

**City Pension Fund for Firefighters and Police Officers  
in the City of Miami Beach**

**SUMMARY PLAN DESCRIPTION**



**In the event of any discrepancy between the Summary Plan Description  
and the actual provisions of the plan, the plan shall govern.**

**PREPARED AUGUST 2023**

CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS  
IN THE CITY OF MIAMI BEACH

SUMMARY PLAN DESCRIPTION

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*As much as possible, this Summary Plan Description has been written in non-technical terms, avoiding the formal language of the pension plan. If questions of interpretation arise as a result of the attempt to make such administrative or technical information easy to understand, the pension plan remains, as it must, the final authority. The information provided in this Summary Plan Description is based on the pension plan in existence as of February 1, 2023, and is subject to modification based upon changes in the plan, subsequent interpretations of the plan and changes in other laws that affect the plan. Individual Trustees are not agents of the plan. The Board of Trustees is not responsible for erroneous information provided by an individual Trustee or provided by any other person purportedly representing the plan, except as specifically set forth in a writing executed by the Chairman or Administrator.*

## **NAME OF PLAN**

City Pension Fund for Firefighters and Police Officers in the City of Miami Beach

## **BUSINESS ADDRESS OF PLAN**

Miami Beach Fire and Police Pension Office  
1691 Michigan Avenue, Suite 355  
Miami Beach, Florida 33139-2573  
(305) 673-7039

## **FIRE AND POLICE PENSION WEBSITE**

The Fire and Police Pension website can be viewed on the City's official website, [www.miamibeachfl.gov](http://www.miamibeachfl.gov). Once you have accessed the website, select the "CITY HALL" tab, then select "FIRE & POLICE PENSION".

## **PLAN YEAR**

The Plan year begins October 1<sup>st</sup> and ends September 30<sup>th</sup> of each year. The records of the Plan are maintained on the same fiscal basis.

## **PLAN ADMINISTRATION**

The general administration and responsibility for the proper operation and making effective the provisions of the pension plan are vested in a Board consisting of nine persons, as follows:

- Three (3) Trustees elected by the active and retired membership of the Fire Department
- Three (3) Trustees elected by the active and retired membership of the Police Department
- Three (3) Trustees appointed by the Mayor from the City Administration

Commencing with the election held in 2025, the term of office for the elected Trustees is three (3) years.

Each Trustee is entitled to one (1) vote on the Board. Five (5) votes shall be necessary for a decision by the Trustees at any meeting of the Board.

The Board of Trustees does not negotiate pension benefits. The Board only implements that which is negotiated between the City and the Unions and adopted by City Ordinance.

Regular meetings of the Board of Trustees are scheduled on the third (3<sup>rd</sup>) Thursday of each month at the Miami Beach Fire and Police Pension Office starting at 8:30 A.M.

The Trustees shall serve without compensation, but they may be reimbursed for all necessary expenses which they may incur through services on the Board.

## **BOARD OF TRUSTEES**

Chairman - Paul D. Johnson  
Secretary - David J. Frazier, Jr.

### **Fire Department - Three (3) Members**

Elected by Fire Department active and retired members

David J. Frazier, Jr., Firefighter

Paul D. Johnson, Fire Lieutenant

Dwight M. Nicholas, Fire Captain

### **Police Department - Three (3) Members**

Elected by Police Department active and retired members

Steven L. Feldman, Police Captain

Daniel D. Molina, Police Officer

James D. Nolan, Police Sergeant

### **City Administration - Three (3) Members** - Appointed by the Mayor

Hernan D. Cardeno, Code Compliance Director

Eric M. Carpenter, Assistant City Manager

Tameka Otto Stewart, Director of the Office of Management and Budget

## **AGENT FOR SERVICE OF LEGAL PROCESS**

The Chairman of the Board is the Agent for Service of legal process. In the absence of the Chairman, the Agent for Service of legal process is the Secretary of the Board.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS  
IN THE CITY OF MIAMI BEACH**

**PROFESSIONAL SERVICE PROVIDERS AND CONSULTANTS**

The Board may engage such services from professionals and consultants as the Board feels are required to transact the business of the System. Professionals and consultants employed by the Board are:

**EXECUTIVE DIRECTOR**

Donna Brito  
Executive Director  
Fire and Police Pension Office  
1691 Michigan Ave Ste 355  
Miami Beach FL 33139-2573  
(305) 673-7039  
[donnabrito@miamibeachfl.gov](mailto:donnabrito@miamibeachfl.gov)

**LEGAL COUNSEL**

Robert D. Klausner, Esq.  
Klausner, Kaufman, Jensen & Levinson  
7080 NW 4<sup>th</sup> ST  
Plantation FL 33317-2201  
(954) 916-1202  
[bob@robertdklausner.com](mailto:bob@robertdklausner.com)

**CERTIFIED PUBLIC ACCOUNTANT**

Eric J. Leventhal, CPA, CVA, Partner  
Kabat, Schertzer, De La Torre,  
Taraboulos & Co.  
1625 N Commerce Pkwy Ste 315  
Weston FL 33326-3206  
(305) 670-3370  
[eleventhal@ksdt-cpa.com](mailto:eleventhal@ksdt-cpa.com)

**CONSULTING ACTUARY**

Shelly Jones, ASA, EA, FCA, MAAA  
Consultant and Actuary  
GRS Gabriel, Roeder, Smith & Company  
1 E Broward Blvd Ste 505  
Fort Lauderdale FL 33301-1804  
(954) 527-1616  
[shelly.jones@grsconsulting.com](mailto:shelly.jones@grsconsulting.com)

**INVESTMENT CONSULTANT**

Brendon Vavrica, CFP, Consultant  
AndCo Consulting  
531 W Morse Blvd Ste 200  
Winter Park FL 32789-4382  
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(904) 386-3013 - Cell  
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**CUSTODIAN**

Amed A. Avila, Managing Director  
Fiduciary Trust International of the South  
2 Alhambra PLZ PH 1  
Coral Gables FL 33134-5269  
(305) 372-1260  
[amed.avila@fiduciarytrust.com](mailto:amed.avila@fiduciarytrust.com)

**MEDICAL BOARD\***

Cornel J. Lupu, M.D.  
4302 Alton Rd Ste 600  
Miami Beach FL 33140-2876  
(305) 674-2665

Isidro Pujol, D.O., F.A.C.P., F.A.C.O.I.  
4302 Alton Rd Ste 900  
Miami Beach FL 33140-2899  
(305) 674-2242

Antonio Rosado, M.D.  
4302 Alton Rd Ste 470  
Miami Beach FL 33140-2842  
(786) 709-5865

\*The Medical Board is subject to change based on the medical condition or injury claimed.

## **CUSTODIAN**

According to the Plan, the City of Miami Beach shall have the custody of and responsibility for any funds, stocks, bonds, notes or other evidences of indebtedness and such custody shall be for the purpose of safekeeping only.

The Custodians are:

### **TRUST ACCOUNT**

Fiduciary Trust International of the South  
2 Alhambra Plaza, Penthouse 1  
Coral Gables, FL 33134

### **DEMAND (CHECKING) ACCOUNT**

Truist  
777 Brickell Avenue  
Miami, FL 33131-2803

## **RELEVANT PROVISIONS AND REGULATIONS OF FEDERAL, STATE AND LOCAL LAW GOVERNING THE PLAN**

The Plan is a Defined Benefit Plan covering substantially all Firefighters and Police Officers in the City of Miami Beach, created under Chapter 23414, Laws of Florida, Special Act of 1945, as amended through February 1, 2023.

The Plan appears in the Code of the City of Miami Beach, Part I, Charter and Related Special Acts, Subpart B, Related Special Acts, Article IX, "Pension System for Disability and Retirement of Members of Police and Fire Departments."

The Plan is also subject to the provisions of:

- Chapter 175, Florida Statutes, "Municipal Firefighters Pension Trust Funds"
- Chapter 185, Florida Statutes, "Municipal Police Officers Retirement Trust Funds"
- Chapter 112, Florida Statutes, "Public Officers and Employees"
- Various Federal Laws including the Internal Revenue Code

## **MEMBERSHIP TIERS**

Members of the Plan belong to one (1) of the following five (5) tiers depending on their date of employment:

<b>TIER 1</b>	<b>All members hired prior to July 14, 2010</b>
<b>TIER 2</b>	<b>All members hired on or after July 14, 2010, but prior to September 30, 2013</b>
<b>TIER 3</b>	<b><u>Fire Department</u> members hired on or after September 30, 2013, but prior to June 8, 2016 <u>Police Department</u> members hired on or after September 30, 2013, but prior to July 20, 2016</b>
<b>TIER 4</b>	<b><u>Fire Department</u> members hired on or after June 8, 2016, but prior to May 8, 2019 <u>Police Department</u> members hired on or after July 20, 2016, but prior to July 31, 2019</b>
<b>TIER 5</b>	<b><u>Fire Department</u> members hired on or after May 8, 2019 <u>Police Department</u> members hired on or after July 31, 2019</b>

Benefits are defined according to the five (5) tiers listed above. Therefore, each member should ascertain their correct tier in order to accurately determine their benefits.



