years. DROP interest earnings will be variable and based on the actual annual net rate of return earnings (i.e., the gross return of the plan less the plan's investment expenses as reported by the investment monitor) of the fund, with a floor of zero (0) percent and a cap of five (5) percent per year. Any actual annual net rate of return earnings for the fund in excess of five (5) percent will go back into the fund.

Tier Two members may enter into the DROP on the first day of the month following completion of 20 years of credited service. Or, upon completion of at least ten (10) years of credited service and attaining at least the age of fifty (50). A Tier Two member may participate in the DROP for a maximum of eighty-four (84) months. Tier Two members may remain in the DROP for up to eighty-four (84) months, provided that while in the DROP, effective October 1, 2024, Tier Two members will contribute one and a half percent (1.5%) of their base payroll earnings to the fund, during any time spent for years six (6) and seven (7) in the DROP. For Tier Two members who are in the DROP as of October 1, 2024, they may remain in the DROP for up to five (5) years without making a contribution to the fund, but must contribute one and a half percent (1.5%) of their base payroll earnings to the fund for any period spent in the DROP beyond five (5) complete years. The number of months a Tier Two member may participate in the DROP shall be reduced by one (1) month for each month of eligibility following the completion of twenty five (25) years of credited service during which the member does not participate in the DROP. Tier Two member DROP accounts will be credited at a rate of interest that is variable and based on the actual annual net

rate of return earnings (i.e., the gross return of the Plan less the plan's administrative costs) of the Fund, with a floor of zero percent (0%) and a cap of five percent (5%) per year. Any actual annual net rate of return earnings for the Fund in excess of five percent (5%) will go back into the Fund.

B. CALCULATION OF RETIREMENT BENEFITS UPON ENTERING DROP

Upon entering the DROP, the employee does not accrue any additional Service for pension purposes. The amount of Average Final Compensation is determined as of the date of entering the DROP.

Early Retirement Benefit Reduction – It should be noted that any member who opts to enter the DROP upon the completion of ten (10) years of credited service and attaining the age of fifty (50) will have their benefit reduced by three (3) percent for each year by which the starting date of the benefit precedes their normal retirement date in accordance with early retirement dates and benefits as stated in City of Lauderhill Code of Ordinances subsections 2-43(d) and 2-43(e)(2).

C. ELECTION OF OPTIONAL FORMS OF PAYMENT

Upon entering the DROP, the member must elect an Optional Form of Benefit Payment.

D. CONTRIBUTIONS

Depending on how long a member opts to remain in the DROP, they may still be required to make contributions while in DROP. (See Section V.(A) above)

E. LIMITATIONS

Upon entering the DROP, the member is not eligible for disability or pre-retirement death benefits.

F. PAYMENTS TO DROP ACCOUNT

The monthly retirement benefits, including any COLAs or variable benefits paid, are deposited into the member's DROP account.

G. CREDITING OF INTEREST TO DROP ACCOUNT

Tier One Members in DROP or Eligible for Normal Retirement Prior to November 25, 2019: For any Member already in DROP as of October 29, 2018 and remaining in the DROP as of November 25, 2019, as well as for any Tier One member who was not eligible to enter DROP as of October 29, 2018, but subsequently became eligible to enter DROP prior to November 25, 2019 on each October 1, January 1, April 1, and July 1, the participant's DROP account shall be credited at a rate of interest equal to the actual rate of return achieved by the Fund net of administrative expenses, as determined by the Board of Trustees

for up to the first five (5) years in the DROP and any time spent after that in the DROP will be credited at a rate of interest that is variable and based on the actual annual net rate of return earnings (i.e., the gross return of the Plan less the Plan's investment expenses as reported by the investment monitor) of the Fund, with a floor of zero percent (0%) and a cap of five percent (5%) per year. Any actual annual net rate of return earnings for the Fund in excess of five percent (5%) will go back into the Fund for any of the years in excess of five (5) years spent in the DROP by the eligible Tier One Member.

