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1
2 An act relating to the West Palm Beach Police Pension
3 Fund, Palm Beach County; amending chapter 24981
4 (1947), Laws of Florida, as amended; revising
5 definitions relating to the West Palm Beach Police
6 Pension Fund; revising professional and clerical
7 services; revising the fund membership; revising age
8 and service requirements for retirement; revising
9 retirement pension calculation; revising optional
10 forms of retirement income; revising chapter 185 share
11 accounts; revising supplemental pension distributions;
12 revising deferred retirement option plan (DROP);
13 revising death benefits; revising investments;
14 revising review procedures; revising lump sum payments
15 of small retirement incomes; revising Internal Revenue
16 Code limits; revising minimum distribution of
17 benefits; revising rollovers from qualified plans;
18 revising other police officer or military services;
19 revising reemployment after retirement; providing an
20 effective date.

21
22 Be It Enacted by the Legislature of the State of Florida:

23
24 Section 1. Paragraphs (b), (c), (h), (m), and (q) of
25 subsection (2), paragraph (e) of subsection (4), subsection (6),

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26 paragraph (b) of subsection (8), paragraphs (a) and (d) of
27 subsection (9), paragraphs (b) and (f) of subsection (11),
28 paragraph (b) of subsection (12), paragraph (b) of subsection
29 (13), paragraph (b) of subsection (17), paragraphs (a) and (d)
30 of subsection (21), subsections (26) and (27), paragraph (a) of
31 subsection (29), subsection (30), paragraph (a) of subsection
32 (31), paragraph (a) of subsection (34), and paragraph (c) of
33 subsection (35) of section 16 of chapter 24981 (1947), Laws of
34 Florida, as amended, are amended, and paragraphs (f) and (g) are
35 added of subsection (29) of that section, to read:

36 Section 16. West Palm Beach Police Pension Fund.—

37 (2) Definitions.—The following words or phrases, as used
38 in this act, shall have the following meanings, unless a
39 different meaning is clearly indicated by the context:

40 (b) "Actuarial equivalent value," "actuarial equivalence,"
41 or "single sum value" means the stated determination using an
42 interest rate ~~of 8.00 percent per year~~ and ~~the RP-2000~~ mortality
43 ~~table for annuitants with future improvements in mortality~~
44 projected with mortality improvement to the year of retirement
45 ~~to 2017 using Scale BB~~, blending ninety percent (90%) male rates
46 and ten percent (10%) female rates for the member and ten
47 percent (10%) male rates and ninety percent (90%) female rates
48 for the beneficiary. ~~For females, the base mortality rates~~
49 ~~include a one hundred percent (100%) white collar adjustment.~~
50 ~~For males, the base mortality rates include a ninety percent~~

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51 ~~(90%) blue collar adjustment and a ten percent (10%) white~~
52 ~~collar adjustment.~~

53 (c) "Beneficiary" means any person, designated as such
54 ~~except a retirant~~, who is entitled to receive a benefit from the
55 West Palm Beach Police Pension Fund or the West Palm Beach
56 Police Pension and Relief Fund, as applicable upon the death of
57 a retirant.

58 (h) "Final average salary" means the average of the
59 monthly salary paid to a member in the 3 best years of
60 employment. In no event shall any one year, beginning January 1,
61 2005, include more than 400 hours of overtime. Prior to January
62 1, 2005, individual years may include more than 400 hours of
63 overtime. Effective prospectively from January 1, 2013, the
64 overtime will be limited to 300 hours in any one year. As of
65 June 6, 2017 ~~the effective date of this act~~, for purposes of
66 determining final average salary, any lump sum payment made to a
67 member for retroactive pay, such amounts shall not be considered
68 as a lump sum but will be treated as if paid during the
69 retroactive pay periods.

70 (m) "Qualified health professional" means a person duly
71 and regularly engaged in the practice of his or her profession
72 who holds a professional degree from a university or college and
73 has special professional training or skill regarding the
74 physical or mental condition, disability, or lack thereof, upon
75 which he or she is to present evidence to the board. The board

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of trustees, in its sole discretion, will determine whether any individual provider meets this requirement.

(q) "Salary" means, ~~the fixed monthly compensation paid to a member; compensation shall include those items as have been included as compensation in accordance with past practice. However, the term shall not be construed to include lump sum payments for accumulated leave.~~ on and after January 1, 2003, salary shall mean payment for total cash remuneration paid by the City to a police officer for services rendered, excluding lump sum payments for accumulated leave such as accrued vacation leave, accrued sick leave, and accrued personal leave.

1. Effective January 1, 2005, overtime hours earned and paid in excess of four hundred (400) hours in any twenty-six (26) consecutive pay periods shall be excluded from the definition of salary. Prior to January 1, 2005, all overtime hours earned and paid shall be included in the definition of salary and shall not be limited by any cap.

2. Effective prospectively from January 1, 2013, overtime hours earned and paid in excess of three hundred (300) hours in any twenty-six (26) consecutive pay periods shall be excluded from the definition of salary. Prior to January 1, 2005, all overtime hours earned and paid shall be included in the definition of salary and shall not be limited by any cap.

3. This definition of compensation shall not include off-duty employment performed for vendors other than the City of

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101 West Palm Beach per Article 35 ~~30, and Section 8~~ of the
102 collective bargaining agreement between the City of West Palm
103 Beach and the Florida State Lodge, Fraternal Order of Police,
104 Inc., Certified Unit No 1985 and Certified Unit No 1986 and per
105 Article 30, Section 4, of the collective bargaining agreement
106 for Certified Unit No 2004, ~~and the City of West Palm Beach.~~

107 4. Beginning with salary paid after December 31, 2008, and
108 pursuant to s. 414(u)(7) of the Internal Revenue Code, "salary"
109 includes amounts paid by the city as differential wages to
110 members who are absent from employment while in qualified
111 military service.

112 (4) Professional and clerical services.—

113 (e) Certified public accountant.—The board shall employ,
114 at its expense, a certified public accountant to conduct an
115 independent audit of the fund. The certified public account
116 shall be independent of the board and the city. Additionally,
117 the board may employ a bookkeeper to create and maintain the
118 financial statements for the fund.

119 (6) Membership.—All police officers in the employ of the
120 Department shall be included in the membership of the fund, and
121 all persons who hereafter become police officers in the employ
122 of the city shall thereupon become members of the fund.

