

CITY OF ORLANDO
FIRE DEPARTMENT



***SUMMARY PLAN DESCRIPTION FOR
FIREFIGHTERS' PENSION FUND***

***UPDATED
MAY 2023***

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SUMMARY PLAN DESCRIPTION

The following summary is a brief description of the City of Orlando Firefighters' Pension Plan (the "Plan"), which is a Special Act of the Florida Legislature and codified in Chapter 12 of the City of Orlando Charter. This Summary Plan Description is a summary only and it is not meant to interpret, extend, or change the provisions of the Plan. This Summary Plan Description may be changed from time to time. This Summary Plan Description is current through Special Act amendment, Laws of Florida 2009-268 and City of Orlando Ordinance 2013-8. If there are any conflicts between the information contained in this Summary Plan Description and the actual provisions of the Plan, the Plan will govern. The Plan is administered in accordance with state and federal laws. A copy of the law that governs the Plan can be obtained from the Pension Coordinator (Office of Business & Financial Services Department), or by going online at www.municode.com, or from the Pension website, www.cityoforlando.net/Pension/fire.htm.

HISTORY

In 1945, a group of concerned firefighters sponsored pension legislation in Tallahassee, which later became law (Special Act) and the beginning of the Orlando Firefighters' Pension Fund. In 1945, the mandatory retirement age was 60 and the maximum pension benefit was \$125 per month.

In 1975, the pension law progressed to a point where a firefighter could retire after 20 years of service at age 47 with a monthly benefit of 60% of average earnings for the last 3 years of service.

In 1988, the Special Act was amended to provide for retirement and immediate receipt of benefits after 20 years of service, regardless of age. If a firefighter has 25 years of service, the firefighter is entitled to a monthly benefit of 80% of average monthly earnings for the last 3 years' service.

In 1988, a Cost-of-Living Increase (COLA) was added to the Plan; revised effective October 1, 2000.

In 2000, a Deferred Retirement Option Plan (DROP) was added to the Plan as well as a Forward and Back Deferred Retirement Option Plan (forward DROP and back DROP).

In 2001, employer pick up of member contributions was authorized.

In 2001 and 2008, the Plan was amended to comply with the minimum standards and minimum benefits of Chapter 175, Florida Statutes.

For retirements on or after July 1, 2009, the accrual rate was increased to 3.4% for each year of service for members with 20 years or more of service, and the BACK DROP period was increased from 36 months to 60 months.

The Plan was amended effective July 1, 2009, to provide that if a firefighter leaves employment with the City to perform qualified military service and dies while

performing qualified military service, such military service will count for pension vesting purposes, but not for calculating the amount of the monthly pension benefit for a non-line of duty death. Currently, 10 years of pension Credited Service is required to vest for a non-line of duty death benefit.

On October 18, 2010 the "Orlando Firefighters' Share Program" was created. This program provides that additional state premium tax revenues in excess of a specified amount, if any, will be shared among firefighters who were employed during the calendar year in which the revenues were collected. The firefighter participant directs how his/her Share monies are invested by the third party administrator, currently Nationwide. The program is solely funded by the additional state premium tax revenues, including the program's administrative expenses. On February 4, 2013, the share program was amended concerning the initial allocation and the annual allocation for calendar year 2009.

On February 4, 2013, technical corrections or clarifications were made relating to death benefits.

LEGAL REFERENCE

The Plan is a governmental defined benefit plan created by special acts of the Florida Legislature. The administration of the Plan is conducted by a board of trustees consisting of five (5) persons.

A Special Act of the Florida Legislature (Chapter 23444, Laws of Florida, 1945), as amended from time to time, and ordinances authorized by special acts, constitutes the Plan. These Special Acts and ordinances have been codified and can be found in Chapter 12, Articles II and III of the City Charter (Volume 1 of "The Code of the City of Orlando, Florida"). For the exact language of the law governing the pension program, please refer to Chapter 12, Articles II and III.

NOTE: The use of he, his or him in referring to a member shall likewise mean she, hers or her. The term "widow" also includes "widower"; the provisions of the pension law apply equally to male and female spouse survivors.

The Plan is also subject to the provisions of Sections 112.60 - 112.67, Florida Statutes, cited as the "Florida Protection of Employee Retirement Benefits Act"; and certain provisions of Chapter 175, Florida Statutes.

See also Article 20 of the current collective bargaining agreement between the City of Orlando and International Association of Firefighters Local 1365 for relevant pension provisions.

Katrina A. Laudeman, Executive Director, City of Orlando Firefighters' Pension Fund, City Hall at 400 South Orange Avenue, 4th Floor, P.O. Box 4990, Orlando, Florida 32802-4990, is the person designated as agent for the service of legal process.

BOARD OF TRUSTEES

The pension law created an Orlando Firefighters' Pension Board composed of 5 trustees as follows: 2 City residents appointed by the Mayor (and confirmed by the City Council), 2 fulltime firefighters elected by a majority of the firefighters who are members of the Plan, and a 5th member chosen by a majority of the other 4 members who is ministerially appointed by the City Council. Each trustee serves for a term of 2 years. By a majority vote, the trustees elect a Chairman, Vice-Chair, and a Secretary.

The names of the current trustees are attached to this Summary Plan Description as Exhibit "A." The Chair of the Board is designated as agent for the service of legal process. In the absence of the Chair, any other trustee may be served.