Alternatively, at the option of any Tier One member who was not eligible to enter DROP as of October 29, 2018, but subsequently became eligible to enter DROP prior to November 25, 2019, the Tier One member's DROP account will be paid a fixed interest amount as determined by the Board of Trustees for up to the first five (5) years in the DROP and any time spent after that in the DROP will be credited at a rate of interest that is variable and based on the actual annual net rate of return earnings (i.e., the gross return of the Plan less the Plan's investment expenses as reported by the investment monitor) of the Fund, with a floor of zero percent (0%) and a cap of five percent (5%) per year. Any actual annual net rate of return earnings for the Fund in excess of five percent (5%) will go back into the Fund for any of the years in excess of five (5) years spent in the DROP by the eligible Tier One Member. The fixed interest amount is currently calculated and set by the Board as 65.625% of the Plan's actuarially assumed net investment return for the upcoming year.¹ The fixed percentage is divided by twelve (12) and credited monthly. The fixed percentage is determined by the Board of Trustees annually. In no event will this fixed interest amount be greater than the actuarially assumed investment earnings.

Tier Two Members and Tier One Members Not Eligible for Normal Retirement as of November 25, 2019: Tier Two Members and Tier One Members not eligible for normal retirement as of November 25, 2019, shall not have the option of receiving a fixed interest amount in their DROP account. The DROP variable interest rate for Tier One members who were not eligible for normal retirement as of November 25, 2019 and Tier Two members will be credited at a rate of interest that is variable and based on the actual annual net rate of return earnings (i.e., the gross return of the Plan less the Plan's investment expenses as reported by the investment monitor) of the Fund, with a floor of zero percent (0%) and a cap of five percent (5%) per year. DROP account interest earnings for these two types of members can never be less than zero percent (0%). Any actual annual net rate of return earnings for the Fund in excess of five percent (5%) will go back into the Fund.

¹ The current annual fixed interest rate for DROP is 4.725%, which is 65.625% of the 7.20% actuarially assumed net investment return.

H. DISTRIBUTION

Upon termination of a DROP participant's employment, monthly benefits are paid directly to the member and are no longer credited to the DROP account. The DROP account balance is paid either by a lump sum payment, less 20% IRS withholding taxes, or as a direct rollover into any qualified plan that accepts rollovers.

I. ADMINISTRATIVE RULES

The Board of Trustees has the authority to issue and enforce administrative rules for carrying out the DROP.

J. CHANGE OF OPTIONAL FORM OF BENEFIT PAYMENT

Any DROP member (including both Tier One and Tier Two members) may change the Optional Form of Benefit Payment initially elected upon DROP entry, as set forth in Lauderhill, Florida, Municipal Code Art. II, § 2-47. (2000), regardless of whether or not they had initially chosen an Optional Form of Benefit Payment with a designated beneficiary or joint pensioner upon DROP entry. Any revised Optional Form of Benefit Payment will be actuarially equivalent in value and will be retroactively applied to the date of DROP entry in determining the DROP account balance. Any DROP member who would like to change the Optional Form of Benefit Payment must make their request in writing to the Board prior to receipt of any payment of their monthly benefit or the DROP account balance. Any cost associated with this change is the sole responsibility of the DROP member requesting the change.

VI. EARLY RETIREMENT AND DELAYED RETIREMENT

A. EARLY RETIREMENT DATE

Members become eligible for early retirement upon reaching age fifty (50) with at least ten (10) years of Service.

B. EARLY RETIREMENT BENEFIT

The Early Retirement Benefit is determined in the same manner as described for the Normal Retirement Benefit, except that Average Final Compensation and Service are determined as of the date of separation from your employment with the City of Lauderhill, and there is a reduction of 3% for each year and fractional part of a year, your Early Retirement Date precedes your Normal Retirement Date. This reduction is done to take into account the longer period of retirement.

C. DELAYED RETIREMENT DATE

You may continue to work past your Normal Retirement Date. The date you actually stop working will be your Delayed Retirement Date.

D. DELAYED RETIREMENT BENEFIT

Your benefit continues to accrue after reaching Normal Retirement Date if you are still employed. The amount of your monthly Delayed Retirement Benefit is calculated and paid starting at your actual retirement in the same manner as described for the Normal Retirement Benefit.

VII. DISABILITY BENEFITS

A. ELIGIBILITY

Any eligible member who incurs a Service or Non-service related injury, illness, disease or disability, which wholly and permanently incapacitates the member either physically or mentally from rendering useful and efficient service as a firefighter may be eligible to receive a disability benefit.

Members become eligible for Service incurred disability benefits immediately upon Plan entry.