123 (a) New members to the fund are required to undergo a
124 physical examination for purposes of determining preexisting
125 conditions. This physical examination shall be conducted in

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126 conjunction with the city's post offer, preemployment physical
127 examination. The board's medical director shall review the
128 results of this physical examination and provide notice to the
129 board and the member of any abnormal findings of the
130 examination. This physical examination will be used for the
131 purposes of establishing a physical profile of the member for
132 determining preexisting conditions and presumptive illnesses as
133 provided for in subsections (14) and (15). After review, if
134 further physical examination is required by the board, such
135 examination shall be conducted at board expense.

136 (b) Except as otherwise provided in this act, should any
137 member cease to be a police officer in the employ of the
138 Department, he or she shall thereupon cease to be a member and
139 his or her credited service at that time shall be forfeited. In
140 the event such person is re-employed in the Department as a
141 police officer, he or she shall again become a member. His or
142 her forfeited service shall be restored to the member's credit,
143 provided that he or she returns to the fund the amount he or she
144 might have withdrawn, together with regular interest from the
145 date of withdrawal to the date of repayment. Members must begin
146 the process of returning the withdrawn contributions within one
147 (1) year after date of rehire or the time will only be eligible
148 for purchase within the provisions of subsection (34). Should a
149 member have withdrawn their contributions due to a termination
150 from employment and the member is subsequently reinstated

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151 through the grievance and arbitration process, such member must
152 also begin the process of returning the withdrawn contributions
153 within one (1) year after the date of reinstatement or the time
154 will only be eligible for purchase within the provisions of
155 subsection (34); however, a member who is reinstated through the
156 grievance and arbitration process may repay the withdrawn
157 contributions without interest if the repayment process is
158 started within one (1) year after the date of reinstatement.

159 (c) Upon the member's retirement or death, he or she shall
160 thereupon cease to be a member.

161 (8) Age and service requirements for retirement.—

162 (b) Vested deferred retirement.—A member who leaves the
163 employ of the department with ten (10) or more years of credited
164 service and who is not eligible for any other retirement benefit
165 at the time of termination under this act shall be entitled to
166 the pension provided for in this subsection. Payments of this
167 pension shall begin the first day of the calendar month
168 following the month in which his or her application is filed
169 with and accepted by the board on or after attainment of age
170 fifty (50) years. In order to avoid the early retirement
171 reduction described in paragraph (c), a terminated vested member
172 must be at least age fifty (50) and with at least twenty (20)
173 years of credited service or has attained age fifty-five (55)
174 and with at least ten (10) years of credited service. Otherwise
175 ~~If applicable~~, the amount of the pension shall be determined in

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accordance with the early retirement provisions described in
paragraph (c) below. ~~In the case of a retirement with twenty-~~
~~five (25) years of service, Normal Retirement Age is whatever~~
~~age a member has attained when retired at twenty-five (25) years~~
~~of service.~~

(9) Retirement pension calculation.—

(a) Upon retirement eligibility as provided in subsection
(8), a member shall receive a monthly pension. The pension shall
be the following, as applicable:

1.a. Effective for retirements on and after October 1,
2026, notwithstanding any other benefit in this section, the
benefit accrual rate is 3.2 percent for all years of service up
to a total of 26 years, and then a benefit of 1 percent of the
final average salary multiplied by the number of years, and
fraction of a year, of credited service in excess of 26 years.
This benefit is not available to members who terminated or
retired, including entry into DROP prior to October 1, 2026. In
all cases, members who were active on September 30, 2026, will
receive at least the benefit accrued as of that day, and in no
event shall the benefit be less than 2.75 percent per year of
credited service.

b. For all years of service earned after October 1, 2017,
the benefit accrual rate is ~~calculated using~~ 3 percent of final
average salary per year and fractional parts of the years of
service up to a total of 26 years, plus 1 percent of the final

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average salary multiplied by the number of years, and fraction of a year, of credited service in excess of 26 years. For all years of service earned after October 1, 2011, and before October 1, 2017, the benefit is calculated using 2.68 percent of final average salary per year and fractional parts of the years of service and is included in the 26-year limitation years. This change in the multiplier was due to the change in assumptions in a prior version of this special act. This reduction is required by this paragraph. For years of service earned before October 1, 2011, the benefit will be calculated under the provisions of the applicable subparagraphs 2.-4. For purposes of determining the 26-year limitation, the member's total number of years of credited service are used, regardless of whether the multiplier is 3 percent or 2.68 percent. In no event shall the benefit be less than 2.75 percent per year of credited service.

~~c.b.~~ Beginning May 6, 2022 ~~upon the effective date of this act,~~ the benefit accrual rate of 2.68 percent as described in sub-paragraph 1.a. will be retroactively restored to 3 percent for all years of a member's service between October 1, 2011, and October 1, 2017, provided that the member retires or enters DROP after May 5, 2022 ~~the effective date of this act~~. This benefit is not available to members who retired, including entry into DROP, prior to May 6, 2022 ~~the effective date of this act~~.

2. A member who has more than or equal to 12 years and 6 months of service at October 1, 1999, and who was actively

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employed by the Department on or after October 1, 1999, shall receive a benefit equal to 3 percent of final average salary multiplied by the number of years, and fraction of a year, of credited service earned from April 1, 1987, to September 30, 2011, plus 2.5 percent of final average salary multiplied by the number of years, and fraction of a year, of credited service earned prior to April 1, 1987, up to a total of 26 years, plus 1 percent of the final average salary multiplied by the number of years, and fraction of a year, of credited service which is in excess of 26 years. In no event shall the benefit be less than 2.75 percent per year of credited service. For all years of service after October 1, 2011, the benefit will be calculated in accordance with subparagraph 1.

3. A member who has less than 12 years and 6 months of service on October 1, 1999, and who was actively employed by the Department on or after October 1, 1999, shall receive a benefit equal to 3 percent of final average salary multiplied by the number of years, and fraction of a year, of credited service up to September 30, 2011, plus 1 percent of the final average salary multiplied by the number of years, and fraction of a year, of credited service which is in excess of 26 years. In no event shall the benefit be less than 2.75 percent per year of credited service. For all years of service after October 1, 2011, the benefit will be calculated in accordance with subparagraph 1.

