

**Coral Springs  
Police Officers' Pension Plan**

***Summary Plan Description  
As of June 19, 2019***

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## City of Coral Springs Police Officers' Pension Plan

### Introduction

One of the most important long range goals for you and your family is to prepare for your financial security during your retirement years. The City of Coral Springs Police Officers' Pension Plan was established to help you with this goal.

The pension plan was established as of June 1, 1973 for police officers in the City of Coral Springs. The plan has been amended several times since that date. This booklet describes the pension plan provisions which are in effect as of June 19, 2019.

The City of Coral Springs Police Officers' Pension Plan is a **defined benefit pension plan** which provides retirement benefits to full-time law enforcement officers who are covered by a collective bargaining agreement between the City and the Fraternal Order of Police, Lodge 87. The plan is jointly paid for by the City, plan members, and the State of Florida (pursuant to Chapter 185, Florida Statutes), all of whom make contributions to the plan. It is important for you to note that plan members do **not** have individual accounts in the pension plan (except for those members who are participating in the DROP program which is described on page 15). Eligibility for benefits and the amount of those benefits are based upon a member's years of continuous service, his pensionable earnings, and his age at retirement. Benefits may also be provided upon death or disability on behalf of eligible members.

This booklet has been written in everyday language to summarize the benefits, rights, and obligations you have under your pension plan. While every effort has been made to accurately describe the pension plan, it is important to remember that this booklet is only a summary. This booklet has been updated through Ordinance 2019-115, dated June 19, 2019. In the event of any conflict between this booklet and the legal plan document, the provisions of the legal plan document will be followed. A copy of the legal plan document is available at the pension office (located at the address shown below) or online at [municode.com](http://municode.com), and you are encouraged to examine it.

We hope that you will find this information helpful. If you have any questions, please contact Ms. Gina M. Orlando in the pension office for assistance. The pension office is located at 9500 West Sample Road, Coral Springs, Florida 33065, and is open during normal business hours on Monday through Friday (except holidays). The pension office can also be reached by telephone at (954) 344-1147 or by electronic mail at [gorlando@coralsprings.org](mailto:gorlando@coralsprings.org).

Sincerely,

**Board of Trustees**

**The Pension Plan at a Glance**

SECTION	CONDITION	SEE PAGE
<b><i>Eligibility for Membership</i></b>	Membership is automatic if you are employed as a full-time law enforcement officer by the City of Coral Springs.	<b>4</b>
<b><i>Contributions</i></b>	Members must contribute 9.8% of their pensionable earnings to the plan, while the City of Coral Springs makes an annual contribution which is actuarially determined. The plan also receives a portion of certain insurance premium taxes pursuant to Chapter 185, Florida Statutes. <i>(Note: The member contribution rate is 9.875% for years of service earned prior to October 1, 2012, and for members who have earned at least 20 years of service as of October 1, 2012. Also, different contribution rates applied to most service earned prior to December 16, 2015.)</i>	<b>8</b>
<b><i>Retirement</i></b>	You are eligible for an unreduced normal retirement benefit at <b>any age</b> once you have earned at least 23 years of continuous service <i>(20 years of continuous service if you were hired prior to October 1, 2012)</i> . Alternatively, if you have earned at least 10 years of continuous service, you are eligible for an unreduced normal retirement benefit as early as <b>age 55</b> or for a reduced early retirement benefit as early as <b>age 50</b> .	<b>10</b>
<b><i>Disability</i></b>	You may be eligible for disability benefits if you become “totally and permanently disabled.” Unless your disability was incurred or was deemed to have occurred during the course of your employment with the City, you must have earned at least 10 years of continuous service in order to be eligible for a disability benefit.	<b>11</b>
<b><i>Termination of Employment</i></b>	If you have earned at least five years of continuous service when you terminate your employment, then you will be eligible for a termination retirement benefit at your early or normal retirement age as described above. If you have earned at least 10 years of continuous service, you will receive 100% of your accrued retirement benefit <i>(reduced for early retirement if applicable)</i> . Otherwise, you will receive only a portion of your accrued retirement benefit. <i>(Note: If you have earned at least 10 years of continuous service, but less than 20 years of continuous service, when your employment is terminated <u>and</u> you were hired prior to October 1, 2012, then your normal retirement date will be based on the date that you <u>would have earned</u> at least 20 years of continuous service.)</i>	<b>11</b>

(continued)

SECTION	CONDITION	SEE PAGE
<b><i>Return of Member Contributions</i></b>	<p>In lieu of receiving a retirement or disability benefit, you may elect to receive your accumulated member contributions in a single lump sum payment if your employment is terminated or you retire.</p> <p><i>(If you have earned less than five years of continuous service, then your accumulated member contributions will be automatically refunded to you.)</i></p>	<b>12</b>
<b><i>Death Benefits Before You Retire (Death In the Line-of-Duty)</i></b>	<b>If you die in the line-of-duty:</b> Your surviving spouse or unmarried dependent children will receive a monthly survivor's benefit payable to your spouse for life or to your unmarried dependent children until the age of 18 (or age 25 if a full-time student).	<b>13</b>
<b><i>Death Benefits Before You Retire (Death Not In the Line-of-Duty)</i></b>	<p><b>If you have earned at least five years of continuous service at the time of your death and your death did not occur in the line-of-duty:</b> Your surviving spouse or dependent children will receive a monthly survivor's benefit payable to your spouse for life or to your dependent children until the age of 18. Alternatively, your designated beneficiary may elect to receive either a monthly survivor benefit payable for 10 years or a refund of your accumulated member contributions.</p> <p><b>If you have earned less than five years of continuous service at the time of your death and your death did not occur in the line-of-duty:</b> Your designated beneficiary will receive a refund of your accumulated member contributions.</p>	<b>14</b>
<b><i>Death Benefits After You Retire</i></b>	Your designated beneficiary may receive a monthly survivor benefit if you elect to receive either the 10-year certain and life annuity or one of the joint and survivor annuities when you retire.	<b>14</b>

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## Important Facts About Your Pension Plan and Important Terms That You Should Know

### Requirements for Plan Membership

You automatically become a member of the plan if you are employed as a full-time law enforcement officer by the City of Coral Springs.

Membership is mandatory and you will remain a plan member as long as you continue to meet the eligibility requirements for plan membership or as long as you are entitled to a retirement or disability benefit. You are considered to be an active member of the plan as long as you are actively employed by the City as a full-time law enforcement officer and you make the required member contribution to the plan. *(Currently, the member contribution rate is 9.8% of your pensionable earnings if you had earned less than 20 years of continuous service as of October 1, 2012 or 9.875% of your pensionable earnings if you had earned at least 20 years of continuous service as of that date.)*

### Continuous Service

Both your eligibility for benefits and the amount of your benefits from the plan depend on your length of continuous service. The service which is recognized under the pension plan is your period of covered employment with the City of Coral Springs plus certain periods of time during which you are on an authorized leave of absence from work plus certain periods of time that you have purchased as additional service credit. Continuous service is measured in years and completed months. Except as noted below, this means that only your continuous service with the City while you are employed as a full-time law enforcement officer and while you have made the required member contribution to the plan will count towards your eligibility for benefits and the amount of your benefits. Any other employment by the City will not count towards determining your eligibility for benefits and the amount of your benefits.