## **ELIGIBILITY FOR MEMBERSHIP IN THE PLAN**

Any employee of the City as defined below is eligible to be a member of the Plan:

### **TIER 1 AND TIER 2**

The term "employee" means any regular member of the Fire Department or the Police Department who has attained regular civil service status in such departments under the official classification of positions in the Classified service of the City, having a rank in such department other than civilian rank and other than the classification of school guard. Unless they have never held classified positions, the Chiefs of the Fire and Police Departments shall be considered employees of this System.

Upon attainment of regular civil service status, a physical examination is required as prescribed by the Board of Trustees; however, results of such examination shall not affect eligibility for membership but shall be used for proper administration of the Plan.

### **TIER 3, TIER 4 AND TIER 5**

The term "employee" means any full-time employee who is certified as a firefighter as a condition of employment in accordance with Section 633.35, Florida Statutes, and whose duty it is to extinguish fires, to protect life or to protect property, and any full-time employee who is certified or required to be certified as a law enforcement officer in compliance with Section 943.1395, Florida Statutes, who is vested with authority to bear arms and make arrests, and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, criminal, traffic or highway laws of the State.

Upon request, a copy of the member's entrance physical examination shall be provided by the City when required by the Board of Trustees; however, results of such examination shall not affect eligibility for membership, but shall be used for proper administration of the Plan.

### **ALL TIERS**

The member must sign a Designation of Beneficiaries form and execute a contract between the member and the City. The Designation of Beneficiaries form can be executed at the Fire and Police Pension Office and the contract can be executed at the City.

Beginning with Police Department members hired on or after July 31, 2019, Tier 5 members shall not be credited with any prior creditable time in the Miami Beach General Employees Retirement Plan.

## **HOW BENEFITS ARE FUNDED**

The Fire and Police Pension Plan is funded by contributions from the members, the City of Miami Beach and income from the invested assets.

## **CONTRIBUTIONS BY MEMBERS**

### **TIER 1 AND TIER 2**

Each member of the Plan contributes 10% of his or her salary.

### **TIER 3, TIER 4 AND TIER 5**

Each member of the Plan contributes 10.5% of his or her salary.

All contributions are made on a pre-tax basis under Section 414(h) of the Internal Revenue Code.

## **SALARY**

Salary is defined as base pay, longevity, overtime, and any pays which are negotiated as pensionable. Effective July 14, 2010, off-duty pay is pensionable for any member who is eligible for overtime and receives off-duty compensation through the City. Effective September 30, 2013, Salary shall exclude overtime pay in excess of 300 hours per calendar year. Pensionable overtime and/or off duty pay is limited in each year as defined on page 12.

In no event may pensionable earnings exceed the limit set forth by the Internal Revenue Code Section 401(a)17.

## **CONTRIBUTIONS BY CITY**

The City must contribute an amount determined by the Plan's actuary to be sufficient, along with the member's contribution, to fund systematically the benefits under the Plan. The City's contribution will vary depending on the experience of the Plan.

The anticipated administrative expenses required to meet the cost of the Plan will be funded through future normal contributions by the City and will be taken into account in the valuation.

## **DETAILED ACCOUNTING REPORTS**

A Detailed Accounting Report, Administrative Expenses Budget, Actuarial Valuation and Financial Statements are available upon request from the Plan Administrator or can be found on the Plan's website. The website can be viewed on the City's official website, [www.miamibeachfl.gov](http://www.miamibeachfl.gov). Once you have accessed the website, select the "CITY HALL" tab, then select "FIRE & POLICE PENSION".

## **BUYBACK OF PROBATIONARY SERVICE TIME**

### **TIER 1 AND TIER 2**

After obtaining regular status, members have six (6) months without interest in which to buy back their probationary period for creditable pension service time; thereafter, interest will be charged at the rate of 3% each year.

### **TIER 3, TIER 4 AND TIER 5**

Not Applicable

## **BUYBACK OF PRE-EMPLOYMENT MILITARY TIME**

### **TIER 1, TIER 2, TIER 3 AND TIER 4**

After five (5) years of creditable pension service time, members may purchase up to two (2) years of pre-employment military time to use as pension service time toward reaching normal service retirement eligibility. The purchase must be completed within 24 months following the date the member completes five (5) years of creditable pension service. If the member does not complete the purchase within the 24-month period, the member will not be eligible for the purchase in the future.

### **TIER 5**

After ten (10) years of creditable pension service time, members may purchase up to two (2) years of pre-employment military time to use as pension service time toward reaching normal service retirement eligibility. The purchase must be completed within 24 months following the date the member completes ten (10) years of creditable pension service. If the member does not complete the purchase within the 24-month period, the member will not be eligible for the purchase in the future.

## **COST TO BUYBACK PRE-EMPLOYMENT MILITARY TIME**

### **TIER 1 AND TIER 2**

The cost to purchase each year is 10% of the member's pensionable salary during the 12 calendar months immediately preceding the date of purchase. The benefit is calculated at the 3% accrual rate for each year.

### **TIER 3, TIER 4 AND TIER 5**

The cost to purchase each year is 10.5% of the member's pensionable salary during the 12 calendar months immediately preceding the date of purchase. The benefit is calculated at the 3% accrual rate for each year.

### **BUYBACK OF PRE-EMPLOYMENT PUBLIC SAFETY SERVICE TIME**

For any member who purchased a buyback of pre-employment public safety service time as a full-time law enforcement officer or firefighter prior to September 30, 2021, the benefit **CAN** be used as pension service time toward reaching normal service retirement eligibility upon completing 10 years of pension service time. In no event can the benefit be used for the purpose of vesting. In the event the member separates from employment prior to reaching ten (10) years of pension service time, the member shall be reimbursed amounts paid in.

There is currently no buyback window open at this time.

### **BUYBACK OF ADDITIONAL MULTIPLIER**

For any member who purchased an additional multiplier prior to September 30, 2021, the benefit **CANNOT** be used as pension service time toward reaching normal service retirement eligibility or for the purpose of vesting. The benefit is available for use after 10 years of pension service time. In the event the member separates from employment prior to reaching ten (10) years of pension service time, the member shall be reimbursed amounts paid in.

There is currently no buyback window open at this time.

**THE TOTAL ACCRUED PURCHASE OF PRE-EMPLOYMENT MILITARY TIME, PRE-EMPLOYMENT PUBLIC SAFETY SERVICE TIME AND THE ADDITIONAL MULTIPLIER OBTAINED BETWEEN JULY 1, 2021, AND SEPTEMBER 30, 2021, CANNOT EXCEED A COMBINED MAXIMUM BENEFIT OF 6%.**

## **NORMAL SERVICE RETIREMENT ELIGIBILITY**

### **TIER 1**

Normal retirement date requirements:

- the attainment of age 50, or
- Rule of 70 - the sum of the member's age and creditable pension service equals at least 70; however, a member must attain age 47 to be eligible to meet the Rule of 70, or
- the attainment of the 85% maximum pension benefit regardless of age

### **TIER 2 AND TIER 3**

Normal retirement date requirements:

- the attainment of age 50 and the completion of at least five (5) years of creditable pension service, or
- Rule of 70 - the sum of the member's age and creditable pension service equals at least 70; however, a member must attain age 48 to be eligible to meet the Rule of 70, or
- the attainment of the 85% maximum pension benefit regardless of age

### **TIER 4 AND TIER 5**

Normal retirement date requirements:

- the attainment of age 52 and the completion of at least five (5) years of creditable pension service, or
- Rule of 70 - the sum of the member's age and creditable pension service equals at least 70; however, a member must attain age 48 to be eligible to meet the Rule of 70, or
- the attainment of the 85% maximum pension benefit regardless of age

## **NORMAL RETIREMENT BENEFIT**

The monthly pension benefit that each member will receive if he or she continues employment until their normal retirement date is called the Normal Retirement Benefit. The Normal Retirement Benefit shall not exceed 85% of the member's final average monthly earnings.

Normal Retirement Benefit is calculated as follows:

### **TIER 1 members who met the eligibility to retire on or after September 30, 2013, but prior to September 30, 2015:**

3% X FAME X creditable pension service up to 20 years  
Plus  
4% X FAME X creditable pension service after 20 years

Final Average Monthly Earnings (FAME) is defined as 1/12 of the average of the two (2) highest paid years or the average of the two (2) last paid years of the member prior to the date of retirement or termination, whichever produces the greater benefit, after taking into consideration the overtime and/or off duty limit.