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251 4. A member who terminated employment, retired on a vested
252 deferred benefit, or retired on or before October 1, 1999, shall
253 receive a benefit equal to the greater of the following:

254 a. Two and one-half percent of final average salary
255 multiplied by the number of years, and fraction of a year, of
256 credited service not to exceed 26 years, plus 1 percent of the
257 final average salary multiplied by the number of years, and
258 fraction of a year, of credited service which is in excess of 26
259 years; or

260 b. The sum of the following:

261 (I) Two and one-half percent of final average salary
262 multiplied by the number of years, and fraction of a year, of
263 credited service earned through September 30, 1988; and

264 (II) Two percent of final average salary multiplied by the
265 number of years, and fraction of a year, of credited service
266 earned on and after October 1, 1988.

267 To the extent that the benefit accrual factor is less than 3
268 percent for active members with less than 12 years and 6 months
269 of service on October 1, 1999, the supplemental pension
270 distribution calculation under subparagraph (12)(a)2. shall be
271 adjusted for employees who retire or enter the DROP after
272 October 1, 1999. The adjustment shall be to decrease the minimum
273 return of 8.25 percent needed to afford the supplemental pension
274 distribution, where the amount of the reduction is zero if an
275 employee has been credited with 12 years and 6 months of service

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or more with the 3-percent benefit accrual factor or 1.25 percent if an employee has been credited with no more than a 2.5-percent benefit accrual factor. If an employee has been credited with less than 12 years and 6 months of service at the 3-percent benefit accrual factor, then the accumulated amount over 2.5 percent for each year of service divided by one-half percent divided by 12.5 subtracted from 1 multiplied by 1.25 percent is the reduction from 8.25 percent. An example of the calculation of the minimum return for the supplemental pension distribution as herein described is set forth in the collective bargaining agreement between the City of West Palm Beach and the Florida State Lodge, Fraternal Order of Police, Inc., Certified Unit No 1985 and Certified Unit No 1986, October 1, 2021, to September 30, 2024.

Effective October 1, 2011, the assumed investment rate of return was lowered from 8.25 percent to 8 percent, which resulted in a reduction in the benefit multiplier to 2.68 percent for all prospective years of service, up to 26 years of service in total, and 1 percent for each year of service after 26. Additionally, for any supplemental pension distributions subsequent to October 1, 2011, the revised factors in this paragraph will be applied.

(d) Optional forms of retirement income.

1.a. In the event of normal, early, or disability retirement, in lieu of the normal form of retirement income

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payable as specified in paragraph (c), and in lieu of the death benefits as specified in subsection (17), a member, upon written request to the board and subject to the approval of the board, may elect to receive a retirement income of equivalent actuarial value payable in accordance with one of the following options:

(I) Lifetime option. A retirement income of a larger monthly amount, payable to the member for his or her lifetime only.

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

(III) Ten-year certain option. A retirement income of the normal form of benefit but in lieu of the survivor benefits as provided for in subsection (17), the member may elect to designate a beneficiary to receive the remainder of one hundred twenty (120) payments, in the event that the member dies before receiving one hundred twenty (120) payments. In the event that the member/retiree receives one hundred twenty (120) or more payments, no benefit is ever paid to a beneficiary.

b. The member, upon electing any option of this paragraph,

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326 shall designate the joint pensioner or beneficiary (or
327 beneficiaries) to receive the benefit, if any, payable in the
328 event of his or her death, and will have the power to change
329 such designation from time to time; but any such change shall be
330 deemed a new election and shall be subject to approval by the
331 board. Such designation shall name a joint pensioner or one (1)
332 or more primary beneficiaries where applicable. If a member has
333 elected an option with a joint pensioner or beneficiary and his
334 or her retirement income benefits have commenced, he or she may
335 thereafter change the designated joint pensioner or beneficiary
336 only twice. Any retired member who desires to change his or her
337 joint pensioner or beneficiary shall file with the board a
338 notarized notice of such change. Upon receipt of a completed
339 change of joint pensioner form or such other notice, the board
340 shall adjust the member's monthly benefit by the application of
341 actuarial tables and calculations developed to ensure that the
342 benefit paid is the actuarial equivalent of the present value of
343 the member's current benefit and there is no impact to the plan.

344 c. The consent of a member's joint pensioner or
345 beneficiary to any such change shall not be required.

346 d. For any other changes in beneficiaries, the board may
347 request such evidence of the good health of the joint pensioner
348 who is being removed as it may require; and the amount of the
349 retirement income payable to the member upon the designation of
350 a new joint pensioner shall be actuarially redetermined, taking

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351 into account the ages and sex of the former joint pensioner, the
352 new joint pensioner, and the member. Each such designation shall
353 be made in writing on a form prepared by the board and, on
354 completion, shall be filed with the board. In the event that no
355 designated beneficiary survives the member, such benefits as are
356 payable in the event of the death of the member subsequent to
357 his or her retirement shall be paid as provided in paragraph
358 (c)2.

359 2. Retirement income payments shall be made under the
360 option elected in accordance with the provisions of this
361 paragraph and shall be subject to the following limitations:

362 a. If a member dies prior to his or her normal retirement
363 date or early retirement date, whichever first occurs,
364 retirement benefits shall be paid in accordance with subsection
365 (17).

366 b. If the designated beneficiary (or beneficiaries) or
367 joint pensioner dies before the member's retirement, the option
368 elected shall be canceled automatically and a retirement income
369 of the normal form and amount shall be payable to the member
370 upon his or her retirement as if the election had not been made,
371 unless a new election is made in accordance with the provisions
372 of this paragraph or a new beneficiary is designated by the
373 member prior to his or her retirement.

374 c. If a member continues in the employ of the department
375 after meeting the age and service requirements set forth in

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paragraph (8) (a) and dies prior to retirement and while an option provided for in this paragraph is in effect, monthly retirement income payments shall be paid, under the option, to a beneficiary (or beneficiaries) designated by the member in the amount or amounts computed as if the member has retired under the option on the date on which his or her death occurred.

3. No member may make any change in his or her retirement option after the date of the earliest to occur of the first DROP deposit or the cashing or deposit of ~~depositing~~ the first retirement check.