The business address for each trustee is:

City of Orlando Firefighters' Pension Fund, 400 South Orange Avenue, 4th Floor, P.O. Box 4990, Orlando, Florida 32802-4990.

The Board of Trustees has the ultimate responsibility for the administration of the Plan. Its staff, Katrina A. Laudeman, Executive Director and Michele Keane, Pension Coordinator, City of Orlando Firefighters' Pension Fund, City Hall at One City Commons, 400 South Orange Avenue, 4th Floor, Orlando, Florida 32801, assists the Board of Trustees.

PARTICIPANTS

WHO IS A PARTICIPANT OR MEMBER OF THE PLAN?

Once hired as a sworn member of the Orlando Fire Department on a permanent full-time basis, regardless of duty assignment, you are a mandatory participant of the Plan.

FUNDING/CONTRIBUTIONS

WHERE DO CONTRIBUTIONS TO THE ORLANDO FIREFIGHTERS' PENSION FUND COME FROM?

- City of Orlando Funds
- Members' Contributions
- State Funds under Chapter 175, Florida Statutes
- Return on Investments

HOW IS THE EMPLOYER'S CONTRIBUTION DETERMINED?

The employer's contribution to the Plan is determined through annual actuarial studies prepared by the Board's actuary. The City is responsible for assuring that the Plan is actuarially sound.

HOW IS THE EMPLOYEE'S CONTRIBUTION DETERMINED?

The employee contribution towards benefits is determined through bargaining negotiations and incorporated by periodic contract. Each member of the Department could pay into the fund up to 13% of the firefighter's salary each month; however, if the Board of Trustees finds the 13% is unnecessary for the operation of the system under its terms and provisions, they may, by majority vote, reduce the 13% to a lesser percentage as is deemed reasonably necessary. The total employee contribution for bargaining unit members is currently 7.49% of the firefighter's salary that is deducted from each paycheck. District Chiefs currently pay 6.99% of their salary that is deducted from each paycheck. If there is a shortfall in the annual State Insurance Premium Tax Revenues, these percentages will be increased to fund the benefit improvements that were effective July 1, 2009. Employee contributions have increased in the past and may be increased in the future depending upon the amount of the shortfall. Employees will be notified if there is a shortfall and the amount of the increase in employee contributions. The City implemented employer "pickup" of contributions in 2001, thus all employee contributions thereafter is made on a pre-tax basis.

WHAT IS INCLUDED IN THE DEFINITION OF "SALARY"?

Salary includes base pay, emergency medical technician certification pay, paramedic certification pay, longevity pay, educational incentive pay, and fixed monthly remuneration. Salary does not include overtime pay, education advancement pay, day incentive pay, and or any other form of compensation not specifically included above.

DO DEDUCTIONS FOR THE PENSION FUND CONTINUE AFTER THE INDIVIDUAL BEGINS TO DRAW A PENSION OR ENTERS FORWARD DROP?

No.

NORMAL RETIREMENT

WHAT IS THE MINIMUM SERVICE REQUIREMENT FOR NORMAL RETIREMENT?

Ten (10) years of Credited Service with payment beginning at age 47.

HOW IS THE NORMAL RETIREMENT BENEFIT CALCULATED?

(a) A member of the Department who has 10 or more years of Credited Service but less than 20 years of Credited Service is entitled to an amount equal to the number of the member's years of Credited Service multiplied by 2.0% multiplied by the member's average monthly salary, with payment accruing on the 1st of the month after age 47, and paid at the end of the month.

(b) Effective July 1, 2009, a member of the Department who has 20 years or more of Credited Service but less than 42.5 years of Credited Service is entitled to a monthly pension of 68% of the member's average monthly salary plus 3.4% for each year of Credited Service in excess of 20 years of Credited Service but not to exceed 85% with payment accruing on the 1st of the month after separation, and paid at the end of the month.

(c) Effective July 1, 2009, any member of the Fire Department who has completed 42.5 years Credited Service shall receive in addition to the amount specified in subparagraph (b) an additional 2% per year of Credited Service for each year in excess of 42.5 years of service; provided, however, the total monthly benefit shall not exceed 100% of the average monthly salary used in calculating the member's pension benefit with payment accruing on the 1st of the month after separation, and paid at the end of the month.

Average monthly salary is determined by computing the average monthly salary of the member's last 3 years of Credited Service, or by computing the member's average monthly salary for the 5 best years of the last 10 years of Credited Service, whichever amount is greater.

DEFERRED RETIREMENT OPTION PLAN (DROP)

The Deferred Retirement Option Plan, hereinafter referred to as the "DROP", is a program within the Plan that allows certain members who elect to participate in the DROP, hereinafter referred to as a "DROP participant", to continue to work as a firefighter without increase in average monthly salary or years of credited pension service. The "DROP participant" shall be a retiree under the provisions of the Plan who upon termination of employment will receive a lump-sum payment, or rollover payment, in addition to a monthly pension. No benefits shall be paid unless the DROP participant has terminated employment.

WHO IS ELIGIBLE FOR THE DEFERRED RETIREMENT OPTION PLAN (DROP)?

Any member may elect to participate in the DROP following the date upon which the member completes 20 years of pension Credited Service as a firefighter with the City of Orlando and is eligible for a service retirement pension. A member may participate in the DROP only once.

