THE CITY PENSION FUND FOR FIREFIGHTERS AND POLICE OFFICERS IN THE CITY OF TAMPA

SUMMARY PLAN DESCRIPTION

December 2022

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On behalf of the Board of Trustees of the City Pension Fund for Firefighters and Police Officers in the City of Tampa, welcome to the Pension Plan.

Defined Benefit plans are traditional pension plans that promise to pay you a specific benefit at retirement. The amount is known in advance and is based on your age, years of service, and your earnings. In order to pay benefits, the Plan requires contributions to be made from you and the City of Tampa. Presently, funds received from the State of Florida are also used to Fund the Plan, which lowers the contributions required by you and the City of Tampa.

This Summary Plan Description is meant to be a summary of your rights and benefits under the Plan. This document shall not be deemed to interpret, extend, or change the provisions of the Plan in any way. In the event of any discrepancy between this Summary Plan Description and the actual provision of the Plan, the Plan shall govern. Nothing in this Summary Plan Description shall be construed as legal, financial, or tax advice. All members are encouraged to seek their own tax, financial, and legal advice.

This Summary Plan Description was prepared in December 2022.

What is the Official name of the Plan?

The Plan is called the City Pension Fund for Firefighters and Police Officers in the City of Tampa. However, the Plan is commonly referred to as the Tampa Fire and Police Pension Fund.

Who Sponsors the Plan?

The City of Tampa is the Plan Sponsor.

Who Can Be A Member of the Plan?

You are eligible to be a member of the Plan if you are a sworn, fulltime police officer or firefighter employed by the City of Tampa. You must also submit to a pre-employment physical and provide select medical and employment information.

Who is the Board of Trustees?

The Board of Trustees is composed of nine members: three elected firefighters, three elected police officers, and three mayoral appointees. The Board is responsible for the administration of the Plan and retains the services of professionals to assist in the operation of the Plan. The Board does not determine the particular benefits set forth in the Plan. (See "Does Collective Bargaining Affect the Plan?" below.)

The current Trustees are:

- Patrick Messmer – Chairman, Police, Elected
- John Cannon – Vice Chairman, Fire, Elected
- Ocea Wynn – Secretary, City, Appointed
- Matthew Belmonte, Police, Elected
- John Haintz, Fire, Elected
- Dennis Rogero, City, Appointed
- Gregory Spearman, City, Appointed
- Jamie Stock, Fire, Elected
- Alex Thiel, Police, Elected

How can I Contact the Trustees?

Board of Trustees
Tampa Fire and Police Pension Fund
3001 North Boulevard
Tampa, FL 33603
(813) 274 – 8550
(813) 274 – 7504 [fax]

Who is the Plan Administrator?

The Plan Administrator, Tiffany Weber, is a professional employed by the Board to oversee day-to-day operation of the Plan. She is assisted by her staff, who are also employed by the Board.

When does the Plan Year Begin?

The Plan year begins on October 1st and ends on September 30th. This is also known as the fiscal year.

What Laws Apply to the Plan?

The Pension Plan was established in 1941 through a Special Act of the Florida Legislature by Chapter 21590, Laws of Florida. The Plan was substantially rewritten by Ordinance No 4746-A, enacted September 30, 1969, which was approved, ratified, validated, and confirmed by Chapter 74-613, Laws of Florida, a special act of the Florida Legislature. The Plan has been amended numerous times. A list of these amendments can be found in Exhibit A.

The Plan is also subject to Sections 112.60 - 112.67, Florida Statutes; Chapter 63-1977, Laws of Florida; Chapter 91-379, Laws of Florida; and those provisions of Chapters 175 and 185, Florida Statutes, which apply to local law/special act pension plans.

Does Collective Bargaining Affect the Plan?

Changes to the Plan are made through the collective bargaining process between The City of Tampa and its fire and police unions, the International Association of Firefighters Local 754 (IAFF 754) and the Tampa Police Benevolent Association (Tampa PBA), respectively. However, no benefits can be changed until they are passed by the Florida State Legislature and enacted into law.

The current collective bargaining agreement between the IAFF Local 754 and the City covers the period from October 1, 2022 to September 30, 2025. The current collective bargaining agreement between the Tampa PBA and the City covers the period from October 1, 2022 to September 30, 2025

Can I Designate a Beneficiary in Case of Death?

Yes, and you are highly encouraged to do so! You can designate a person(s) to receive any payments that may become payable to you by the Plan upon your death. This designation must be made in writing and on a form provided by the pension office. You should designate a beneficiary when you first become a member of the Plan and any time you have a life status change, such as marriage, divorce, birth of a child(ren), death of previously listed beneficiaries, change in life partner, etc. A beneficiary is not a Joint Annuitant, which is further discussed in Chapter 6 under “Optional Forms of Retirement Benefits.”