(11) Chapter 185 share accounts.—

(b) Share account funding.—

1. Chapter 185 money. Each individual member account shall be credited with the moneys received from F.S. ch. 185 tax revenues in June 1988 and thereafter. Of the Chapter 185 moneys received in calendar years 2011 and 2012, the full amount will be used to reduce the employee contributions to eleven percent (11%) as provided for in subparagraphs (19)(1)1. This is for calendar years 2011, 2012 and 2014 only. Effective for the fiscal year ending September 30, 2013, and beginning again October 1, 2104, the employee contribution will be eleven percent (11%), and all of the Chapter 185 moneys received in calendar years 2013 and 2015 each calendar year thereafter will be allocated to the shared accounts.

2. Forfeitures. In addition, any forfeitures as provided

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401 in paragraph (e) shall be credited to the individual member
402 accounts in accordance with the formula set forth in paragraph
403 (c). In the event that a member is rehired or reinstated to
404 employment as a police officer after forfeiture of the benefit
405 for terminating service without vesting and the member is
406 entitled to reinstatement of the share account, the share
407 account balance will be reinstated from the next distribution of
408 185 money before the allocation provided for in subparagraph 1.

409 (f) Payment of benefits.—The normal form of benefit
410 payment shall be a lump sum payment of the entire balance of the
411 member's individual member account or upon the written election
412 of the member, upon a form provided by the board; and payment
413 shall be made:

414 1. Over three (3) years in annual installments; or

415 2. In monthly installments over the lifetime of the member
416 or until the entire balance is exhausted. The monthly amount
417 paid will be determined by the fund's actuary in accordance with
418 selections made by the member on a form provided by the board of
419 trustees.

420 3. In periodic partial lump sum withdrawals until the
421 entire balance is exhausted.

422 (12) Supplemental pension distribution.—

423 (b) The actuary shall determine whether there may be a
424 supplemental pension distribution based on the following
425 factors:

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426 1. The actuary for the pension fund shall determine the
427 rate of investment return earned on the pension fund assets
428 during the 12-month period ending each September 30. The rate
429 determined shall be the rate reported in the most recent
430 actuarial report submitted pursuant to F.S. ch. 112, pt. VII.

431 2. The actuary for the pension fund shall, as of September
432 30, determine the actuarial present value of future pension
433 payments to current pensioners. The actuarial present values
434 shall be calculated using an interest rate ~~of 7 percent a year~~
435 ~~compounded annually~~ and a mortality table ~~as approved by the~~
436 ~~board of trustees and~~ as used in the most recent actuarial
437 report submitted pursuant to F.S. ch. 112, pt. VII.

438 3. The supplemental pension distribution amount shall not
439 exceed accumulated net actuarial experience from all pension
440 liabilities and assets. If the net actuarial experience is
441 favorable, cumulatively, commencing with the experience for the
442 year ended September 30, 1991, after offset for all prior
443 supplemental distributions, the supplemental distribution may be
444 made. If the net actuarial experience is unfavorable,
445 cumulatively, commencing with the experience for the year ended
446 September 30, 1991, after offset for all prior supplemental
447 distributions, no supplemental distribution may be made, and the
448 city must amortize the loss until it is offset by cumulative
449 favorable experience.

450 If an actuarial report submitted as provided in this paragraph

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451 is not state accepted prior to distribution, and if a deficiency
452 to the pension fund results, the deficiency shall be made up
453 from the next available supplemental pension distribution,
454 unless sooner made up by agreement between the board of trustees
455 and the city. No such deficiency shall be permitted to continue
456 for a period greater than 3 years from the date of payment of
457 the supplemental pension distribution which resulted in the
458 deficiency.

459 (13) Deferred retirement option plan (DROP).—

460 (b) Amounts payable upon election to participate in DROP.—

461 1. Monthly retirement benefits that would have been
462 payable had the member terminated employment with the Department
463 and elected to receive monthly pension payments shall be paid
464 into the DROP and credited to the retirant. Payments into the
465 DROP shall be made monthly over the period the retirant
466 participates in the DROP, up to a maximum of 60 months.

467 2. Effective October 1, 2002, DROP Participants have the
468 option to select between two methods to credit investment
469 earnings to their account. The method may be changed each year
470 effective October 1; however, the method must be elected prior
471 to October 1. The methods are:

472 a. Earnings using the rate of investment return earned (or
473 lost) on Pension Fund assets as reported by the Fund's
474 investment monitor. DROP assets are commingled with the Pension
475 Fund assets for investment purposes.

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476 b. A fixed rate of 8.25 percent for members who reached
477 normal retirement age on or before October 1, 2012. Effective
478 October 1, 2012, the fixed rate is 8 percent for members who
479 retire or enter the DROP on or after October 1, 2012. In any
480 fiscal year, if the amount paid in investment earnings under
481 this paragraph creates a deficiency as compared to the gross
482 earnings of the pension fund as a whole (using the rate
483 determined by the Fund's investment monitor), then the rate will
484 be reduced to 4 percent effective the next October 1 until the
485 deficiency is satisfied. When the deficiency is satisfied, the
486 rate will return to 8 percent, effective the next October 1.
487 Beginning October 1, 2012, the cumulative amounts paid in
488 earnings for the fixed rate will be maintained in the actuarial
489 valuation.
490 However, if a police officer does not terminate employment at
491 the end of participation in the DROP, interest credits shall
492 cease on the balance.

493 3. No payments shall be made from the DROP until the
494 member terminates employment with the Department.

495 4. Upon termination of employment, participants in the
496 DROP shall receive the balance of the DROP account in accordance
497 with the following rules:

498 a. Members may elect to begin to receive payment upon
499 termination of employment or defer payment of the DROP until the
500 latest day as provided under sub-subparagraph c.

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b. Payments shall be made in either:

(I) Lump sum. The entire account balance shall be paid to the retirant upon approval of the Board of Trustees.

(II) Installments. The account balance shall be paid out to the retirant in three equal payments paid over 3 years, the first payment to be made upon approval of the Board of Trustees.

(III) Annuity. The account balance shall be paid out in monthly installments over the lifetime of the member or until the entire balance is exhausted. Monthly amount paid shall be determined by the Fund's actuary in accordance with selections made by the member on a form provided by the Board of Trustees.

