



North Miami Police Pension Plan

2014 Summary Plan Description

DISCLAIMER:

As much as possible, this brochure has been written in non-technical terms, avoiding the formal language of the retirement laws and rules. If questions of interpretation arise as a result of the attempt to make the retirement provisions easy to understand, Ordinance 748 of the City of North Miami must remain the final authority. The information provided in this brochure is based on the City of North Miami Code of Ordinances in existence on August 2014 and is subject to modification based on changes in the law.

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Introduction to Your Plan

The City of North Miami has established a defined benefit pension plan to provide eligible employees with retirement and related benefits.

Defined benefit pension plans are traditional plans that promise to pay you a specific benefit at retirement. The amount of the benefit is known in advance and it is based on your age, your years of service and on your earnings. In order to pay benefits, the fund requires you and your Employer to make contributions into the Plan, which are then invested to help pay for these benefits.

This summary plan description is merely a synopsis of your Plan and your rights, obligations and benefits under your Plan. This document shall not be deemed to interpret, extend or change the provisions of your Plan in any way. The provisions of your Plan may only be determined accurately by reading the actual Plan document as adopted in the Ordinances of the City of North Miami.

A copy of your Plan is on file at the City Clerk's office and may be obtained by you, your beneficiaries or your legal representatives during operating hours. If you have any questions regarding either your Plan or this summary plan description, you should ask your Plan administrator. **In the event of any discrepancy between this summary plan description and the actual provisions of the Plan, the Plan shall govern.**

General Information

There is certain information you may need to know about your Plan. This general information is summarized below. If you require additional information, have comments, or concerns regarding this Plan, contact the [Pension Office](#) at (305) 895-9884.

What is the Official Name of My Plan?

Your Plan is called the North Miami Police Pension Plan (under Ordinance 748).

Who Sponsors This Plan?

The City of North Miami, the **Employer**, is the sponsor.

Who Can Be A Member Of This Plan?

Each sworn police officer of the City who is eligible to participate in the Plan and who fulfills the prescribed eligibility requirements is considered a **member** of the Plan. Specific eligibility requirements are provided in Chapter 5.

Who Administers The Plan?

The Board of Trustees collectively functions as the Plan administrators.

Who Are These Trustees?

Trustees are all City employees who have either been elected by the membership or who have been designated by Ordinance 748 to serve as Trustees on the Board. These Trustees are:

- Major Robert Bage, Chairperson, Elected Trustee
- Vacant; Trustee as the City Manager's designee
- Guithele Ruiz, Personnel Director; Trustee designated by ordinance
- Camelia Siguineau, Finance Director; Trustee designated by ordinance
- Officer Elizabeth Gutierrez, Secretary; Elected Trustee
- Officer Ramon DeJesus, Vice Chairperson, Elected Trustee
- Sgt. Donald Blanchard, Elected Trustee

The ordinance also allows for Alternate Trustees to serve in place of the above-mentioned Trustees.

How May I Contact These Trustees?

You may write to any Trustee in care of the City of North Miami at the street address or e-mail address listed below. Alternately, you may telephone them at the number provided.

Board of Trustees, c/o Miguel Codorniu, Administrator
North Miami Police Pension Plan
776 N. E. 125th Street -3rd Floor
North Miami, FL 33161
(305) 895-9884
E-mail: pension@northmiamifl.gov

What Is The Role Of These Trustees / Administrators?

The Plan **administrators** are responsible for the overall administration of the Plan and make determinations that may affect your eligibility for benefits. Plan administrators pay benefits to eligible persons and pay expenses incurred by the Plan. They may also retain the services of attorneys, actuaries, accountants, investment advisors and other professionals. The City Council is the final authority on all pension ordinance changes.

Who Is The Clerk Of The Board And What Does The Clerk Do?

Jacqie Vieira, a Board employee, is the **Clerk of the Board**. Her responsibilities include, but are not limited to, taking minutes of meetings, preparing and distributing agendas on a timely basis, preparing other correspondence related to the administration of the Plan, coordinating meetings, scheduling individuals scheduled to appear at meetings and maintaining a file of all minutes and agenda packages.

When Does The Plan Year Begin?

Each 12-month period beginning on October 1st and ending on the subsequent September 30th is the Plan's fiscal year. The Plan's records are maintained on this basis.

What Is The Law That Is Applicable To This Plan?