Members become eligible for Non-service incurred disability benefits upon earning two (2) years of Service.

B. DISABILITY RETIREMENT DATE

Monthly disability benefits become payable on the first day of the month after the Board of Trustees determines such entitlement, and shall continue until the earlier of death or recovery from such disability.

In the event of recovery (prior to the Normal Retirement Date) and immediate reemployment by the City as a firefighter, credit for service during the period of disability shall be granted for purposes of subsequent retirement benefits.

If a firefighter is collecting disability income from the pension fund at age fifty-five (55), the firefighter has the option of converting the disability benefit to a Normal Retirement Benefit provided all eligibility requirements are met.

C. DISABILITY RETIREMENT BENEFITS

The monthly benefit is equal to the greater of the accrued benefit up to the date of disability or fifty (50) percent of the rate of monthly Earnings in effect on the date of disability. Total benefits paid (including worker's compensation, for example) may not exceed one hundred (100) percent of the employee's salary.

D. DETERMINATION OF DISABILITY AND RESTRICTIONS

Disability benefits are granted only upon approval of the Board of Trustees that such disability was substantiated medically to the satisfaction of the Board and that the member is totally and permanently disabled and cannot render useful and efficient service as a firefighter for the City of Lauderhill.

You will not be entitled to receive any disability retirement income if the disability is a result of: (a) excessive and habitual use by the firefighter of drugs, intoxicants, or narcotics; (b) injury or disease sustained by the firefighter while willfully and illegally participating in fights, riots, or civil insurrections or while committing a crime; (c) injury or disease sustained by the firefighter while serving in any armed forces; (d) injury or disease sustained by the firefighter after his or her employment has terminated; or (e) self-inflicted injury.

E. REQUIRED REEXAMINATION OF DISABILITY RETIREES

Any Service or Non-service incurred disability retiree may be required by the Board of Trustees to undergo a reexamination annually in order to confirm the continued existence of the disability condition. Any refusal by a member to undergo such examination or reexamination shall result in a termination of disability payments until such disability condition is again medically substantiated to the satisfaction of the Board.

F. FIREFIGHTERS' CANCER DIAGNOSIS:

Chapter 2019-21, Laws of Florida, was signed into effect granting certain disability benefits to firefighters participating in employer-sponsored retirement plans. Effective July 1, 2019, "the retirement plan must consider the firefighter totally and permanently disabled in the line of duty if he or she meets the retirement plan's definition of totally and permanently disabled due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer." "Cancer" as used therein is as defined under the list of 21 different specified cancers in Fla. Stat. §112.1816(1), which are as follows:

1. Bladder cancer; 2. Brain cancer; 3. Breast cancer; 4. Cervical cancer; 5. Colon cancer. 6. Esophageal cancer; 7. Invasive skin cancer; 8. Kidney cancer; 9. Large intestinal cancer. 10. Lung cancer; 11. Malignant melanoma; 12. Mesothelioma; 13. Multiple myeloma. 14. Non-Hodgkin's lymphoma; 15. Oral cavity and pharynx cancer; 16. Ovarian cancer; 17. Prostate cancer; 18. Rectal cancer; 19. Stomach cancer; 20. Testicular cancer; 21. Thyroid cancer.

This law makes firefighters who are diagnosed with these certain cancers listed above eligible to receive certain disability benefits in lieu of others. Specifically, in lieu of pursuing workers' compensation coverage, a firefighter is entitled to cancer treatment and a one-time cash payout of \$25,000, upon the firefighter's initial diagnosis of cancer. In order to be entitled to such benefits, the firefighter must:

- Be employed full-time as a firefighter;
- Be employed by the state, university, city, county, port authority, special district, or fire control district;
- Have been employed by his or her employer for at least five continuous years;

- Not have used tobacco products for at least the preceding five years; and
- Have not been employed in any other position in the preceding five years which is proven to create a higher risk for cancer.

Moreover, please note that the diagnosis of cancer or the treatment of cancer as listed above is deemed to have occurred in the line-of-duty. This means that should you be diagnosed with any of the above listed cancers subject to the requirements in Fla. Stat. §112.1816 and are found to be totally and permanently disabled as that term is defined in the City of Lauderhill Code of Ordinances Sec. 2-44, then the disability will be granted as a line-of-duty disability. A firefighter will be considered totally and permanently disabled in the line-of-duty if he or she is unable to perform the duties of a firefighter as a result of a cancer diagnosis or circumstances that arise out of the treatment thereof.