### **TIER 1 members who meet the eligibility to retire on or after September 30, 2015:**

3% X FAME X creditable pension service up to 20 years  
Plus  
4% X FAME X creditable pension service after 20 years

Final Average Monthly Earnings (FAME) is defined as 1/12 of the average of the three (3) highest paid years or the average of the three (3) last paid years of the member prior to the date of retirement or termination, whichever produces the greater benefit, after taking into consideration the overtime and/or off duty limit.

**A member's benefit multiplier for creditable pension service earned before October 1, 2013, shall not be reduced.**

### **TIER 2:**

3% X FAME X creditable pension service up to 20 years  
Plus  
4% X FAME X creditable pension service after 20 years

Final Average Monthly Earnings (FAME) is defined as 1/12 of the average of the three (3) highest paid years or the average of the three (3) last paid years of the member prior to the date of retirement or termination, whichever produces the greater benefit, after taking into consideration the overtime and/or off duty limit.

### **TIER 3, TIER 4 AND TIER 5:**

3% X FAME X creditable pension service up to 20 years  
Plus  
4% X FAME X creditable pension service after 20 years

Final Average Monthly Earnings (FAME) is defined as 1/12 of the average of the five (5) highest paid years or the average of the five (5) last paid years of the member prior to the date of retirement or termination, whichever produces the greater benefit, after taking into consideration the overtime and/or off duty limit.

### **OVERTIME AND/OR OFF DUTY LIMIT – ALL TIERS**

Effective September 30, 2013, the pensionable overtime limit cannot include more than 300 hours of overtime in each calendar year and employee contributions on overtime cannot exceed 300 hours in each calendar year.

#### **Fire Department Members:**

The pensionable overtime and/or off-duty included in the average monthly salary shall be limited in each year to an amount which is equal to 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement.

#### **Police Department Members:**

The pensionable overtime and/or off-duty included in the average monthly salary shall be limited in each year to an amount which is equal to 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement.

However, the 11% limitation shall not apply to any member who held the rank of Sergeant or Lieutenant on September 30, 2013, or any Police Officer who was promoted into the position of Police Sergeant prior to the date the 2013 Certified Police Sergeant Promotional Register expired in 2015. For those members, the pensionable overtime and/or off duty included in the average monthly salary shall be limited in each year to an amount which is equal to 70% of the difference between the member's annualized pay rate at retirement and the highest annualized pay rate for the next higher salary rank.

In addition, effective July 20, 2016, any member excluded from the 11% limitation by operation of the above paragraph, if such member self-demotes, the amount of pensionable overtime and/or off-duty included in the average monthly salary shall not exceed 11% of the highest annualized pay rate for the same salary rank that the member is in at time of retirement.

### **INTERNAL REVENUE CODE SECTION 415 LIMITS:**

In no event may the Plan pay benefits in excess of the limits set forth in Section 415 of the Internal Revenue Code. Any accrued benefits in excess of the Section 415 limits will be paid by a separate excess benefit plan sponsored by the City of Miami Beach.

## **DEFERRED RETIREMENT OPTION PLAN (DROP)**

DROP is an alternative method for payment of retirement benefits under the Plan without terminating employment with the City. This program is available to any member on the first (1<sup>st</sup>) day of any month following the date upon which the member becomes eligible for normal service retirement.

Effective September 27, 2016, the maximum DROP participation period for Fire Department members who enter the DROP on or after June 8, 2016, and Police Department members who enter the DROP on or after July 20, 2016, is 96 months (8 years). For all members who enter the DROP, participation may not continue beyond the date when the member's combined years of creditable pension service and time in the DROP equals 456 months (38 years).

Participation in the DROP is voluntary. As a condition of participation in the DROP, the member must irrevocably agree to terminate employment with the City at the end of the maximum DROP participation period. The member may elect to terminate employment with the City and participation in the DROP before the maximum period.

If a member elects to participate in the DROP, the following will happen:

- The member's years of creditable pension service and FAME will be determined as of the last day prior to entering the DROP and will be used to calculate the member's normal retirement benefit
- The member will cease to accrue additional normal retirement benefits (except for cost of living adjustments under the Plan)
- The member will no longer be eligible for Disability Retirement or Service Connected Death benefits
- The member's employee contribution to the Plan will end
- The member will continue to be an employee of the City and receive all benefits of being an employee of the City

The member's normal retirement benefit will be deposited into the member's DROP account. The member will be responsible for the following:

- Selecting the investment options from the investment vehicles provide by the Board
- All investment earnings or losses according to the performance of the investment options selected
- All costs associated with the selected investment options

At no time during the DROP participation period will the member be able to borrow against the DROP retirement benefit, or any of the funds accumulated in the DROP account.

If the member should pass away while participating in the DROP, the DROP account balance will be distributed to the member's beneficiary, in addition to any survivor benefits payable by the Plan.

Upon separation from the City, the balance of the member's DROP account needs to be transferred to the member's own individual investment options of their choice (as permitted by law) within 30 days after the final DROP deposit.

At the conclusion of the member's participation in the DROP, the member's normal retirement benefit will begin to be paid directly to the member in accordance with the Plan provisions.



## **COST OF LIVING ADJUSTMENTS**

### **TIER 1**

The normal retirement benefit will increase after the first year of retirement by 2.5%. This cost of living adjustment will be applied annually on the anniversary date of the member's retirement.

### **TIER 2, TIER 3, TIER 4 AND TIER 5**

The normal retirement benefit will increase after the first year of retirement by 1.5%. This cost of living adjustment will be applied annually on the anniversary date of the member's retirement.

**Exception TIER 1, TIER 2 AND TIER 3 members who entered the DROP on or after October 1, 2015,** shall receive a zero percent (0%) cost of living adjustment for the sixth (6<sup>th</sup>), seventh (7<sup>th</sup>) and eighth (8<sup>th</sup>) annual adjustment dates. If the member thereafter separates from City employment at any time within the sixth (6<sup>th</sup>), seventh (7<sup>th</sup>) or eighth (8<sup>th</sup>) year of DROP participation, they shall not receive a cost of living adjustment on the annual adjustment date next following separation of employment, but shall receive a cost of living adjustment on each annual adjustment date thereafter.

**Exception TIER 4 AND TIER 5 members who entered the DROP on or after October 1, 2015,** shall receive a zero percent (0%) cost of living adjustment for the first (1<sup>st</sup>), second (2<sup>nd</sup>), third (3<sup>rd</sup>) and fourth (4<sup>th</sup>) annual adjustment dates. If the member thereafter separates from City employment at any time within the first (1<sup>st</sup>), second (2<sup>nd</sup>), third (3<sup>rd</sup>) or fourth (4<sup>th</sup>) year of DROP participation, they shall not receive a cost of living adjustment on the annual adjustment date next following separation of employment, but shall receive a cost of living adjustment on each annual adjustment date thereafter.

## **VESTED RETIREMENT BENEFITS**

### **TIER 1, TIER 2, TIER 3 AND TIER 4**

Members shall be vested upon completion of 5 years of creditable pension service.

### **TIER 5**

Members shall be vested upon completion of 10 years of creditable pension service.

### **Vested benefit after five (5) years but less than ten (10) years of creditable pension service**

Member may select one (1) of the following options:

- a. The return of the member's employee contributions with interest, or
- b. Upon the member's normal retirement date, the member may elect to receive a benefit payable for life, equal to the member's monthly pension benefit accrued to date of termination.

In the event of the death of the member prior to the member's normal retirement date, the member's beneficiary will receive a refund of employee contributions with interest on that sum at the rate of three percent (3%) per annum computed until the date of payment.

### **Vested benefit after ten (10) years of creditable pension service**

Member may select one (1) of the following options:

- a. The return of the member's employee contributions with interest, or
- b. Upon the member's normal retirement date, the member may elect to receive a benefit payable for life, equal to the member's monthly pension benefit accrued to date of termination.

In the event of the death of the member prior to the member's normal retirement date, the member's beneficiary will receive beneficiary benefits when the member would have reached his or her normal retirement date, in accordance with the beneficiary benefits option the member selected.

## **RETURN OF MEMBER'S EMPLOYEE CONTRIBUTIONS**

If a member is not entitled to a benefit under the Plan or if the benefits paid do not equal the member's employee contributions, the balance of the employee contributions will be paid to the member or to the member's designated beneficiary.

## **DISABILITY RETIREMENT BENEFITS**

### **TOTAL AND PERMANENT DISABILITY INCURRED IN THE LINE OF DUTY**

Eligibility is immediate upon becoming a member.