The Plan is set forth in Article IV of Chapter 15 of the City of North Miami's Code of Ordinances. From time to time, new ordinances are enacted which modify Article IV. See Chapter 10 of this document for a description of new ordinances enacted since the last summary plan description publication date. Your Plan is also governed by certain provisions of [Chapter 112, Florida Statutes \(F.S.\)](#), [Chapter 185 F.S.](#) and various federal laws, including the Internal Revenue Code.

Does Collective Bargaining Affect My Plan?

Certain sworn police personnel who are covered by this Plan are also members of the police bargaining unit as represented by the Dade County Police Benevolent Association. The current collective bargaining agreement between the unit and the Employer covers the period from October 1, 2012 to September 30, 2014.

Can I Designate A Beneficiary In Case Of Death?

Yes. In fact, this is strongly encouraged. Each person designated by you in writing to the Plan administrators to receive any payments that may become payable by the Plan upon your death becomes your **beneficiary**. You should designate a beneficiary when you first become a member of the Plan by completing the initial *Membership Agreement* provided by the Personnel Office. You may subsequently change your designated beneficiary by completing a *Change of Beneficiary* form also available at the Personnel Office. If you designate your spouse as a beneficiary and you become divorced after making your beneficiary designation, you may need to submit a new designation form even if you do not wish to change your beneficiary. As a retiree, you may also change, subject to Board approval and actuarial equivalence calculations, your designated *joint pensioner* (see Chapter 9).

Is My Pension Benefit In Addition To Or Instead Of Social Security Benefits?

Your retirement benefit entitlement as a result of normal service retirement is generally *not* affected by your [Social Security](#) benefits. Your Plan, however, offers an optional type of annuity benefit, the **Social Security option**, which is linked to your future [Social Security](#) benefit amount (see Chapter 9 for detail).

How Can I Find The Amount Of My Pension Benefits?

The [Pension Office](#) provides, as a courtesy to you, one annual **benefit estimate** at no charge. Benefit estimates are preliminary, rough calculations of the amount of money that you will receive from the Plan when you retire. The closer you are to your retirement date, the more accurate an estimate will be. Although it is unlikely that your estimate will be the same as your actual benefit, it will give you an idea of what to expect and help you plan for your retirement years.

Service Providers

Your Plan, in its day to day operation, employs various professionals who advise and render financial and other services to the retirement system. Listed below are the names and addresses of current firms employed by the Plan as well as a short synopsis of their role in the operations of the Plan.

Investment Managers:

The **investment managers** are responsible for selecting specific securities to be purchased or sold by the pension fund, in accordance with the guidelines established by the Plan administrators, the pension ordinance and the performance monitor. The investment manager is:

- **B.R.C. Investment Management**
8400 E. Prentice Avenue, Suite 1401
Greenwood Village, CO 80111
- **Denver Investment Advisors**
1225 17th Street
Denver, CO 80202
- **Rhumblin Advisers**
265 Franklin Street, 21st Floor
Boston, MA 02110
- **Logan Capital Management**
6 Coulter Avenue, Suite 2000
Ardmore, PA 19003
- **Wentworth, Hauser & Violich**
301 Battery Street, Suite 400
San Francisco, CA 94111
- **American Realty Advisors**
801 North Brand Boulevard, Suite 800
Los Angeles, CA 91203
- **Intercontinental Real Estate Corporation**
1270 Soldiers Field Road
Boston, MA 02135

The Custodian:

The **custodian** of the Plan is responsible for the Plan's money market fund, for the safekeeping of securities owned by the pension fund and for the transfer of all securities (purchased or sold) by the investment manager on behalf of the Plan. The custodian is:

- **Northern Trust**
50 S. LaSalle Street
Chicago, IL 60603

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The Actuary:

The Plan **actuary** is a professional whose function includes, but is not limited to, setting forth the Employer's contribution level, disclosing Plan assets and actuarial liabilities, commenting on funding progress and related supporting information regarding Plan operation. Each year, the Plan actuary prepares a report to this effect, which is designed to comply with requirements of the State. The actuary is also responsible for calculating benefit payments for retiring or separating members. The Plan actuary is:

- [Gabriel, Roeder, Smith & Co.](#)
One East Broward Boulevard, Suite 505
Fort Lauderdale, FL 33301-1872

The Auditors:

The Plan employs the services of **certified public accountants** for the purpose of forming an opinion on the basic financial statements of the Plan. The Plan **auditor** is:

- **Marcum, LLP**
One SE 3rd Avenue, 16th Floor
Miami, FL 33131

The Performance Monitor:

The **performance monitor** primarily develops investment guidelines, analyzes investment returns and produces performance evaluations for the Plan. The Plan performance monitor is:

- **Thistle Asset Consulting**
1321 Piazza Delle Pallottole
Boynton Beach, FL 33426

The Attorney:

The Plan **attorney** is responsible for ensuring that the Plan and all Board actions comply with the ordinance that governs the Plan as well as any other applicable state and federal laws. The Plan designates the City Attorney as the Plan attorney. The Board, however, has elected to use the services of an attorney who specializes in pension matters. The Plan attorney is:

- [Stephen H. Cypen,](#)
Cypen & Cypen
777 Arthur Godfrey Road, Suite 320
Miami Beach, FL 33140

Contributions and Income

Benefits payable out of your Plan are financed by contributions paid into the pension fund by you, and by the Employer. In addition, earnings generated by investments of the pension fund’s assets supplement these contributions.

Your Contributions & Interest On Your Contributions:

Your contribution rate is 11.51% of your covered salary. If the plan’s investment return is more than 30% greater than the investment return assumption for the fiscal year, then your contribution rate is 9.51%.

Covered salary is the amount of pay used to: (1) determine the amount of your contributions and (2) the amount of pay upon which your benefit will be based. Your covered salary includes various types of pay. For example, it includes holiday pay but excludes overtime. Contact the [Pension Office](#) if you have questions regarding whether a specific type of pay is included in covered salary.

Your contributions into the plan will cease upon your retirement, death or employment termination. These contributions are deducted weekly and are calculated on a pre-tax basis.

INTEREST
FYE 2013: 0.17%
FYE 2012: 1.00%
FYE 2011: 1.00%
FYE 2010: 1.00%

Interest is credited to your contributions, which the Board of Trustees determines at its discretion. The interest rate is declared each year in September and applied to your account on September 30th of each year. Historically, the Board has declared the rates shown on the accompanying table.

You can always view the cumulative amount of your interest and contributions on your pay stub. This figure is reported as *Retirement to Date*. The amount of your weekly contributions appears as a deduction from your pay coded as *PEN6*.

Your Employer’s Contributions to Your Plan:

EMPLOYER CONTRIBUTION
FYE 2013: 31.66%
FYE 2012: 29.81%
FYE 2011: 26.54%
FYE 2010: 24.16%

The City of North Miami must contribute, on an annual basis, an amount, determined by the Plan actuary, sufficient to systematically fund the benefits under the Plan. The Employer’s contribution takes into consideration the demographics of the Plan members, historical experience, investment returns and other factors and assumptions, which may vary from period to period. As such, the Employer’s contribution is expected to change from year to year. The Employer’s historical contributions are presented in the accompanying table. Amounts shown are expressed as a percentage of covered payroll.

Investment Income:

INVESTMENT RETURN
FYE 2013: 13.4%
FYE 2012: 18.8%
FYE 2011: (1.4)%
FYE 2010: 11.6%

In addition to your contributions and your Employer’s contributions, the Plan depends on the **investment income** earned on Plan assets invested by the Plan’s investment managers. Collectively, these three sources of income generally fund benefit payments.

Since 1986, your Plan’s investment return has averaged 9.3% per year and 7.9% during the last five years while the target investment return is 8.3%. The most recent years’ performance is shown in the accompanying table. These returns are based on the market value of assets.

Premiums Tax Revenue:

[Florida Statutes Chapter 185.08](#) allows a 0.85% tax on casualty insurance premiums related to policies written within North Miami city limits. [The Florida Department of Revenue](#) collects these funds on behalf of the Police Officers' and Firefighters' Premium Tax Trust Fund at the [Florida Division of Retirement](#). Once the [Florida Division of Retirement](#) has determined that your Plan complies with all applicable statutory requirements, the portion of the funds associated with the City of North Miami is released and deposited into the Special Police Officers' Fund which provides a separate retirement benefit for Police Officers.