(IV) Periodic partial lump sums. The account balance shall be paid in periodic partial lump sum withdrawals.

c. Any form of payment selected by a police officer must comply with the minimum distribution requirements of s. 401(A)(9) of the Internal Revenue Code and is subject to the requirements of subsection (30) of this act; e.g., payments must commence by the required minimum distribution age ~~70-1/2~~.

d. If a member dies and is eligible for benefits from the DROP account, the entire balance of the DROP account shall be converted to the name of the beneficiary designated in accordance with subsection (9)(e). The entire balance shall be paid out in a lump sum to the beneficiary, at the discretion of the beneficiary. If the designated beneficiary is the surviving spouse, the account may remain with the Fund until the latest

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period specified under subsection (30). These DROP accounts shall not be eligible for any further DROP distributions but are eligible for earnings. If a member fails to designate a beneficiary, or if the beneficiary predeceases the member, the entire balance shall be converted, in the following order, to the name or names of:

1. The member's surviving children on a pro rata basis;
2. If no children are alive, the member's spouse;
3. If no spouse is alive, the member's surviving parents on a pro rata basis; or
4. If none are alive, the estate of the member.

The accounts which are converted to the names of the beneficiaries shall have the right to name a successor beneficiary. Any designated beneficiary, other than the surviving spouse of the member, must take a distribution of the entire DROP account balance by the end of 5 years after the death of the member. Installment distributions which begin in the calendar year of the member's death shall be treated as complying with this 5-year distribution requirement, even though the installments are not completed within 5 years after the member's death.

e. Costs, fees, and expenses of administration shall be debited from the individual member accounts on a proportionate basis, taking the cost, fees, and expenses of administration of the Fund as a whole, multiplied by a fraction, the numerator of

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551 which is the total assets in all individual member accounts and
552 the denominator of which is the total assets of the Fund as a
553 whole.

554 (17) Death benefits.—

555 (b) Duty death.—In the event a member dies and the board
556 finds his or her death to be the natural and proximate result of
557 a personal injury or disease arising out of and in the course of
558 his or her actual performance of the duties as a police officer
559 in the employ of the city, the ~~following~~ applicable pensions in
560 subparagraphs 1.-6. shall be paid. The duty-related presumptions
561 provided in subparagraph (15) (a)2. apply to the determination of
562 whether the death arises out of the performance of duty.÷

563 1. Effective October 1, 2003, The surviving spouse shall
564 receive a pension equal to two-thirds (²/₃) of the member's
565 highest twelve (12) consecutive months' salary or the current
566 top step police officer pay, whichever is greater. Upon the
567 surviving spouse's death, the pension shall terminate. Any
568 pension payable under this paragraph shall be subject to the
569 provisions of subsection (18).

570 2. If, in addition to a surviving spouse, the deceased
571 member leaves an unmarried child or children under age eighteen
572 (18), each child shall receive a pension of \$150.00 per month.
573 Upon any child's adoption, marriage, death, or attainment of age
574 eighteen (18), the child's pension shall terminate. Any pension
575 payable under this paragraph shall be subject to the provisions

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of subsection (18).

3. In the event the deceased member does not leave a surviving spouse, or if the surviving spouse dies, and the member leaves an unmarried child or children under age eighteen (18), each child shall receive a pension of an equal share of one-third of the deceased member's final average salary. Upon any child's adoption, marriage, death, or attainment of age eighteen (18), the child's pensions shall terminate and it shall be apportioned to the pensions payable to the deceased member's remaining eligible children under age eighteen (18). Any pension payable under this paragraph shall be subject to the provisions of subsection (18).

4. Any pensions payable, under subparagraphs 2. and 3. above, to any child under age eighteen (18) shall be paid to his or her legal guardian.

5. In the event the deceased member does not leave a surviving spouse, nor children under age eighteen (18) eligible to receive a pension provided for in subparagraph 1., subparagraph 2. or subparagraph 3., and the member leaves a parent or parents who the board finds are dependent upon the member for at least fifty (50) percent of his, her, or their financial support, then each parent shall receive a pension of an equal share of one-third ($\frac{1}{3}$) of the deceased member's final average salary. Upon any such parent's remarriage or death, his or her pension shall terminate. Any pension payable under this

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paragraph shall be subject to the provisions of subsection (18).

6. In the event the deceased member does not leave a surviving spouse, children, or parents eligible to receive a pension, then the death benefit, if any, shall be paid to the estate of the deceased member. Any retirement income payments due after the death of a vested member may, in the discretion of the board, be paid to the member's designated beneficiary or beneficiaries.

(21) Investments.—

(a) Power and authority of Board to invest and reinvest moneys.—The board shall have the power and authority to invest and reinvest the moneys of the fund and to hold, purchase, sell, assign, transfer, and dispose of any securities and investments held in the fund, including the power and authority to employ counseling or investment management services. The aim of the investment policies shall be to preserve the integrity and security of fund principal, to maintain a balanced investment portfolio, to maintain and enhance the value of the fund principal, and to secure the maximum total return on investments that is consonant with safety of principal, provided that such investments and reinvestments shall be limited only by the investments permitted by the investment policy guidelines adopted by the board in accordance with Florida law. Notwithstanding the foregoing, investments in foreign investments are limited in accordance with section

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626 185.06(1)(b)4, Florida Statutes.

627 1. The board members must discharge these duties with
628 respect to the plan solely in the interest of the participants
629 and beneficiaries and:

630 a. For the exclusive purpose of providing benefits to
631 participants and their beneficiaries and defraying reasonable
632 expenses of administering the plan;

633 b. With the care, skill, prudence, and diligence under the
634 circumstances then prevailing that a prudent person acting in
635 like capacity and familiar with such matters would use in the
636 conduct of an enterprise of a like character and with like aims;
637 and

638 c. By diversifying the investments of the plan so as to
639 minimize the risk of large losses, unless under the
640 circumstances it is clearly prudent not to do so.