WHAT TYPE OF DROP OPTIONS ARE AVAILABLE?

An eligible member may participate in the Forward DROP for a period not to exceed a maximum of 60 months or, in the alternative, may participate in the BACK DROP for a period not to exceed 60 months. Notwithstanding, participation under the DROP may not continue beyond the date when the member's combined years of Credited Service and time in the

DROP equals 360 months (30 years).

HOW DO YOU APPLY FOR THE DROP?

A member needs to complete the following forms, which are available from Employee Benefits in City Hall:

- a. Application for Retirement Benefits to the Fire Chief or Deputy Fire Chief which must be returned to Employee Benefits sixty days prior to the Firefighter's entry into Forward DROP or retirement/termination date, or there may be a delay in payment of benefits;
- b. Distribution of Accumulated DROP Funds Form;
- c. DROP Disclosure Statement form;
- d. DROP Election Form;
- e. Designation of Beneficiary or Beneficiaries for Accumulated DROP Benefits Form.

COST-OF-LIVING

DOES THE PENSION PLAN PROVIDE FOR A COST-OF-LIVING ADJUSTMENT (COLA)?

Yes.

Any member of the Department who retires with 20 or more years of actual service shall receive a triennial (once every 3 years) COLA increase of 5% compounded, starting 3 years after retirement or in the case of a DROP participant, 3 years after termination of employment. Members will only be eligible for the COLA after 20 years of actual service. Members who retire without COLA eligibility (20 years of actual service) are not entitled to a refund of COLA contributions.

Members leaving the Department without qualifying for benefits or who choose not to receive benefits are entitled to a refund of their own contributions (including COLA contributions) without interest.

If a member with more than 10 but less than 20 years of Credited Service leaves the Department and elects to receive a pension beginning at age 47, said member would not be entitled to receive either the COLA benefit or a return of the member's COLA contributions.

If a member retires on line of duty disability with less than 20 years of actual service or non-line of duty disability with less than 20 years of actual service, said member is not entitled to receive either the COLA benefit or a return of the member's COLA contributions.

If a member with less than 10 years of Credited Service dies not in line of duty, the designated beneficiary(ies) would be entitled only to the return of the member's contributions (including COLA) without interest.

If a member who is eligible for the COLA benefit dies, the regular pension plus the COLA as it may accrue from time to time will be paid to the surviving spouse and minor children, or designated beneficiary(ies), or joint pensioner.

REFUNDS

DOES THE RETIREMENT SYSTEM REFUND EMPLOYEE CONTRIBUTIONS UPON TERMINATION OF EMPLOYMENT?

Yes. Any member of the Department who is discharged or voluntarily separates may *elect* to receive a refund of the contributions. No interest is paid on the members' contributions, which are refunded.

VESTING OF RIGHTS

WHEN AM I CONSIDERED "VESTED"?

For a service pension or a non-line of duty death pension, a member needs ten (10) years of Credited Service to become vested.

For a line of duty disability pension, and a non-line of duty disability pension, a member needs no years of service and vests upon being determined to be disabled by the Board of Trustees.

For a line of duty death pension, a member needs no years of service and vesting occurs upon the Board of Trustees determining that the member's death was in the line of duty.

120 MONTHLY PAYMENTS GUARANTEED

Effective January 1, 2008, a member who retires or dies with 10 or more years of credited pension service; or a member who retires on line of duty disability, regardless of years of service, the member and/or member's surviving spouse and/or minor children, or the member and/or the member's designated beneficiary, are guaranteed 120 monthly payments at 100% of the member's earned pension, unless the member has elected and started receipt of or accrual into Forward DROP of the life only payment option or the joint pensioner payment option.

OPTIONAL FORMS OF PAYMENT OF RETIREMENT BENEFITS

Effective January 1, 2008, the eligible member separating from employment must select how retirement benefits are to be paid and a member entering Forward DROP must select how retirement benefits are accrued.

Prior to receipt or DROP accrual of the first monthly retirement payment, a member shall select the retirement benefits to which the member is entitled in accordance with one of the following options:

OPTION 1A – A monthly benefit payable to the retired member for his/her lifetime. If the retired member has at least 10 years of service or retires on line of duty disability, 120 monthly payments are guaranteed. If the retired member dies before receiving 120 monthly payments, the remainder of the 120 monthly payments at 100% of the member's benefit is paid to the member's designated beneficiary or beneficiaries which could be, but need not be, the member's spouse and/or minor children. After 120 monthly payments, upon the retired member's death, 75% of the member's benefit is then paid to the member's surviving spouse (must have been spouse at time of retirement) and/or minor children; or if a non-line of duty disability retirement before normal retirement date, 65% is then paid to the member's surviving spouse (must have been spouse at time of retirement) and/or minor children. The amount of benefit is not changed if surviving spouse remarries. If there are minor children, 25% of the amount payable to the surviving spouse is for the minor children.

OPTION 1B – For non-line of duty disability retirement with less than 10 years of service, a monthly benefit payable to the retired member for his/her lifetime. Upon the retired member's death, 65% of the member's benefit is then paid to the member's surviving spouse (must have been spouse at time of retirement) and/or minor children. The amount of benefit is not changed if the surviving spouse remarries. If there are minor children, 25% of the amount payable to the surviving spouse is for minor children. Since the member had less than 10 years of service, 120 monthly payments at 100% of the member's accrued benefit is not guaranteed, unless the member elects the life with 10 years certain form of payment, with the monthly benefit being the actuarial equivalent value.