Is My Pension Benefit in Addition to or Instead of Social Security?

As a member of the Fund, neither you nor the City of Tampa pays into Social Security. While you may pay into Social Security with other employers, you are not accruing Social Security benefits while employed with the City of Tampa. Generally, your pension benefits are not affected by Social Security benefits. However, Social Security benefits may be affected by your pension benefits. For additional questions about Social Security, please contact your local Social Security office.

How Can I Find the Amount of My Pension Benefit?

As a member of the Fund, you are able to run benefit estimates by logging into your MemberDirect account: https://memberdirect.tampafp.org. You may call the pension office at 813-274-8550 for assistance with accessing your MemberDirect account and to request an estimate. You should remember that these estimates are preliminary, rough calculations of the benefit you will receive when you retire. The closer you are to retirement, the more accurate the estimate will be. Please note that the pension office DOES NOT project earnings.

Where Can I Get More Information?

The Plan's website is the best resource to access current information about the Plan. Plan documents, board meeting minutes and agendas, policies and procedures, and financial reports are all available online. You may also contact the pension office at (813) 274-8550, Monday through Friday, 9am to 5pm, excluding City holidays.

The Plan employs various professionals who advise and provide financial, legal, and other services to the Plan and the Board of Trustees.

Investment Manager
The Plan's assets are managed by Jay Bowen with Bowen, Hanes and Company.

Attorney
The Plan's general counsels are Robert D. Klausner, Esq. and Stuart A. Kaufman, Esq. with Klausner, Kaufman, Jensen & Levinson.

Actuary
The Plan's actuary is Joseph L. Griffin, ASA, EA, MAAA with Foster & Foster. Mr. Griffin prepares the Plan's annual actuarial valuation, actuarial experience studies, annual member statements, buy-back calculations, actuarial impact statements, and other required reports and calculations, including annual cost of living adjustments and 13^{th} check payments.

Accountant
Mark N. Lenker of Nobles, Decker, Lenker, and Cardoso prepares the Plan's monthly and annual financial statements and annual DROP statements.

Auditor
The auditor is responsible for auditing the annual financial statements of the Plan. The Plan's auditor is Marcum, LLP.

Custodian
The Plan's assets are held in trust at Wells Fargo Institutional Retirement and Trust.

Investment Performance Measurement Consultant
Deborah Hays with Investment Performance Solutions prepares a quarterly report comparing the Plan's performance to certain benchmarks and other criteria.

Medical Director
The Plan's medical director is Tampa General Hospital.

Benefits paid out of the Plan are financed by contributions made into the Plan by you, your employer (the City of Tampa), the State of Florida, and earnings generated by investments of the Plan's assets.

Employee (Member) Contributions

For fiscal year October 1, 2022 – September 30, 2023, employee contributions are 64.55% of the below described full-scale contribution rate (FSCR) from the Pension Contract. This translates to an estimated average of 14.93% of pay. Your actual contribution rate may be higher or lower depending on your *actual* earnings

Earnings in the 12 – Month Period Beginning October 1	Employee Contribution Percentage
First $4,000	6%
Next $1,000	7%
Next $1,000	8%
Next $1,000	9%
Next $1,000	10%
Next $1,000	11%
Next $1,000	12%
Next $2,500	15%
Excess over $12,500	25%

Employer (City) Contributions

The City's required contributions are paid quarterly and are equal to 134% of the employees' contributions paid during that quarter. This equates to a ratio of 1:1.34 of employee to employer contributions.

However, the City must contribute an amount sufficient to fund all benefits, after taking into consideration employee contributions, State contributions, and other sources of revenue and assets on-hand. The City must also fulfill the funding requirements of Chapters 175 and 185, Florida Statutes, as well as part VII of Chapter 112, Florida Statutes.

If the City's required contribution rate exceeds 40% of total earnings, employee contribution percentages in the above scale must also be increased to ensure that the City and the employees bear a proportionate share of coverage.

State Premium Tax Dollars

The State of Florida provides funds to fire and police pension plans that comply with certain Statutes (Chapter 175 for fire plans and Chapter 185 for police plans) and file an annual report with the State. These funds come from premiums collected on homeowner's insurance policies and automobile insurance policies. The amount of these funds varies from year to year. In 2022, the Plan received a total of $8,208,255. These funds are used to offset the amount of pension contributions due from members and the City of Tampa.

Investment Income

The Plan's current assumed rate of return on investments is 8.5%. This means the Plan expects to earn an average of 8.5% per fiscal year on its investments. These earnings supplement the employee and employer contributions for payment of benefits provided by the Plan. This number is often referred to as the Plan's assumption rate.