641 2. Notwithstanding any other provision of this subsection
642 and as provided in sections 215.473 and 215.4725 ~~section~~
643 ~~215.473~~, Florida Statutes, the board must identify and publicly
644 report any direct or indirect holding it may have in any
645 scrutinized company, as defined in sections 215.473 and 215.4725
646 ~~section 215.473~~, Florida Statutes. In accordance with the
647 requirements under sections 215.473 and 215.4725, Florida
648 Statutes ~~Beginning January 1, 2010~~, the board must proceed to
649 sell, redeem, divest, or withdraw all publicly traded securities
650 it may have directly in any scrutinized company. ~~The divestiture~~

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651 ~~of any such security must be complete by September 10, 2010.~~ The
652 board and its named officers or investment advisors may not be
653 deemed to have breached their fiduciary duty in any action taken
654 to dispose of any such security, and the board shall have
655 satisfactorily discharged the fiduciary duties of loyalty,
656 prudence, and sole end exclusive benefit to the participants of
657 the Pension fund and their beneficiaries if the board's actions
658 are consistent with the duties imposed by section 215.473,
659 Florida Statutes, ~~as provided for in section 185.06(7), Florida~~
660 ~~Statutes,~~ and the manner of the disposition, if any, is
661 reasonable as to the means chosen. For purposes of determining
662 which companies are scrutinized companies, the board may use
663 ~~utilizes~~ the list of scrutinized companies as developed by the
664 State Board of Administration. No person may bring any civil,
665 criminal, or administrative action against the Board of Trustees
666 or any employee, officer, director, or advisor of such Pension
667 fund based upon the divestiture of any security pursuant to this
668 subparagraph.

669 (d) Performance evaluation and manager selection.—At least
670 once every three (3) years, the Board of Trustees shall retain
671 an independent consultant professionally qualified to evaluate
672 the performance of its professional money manager or investment
673 counsel. The independent consultant shall make recommendations
674 to the Board of Trustees regarding the selection of money
675 managers ~~for the next investment term.~~ These recommendations

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676 shall be considered by the Board of Trustees ~~at its next~~
677 ~~regularly scheduled meeting. The date, time, place, and subject~~
678 ~~of this meeting shall be advertised in a newspaper of general~~
679 ~~circulation in the municipality at least ten (10) days prior to~~
680 ~~the date of the hearing.~~

681 (26) Review procedures.—

682 (a) The applicant for benefits under this act may, within
683 twenty (20) days after being informed of the denial of his
684 request for pension benefits, appeal said denial by filing a
685 reply to the proposed order with the pension's coordinator. If
686 no appeal is filed within the time period, then the proposed
687 order shall be final.

688 (b) The Board of Trustees shall hold a hearing within 90
689 calendar ~~forty-five (45)~~ days after ~~of the~~ receipt of the
690 appeal, allowing for discovery of records and witnesses. Written
691 notice of said hearing shall be sent by electronic delivery or
692 certified mail to the applicant, at the address listed on his
693 application or to his designated representative, no less than 10
694 calendar ~~ten (10)~~ days prior to the hearing.

695 (c) The procedure at the hearing shall be as follows:

696 1. All parties shall have an opportunity to respond, to
697 present physical and testimonial evidence and argument on all
698 issues involved, to conduct cross examination, to submit
699 rebuttal evidence, and to be represented by counsel. Medical
700 reports and depositions may be accepted in lieu of live

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701 testimony, at the board's discretion.

702 2. All witnesses shall be sworn.

703 3. The applicant and the board shall have an opportunity
704 to question all witnesses.

705 4. While the Florida Rules of Civil Procedure and the
706 strict Florida Rules of Evidence do ~~Formal rules of evidence and~~
707 ~~formal rules of civil procedure shall~~ not apply to these
708 proceedings, irrelevant and unduly repetitious evidence may be
709 excluded. Hearsay evidence may be used for the purpose of
710 supplementing or explaining other evidence, but it shall not be
711 sufficient in itself to support a finding unless it would be
712 admissible over objection in civil actions. The proceedings
713 shall comply with the essential requirements of due process and
714 law.

715 5. The record in a case governed by this subsection shall
716 consist only of:

717 a. A ~~tape~~ recording or transcript of the hearing, to be
718 ~~taped and~~ maintained as part of the official files of the Board
719 of Trustees by the plan's administrator ~~pension's secretary~~.

720 b. Evidence submitted for admission into the record
721 ~~received or considered~~.

722 c. All notices, pleadings, motions, and intermediate
723 rulings.

724 d. Any decisions, opinions, proposed or recommended
725 orders, or reports by the Board of Trustees.

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726 (d) Within 10 calendar ~~five (5)~~ days after the hearing,
727 the board shall take one (1) of the following actions:

728 1. Grant the pension benefits by overturning the proposed
729 order by majority vote.

730 2. Deny the benefits and approve the proposed order as a
731 final order, after making any changes in the order that the
732 board feels is necessary.

733 (e) Findings of fact by the board shall be based on
734 competent, substantial evidence on the record.

735 (f) Upon ~~Within twenty (20) calendar days after rendering~~
736 ~~its order, the Board of Trustees shall send~~ the order to the
737 applicant or applicant's representative by electronic or
738 ~~certified mail a copy of said order to the applicant.~~

739 (g) The applicant may seek review of the order of the
740 board of trustees by filing a petition for writ of certiorari
741 with the circuit court within thirty (30) days.

742 (27) Lump sum payment of small retirement income.—
743 Notwithstanding any provision of the fund to the contrary, if
744 the monthly retirement income payable to any person entitled to
745 benefits hereunder is less than thirty dollars (\$30.00) or if
746 the single sum value of the accrued retirement income is less
747 than seven ~~one~~ thousand dollars (\$7,000.00 ~~1,000.00~~) as of the
748 date of retirement or termination of service, whichever is
749 applicable, the Board of Trustees, in the exercise of its
750 discretion, may specify that the actuarial equivalent of such

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retirement income be paid in lump sum.

(29) Internal Revenue Code limits.—

(a) In no event may a member's annual benefit exceed \$280,000 in 2025 which is adjusted ~~one hundred sixty thousand dollars (\$160,000.00)~~ (adjusted for cost of living in accordance with Internal Revenue Code (IRC) Section 415(d)).

(f)1.a. Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the system, as allowed in subsection (23), the requirements of this section will be treated as met only if:

(I) The requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b); or

(II) The requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

b. For purposes of applying sub-sub-subparagraph a.(I), the system will not fail to meet the reduced limit under Code Section 415(b)(2)(C) solely by reason of this sub-subparagraph, and for purposes of applying sub-sub-subparagraph a.(II), the system will not fail to meet the percentage limitation under Code Section 415(c)(1)(B) solely by reason of this sub-

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776 subparagraph.

777 2. For purposes of this paragraph, the term "permissive
778 service credit" means service credit:

779 a. Recognized by the system for purposes of calculating a
780 member's benefit under the plan.

781 b. Which the member has not received under the plan; and

782 c. Which the member may receive only by making a voluntary
783 additional contribution, in an amount determined under the
784 system, which does not exceed the amount necessary to fund the
785 benefit attributable to such service credit.