Your continuous service will be measured from the date that you last entered employment until your employment is terminated by reason of death, disability, retirement, resignation, or discharge. However, you will not incur an interruption in your continuous service if your employment is interrupted due to any of the following reasons:

1. a temporary layoff not exceeding six months in duration;
2. an authorized leave of absence with pay;
3. an authorized leave of absence without pay not exceeding six months in duration; or
4. a period of military service under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) *(as described on page 29)*; or

Only up to one year of continuous service will be granted for authorized leaves of absence other than absences due to military service under USERRA. With respect to military service that is credited pursuant to USERRA, different limits apply as set forth in federal law. Also, you do not have to make a contribution to the plan for military service that is credited pursuant to USERRA. If you have any questions about how absences from work will affect your continuous service, please contact the pension office.

### **Purchasing Additional Continuous Service**

In addition to the continuous service that you earn due to your full-time employment as a law enforcement officer with the City of Coral Springs, you may be able to purchase additional continuous service as a police officer with another employer or for time spent in the military prior to your entry into the plan subject to certain conditions as described below. Any additional service that you purchase will count for all purposes under the plan, including eligibility for benefits and the amount of your benefit.

In order to purchase the additional continuous service, you must pay into this pension plan an amount equal to the full actuarial cost of your additional service as determined by the plan's actuary based on the most recent actuarial assumptions that were used to determine the City's required contribution to the plan at that time. You are generally required to make one lump sum payment into the plan for this purpose.

You may purchase your additional continuous service by paying the cost of the service directly to the plan or by making a rollover from another qualified retirement plan or an individual retirement account (IRA). If you pay for additional service with money that has already been subject to federal income tax, then a portion of your benefit as determined under IRS rules will be exempted from federal income tax when you receive the benefit. For example, if you pay for additional service by writing a personal check to the plan, then the amount of your payment will be counted as an "after-tax" contribution to the plan and the portion of your benefit that is attributable to your "after-tax" contributions will be exempted from federal income tax.

You may purchase up to two years of continuous service credit for non-covered military or law enforcement service once you have earned at least 10 years of continuous service. Certain active plan members in the past were allowed to purchase additional years of continuous service credit for non-covered military or law enforcement service. In all cases, however, you may only purchase the additional continuous service to the extent that you have not and will not receive any pension payments for this service and you may not purchase more than four years of continuous service in total.

If you have questions concerning whether you are eligible to purchase additional service, how you can pay for additional service, or how your payment may affect the taxation of your benefit, please contact the pension office.

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### **Average Monthly Earnings**

The amount of your benefit from the pension plan also depends upon your **average monthly earnings**. There are two different amounts that may be calculated as your average monthly earnings, your **old average monthly earnings** and your **new average monthly earnings**. “Old average monthly earnings” will only be calculated for those individuals who were active plan members prior to October 1, 2012. “New average monthly earnings” will be calculated for all active plan members except for those members who had earned at least 20 years of continuous service as of October 1, 2012.

If you were an active plan member prior to October 1, 2012, your **old average monthly earnings** is the average of your earnings for the highest consecutive 36 months out of the last 10 years of your active membership in the plan. For purposes of determining your “old average monthly earnings,” your earnings include your total compensation other than leave payouts at separation and compensation for off-duty detail. However, only the first 300 hours of overtime pay will be considered during each calendar year (or a pro-rated portion of 300 hours for periods less than a full year) and your total earnings for this purpose are limited each year to 114.5% of your base salary. Even though “old average monthly earnings” is calculated only for those individuals who were active plan members prior to October 1, 2012, “old average monthly earnings” is based on your earnings through the date that you terminate your employment with the City, including earnings both before and after October 1, 2012.

Your **new average monthly earnings** is the average of your pensionable earnings for the highest consecutive 48 months out of the last 10 years of your active membership in the plan. For purposes of determining your “new average monthly earnings,” your earnings include your total cash remuneration excluding overtime, off-duty details, annual sick leave conversion payments, vacation payment incentives, and all end-of-career payouts (such as sick, vacation/annual, and compensatory time). Also, your total earnings for this purpose are limited each year to 107.5% of your base salary.

Under federal law *for purposes of the pension plan* your salary cannot exceed \$280,000 per year. (Because this limit is adjusted periodically for inflation, a lower or higher limit may apply prior to or after 2019, respectively). If you have questions about how the limit on salary affects you or your benefits under the plan, please contact the pension office.

### **Normal Retirement Date**

You may elect to receive your retirement benefit at any time on or after your **normal retirement date**. Your normal retirement date is the first of the month coincident with or next following the earliest of the following dates:

1. the date as of which you have earned at least 23 years of continuous service (*20 years of continuous service if you were hired prior to October 1, 2012*); or
2. the date on which you have attained age 55 and have earned at least 10 years of continuous service.

If you terminate your employment after you have earned at least 10 years of continuous service, but before you have earned at least 20 years of continuous service, and you were hired prior to October 1, 2012, then your normal retirement date will be based on the date that you would have earned 20 years of continuous service.

### **Early Retirement Date**

If you separate from service before reaching your normal retirement date, you may be eligible to receive a reduced retirement benefit as of the first of the month coincident with or next following the date on which you attain age 50 if you have earned at least 10 years of continuous service. This date is your **early retirement date**. If you begin receiving your retirement benefit on an early retirement date, then your benefit will be reduced by  $\frac{5}{9}\%$  for each month by which your early retirement date precedes the first day of the month that is coincident with or next follows your 55<sup>th</sup> birthday.

### **Vested Interest**

You will have a 100% **vested interest** in your retirement benefit after you have earned at least 10 years of continuous service. Otherwise, you will have a 50% vested interest in your retirement benefit after you have earned at least five years of continuous service, a 60% vested interest after you have earned at least six years of continuous service, a 70% vested interest after you have earned at least seven years of continuous service, an 80% vested interest after you have earned at least eight years of continuous service, or a 90% vested interest after you have earned at least nine years of continuous service. When you have a vested interest in your retirement benefit, this means that the vested portion of your retirement benefit cannot be taken away from you *even if you terminate your employment*.

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### **Trust Fund**

The retirement, disability, and death benefits which are payable from the plan are *not* paid directly by the City of Coral Springs. These benefits are paid from a pension **trust fund**. This trust fund is made up of the contributions from members and from the City of Coral Springs and the State of Florida (as described below) plus earnings on the assets of the trust. The contributions plus the earnings of the trust fund pay the entire cost of your pension plan.

### **Contributions**

Both active plan members and the City of Coral Springs must make regular contributions to this pension plan. Active plan members must contribute 9.8% of their “pensionable earnings” to the plan, where “pensionable earnings” for this purpose include total cash remuneration, but exclude overtime, off-duty details, annual sick leave conversion payments, vacation payment incentives, and all end-of-career payouts (such as sick, vacation/annual, and compensatory time), and are limited to 107.5% of base salary. *(Note: The contribution rate is 9.875% of pensionable earnings for active plan members for years of service earned prior to October 1, 2012, or if you had earned at least 20 years of continuous service as of that date. In this case, “pensionable earnings” include total compensation other than leave payouts at separation and compensation for off-duty detail. Furthermore, “pensionable earnings” for this purpose include only up to 300 hours of overtime pay during any single calendar year and are limited each year to 114.5% of base salary.)* Different contribution rates apply to most service earned prior to December 16, 2015.