Refund of Contributions

If you terminate employment and are not yet eligible to retire or select a deferred vested pension benefit, you are entitled to a refund of contributions you made to the Plan, without interest. You are not eligible to receive a refund of any contributions made by the City of Tampa or the State of Florida. You may voluntarily choose to leave your contributions in the Plan for up to five (5) years after terminating employment as a firefighter or police officer, pending the possibility of being rehired by the same department, without losing credit for the time you were actively employed as a firefighter or police officer. If you are not employed within five (5) years of termination, the contributions you made will be returned to you, without interest. This also applies if you make a change to a non-sworn, civilian position, but do not sever employment with the City of Tampa.

In no event shall you or your beneficiary, in the event of death, receive less than your accumulated contributions, without interest. Again, you or your beneficiary/estate are only eligible to receive a refund of contributions, without interest, and are not entitled to any contributions made by the City of Tampa or the State of Florida.

Eligibility for Membership

You are eligible to be a member of the Plan if you meet all City requirements for employment as a Police Officer or Firefighter and satisfy the requirements of the Plan. These requirements included submitting to a pre-employment physical and providing a list of select medical and employment information to the pension office. You must be employed full-time by the City as a firefighter or police officer.

Creditable (Pensionable) Service

Service or employment as a firefighter or police officer, whether continuous or interrupted, will be credited provided pension contributions are made. Suspensions, leaves of absence without pay, extra duty pay, off-duty, and other types of service are not considered creditable service. (See "Definitions" for additional information.)

Military Service

A member may receive credit for up to five (5) Years of active military service after employment, and to the extent required by the Uniformed Services Employee and Re-Employment Rights Act (USERRA). The member must also return to employment with the City within one (1) year from the date of release from active military service. Additionally, the member must satisfy the other requirements set forth in Section 175.032(4) and 185.02(5), Florida Statutes.

Service While Disabled

An employee who has been disabled in the line of duty and was receiving a disability pension, but recovers from disability, and returns to his or her department before age 46, may receive service credit for the period of disability. Within the 18-month period following return to employment, the member must make contributions for this period of disability at the rate he or she was making contributions prior to the disability. The member must also remain employed for two (2) years after returning to employment.

Other Creditable Service

A member may purchase up to five (5) years of prior police officer, firefighter, or active military service, provided no pension benefit is payable based on that prior service, except in the case of active military service. The member will be charged the full actuarial cost of the benefit.

Normal Retirement Date (NRD)

A member's normal retirement date is the earlier of: age 46 and completion of ten (10) years of credited service <u>OR</u> 20 years of credited service, regardless of age.

Deferred Retirement Date

A member's deferred retirement date is the date he or she reaches age 46 after separating from service with at least ten (10), but less than twenty (20), years of credited service.

The Plan offers various types of retirement benefits and payment options. You are eligible for line-of-duty (LOD) disability and line-of-duty death benefits upon becoming a contributing member of the Plan. You are eligible for non-line-of-duty (NLOD) disability and death benefits when you become vested at ten (10) years of Credited Service. This chapter discusses benefits paid if you are not eligible for a disability or death benefit. Disability and death benefits are discussed in Chapters 7 and 8, respectively. All requests for retirement benefits must be made in writing on a form provided by the Plan and received by the pension office. Additional documentation may be required prior to distributing benefits to you or your beneficiary.

Calculation of Retirement Benefit Amount

Your retirement benefit amount is based on several factors: 1) average earnings/final average salary (FAS), 2) years of credited service, and 3) the type of benefit received. The annual amount of retirement income (payable monthly) is equal to 3.15% of your average earnings multiplied by the years of credited service, not to exceed a total pension of 100% of average earnings.

Final Average Salary x Credited Years of Service x 3.15%

Longevity Retirement Benefit

After ten (10) years of Credited Service, you may retire and begin receiving benefits based on the above formula, provided you have reached age 46 and have not completed twenty (20) years of Credited Service.

20 and Out Retirement or Deferred Retirement Option Plan (DROP)

After completing twenty (20) years of Credited Service, you may retire and begin receiving benefits based on the above formula, regardless of your age. You are also eligible to participate in the Deferred Retirement Option Program (DROP).

If you elect to participate in DROP, you continue working but stop contributing to the Plan and cease to accrue Credited Service. In effect, you are considered retired from the pension plan as of your DROP entry date and your benefits are calculated using the above formula with your DROP entry date being your date of retirement. After you enter DROP, your monthly pension benefit accrues to your DROP account, rather than being paid directly to you, and you receive a lump sum payment when you separate from service with the City of Tampa. You may participate in DROP for up to 5 years or until you reach thirty (30) years of Credited Service, whichever occurs first. Upon separation from service, you have the option to distribute your DROP funds to a qualified retirement plan(s) (such as deferred compensation), receive a lump sum payment to you, or some combination.