Any member who becomes totally and permanently disabled at any time as the result of illness or injury suffered in the line of duty may be retired on a service-connected disability benefit. Disability retirement is subject to the approval of the Board of Trustees based upon established methods and procedures.

Florida Statutes updated the disability retirement eligibility for Firefighters to reflect diagnoses of cancer or circumstances that arise out of the treatment of such cancer to be presumed as being disabled in the line of duty subject to the limitations in Chapter 112.1816, Florida Statutes.

Upon a service-connected disability retirement, a member receives a benefit equal to his or her monthly pension benefit accrued to the date of disability, or the minimum benefit payable is 85% of the member's salary at the time of disability retirement less any offset that may be required by Workers' Compensation.

### **TOTAL AND PERMANENT DISABILITY NOT INCURRED IN THE LINE OF DUTY**

Any member who becomes totally and permanently disabled after completion of five (5) years of creditable pension service, as the result of illness or injury not suffered in the line of duty, may be retired on a non-service-connected disability benefit. Disability retirement is subject to the approval of the Board of Trustees based upon established methods and procedures.

Upon a non-service-connected disability retirement, a member receives a benefit equal to his or her monthly pension benefit accrued to the date of disability.

## **DISABILITY RETIREMENT CLAIMS AND GUIDELINES**

All applications for disability retirement are filed with the Board of Trustees. The Plan Administrator will supply the necessary application for the proper filing of the disability claim. The application must be received by the Board of Trustees while a member is actively employed with the City of Miami Beach Fire Department or Police Department. The Plan's medical board of three (3) doctors will examine the member and report their findings to the Board of Trustees. The Board of Trustees will rule on the request for disability retirement based on all reports and examinations available.

The criteria that must be met for the Board to grant a service-connected disability retirement is: (1) Total, (2) Permanent and (3) Service Incurred.

The criteria that must be met for the Board to grant a non-service-connected disability retirement is: (1) Total and (2) Permanent.

It takes five (5) affirmative votes of the Board of Trustees to grant a disability retirement.

## **DISABILITY CLAIMS PROCEDURES**

### **I. COMMENCEMENT OF CLAIM**

- A. A member who believes he or she is eligible for a disability pension ("Applicant") shall apply therefor on a form made available by the Board of Trustees ("Board") or a form otherwise acceptable to the Board ("Application"). The Application must be received by the Board while a member is actively employed with the City of Miami Beach Fire Department or Police Department.
- B. The Applicant shall also execute such releases, authorizations or other documents deemed necessary for the Board to obtain a complete file of relevant documentation.
- C. The Applicant shall fully cooperate with the Board to assist the Board in obtaining such complete file.
- D. The Applicant shall have the right to be represented by legal counsel at any and all stages of the claims procedure.

### **II. INFORMAL HEARING**

- A. At the informal hearing, the Board shall consider only the documentary evidence contained in the file and any evidence received pursuant to paragraph B below.
- B. Other than answers to questions from members of the Board or from the Board's attorney, the Board will take no additional evidence at the informal hearing, although the Applicant or the Applicant's legal counsel may make a short presentation, limited to comments or arguments as to the evidence contained in the file.
- C. Upon completion of review of the Application at the informal hearing, the Board shall render a decision unless it finds that the file is incomplete or that additional information should be obtained. In the latter case, the Board may defer ruling and continue the informal hearing to such time as the Board finds that the file is complete.
- D. The Board shall decide the merits of the Application by motion duly adopted and shall subsequently furnish a Final Order to the Applicant. If the claim is denied, the Board shall provide the right to a formal hearing on the Application. A formal hearing must be requested in writing and received by the Board within 30 days of the date on the Final Order.
- E. The decision of the Board after the informal hearing shall not be final until after the time has expired to request a formal hearing, or, if a formal hearing is timely requested, until the Board makes a decision following the formal hearing.

### **III. FORMAL HEARING**

- A. An Applicant may request a formal hearing on the Application upon which the Board has made a decision on the merits following an informal hearing.
- B. The request for a formal hearing must be requested in writing and received by the Board within 30 days of the date on the Final Order.
- C. After the Applicant has timely begun the process for a formal hearing, the Applicant or the Applicant's legal counsel must notify the Board's attorney in order to work out mechanics such as discovery and a mutually convenient time for the formal hearing. However, in all cases, at least sixty business days prior to the formal hearing, the Applicant or the Applicant's legal counsel must (1) provide Board and the Board's attorney with copies of all medical reports or other relevant documentary evidence in the Applicant's possession or of which the Applicant has

#### **DISABILITY CLAIMS PROCEDURES (continued)**

knowledge, (2) provide the Board's attorney with a list of names, addresses and telephone numbers of each witness the Applicant claims has knowledge relating to the Application and (3) provide the Board's attorney with a short statement or summary of the testimony of each and every witness. If the foregoing period is not sufficient, the Board's attorney will advise the Board that the formal hearing should be postponed to a later date. If the Applicant or the Applicant's legal counsel does not comply with this paragraph, the Applicant may be precluded from offering the testimony or evidence at the formal hearing.

- D. Except for discovery requested by the Board or the Board's attorney, all costs of discovery, including the compensation of professional and lay witnesses, shall be borne by Applicant.
- E. The Applicant shall be responsible to obtain the attendance of the Applicant's witnesses at the formal hearing. Upon timely written request by the Applicant, the Board shall issue subpoenas for the attendance of witnesses at depositions and at the formal hearing. The Board may charge a reasonable fee for issuance of subpoenas to the extent permitted by law. If provided in accordance with these procedures, transcripts of depositions shall be made part of the file. Although such transcripts will not necessarily be read into the record, any portions thereof may be read into the record by any party and may be referred to in argument. In all cases, the Applicant shall bear the burden of proof to show entitlement to the benefits sought.
- F. Should the Applicant decide to appeal a decision made by the Board with respect to any matter considered at the formal hearing, the Applicant will need a record of the proceedings, and, for such purpose, the Applicant may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.
- G. Decisions of the Board after a formal hearing shall be final and binding, subject to judicial review. Such decisions shall set forth the specific reasons for denial as provided in Section 112.66(7), Florida Statutes.
- H. The Board shall decide the merits of the Application by motion duly adopted and shall subsequently furnish a copy thereof to Applicant. Service by the Board will be deemed to have been made on the date of mailing by the Board to the Applicant.
- I. Judicial review of decisions of the Board shall be had by filing a petition for writ of certiorari with the circuit court in Miami Dade county.

#### **IV. MISCELLANEOUS**

- A. Informal hearings and formal hearings will be held during regular Board meetings as part of the regular Agenda. No Applicant has the right to demand or to receive a special setting upon the Application.
- B. Applications will generally be heard in the order filed. However, in some cases a later-filed Application will be ready for hearing before an earlier-filed Application. In such a case, the Application first ready to be heard will be heard first.
- C. If more than one Application is ready for formal hearing, the earliest-filed Application shall be heard first and other Applications which are ready shall be heard in the order filed. However, in fairness to the Applicant and to the Board, the Board may limit the number of formal hearings heard on any single Agenda.
- D. Testimony of all witnesses shall be under oath or affirmation.

## **ACTIVE MEMBERS DESIGNATION OF BENEFICIARY OPTIONS**

A member must complete a Designation of Beneficiaries form and select one (1) of the two (2) following beneficiary options:

### **OPTION 1: STANDARD BENEFIT**

This option provides benefits to the specified beneficiaries defined under the Plan Document as follows:

**Surviving Spouse** shall mean the lawfully wedded spouse of a member living with the member at the time of the member's death.

**Domestic Partner** shall mean a person with whom a member has entered into a domestic partnership as defined in the Miami Beach City Code and registered and documented according to the requirements of the Miami Beach City Code.

**Children** in equal portions to each child of the deceased member and shall cease when:

- (1) The child attains the age of 18, or
- (2) The child attains the age of 22, provided the child is a full-time student in high school or college, or
- (3) The child marries or dies

A legally adopted child shall have the same rights as a natural born child but no benefit shall be allowed to any stepchild of a deceased member.

**Handicapped Child** shall mean a child of a member who has reached the age of 18 and who is primarily dependent upon the member for the child's livelihood or support due to a mental or physical condition or handicap of the child which requires, or otherwise would have required, the member to provide primary support for the child.

**Dependent Parent** shall mean a parent of a member for whom a member is entitled, or would have been entitled, to claim a dependency exemption for federal income tax reporting purposes.

### **OPTION 2: 10 YEAR CERTAIN BENEFIT**

The member designates a beneficiary of his or her choice under this option.

