



MUNICIPAL POLICE OFFICERS RETIREMENT PLAN



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**CITY OF KISSIMMEE
MUNICIPAL POLICE OFFICERS' RETIREMENT PLAN
SUMMARY PLAN DESCRIPTION**

January 1, 2024

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

If you request to purchase prior military service under this plan, proof of such qualified military service time will be required to be submitted with your application.

**CITY OF KISSIMMEE
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INTRODUCTION

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

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

The information presented is only a summary of the pension plan ("Plan") as provided in the ordinances of the City of Kissimmee. If there are any conflicts between the information in this booklet and the ordinances of the City of Kissimmee, the ordinances shall govern. The provisions of this Summary Plan Description shall not constitute a contract between the Member and the Board of Trustees. The plan shall be administered in accordance with state and federal law, notwithstanding any provisions in this booklet or ordinances to the contrary. A copy of the ordinance establishing the Plan can be obtained from the City Clerk's office, which is located at 101 Church Street, Kissimmee, Florida 34741.



Chairman, Board of Trustees, City of
Kissimmee Municipal Police Officers'
Retirement Plan

3/25/2024

Date

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

A. **Administration.**

- (1) The City of Kissimmee Municipal Police Officers' Retirement Plan is a defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the Plan. The Board currently consists 5 Trustees, 2 of whom are legal residents of the City who shall be appointed by the City Commission, 2 of whom are members of the Plan who shall be elected by a majority of the Police Officers who are members of the Plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a two year term.
- (2) Drop participants can be elected as but not vote for elected Trustees.

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

2. **ELIGIBILITY FOR PLAN MEMBERSHIP**

Each person employed by the City Police Department as a full-time Police Officer becomes a member of the Plan as a condition of his employment and all Police Officers are therefore eligible for all plan benefits as provided for in the plan document and by applicable law.

3. **PLAN BENEFITS**

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

A. **Normal Retirement Eligibility.** You are eligible for retirement upon the earlier of the attainment of age 50 and the completion of 10 years of credited service, or upon the completion of 25 years of credited service, regardless of age.

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

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

"Average Final Compensation" is 1/12 of the average salary of the 3 best years of the last 10 years of credited service prior to your termination, retirement or death or the career average as a full-time Police Officer, whichever is greater. A year is defined as 12 consecutive months. Notwithstanding the preceding sentence, if you are employed and had not reached your normal retirement date on May 6, 2014, or if you were hired on or after that date, average final

compensation shall be 1/12 of the average salary of the 5 best years of the last 10 years of credited service prior to retirement, termination, or death. Provided, in no event shall the average final compensation of any member who is employed on May 6, 2014 be less than 1/12 of the average salary of the 3 best consecutive years of the last 5 years of credited service prior to that date.

"Salary" means the total compensation for services rendered to the City as a Police Officer, reported on your W-2 form, plus all tax deferred, tax sheltered or tax exempt items of income derived from elective employee payroll deductions or salary reductions, including overtime, longevity pay and incentive pay, but excluding special assignment and special detail pay. Lump sum payments of retroactive pay for retroactive pay raises received in connection with a negotiated collective bargaining agreement shall be deemed to be Salary earned during the pay period to which the retroactive payments are attributable.

For service earned after December 3, 2013 (the "effective date"), Salary shall not include more than 300 hours of overtime per calendar year and shall also not include payments for accrued unused sick or annual leave. Provided however, in any event, payments for overtime in excess of 300 hours per year or accrued unused sick or annual leave accrued as of the effective date and attributable to service earned prior to the effective date, may still be included in Salary for pension purposes even if the payment is not actually made until on or after the effective date. In any event, with respect to unused sick leave and unused annual leave accrued prior to the effective date, Salary will include the lesser of the amount of sick or annual leave time accrued on the effective date or that actual amount of sick or annual leave time for which the retiree receives payment at the time of retirement, regardless of whether the amount of sick or annual leave was, at some time prior to retirement, reduced below the amount on the effective date.

If you were hired prior to May 6, 2014, your normal retirement benefit is calculated by multiplying 3.50% times your years of credited service times your average final compensation (3.50%) x CS x AFC = normal retirement benefit).

If you were hired on or after May 6, 2014, your normal retirement benefit is calculated by multiplying 3.0% times your years of credited service times your average final compensation (3.0%) x CS x AFC = normal retirement benefit).