Accumulated contributions have been used to pay the following enhanced benefits in your plan:

- Ordinance 1188, adopted on 07/12/2005, replaces the single life annuity option with the 10 year certain & life annuity as the normal form of benefit. It also provides that the service connected disability benefit will be no less than the greater of the accrued pension payable immediately or 42% of final average compensation. Finally, the non-service connected disability benefit is changed to the greater of 25% of average final compensation or the accrued pension payable immediately.
- Ordinance 1212, adopted on 10/24/2006, reduces the Average Final Compensation Period (AFC) from 60 months to 57 months.

Eligibility and Credited Service

Since the City operates two defined benefit plans, your membership eligibility in this Plan depends on your employment classification and on your date of employment. Your credited service with the Plan may be affected by several circumstances, including leaves of absence and military service.

Eligibility:

You are eligible to be a member of the Plan if you are a **sworn police officer hired on or after January 1, 1977**. Your employment must be full time as determined by the Employer. General employees initially employed as police officer trainees under the City's other defined benefit plan, The Clair T. Singerman Employees' Retirement System, will be eligible for membership in this Plan effective on the date of appointment as a sworn police officer. At such time, your credited service will transfer from the Clair T. Singerman Employees' Retirement System to this Plan. Medical directors, contractual employees and Clair T. Singerman Employees' Retirement System members are not eligible to participate in the Plan.

Credited Service:

Credited service is used to compute the amount of pension benefit when you retire, to determine whether you are eligible for certain benefits and to determine whether you are vested. Your credited service is equal to your total length of service with the Employer during which you made the required contributions and omitting periods when you were not employed by the Employer. Vacation time is included in credited service. Unpaid leaves of absence are not included.

Leaves Of Absence:

If you are granted a leave of absence, you will not receive credit for the period of the leave itself; however, you will receive credit for past City service providing you return to employment within one (1) month following the end of such leave. Alternately, you may leave your accrued benefit and accumulated contributions in the fund pending return as a member or repay into the fund any amounts previously withdrawn, plus accrued interest, within six (6) months of the date of your re-employment.

Break In Service:

If you terminate employment and later return to work for the Employer within five (5) years of your termination, you may receive credit for past service. To receive credit, you must repay into the fund, within six (6) months of reemployment, the accumulated contributions and prior accrued benefit you may have received upon termination plus accrued interest for the period of absence. Upon such payment to the fund, you will continue as a member of the Plan and be entitled to additional credited service beginning on the date such payment is made to the fund.

Military Service Prior To Employment:

Up to 4 years of your active military duty prior to your date of hire by the Employer is included in credited service *at a cost subsidized by the Employer* provided you: (1) complete 10 years of credited service with the Employer, (2) make written election of this option within 4 years of eligibility and provide an original or certified copy of your Certificate of Service (Form DD214), (3) pay 3% of your first year's annual salary for each year of military service along with interest at a rate of 5% compounded annually. Military service credit shall become effective only after full payment has been provided and shall be treated as credited service. The percentage per year for benefit calculation purposes after retirement will be 2% of final average compensation for the period of military service.

If you qualify to buy back active military service prior to employment, you have the option to purchase an *increase* in the associated benefit rate from 2% to 3% of average final compensation per year of military service. The Plan actuary determines the cost of this purchase. You will be given credit for the additional 1% only after full payment is received.

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If you qualify to buy back active military service prior to employment, you also have the option to purchase an *additional* 5th year of active military service. The Plan actuary determines the cost of this purchase. You will be given credit for the additional year only after full payment is received.

No more than a total of six (6) years of combined military service credit and law enforcement service credit (see a later section in this chapter) may be purchased.

Military Service during Employment:

Should you take a leave of absence from the Employer in order to enter the military, your period of leave (up to a maximum of 5 years) will be included in your credited service if you return to work for the Employer within 12 months after your discharge.

Prior Law Enforcement Service:

If you were employed in an active duty, sworn law enforcement personnel capacity with any governmental law enforcement agency, you may purchase up to five (5) years of that service. In order to do this you must: (1) complete ten (10) years of credited service with the City, (2) make a written election of your option within four (4) years of eligibility, (3) submit a statement from the prior law enforcement agency stating the date of entry into active service, the date of discharge under honorable conditions and a statement asserting that no retirement benefit was obtained or will be obtained as a result of such service, and (4) pay the associated cost of the service, including interest, as determined by the Plan actuary.

You will be given credit for the additional years only after full payment is received at the rate of 3% of your final average compensation per year of law enforcement service purchased.