Your “accumulated member contributions” is the total of your member contributions along with interest credited at the rate of 3% compounded annually.

By law, the City of Coral Springs must make an annual contribution which is determined each year by the Board of Trustees upon the recommendation of an **actuary** who has been certified by the United States Internal Revenue Service (IRS). (An actuary is a professional who is trained to determine the amount of money which must be put aside in order to provide the retirement, disability, and death benefits which have been promised to the members of the pension plan.)

In addition to member and City contributions, the pension plan receives an annual contribution from the State of Florida pursuant to Chapter 185, Florida Statutes. This contribution is derived from a tax on certain insurance premiums for property located within the City of Coral Springs. As of October 1, 2018, any available state contribution received in years 2019-2021 will be used to reduce the City’s actuarially determined contribution.

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### **Beneficiaries**

As a plan member, you may name a beneficiary or beneficiaries to receive the benefits, if any, that may be payable from the pension plan upon your death. You may generally name any individual as your beneficiary. However, in certain cases, IRS rules may prohibit you from naming as your beneficiary a person who is not your legal spouse if that individual is more than 10 years younger than you.

You should notify the pension office if you would like to name a new beneficiary or beneficiaries or if you would like to change your beneficiary designation. You should note that, if you do not name a beneficiary or beneficiaries under the pension plan, then any death benefits payable from the plan will be paid to your estate. Also, it is important for you to understand that the pension plan does not recognize any beneficiaries that you may have named for other purposes, including beneficiaries that you may have named for other death benefits which may be payable from the City of Coral Springs. **You must file your beneficiary designation for this pension plan with the pension office in order for your designation to be effective for this plan.**

### **Actuarial Equivalence**

Throughout this booklet, you will come across the term “actuarially equivalent” or similar terms. When two things are said to be “actuarially equivalent”, they have the same expected value to you as a plan member. For example, if a life annuity of \$100 per month is actuarially equivalent to a single, lump sum payment of \$12,000, then these two different forms of benefit payment are worth the same amount of money when measured in today’s dollars.

### **A Summary of Your Responsibilities**

As a plan member, you are responsible for:

1. Understanding how your pension plan works and for using it as it was designed to be used;
2. Notifying the pension office if you change your address after you are no longer employed by the City;
3. Notifying the pension office if you wish to name a beneficiary or beneficiaries or change a beneficiary under the plan;
4. Filing an application for benefits with the pension office in advance of your expected retirement date. It is recommended that you submit your application at least two months prior to your anticipated retirement date. **No benefits are paid until an application is filed and it has been approved by the Board of Trustees.**

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## What Types of Benefits Are Paid?

### A. Normal Retirement Benefit

You will be eligible to receive a normal retirement benefit if you meet all of the following conditions:

1. You must have reached your normal retirement age (***age 55 with at least 10 years of continuous service*** or ***any age with at least 23 years of continuous service*** or, for those individuals who were hired prior to October 1, 2012, ***any age with at least 20 years of continuous service***); and
2. You must no longer be employed with the City's police department as an active plan member (unless you have elected to participate in the DROP program); and
3. You must file a claim for normal retirement benefits; and
4. You must not be receiving an early retirement, termination retirement, or disability benefit from the plan.

Normal retirement benefits are payable monthly while you continue to meet the requirements described above and are equal to your pension benefit calculated under the basic benefit formula, reduced for any optional form of payment that you choose.

### B. Early Retirement Benefit

You will be eligible to receive an early retirement benefit if you meet all of the following conditions:

1. You must have at least ***10 years of continuous service***; and
2. You must be at least ***age 50***; and
3. You must no longer be employed with the City's police department as an active plan member; and
4. You must file a claim for early retirement benefits; and
5. You must not be receiving a normal retirement, termination retirement, or disability benefit from the plan.

Early retirement benefits are payable monthly while you continue to meet the requirements described above and are equal to your normal retirement benefit,

reduced by  $\frac{5}{9}\%$  for each month by which your early retirement date precedes the first day of the month that coincides with or immediately follows your 55<sup>th</sup> birthday.

**C. Termination Retirement Benefit**

You will be eligible to receive a termination retirement benefit if you meet all of the following conditions:

1. You must have at least ***five years of continuous service***; and
2. You must no longer be employed with the City's police department as an active plan member; and
3. You must file a claim for termination retirement benefits; and
4. You must not be receiving a normal retirement, early retirement, or disability benefit from the plan.

Your termination retirement benefit is equal to your vested interest in your retirement benefit and is payable monthly while you continue to meet the requirements described above. If you have earned at least 10 years of continuous service, you may choose to begin receiving a benefit as early as age 50, in which case your benefit will be reduced by  $\frac{5}{9}\%$  for each month by which your early retirement date precedes the first day of the month that coincides with or immediately follows your 55<sup>th</sup> birthday. Otherwise, if you have earned at least 10 years of continuous service and you were hired prior to October 1, 2012, your termination retirement benefit will be payable as of the date on which you would have earned 20 years of continuous service or at age 55 if earlier. If you have earned less than 10 years of continuous service, your termination retirement benefit will be payable at age 55.

**D. Disability Benefit**

You will be eligible to receive a disability benefit if you meet all of the following conditions:

1. You must become "totally and permanently disabled" and you must have at least 10 years of continuous service,

- or -

You must become "totally and permanently disabled" in the line of duty (i.e. as a result of an act occurring in the performance of service to the City);

and

2. You must no longer be employed with the City's police department as an active plan member; and
3. You must file a claim for disability benefits; and
4. You must submit periodically to a physical examination by the medical committee which has been designated by the Board of Trustees in order to confirm your continued disability.

Disability benefits are payable monthly while you continue to meet all four of the requirements described above.

You are considered to be "totally and permanently disabled" if in the opinion of the Board of Trustees:

1. You have sustained an illness, injury, disease, or disability which incapacitates you physically or mentally from your regular and continuous duty as a police officer for a period of six months or more; and
2. Your disability did not arise as a result of your own willful intent or from a self-inflicted injury, intoxication, the use of narcotics or other items considered to be dangerous drugs, or the commission of a criminal act.

If you recover from your disability, you may later apply for a retirement benefit provided that you meet all of the requirements for a retirement benefit which are described above. If you are reemployed by the City after your recovery, you may receive additional continuous service for your additional employment as an eligible police officer. However, you will not receive continuous service for the period of time during which you receive a disability benefit unless you are re-employed within 60 days after your recovery date.

#### **E. Return of Member Contributions**

If you have less than five years of continuous service, then you will receive your accumulated member contributions after you terminate your employment as an active plan member with the City's police department. Under Florida state law, you may choose to leave your accumulated member contributions in the plan for up to five years after your termination. If you are not rehired within this five-year period, then your accumulated member contributions will automatically be paid to you. Alternatively, you may choose to receive your accumulated member contributions at any time during the five-year period.