DROP benefits that accumulate while you are in DROP may earn either: 1) interest annually at the Plan’s net investment return, whether positive or negative, or 2) a low risk, variable rate option as determined by the Board of Trustees. You may change this option once per year, during the month of October in writing on a form provided by the Plan and received by the pension office.

Deferred Vested Retirement Benefit

You are eligible for Deferred Vested Benefits if you have at least ten (10) years of credited service but are not yet age 46.

Optional Forms of Retirement Benefits

The optional forms of payment listed below allow you to receive benefits that accommodate your personal financial needs and to leave benefits to a person who may or may not be your spouse. You may change your option at any time prior to your retirement, provided your election is made in writing on a form provided by the Plan and received by the pension office. Under all of the options, benefits paid out will not be less than the contributions you paid in to the Plan, without interest.

Normal Form of Retirement Benefit (Option 1 – Normal/Default)

This is the default option provided to you upon employment as a firefighter or police officer with the City of Tampa. Under the Normal/Default option, benefits are payable to you for your lifetime, for a guaranteed period of at least ten (10) years certain (120 payments) unreduced, with 65% of your accrued pension benefit being continued to your eligible surviving spouse until his or her death or remarriage. An eligible surviving spouse is a person to whom you were married during some part of your employment with the City of Tampa and at the time of your death.

Your children may also be eligible for a benefit. Each surviving unmarried minor child will receive an annual income (payable monthly) equal to 7½% of your final year's earnings, up to 15% in the aggregate. These benefits are payable to your child until he or she reaches age 18 or is married, whichever occurs first.

Life of the Member (Option 2 – Life Only) - Under the Life Only option, a slightly increased monthly benefit is paid to you while you are alive, with no continuation upon your death.

Joint and Survivor Benefit (Options 3a, 3b, 3c, & 3d – Joint Annuitant) – These options provide a monthly payment to you and a single beneficiary, called a joint annuitant, for as long as both you and your joint annuitant are living. Upon your death *or* the death of your joint annuitant, a full or reduced benefit payment (depending upon the option chosen) will continue for the life of the remaining person. You can elect anyone to be your joint annuitant, and that person does not need to be related to you. Your monthly benefit under option 3 will be actuarially equivalent to your Normal/Default (Option 1) benefit. This means your age, the age of your joint annuitant, and your marital status at the time you retire or enter DROP will affect the benefit amount you receive. Generally, the younger your joint annuitant, the greater the reduction in your monthly benefit, because the Plan anticipates paying monthly benefits over a longer period of time. There is no remarriage penalty for your joint annuitant under Option 3.

3a – 100% Joint and Survivor
3b – 75% Joint and Survivor
3c – 66⅔% Joint and Survivor
3d – 50% Joint and Survivor

Option 3a – If you *or* your joint annuitant dies, your benefit continues to the survivor at 100% of the monthly benefit you were receiving at the time of death. The survivor, who may be you or your joint annuitant, continues drawing 100% of the benefit until death.

Option 3b – If you *or* your joint annuitant dies, your benefit continues to the survivor at 75% of the monthly benefit you were receiving at the time of death. The survivor, who may be you or your joint annuitant, continues drawing 75% of the benefit until death.

Option 3c – If you *or* your joint annuitant dies, your benefit continues to the survivor at 66⅔% of the monthly benefit you were receiving at the time of death. The survivor, who may be you or your joint annuitant, continues drawing 66⅔% of the benefit until death.

Option 3d – If you *or* your joint annuitant dies, your benefit continues to the survivor at 50% of the monthly benefit you were receiving at the time of death. The survivor, who may be you or your joint annuitant, continues drawing 50% of the benefit until death.

Once your first pension benefit has been paid, direct deposited, or accrued into your DROP account, the OPTION you elected may not be changed. However, you may change your joint annuitant up to two times after you retire or enter DROP.

Forfeiture of Pension Benefits

If you are convicted of certain crimes connected with your employment or certain other specified crimes against children committed before retirement, your retirement benefits are subject to forfeiture. If the Board of Trustees finds these offenses meet the statutory test, your benefits will be forfeited. There is no discretion under the law and the forfeiture also includes any rights of a spouse or other beneficiary. These crimes are set forth in Section 112.3173, Florida Statutes. In the case of a forfeiture, you will only receive a return of the contributions you made to the Plan, without interest. The Plan has a policy relating to members under criminal investigation or prosecution at the time of retirement. In those instances, you will be permitted to receive distributions up to the amount of your employee contributions, without interest. Thereafter, benefit payments will be suspended until the completion of the criminal process and the Board's review.

