



## **CITY OF NORTH MIAMI**

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### **Clair T. Singerman Employees' Retirement System**

# **Summary Plan Description**

**OCTOBER 2017**

#### **DISCLAIMER:**

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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 691 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 September 2017 and is subject to modification based on changes in the law.

# Table of Contents

<b>CHAPTER 1 - INTRODUCTION</b>		<b>CHAPTER 6 - RETIREMENT DATES</b>	
Introduction To Your Plan	1	Normal Retirement Date	11
<b>CHAPTER 2 - GENERAL INFORMATION</b>		Early Retirement Date	11
Official Plan Name	2	<b>CHAPTER 7 - RETIREMENT BENEFITS</b>	
Plan Sponsor	2	Average Final Salary	12
Plan Membership	2	Normal Retirement Benefit	12
Plan Administrator	2	Accrued Benefit	13
Board Of Trustees	2	Early Retirement Benefit	13
Contacting The Trustees	3	Delayed Retirement Benefit	13
Role Of The Trustees	3	Vested Benefit	14
Clerk Of The Board	3	Refund of Contributions	14
Plan Fiscal Year	3	C.O.L.A.	14
Applicable Law	3	<b>CHAPTER 8 - DISABILITY AND SURVIVOR BENEFITS</b>	
Collective Bargaining	3	Service Connected Disability	15
Beneficiary Designation	4	Non-Service Connected Disability	15
Social Security Benefits	4	Service Connected Death	15
Pension Benefit Estimates	4	Non-Service Connected Death	15
<b>CHAPTER 3 - SERVICE PROVIDERS</b>		Death After Retirement	15
The Investment Managers	5	<b>CHAPTER 9 - FORMS OF BENEFIT PAYMENTS</b>	
The Custodian	5	Joint & Survivor Option	16
The Actuary	6	5 or 10 Year Certain & Life Option	16
The Auditors	6	Social Security Option	16
The Performance Monitor	6	Lump Sum Option	16
The Attorney	6	Partial Lump Sum & Annuity Option	16
<b>CHAPTER 4 - CONTRIBUTIONS AND INCOME</b>		<b>CHAPTER 10 - PLAN AMENDMENTS</b>	
Your Contributions & Interest	7	Recent Plan Amendments	17
Your Employer's Contribution	7	Plan Termination	17
Investment Income	8	Limitations	17
Premiums Tax Revenue	8	<b>CHAPTER 11 - YOUR RESPONSIBILITIES</b>	
<b>CHAPTER 5 - ELIGIBILITY AND CREDITED SERVICE</b>		Membership Forms	18
Eligibility	9	Employment Termination	18
Credited Service	9	Claims Procedures	18
Leaves Of Absence	9	Claims Review Procedures	18
Break In Service	9	Legal Actions	18
Military Service Prior To Employment	9	<b>CHAPTER 12 - PERTINENT INFORMATION</b>	
Military Service During Employment	10	Actuarial Information	19
		Financial Information	19
		Expense Report	20

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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 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 **Clair T. Singerman Employees' Retirement System** (under Ordinance 691).

### Who Sponsors This Plan?

The City of North Miami (the **Employer**) is the sponsor.

### Who Can Be A Member Of This Plan?

General employees hired before June 1, 2016 (the date the City joined the Florida Retirement System) who elected to remain in the Plan and certain sworn police officers of the City who are eligible to participate in the Plan and who fulfill the prescribed eligibility requirements are considered **members** 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 691 to serve as Trustees on the Board. These Trustees are:

- Neal Cuevas, Chairperson; Elected Trustee
- Jeff Geimer, Vice Chairperson; Elected Trustee
- Rick Cade, Secretary; Elected Trustee
- Derrick Corker; Trustee as the City Manager's designee
- Joseph Roglieri, Personnel Director; Ex Officio Trustee designated by ordinance
- Miguel Augustin, Finance Director; Ex Officio Trustee designated by ordinance
- Ernesto Ramos; Elected Trustee
- Laura Van De Ven; 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. If you are viewing this document on the Internet, you may simply click the hyperlink below or the hyperlink to each Trustee directly (above). Alternately, you may telephone them at the number provided.

Board of Trustees,  
Clair T. Singerman Employees' Retirement System  
776 N. E. 125<sup>th</sup> Street – 3<sup>rd</sup> Floor  
North Miami, FL 33161  
(305) 895-9884  
E-mail: [pension@northmiamifl.gov](mailto: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. The 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 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 1<sup>st</sup> and ending on the subsequent September 30<sup>th</sup> 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 III of Chapter 15 of the City of North Miami's Code of Ordinances. From time to time, new ordinances are enacted which modify Article III. 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 175 F.S.](#), [Chapter 185 F.S.](#) and various federal laws, including the Internal Revenue Code.