OPTION 2 – A monthly benefit payable to the retired member for his/her lifetime. In the event the member dies before benefits are received for at least 120 monthly payments, the same monthly benefit is payable to the member's designated beneficiary(ies) until the total number of years of benefit payments to both the retired member and beneficiary(ies) equals 120 monthly payments. The benefit stops at the end of 120 monthly payments and there are no further payments to the beneficiary(ies). However, a member retiring on non-line of duty disability with less than 10 years of service is not guaranteed 120 monthly payments, unless the member elects the life with 10 years certain form of payment, with the monthly benefit being the actuarial equivalent value of the normal form of payment (Option 1B). A trust could be designated as a beneficiary.

OPTION 3 – An increased monthly benefit payable to the retired member for member's lifetime. Upon the member's death, the benefit will cease and member's beneficiary(ies) will receive only a refund of contributions the member paid in excess of the amount the member received in benefits, if any. This option does **not** provide a continuing benefit to a beneficiary or joint pensioner. This is the maximum monthly benefit payable to a retiring member for life. To provide a survivor with a monthly benefit after the member's death, one of the other options should be considered.

OPTION 4 - A reduced monthly benefit payable to the retired member and a joint pensioner containing 4 sub-options. Upon the death of either:

- [A] The same monthly benefit (100%) is payable to the survivor for the survivor's lifetime; or
- [B] The monthly benefit is reduced to 75% and is payable to the survivor for the survivor's lifetime; or
- [C] The monthly benefit is reduced to 66-2/3% and is payable to the survivor for the survivor's lifetime; or
- [D] The monthly benefit is reduced to 50% and is payable to the survivor for the survivor's lifetime.

The benefit payable under OPTION 3 or the four ([A]-[D]) sub options under OPTION 4 shall be the actuarial equivalent of OPTION 2 and based upon the Pension Board's adopted tables. A member who enters Forward DROP prior to separation from employment as a firefighter is a retired member for pension purposes.

PLEASE NOTE

- **ONCE BENEFITS OR DROP ACCRUAL COMMENCE, SERVICE MAY NOT BE ADDED AND OPTION SELECTED MAY NOT BE CHANGED. HOWEVER, A MEMBER MAY CHANGE THE DESIGNATED BENEFICIARY(IES) UNDER OPTIONS 1A AND 2; AND MAY CHANGE THE JOINT PENSIONER UNDER OPTION 4 UNDER CERTAIN CONDITIONS.**
- **RETIREMENT OPTION SELECTED IS FINAL WHEN THE FIRST BENEFIT CHECK IS RECEIVED OR ACCRUED IN FORWARD DROP.**
- **RETIREMENT IS EFFECTIVE THE FIRST DAY OF THE MONTH FOLLOWING THE LAST DAY THE MEMBER WORKS PRIOR TO RETIRING OR BECOMING A DROP PARTICIPANT.**
- **BENEFITS ARE PAYABLE ON THE LAST DAY OF THE MONTH FOR THE CURRENT MONTH.**

SURVIVOR BENEFITS

DOES THE SYSTEM PROVIDE ANY BENEFITS TO A SURVIVING SPOUSE AND/OR MINOR CHILDREN OF A MEMBER WHO DIES IN LINE OF DUTY PRIOR TO RETIREMENT?

If an active member dies while in the performance of duties as a member of the Department with less than 10 years of Credited Service, the surviving spouse shall be entitled for the remainder of such spouse's natural life, regardless of remarriage, to a monthly pension of 75% of 80% of the member's average monthly salary, which is 60% of the member's averagemonthly salary.

If there are minor children, 25% of the surviving spouse's benefit will be paid for the support of surviving children under the age of 18 years. When the children reach the age of 18 years, their portion would go back to the surviving spouse who would then receive the full 75% benefit.

DOES THE SURVIVING SPOUSE AND/OR MINOR CHILDREN OF A MEMBER WHO DIES NOT IN LINE OF DUTY RECEIVE ANY BENEFITS?

If an active member should die not in the line of duty with less than 10 years of Credited Service, no monthly benefits are paid to the surviving spouse, or minor children, or designated beneficiary, but a refund of the member's contributions without interest would be paid.

NOTE: If member dies in the line of duty with 10 or more years of Credited Service or dies not in the line of duty with 10 or more years of Credited Service, the member's designated beneficiary(ies), which could be the surviving spouse and minor children, will be paid 100% of the member's accrued benefit for 120 monthly payments. Thereafter, the appropriate percentage will begin to be paid to the surviving spouse and/or minor children. Members with 10 or more years of Credited Service should complete and file a "Pre-Separation Death Designation of Beneficiary Form for MONTHLY BENEFITS". Otherwise, the first 120 monthly benefits will be paid to the deceased member's estate.

DOES THE PLAN PROVIDE ANY BENEFITS TO THE SURVIVING SPOUSE AND/OR MINOR CHILDREN OF A MEMBER WHO DIES AFTER RETIREMENT?

If the member elected OPTION 1A, after payment of 120 monthly payments to the member and designated beneficiary(ies), upon the death of any member who has retired and is receiving a Normal Service or Line of Duty disability pension, the surviving spouse shall be entitled to be paid for the remainder of such spouse's natural life, regardless of remarriage, a monthly pension in an amount equal to 75% of that being received by the deceased member.

