

**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
SUMMARY PLAN DESCRIPTION**

September 1, 2015

IS YOUR BENEFICIARY FORM CURRENT? IN THE EVENT YOU DIE, YOUR BENEFIT OR CONTRIBUTIONS WILL BE DISTRIBUTED TO THE PERSON OR PERSONS DESIGNATED BY NAME ON THE BENEFICIARY FORM ON FILE WITH THE PENSION PLAN. NO PROVISION IN YOUR LAST WILL AND TESTAMENT WILL CHANGE THIS SELECTION. PLEASE BE SURE THAT YOUR BENEFICIARY FORM DESIGNATES THE PERSON OR PERSONS YOU INTEND TO RECEIVE YOUR BENEFITS AND THAT YOU REVIEW THIS CHOICE IN THE EVENT OF A MAJOR LIFE CHANGE SUCH AS A DIVORCE OR THE DEATH OF YOUR BENEFICIARY.

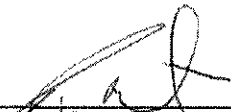
**CITY OF BROOKSVILLE FIREFIGHTERS' RETIREMENT TRUST FUND
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INTRODUCTION

The Board of Trustees of the City of Brooksville Firefighters' Retirement Trust Fund is pleased to present this booklet which briefly explains the provisions of your Firefighters' Pension Plan. As a participant in the Fund, you are included in a program of benefits to help you meet your financial needs at retirement, or in the event of disability or death.

This booklet can assist you in preparing for your retirement and financial future. If you need further information on any of the topics presented in this booklet, please contact any member of the Board of Trustees. They will either answer questions you might have to help you understand your benefits or otherwise get you an answer to your questions. We urge you to read and understand this booklet in order to become familiar with the benefits of the plan and how they contribute to your financial security and how they will enrich your retirement years.

The information presented is only a summary of the pension plan ("Plan") as provided in the ordinances of the City of Brooksville. If there are any conflicts between the information in this booklet and the ordinances of the City of Brooksville, the ordinances shall govern. The provisions of this Summary Plan Description shall not constitute a contract between the Member and the Board of Trustees. The plan shall be administered in accordance with state and federal law, notwithstanding any provisions in this booklet or ordinances to the contrary. A copy of the ordinance establishing the Plan can be obtained from the City Clerk's office, which is located at 201 Howell Avenue, Brooksville, Florida 34601.

Vice 

Chairman, Board of Trustees, City of
Brooksville Firefighters' Retirement Trust
Fund

September 24 2015
Date

1. **BOARD OF TRUSTEES AND PLAN ADMINISTRATION**

A. **Administration.**

(1) The City of Brooksville Firefighters' Retirement Trust Fund is a defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the Plan. The Board consists of 5 Trustees, 2 of whom are legal residents of the City who are appointed by the City Council, 2 of whom are members of the System who are elected by a majority of the Firefighters who are members of the System and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a 4 year term.

(2) DROP participants cannot be elected as or vote for elected Trustees.

B. The names and addresses of the current Trustees are attached to this Summary Plan Description as Exhibit "A". The Chairman of the Board of Trustees is designated as agent for the service of legal process.

2. **ELIGIBILITY FOR PLAN MEMBERSHIP**

Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his employment. All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

3. **PLAN BENEFITS**

All claims for benefits under the Plan shall be made in writing to the Board of Trustees.

A. **Normal Retirement Eligibility.** You are eligible for retirement upon the attainment of age 55 and the completion of 10 years of credited service, the attainment of age 60, regardless of years of credited service, or the completion of 20 years of credited service, regardless of age.

B. **Amount of Normal Retirement Benefits.** The amount of the normal retirement benefit is based on your credited service and average final compensation:

"Credited Service" is generally your period of employment as a Firefighter in the Fire Department measured in years and parts of years. If you accumulate service both as a full-time Firefighter and a volunteer, credited service shall be calculated separately for full-time and volunteer service with the sum of all years used only for vesting and benefit eligibility purposes. However, a volunteer shall not receive credited service for any purpose for any Plan year in which he does not work at least 288 hours. Credited service will include credit for up to five years for a break in employment for military service, pursuant to conditions provided for under state or federal law, provided that you are reemployed within 1 year of discharge under honorable conditions. Additional credited service time may also be available (See subsection L. below).

"Average Final Compensation" is 1/12 of your average salary of the 5 best years of the last 10 years of credited service prior to your termination, retirement or death or the career average as a full-time Firefighter (or volunteer, if applicable), whichever is greater. A year is defined as 12 consecutive months. If you are a volunteer Firefighter, average final compensation shall be determined in the same manner, but separately if you have both full-time and volunteer service.