No more than a total of six (6) years of combined military service credit and law enforcement service credit may be purchased.

Retirement Dates

You can retire when you meet certain age and credited service requirements of this Plan. Generally, credited service includes purchased military service and vacation but excludes unpaid leaves of absences; see Chapter 5 entitled “Eligibility and Credited Service” for a detailed explanation of what qualifies as credited service.

Normal Retirement Date:

The **normal retirement date** is the earliest date when *unreduced* retirement benefits may be paid. It is the *earlier* of: (1) the date when you reach age 50 and complete 20 years of credited service or (2) the date when you reach age 55 and complete 10 years of credited service.

Early Retirement Date (members hired on or before 12/31/2006):

It is the *earlier* of: (1) the date when you reach age 50 and complete 10 years of credited service or (2) the date when you complete 20 years of credited service regardless of age. You may retire at any time following this date with reduced benefits as described later **provided you have not waived the right to receive an early retirement benefit upon completion of 20 years of credited service.**

Early Retirement Date (members hired after 12/31/2006):

It is the date when you reach age 50 and complete 10 years of credited service.

Retirement Benefits

Your retirement benefit is based on several factors: (1) your average final salary, (2) your years of credited service at your actual retirement date, and (3) the number of years that your actual retirement date precedes your normal retirement date.

Normal Retirement Benefit:

If you continue to be employed until your normal retirement date, the benefit that you will receive is called your **normal retirement benefit**. This benefit is *not* reduced and the longer you continue to work past your normal retirement date, the higher your benefit will be. Generally, your benefit will accrue at the rate of 3.5% of your average final salary for each year of credited service that you have. Your benefit is calculated as follows:

- 1% of your average final salary multiplied by your years of credited service earned before July 1, 1979 PLUS
- 3% of your average final salary multiplied by your years of credited service earned on or after July 1, 1979 and before January 1, 1998 PLUS
- 3.5% of your average final salary multiplied by your years of credited service earned on or after January 1, 1998 PLUS
- 2% (3% if you elected to purchase the additional 1% benefit as discussed in Chapter 5) of your average final salary multiplied by your years of eligible military service credit earned PLUS
- 3% of your average final salary multiplied by your years of eligible prior law enforcement service credit.
- The benefit is limited to 100% of your average final salary for members hired after January 1, 1980

As an example, to illustrate this calculation, assume that you were hired on 07/01/1992 and your anticipated retirement date is 07/01/2015. Your average final salary is \$80,000 and you are a 50-year-old employee who bought back 1 year of eligible military service; but declined the option to purchase the additional 1% military benefit. Your annual benefit would be calculated as follows:

Calculation of Normal Retirement Benefits

$$\begin{aligned}
 &\text{Military Service 1.00 year X 2.0\% X \$80,000} = \$1,600 + \\
 &07/01/92 \text{ to } 12/31/97 \text{ (5.50 years) X 3.0\% X \$80,000} = \$13,200 + \\
 &01/01/98 \text{ to } 07/01/15 \text{ (17.50 years) X 3.5\% X \$80,000} = \$49,000 \\
 \\
 &\$1,600 + \$13,200 + \$49,000 = \$63,800 \text{ per year (estimated annual pension)}
 \end{aligned}$$

\$63,800 represents your normal retirement benefit payable each year. The retirement benefit is paid to you in accordance with the normal form of benefit payment unless you elect otherwise as described in Chapter 9 under "Forms of Benefit Payments". Retirement benefits from this Plan are paid *in addition to* any benefits you may receive from [Social Security](#).

Accrued Benefit:

The portion of your normal retirement benefit that you have earned at any point in time is your **accrued benefit**. Your accrued benefit is computed in the same way as your normal retirement benefit, except that your *present* average salary and present credited service is used. Your accrued benefit is reduced if you have not yet attained your normal retirement date. The accrued benefit can be a monthly payment that starts on your normal retirement date unless you elect otherwise as described in Chapter 9 under "Forms of Benefit Payments".

Early Retirement Benefit:

EARLY RETIREMENT REDUCTION (A)
1 Year Early: 3.00%
2 Years Early: 6.00%
3 Years Early: 9.00%
4 Years Early: 12.00%
5 Years Early: 15.00%

If you decide to retire early, you may receive your **early retirement benefit** *immediately* or on a *deferred* basis.

A **deferred early retirement benefit** means a benefit that begins on your normal retirement date and is paid for the rest of your life.