If you have at least five years of continuous service, then you may elect, *in lieu of any additional benefits from the plan*, to receive your accumulated member contributions when you terminate your employment as an active plan member with the City's police

department. However, please be aware that, once you have received your accumulated member contributions, you will no longer be eligible for any other benefits under the pension plan except as provided in Question C on page 25.

If you do receive your accumulated member contributions in a single, lump-sum payment, then your payment may be an “eligible rollover distribution” for federal income tax purposes (see the discussion of eligible rollover distributions on page 28).

#### **F. Death Benefits Before You Retire**

If you die before you retire or are granted a disability benefit, then your beneficiary or beneficiaries will receive a death benefit from the pension plan. The amount of this benefit will depend on whether your death occurred in the line-of-duty (as defined in section 13-9(b)(1) of the plan) or due to some other cause.

##### **Death In the Line-of-Duty**

If you die in the line-of-duty, then your surviving spouse or dependent children will receive a monthly survivor benefit. For this purpose, the plan defines death in the line-of-duty as a death that arises out of and in the actual performance of duty required by your employment during your regularly scheduled working hours or irregular working hours as required by the City. Your death will be presumed to be in the line-of-duty if you die as a result of a health condition described in sections 112.18(1)(a) or 112.181(2), Florida Statutes, or Florida Administrative Code Chapter 60S sections 4.008(9)(c) and (d), as amended from time to time, unless competent evidence shows that your death does not meet the requirements for a presumptive line-of-duty death. (Generally, if your death is caused by tuberculosis, heart disease, or hypertension, then Florida state law states that your death will be presumed to be in the line-of-duty as long as you successfully passed a health examination when you were employed and this examination did not show any evidence of these conditions at that time.)

If you die in the line-of-duty, then your surviving spouse will receive a monthly survivor benefit equal to 100% of your monthly base salary in effect at the time of your death and this survivor benefit will be payable to your surviving spouse for the rest of his or her life. Your spouse’s survivor benefit will also be subject to an automatic 1% annual cost-of-living increase beginning on the January 1 that occurs after payments have been made for at least five years.

If you die in the line-of-duty and you either have no surviving spouse or your surviving spouse dies while you still have surviving dependent children, then your surviving dependent children will collectively receive 100% of your monthly base salary in effect at the time of your death. This benefit will be payable to your dependent children in equal shares and, as each child loses eligibility for such benefit, that child’s share will be divided equally among any remaining dependent children for as long as such

dependent children remain eligible to receive this benefit. The plan defines a dependent child as your unmarried child who is under the age of 18 or who is both under the age of 25 and a full-time student. The survivor benefit payable to your dependent child will end if the child marries, attains age 25, or attains age 18 and is no longer a full-time student.

#### Death From Another Cause

If you have earned at least five years of continuous service at the time of your death and your death did not occur in the line-of-duty, one of the following two alternative survivor benefits will be paid on your behalf.

1. Your surviving spouse will receive a monthly survivor benefit that is equal to 50% of your average monthly earnings and this benefit will be payable to your surviving spouse for the rest of his or her life. If you do not have a surviving spouse, then this benefit will be paid in equal shares to your dependent children until age 18. This survivor benefit will be subject to an automatic 1% annual cost-of-living increase beginning on the January 1 that occurs after payments have been made for at least five years. Note that your surviving spouse or dependent children will receive the benefit that is described in paragraph 2 below if the value of that benefit is greater than the benefit that is described in this paragraph 1.
2. If you do not have a surviving spouse or any dependent children or if you have named someone else as your designated beneficiary, then your designated beneficiary will receive a monthly survivor benefit equal to the your vested benefit at the time of your death and this benefit will be payable monthly for 10 years. In lieu of receiving this monthly survivor's benefit, your designated beneficiary may elect to receive, with the approval of the Board of Trustees, any other form of benefit which is actuarially equivalent to the 10-year certain annuity. If the value of your accumulated member contributions exceeds the amount of benefits to be paid to your designated beneficiary under the 10-year certain annuity, then your beneficiary will receive a single, lump-sum payment equal to your accumulated member contributions in lieu of the 10-year certain annuity.

If you have less than five years of continuous service at the time of your death and your death did not occur in the line-of-duty, then your designated beneficiary will automatically receive your accumulated member contributions in a single, lump sum payment.

In any case, if you have not named a beneficiary for purposes of the death benefit that is payable due to your death that is not in the line-of-duty, then any death benefit payments will be made to your estate.

#### **G. Death Benefits After You Retire**

If you die *after* you begin receiving a retirement or disability benefit, then your designated beneficiary or beneficiaries will only receive a death benefit from the pension plan if you elected to provide a survivor's benefit at the time that you retired. No additional death benefits will be paid to your beneficiary or beneficiaries after you begin receiving retirement or disability payments. For additional information on the optional survivor's benefits that are available when you retire, please see the discussion of retirement options on page 18.

#### **H. Deferred Retirement Option Plan (DROP)**

Normally, you cannot continue to work for the City of Coral Springs if you want to begin receiving your monthly retirement benefit. However, if you elect to participate in the DROP program, then you can continue to work while your monthly retirement benefit is accumulated for you in a DROP account. Once you actually retire from active employment with the City, which must be no more than 84 months after you have entered the DROP, then you may choose to receive the accumulated money in your DROP account plus you will begin receiving your monthly retirement benefit.

There are several conditions for participation in the DROP and you should understand and accept these conditions before you begin participating in the DROP program. You should also understand that the DROP program is not necessarily the best choice for every member. You should consult with your tax and financial advisors to decide whether the DROP program is right for you.

If you would like to participate in the DROP, you should be aware of the following conditions which apply to all members who participate in the DROP program:

1. You must have attained your normal retirement age under the plan (***age 55 with at least 10 years of continuous service*** or ***any age with at least 23 years of continuous service*** or, for those individuals who were hired prior to October 1, 2012, ***any age with at least 20 years of continuous service***); and
2. You may only elect to participate in the DROP program prior to your retirement from active service; and
3. Your election to participate in the DROP program is irrevocable; and
4. You may only elect to participate in the DROP program one time; and
5. You must choose the form of payment for your retirement benefits at the time that you begin participation in the DROP program and your election will apply to your retirement benefits both during your participation in the DROP program and after you retire; and

6. You will not receive any additional service or benefit credit during your participation in the DROP program, except to the extent that your DROP account is credited with cost-of-living adjustments or interest as described below; and
7. You will not be eligible for any other retirement, death, or disability benefits from the pension plan once you begin participation in the DROP program; and
8. You will not make the otherwise required member contribution to the pension plan during your participation in the DROP program, unless you entered the DROP prior to age 55 after earning at least 23 years of service, in which case you will be required to continue making the required member contribution until you have earned 25 years of service; and
9. You may only participate in the DROP program for up to 84 months; and
10. You must retire from active service with the City of Coral Springs at the end of your participation in the DROP program.

When you choose to participate in the DROP program, you will have 45 days to consider the terms of participation in the DROP program and, after you make your election to participate, you will have an additional seven days to revoke your election.