If you are exonerated or are not ultimately charged, any deferred payments will be made to you, with interest. Any claim to or ownership in the pension benefits of a member claimed by a spouse, beneficiary, or joint annuitant is also affected by a forfeiture.

Sections 175.195 and 185.185, Florida Statutes also provide for forfeiture of benefits for persons who provide false or misleading statement to the Plan in order to gain benefits. Pension beneficiaries may also be subject to forfeiture under federal criminal laws relating to restitution. This law has been held by courts to permit garnishment even if there is a state law provision prohibiting claims of creditors.

Post Retirement Cost of Living Adjustments (COLA)

In order to receive a cost-of-living adjustment (COLA), you must be off the City's payroll as an employee or have entered DROP by September 30th of the previous year. If you elect to receive a Deferred Vested Retirement benefit, your COLA eligibility is based on when you reach age 46, not when you separated from service.

On January 1st, the benefit payments of all recipients will be increased or decreased according to the net change in the average cost of living index from the previous year, provided that 1) adjustments may not be increased beyond what the Post-Retirement Adjustment Account

(PRAA) will support, as determined by the Actuary and 2) adjustments may not be decreased below the level at which they were first determined (base benefits). The COLA is calculated using the average of the immediately preceding 24 months of the Consumer Price Index for All Urban Consumers (CPI-U), as of October 1, on a year-to-year basis, and not in a retroactive manner, with any excess profits being carried forward for future use.

The PRAA is financed from annual investment return in excess of 5% excluding the 11th% of investment return on the market value of the base plan plus PRAA, which is used to fund the 13th check benefit.

13th Check Benefit

You are eligible to receive a 13th Check benefit if you were retired and receiving pension benefits or were eligible to receive or accrue to your DROP account pension benefits for one full year as of October 1. If you are eligible, you will receive a 13th Check the following June, if one is approved by the Board of Trustees. All retired members and DROP participants receive the same amount, regardless of years of credited service, age, retirement date, or benefit amount. Eligible surviving spouses are entitled to receive 50% of the full retiree benefit amount that would have been paid to you if not for death. Your spouse is eligible if he or she is receiving benefits under the Normal/Default Option (Option 1) or is receiving benefits under the Joint Annuitant Option (Option 3) and was your legal spouse at the time of death.

The 13th check is funded by investment returns in excess of 10% (limited to 1%) of the market value of the base plan plus PRAA.

The 13th Check shall be an amount determined by the Board of Trustees upon certification by the Plan's Actuary that the amount will be funded on a sound actuarial basis.

Defined Contribution Plan Component

A defined contribution plan is a retirement plan in which a certain amount of money is set aside each year for the benefit of each member. The Florida Legislature mandated that all plans receiving state premium tax dollars include a defined contribution plan component for distribution of these funds to members of plans whose plan sponsor and collective bargaining units did not agree on their use. Effective October 1, 2017, prospectively, the Plan established this component, as required by Florida Statute, but it is currently unfunded and will remain so as long as the City of Tampa and the IAFF Local 754 and Tampa PBA agree to maintain mutual consent regarding the use of the state premium tax funds. As discussed in Chapter 4, these funds are used to offset the contributions paid by you (the member) and the City of Tampa.

If you become disabled while employed with the City of Tampa, you may be eligible to receive disability retirement benefits under the Plan. The Board of Trustees approves or denies applications for benefits based on the specific facts of each situation and the evaluations of the Medical Board. You must be an actively contributing member of the Plan in order to apply for disability benefits. You are not eligible for disability benefits under the Plan once you enter DROP or separate from service.

To apply for disability benefits, you must complete an application for disability retirement on a form provided by the Board of Trustees. The application must include a letter from your treating physician, who must be a Doctor of Medicine (MD) or a Doctor of Osteopathy (DO) and not a chiropractor or psychologist. You must also include certain medical and employment information. For more information on the disability process, you may obtain a copy of the Plan's disability policy from the pension office or online: https://www.tampa.gov/fire-and-police-pension/info/plan-documents

Service Incurred (Line-of-Duty) Disability

In order to receive line-of-duty (LOD) disability benefits, you must be permanently incapacitated from regular and continuous duty as a firefighter or police officer with the City of Tampa. Such incapacity must be caused by and attributable to the performance of your duties as an employee of the Fire or Police Department. You are eligible for LOD disability benefits regardless of your years of credited service.

If you are granted an LOD disability, your monthly pension benefit will be equal to 65% of your monthly salary in effect at the date of disability retirement, plus one-twelfth (1/12) of any other pensionable earnings received within one year prior to the date of disability retirement. Certain disability retirees are reevaluated for continuing disability benefits. If you are reevaluated and the Board determines you are no longer disabled, you may be required to resume your position with the City of Tampa, at which time your LOD benefits shall cease.