VIII. PRE-RETIREMENT DEATH BENEFITS

A. SERVICE INCURRED DEATH

The benefit payable for members who are killed or die as a direct result of an occurrence arising in the performance of Service is a monthly benefit equal to 20% of the member's rate of monthly Earnings at the time of death, or a refund of contributions with interest, if greater. The monthly benefit is payable to the Spouse until the death of the Spouse.

If there is no spouse, the benefit shall be paid to the member's surviving children until the youngest child reaches the age of eighteen (18) years. The monthly benefit will be divided equally among the member's surviving children under the age of eighteen (18), until the youngest child reaches the age of eighteen (18). The benefit will be recalculated and equally divided among the remaining children until each child attains eighteen (18) years of age. If a refund of the deceased firefighters' Accumulated Contributions is greater than the benefit, the amount will be divided equally among the surviving children who are under the age of eighteen (18) years in lieu of payment of the benefit.

If the spouse of the firefighter dies and was receiving the benefit, the benefit will be paid to the member's surviving children until the youngest child reaches the age of eighteen (18) years. The benefit will be divided equally among the surviving children who are under the age of eighteen (18) years. As each child reaches the age of eighteen (18), the benefit will be recalculated among the remaining children under the age of eighteen (18) years.

The Plan's liability for payment to minor children shall be unaffected by the total number of children.

The member may choose one or more people other than their spouse and children under the age of 18 to receive the refund of contributions with interest. If there is no designated beneficiary, no spouse and no children under the age of eighteen (18), the refund of contributions with interest is payable to the member's estate.

Instead of the benefit set forth above, if the firefighter had at least ten (10) years of Credited Service at the time of death, the designated beneficiary may instead elect to receive the accrued benefit payable as a 10-year certain benefit only annuity, commencing when the member would have reached their Normal Retirement Date, or with reduction for early commencement as defined for an Early Retirement Benefit payable at the Early Retirement Date.

You should also be aware that per Chapter 2019-21, Laws of Florida as stated above, regarding entitlement to disability benefits pursuant to the diagnosis or treatment of specified cancers, a firefighter's beneficiary can also be entitled to certain pre-retirement death benefits in the event of death of that firefighter. Firefighters who die as a result of cancer or circumstances that arise out of the treatment of cancer(s) as listed above, are considered to have died in the manner as described in Fla. Stat. §112.191(2)(a), and all of the benefits arising out of such death are available to the deceased firefighter's beneficiary (e.g. sum of \$75,000.00 payment). Moreover, a death resulting from the cancer or the treatment of cancer is deemed to have occurred in the line-of-duty as well, which will entitle your beneficiary to higher death benefits.

NON-SERVICE INCURRED DEATH

In the event of a Non-service incurred death of an active member who has attained their Normal Retirement Date or their Early Retirement Date, a death benefit is payable to the member's spouse as if the member retired from employment on the date of death, elected to receive a benefit in the form of an actuarially equivalent fifty (50) percent joint and survivor annuity, and died the next day. This amount is payable to the widow(er) until death. Upon the death of the widow(er), this monthly benefit is paid to the member's surviving children who are under the age of 18 (if any), and is divided equally among the member's surviving children, until the youngest child reaches the age of eighteen (18).

If, at the time of death, there is no spouse, the benefit shall be determined on a ten-year certain and life option basis. The benefit is then paid to the member's surviving children, if any, until the youngest child reaches the age of eighteen (18) years. The monthly benefit is divided equally among the member's surviving children who are under the age of eighteen (18) years, until the youngest child reaches the age of eighteen (18). However, if the youngest child reaches the age of eighteen (18) prior to ten (10) years of benefit payments being made, the benefit payments will continue for the remainder of the ten (10) year period.

Additionally, at the election of the Spouse or child(ren) (for a member who did not designate a beneficiary(ies) other than their Spouse or children under the age of 18), a firefighter who has continued to work beyond the Normal Retirement Date and dies prior to actual retirement and had made an election as to the form of benefit desired upon retirement prior to death, the monthly benefit will be paid in the form of benefit chosen by the member as if the member retired on the day of their death.