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

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

C. Early Retirement. You are eligible for early retirement upon the attainment of age 40 and the completion of 10 years of credited service. However, if you had not reached your normal retirement date on May 6, 2014, or were hired on or after May 6, 2014, you are eligible for early retirement upon the attainment of age 40 and the completion of 15 years of credited service.

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

- (1) Beginning on the date on which you would have qualified for normal retirement; or

- (2) Beginning immediately upon retirement, but if beginning immediately, the amount of the monthly benefit is reduced by 3% for each of the first 5 years and 2% for each of the next 5 years by which the commencement of benefits precedes the date which would have been your normal retirement date had you continued employment as a Police Officer. However, if you had not reached your normal retirement date on May 6, 2014, or were hired on or after May 6, 2014, the benefit payable shall be actuarially reduced such that the reduced benefit is actuarially equivalent to the benefit payable at your normal retirement date.

E. Cost of Living Increases. In addition to the benefits provided above, the Plan provides for a cost of living increase as follows:

All retirees retiring after October 13, 1998, joint pensioners or beneficiaries, including disability retirees but excluding vested terminated persons, will receive, beginning the first October 1st following the attainment of age 55 and on each successive October 1st, a one percent per year cost-of-living adjustment. The last adjustment will be the October 1st following the attainment of age 65. However, effective May 6, 2014, if you retire prior to your normal retirement date, you shall not be eligible for a cost-of-living adjustment.

F. Supplemental Benefit - Share Plan. There is a separate member "share account" for each member and DROP participant of the plan. At retirement, termination (fully-vested with 10 or more years of credited service), disability or death, there shall be an additional benefit paid to you. If you terminate employment prior to vesting, you will forfeit your share plan benefits. The share plan is funded solely with state premium tax money and the funding that is received for this Share Plan is allocated to your share account based on a formula which allocates to each member an equal share of available funds. Your share account also receives its proportionate share of the income or loss on the assets in the plan.

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

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

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

- (c) If you retire prior to the time at which social security benefits are payable, you may elect to receive an increased retirement benefit until such time as social security benefits shall be assumed to commence and a reduced benefit thereafter in order to provide, to as great an extent as possible, a more level retirement allowance during the entire period of retirement.
- (d) Such other amount and form of retirement benefits or payments as, in the opinion of the Board, will best meet your circumstances.

(2) Deferred Retirement Option Plan (DROP).

- (a) If you become eligible for normal retirement, and are still employed by the City as a Police Officer, you have the option of "retiring" from the pension plan but continuing your employment as a Police Officer for an additional 5 years. Your entry into the DROP constitutes an irrevocable agreement by you to terminate your employment at the end of the DROP period. You must request, in writing, to enter the DROP.
- (b) Upon entering the DROP, your retirement benefit is immediately calculated and each monthly benefit payment is deposited into your DROP account. You may elect to either have your account credited with interest at the rate of 3.5% per annum or credited or debited with an investment return or loss equal to the net investment return realized by the System for that quarter. One change in election is permitted.
- (c) At the time of termination of employment at the end of the DROP period, you will receive your account balance in a lump sum and you will also begin receiving your monthly retirement benefit.
- (d) Once you enter the DROP, you are no longer eligible for disability or pre-retirement death benefits, nor do you accrue any additional credited service. Your retirement benefit is fixed as of your entry date. You pay no member contributions to the plan once you enter the DROP.
- (e) Participation in the DROP is not a guarantee of employment and you shall be subject to the same employment standards and policies that are applicable to those employees who are not DROP participants.
- (f) Additional information about the DROP can be obtained from the Board.

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

- (1) If the injury or disease is service connected, a monthly pension equal to 3.50% of your average final compensation multiplied by the total years of credited service, but in any event the minimum amount paid to you shall be 42% of your average final compensation. Notwithstanding the previous sentence, in the event you are determined by the Board to be disabled in-line of duty and the disability resulted from the perpetration of an intentional act of violence directed toward you and the Board reasonably believes the perpetrator intended to cause you great bodily harm or permanent disfigurement, the minimum amount paid to you shall be 80% of your average final compensation.
- (2) If the injury or disease is not service connected, a monthly pension equal to 3.50% of your average final compensation multiplied by the total years of credited service. This non-service connected benefit is only available if you have 5 or more years of credited service.