If you participate in the DROP program, then you will have a DROP account which will be credited each month with the monthly retirement benefit that you would receive if you were otherwise retired. This includes any increased retirement benefits which are granted to retirees under a cost-of-living adjustment (if applicable). In addition, your DROP account will be credited with interest or investment earnings based on the investments that you have chosen for your DROP account.

It is important for you to note that you are responsible for selecting the investments for your DROP account. You may choose from the investment options approved by the Board of Trustees for the deferred compensation program established pursuant to Section 457 of the Internal Revenue Code. ***Neither the Board of Trustees, the City of Coral Springs, nor anyone associated with the pension plan provides any guarantee as to the soundness or security of your DROP account investments once your monthly retirement benefit has been deposited into your DROP account.*** In addition, there are no guarantees regarding the amount of investment return or interest that you may earn on your DROP monies. You may even lose part or all of your DROP account if the investments which you have selected lose money.

Once you actually terminate employment, you may choose to receive your DROP account in a manner approved by the Board of Trustees and consistent with IRS regulations. Distribution may be in a single lump sum payment, periodic payments, a monthly annuity, or a combination of these alternatives.

The portion of your DROP account that you elect to receive as a single lump-sum may be an “eligible rollover distribution” for federal income tax purposes (see the discussion of eligible rollover distributions on page 28).

If you die while participating in the DROP program, then the beneficiary that you have named for your DROP account will receive your DROP account and the beneficiary that you have designated for your monthly survivor benefit will receive the survivor benefit, if any, that may be payable under the optional form of benefit payment that you had elected at the time of your initial participation in the DROP program. Your beneficiary may choose to receive your DROP account in a manner approved by the Board of Trustees and consistent with IRS regulations. The portion of your DROP account that your beneficiary receives as a single, lump-sum payment may be an “eligible rollover distribution” for federal income tax purposes.

### **I. Cost-of-Living Increases for Retirement Benefits**

There are two separate automatic cost-of-living adjustments that apply to the retirement benefits payable from the plan. One cost-of-living adjustment applies solely to the portion of your retirement benefit that is attributable to service earned prior to October 1, 2012 and the other cost-of-living adjustment applies solely to the portion of your retirement benefit that is attributable to service earned on and after that date.

*Solely with respect to the portion of your retirement benefit that is based on service earned prior to October 1, 2012, you will receive an automatic annual cost-of-living increase as of each January 1 after you begin receiving monthly payments. This cost-of-living increase is equal to 2.5% per year and will be reduced proportionally if you have been retired for less than one year as of January 1. (Exception: If you had earned at least 20 years of continuous service as of October 1, 2012, your entire retirement benefit will be eligible for the 2.5% cost-of-living adjustment described in this paragraph and none of your benefit will be eligible for the 1% cost-of-living adjustment described in the next paragraph.)*

*Solely with respect to the portion of your retirement benefit that is based on service earned on and after October 1, 2012, you will receive an automatic annual cost-of-living increase as of each January 1 that occurs at least five years after you begin receiving monthly payments. The cost-of-living increase is equal to 1% per year, compounded annually. In addition, if you retire on a date other than January 1, then your first cost-of-living increase will include a pro-rated portion of a 1% increase to cover the period of time between the fifth anniversary of your retirement and the next January 1.*

## How Your Benefits Are Paid

### **Normal Form of Benefit Payment**

The normal form of retirement and disability benefit is a monthly benefit payment for the rest of your life. This is called the *life annuity*.

In lieu of the normal form of benefit payment described above, you may choose one of the optional forms of payment that are described below. If you want your benefits paid to you in the normal form of payment (a life annuity) or in one of the optional forms of payment, then you must make a timely election on the appropriate form provided by the pension office. You may cancel your choice at any time before you retire. **If you do not choose to receive either the life annuity or an optional form of payment, then your benefit will automatically be reduced actuarially and paid to you in the form of a 10-year certain and life annuity.**

### **Optional Forms of Benefit Payment**

The life annuity will be shown on your retirement election form as *Option 1*. If you do not want your retirement benefits paid to you in the form of a life annuity, then you may choose to receive one of the following optional forms of retirement benefit payment:

#### **Option 2: 10-Year Certain and Life Annuity**

You will receive a reduced retirement benefit payment each month for the rest of your life. Your benefits are guaranteed for a minimum of 10 years (120 monthly payments). That is, if you die within 10 years after your retirement, your beneficiary will continue to receive the same benefit you were receiving for the balance of the 10 years. *(This option is the automatic form of payment for those retirees who do not otherwise make a benefit election.)*

#### **Option 3: Joint and Survivor Annuity Option**

You will receive a reduced monthly benefit during your lifetime, with a percentage of it being continued after your death to your beneficiary. You can choose to have either 50%, 66<sup>2</sup>/<sub>3</sub>%, or 100% of your reduced benefit paid to your beneficiary for the remainder of his or her life. The actual amount of your benefit reduction depends on your age and your beneficiary's age at the time that you retire. Because benefits under this method of payment must be paid for the duration of two lifetimes, yours and your beneficiary's, the monthly amount you receive may be lower than the amount provided with a life annuity.

In addition, you may optionally add a "pop-up" feature to your joint and survivor annuity. With this feature, your joint and survivor annuity will be increased to the

amount of the life annuity option (i.e. your unadjusted, normal form of benefit payment) if your beneficiary dies before you die. If you do choose to add the “pop-up” feature to your benefit, then your joint and survivor annuity option will be reduced by an additional amount to reflect the cost of this feature.

**Option 4: Joint and Last Survivor Annuity Option**

You will receive a reduced monthly benefit during your lifetime, with a percentage of it being continued to you after your beneficiary’s death or the same percentage of it being continued after your death to your beneficiary. You can choose to have either 50%, 66<sup>2</sup>/<sub>3</sub>%, or 75% of your reduced benefit paid to you or your beneficiary after the death of the other for the remainder of your life or his or her life. *It is important for you to understand that this annuity option reduces payments to you in the case of your beneficiary’s death, whereas Option 3 above does not reduce payments to you upon your beneficiary’s death.* The actual amount of your benefit reduction depends on your age and your beneficiary’s age at the time that you retire.

**Option 5: Single, Lump-Sum Payment Option**

You will receive a single, lump-sum payment equal to the actuarially equivalent value of your benefit in lieu of any additional benefits from the pension plan. This option is only available if the actuarially equivalent value of your benefit is less than \$1,750 and is only provided at the discretion of the Board of Trustees. If you receive a single, lump-sum payment, then your payment may be an “eligible rollover distribution” for federal income tax purposes (see the discussion of eligible rollover distributions on page 28).

**Option 6: Any Other Actuarially Equivalent Option**

You may choose to receive your benefit in any other form of payment which is the actuarially equivalent value of your benefit, provided that the form of payment is not an interest-only option or an option that provides for guaranteed payments over a period in excess of 20 years or beyond age 85. This option is provided only at the discretion of the Board of Trustees.

All forms of payment, both the normal form and the optional forms, guarantee that you or your beneficiary will at least receive your accumulated member contributions.