For members who designated a beneficiary or beneficiaries, named jointly or sequentially, other than their spouse or children under the age of eighteen (18), the designated beneficiary or beneficiaries are entitled to receive the accrued benefit payable as a 10-year certain benefit only annuity, commencing when the member would have reached their Normal Retirement Date, or with reduction for early commencement as defined for an Early Retirement Benefit payable at the Early Retirement Date. If no beneficiary is designated, the payment will be made to the estate.

If a member who is actively employed dies from a Non-service incurred reason prior to earning ten (10) years of Service, the member's contributions with interest are payable to the designated beneficiary, or if no beneficiary has been designated, the payment will be made to the member's estate.

In the event of a Non-service incurred death of an active member who is not eligible for Normal Retirement or Early Retirement, but the firefighter had at least ten (10) years of Service at the time of death, the designated beneficiary is entitled to receive the accrued benefit payable as a 10-year certain only annuity commencing when the member would have reached their Normal Retirement Date, or with reduction for early commencement as defined for an early retirement benefit payable at the Early Retirement Date. If no beneficiary has been designated, the payment will be made to the estate.

B. ADDITIONAL PROVISION

Under no circumstances will the benefit paid out, be less than the member's contributions.

IX. CLAIMS AND PROCEDURES

All claims for benefits must be presented to the Board of Trustees. Members who wish to present such claims have the right to appear at a hearing before the Board and to present evidence and witnesses in support of the claim.

If the member is denied benefits at the conclusion of the hearing, the member may file an appropriate action to review the decision in the Circuit Court in Broward County. Such a petition must be filed within thirty (30) days of the entry of a written denial by the Board.

All claims, notices, change of address, change in beneficiary, and other inquiries or matters shall be submitted to the Board of Trustees addressed as follows:

City of Lauderhill Firefighters' Retirement System
Pension Office
Attn: Barbara White, Plan Administrator
137 Griffis Court
Palatka, Florida 32177

X. OPTIONAL FORMS OF BENEFIT PAYMENT
(EXPLANATION OF OPTIONS)

A. NORMAL FORM OF BENEFIT

Unless you elect otherwise before retirement, your pension is payable as a **10-YEAR CERTAIN & LIFE ANNUITY**.

This option provides monthly payments to you for life. If you die before 120 payments have been made to you, the remaining payments will continue to be paid to your beneficiary (or, if no beneficiary is designated, to your estate), until a total of 120 payments have been made in all and then payments will cease.

B. OPTIONAL FORMS OF BENEFIT PAYMENTS

You may file an election to instead receive an optional form of benefit payment, as follows:

Option 1 - JOINT & LAST SURVIVOR OPTION

The member may elect to receive a benefit during his or her lifetime and have such benefit (or a designated fraction thereof) continued after his or her death to the designated beneficiary through his or her lifetime. In the event there is no living designated beneficiary or beneficiaries, the benefit will be paid to the estate of the member.

Option 2 - LIFE ANNUITY

This is a series of monthly payments to you as long as you live. No further payments will be made following your death. In the event of your death, your beneficiary shall be guaranteed payment of benefits at least equal to the total amount of your accumulated contributions plus interest less monthly benefits already paid out.

Option - 3 JOINT & SURVIVOR ANNUITY

A retirement income of a modified monthly amount, payable to the member during the joint lifetime of the member and a joint pensioner designated by the member, and following the death of either of them, one hundred (100) percent, seventy-five (75) percent, sixty-six and two-thirds (66 2/3) percent, or fifty (50) percent of such monthly amounts payable to the survivor for the lifetime of the survivor.

Option 4 - OTHER. In lieu of the other optional forms enumerated in this section, benefits may be paid in any form approved by the Board so long as actuarial equivalence with the benefits otherwise payable is maintained.

Option 5 - POP-UP OPTION. In the event of an election of Option 1 and Option 3, the member may elect to also receive a "pop-up option." If a member elects a pop-up option in conjunction with Option 1 or Option 3, and the beneficiary dies while the member is still alive, and no new designated beneficiary is designated, the member will receive a reduced retirement benefit, but the amount of benefit

will return to what the benefit would have been had the member not chosen a pop-up option.