Non-Service Incurred (Non-Line-of-Duty) Disability

In order to receive non-line-of-duty (NLOD) disability benefits, you must be permanently incapacitated from regular and continuous duty as a firefighter or police officer with the City of Tampa and have completed ten (10) years of Credited Service. Such incapacity does not need to be caused by and attributable to the performance of your duties as an employee of the Fire or Police Department.

If you are granted an NLOD disability, your annual benefit will be equal to 2% of your final average salary times the number of years of credited service, with a maximum benefit of 50% of average earnings, and a minimum benefit of 25% of average earnings.

Final Average Salary x Credited Years of Service x 2.00%

You may elect to commence receiving longevity benefits (described in Chapter 6) upon reaching age 46 by providing a written election on a form provided by the Plan to the pension office at least 30 days prior to reaching age 46.

In the event of your death, your spouse, joint annuitant, beneficiary or beneficiaries, or estate may be entitled to receive survivorship benefits. The Plan provides for line-of-duty (LOD) and non-line-of-duty (NLOD) death benefits. The amount of your death benefit may be affected by the benefit payment option you have elected (See Chapter 6).

Service Incurred (Line of Duty) Pre-Retirement Death

In order to be eligible for line-of-duty (LOD) death benefits, your death must occur while you are performing your duties as an employee of the Fire or Police Department or be caused by your duties as an employee of the Fire or Police Department. You are eligible for LOD death benefits regardless of your years of credited service. *<u>DROP participants are not eligible for LOD death benefits.</u>*

If you elected the Normal/Default (Option 1) benefit payment option, death benefits are payable to your eligible surviving spouse, who must be your legal spouse at the time of your death. Your spouse will receive an annual income (payable monthly) equal to 100% of your final year's earnings, less any payments made to minor children. There is no remarriage penalty for your spouse, which means he or she may remarry without losing these benefits.

Your child(ren) may also be eligible for a benefit. Each surviving unmarried minor child will receive an annual income (payable monthly) equal to 15% of your final year's earnings. These benefits are payable to your child until he or she reaches age 18 (age 23 if a full-time student) or is married, whichever occurs first.

The sum of the benefits under this option may not exceed 100% of your final year's earnings, except if your eligible surviving spouse dies while there are surviving children still eligible, each child's benefit will be increase from 15% to 30%, not to exceed a total of 60% of your final year's earnings.

If you do not have an eligible surviving spouse or minor children, your designated beneficiary or beneficiaries shall receive an amount equal to that of a surviving spouse for a period of ten (10) years certain (120 payments). If you do not have a designated beneficiary or beneficiaries, this amount will be paid to your estate.

If you elected the Life Only (Option 2) benefit payment option, death benefits are payable to your designated beneficiary or beneficiaries. The amount due under this option is equal to a refund of your contributions, without interest, and your beneficiary(ies) is not entitled to any contributions made by the City of Tampa or the State of Florida. If you do not have a designated beneficiary or beneficiaries, this amount will be paid to your estate.

If you elected the Joint Annuitant (Option 3) benefit payment option, death benefits are payable to your joint annuitant. The amount due is actuarially equivalent to the amount payable to an eligible surviving spouse under the Normal/Default (Option 1) benefit payment option described above. This amount will be reduced based on the continuation level you elected: 100%, 75%, 66⅔%, or 50%. If you do not have a joint annuitant, your designated beneficiary or beneficiaries shall receive an amount equal to a refund of your contributions, without interest, and your beneficiary(ies) is not entitled to any contributions made by the City of Tampa or the State of Florida. If you do not have a designated beneficiary or beneficiaries, this amount will be paid to your estate.

Non-Service Incurred (Non-Line of Duty) Pre-Retirement Death Benefit

In order to be eligible for non-line-of-duty (NLOD) death benefits, you must have completed at least 10 years of credited service and die from causes unrelated to your duties as an employee of the Fire or Police Department. If you are age 46 or older at the time of your death, payments to your eligible surviving spouse, minor children, joint annuitant, beneficiary or beneficiaries, or your estate are the same as those for a Longevity Retirement Benefit (Chapter 6).

If you are not yet age 46 at the time of your death, payments to your eligible surviving spouse, minor children, joint annuitant, beneficiary or beneficiaries, or your estate will begin at the time you would have turned 46, if not for death.

Post-Retirement Death Benefit

After you retire, benefits paid to your eligible surviving spouse, minor children, joint annuitant, beneficiary or beneficiaries, or your estate are based on the benefit payment option you elected at the time of your retirement. These benefit payments are described in Chapter 6.