Once you begin receiving your benefit payments under a particular form of payment, you may not change that form. Under the joint and survivor annuity options (Options 3 and 4), your beneficiary at the time of retirement may be changed up to two times after payments start, subject to the approval of the Board of Trustees. If you do elect to change your beneficiary, the amount of your monthly retirement benefit will be re-determined based upon your new beneficiary's age. Once your beneficiary dies, however, you may not add a new beneficiary under the joint and survivor forms of payment (Options 3 and 4).

If you die before you retire, retirement benefits will not be paid. Your beneficiary may receive a death benefit, however, payable as described under Part III, Death Benefits Before You Retire, on page 13. If your beneficiary dies before your retirement payments begin, the form you elected will be automatically cancelled.

After you have decided when you want to retire, keep in mind that the Board of Trustees must vote to grant your retirement. A memo must be sent to the pension office indicating your request. Upon receipt of your memo, a calculation will be completed and sent to you. You must return to the pension office: (1) your completed retirement option form indicating the form of payment that you have chosen; (2) your completed Form W-4 indicating whether you would like to have federal income tax withholding from your retirement payments; and (3) your banking option form indicating whether you would like your monthly retirement checks directly deposited to your bank account. Once this information is received by the pension office, your retirement request will be placed on the agenda for consideration at the next meeting of the Board of Trustees. If you would like to receive a schedule of meeting dates, please contact the pension office.

## How to Calculate Your Benefits

### Your Retirement Benefit

Your retirement benefit is based on your years of continuous service and your average monthly earnings. Your benefit will be calculated in two parts, the first part will be calculated with respect to continuous service that you earned prior to October 1, 2012 and the second part will be calculated with respect to continuous service that you earn on and after October 1, 2012. *(Exception: If you have earned at least 20 years of continuous service as of October 1, 2012, then your entire benefit will be calculated based on the 3.5% formula shown below and none of your benefit will be calculated under the 3.25% formula.)*

Your monthly retirement benefit is equal to:

<p>3.5% x your years of continuous service earned prior to October 1, 2012 x your "old average monthly earnings" <i>(subject to the "old benefit maximum")</i></p> <p>PLUS</p> <p>3.25% x your years of continuous service earned on and after October 1, 2012 x your "new average monthly earnings" <i>(subject to the "new benefit maximum")</i></p>	=	<p>Your Life Annuity at Normal Retirement</p>
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In the formula described above, each portion of your benefit (both the benefit for service earned prior to October 1, 2012 and the benefit for service earned on and after that date) is subject to a maximum benefit. With respect to service earned prior to October 1, 2012, your benefit is subject to a maximum of 87.5% of your "old average monthly earnings". With respect to service earned on and after October 1, 2012, your benefit is subject to a maximum of either 81.25% of your "new average monthly earnings" or \$110,000 per year, whichever is less. In either case, your total monthly benefit will be based on no more than 25 years of continuous service regardless of whether your service was earned before or after October 1, 2012. *(If you have earned more than 25 years of service, then your benefit will be calculated in the manner that provides you with the maximum possible benefit under the plan.)*

If you begin receiving your retirement benefit prior to your normal retirement date, then your benefit will be reduced by  $\frac{5}{9}\%$  for each month by which your early retirement date precedes the first day of the month which is coincident with or next follows your 55<sup>th</sup> birthday. Also, your retirement benefit will be reduced to reflect your vested interest if you have less than a 100% vested interest in your benefit (i.e. if you have earned less than

10 years of continuous service). Finally, if you choose to receive any form of payment other than the life annuity, then your monthly benefit will be reduced so that it is actuarially equivalent to the life annuity.

### Example #1: Normal Retirement Benefit

Let's assume that you were hired on October 1, 1999, that you retire at age 52 with 20 years of continuous service, that your "old average monthly earnings" is \$6,000, and that your "new average monthly earnings" is \$5,000. In this example, you have earned 13 years of continuous service prior to October 1, 2012.

If you choose the life annuity option, you will receive \$3,867.50 per month. The calculation is as follows:

$  \begin{array}{rcl}  3.50\% \times 13 \text{ years of continuous service} \times \$6,000 & & \\  \text{PLUS} & = & \$3,867.50 \\  3.25\% \times \text{seven years of continuous service} \times \$5,000 & &   \end{array}  $
--

If you choose an optional annuity, you will receive a lesser amount per month. If this is the case, then your life annuity will be multiplied by an actuarial reduction factor in order to determine the amount of your monthly benefit.

### Example #2: Early Retirement Benefit

Let's assume that you retire at age 50 with 15 years of continuous service (eight years of which were earned prior to October 1, 2012), that your "old average monthly earnings" is \$5,000, and that your "new average monthly earnings" is \$4,000. Because you are retiring five years prior to age 55, your retirement benefit will be reduced by 33 $\frac{1}{3}$ % to account for your earlier retirement ( $\frac{5}{9}$ % for each of the 60 months that you are retiring early equals 33 $\frac{1}{3}$ %).

If you choose the life annuity option, you will receive \$1,540.00 per month. The calculation is as follows:

$  \begin{array}{rcl}  3.50\% \times \text{eight years of continuous service} \times \$5,000 \times 66\frac{2}{3}\% & & \\  \text{PLUS} & = & \$1,540.00 \\  3.25\% \times \text{seven years of continuous service} \times \$4,000 \times 66\frac{2}{3}\% & &   \end{array}  $
--

Just as for normal retirement, if you choose optional annuity, you will receive a lesser amount per month. If this is the case, then your life annuity will be multiplied by an actuarial reduction factor in order to determine the amount of your monthly benefit.

### Example #3: Termination Retirement Benefit

Let's assume that you terminate your employment at age 35 with seven years of continuous service (all of which was earned after October 1, 2012) and that your "new average monthly earnings" is \$4,000. Since you have only earned seven years of service, you have a 70% vested interest in your accrued benefit and your benefit will be multiplied by 70% to determine the amount that you will receive once you reach your normal retirement date.

If you choose the life annuity option at your normal retirement age (*age 55*), you will receive \$637.00 per month. The calculation is as follows:

$3.25\% \times \text{seven years of continuous service} \times \$4,000 \times 70\% = \$637.00$
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Just as for normal and early retirement, if you choose an optional annuity, you will receive a lesser amount per month. If this is the case, then your life annuity will be multiplied by an actuarial reduction factor in order to determine the amount of your monthly benefit.

### **Your Disability Benefit**

Depending upon whether your disability was incurred in the line of duty, your disability benefit may be based on your years of continuous service, your average monthly earnings, and/or your current base monthly salary. Please see the discussion on pages 11 and 12 for a description of the requirements to receive a disability benefit.

***If your disability was incurred in the line of duty***, then your disability benefit will be equal to the largest of the following:

1. Your accrued normal retirement benefit as described above (calculated as if you have a 100% vested interest in your retirement benefit); or
2. 70% of the greater of your current base monthly salary or your "new average monthly earnings" (provided that your monthly disability benefit plus your monthly worker's compensation cannot exceed the average wage used to determine your worker's compensation payment); or
3. 42% of your "new average monthly earnings".

***If your disability was not incurred in the line of duty***, then your disability benefit will be equal to the larger of the following:

1. Your accrued normal retirement benefit as described above; or

2. 25% of your “new average monthly earnings”.