XI. NONASSIGNABILITY

Your benefits under this (government) Plan may not be assigned as collateral for any debt. The assets of the Plan are not subject to garnishment for debt or any other legal process (absent the exceptions below). However, once benefits have been paid to the member, they may be subject to garnishment or attachment, just the same as any other money.

Pension benefits that are being paid are subject to garnishment for child support and/or alimony upon submission of a valid Income Deduction Order and any unpaid federal income taxes.

XII. SUPPLEMENTAL BENEFIT

The Supplemental Benefit is paid only to persons who retired on or after October 1, 2000. The first Supplemental Benefit was paid effective October 1, 2004.

Each year, a "Supplemental Retirement Benefit Account" is funded with seventy-five (75) percent of the City of Lauderhill Firefighters' Retirement Trust Fund's prior years actuarial gain remaining after the application of payments of variable benefits provided via a COLA and fifty (50) percent of the annual chapter 175 premium tax revenues received by the City in accordance with F.S. Ch. 175.

The supplemental retirement benefit is to be paid in equal monthly installments, effective October 1 to retirees. The benefit will be paid to the beneficiaries of eligible retirees who retired on or after October 1, 2000, upon the retiree's death, but only if the retiree retired or was eligible to retire as of September 30, 2016 (i.e., grandfathered). For all other individuals who retire on or after October 1, 2016, and who were not eligible to retire until on or after October 1, 2016, the supplemental benefit terminates upon their death. For members hired on or after October 1, 2016, the benefit shall terminate upon their death. Payments are made on a monthly basis. In no event will the supplemental benefits paid to a retiree exceed one year's payment of individual retiree health insurance provided by the City for the previous year ending September 30.

The amount of the supplemental retirement benefit is determined as follows:

Each October 1, the Board determines the total amount of funds available in the Supplemental Benefit Fund. The Board also determines the total number of current retirees and vested participants in the plan. The total funds available in the supplemental retirement benefit fund are divided by the total number of retirees and vested participants, and the quotient is the annual supplemental benefit paid to each retiree in monthly installments. All funds not distributed to retirees remain in the supplemental retirement benefit fund.

For each year, fifty (50) percent of the annual chapter 175 premium tax revenue plus the remaining actuarial gain is placed in a "future benefit reserve account" to be used for additional future benefits to the retirees or retirees and their designated beneficiaries, if the retiree met the retirement eligibility criteria stated above. The amount of money in the future benefit reserve account, plus any additional money added to it may be used to pay the supplemental benefit, or any future benefit to be determined through negotiations between the City and Union.

The Supplemental Benefit is not paid to a member in the DROP until the member leaves employment with the City of Lauderhill.

All funds not distributed to retirees remain in the Supplemental Retirement Benefit Account to be used for additional future benefits to retirees and their designated beneficiaries.

XIII. COLLECTIVE BARGAINING AGREEMENTS

There is a collective bargaining agreement between the City of Lauderhill and the International Association of Firefighters, Local 3080, which affects the benefits that you receive from the Plan.

XIV. CIRCUMSTANCES UNDER WHICH YOUR PENSION CAN BE FORFEITED

Benefits are forfeitable pursuant to various provisions of the Florida Statutes, which provide for the forfeiture of retirement benefits of persons who are convicted of certain offenses.

Section 112.3173, Florida Statutes, requires the official or board responsible for paying benefits under a public retirement system to make a forfeiture determination when the board has reason to believe that the rights of the person under any such system are required to be forfeited pursuant to the statute.

The Florida Constitution provides:

"Any public officer or employee who is convicted of a felony involving a breach of public trust shall be subject to forfeiture of rights and privileges under a public retirement system or pension plan in such manner as may be provided by law."

The Florida Legislature has implemented this constitutional provision in section 112.3173, Florida Statutes. Subsection (3) of the statute requires that:

"[a]ny public officer or employee who is convicted of a specified offense committed prior to retirement, or whose office or employment is terminated by reason of his or her admitted commission, aid, or abetment of a specified offense, shall forfeit all rights and benefits under any public retirement system of which he or she is a member, except for the return of his or her accumulated contributions as of the date of termination."