786
787 Effective for permissive service credit contributions made in
788 limitation years beginning after December 31, 1997, such term
789 may, if otherwise provided by the system, include service credit
790 for periods for which there is no performance of service, and
791 may include service credited in order to provide an increased
792 benefit for service credit which a member is receiving under the
793 system.

794 (g) If the plan accepts a direct rollover of an employee's
795 or former employee's benefit from a defined contribution plan
796 qualified under Code Section 401(a) which is maintained by the
797 employer, any annuity resulting from the rollover amount that is
798 determined using a more favorable actuarial basis than required
799 under Code Section 417(e) shall be included in the annual
800 benefit for purposes of the limit under Code Section 415(b).

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801 (30) Minimum distribution of benefits.—

802 (a) General rules.—

803 1. The plan will pay all benefits in accordance with good
804 faith interpretation of the requirements of Code Section
805 401(a)(9) and the regulations in effect under that section, as
806 applicable to a governmental plan within the meaning of Code
807 Section 414(d).

808 2. Precedence. The requirements of this section will take
809 precedence over any inconsistent provisions of the plan.

810 (b) Time and manner of distribution.—

811 1. Required beginning date.—

812 a. The member's entire interest will be distributed, or
813 begin to be distributed, to the member no later than the
814 member's required beginning date. The member's required
815 beginning date is April 1 of the calendar year following the
816 later of the calendar year in which the member attains the
817 applicable age or the calendar year in which the member
818 terminates employment with the City.

819 b. The applicable age is as follows:

820 (I) For a member who attained age 70½ before December 31,
821 2019, the applicable age is 70½.

822 (II) For a member who attained age 72 before January 1,
823 2023, the applicable age is 72.

824 (III) For a member who attains age 72 after December 31,
825 2022, the applicable age is 73.

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826 (IV) For a member who attains age 74 after December 31,
827 2032, the applicable age is 75.

828 2. Death of member before distribution begins.—If the
829 member dies before distribution begins, the member's entire
830 interest will be distributed, or begin to be distributed, no
831 later than as follows:

832 a. If the member's surviving spouse is the member's sole
833 designated beneficiary, distributions to the surviving spouse
834 will begin by December 31 of the calendar year immediately
835 following the calendar year in which the member died, or by a
836 date on or before December 31 of the calendar year in which the
837 member would have attained the applicable age, as the surviving
838 spouse elects. Effective for calendar years beginning after
839 December 31, 2023, a surviving spouse who is the member's sole
840 designated beneficiary may elect to be treated as if the
841 surviving spouse were the employee as provided under Code
842 Section 401(a)(9)(B)(iv).

843 b. If the member's surviving spouse is not the member's
844 sole designated beneficiary, distributions to the designated
845 beneficiary will begin by December 31 of the calendar year
846 immediately following the calendar year in which the member
847 died, unless the beneficiary qualifies as an eligible designated
848 beneficiary, in which case the benefit can be distributed within
849 5 years after the member died.

850 3. Death after distribution begins.—If the member dies

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851 after the required distribution of benefits has begun, the
852 remaining portion of the member's interest must be distributed
853 at least as rapidly as under the method of distribution before
854 the member's death.

855 4. Form of distribution.—Unless the member's interest is
856 distributed in the form of an annuity purchased from an
857 insurance company or in a single sum on or before the required
858 beginning date, as of the first distribution calendar year,
859 distributions will be made in accordance with this section. If
860 the member's interest is distributed in the form of an annuity
861 purchased from an insurance company, distributions thereunder
862 will be made in accordance with the requirements of Section
863 401(a) (9) of the Code and Treasury regulations. Any part of the
864 member's interest which is in the form of an individual account
865 described in Code Section 414(k) will be distributed in a manner
866 satisfying the requirements of Section 401(a) (9) of the Code and
867 Treasury regulations that apply to individual accounts.

868 (c) Determination of amount to be distributed each year.—

869 1. General requirements. If the member's interest is paid
870 in the form of annuity distributions under the plan, payments
871 under the annuity will satisfy the following requirements:

872 a. The annuity distributions will be paid in periodic
873 payments made at intervals not longer than 1 year.

874 b. The member's entire interest must be distributed
875 pursuant to this plan document and in any event over a period

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876 equal to or less than the member's life or the lives of the
877 member and a designated beneficiary, or over a period not
878 extending beyond the life expectancy of the member or of the
879 member and a designated beneficiary. The life expectancy of the
880 member, the member's spouse, or the member's beneficiary may not
881 be recalculated after the initial determination for purposes of
882 determining benefits.

883 2. Amount required to be distributed by required beginning
884 date. The amount that must be distributed on or before the
885 member's required beginning date is the payment that is required
886 for one payment interval. The second payment need not be made
887 until the end of the next payment interval even if that payment
888 interval ends in the next calendar year. Payment intervals are
889 the periods for which payments are received, e.g., monthly. All
890 of the member's benefit accruals as of the last day of the first
891 distribution calendar year will be included in the calculation
892 of the amount of the annuity payments for payment intervals
893 ending on or after the member's required beginning date.

894 3. Additional accruals after first distribution calendar
895 year. Any additional benefits accruing to the member in a
896 calendar year after the first distribution calendar year will be
897 distributed beginning with the first payment interval ending in
898 the calendar year immediately following the calendar year in
899 which such amount accrues.

900 (d) General distribution rules.—

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901 1. The amount of an annuity paid to a member's beneficiary
902 may not exceed the maximum determined under the incidental death
903 benefit requirement of Code Section 401 (a) (9) (G), and effective
904 for any annuity commencing on or after January 1, 2008, the
905 minimum distribution incidental benefit rule under Treasury
906 Regulation Section 1.401(a) (9)-6, Q&A-2.

907 2. The death and disability benefits provided by the plan
908 are limited by the incidental benefit rule set forth in Code
909 Section 401 (a) (9) (G) and Treasury Regulation Section 1.401-
910 1(b) (1) (I) or any successor regulation thereto. As a result, the
911 total death or disability benefits payable may not exceed 25
912 percent of the cost for all of the members' benefits received
913 from the retirement system.

914 (e) Definitions.—As used in this subsection, the term:

915 1. "Designated beneficiary" means the individual who is
916 designated as the beneficiary under the plan and is the
917 designated beneficiary under Code Section 401(a) (9) and Treasury
918 Regulation Section 1.401(a) (9)-1, Q&A-4.