**This option provides no benefit to spouse, domestic partner, dependent child or dependent parents unless chosen specifically as the beneficiary.**

**IT IS IMPORTANT TO KEEP THE DESIGNATION OF BENEFICIARIES FORM UP TO DATE**

## **ACTIVE MEMBERS SURVIVORS' BENEFITS BEFORE RETIREMENT**

### **BENEFIT FOR SERVICE-CONNECTED DEATH**

This section describes the various ways and conditions the pension benefit can be paid.

Eligibility is immediate upon becoming a member.

Upon the death of a member resulting from injury suffered in the line of duty, the benefit is payable as follows:

#### **OPTION 1: STANDARD BENEFIT**

Upon the death of the member, the surviving spouse or domestic partner will receive the greater of:

- (1) The pension which the deceased member would have been entitled under the provisions of the plan, or
- (2) Eighty-five percent of the member's salary at the date of his or her death

If there is no surviving spouse or domestic partner, or upon the surviving spouse's remarriage or death, or upon the domestic partner's marriage or entry into another domestic partnership or death, the benefit set forth shall be paid to the member's children in equal portions to each child of the deceased member and shall cease when:

- (1) The child attains the age of 18, or
- (2) The child attains the age of 22, provided the child is a full-time student in high school or college, or
- (3) The child marries or dies

A legally adopted child shall have the same rights as a natural born child but no benefit shall be allowed to any stepchild of a deceased member.

If there are no benefits payable to a child or children, then the benefits set forth shall be paid to the dependent parent of the deceased member.

#### **Exceptions:**

Benefits shall continue to be paid to the member's surviving spouse on the surviving spouse's remarriage, instead of to the member's children, if the member is **killed** in the line of duty.

If the child attains the age of 18 and is handicapped, the benefits will continue to the handicapped child until the handicapped child ceases to be handicapped.

### **IN LIEU OF THE STANDARD BENEFIT, A MEMBER MAY ELECT TO HAVE THE BENEFIT PAID AS FOLLOWS:**

#### **OPTION 2: 10 YEAR CERTAIN BENEFIT**

Upon the death of the member, the designated beneficiary will receive the benefit calculated for the member under the provisions of the Plan. This benefit will be paid for a total of 120 months. This option provides no benefits to spouse, domestic partner, dependent child or dependent parent unless selected specifically as the beneficiary.

## **ACTIVE MEMBERS SURVIVORS' BENEFITS BEFORE RETIREMENT (continued)**

### **BENEFIT FOR NON-SERVICE-CONNECTED DEATH**

This section describes the various ways and conditions the pension benefit can be paid.

Eligibility is after five (5) years of creditable pension service.

#### **OPTION 1: STANDARD BENEFIT**

Upon the death of the member, the surviving spouse or domestic partner will receive 100% of the benefit that is calculated under the provisions of the Plan for one year, and thereafter the greater of 75% of the total benefit or 25% of the average monthly salary for the two highest paid years. All benefits cease upon the surviving spouse's remarriage or death, or the domestic partner's marriage or entry into another domestic partnership or death.

If there is no surviving spouse or domestic partner, or upon the surviving spouse's remarriage or death, or upon the domestic partner's marriage or entry into another domestic partnership or death, the benefit set forth shall be paid to the member's children in equal portions to each child of the deceased member and shall cease when:

- (1) The child attains the age of 18, or
- (2) The child attains the age of 22, provided the child is a full-time student in high school or college,  
or
- (3) The child marries or dies

A legally adopted child shall have the same rights as a natural born child but no benefit shall be allowed to any stepchild of a deceased member.

If there are no benefits payable to a child or children, then the benefits set forth shall be paid to the dependent parent of the deceased member.

#### **Exceptions:**

If the surviving spouse was married to the deceased member for less than 10 years, or the domestic partnership was registered for less than 10 years, then the benefits are payable for a period no longer than the normal life expectancy of the deceased member at the time of death.

If the child attains the age of 18 and is handicapped, the benefits will continue to the handicapped child until the handicapped child ceases to be handicapped.

### **IN LIEU OF THE STANDARD BENEFIT, A MEMBER MAY ELECT TO HAVE THE BENEFIT PAID AS FOLLOWS:**

#### **OPTION 2: 10 YEAR CERTAIN BENEFIT**

Upon the death of the member, the designated beneficiary will receive the benefit calculated for the member under the provisions of the Plan. This benefit will be paid for a total of 120 months. This option provides no benefits to spouse, domestic partner, dependent child or dependent parent unless selected specifically as the beneficiary.



## **RETIRED MEMBERS DESIGNATION OF BENEFICIARY OPTIONS**

At the time retirement, a member must complete a Participant's Election of Benefits form and select one (1) of the following beneficiary options:

### **OPTION 1: STANDARD BENEFIT**

This option provides benefits to the specified beneficiaries defined under the Plan Document as follows:

**Surviving Spouse** shall mean the lawfully wedded spouse of a member living with the member at the time of the member's death.

**Domestic Partner** shall mean a person with whom a member has entered into a domestic partnership as defined in the Miami Beach City Code and registered and documented according to the requirements of the Miami Beach City Code.

**Children** in equal portions to each child of the deceased member and shall cease when:

- (1) The child attains the age of 18, or
- (2) The child attains the age of 22, provided the child is a full-time student in high school or college,  
or
- (3) The child marries or dies

A legally adopted child shall have the same rights as a natural born child but no benefit shall be allowed to any stepchild of a deceased member.

**Handicapped Child** shall mean a child of a member who has reached the age of 18 and who is primarily dependent upon the member for the child's livelihood or support due to a mental or physical condition or handicap of the child which requires, or otherwise would have required, the member to provide primary support for the child.

**Dependent Parent** shall mean a parent of a member for whom a member is entitled, or would have been entitled, to claim a dependency exemption for federal income tax reporting purposes.

### **IN LIEU OF THE STANDARD BENEFIT:**

**OPTION 2: 10 YEAR CERTAIN AND LIFE** - The member designates a beneficiary of his or her choice under this option.

**OPTION 3: LIFE OF MEMBER ONLY** - There is no beneficiary benefit under this option.

**OPTION 4: JOINT AND SURVIVOR OPTIONS** - The member designates a beneficiary of his or her choice under this option.

**OPTION 2, OPTION 3 and OPTION 4 provides no benefit to a spouse, domestic partner, dependent child or dependent parents unless chosen specifically as the beneficiary.**

## **RETIRED MEMBERS SURVIVORS' BENEFITS AT RETIREMENT**

This section describes the various ways and conditions the pension benefit can be paid.

The benefit that is calculated under the provisions of the Plan is payable to the member for his or her life.

### **OPTION 1: STANDARD BENEFIT**

#### **NORMAL RETIREMENT BENEFIT:**

Upon the death of the member, the surviving spouse or domestic partner will receive 100% of said benefit for one year, and thereafter the greater of 75% of the total benefit or 25% of the average monthly salary for the two highest paid years. All benefits cease upon the surviving spouse's remarriage or death, or the domestic partner's marriage or entry into another domestic partnership or death.

If there is no surviving spouse or domestic partner, or upon the surviving spouse's remarriage or death, or upon the domestic partner's marriage or entry into another domestic partnership or death, the benefit set forth shall be paid to the member's children in equal portions to each child of the deceased member and shall cease when:

- (1) The child attains the age of 18, or
- (2) The child attains the age of 22, provided the child is a full-time student in high school or college,  
or
- (3) The child marries or dies

A legally adopted child shall have the same rights as a natural born child but no benefit shall be allowed to any stepchild of a deceased member.

If there are no benefits payable to a child or children, then the benefits set forth shall be paid to the dependent parent of the deceased member.

#### **Exceptions:**

If the surviving spouse was married to the deceased member for less than 10 years, or the domestic partnership was registered for less than 10 years, then the benefits are payable for a period no longer than the normal life expectancy of the deceased member at the time of death.

If the child attains the age of 18 and is handicapped, the benefits will continue to the handicapped child until the handicapped child ceases to be handicapped.

## **RETIRED MEMBERS SURVIVORS' BENEFITS AT RETIREMENT (continued)**

**IN LIEU OF THE STANDARD BENEFIT, A MEMBER MAY ELECT TO HAVE THE BENEFIT PAID AS FOLLOWS:**

### **OPTION 2:**

**10 YEAR CERTAIN AND LIFE:** This option provides payments for the member's lifetime. If the member should die before 120 payments are made, the payments will continue to the member's designated beneficiary until a total of 120 payments have been made. This option provides no benefits to spouse, domestic partner, dependent child or dependent parent unless chosen specifically as the beneficiary.