## Does Collective Bargaining Affect My Plan?

Certain general employees are represented by the International Union of Police Associations (IUPA). The current collective bargaining agreement in effect covers the period from October 1, 2015 to September 30, 2018.

### 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:

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 managers are:

- **The Boston Company Asset Management, L.L.C.**  
One Boston Place  
Boston, MA 02108
- **Montag & Caldwell, Inc.**  
3343 Peachtree Road NE, 1100 Financial Center  
Atlanta, GA 30326
- **Harding Loevner LP**  
400 Crossing Boulevard, 4<sup>th</sup> Floor  
Bridgewater, NJ 08807
- **Kayne Anderson Rudnick**  
1800 Avenue of the Stars  
Los Angeles, CA 90067
- **Garcia Hamilton & Associates**  
1401 McKinney Street # 1600  
Houston, TX 77010
- **Rhumblin Advisors**  
265 Franklin Street, 21<sup>st</sup> Floor  
Boston, MA 02110

### 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

## SUMMARY PLAN DESCRIPTION

### 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 & Company**  
One East Broward Boulevard, Suite 505  
Ft. 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 L.L.P.**  
One S E 3<sup>rd</sup> Avenue, 16<sup>th</sup> 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:

- **Andco Consulting**  
4901 Vineland Road #600  
Orlando, FL 32811

### 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 attorney is:

- **Adam Levinson**  
Klausner, Kaufman, Jensen & Levinson  
7080 N.W. 4<sup>th</sup> Street  
Plantation, FL 33317



## Contributions and Income

**B**enefits 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:

Prior to November 10, 2015 your contribution rate was 7% of your covered salary. Beginning on November 10, 2015 your contribution rate is outlined in the following table, based on your years of service and Normal Retirement eligibility on November 10, 2015:

<b>As of November 10, 2015:</b>	<b>Employee Contribution Rate after November 9, 2015, as a % of Covered Salary</b>
Members Eligible for Normal Retirement	7.0%
Members with 15 or more years of service	8.0%
Members with 10 - 15 years of service	7.0%
Members with less than 10 years of service	6.0%

**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.

<b>INTEREST</b>
FYE 2017: 0.25%
FYE 2016: 0.14%
FYE 2015: 0.10%
FYE 2014: 0.10%

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 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 30<sup>th</sup> 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 *Pension to Date*. The amount of your weekly contributions appears as a deduction from your pay.

### Your Employer’s Contributions to Your Plan:

<b>EMPLOYER CONTRIBUTION</b>
FYE 2018: 45.05%
FYE 2017: 43.28%
FYE 2016: 52.04%
FYE 2015: 52.85%
FYE 2014: 33.10%

The City of North Miami must contribute, on a quarterly basis, an amount, determined by the Plan actuary, sufficient to fund systematically 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 vary from year to year. The Employer’s total historical contributions are presented in the accompanying table. Amounts shown are expressed as a percentage of covered payrolls.

## Investment Income:

<b>INVESTMENT RETURNS</b>
2016: 11.0%
2015: 0.8%
2014: 10.6%
2013: 10.1%
2012: 16.7%

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 1990, your Plan's investment return has averaged 7.9% per year. 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](#) 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. A portion of these funds are used to pay for enhanced benefits for Police Officers in this Plan. Effective after June 27, 2017, sworn police personnel who are active contributing members of this Plan are entitled to receive, at retirement, a lump sum distribution of the reserve Chapter 185 premium taxes, which were allocated to this Plan to provide minimum benefits for the sworn police personnel who did not transfer to the North Miami Police Pension Plan.

## Eligibility and Credited Service

Since the City operates two defined benefit plans, your membership eligibility in the 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 leave.

### Eligibility:

You are eligible to be a member of the Plan if you are a **general employee** hired before June 1, 2016 (the date the City enrolled in the Florida Retirement System) that has elected to remain in the Plan or a **sworn police officer hired before January 1, 1977 or firefighter** who elected to remain in this Plan. Your employment must be full time. General employees initially employed as police officer trainees will be eligible for membership in the City's other defined benefit plan, the North Miami Police Pension Plan, effective on the date of appointment as a sworn police officer. At such time, a transfer of your credited service will occur from this Plan to the other Plan. Contractual employees and North Miami Police Pension Plan 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, you may receive credit for past service. To receive credit, you must repay into the fund the accumulated contributions and prior vested 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 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 4% 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 3% for the period of military service.

## SUMMARY PLAN DESCRIPTION

### **Military Service during Employment:**

If you are a general employee and 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: (1) you return to work for the Employer within 12 months after your discharge and (2) you repay into the Plan the contributions that you would have made for all or a part of your leave, plus 3% interest per year. You would be required to repay this amount within six (6) months of your return to employment.

If you are a sworn police officer and 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.