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

- (1) Terminated persons, either vested or non-vested, are not eligible for disability benefits.
- (2) If you voluntarily terminate your employment either before or after filing an application for disability benefits, you are not eligible for disability benefits.
- (3) If you are terminated by the City for any reason other than for medical reasons, either before or after you file an application for disability benefits, you are not eligible for disability benefits.
- (4) The only exception to (1) above is:
 - (a) If you are terminated by the City for medical reasons and you have already applied for disability benefits before the medical termination, or;
 - (b) If you are terminated by the City for medical reasons and you apply within 30 days after the medical termination date. If your employment as a police officer is terminated by the city for medical reasons and at the time termination you have not been declared to be totally and permanently disabled by a physician, you have one (1) year from date of termination to be declared totally and permanently disabled by a physician.

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

In the event that your employment as a police officer is terminated by the city for medical reasons and at the time of such termination you have not been declared to be totally and permanently disabled by a physician, you may subsequently apply for an in-line or not-in-line of disability pension from this system upon being declared by a physician to be totally and permanently disabled, but in no event may such application or declaration of total and permanent disability be submitted more than one (1) year from the date your employment as a police officer is terminated.

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

Your benefit will be reduced if you receive worker's compensation benefits and your combined benefit exceeds 100% of your final salary. The pension benefit will be reduced so that the total does not exceed 100%, except that the pension benefit shall not be reduced below the greater of 42% of average final compensation and 2.75% of average final compensation times years of credited service. If you are granted a disability benefit on or after October 1, 1999, supplemental payments received pursuant to F.S. §440.15(1)(f)1. shall not be used to further offset disability benefits.

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

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

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

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

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

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

- (1) If you have less than 5 years of credited service and die prior to retirement from the Police Department and the cause of death is not service related, your beneficiary shall receive a return of your accumulated contributions.
- (2) If you die and have at least 5 years of credited service, and your death is prior to your early or normal retirement date, your spouse or your designated beneficiary if you have no spouse or if your spouse so approves said designated beneficiary in writing, shall receive a monthly income which can be provided by (a) or (b), whichever is greater, where:
 - (a) is the single-sum value of your accrued benefit which you have accrued to the date of your death; provided, however, if you had met the requirements for early retirement, the single-sum value as used in this section shall not be less than the single-sum value of the early retirement benefit which would have been payable if you had retired early on the date of your death; and
 - (b) is (i) or (ii), whichever is smaller, where (i) is 24 times the average final compensation preceding the date of death, and (ii) is 100 times your anticipated monthly retirement income at the normal retirement date.
- (3) If you die after your normal retirement date, your designated beneficiary shall receive the monthly benefit which can be provided on an actuarial equivalent basis by the single-sum value of the normal retirement benefit computed as of your date of death. The normal form of payment of the death benefit is a monthly income payable for 10 years certain and life thereafter which provides monthly income payments payable for the life of the beneficiary and further provides that, in the event of such beneficiary's death within a period of 10 years after your death, the same monthly amount shall be continued for the remainder of such 10 year period. Optional forms of benefits shall also be available.
- (4) Death Prior to Vesting - In-Line-Of-Duty. Notwithstanding the provisions of (1), (2) and (3) above, if you die prior to retirement, in-the-line-of-duty, and you are not vested, your spouse, if eligible, shall receive the benefit provided for in (5), below.
- (5) Death After Vesting - In-Line-Of-Duty. Notwithstanding the provisions of (1), (2) and (3) above, in the event you are determined by the Board to have died in-line of duty and your death resulted from the perpetration of an intentional act of violence directed toward you and the Board reasonably believes the perpetrator intended to cause you great bodily harm, permanent disfigurement or death, the following benefits are payable:

- (a) If you die leaving a surviving spouse, your surviving spouse may receive a monthly pension equal to 100% of your monthly salary being received by you at the time of your death for the rest of your surviving spouse's lifetime. Benefits provided by this paragraph supersede any other distribution that may have been provided by your designation of beneficiary.
- (b) If you die leaving no surviving spouse, then your beneficiary shall receive the benefits provided for in (1), (2) and (3) above.
- (c) In the line of duty benefits are eligible for Cost of Living Adjustments (COLA) of 1% each year from your spouse's age of 55 to 65.
- (d) In all cases, the benefits paid in paragraph (a), above will be at least equal to the value of your accrued benefit payable for 10 years. In the event that your surviving spouse's benefit ceases due to death, the remaining value of the benefit will be paid to the estate of the spouse.
- (e) For the purposes of defining a spouse; a spouse is someone legally married to the deceased member at the time of the member's death in a marriage recognized by the State of Florida; unless one or both parties have filed for divorce proceedings. If one or both parties have filed for divorce proceedings, the spouse shall not be eligible for the spousal benefit provided for above.