"Salary" is the total compensation reported on your W-2 form plus all tax deferred, tax sheltered or tax exempt items of income derived from elective employee payroll deductions or salary reductions. For service earned after July 1, 2013 (the "effective date"), Salary shall not include more than 300 hours of overtime per calendar year, excluding Fair Labor Standards Act 7(k) exemption time, and shall also not include payments for accrued unused sick or annual leave. Provided however, in any event, payments for overtime in excess of 300 hours per year or accrued unused sick or annual leave accrued as of the effective date and attributable to service earned prior to the effective date, may still be included in Salary for pension purposes even if the payment is not actually made until on or after the effective date. In any event, with respect to unused sick leave and unused annual leave accrued prior to the effective date, Salary will include the lesser of the amount of sick or annual leave time accrued on the effective date or the actual amount of sick or annual leave time for which the retiree receives payment at the time of retirement, regardless of whether the amount of sick or annual leave was, at some time prior to retirement, reduced below the amount on the effective date.

Your normal retirement benefit is calculated by multiplying 3.1% times years of credited service times your average final compensation: $(3.1\% \times CS \times AFC = \text{normal retirement benefit})$. If you have both full-time and volunteer credited service, your average final compensation and credited service shall be calculated separately for full-time service and volunteer service and the separately calculated full-time and volunteer benefits shall be added together for a total monthly benefit.

Normal and early retirement payments will commence on the first day of the month coincident with or next following your last day of employment. Early retirees may defer the commencement of benefits. The benefit is paid to you for your life, but you or your beneficiary shall receive at least 120 monthly benefit payments in any event.

C. Early Retirement. You are eligible for early retirement upon the attainment of age 50 and the completion of 10 years of credited service.

D. Amount of Early Retirement Benefits. The amount of the early retirement benefit is calculated in the same manner as for normal retirement and is available as follows:

- (1) Beginning on the date on which you reach age 55; or
- (2) Beginning immediately upon retirement, but if beginning immediately, the amount of the monthly benefit is reduced by 3% for each year by which commencement of benefits precedes age 55.

E. Supplemental Benefit - Share Plan. Pursuant to Florida law, there will be a separate member "share account" created for each member of the plan. This supplemental benefit may or may not be funded and thus, you may or may not receive a retirement benefit from the share plan. If the share plan is funded, at retirement, termination (vested), disability or death, there shall be an additional benefit paid to you. The share plan is funded solely with state premium tax money and the funding that is received for this Share Plan is allocated to your share account based on a formula which gives you an allocation based on your years of credited service or another formula to be determined. Your share account receives its proportionate share of the income or loss on the assets in the plan.

F. Cost of Living Adjustment. On each January 1st, the pension benefit of all normal and early service retirees (not disability retirees or vested terminated persons), who have attained at least age 55 on or before January 1st shall be increased by 3%. The last adjustment shall be made on the January 1st following the year that the retiree attains age 65. Beneficiaries and joint annuitants of deceased service retirees shall receive adjustments as provided for herein, based on the age of the deceased retiree.

G. Other Retirement Options. At retirement, certain additional options are available as follows:

- (1) Optional Forms of Retirement. In lieu of the amount and form of retirement income payable under normal and early retirement, you may elect to receive a retirement benefit in a different form so long as the form you elect is of equal actuarial value as the normal benefit. The optional forms of benefits which are available are:
 - (a) A retirement income of a monthly amount payable to you for your lifetime only.
 - (b) A retirement income of a modified monthly amount, payable to you during your lifetime and following your death, 100%, 75%, 66-2/3% or 50% of such monthly amount payable to a joint pensioner for his lifetime.
 - (c) If you retire prior to the time at which social security benefits are payable, you may elect to receive an increased retirement benefit until such time as social security benefits shall be assumed to commence and a reduced benefit thereafter in order to provide, to as great an extent as possible, a more level retirement allowance during the entire period of retirement.
 - (d) If you do not participate in the DROP, you may also elect to receive an initial lump sum payment equal to 10%, 15%, 20% or 25% of your accrued benefit with the remaining 90% 85%, 80% or 75%, respectively, payable in a form selected by you and provided for in (a), (b) or (c) above or in the normal form (10 years certain and life).
- (2) Deferred Retirement Option Plan (DROP).
 - (a) If you become eligible for normal retirement, and are still employed by the City as a Firefighter, you have the option of "retiring" from the pension plan but continuing your employment as a Firefighter for a period beginning at the time your election to participate in the DROP first becomes effective and ending not later than the earlier of 5 years from your participation date or the completion of 30 years of employment with the City as a Firefighter. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the City not later than the applicable date provided for in the previous sentence. You must request, in writing, to enter the DROP.
 - (b) Upon entering the DROP, your retirement benefit is immediately calculated and each monthly benefit payment is deposited into your DROP account. You may elect to either have your account credited with interest at the rate of 6.5% per annum or credited or debited with an investment return or loss equal to the net investment return realized by the System for that quarter.

- (c) At the time of termination of employment at the end of the DROP period, you will receive your account balance in a lump sum and you will also begin receiving your monthly retirement benefit.
- (d) Once you enter the DROP, you are no longer eligible for disability or pre-retirement death benefits, nor do you accrue any additional credited service. Your retirement benefit is fixed as of your entry date, except for the application of any cost-of-living adjustments. You pay no member contributions to the plan once you enter the DROP.
- (e) Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.
- (f) Additional information about the DROP can be obtained from the Board.