919 2. "Distribution calendar year" means a calendar year for
920 which a minimum distribution is required. For distributions
921 beginning before the member's death, the first distribution
922 calendar year is the calendar year immediately preceding the
923 calendar year which contains the member's required beginning
924 date. For distributions beginning after the member's death, the
925 first distribution calendar year is the calendar year in which

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926 distributions are required to begin pursuant to this plan
927 document.

928 ~~(30) Required distributions.~~

929 ~~(a) In accordance with IRC Section 401(a)(9), all benefits~~
930 ~~under this plan will be distributed, beginning not later than~~
931 ~~the required beginning date set forth below, over a period not~~
932 ~~extending beyond the life expectancy of the police officers or~~
933 ~~the life expectancy of the police officer and a beneficiary~~
934 ~~designated in accordance with subsection (9)(c).~~

935 ~~(b) Any and all benefit payments shall begin by the later~~
936 ~~of:~~

937 ~~1. April 1 of the calendar year following the calendar~~
938 ~~year of the member's retirement date; or~~

939 ~~2. April 1 of the calendar year following the calendar~~
940 ~~year in which the member attains age 70½.~~

941 ~~(c) If an employee dies before his entire vested interest~~
942 ~~has been distributed to him or her, the remaining portion of~~
943 ~~such interest shall be distributed at least as rapidly as~~
944 ~~provided for under subsection (17).~~

945 (31)(a) Rollovers from qualified plans.—An active A member
946 may roll over all or a part of his or her interest in another
947 qualified plan to the fund, provided all of the following
948 requirements are met:

949 1. Some or all of the amount distributed from the other
950 plan is rolled over to this plan no later than the 60th day

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951 after distribution was made from the plan or, if distributions
952 are made in installments, no later than the 60th day after the
953 last distribution was made.

954 2. The amount rolled over to this fund does not include
955 any amount contributed by the member to the plan on a post-tax
956 basis.

957 3. The rollover is made in cash.

958 4. The member certifies that the distribution is eligible
959 for a rollover.

960 5. Any amount which the trustees accept as a rollover to
961 this fund shall, along with any earnings allocated to them, be
962 fully vested at all times.

963 6. Effective October 1, 2012, the assets that are rolled
964 over may not be invested in the fixed rate option. The assets
965 may only be invested in the option for the plan returns, and the
966 rolled over assets shall be subject to paying the pro rata
967 administrative and investment expense of the plan.

968 A rollover may also be made to this plan from an individual
969 retirement account qualified under section 408 of the Internal
970 Revenue Code when the individual retirement account was merely
971 used as a conduit for funds from another qualified plan and the
972 rollover is made in accordance with the rules provided in
973 paragraphs (1)–(5). Amounts rolled over may be segregated from
974 other fund assets. The trustees shall separately account for
975 gains, losses, and administrative expenses of these rollovers as

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provided for in subsections (11) and (13). In addition, the fund may accept the direct transfer of a member's benefits from another qualified retirement plan or an Internal Revenue Code Section 457 plan. The fund shall account for direct transfers in the same manner as a rollover and shall obtain certification from the member that the amounts are eligible for a rollover or direct transfer to this fund.

(34) Other police officer or military service.—

(a) Prior police officer or military service.—Unless otherwise prohibited by law, the years, or fractional parts of years, that a member served as a police officer for any other municipal, county, state, or federal law enforcement office or any time served in the military service of the Armed Forces of the United States shall be added to the years of credited service, provided that the member contributes to the fund the sum that would have been contributed, based on the member's salary and the employee contribution rate in effect at the time that the credited service is requested, had the member been a member of this system for the years, or fractional parts of years, for which the credit is requested, plus the amount actuarially determined, such that the crediting of service does not result in any cost to the fund, plus payment of costs for all professional services rendered to the board in connection with the purchase of years of credited service. In all cases, the member purchasing service shall make payment to the plan

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1001 which is at least equal to the then-current member contributions
1002 for the amount of time being purchased.

1003 1. Payment by the member of the required amount may be
1004 made within six (6) months after the request for credit and in
1005 one (1) lump sum payment, or the member may buy back this time
1006 over a period equal to the length of time being purchased or
1007 five (5) years, whichever is greater, at an interest rate which
1008 is equal to the fund's actuarial assumption. A member may
1009 request to purchase some or all years of service.

1010 2. The credit purchased under this subsection shall count
1011 for all purposes, except vesting.

1012 3. In no event, however, may credited service be purchased
1013 pursuant to this section for prior service with any other
1014 municipal, county, state, or federal law enforcement office, if
1015 such prior service forms or will form the basis of a retirement
1016 benefit or pension from another retirement system or plan.

1017 4. In the event that a member who is in the process of
1018 purchasing service suffers a disability and is awarded a benefit
1019 from the plan, the member shall not be required to complete the
1020 buyback. However, contributions made prior to the date the
1021 disability payment begins will be retained by the fund.

1022 5. If a member who has either completed the purchase of
1023 service or is in the process of purchasing service terminates
1024 before vesting, the member's contributions shall be refunded,
1025 including the buyback contributions.

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6. A request to purchase service may be made at any time during the course of employment; however, the buyback is a one-time opportunity.

7. A member who previously served as a police officer with the city during a period of employment and for which accumulated contributions were withdrawn from the fund may recontribute such withdrawn contributions plus interest from the date of withdrawal to the date of repayment in accordance with subsection (6).

8. A member may purchase up to five (5) years of credited service total for prior police or military service.

(35) Reemployment after retirement.—

(c) Reemployment after normal retirement in Police Department.—Any retiree who is retired after normal retirement pursuant to this plan shall not be reemployed by the City ~~Police Department~~ as a police officer or in any position that supervises police officers. The pension of a retiree who is reemployed by the City ~~Police Department~~ as a police officer or in any position that supervises police officers shall stop until the member terminates employment. However, a retiree who is reemployed by the City ~~Police Department~~ neither as a police officer nor in any position that supervises police officers is eligible to participate in the plan offered to new employees of that employee classification, and the retiree shall be deemed a new employee subject to any vesting and contribution

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1051 requirements of that plan. The benefit paid under this plan
1052 shall not be changed in any way.
1053 Section 2. This act shall take effect upon becoming a law.