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

K. Termination of Employment and Vesting. If your employment is terminated, either voluntarily or involuntarily, and you are not eligible for any other benefits under the plan, the following benefits are payable:

If you were hired prior to May 6, 2014:

- (1) Upon termination, you shall be entitled to a monthly retirement benefit payable to you starting at your otherwise normal or early retirement date, determined as if you had remained employed, provided you do not elect to withdraw your contributions and provided you survive to your otherwise normal or early retirement date.
- (2) Except as otherwise provided herein, if you are not otherwise fully vested you shall have a minimum vested interest in the amount of your accrued benefit equal to the percentage set forth in the following table, applicable to the number of your years of credited service:

Years of Credited Service	Vested Percentage
Less than 5 years	0
5 years but less than 6	25
6 years but less than 7	30
7 years but less than 8	35
8 years but less than 9	40
9 years but less than 10	45
10 years or more	100

Provided, however, if you meet the early retirement provisions or the normal retirement provisions you shall be 100% vested regardless of the above table.

You shall at all times and in all events have a fully vested interest in your accumulated contribution. Your vested interest will not be reduced as a result of any amendment to this section; however, any increase in your vested interest will be determined by the vesting schedule in effect at the time of your separation from service.

- (3) In the event that you are terminated and you die prior to the date as of which retirement income payments are to commence as described above, your beneficiary will receive the monthly retirement income, payable for 10 years certain and life thereafter which can be provided by the single-sum value of the benefit determined as of the date of your death. Optional forms of benefits are also available.

If you were hired on or after May 6, 2014:

- (1) You shall be 100% vested upon completing 10 years of credited service, and there shall be no vesting percentage if you terminate employment with less than 10 years of credited service.
- (2) If you terminate employment with less than 10 years of credited service, you shall be entitled only to a refund of your accumulated contribution, or you may leave your accumulated contribution deposited with the fund.
- (3) If you have 10 or more years of credited service upon termination, you shall be entitled to a monthly retirement income to commence on your normal retirement date, determined as if you had remained employed, provided your accumulated contributions remain in the plan. If you request in writing, and file with the Board, payment may commence on the first day of any month which is prior to your normal retirement date and on or after the date on which you meet the requirements for early retirement. If the monthly retirement income is to commence prior to your normal retirement date, the benefit shall be reduced for early retirement in accordance with Section 3.D, above.

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

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

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

If, after 90 days from your reemployment you have failed to purchase credited service pursuant to the previous paragraph or if you served as a certified Police Officer for any other municipal, county, state or federal law enforcement agency in the United States, you will receive credited service only if:

- (a) You contribute to the Fund a sum equal to:
 - (i) the amount that you would have contributed to the Plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the Plan for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the Plan in giving you the additional years of credited service, plus
 - (iii) the amount charged by the actuary for determining the amount you must contribute.
- (b) Multiple requests to purchase credited service pursuant to this section may be made at any time prior to retirement.
- (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given or you may elect to make payment for the requested credited service over a 24 month period.
- (d) The combined maximum credit for service under subsection (2) below and under this subsection for service other than with the City of Kissimmee shall be 5 years of credited service. Credited service purchased pursuant to this subsection shall count for all purposes, except vesting, eligibility for not-in-line of duty disability benefits or toward the first 10 years of credited service for normal or early retirement. There shall be no maximum purchase of credit for prior service with the City of Kissimmee and such credit shall count for all purposes, including vesting.

- (e) In no event, however, may Credited Service be purchased pursuant to this Section for prior service with any other municipal, county, state or federal law enforcement agency, if such prior service forms or will form the basis of a retirement benefit or pension from a different employer's retirement system or plan.
 - (f) You may not purchase Credited Service after the effective date of your election to participate in the DROP.
- (2) "Buy-Back" for Prior Military Service. The years or fractional parts of years that you serve or have served in the active military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily, honorably or under honorable conditions, prior to first and initial employment with the City Police Department shall be added to your years of credited service provided that:
- (a) The first three years shall be added at no cost to you. Effective May 6, 2014, you must have completed 15 or more years of Credited Service to be eligible for the credit provided for in this subsection (a).
 - (b) Additional years may be purchased if you contribute to the fund a sum equal to:
 - (i) the amount that you would have contributed to the Plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the Plan for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the Plan in giving you the additional years of credited service, plus
 - (iii) the amount charged by the actuary for determining the amount you must contribute.
 - (c) Multiple requests to purchase credited service pursuant to this section may be made at any time prior to retirement.
 - (d) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given or you may elect to make payment for the requested credited service over a 24 month period.
 - (e) The combined maximum credit under this section and for the purchase of prior police service other than for the City of Kissimmee as provided for in subsection (1) above shall be 5 years.