If there are surviving children under the age of 18 years, the surviving spouse will be paid 25% of the 75% paid to the surviving spouse for support of such children. When the children reach the age of 18 years, their portion would go back to the surviving spouse who would then receive the full 75% of the 80%.

In the event of the death of a member with less than 10 years of Credited Service drawing a Non-Line of Duty disability pension, the surviving spouse would receive, for the remainder of such spouse's natural life, regardless of remarriage, a monthly pension amounting to 65% of what the member had been receiving.

If there are surviving children under 18 years of age, 25% of the pension shall be designated for their support. When the children attain the age of 18 years, their portion would go back to the surviving spouse who would then receive the full 65%.

NOTE: If the member retiring on a normal service retirement, a line of duty disability retirement; or member retiring on non-line of duty disability but with 10 or more years of service, dies before 120 monthly payments are made, the member's designated

beneficiary(ies), which could be the surviving spouse and minor children, will be paid the remainder of the 120 monthly payments. Thereafter, the appropriate percentage will begin to be paid to the surviving spouse and/or minor children, if the member elected OPTION 1A. Members selecting OPTION 1A will be required to complete and file a "POST – Separation Designation of Beneficiary Form for Remainder of 120 Monthly Benefits" should they die before receiving 120 monthly payments.

PRE-SEPARATION DEATH BENEFITS

Should a member die prior to separation or prior to entry into Forward DROP, death benefits are paid as follows:

1. Death Not In Line of Duty:
 - a. Less than 10 years of Credited Service.
 - (1) Refund of contributions to designated beneficiaries or estate.
 - b. 10 or more but less than 20 years of Credited Service.
 - (1) 4% per year, not to exceed 60%.
 - (2) First 120 monthly payments paid to designated beneficiaries or if no designated beneficiaries to eligible surviving spouse and/or minor children, or, if none, to estate.
 - (3) Thereafter, to the eligible surviving spouse for life regardless of remarriage and/or minor children:
 - i) 65% of the amount of the first 120 monthly payments if the firefighter died before reaching normal retirement age (10 years of service and age 47 or 20 years of service regardless of age).
 - ii) 75% if the firefighter had reached normal retirement age (10 years of service and age 47 or 20 years of service regardless of age).
 - (4) Pre-separation death election of life only or joint pensioner form of payment is void upon pre-separation death.
 - c. 20 or more years of Credited Service.
 - (1) First 120 monthly payments paid to designated beneficiaries, or if no designated beneficiaries to eligible surviving spouse and/or minor children or, if none, to estate, in the amount of the benefit that the firefighter earned, which at 20 years of Credited Service is 68.0% plus 3.4% for each year thereafter until 25 years of service or 85.0%.
 - (2) After the 120 monthly payments, 75% of the earned amount (68% - - 85%) is paid to the eligible surviving spouse for life regardless of remarriage and/or minor children.
 - (3) Pre-separation death election of life only or joint pensioner form of payment is void upon pre-separation death.
 - (4) Cost-of-Living Increases - Monthly benefit is increased by 5% every 3 years beginning 3 years after death of firefighter, if firefighter had 20 or more years of actual service.

2. Death In Line of Duty:
- a. Less than 10 full years of Credited Service.
 - (1) Benefit is paid to surviving spouse for life regardless of remarriage and/or minor children. If no surviving spouse or minor children, a refund of the firefighter's contributions is paid to the named beneficiary, or, if none, the estate.
 - (2) Amount of benefit is 75% of 80%, which is 60% of firefighter's average monthly salary.
 - (3) Pre-separation death election of life only or joint pensioner form of payment is void upon pre-separation death.

 - b. 10 or more but less than 20 years of Credited Service.
 - (1) If firefighter had not designated beneficiaries, benefits are paid to surviving spouse for life regardless of remarriage and/or minor children.
 - (2) If firefighter had designated beneficiaries, after 120 monthly payments to designated beneficiaries, benefits would be paid to eligible surviving spouse for life regardless of remarriage and/or minor children.
 - (3) Benefit is 60% (75% of 80%) since firefighter with less than 20 years of Credited Service would not have earned a benefit greater than 60%.
 - (4) Pre-separation death election of life only or joint pensioner form of payment is void upon pre-separation death.

 - c. 20 or more years of Credited Service.
 - (1) If firefighter had not designated beneficiaries, benefits are paid to surviving spouse for life regardless of remarriage and/or minor children.
 - (2) If firefighter had designated beneficiaries, after 120 monthly payments to designated beneficiaries, benefits would be paid to eligible surviving spouse for life regardless of remarriage and/or minor children.
 - (3) For first 120 monthly payments, benefits would be paid at what firefighter earned (20 years = 68%, plus 3.4% for each additional year, up to 85% (25 years)).
 - (4) After 120 monthly payments, benefits would be paid to eligible surviving spouse and minor children at rate of 60% (75% of 80% of firefighter's average monthly salary), unless member had completed 23.53 years of Credited Service, in which case, the percentage would be more.
 - (5) Pre-separation death election of life only or joint pensioner form of payment is void upon pre-separation death.
 - (6) Cost-of-Living Increases - Monthly benefit is increased by 5% every 3 years beginning 3 years after death of firefighter, if firefighter had 20 or more years of actual service.