An **immediate early retirement benefit** means a benefit that begins on your early retirement date and is paid for the rest of your life. The benefit is computed like a normal retirement benefit, but *reduced* by a factor related to the number of months by which the starting date of the benefit precedes your normal retirement date. The benefit is *reduced* to take into account the younger age and earlier commencement of benefit payments. The accompanying **TABLE (A)** shows approximately how much your benefit will be reduced if payments begin *before* your normal retirement date if you were hired after 12/31/2006 or if you waived the right to receive an early retirement benefit upon completion of 20 years of credited service. **TABLE (B)** shows your approximate benefit reduction if you were hired on or before 12/31/2006 and elected to retain the right to receive an early retirement benefit upon completion of 20 years of credited service.

EARLY RETIREMENT REDUCTION (B)
1 Year Early: 1.00%
2 Years Early: 2.00%
3 Years Early: 3.00%
4 Years Early: 4.00%
5 Years Early: 5.00%

Delayed Retirement Benefit:

You are not required to retire on your normal retirement date. You may elect to work beyond your normal retirement date. The amount of your delayed retirement benefit is calculated and paid in the same way as the normal retirement benefit. However, your average monthly salary and credited service as of your actual retirement date are used in the calculation. Working longer generally produces higher benefit amounts.

Vested Benefit:

If you terminate employment other than by reason of retirement, early retirement, disability or death, you may be entitled to a vested benefit.

A **vested benefit** is equal to your accrued benefit on your termination date multiplied by your vested interest (see accompanying table). It is payable on your otherwise normal retirement date as a **deferred vested benefit**. This may be done in order to reduce the effect of any applicable early retirement reduction. However, you may choose to receive your vested benefit, *reduced* for early retirement, on or after your early retirement date. Finally, you may opt to have your vested benefit paid immediately in the form of a lump sum.

VESTED INTEREST
< 5 Yrs. Service: 0%
5 Yrs. Service: 25%
6 Yrs. Service: 40%
7 Yrs. Service: 55%
8 Yrs. Service: 70%
9 Yrs. Service: 85%
10 or more Yrs. Service: 100%

Refunds of Contributions:

If you terminate employment before you are vested (less than 5 years of credited service), you will receive a refund of your employee contributions plus accrued interest.

Post Retirement Cost of Living Adjustment (C.O.L.A.):

If you elect an annuity form of benefit (monthly payments), the Plan will provide future C.O.L.A.s to you. At retirement you may elect one of the following C.O.L.A. options:

- 1.92% annual C.O.L.A., payable 1 year after retirement
- 2.50% annual C.O.L.A., payable 3 years after retirement
- 3.00% annual C.O.L.A., payable 5 years after retirement

Disability and Survivor Benefits

If you become disabled as provided by the Plan you may be eligible to receive disability benefits. In the event of your death, your beneficiary or beneficiaries may be entitled to receive survivorship benefits. There is no waiting period to obtain coverage under the Plan's provisions governing disability and survivor benefits.

Service Connected Disability:

If you become disabled as a direct result of your employment as provided by the Plan, you may be eligible to receive **service connected disability** benefits in the amount of 75% of your current compensation. The minimum service connected disability benefit is the greater of your accrued pension or 42% of your average final compensation. This amount may be reduced by amounts received from other sources (Social Security Disability Income or Workers' Compensation) to the extent that when combined with this benefit, your total disability income does not exceed 100% of your wages as defined under workers' compensation law. This benefit is payable until the earlier of your death or recovery. Disability retirees may select among optional forms of benefit payments, excluding the lump sum and social security options.

Non-Service Connected Disability:

If you become disabled from a cause other than as a direct result of your employment as provided by the Plan, the amount of your **non-service connected disability** benefit is equal to your vested accrued benefit payable at your normal retirement date, or the actuarial equivalent payable in a lump sum. However, if you were entitled to an early or normal retirement benefit at the time of disability, you may elect to take an early or normal retirement benefit *in lieu of* the disability benefit. If you have at least 10 years of credited service, your non-service connected disability benefit is the greater of 25% of average final compensation or your accrued pension payable immediately.