Your monthly disability benefit will automatically be paid as an actuarially reduced 10-year certain and life annuity unless you choose an optional form of annuity as described in Part IV.

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## Other Questions

### A. How Do I Apply for Benefits?

If you wish to apply for benefits under the plan, you must submit a written request to the pension office at the following address:

Board of Trustees  
Coral Springs Police Officers' Pension Plan  
Gina M. Orlando  
9500 West Sample Road  
Coral Springs, Florida 33065

Once your request is received, the Board's actuary will prepare a document that explains your retirement or disability benefit options.

If you are applying for a disability benefit, a completed Disability Application must be submitted to the pension office and must include the following attachments:

1. A letter from your doctor describing your disability in detail;
2. Included in your doctor's letter, a medical explanation indicating why you can no longer fulfill your responsibilities as a police officer; and
3. Any backup medical reports regarding your claimed disability.

### B. Can I Apply for Disability Benefits After My Retirement Benefits Have Been Approved?

No, once an application for any type of benefit has been approved by the Board of Trustees, no other applications for either a retirement or disability benefit will be considered. However, if you recover from your disability such that you are no longer eligible for a disability benefit, you may be eligible to receive a retirement benefit from the plan.

### C. What Happens If I Return to Work After I Retire or Terminate My Employment?

If you are rehired by the City after you have retired or previously terminated your employment, then the benefit that is payable to you from this plan depends on which of the following two situations applies to you:

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### Situation I. You Are Rehired As A Full-Time Law Enforcement Officer

If you are rehired by the City's police department as a full-time law enforcement officer and you again become an active member of the plan, then any retirement or disability benefits that you were receiving will be discontinued until you once again retire at a later date. Also, any optional form of payment which you had previously elected will be null and void.

If you did not receive a distribution of your accumulated member contributions when you previously terminated your employment, then, when you retire at a later date, your benefit will be determined using all of your continuous service and your salary both before and after your re-employment date. However, if you received a refund of your accumulated member contributions and you are later rehired, then you must make a special contribution to the pension plan in order to have your original service restored. Please note that, in this latter case, the purchase of your prior service is optional, but that you must make this special contribution to the pension plan if you would like to have your original service restored.

### Situation II. You Are Rehired In Any Other Capacity

If you are rehired by the City in any capacity other than as a full-time law enforcement officer (for example, if you are rehired as a part-time police officer, seasonal school resource officer, chief of police, or in any civilian position), then any benefits that you previously earned under the plan will be unaffected by your re-employment. If you had elected to commence distribution of your normal retirement benefit and/or your DROP account prior to your re-employment, then any benefit that you are receiving pursuant to that election will continue to be paid to you and will be unaffected by your re-employment.

## **D. Can I Lose My Benefits from the Plan?**

In general, you will not lose the benefits to which you have a vested right. However, pursuant to section 112.3173, Florida Statutes, if you are convicted of certain felonies or if your employment is terminated because you have admitted to committing certain felonies, then you will automatically lose any benefits to which you would otherwise be entitled to receive from this plan and your member contributions will be returned to you without interest. The acts that may result in the loss of your benefits include the embezzlement of public funds, bribery, and impeachable offenses, along with other specified offenses.

## **E. Can My Benefits Be Affected by a Divorce or Family Dispute?**

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Yes. The City of Coral Springs Police Officers' Pension Plan is a governmental plan, and therefore, is not subject to Qualified Domestic Relations Orders ("QDROs") under federal law, or court orders to effectuate an equitable distribution of marital assets.

The plan is subject to Section 61.1301, Florida Statutes, entitled Income Deduction Orders ("IDOs"). Section 61.1301 is limited to the collection of alimony and child support. Therefore, if the plan receives an IDO for alimony or child support it will comply with the Order. Additionally, pension benefits may be distributed by using an "Order Distributing Marital Interest in a Public Retirement Plan." A copy of this order may be obtained from the pension office.

Effective January 1, 2019, changes in the federal tax laws have eliminated tax deductions for alimony if a marriage was dissolved or a property settlement agreement was made on or after January 1, 2019. Modifications to existing orders or agreements on or after January 1, 2019, may be tax deductible if both parties agree.

**F. What Happens If the Board Denies My Claim for Benefits?**

After any final decision of the Board to deny your claim for benefits, if you still believe that you are entitled to benefits from the plan, then you may file a lawsuit against the Board of Trustees with any court of the State of Florida which would have jurisdiction over the dispute and you may serve notice of the lawsuit upon any member of the Board or upon its agent for service of legal process.

**G. May I Choose to Have My Health Insurance Premiums Deducted From My Pension Check?**

If you are receiving a monthly pension benefit from this plan and you are paying a premium for health or long-term care insurance for yourself or your dependents, you may elect to have the premium deducted from your monthly pension check. In this case, the plan administrator will submit your premium directly to the insurance company or provider of your health or long-term care insurance coverage. Furthermore, the amount that is deducted for this purpose may be excluded from your gross income (i.e. will not be subject to income tax) subject to IRS limits. If you would like for your health or long-term care insurance premiums to be deducted from your monthly pension check, please contact the plan administrator.

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## Other Important Information

### A. **Mandated Payment of Benefits After Age 70½ When You Are No Longer Employed**

Under federal law, the Board of Trustees is required to start paying you your benefits from the pension plan no later than the April 1<sup>st</sup> of the calendar year after you have both reached age 70½ and you are no longer employed as an active member. Payments will begin even if you have not filed an application for benefits.

### B. **Maximum Retirement Benefits**

Federal law prohibits benefits from exceeding certain limits. These limits vary depending upon your retirement age and your form of payment. As of October 1, 2019, the limit is \$225,000 per year for a life annuity payable beginning at your social security retirement age or younger. A lower or higher limit may apply if you retire prior to that date or if you elect to receive your retirement benefit in a form of payment other than as an annuity payable for life to you and your spouse.

### C. **Direct Rollover of Eligible Distributions**

You may elect to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by you. If you make such an election, then the amount rolled over will not be subject to immediate federal income tax. Generally, any amounts distributed to you which are not rolled over are subject to federal income tax.

An eligible rollover distribution is a lump-sum payment that is paid to you or on your behalf in lieu of your monthly retirement benefit. For example, a return of your accumulated member contributions with interest or a lump-sum payment of the balance in your DROP account would be an eligible rollover distribution. A monthly retirement benefit that is not paid in a single lump-sum would not be an eligible rollover distribution. *(You should note that this rollover provision of the plan does not entitle you to elect to receive a lump-sum payment in lieu of your retirement benefit unless you are otherwise eligible to receive a lump-sum payment.)*

An eligible retirement plan is another qualified retirement plan, such as an individual retirement account (IRA) that will accept an eligible rollover distribution from this plan. Prior to the time that you are to receive an eligible rollover distribution, the plan administrator will give you detailed information about how to roll over your benefit into another retirement plan.