NOTE: 25% of the surviving spouse's 65% or 75% pension is for children under age 18.

PRE-SEPARATION DEATH DESIGNATION OF BENEFICIARY

In the event of death prior to separation or prior to entry into Forward DROP, all active members should sign and file with the Board of Trustees by delivery to Employee Benefits the following approved forms:

- (a) Pre-Separation Death Designation of Beneficiary Form for Refund of Contributions.

A member may designate anyone, including a trust, as a beneficiary to receive a refund of the member's total contributions without interest upon the death of the member whose death does not qualify for the payment of monthly benefits.

- (b) Pre-Separation Death Designation of Beneficiary Form for Monthly Benefits.

A member should sign and submit these forms to Employee Benefits. It is the member's responsibility to keep these forms current. These forms may be changed at any time by signing a new form and filing such with Employee Benefits.

At the time of separation or entry into Forward DROP, a member must sign an Application for Retirement Benefits which also provides for a designation of whom shall receive any benefits, if any, upon the death of the member.

DISABILITY RETIREMENT

HOW ARE DISABILITY RETIREMENT BENEFITS CALCULATED?

(a) Disability Not In Line of Duty:

- (1) Less than 10 years of Credited Service: 3% per year of Average Monthly Salary;
- (2) 10 to 20 years of Credited Service: 4% per year of Average Monthly Salary with maximum of 60%;
- (3) 20 to 40 years of Credited Service: 60% of Average Monthly Salary plus 4% per year for years in excess of 20, with maximum of 80%;
- (4) 40 or more years of Credited Service: 80% of Average Monthly Salary plus 2% per year for years in excess of 40, with maximum of 100%.

A member with 20 years or more of Credited Service, may, within 30 days of being determined to be disabled not in the line of duty, may elect in writing to receive the normal retirement benefit based on years of Credited Service.

(b) Disability In Line of Duty:

80% of Average Monthly Salary, plus 2% per year for Credited Service between 40 and 50 years.

Member's disability retirement benefit terminates upon the earlier of death or recovery.

NOTE: For both line of duty and non-line of duty disability pensions, the member must be "permanently and totally disabled" which shall be construed to mean and include the loss of one or more limbs, loss of sight in one or both eyes, loss of hearing in one or both ears, and any other condition which renders the member unfit to perform the required duties of the member's rank held at the time of impairment.

PRE-EXISTING CONDITION

WILL A DISABILITY PENSION BE DENIED FOR AGGRAVATION OF A PRE-EXISTING MEDICAL CONDITION?

Effective January 1, 2008, disability pensions will be not be denied due to a pre-existing condition.

ORLANDO FIREFIGHTERS' SHARE PROGRAM

This program is funded solely by additional state premium tax revenues in excess of a specified amount, if any. These monies are from premiums paid for property insurance on property within the City limits.

Each year the Board of Trustees determines the amount of additional state premium tax revenues, if any, and then after deduction for administrative expenses, apportions the remainder among firefighters who were employed during the calendar year the revenues were collected.

The firefighter SHARE participant directs how his/her SHARE monies are invested by a third-party administrator, currently Nationwide.

The Board of Trustees selected Nationwide Retirement Solutions, Inc. as the third-party administrator, to provide investment options. The SHARE participant should advise Nationwide as to how he/she wants his/her SHARE monies invested.

No distribution of SHARE monies can be made until the firefighter has separated from employment as an Orlando firefighter and is eligible for monthly pension benefits or dies while employed as an Orlando firefighter, regardless of eligibility for pension death benefits.

If a firefighter separates with less than 10 years of service, he or she will forfeit his or her SHARE monies, unless he or she is rehired by the Orlando Fire Department within 5 years of separation and repays any refunded member contributions.

Each firefighter should sign and file with Employee Benefits a “City of Orlando Firefighter’s Share Program Designation of Beneficiary Form” for SHARE monies the firefighter may be entitled to receive but not yet received by Nationwide.

Each firefighter should also sign and file with Nationwide a Nationwide designation of beneficiary form for his/her monies received by Nationwide.

As circumstances change, all designation of beneficiary forms should be updated by the firefighter.

For more details concerning the Orlando Firefighters’ SHARE Program, see Section 26, Chapter 12, Article III of the Charter of the City of Orlando, or send an email to the following address: orlandofirepension@cityoforlando.net (under Links, 2010 Pension Ordinance).

FORMS APPROVED BY TRUSTEES

The following forms have been approved by the Board of Trustees and can be viewed and printed from orlandofirepension@cityoforlando.net

1. Pre-Separation Death Designation of Beneficiary Form for Refund of Contributions (All members with less than 10 years of service should sign!)
2. Pre-Separation Death Designation of Beneficiary Form for Monthly Benefits (All members should sign!)
3. Application for Retirement Benefits (All members must sign at the time benefits are applied for and upon entry into DROP.)
4. Post-Separation Death Designation of Beneficiary Form for Remainder of 120 Monthly Benefits
5. Request to Change Joint Pensioner
6. Distribution of Accumulated DROP Funds
7. DROP Disclosure Statement
8. DROP Election Form
9. Designation of Beneficiary or Beneficiaries for Accumulated DROP Benefits
10. City of Orlando Firefighters’ Share Program Designation of Beneficiary Form

Note: Once the above forms are signed, they must be filed with Employee Benefits to be effective.