**THE FOLLOWING OPTIONS ARE ALL BASED ON THE ACTUARIAL EQUIVALENT OF THE 10 YEAR CERTAIN AND LIFE BENEFIT:**

### **OPTION 3:**

**LIFE OF MEMBER ONLY** This option provides payments for the member's lifetime. All benefits cease upon the member's death. **There are no beneficiary benefits under this option.**

### **OPTION 4:**

#### **JOINT AND SURVIVOR**

25%	_____	Under this option, a reduced monthly pension is payable during the member's lifetime. The member's designated beneficiary, if living at time of the member's death, will receive 25% of the member's benefit for as long as the beneficiary lives. This option provides no benefits to spouse, domestic partner, dependent child or dependent parent unless selected specifically as the beneficiary.
50%	_____	Under this option, a reduced monthly pension is payable during the member's lifetime. The member's designated beneficiary, if living at time of the member's death, will receive 50% of the member's benefit for as long as the beneficiary lives. This option provides no benefits to spouse, domestic partner, dependent child or dependent parent unless selected specifically as the beneficiary.
66⅔%	_____	Under this option, a reduced monthly pension is payable during the member's lifetime. The member's designated beneficiary, if living at time of the member's death, will receive 66⅔% of the member's benefit for as long as the beneficiary lives. This option provides no benefits to spouse, domestic partner, dependent child or dependent parent unless selected specifically as the beneficiary.
75%	_____	Under this option, a reduced monthly pension is payable during the member's lifetime. The member's designated beneficiary, if living at time of the member's death, will receive 75% of the member's benefit for as long as the beneficiary lives. This option provides no benefits to spouse, domestic partner, dependent child or dependent parent unless selected specifically as the beneficiary.

Anything herein to the contrary notwithstanding, the non-spousal benefit may be limited by law.

## **PRESENTING CLAIMS FOR BENEFITS UNDER THE PLAN**

### **Claims Procedures**

If a member is eligible for any benefits from the Plan, the member will be provided with a notification form showing the approximate amount of the member's benefit and the earliest date on which such benefit is payable. The member's request for plan benefits shall be considered a claim for plan benefits, and it will be subject to a full and fair review.

Claims for benefits under the Plan must be filed in writing with the Board of Trustees (Plan Administrator). The Plan Administrator will supply the necessary forms for the proper filing of the claim. If the claim is such that there is no special form, a letter should be addressed to the Board of Trustees and mailed to the Plan address.

If the member's claim is denied in whole or in part, the Plan Administrator must furnish the member with a written notice of the denied claim. This written notice must be provided to the member within a reasonable period of time. The written notice must contain the following information:

- The specific reason or reasons for the denial
- Specific reference to those plan provisions on which the denial is based
- A description of any additional information or material necessary to correct the member's claim and an explanation of why such material or information is necessary
- Appropriate information as to the steps to be taken if the member wishes to appeal the denied claim

### **Claims Review Procedure**

Upon the denial of the member's claim for benefits, the member may appeal the denied claim, in writing, with the Plan Administrator. The member must submit an appeal for review no later than 30 days after the member received written notification of the denied claim. The member may review all pertinent documents relating to the denial of the claim and submit any issues and comments, in writing, to the Plan Administrator. The member's appealed claim must be given a full and fair review.

## **COLLECTIVE BARGAINING**

Certain members covered by the Plan are members of the following collective bargaining units:

- International Association of Firefighters, Local 1510, AFL-CIO-CLC
- Miami Beach Fraternal Order of Police - William Nichols Lodge No. 8

For the contract period of October 1, 2021, through September 30, 2024, various pension changes were negotiated. These pension changes were passed and adopted by the City Commission on February 01, 2023, by Ordinance No. 2023-4533. Some of these changes are:

- Actuarial Assumptions (for the calculation of optional forms of benefits) was updated.
- Effective with the first election held after January 1 2023, one fire department and one police department trustee shall be elected for a period of two years, one fire department and one police department trustee shall be elected for a period of three years, and one fire department and one police department trustee shall be elected for a period of four years. Commencing with the election held in 2025, there shall be an election every year for the expiring terms of one firefighter trustee and one police officer trustee position, with all firefighter and police officer trustee terms being three years.
- Firefighters, regardless of date of hire, shall be credited with any prior service as a member of the Miami Beach Employees' Retirement Plan.

### **NON-ASSIGNABILITY**

No pension provided for herein shall be assignable or subject to garnishment for debt or to other legal process, and no pension provided for herein shall be subject to any deductions or assessments by the City of Miami Beach, Florida, nor shall any benefits hereunder be altered or modified in any respect due to the fact that any member may be the recipient of any benefits from any other pension. In accordance with Florida Statutes 175.241 and Florida Statutes 185.25 and the anti-alienation provision in our Plan, Domestic Relations Orders, qualified or otherwise, cannot be enforced by our Plan. However, pension benefits are subject to legal process to satisfy income deduction orders and IRS tax liens.

The Plan does have a provision relating to offsets for Workers' Compensation benefits paid by the City to a member who retired on a service connected disability for the same condition for which Workers' Compensation benefits are being paid. Offset for Workers' Compensation is limited to the extent by which the total of Workers' Compensation benefits and disability benefits exceed 100% of average monthly wage as defined under Workers' Compensation.

### **RULES FOR ALIMONY**

Effective January 1, 2019, changes in the federal income tax laws have eliminated tax deductions for alimony if the marriage was dissolved or a property settlement was made on or after January 1, 2019. This also includes any modification to an existing order or agreement if the modification is made on or after January 1, 2019. This means that income deduction orders which require alimony payments to a former spouse will be income to the member. Dissolutions of marriage orders or separation agreements entered on or before December 31, 2018, will remain under the prior rule. Members who are involved in a dissolution of marriage proceeding are strongly encouraged to consult a qualified tax advisor concerning the impact of both alimony and equitable division of marital property on the member's federal income tax obligations. The Pension Fund Board of Trustees and staff CANNOT provide individual tax advice.

### **IMPORTANT NOTICE**

There are certain circumstances which may result in the disqualification, ineligibility, denial, loss, forfeiture or suspension of benefits in this Plan. The following is a list of these circumstances:

### **WITHDRAWAL OF CONTRIBUTIONS**

If a member leaves the employment of the City and withdraws his or her contributions plus interest, the member ceases to be eligible for benefits.

### **CESSATION OF PENSION**

The pension plan has a provision which provides for cessation of pension as follows:

Upon a member's conviction of a felony and actual incarceration in a penitentiary, any pension being paid to the member under this Plan shall be paid to the member's spouse or children as herein prescribed for a deceased member under this article, until the member's official release from incarceration, then, the pension will be paid to the pensioned member again.

### **FORFEITURE OF PENSION**

Retirement pension benefits are subject to forfeiture in accordance with Florida Statutes, Section 112.3173.

### **RE-EXAMINATION OF PENSIONS**

The Board of Trustees shall have the power to examine into the facts upon which any pensions are granted under this Plan and to ascertain if any pension has been granted or obtained erroneously, fraudulently, or illegally for any reason. Said Board shall also be empowered to purge the pension rolls of any pensions granted under this Plan, if the same are found to be erroneous, fraudulent or illegal for any reason; and to reclassify any pensioner who, under this Plan, is erroneously, improperly or illegally classified.

### **RECOVERING FROM DISABILITIES**

In the event a member who has been retired on a pension on account of permanent and total incapacity regains his or her health and is found, by the medical board designated by the Board of Trustees of this Plan, to be in such physical and mental condition as to meet the requirements of the Personnel Department for service acceptable to the City, the Board shall order his or her pension discontinued, and he or she shall be ordered to resume active service in the department from which he or she was retired at the same or similar work as that at which he or she was employed prior to the disability retirement or at any other work within the limits of his or her physical or mental capabilities at a rate of compensation not less than seventy percent (70%) of the pay at the time of his or her return to active service for the classification occupied by him or her prior to the disability retirement. Upon request of the City Manager, the Board shall review the condition of any member receiving a pension for disability and shall submit to the City Manager a report thereon; and if there shall be substantial evidence that the retired member is capable of performing service acceptable to the City in the Department from which such member was retired, he or she shall be ordered to resume active duties and his pension shall be discontinued.

### **TERMINATION OF PLAN**

In case of termination of the Plan, or in the event of the discontinuance of contributions thereunder having the effect of such termination, the rights of all members of this Plan to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be non-forfeitable.