If you choose to receive part or all of your distribution as a single, lump-sum payment made directly to you, then the plan is required to withhold at least 20% of the portion of your distribution that is not rolled over. The 20% withheld will be submitted to the IRS on your behalf as federal income tax withholding. Alternatively, you may choose to have a greater amount withheld for federal income taxes. The actual amount of tax that you owe on your distribution will depend on your income and deductions for that year. You will receive a refund from the IRS of any taxes withheld in excess of the amount you owe for that year. In addition, if you receive a single, lump-sum payment that is paid directly to you prior to age 55, then you may have to pay a 10% excise tax on your distribution. This excise tax will be in addition to the regular income tax that you owe on your distribution.

The rollover options and mandatory 20% income tax withholding described above also apply to your beneficiary's lump-sum distribution. However, the 10% excise tax penalty for premature distribution will not apply.

Prior to the time that you are to receive an eligible rollover distribution, the plan administrator will give you detailed information about how to roll over your benefit. For more information on eligible rollover distributions from this plan, please contact the pension office or your tax advisor.

#### **D. Pension Credit for Military Service**

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) requires the retirement plan to give you pension credit for certain service performed while you are in the United States Army, Navy, Air Force, Marines, or Coast Guard (or any Reserve or National Guard components of any of these), in the commissioned corps of the United States Public Health Service, or in any other category of persons designated by the President of the United States in a time of war or emergency.

However, in order to receive pension credit under the plan for your military or other service as described above, you must meet the following requirements:

1. You must have been working in employment which was covered by the pension plan immediately prior to entering military service; and
2. You must return to covered employment with the City's police department within the time period specified in the law; and
3. You must make up the required member contributions to the pension plan (without interest) within the time period specified in federal law for the period of time while you were in the military. These make-up contributions are equal to the applicable member contribution rate (either 9.8% or 9.875% after December 15, 2015) multiplied by the basic salary you would have received had

you not entered into the military or, if this amount cannot be reasonably determined, the applicable contribution rate multiplied by your average basic salary for the 12-month period immediately preceding your military service.

Alternatively, if you die while on military duty, then your beneficiary(ies) will be entitled to receive any death benefits that would otherwise be payable from the plan as if you had returned to active employment with the City immediately prior to your death.

If you would like more details concerning the specific rules regarding pension credit for military service, please contact the pension office.

#### **E. Family Leave**

The Family and Medical Leave Act of 1993 (FMLA) is a federal law that requires the pension plan to allow you a period of absence from work for certain reasons without counting that absence as a break in your service. Under the law, the reasons for absence are limited to:

1. A leave of absence to care for your child following his or her birth;
2. A leave of absence taken because of the placement of a child with you for adoption or foster care;
3. A leave of absence taken because you have a serious health condition that prevents you from performing your duties as an active plan member; and
4. A leave of absence to care for your child, spouse, or parent when this individual has a serious health condition.

Note that the FMLA does not require the pension plan to give you continuous service credit for the time that you are away from work. The FMLA only requires the plan to prevent you from having a break in your employment. If you have questions about how a family or medical leave will impact your pension benefit, please contact the pension office.

#### **F. Assignment of Benefits**

The money in the trust fund is used exclusively to provide benefits to the members of the plan and to defray the reasonable expenses of running the plan. It cannot be used for any other purpose. Your interest in the pension fund and your benefits cannot be assigned, transferred, or attached nor used for any other purposes. However, although your benefit is not subject to Qualified Domestic Relations Orders (QDROs), your benefit is subject to Income Deduction Orders (IDOs).

**G. Plan Amendment and Termination**

The Board of Trustees intends to continue the pension plan indefinitely. However, the City Commission can amend the plan at any time provided that any amendment must comply with the requirements of Chapters 112 and 185, Florida Statutes, and with any applicable collective bargaining agreements which are in effect at the time of the amendment.

**H. Plan Administration**

The Board of Trustees administers the plan and acts as the plan fiduciary. The Board is made up of five members, two of whom are police officers, two of whom are selected by the City Commission from among residents of the City of Coral Springs, and one of whom is selected by the remaining four Board members. Any interpretation of the plan's provisions rests with the Board of Trustees. No employee of the City of Coral Springs nor anyone else is authorized to interpret the plan on behalf of the Board of Trustees, nor can an employee of the City act as an agent of the Board of Trustees.

The City of Coral Springs does employ an Administrator to take care of the day-to-day operations of the plan and has established a pension office to handle routine requests from members regarding eligibility rules, benefits, and claims procedures, to file government reports, and to handle other administrative activities under the direction of the Board of Trustees. The Administrator in the pension office will refer these matters to the Board of Trustees for final determination.

An independent auditor examines the entire trust fund's financial records every year and certifies as to their accuracy, completeness, and fairness. In addition, the Board of Trustees employs an actuary to prepare an annual report which provides details of the pension plan's liabilities, assets, and required contributions. These reports are available for inspection by prior appointment at the pension office during normal business hours.

**I. Other Legally Required Disclosures****1. Date of the end of the plan year:**

September 30

**2. Records of the plan are kept on a fiscal -year basis.**

**3. Relevant laws and other agreements which govern the provisions of this pension plan:**

Chapters 112 and 185, Florida Statutes;  
City of Coral Springs Ordinances 94-153, 94-157, 96-126, 98-100, 98-117, 99-119, 99-128, 2000-120, 2001-114, 2001-131, 2004-118, 2006-100, 2007-124, 2008-113, 2010-104, 2012-112, 2013-115, 2014-100, 2015-125, 2017-104, 2019-105, and 2019-115; and  
Collective bargaining agreement(s) between the City of Coral Springs and the Fraternal Order of Police, Lodge 87

**4. Name, address, and telephone number of the Administrator for the Board of Trustees:**

Gina M. Orlando  
City of Coral Springs  
9500 West Sample Road  
Coral Springs, Florida 33065

(954) 344-1147

**5. Name, address, and telephone number of Legal Counsel:**

Bonni S. Jensen  
Klausner, Kaufman, Jensen & Levinson  
7080 N.W. 4<sup>th</sup> Street  
Plantation, FL 33317

(954) 916-1202

**6. Name and principal business address for each Board member:**

<p>(Chairman) Sgt. Scott Myers City of Coral Springs 9500 West Sample Road Coral Springs, Florida 33065 <a href="mailto:smyers@coralsprings.org">smyers@coralsprings.org</a></p>
<p>Ms. Catherine Givens City of Coral Springs 9500 West Sample Road Coral Springs, Florida 33065 <a href="mailto:cgivens@coralsprings.org">cgivens@coralsprings.org</a></p>
<p>Officer Corey Logan City of Coral Springs 9500 West Sample Road Coral Springs, Florida 33065 <a href="mailto:clogan@coralsprings.org">clogan@coralsprings.org</a></p>
<p>Mr. James Chris Mills 5311 NW 99<sup>th</sup> Way Coral Springs, Florida 33076 <a href="mailto:chris@kovackadvisors.com">chris@kovackadvisors.com</a></p>
<p>Mr. Juan Robby City of Coral Springs 9500 West Sample Road Coral Springs, Florida 33065 <a href="mailto:jrobb@coralsprings.org">jrobb@coralsprings.org</a></p>

**7. Service of legal process:**

Legal process may be served upon the Board of Trustees by serving its Chairman or, in his absence, any member of the Board of Trustees.