Service Connected Death:

In the event of your death as a direct result of your employment, your spouse will receive an amount equal to 50% of your monthly compensation at the time of your death, unaffected by spousal remarriage and payable until your spouse's death. In addition, each minor child will be paid 10% of your compensation until the child attains age 18. In no event will the total benefit exceed 100% of your final compensation in effect at the time of death. In the event of the death of your spouse before all children reach age 18, your spouse's 50% share will be paid to such children. If you do not have a surviving spouse, your benefit will be paid to your surviving minor children during their minority or a period of 15 years, whichever is longer. Absent a surviving spouse and children, your benefit will be paid your designated beneficiary during your beneficiary's life or 15 years, whichever is less.

Non-Service Connected Death:

In the event of your death from a cause other than as a direct result of your employment, your beneficiary will receive a lump sum amount equal to your actuarially reduced equivalent of your normal retirement benefit multiplied by the applicable vesting percentage.

Death after Retirement:

If you selected an option that provided for a survivor's benefit to be paid after your death, your beneficiary will receive payments in accordance with that option following your death. Chapter 9 describes various forms of beneficiary retirement payment options available under this Plan.

Forms of Benefit Payments

You have the right at any time within six months of your actual retirement date to elect one of the options listed in the following paragraphs. You may, within this time frame, revoke such election and make a new one. You must make such election by completing an *Application for Pension Benefits* form available from the [Pension Office](#). This election also applies to members who terminate and who are eligible to receive payments of vested retirement benefits. Unless you elect otherwise before your actual retirement date, your pension is payable as a **10 year certain and life annuity**.

In no event will the total of any type of benefit payments to you and to your beneficiary be less than the amount of your accumulated contributions, plus interest.

Joint & Survivor Option:

You may elect to receive a decreased monthly retirement benefit during your lifetime and have such decreased retirement benefit or designated fraction thereof continued after your death to and during the lifetime of your joint pensioner. This option is void if your joint pensioner dies before you die.

5 or 10 Year Certain & Life Option:

You may elect to receive this standard form of retirement benefit with 60 or 120 monthly payments, respectively, guaranteed. If you die before receiving the 60 or 120 payments, the payments will continue until the total number of payments has been made. If you live longer than the 60 or 120 months specified, payments are continued for the rest of your life, ceasing upon your death.

Social Security Option:

You may elect to receive an increased benefit until the date your [Social Security](#) benefit begins and a decreased amount thereafter, in order to provide, to as great extent as possible, a more level income throughout the period of retirement.

Lump Sum Option:

You may elect to receive in a lump sum at retirement an amount that is the actuarial equivalent of the benefits otherwise payable to you under this Plan. The complete lump sum option is not available to an employee who first becomes a member of the Plan on or after October 1, 2004.

Partial Lump Sum & Annuity Option:

You may elect to receive a portion (determined by you) of your benefit in a lump sum and a portion in one of the annuity forms listed above. The combined total of the lump sum and the annuity will be the actuarial equivalent of the total benefit.

Straight Life Annuity Option:

You may elect to receive an increased monthly retirement during your lifetime only. This benefit ceases upon your death.

Plan Amendments

The Plan may be amended or terminated. Members may initiate recommendations to the Board of Trustees. The Board of Trustees, in turn, may make recommendations for changes to the City Council. Also, from time to time, the Board of Trustees, the Plan Actuary, the Plan Attorney or others may propose plan amendments that are necessary in order to comply with applicable state or federal law.

Recent Plan Amendments:

The following is a summary of the major provisions of changes to your Plan since publication of the last Summary Plan Description:

- Under Ordinance 1348, adopted on 02/12/2013, the Plan was amended by implementing a 3% Cost of Living Adjustment (C.O.L.A.) for survivors in receipt of line of duty death benefits before the Plan's C.O.L.A. was adopted on 09/28/2004.
- Under Ordinance 1344, adopted on 11/27/2012, the Plan was amended by allowing members who previously waived eligibility for early retirement with 20 years of service regardless of age, who would have 20 years of service on or before 01/01/2013, to revoke their waivers. These members needed to agree to retire from City service on or before 01/01/2013.

Plan Termination:

If the Plan were terminated, you would immediately become fully vested in the benefit that you had earned so far. All of the assets of the Plan would be allocated to the members according to certain classes of priority. Only after all accrued benefits have been paid and any other liabilities have been satisfied, could any remaining money be returned to the Employer. It is possible that if Plan assets were less than the value of all accrued benefits, then your accrued benefit may be reduced.