Actuarial Soundness

The actuarial soundness of the pension Plan is evaluated annually by the Plan's actuary. As of October 1, 2021, the Tampa Fire and Police Pension Plan is actuarially sound.

An excerpt from the latest actuarial valuation prepared by the fund's actuary Joseph L. Griffin of Foster & Foster giving the Plan a clean bill of actuarial health and showing the Plan is well funded as of 10/1/2021:

> "The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Chapters 112, 175, and 185, Florida Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons, including changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations."

Financial Information

The Plan's external Certified Public Accountant provides monthly financial statements and fiscal year-end financial statements to the Board of Trustees. The Plan's financial statements are audited annually by RSM, a national external audit firm. Annual reports are filed with the State of Florida, Division of Retirement, and when approved annually, trigger the release of the Chapter 175 and 185 state premium tax monies to the pension fund.

Pension Benefits as Marital Property

The Plan has the ability to pay child support and alimony directly to a former spouse or to the Florida State Disbursement Unit as provided by Chapter 61, Florida Statutes.

The same Chapter of Florida Statutes makes accrued pension benefits "marital property" that courts may divide among divorcing parties. Public employee pension plans, such as this Plan, cannot honor a qualified domestic relations order (QDRO) because of an absence of statutory authority. The courts have held, however, that they have the authority to fashion an order to ensure the distribution of marital property.

If the pension Plan receives an Income Deduction Order or a court order by any other name that seeks to achieve an equitable distribution of marital assets, the Plan cannot comply with the Order until an acceptable Order is approved. Because the Plan does not represent members in connection with marital dissolution matters, the parties are responsible for providing the Plan Administrator with an acceptable Order that complies with all legal requirements. A sample order is available upon request from the pension office.

Essentially, the sample order requires a member and former spouse to establish a joint account that will receive the pension benefits when paid, and the financial institution will distribute the relative shares. Because the Plan is paying the member directly, the issue of paying a non-member directly has been eliminated. Variations of this draft order are in common use by many Florida public employee pension funds.

Deferred Retirement Option Program (DROP) accounts are subject to division in the same way as a monthly retirement benefit. Again, the Plan does not have the authority to disobey a court order. It is up to the member to ensure that his or her rights are properly protected.

It is also important to note that under Section 732.703, Florida Statutes, if a member is divorced on or after July 1, 2012, ALL prior beneficiary designations to the former spouse are deemed cancelled. Members who end their marriages on or after July 1, 2012 are advised to renew their beneficiary designations at their earliest opportunity.

The Internal Revenue Service (IRS) treats alimony and property division differently. Generally, alimony is income to the former spouse and property settlements are income to the member. Because different specific circumstances may alter that result, members are strongly advised to seek the assistance of a qualified tax advisor and family law attorney for all matters related to the dissolution of marriage. The Plan does not give legal or tax advice.

Bankruptcy

Pension benefits are excluded from personal bankruptcy. Once pension benefits are paid to a member, they may be subject to garnishment.

Tax Liens and Levies

Pension benefits are subject to federal income tax liens and levies. If the Fund receives a notice of levy from the Internal Revenue Service (IRS), it is required to honor the levy.

Arbitration/Grievance

No benefits or refunds of contributions will be paid to a member participating in the grievance or arbitration process while the process is on-going. It is the responsibility of the member to notify the pension office if a grievance or arbitration is in process and when the process is complete.

Overpayments

If a pensioner or pensioner's estate is overpaid or any reason, the Board shall allow repayment in six (6) monthly installments. If repayment within that timeframe is unreasonable, the pensioner or pensioner's estate can petition the Board for an extension.

Direct Deposit

Effective 07/01/2019, all plan members are required to utilize direct deposit for receipt of pension benefits.

Pension Verification Questionnaire (PVQs)

The pension office shall send out pension verification questionnaires (PVQs) to all pension benefit recipients on a biennial basis (every other year). Failure to return your PVQ by the deadline may result in your pension benefits being held in the pension office until a properly completed and executed PVQ is received.

Pensioner Address, Phone Number, & Social Security Number

Every pensioner must provide the pension office with a valid mailing address and phone number. Additionally, Social Security numbers for members and beneficiaries must be provided. Failure to provide a valid address, phone, or social security number may result in delayed receipt of pension benefits or critical information. The pension office will take the steps necessary to keep such information confidential in accordance with Florida public records laws.

DEFINITIONS

1. Participants/Members: City of Tampa employees who are actively contributing to the Tampa Fire and Police Pension Fund.