11. Application for Disability Pension Benefits.

12. Guidelines and Information Sheet for Application for Disability Pension Benefits.

Note: *Once these forms are completed, they must be filed with the Pension Coordinator to be effective.*

CLAIMS FOR BENEFITS

The trustees have adopted written procedures in connection with the application for disability pension benefits. A copy of such procedures may be obtained from the Pension Coordinator. The trustees have also adopted procedures for inquiries by members and beneficiaries. All members and beneficiaries have the right to have their claim for benefits determined by the Board of Trustees.

FEDERAL INCOME TAX CONSEQUENCES

The Plan is intended to qualify under Section 401 of the Internal Revenue Code as a qualified Plan. Distributions made to you under the Plan constitute taxable income. It is important that you consult qualified experts to determine whether or not you must pay taxes on the pension benefits you receive.

AUDIT AND ACTUARIAL VALIDATION REPORTS

ARE AUDIT REPORTS OR VALUATIONS MADE ON THE RETIREMENT PLAN?

Yes. They are made once a year by outside consultants to ensure the financial stability and actuarial soundness of the Plan. A detailed accounting report of the Plan's expenses for the previous fiscal year and an administrative expense budget for the Plan for each fiscal year are also prepared. Copies are available for review from the Pension Coordinator. Each member of the Board of Trustees also has a copy.

PORTABILITY

CAN NEW EMPLOYEES CLAIM THEIR PREVIOUS EMPLOYMENT WITH ANOTHER PUBLIC EMPLOYER IN THE CITY'S RETIREMENT SYSTEM?

No. The Special Act comprising the pension law makes no such provision.

MILITARY SERVICE

CAN A MEMBER RECEIVE PENSION CREDIT FOR MILITARY SERVICE?

Yes, for military service after initial employment with OFD. A member is entitled to credited pension service while the member is absent from duty with the Department because of active military service after March 12, 1999 up to a maximum of 5 years if:

- a. The member is entitled to reemployment under Uniformed Services Employment and Re-employment Rights Act, and
- a. The member returns to employment as a firefighter with OFD within one (1) year of release from active military service.

The member is not required to make any pension contributions to obtain this credited pension service for this military service.

NOTE: Military service completed prior to employment with the Department does not count toward years of service for retirement from the Department.

A member who dies while performing qualified military service will have such military service counted as pension service towards the 10-year vesting requirement for non-line of duty death benefits, but not for accrual purposes for calculating benefits.

SOCIAL SECURITY

IS SOCIAL SECURITY COVERAGE PROVIDED FOR ALL MEMBERS OF THE PENSION PLAN?

Yes. All Department members are covered by Social Security. All members are required to pay Social Security and Medicare taxes and are eligible for Social Security and Medicare benefits in accordance with Federal law.

CREDITED PENSION SERVICE

CAN A MEMBER RECEIVE CREDITED PENSION SERVICE WHILE ON AN APPROVED LEAVE OF ABSENCE?

Yes. A member may receive credited pension service by making the required regular contributions into the Plan for the period the member was absent. This provision applies if the member is absent from duty:

- (1) Under a leave of absence because of illness, injury or other approved leave of absence.

CAN PRIOR SERVICE BE RECREDITED IF THE MEMBER LEAVES THE DEPARTMENT BUT IS SUBSEQUENTLY REHIRED?

Yes, under certain conditions. If the member is re-hired, previous service can be credited by repaying into the Plan that amount of money that was refunded to the member at time of termination plus simple interest on that sum for the period of his absence. Repayment must be made to the Plan within the timeframe established by the Board of Trustees, but the member will have at least 90 days after re-employment to make such repayment. Also, a member who severs employment may voluntarily leave his or her contributions in the Plan for a period of 5 years after leaving the employment of the fire department, pending the possibility of being re-hired by the same department, without losing credit for the time the member participated actively as a firefighter. If the member is not re-employed as a firefighter with the department within 5 years, the member's contributions will be returned without interest.

CAN CONTINUITY BE ESTABLISHED IF A MEMBER TRANSFERS TO THE OTHER ORLANDO "CIVIL SERVICE" DEPARTMENT?

Yes. A member will be permitted to establish continuity of service and continuity of benefits by combining or tacking prior Plan participation in the event of transfer from the Fire Department to the Police Department or from the Police Department to the Fire Department provided that the member has completed at least 10 years participation in the Plan of the last Department served (the one transferred to) prior to retirement.

RE-EMPLOYMENT WITH THE CITY AFTER RETIREMENT

In the event a retired member becomes re-employed in any capacity ("sworn" or "civilian") by either the Orlando Fire or Police Department within 12 months after the date of retirement, such member will forfeit the pension from the date of such re-employment and ending on the first anniversary of the retirement date. After such first anniversary, the retired (and re-employed) member can receive both pension and salary without limitation or forfeiture.

Such a re-employed retiree may not, under any circumstances, be entitled to earn and draw a "second" pension from either the Police or Fire funds. Such a re-employed retiree would, however, be eligible to earn and draw a pension from the "General Employee Retirement Plan" assuming the re-employment was in a position covered by that Plan. Furthermore, a retired member may be re-employed immediately after retirement by any City Department other than the Police Department or Fire Department and no forfeiture of pension will occur.