Limitations:

- No benefits will be payable except for a return of your own contributions if you: (1) terminate employment before reaching the normal or early retirement date and you do not have enough credited service to have earned a vested interest or (2) die or become disabled other than in the line of duty before attaining a vested interest.
- No credit is allowed for benefit accrual or vesting purposes for any period in which you are not considered a full time employee.
- Your accrued benefit may be forfeited if you are convicted of certain crimes as provided by [Section 112.3173, Florida Statutes](#), and [Section 185.185, Florida Statutes](#).
- Your benefit is limited as provided in the Plan ordinance and may be limited by the Internal Revenue Code.
- If you continue to work past your normal retirement date, your retirement benefit will not be payable until your actual retirement date.

Please refer to the actual Plan document on file with the City Clerk's Office for more information.

Your Responsibilities

Retain this summary plan description with your other important papers for future reference or for replacement by updated versions and supplemental notices.

Membership Forms:

Upon completing eligibility requirements, sign a *Membership Form* available from the Personnel Office. This form also requests that you designate a beneficiary. Keep this designation updated to reflect your current wishes.

Employment Termination:

Before you terminate employment, check with the [Pension Office](#). You will be required to complete an *Application for Pension Benefits* form provided by the [Pension Office](#). This form addresses tax matters that you should know before you receive your benefit. It also instructs the Plan administrator to either transfer your lump sum benefit payment to your Individual Retirement Arrangement or to make payment directly to you.

Claims Procedure:

Claims for benefits under the Plan must be filed in writing with the Plan administrator. If you are eligible for any benefits from this Plan, you will be provided with a notification estimate showing the approximate amount of your benefit and options, if any, and the earliest date on which such benefit is payable. Your request for Plan benefits shall be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Plan administrator shall furnish you, within a reasonable period of time after receipt of your claim, a written notice of denial.

The written notice must contain the following information:

- The specific reason(s) for the denial;
- Specific reference to the Plan provision(s) on which the denial is based;
- A description of any additional information or material necessary to correct your claim and an explanation of why such material or information is necessary;
- Appropriate information as to the steps to be taken if you or your beneficiary wishes to submit your claim for review.

If notice of the denial is not furnished to you in accordance with the above within a reasonable period of time, your claim shall be deemed denied. You will then be permitted to proceed to the review stage described in the next section. If your claim has been denied, and you wish to submit your claim for review, you must follow the *Claims Review Procedures*.

Claims Review Procedures:

Upon the denial of your claim for benefits, you may file your claim for review, in writing with the Plan administrator. Your claim must be filed no later than the time specified in the notification of denial of your claim for benefits. You may review all pertinent documents relating to the denial of your claim and submit any issues and comments in writing, to the Plan administrator.

Legal Actions:

You or your beneficiary may bring civil action against the Plan in order to recover benefits due to you or your beneficiary under the terms of the Plan, to enforce your rights or the rights of your beneficiary, or to clarify your rights or beneficiary's rights to future benefits under the terms of the Plan.

The Board of Trustees may be served with process as follows:

**Chairman, Board of Trustees,
North Miami Police Pension Plan
776 N.E. 125th Street
North Miami, FL 33161**

Other Pertinent Information:

Actuarial Valuation as of October 1,	2013	2012
Number of Active Members	114	108
Number of Inactive Members	35	32
Covered Payroll	\$ 8,641,896	\$8,174,358
Annual Benefits of Inactive Members	2,410,146	2,166,354
Annual Required Contributions (ARC)	3,441,341	3,175,248
ARC as a Percent of Covered Payroll	38.29%	37.35%
Actuarial Value of Assets	49,223,508	44,577,607
Actuarial Accrued Liabilities	71,473,243	65,146,979
Funded Ratio	68.9%	68.4%

Financial Statement as of September 30,	2013	2012
Net Assets at Beginning of Period	\$ 40,612,069	\$ 35,380,647
Member Contributions	890,757	898,946
Employer & State Contributions	2,871,387	2,874,163
Net Investment Earnings	5,512,822	6,520,069
Total Additions	9,274,966	10,293,178
Benefits Paid	2,351,730	4,922,471
Administrative Expense	113,172	119,086
Total Deductions	2,464,902	5,041,557
Net Increase (Decrease)	6,810,064	5,251,621
Adjustment to Net Assets	0	(20,199)
Net Assets at End of Period	47,422,133	40,612,069