### **IRS QUALIFICATION**

The Deferred Benefit Plan is meant to comply with the provisions of the Internal Revenue Code. The Board of Trustees will take no action which may jeopardize the qualification of the Plan.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS  
IN THE CITY OF MIAMI BEACH**

**FINANCIAL DATA SUMMARY  
SEPTEMBER 30, 2022 AND 2021**

*A copy of the audited financial statements is available upon request from the Plan Administrator or on the Fire and Police pension website. The website can be viewed on the City's official website, [www.miamibeachfl.gov](http://www.miamibeachfl.gov). Once you have accessed the website, select the "CITY HALL" tab, then select "FIRE & POLICE PENSION".*

**APPENDIX A**



# CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS IN THE CITY OF MIAMI BEACH

## STATEMENT OF FIDUCIARY NET POSITION

SEPTEMBER 30, 2022  
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2021)

	<u>2022</u>	<u>2021</u>
ASSETS		
<b>CASH</b>	\$ 26,978	\$ 20,000
<b>RECEIVABLES:</b>		
Participant contributions	-	231,432
Buyback contributions	-	2,528,090
Accrued investment income	1,793,896	1,588,832
<b>TOTAL RECEIVABLES</b>	<u>1,793,896</u>	<u>4,348,354</u>
<b>INVESTMENTS, AT FAIR VALUE:</b>		
Equity securities	524,880,721	654,685,937
Government securities	57,224,083	41,711,709
Domestic corporate bonds	136,515,756	177,988,469
International private placement fund	38,491,179	54,374,608
Real estate funds	201,623,114	166,490,381
Hedge fund	10,740,507	11,528,987
Money market funds	12,662,159	36,569,041
Self-directed DROP accounts	38,787,144	37,127,938
<b>TOTAL INVESTMENTS, AT FAIR VALUE</b>	<u>1,020,924,663</u>	<u>1,180,477,070</u>
<b>TOTAL ASSETS</b>	<u>1,022,745,537</u>	<u>1,184,845,424</u>
LIABILITIES		
<b>ACCOUNTS PAYABLE</b>	<u>1,071,243</u>	<u>820,649</u>
NET POSITION RESTRICTED FOR PENSIONS		
<b>NET POSITION RESTRICTED FOR DEFINED BENEFITS</b>	982,887,150	1,146,896,837
<b>NET POSITION RESTRICTED FOR DROP BENEFITS</b>	<u>38,787,144</u>	<u>37,127,938</u>
<b>TOTAL NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 1,021,674,294</u>	<u>\$ 1,184,024,775</u>

The accompanying notes are an integral part of these financial statements.

# CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS IN THE CITY OF MIAMI BEACH

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED SEPTEMBER 30, 2022  
(WITH COMPARATIVE TOTALS FOR YEAR ENDED SEPTEMBER 30, 2021)

	<u>2022</u>	<u>2021</u>
<b>ADDITIONS:</b>		
Contributions:		
City	\$ 45,416,048	\$ 43,324,910
Participant	6,876,384	6,697,306
Buyback	173,349	9,503,439
Share plan	120,549	120,549
Total contributions	<u>52,586,330</u>	<u>59,646,204</u>
Investment (loss) income:		
Net (depreciation) appreciation in fair value of investments	(147,747,489)	180,819,230
Interest and dividend income	14,303,404	21,503,568
Total investment (loss) income	(133,444,085)	202,322,798
Less: investment expenses	5,118,837	4,868,025
Net investment (loss) income	<u>(138,562,922)</u>	<u>197,454,773</u>
Other income	62,063	20,786
TOTAL ADDITIONS	<u>(85,914,529)</u>	<u>257,121,763</u>
<b>DEDUCTIONS:</b>		
Benefit payments	69,467,883	66,237,581
DROP distributions	5,897,716	11,222,465
Contribution refunds	30,036	310,901
Administrative expenses	1,040,317	958,325
TOTAL DEDUCTIONS	<u>76,435,952</u>	<u>78,729,272</u>
<b>NET CHANGE IN NET POSITION</b>		
<b>RESTRICTED FOR PENSIONS</b>	(162,350,481)	178,392,491
<b>NET POSITION RESTRICTED FOR</b>		
<b>PENSIONS - BEGINNING</b>	<u>1,184,024,775</u>	<u>1,005,632,284</u>
<b>NET POSITION RESTRICTED FOR</b>		
<b>PENSIONS - ENDING</b>	<u>\$ 1,021,674,294</u>	<u>\$ 1,184,024,775</u>

The accompanying notes are an integral part of these financial statements.

**CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS  
IN THE CITY OF MIAMI BEACH**

**ACTUARIAL VALUATION SUMMARY  
OCTOBER 1, 2022**

*A copy of the annual actuarial valuation is available upon request from the Plan Administrator or on the Fire and Police pension website. The website can be viewed on the City's official website, [www.miamibeachfl.gov](http://www.miamibeachfl.gov). Once you have accessed the website, select the "CITY HALL" tab, then select "FIRE & POLICE PENSION".*

**APPENDIX B**

## Actuarial Valuation as of October 1, 2022

## State Required Exhibit - All Members

	10/01/2021	Prior Assumptions 10/01/2022	Current Assumptions 10/01/2022
<b>A. Participant Data</b>			
1. Active participants	488	494	494
2. Retired participants and beneficiaries receiving benefits (including DROPs)	755	770	770
3. Disabled participants receiving benefits	53	51	51
4. Terminated vested participants (including dormants)	21	27	27
5. Annual Pensionable Payroll	\$ 66,867,702	\$ 71,225,699	\$ 71,225,699
6. Projected Annual Pensionable Payroll	\$ 68,873,733	\$ 72,935,116	\$ 72,935,116
7. Annual benefits payable to those currently receiving benefits (including DROPs)	\$ 80,230,280	\$ 83,581,439	\$ 83,581,439
<b>B. Value of Assets</b>			
1. Smoothed Value	\$ 1,087,557,704	\$ 1,129,304,274	\$ 1,129,304,274
2. Market Value	\$ 1,184,024,775	\$ 1,021,674,294	\$ 1,021,674,294
<b>C. Liabilities</b>			
1. Actuarial present value of future expected benefit payments for active members			
a. Retirement benefits	\$ 428,115,138	\$ 451,307,895	\$ 462,582,193
b. Vesting benefits	18,705,159	19,584,523	20,038,665
c. Death benefits	6,103,233	6,237,654	6,375,302
d. Disability benefits	34,235,416	35,181,425	35,985,479
e. Total	\$ 487,158,946	\$ 512,311,497	\$ 524,981,639
2. Actuarial present value of future expected benefit payments for terminated vested members (including dormants)	\$ 5,451,826	\$ 5,064,510	\$ 5,112,279
3. Actuarial present value of future expected benefit payments for members currently receiving benefits			
a. Service retired (includes DROPs)	\$ 1,026,009,410	\$ 1,062,579,388	\$ 1,068,023,756
b. Beneficiaries	55,872,009	58,846,447	59,076,713
c. Disability retired	51,895,888	50,847,868	51,092,778
d. Total	\$ 1,133,777,307	\$ 1,172,273,703	\$ 1,178,193,247

Actuarial Valuation as of October 1, 2022

State Required Exhibit - All Members

	10/01/2021	Prior Assumptions 10/01/2022	Current Assumptions 10/01/2022
4. Total actuarial present value of future expected benefit payments	\$ 1,626,388,079	\$ 1,689,649,710	\$ 1,708,287,165
5. Actuarial accrued liabilities	\$ 1,409,491,683	\$ 1,463,201,943	\$ 1,474,092,951
6. Unfunded actuarial liabilities	\$ 321,933,979	\$ 333,897,669	\$ 344,788,677
<b>D. Statement of Accumulated Fund Benefits</b>			
1. Actuarial present value of accumulated vested benefits			
a. Participants currently receiving benefits	\$ 1,133,777,307	\$ 1,172,273,703	\$ 1,178,193,247
b. Other participants	207,538,824	218,241,229	220,386,987
c. Total	\$ 1,341,316,131	\$ 1,390,514,932	\$ 1,398,580,234
2. Actuarial present value of accumulated non-vested fund benefits	\$ 10,020,654	\$ 10,940,304	\$ 10,981,417
3. Total actuarial present value of accumulated fund benefits	\$ 1,351,336,785	\$ 1,401,455,236	\$ 1,409,561,651
<b>E. Pension Cost</b>			
1. Total normal cost (including admin expenses)	\$ 23,207,535	\$ 24,478,108	\$ 24,910,606
2. Payment required to amortize unfunded liability	27,181,012	30,011,278	30,585,856
3. Interest adjustment	241,223	256,083	254,471
4. Expected service buyback	199,801	212,286	212,286
5. Total required contribution	\$ 50,829,571	\$ 54,957,755	\$ 55,963,219
6. Item 5 as a percentage of projected pensionable payroll	73.8%	75.4%	76.7%
7. Estimated employee contributions	\$ 7,002,005	\$ 7,433,329	\$ 7,433,329
8. Item 7 as a percentage of projected pensionable payroll	10.2%	10.2%	10.2%
9. Estimated State contributions	\$ 120,549	\$ 120,549	\$ 120,549
10. Item 9 as a percentage of projected pensionable payroll	0.2%	0.2%	0.2%
11. Net amount payable by City	\$ 45,231,904	\$ 48,722,863	\$ 49,752,458
12. Item 11 as a percentage of projected pensionable payroll	65.7%	66.8%	68.2%