If you die while performing intervening qualified military service (as defined in Section 414(u) of the Internal Revenue Code), your survivors may be entitled to benefits provided under the Plan as if your employment with the City had resumed and then terminated on account of your death.

## Retirement Dates

**Y**ou 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. For general employees, it is the *earlier* of: (1) the date when you reach age 55 and complete 20 years of credited service or (2) the date when you reach age 62 and complete 10 years of credited service. For police, it is the date when you reach age 50 and complete 20 years of credited service.

### Early Retirement Date:

For general employees it is the *earlier* of: (1) the date when you reach age 55 and complete 10 years of credited service or (2) the date when you complete 14 years of credited service. For police, it is the completion of 14 years of credited service regardless of age. You may retire at any time following this date with reduced benefits as described later.

## Retirement Benefits

**Y**our retirement benefits vary based on your credited service and Normal Retirement eligibility as of November 10, 2015. Your benefit is also based on (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.

### Average Final Salary:

If you reach your Normal Retirement Date on or before September 29, 2016, your average final salary is calculated based on the 2 year period within your last 10 years of employment which produces the highest average. If your Normal Retirement Date is after September 29, 2016, your average final salary is computed based on the number of years from the table below within your last 10 years of employment which produces the highest average, depending on when you actually retire:

Retirement Date	Years of Salary in Final Average
Prior to September 30, 2016	2 years
Effective September 30, 2016	3 years
Effective September 30, 2017	4 years
Effective September 30, 2018	5 years

### 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% of your average final salary for each year of credited service that you have prior to November 10, 2015. For credited service earned after November 10, 2015 the benefits will accrue at the rate specified in the following table, based on your credited service and Normal Retirement eligibility as of November 10, 2015:

As of November 10, 2015	Benefit Multiplier for Accruals After November 9, 2015
Members Eligible for Normal Retirement	3.0%
Members with 15 or more years of service	3.0%
Members with 10 - 15 years of service	2.5%
Members with less than 10 years of service	2.0%

Your benefit is calculated as follows:

- 3% of your average final salary multiplied by your years of credited service earned on or after July 1, 1969 but prior to November 10, 2015 PLUS
- 3% of your average final salary multiplied by your years of eligible military service credit earned PLUS
- The applicable percentage of your average final salary from the above table multiplied by your years of credited service earned on or after November 10, 2015.
- The benefit is limited to 100% of your average final salary for members hired after January 1, 1980.

**SUMMARY PLAN DESCRIPTION**

As an example, to illustrate this calculation, assume that you were hired on 11/10/2007 and your normal retirement date is 11/09/2016. Your average final salary is \$40,000 and you are a 62-year-old general employee who bought back 1 year of eligible military service. Your annual benefit would be calculated as follows:

Calculation of Normal Retirement Benefits	
Military Credit (1.00 years) X 3.0% X \$40,000	= \$ 1,200 +
11/10/07 to 11/09/15 (8 years) X 3.0% X \$40,000	= \$ 9,600 +
11/10/15 to 11/09/16 (1.00 years) X 2.0% X \$40,000	= \$ 800
<b>\$1,200 + \$9,600+ \$800</b>	<b>= \$11,600 per year</b> (estimated annual pension)

\$11,600 represents your normal retirement benefit payable each year. The retirement benefit is paid to you for the rest of your life 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:**

<b>EARLY RETIREMENT REDUCTION</b>
1 Year Early: 3.96%
2 Years Early: 7.92%
3 Years Early: 11.88%
4 Years Early: 15.84%
5 Years Early: 19.80%

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 shows approximately how much your benefit will be reduced if payments begin *before* your normal retirement date.

**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.

**SUMMARY PLAN DESCRIPTION**

**Vested Benefit:**

<b>V E S T E D I N T E R E S T</b>
<i>&lt; 5 Yrs. Service: 0%</i>
<i>5 Yrs. Service: 25%</i>
<i>6 Yrs. Service: 40%</i>
<i>7 Yrs. Service: 55%</i>
<i>8 Yrs. Service: 70%</i>
<i>9 Yrs. Service: 85%</i>
<i>10 or more Yrs. Service: 100%</i>

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.

**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. If you were eligible for Normal Retirement on or before November 10, 2015, at retirement you may elect one of the following C.O.L.A. options:

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

If your Normal Retirement Date is after November 10, 2015 your C.O.L.A. is specified in the table below, depending on your years of credited service as of November 10, 2015:

<b>As of November 10, 2015</b>	<b>C.O.L.A.</b>
Members with 15 or more years of service	3.0% payable 5 years after retirement
Members with 10 - 15 years of service	2.5% payable 5 years after retirement
Members with less than 10 years of service	2.0% 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. 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 choose 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 accrued benefit payable at your otherwise normal retirement date, or the actuarial equivalent payable in a lump sum. The amount of your benefit is subject to a *limit* of 50% of your compensation. However, if you were entitled to an early or normal retirement benefit, you may elect to take an early or normal retirement benefit *in lieu* of the disability benefit.