CHANGE OF STATUS

It is incumbent on each member to notify the Human Resources Division - Employee Benefits office of any change in status to include change in marital status, change of address, change in number of dependents, etc.

MISCELLANEOUS

Effect of Divorce

The Plan is a governmental plan and, therefore, not subject to Qualified Domestic Relations Orders (QDRO) under federal law, or court orders to effectuate an equitable distribution of marital assets.

The pension Plan is subject to Section 61.1301, Florida Statutes, entitled Income Deduction Orders (IDO). Section 61.1301 is currently limited to collection of alimony and child support and cannot currently be used to enforce direct payments of a portion of pension benefits to a former spouse in order to achieve an equitable distribution of marital assets. Therefore, if the pension Plan receives an IDO for alimony or child support, the Plan will comply with the Order. In addition to an IDO, pension benefits may also be distributed by using an "Order Distributing Marital Interest in a Public Retirement Plan." A copy of this order may be obtained from the Pension Coordinator.

Effective January 1, 2019, unless both parties agree, changes in the federal tax laws have eliminated tax deductions for alimony if a marriage was dissolved or a property settlement agreement was made on or after January 1, 2019. Modifications to existing orders or agreements on or after January 1, 2019, are also no longer tax deductible.

If the pension Plan receives a court order that seeks to achieve an equitable distribution of marital assets, an appropriate Motion will be filed with the court to dissolve such an order.

Ex-Spouses as Beneficiary or Joint Pensioner

Effective July 1, 2012, Section 732.703, Florida Statutes, nullifies the designation of a member's ex-spouse as a beneficiary or joint pensioner on his/her Plan retirement benefits, unless otherwise provided for in the divorce documents.

After July 1, 2012, a member who wants his/her ex-spouse to be a beneficiary or joint pensioner for their Plan benefit, will have to make that designation AFTER the dissolution of marriage. Members who currently have an ex-spouse as a beneficiary or joint pensioner and want to keep this designation, must redesignate the ex-spouse again after July 1, 2012. There are certain other exceptions based on the terms of the divorce judgments or agreements which may require a member's former spouse to remain the joint pensioner or beneficiary. Members are encouraged to review their divorce documents to determine if this is the case.

Members who want to reconfirm their current beneficiary or who want to designate a new beneficiary must complete a Request to Change Joint Pensioner form. If necessary, the Pension Coordinator will submit the new form to the actuary of the Plan for recalculation of the member's benefit. Members may be assessed a fee to make this change. Please be aware that after retirement a joint pensioner designation may only be changed twice.

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

Garnishment and Execution

Contributions and pension benefits are not assignable or subject to garnishment for debt, execution, attachment or other legal process.

Forfeiture

Pension benefits are subject to forfeiture pursuant to Section 112.3173, Florida Statutes, titled "Felonies involving breach of public trust and other specified offenses by public officers and employees; forfeiture or retirement benefits". Pension benefits may be subject to forfeiture pursuant to Section 175.195, Florida Statutes, titled "False, misleading, or fraudulent statement made to obtain public retirement benefits prohibited; penalty".

Fiscal Year

September 30 is the end of the Plan year. Records are kept on a fiscal year basis of October 1-September 30.

Benefit Commencement

Retirement checks accrue on the first of the month after separation and are paid on the last day of the current month, (e.g.: retirement date of March 1, first check paid on March 31.)

RECORDS AND INFORMATION

For information concerning the Plan, contact the Pension Coordinator, City of Orlando, Office of Business & Financial Services, 4th Floor, City Hall, 400 South Orange Avenue, Orlando, Florida 32801 (Telephone: 407-246-3410), or a member of the Board of Trustees.

EXHIBIT "A" - BOARD OF TRUSTEES

Chair: Douglas Zabin
Vice-Chair: Jason Franklin
Secretary: Quincy Schider-Heisel
Trustee: Mario Garcia
Trustee: Christopher McCullion

EXHIBIT “B” – FINANCIAL AND ACTUARIAL INFORMATION

Orlando Fire 10/1/2022 Summary of Actuarial Information - Based on 4/13/2023 Valuation Report

Number of Plan Participants	1041
Actuarial Value of Assets	519,502,500
Actuarial Accrued Liability	611,989,240
Unfunded Accrued Liability	92,486,740
Market Value of Assets	448,157,347

MVA Funded Ratio 2022	73.23%
MVA Funded Ratio 2021	90.91%
MVA Funded Ratio 2020	81.67%
MVA Funded Ratio 2019	78.79%
MVA Funded Ratio 2018	80.66%

Rate of Return, Actuarial Value	4.19%
Rate of Return, Market Value	-15.27%
Assumed Rate of Return	7.25%

Funding Requirement as % of Pay	55.43%
Employee Contributions as % of Pay	7.49%

FS Chapter	Discount Rate	Pension Liability	Market Value of Assets	Net Pension Liability	Years of Assets	Total Dollar Contribution	Total % of Pay Contribution
112.664(1)(a) (GASB Basis)	7.25%	613,636,368	448,157,347	165,479,021	16	23,169,781	48.93%
112.664(1)(b)	5.25%	782,872,365	448,157,347	334,715,018	13	42,583,158	89.93%
Funding Valuation Basis	7.25%	611,989,240	448,157,347	163,831,893	16	22,834,091	48.22%