A "specified offense" for purposes of the statute includes:

1. The committing, aiding, or abetting of an embezzlement of public funds;
2. The committing, aiding, or abetting of any theft by a public officer or employee from his or her employer;
3. Bribery in connection with the employment of a public officer or employee;
4. Any felony specified in chapter 838, except ss. 838.15 and 838.16;
5. The committing of an impeachable offense;
6. The committing of any felony by a public officer or employee who, willfully and with intent to defraud the public or the public agency for which the public officer or employee acts or in which he or she is employed of the right to receive the faithful performance of his or her duty as a public officer or employee, realizes or obtains, or attempts to realize or obtain, a profit, gain, or advantage for himself or herself or for some other person through the use or attempted use of the power, rights, privileges, duties, or position of his or her public office or employment position; and
7. The committing on or after October 1, 2008, of any felony defined in s. 800.04 (Lewdness: Indecent Exposure) and against a victim younger than 16 years of age, or any felony defined in chapter 794 (Sexual Battery) 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.

Section 112.3173(5), Florida Statutes, "Forfeiture Determination" creates the procedure for a forfeiture determination to be made by the official or board responsible for paying benefits under a public retirement system. The statute requires that, upon receipt of notice or whenever the board "*otherwise has reason to believe that the rights and privileges of any person under such system are required to be forfeited under this section*," the board must give notice and hold an administrative hearing pursuant to Chapter 120, Florida Statutes, to determine whether the subject retirement rights and benefits must be forfeited. If a determination is made that such rights and privileges are required to be forfeited, the board must order the forfeiture. Orders of forfeiture of retirement system rights and privileges are appealable to the district court of appeal.

Section 112.3173, Florida Statutes, requires that "all rights and benefits under any public retirement system of which [the officer or employee] is a member" shall be subject to forfeiture.

XV. DEFINED CONTRIBUTION PLAN

There is also a defined contribution plan ("DC plan") that has been created as a component of this Plan, but it will not be activated unless and until a portion of chapter 175 premium tax revenues have been assigned to fund the DC plan. At this point in time the DC plan has not been activated. If it were to be, the provisions of the DC plan, when and if activated, will be negotiated by the parties at the time funding has been assigned to the DC plan. If activated, the provisions of the DC plan will be in compliance with the Internal Revenue Code.

XVI. HOW PREMIUM TAX MONEY REVENUE IS USED

Commenced on October 1, 2016, the City of Lauderhill and the Union mutually consented that fifty (50) percent of the premium tax revenues received by the city in accordance with Chapter 175, Florida Statutes, is to be used by the city to reduce its pension contributions or the unfunded liabilities of the plan (whichever the City prefers), and fifty (50) percent is to be used to fund the supplemental retirement benefit fund as provided for in Section 2-55 of the City of Lauderhill Code of Ordinances.

XVII. EFFECT OF DIVORCE, DISSOLUTION, OR INVALIDITY OF MARRIAGE ON DISPOSITION OF CERTAIN RETIREMENT BENEFITS

Fla. Stat. §732.703(2) nullifies the designation of your ex-spouse as a Joint Beneficiary or Joint Annuitant on your pension plan retirement benefits under certain circumstances. Meaning, when an individual dies after dissolution or annulment of a marriage, a beneficiary designation which designates the spouse as a beneficiary, becomes void and the spouse is deemed to have predeceased the decedent. In other words, the divorce or annulment will result in a previous designation of the former spouse as a beneficiary being treated as if it never happened. This law went into effect on July 1, 2012 and applies to all deaths occurring on or after July 1, 2012, regardless of when the beneficiary designation was made by the member.

Please take note: If your marriage dissolved through divorce or annulment, and your ex-spouse is still listed as your beneficiary at the time your divorce or annulment is finalized, and you later die without submitting a new designated beneficiary form with the Plan, your survivor benefits in most instances will be paid as if your former spouse predeceased you, subject to any applicable exceptions listed in Fla. Stat. §732.703(4).

XVIII. YOUR RESPONSIBILITIES

- A. Retain this Summary Plan Description with your other important papers for replacement by updating versions and supplemental notices.
- B. Sign a Beneficiary Designation Form.
- C. Keep your Beneficiary Designation Form up to date to express your wishes. Forms for changing your beneficiary are available from the Plan Administrator.
- D. If you terminate your employment, you should contact the Plan Administrator in regards to your benefits immediately.
- E. Keep your mailing address current with the Plan Administrator.

XIX. FINANCIAL AND ACTUARIAL DATA