- (f) Credited service received pursuant to this subsection shall count for all purposes, except vesting and eligibility for not-in-line of duty disability benefits or toward the first ten years of credited service or completion of 25 years of Credited Service required for eligibility for normal or early retirement.
 - (g) You may not purchase Credited Service after the effective date of your election to participate in the DROP.
- (3) "Buy-Back" for Time Lost Due to Workers' Compensation Absences. The fractional parts of the 12 month period ending each October 1 that you are absent from the City due to a work related injury for which you have received or are receiving workers' compensation benefits pursuant to F.S. Chapter 440, and for which you are not otherwise receiving credited service, shall be added to your credited service provided that:
- (a) You contribute to the Fund the sum that you would have contributed, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the Plan for the fractional parts of the 12 months ending each October 1 for which you are requesting credit plus amounts actuarially determined such that the crediting of service does not result in any cost to the Fund plus payment of costs for all professional services rendered to the Board in connection with the purchase of periods of credited service.
 - (b) The request for credited service for workers' compensation absences for the 12 month period prior to each October 1 and payment of professional fees shall be made on or before August 31 of the following year.
 - (c) Payment of the required amount shall be made on or before September 30 of the following year for the 12 month period ending the previous October 1 and shall be made in one lump sum payment upon receipt of which credited service shall be issued.
 - (d) Credited service purchased pursuant to this section shall not count toward vesting.
- (4) Rollovers or Transfers of Funds to Purchase Service. In the event you are eligible to purchase additional credited service as provided above, you may be eligible to rollover or transfer funds from another retirement program in which you participate (traditional IRA, deferred compensation plan maintained by a government employer (457 plan), 401(k) plan, profit sharing plan, defined benefit plan, money purchase plan, annuity plan or tax sheltered annuity) in order to pay all or part of the cost of purchasing such additional credited service.

M. Contributions and Funding. The City is paying the portion of the cost of the pension plan over and above your contributions and any amounts received from the state insurance rebates pursuant to a mutual consent agreement between the City and the Union. If you were hired prior to May 6, 2014, you contribute 3.7% of your salary to the Fund. If you were hired on or after May 6, 2014, you contribute 5% of your salary to the Fund. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits.

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

If you began participation for the first time on and after January 1, 1980, you cannot receive a benefit in excess of 100% of your average final compensation.

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

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

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

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

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

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

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

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

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

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

5. **VESTING OF BENEFITS**

If you were hired before May 6, 2014, your retirement benefits are partially vested after 5 years and fully vested after 10 years of credited service. If you were hired on or after May 6, 2014, your retirement benefits are vested after 10 years of credited service.

6. **APPLICABLE LAW**

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

- A. Internal Revenue Code and amendments thereto.
- B. Chapter 185, Florida Statutes, "Municipal Police Officers' Retirement Trust Funds".
- C. Part VII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".
- D. Ordinances of the City of Kissimmee.
- E. Administrative rules and regulations adopted by the Board of Trustees.

7. **PLAN YEAR AND PLAN RECORDS**

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

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

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

9. **FINANCIAL AND ACTUARIAL INFORMATION**

- A. A report of pertinent financial and actuarial information on the solvency and actuarial soundness of the Plan is attached as Exhibit "B".
- B. A copy of the detailed accounting report of the plan's expenses for the previous fiscal year is available for review upon request to the Plan Administrator.
- C. A copy of the administrative expense budget for the plan, for each fiscal year is available for review upon request to the Plan Administrator.

10. **DIVORCE OR DISSOLUTION OF MARRIAGE**

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

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

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

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

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

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

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

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

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

EXHIBIT "A"

BOARD OF TRUSTEES

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

Chairman: Wilson Munoz
City of Kissimmee
101 Church Street
Kissimmee, Florida 34741

Vice-Chairman: Charles Willdigg
City of Kissimmee
101 Church Street
Kissimmee, Florida 34741

Secretary: Lisandra Roman
City of Kissimmee
101 Church Street
Kissimmee, Florida 34741

Member: Ian Downing
City of Kissimmee
101 Church Street
Kissimmee, Florida 34741

Member: Carlynn Rothey
City of Kissimmee
101 Church Street
Kissimmee, Florida 34741