Actuarial Valuation as of October 1, 2022

State Required Exhibit - All Members

	10/01/2021	Prior Assumptions 10/01/2022	Current Assumptions 10/01/2022
<b>F. <u>Past Contributions</u></b>			
1. Total contribution required (prior valuation)	\$ 52,412,981	\$ 52,354,458	\$ 52,354,458
2. Actual contributions made:			
a. Members	\$ 6,876,384	N/A	N/A
b. City	45,416,048	N/A	N/A
c. State	120,549	N/A	N/A
d. Total	\$ 52,412,981	N/A	N/A
<b>G. <u>Disclosure of Following Items:</u></b>			
1. Actuarial present value of future salaries excluding DROP payroll - attained age	\$ 658,196,338	\$ 701,168,528	\$ 712,459,476
2. Actuarial present value of future employee contributions - attained age	\$ 67,365,902	\$ 71,984,622	\$ 73,146,205
3. Actuarial present value of future contributions from other sources	N/A	N/A	N/A
4. Amount of active members' accumulated contributions	\$ 67,970,376	\$ 72,531,960	\$ 72,531,960
5. Actuarial present value of future salaries and future benefits at entry age	N/A	N/A	N/A
6. Actuarial present value of future employee contributions at entry age	N/A	N/A	N/A

Actuarial Valuation as of October 1, 2022

State Required Exhibit - Firefighters

	10/01/2021	Prior Assumptions 10/01/2022	Current Assumptions 10/01/2022
<b>A. Participant Data</b>			
1. Active participants	179	187	187
2. Retired participants and beneficiaries receiving benefits (including DROPs)	277	281	281
3. Disabled participants receiving benefits	5	4	4
4. Terminated vested participants (including dormants)	3	4	4
5. Annual Pensionable Payroll	\$ 28,826,010	\$ 30,848,662	\$ 30,848,662
6. Projected Annual Pensionable Payroll	\$ 29,690,790	\$ 31,589,030	\$ 31,589,030
7. Annual benefits payable to those currently receiving benefits (including DROPs)	\$ 30,890,206	\$ 31,967,801	\$ 31,967,801
<b>B. Liabilities</b>			
1. Actuarial present value of future expected benefit payments for active members			
a. Retirement benefits	\$ 201,080,083	\$ 218,893,771	\$ 224,312,365
b. Vesting benefits	8,929,843	9,367,839	9,583,590
c. Death benefits	2,769,458	2,860,574	2,923,010
d. Disability benefits	15,195,209	15,841,878	16,198,981
e. Total	\$ 227,974,593	\$ 246,964,062	\$ 253,017,946
2. Actuarial present value of future expected benefit payments for terminated vested members (including dormants)	\$ 796,855	\$ 856,577	\$ 864,654
3. Actuarial present value of future expected benefit payments for members currently receiving benefits			
a. Service retired (includes DROPs)	\$ 405,844,942	\$ 414,767,104	\$ 416,860,197
b. Beneficiaries	18,335,725	19,562,249	19,635,056
c. Disability retired	6,076,841	5,178,979	5,203,552
d. Total	\$ 430,257,508	\$ 439,508,332	\$ 441,698,805



Actuarial Valuation as of October 1, 2022

State Required Exhibit - Firefighters

	10/01/2021	Prior Assumptions 10/01/2022	Current Assumptions 10/01/2022
4. Total actuarial present value of future expected benefit payments	\$ 659,028,956	\$ 687,328,971	\$ 695,581,405
5. Actuarial accrued liabilities	\$ 563,248,235	\$ 586,788,458	\$ 591,546,078
<b>C. <u>Statement of Accumulated Fund Benefits</u></b>			
1. Actuarial present value of accumulated vested benefits			
a. Participants currently receiving benefits	\$ 430,257,508	\$ 439,508,332	\$ 441,698,805
b. Other participants	96,788,980	107,929,899	109,002,087
c. Total	\$ 527,046,488	\$ 547,438,231	\$ 550,700,892
2. Actuarial present value of accumulated non-vested fund benefits	\$ 5,941,067	\$ 6,294,775	\$ 6,312,097
3. Total actuarial present value of accumulated fund benefits	\$ 532,987,555	\$ 553,733,006	\$ 557,012,989
<b>D. <u>Disclosure of Following Items:</u></b>			
1. Actuarial present value of future salaries - attained age	\$ 273,517,083	\$ 287,842,371	\$ 292,403,798
2. Actuarial present value of future employee contributions - attained age	\$ 27,857,928	\$ 29,411,618	\$ 29,878,638
3. Actuarial present value of future contributions from other sources	N/A	N/A	N/A
4. Amount of active members' accumulated contributions	\$ 29,464,861	\$ 32,808,106	\$ 32,808,106
5. Actuarial present value of future salaries and future benefits at entry age	N/A	N/A	N/A
6. Actuarial present value of future employee contributions at entry age	N/A	N/A	N/A



Actuarial Valuation as of October 1, 2022

State Required Exhibit - Police Officers

	10/01/2021	Prior Assumptions 10/01/2022	Current Assumptions 10/01/2022
<b>A. Participant Data</b>			
1. Active participants	309	307	307
2. Retired participants and beneficiaries receiving benefits (including DROPs)	478	489	489
3. Disabled participants receiving benefits	48	47	47
4. Terminated vested participants (including dormants)	18	23	23
5. Annual Pensionable Payroll	\$ 38,041,692	\$ 40,377,037	\$ 40,377,037
6. Projected Annual Pensionable Payroll	\$ 39,182,943	\$ 41,346,086	\$ 41,346,086
7. Annual benefits payable to those currently receiving benefits (including DROPs)	\$ 49,340,074	\$ 51,613,638	\$ 51,613,638
<b>B. Liabilities</b>			
1. Actuarial present value of future expected benefit payments for active members			
a. Retirement benefits	\$ 227,035,055	\$ 232,414,124	\$ 238,269,828
b. Vesting benefits	9,775,316	10,216,684	10,455,075
c. Death benefits	3,333,775	3,377,080	3,452,292
d. Disability benefits	19,040,207	19,339,547	19,786,498
e. Total	\$ 259,184,353	\$ 265,347,435	\$ 271,963,693
2. Actuarial present value of future expected benefit payments for terminated vested members (including dormants)	\$ 4,654,971	\$ 4,207,933	\$ 4,247,625
3. Actuarial present value of future expected benefit payments for members currently receiving benefits			
a. Service retired (includes DROPs)	\$ 620,164,468	\$ 647,812,284	\$ 651,163,559
b. Beneficiaries	37,536,284	39,284,198	39,441,657
c. Disability retired	45,819,047	45,668,889	45,889,226
d. Total	\$ 703,519,799	\$ 732,765,371	\$ 736,494,442

Actuarial Valuation as of October 1, 2022

State Required Exhibit - Police Officers

	10/01/2021	Prior Assumptions 10/01/2022	Current Assumptions 10/01/2022
4. Total actuarial present value of future expected benefit payments	\$ 967,359,123	\$ 1,002,320,739	\$ 1,012,705,760
5. Actuarial accrued liabilities	\$ 846,243,448	\$ 876,413,485	\$ 882,546,873
<b>C. Statement of Accumulated Fund Benefits</b>			
1. Actuarial present value of accumulated vested benefits			
a. Participants currently receiving benefits	\$ 703,519,799	\$ 732,765,371	\$ 736,494,442
b. Other participants	\$ 110,749,844	110,311,330	111,384,900
c. Total	\$ 814,269,643	\$ 843,076,701	\$ 847,879,342
2. Actuarial present value of accumulated non-vested fund benefits	\$ 4,079,587	\$ 4,645,529	\$ 4,669,320
3. Total actuarial present value of accumulated fund benefits	\$ 818,349,230	\$ 847,722,230	\$ 852,548,662
<b>D. Disclosure of Following Items:</b>			
1. Actuarial present value of future salaries - attained age	\$ 384,679,255	\$ 413,326,157	\$ 420,055,678
2. Actuarial present value of future employee contributions - attained age	\$ 39,507,974	\$ 42,573,004	\$ 43,267,567
3. Actuarial present value of future contributions from other sources	N/A	N/A	N/A
4. Amount of active members' accumulated contributions	\$ 38,505,515	\$ 39,723,854	\$ 39,723,854
5. Actuarial present value of future salaries and future benefits at entry age	N/A	N/A	N/A
6. Actuarial present value of future employee contributions at entry age	N/A	N/A	N/A