2. Earnings: For purposes of calculating pension benefits, earnings include:

   (a) total cash remuneration paid by the City to a firefighter or police officer for services rendered, including any payments required to be included within the definition of compensation pursuant to Chapters 175 and 185, Florida Statutes, including longevity bonuses
   (b) payments for overtime not to exceed the statutory maximum, currently 300 hours per fiscal year
   (c) salary and compensation required for the purposes of calculating benefits under the Uniformed Services Employment and Re-Employment Rights Act (USERRA)

   This earnings definition does not include:

   (a) extra duty pay
   (b) off-duty pay
   (c) overtime over the 300-hour limit per fiscal year
   (d) mustering out pay, separation pay, or buy-out pay for accrued sick and vacation time
   (e) pay for clothing allowances or reimbursements, such as tuition or travel/per diem
   (f) other types of pay not included within the definition of compensation pursuant to Chapters 175 and 185, Florida Statutes

3. Average Earnings/Final Average Salary (FAS): The member's average earnings, or final average salary (FAS), is the three (3) highest earning years within the last ten (10) years of service averaged together.

   To determine the three highest 26 pay cycle periods, the pension office will compare the member's earnings using both calculation methodologies listed below and use the methodology that yields the highest amount:

   a. The average of the highest three of the last ten City payroll years, limited to 26 pay periods per year.

   b. The highest two of the last ten City payroll years, as defined above, plus a hybrid year constructed from the current year in which the member retires and the last part of the third highest year of the last ten City payroll years to create a full 26 pay cycle year.

4. Credited Service/Creditable Service/Pensionable Service: Service or employment as a firefighter or police officer, whether continuous or interrupted, shall be credited to the member, provided pension contributions are made. Certain other service is credited, including:

(a) Military Service: Up to five years of active military service after employment with the City of Tampa and becoming a member of the plan, to the extent required by USERRA. The member must also return to employment with the City within one (1) year from the date of release from active military service, along with satisfying other requirements in Sections 175.032(4) and 185.02(5), Florida Statutes.

(b) Service While Disabled: An employee who had been disabled in the line of duty and was receiving a disability pension, but recovers from disability, and returns to active duty within the respective department prior to age 46, may receive service credit for this period of disability provided that, within the 18-month period following return to employment within the respective department, the member makes contributions for this period of disability at the rate he/she was making contributions prior to becoming disabled. The member must also remain employed for two (2) years after returning to employment.

(c) Any paid leave of absence for which member contributions are made.

(d) Buyback of Prior Service: A member may purchase up to five (5) years of prior police, firefighter, or active military service, provided no pension benefit is payable based on that prior service, except in the case of active military service. The member will be charged the full actuarial cost of the benefit.

Any periods of service where member contributions are not made are considered non-credited/non-creditable/non-pensionable service. These periods include, but are not limited to:

(a) suspensions
(b) unpaid leaves of absence, such as medical leave of absence, personal leave of absence, worker's compensation leave of absence, FMLA, etc.
(c) absent without pay, absent without leave, etc.
(d) extra duty

EXHIBIT A – Plan Amendments

Since October 1, 1969, the Plan has been amended by the following laws:

Chapter 92-231, Laws of Florida, which became law on March 5, 1992.

Chapter 94-463, Laws of Florida, which became law on May 14, 1994, but was retroactive to October 16, 1992.

Chapter 98-515, Laws of Florida, which became law on May 23, 1998.

Chapter 2000-485, Laws of Florida, which became law on June 7, 2000.

Ordinance Number 2001-133, enacted July 3, 2001, but retroactive to July 1, 2000. This ordinance was authorized by Chapter 2000-485, Laws of Florida.

Chapter 2001-288, Laws of Florida, which became law on June 15, 2001.

Chapter 2002-369, Laws of Florida, which became law on June 1, 2002.

Ordinance Number 2003-22, enacted January 28, 2003, but retroactive to October 1, 2002. This ordinance was authorized by Chapter 2000-485, Laws of Florida.

Chapter 2004-427, Laws of Florida, which became law on June 17, 2004.

Chapter 2007-304, Laws of Florida, which became law on June 15, 2007.

Chapter 2011-240, Laws of Florida, which became law on June 17, 2011.

Chapter 2012-235, Laws of Florida, which became law on May 4, 2012.

Chapter 2017-197, Laws of Florida, which became law on June 6, 2017.

Chapter 2018-180, Laws of Florida, which became law on March 23, 2018.

The provisions of the above applicable laws are incorporated into a pension contract and appropriate supplemental pension contracts, which are signed by each individual member. Persons who become active members on or after June 15, 2007 sign a pension contract, which combines appropriate provisions of the pension contract and supplemental pension contracts.

Both firefighters' and police officers' collective bargaining agreements approved the pension contract changes made by Chapters 98-515, 2000-485, 2001-288, 2002-369, 2004-427, 2007-304, 2011-240, 2012-235, 2017-197, and 2018-180, Laws of Florida.