PLAN ADMINISTRATOR

Ms. Linda Gomez
Kissimmee Municipal Police Officers' Retirement Plan
City of Kissimmee
101 Church Street
Kissimmee, Florida 34741-5013

Business: (407)518-2374
Linda.Gomez@kissimmee.gov

EXHIBIT B

2023 Florida Local Government Retirement Systems Actuarial Fact Sheet

City/District Name: Kissimmee		Employee group(s) covered: Police	
Current actuarial valuation date: 10/1/2022		Plan Status: Active	Date prepared: 1/4/2024
Number of plan participants:	291	GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$82,765,038	Discount Rate	7.20%
Actuarial Accrued Liability (AAL):	\$94,972,624	Total Pension Liability	94,319,526
Unfunded Accrued Liability (UAL):	\$12,207,586	Market Value of Plan Assets	71,598,358
Market Value of Plan Assets (MVA):	\$71,596,602	Net Pension Liability	22,721,168
		GASB 67 Funded Ratio	75.91%
MVA Funded Ratio (5-year history):		Averages for all plans with 2022 current actuarial valuation date	
Current valuation	75.39%	81.46%	*
1 year prior	94.55%	100.59%	*
2 years prior	85.33%	90.44%	*
3 years prior	86.22%	87.18%	*
4 years prior	89.06%	89.31%	*
Rate of Return: Actuarial Value, Actual (2022 Plan Year)	3.61%	2.56%	
Market Value, Actual	-15.71%	-14.46%	
Assumed	7.20%	6.93%	
Funding requirement as percentage of payroll:	33.20%	63.12%	**
Percentage of payroll contributed by employee:	4.44%	6.59%	**
Funding requirement as dollar amount:	3,425,250	N/A	

Benefit Formula Description:	3.00% x AFC x SC (MAX 100% AFC)
AFC Averaging Period (years):	5
Employees covered by Social Security?	Yes

Additional actuarial disclosures required by section 112.664, Florida Statutes:

Florida Statute Chapter	Discount Rate	Pension Liability	Market Value of Plan Assets	Net Pension Liability	Years assets sustain benefit payments	Total Dollar Contribution	Total % of Pay Contribution
112.664(1)(a)	7.20%	94,319,526	69,998,936	24,320,590	22.09	3,944,093	36.18
112.664(1)(b)	5.20%	120,128,387	69,998,936	50,129,451	16.79	6,989,724	64.13
Valuation Basis	7.20%	N/A	N/A	N/A	22.09	3,944,093	36.18

Link to annual financial statements:

<https://frs.fl.gov/forms/LOC5340371PDF10012022N1.pdf>

*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean

**Excludes plans with zero payroll

(For explanation of terms, see glossary on page 2)

Actuarial Summary Fact Sheet – Glossary of Terms

Plan Status:	Active, Closed (closed to new entrants) and Frozen (closed to new entrants and no further benefit accruals)
Actuarial Value of Plan Assets (AVA):	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Actuarial Accrued Liability (AAL):	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
Unfunded Accrued Liability (UAL):	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
Market Value of Plan Assets (MVA):	The fair market value of assets, including DROP accounts.
MVA Funded Ratio:	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
Rate of Return (Assumed):	Assumed long-term rate of return on the pension fund assets.
Funding requirement as percentage of payroll:	Total Required Contribution (employer and employee) divided by total payroll of active participants. No interest adjustment is included.
Funding requirement as dollar amount:	Total Required Contribution (employer and employee). No interest adjustment is included.
AFC:	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
SC:	Service Credit

Section 112.664 – Glossary of Terms

Florida Statute Chapter:	112.664(1)(a) – uses mortality tables used in either of the two most recently published FRS valuation reports, with projection scale for mortality improvement 112.664(1)(b) – uses same mortality assumption as 112.664(1)(a) but using an assumed discount rate equal to 200 basis points (2.00%) less than plan’s assumed rate of return. Valuation Basis – uses all the assumptions in the plan's valuation as of the current actuarial valuation date.
Discount Rate:	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
Total Pension Liability:	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost method.
Net Pension Liability:	Total Pension Liability minus Market Value of Plan Assets.
Years assets sustain benefit payments:	Assuming no future contributions from any source, the number of years the market value of assets will sustain payment of expected retirement benefits. The number of years will vary based on the Florida Statute Chapter assumption.
Total Dollar Contribution:	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
Total % of Pay Contribution:	Total Dollar Contribution divided by total payroll of active participants
Annual financial statements:	A report issued which covers a local government retirement system or plan to satisfy the financial reporting requirements of section 112.664(1), F.S.