### 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, payable until your spouse's death or remarriage (for life if you are a sworn police officer). In addition, each minor child will be paid 10% of your compensation until the child attains age 19. In no event will the total benefit exceed 100% of your final compensation in effect at the time of death. In the event of death of your spouse before all children reach age 19, your spouse's 50% share will be divided among such children.

### Non-Service Connected Death:

In the event of your death from a cause other than as a direct result of your employment as provided by the Plan, if you are not eligible for early or normal retirement, your beneficiary will receive a lump sum amount equal to your prior vested benefit plus your accumulated contributions.

In the event of your death from a cause other than as a direct result of your employment as provided by the Plan, if you are eligible for early or normal retirement, a monthly benefit is payable as though you had retired on your date of death and chosen a **ten year certain option**. Such benefit is payable for ten years. If you had selected a different option, benefits are payable according to that option. When you first become a member of the Plan, you are asked to make such a selection on your *Membership Agreement* form. You may change your selection at any time by completing an updated *Membership Agreement* available in the Personnel Office.

### 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

**Y**ou have the right at any time within one month 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 **single life annuity**, which is a series of monthly payments during the balance of your lifetime and which cease upon your death.

In no event will the total of any type of benefit payments to you and to your beneficiary ever be less than 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 contingent beneficiary. This option is void if your contingent beneficiary dies before you die.

### 5 or 10 Year Certain & Life Option:

You may elect to receive a decreased 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 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.

## 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:

Since the publication of the last Summary Plan Description, there was one Plan amendment. Under Ordinance No. 1415, passed and adopted on June 27, 2017, the Plan was amended to allow sworn police personnel who are active contributing members of this Plan to receive, at retirement, a lump sum distribution of the reserve Chapter 185 premium taxes, which were allocated to this Plan to provide minimum benefits for the sworn police personnel who did not transfer to the North Miami Police Pension Plan.

### 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](#) or [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

**R**etain 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,  
Clair T. Singerman Employees' Retirement System  
776 N.E. 125<sup>th</sup> Street  
North Miami, FL 33161

**Other Pertinent Information:**

Actuarial Valuation as of October 1,	2016	2015
Number of Active Members	233	241
Number of Inactive Members	233	227
Covered Payroll	\$11,834,735	\$11,618,974
Annual Benefits of Inactive Members In Receipt	6,736,749	6,416,567
Annual Required Contributions (ARC)	5,330,992	5,028,652
ARC as a Percent of Covered Payroll	45.05%	43.28%
Actuarial Value of Assets	110,067,733	103,126,258
Actuarial Accrued Liabilities	125,673,386	115,328,753
Funded Ratio	87.6%	89.4%

Financial Statement as of September 30,	2016	2015
Net Assets at Beginning of Period	\$ 97,820,175	\$ 98,183,334
Member Contributions	894,501	853,456
Employer & County Contributions	5,993,388	5,598,011
Chapter 185 Contribution	1,423	1,253
Net Investment Earnings	11,084,389	804,516
Total Additions	<b>17,973,701</b>	<b>7,257,236</b>
Benefits Paid	7,251,485	7,385,186
Administrative Expense	250,676	235,209
Total Deductions	<b>7,502,161</b>	<b>7,620,395</b>
Net Increase (Decrease)	<b>10,471,540</b>	<b>(363,159)</b>
Adjustment to Net Assets	0	0
Net Assets at End of Period	<b>108,291,715</b>	<b>97,820,175</b>

**SUMMARY PLAN DESCRIPTION**

<b>Expense Report</b>	<b>FY 2015-16</b>
<b>Benefits Paid to Plan Members</b>	
Normal retirement	\$ 6,721,180
Disability retirement	54,042
Death benefits	5,529
Lump sum retirements	279,792
Refund of member contributions	<u>190,942</u>
<b>Total Benefits Paid to Plan Members</b>	<b>\$ 7,251,485</b>
<b>Administrative Expense</b>	
Bookkeeping, secretarial and telecommunications	\$ 79,771
Audit and legal services	44,925
Actuarial services	48,882
Performance monitoring services	35,607
Bond insurance	16,348
Training	14,276
Other	<u>10,867</u>
<b>Total Administrative Expense</b>	<b>\$ 250,676</b>
<b>Total Investment Expense</b>	<b>\$ 442,096</b>
<b>TOTAL PLAN EXPENSES</b>	<b>\$ 7,944,257</b>
<b>Supplemental Information:</b>	
Total Plan assets	\$ 110,647,027
Administrative and investment expense as a percentage of Plan assets	0.63%