H. Disability Retirement. You are considered disabled when you become totally and permanently unable to perform useful and efficient service as a Firefighter. A written application is made to the Board of Trustees for a disability pension and the Board of Trustees receives evidence of the disability and decides whether or not the pension is to be granted. If the pension is granted, the benefit amount shall be:

- (1) If the injury or disease is service connected, a benefit equal to 3.1% of your average final compensation multiplied by the total years of credited service, but in any event, the minimum amount paid to you shall be 42% of your average final compensation at the date of the Board's determination of disability. If you have both full-time and volunteer credited service, your benefit shall be calculated as for normal retirement.
- (2) If the injury or disease is not service connected, a benefit equal to 3.1% of your average final compensation multiplied by the total years of credited service. This non-service connected benefit is only available if you have at least 10 years of credited service. If you have both full-time and volunteer credited service, your benefit shall be calculated as for normal retirement.

Terminated persons, either vested or non-vested, are not eligible for disability benefits. Except, however, if you were terminated by the City for medical reasons, and if you apply within 30 days after your termination date, your application will be processed and fully considered by the board. If you voluntarily terminate your employment after filing the application, you will not be eligible to be considered for any disability benefit.

Your disability benefit terminates upon the earlier of death, with 120 payments guaranteed, or recovery. You may, however, select a "life only" or "joint and survivor" optional form of benefit as described above under "Optional Forms of Retirement".

Your benefit will be reduced if you receive workers' compensation benefits and your combined benefit exceeds 100% of your final salary. The pension benefit will be reduced so that the total does not exceed 100%, except that the pension benefit shall not be reduced below the greater of 42% of average final compensation or 2% of average final compensation times years of credited service.

Any condition or impairment of health caused by hypertension or heart disease resulting in death or total and permanent disability is presumed to have been suffered in the line of duty unless the contrary is shown by competent evidence; provided that you have successfully passed a physical examination on entering into service and there is no evidence of the condition at that time.

For conditions diagnosed on or after January 1, 1996, if you suffer a condition or impairment of health that is caused by hepatitis, meningococcal meningitis, or tuberculosis, which results in total and permanent disability, it shall be presumed that the disability is in the line of duty, unless the contrary is shown by competent evidence as provided for in Section 112.181, Florida Statutes, provided that the statutory conditions have been met.

To receive disability benefits, you must establish to the satisfaction of the Board, that such disability was not occasioned primarily by:

- (1) Excessive or habitual use of any drugs, intoxicants or narcotics.
- (2) Injury or disease sustained while willfully and illegally participating in fights, riots or civil insurrections or while committing a crime.
- (3) Injury or disease sustained while serving in any branch of the Armed Forces.
- (4) Injury or disease sustained after your employment as a Firefighter with the City of Brooksville shall have terminated.

As a disabled pensioner, you are subject to periodic medical examinations as directed by the Board to determine whether a disability continues. You may also be required to submit statements from your doctor, at your expense, confirming that your disability continues.

I. Death Before Retirement. If you die prior to retirement from the Fire Department, your beneficiary shall receive the following benefit:

- (1) Prior to Vesting or Eligibility for Retirement. If you were not receiving monthly benefits or were not yet vested or eligible for early or normal retirement, your beneficiary shall receive a refund of 100% of your accumulated contributions.
- (2) Deceased Members Vested or Eligible for Retirement with Spouse Beneficiary. If you die and, at the date of your death were vested or eligible for early or normal retirement, your spouse beneficiary shall be entitled to a benefit as follows:
 - (a) If you were vested, but not eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, beginning on the date that you would have been eligible for early or normal retirement, at the option of your spouse beneficiary. The benefit shall be calculated as for normal retirement based on your credited service and average final compensation as of the date of your death and reduced as for early retirement, if applicable. Your spouse beneficiary may also elect to receive an immediate benefit, payable for 10 years, which is actuarially reduced to reflect the commencement of benefits prior to your early retirement date.

- (b) If you were eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, beginning on the first day of the month following your death or at your otherwise normal or early retirement date, at the option of your spouse beneficiary. The benefit shall be calculated as for normal retirement based on your credited service and average final compensation as of the date of your death and reduced as for early retirement, if applicable.
 - (c) Your spouse beneficiary may not elect an optional form of benefit, however, the Board may elect to make a lump sum payment.
 - (d) Your spouse beneficiary may, in lieu of any benefit provided for in (a) or (b) above, elect to receive a refund of your accumulated contributions.
 - (e) If your spouse beneficiary commences receiving a benefit under (a) or (b) above, but dies before all payments are made, the remaining benefit shall be paid to the estate of the spouse beneficiary.
- (3) Deceased Members Vested or Eligible for Retirement with Non-Spouse Beneficiary. If your beneficiary is not your spouse, the benefits payable to your non-spouse beneficiary are the same as those to a spouse beneficiary, however, the date of commencement of those benefits may be required to be earlier, with the resulting reduction in the amount.

J. Termination of Employment and Vesting. If your employment is terminated, either voluntarily or involuntarily, the following benefits are payable:

- (1) If you have less than 10 years of credited service upon termination, you shall be entitled to a refund of the money you have contributed or you may leave it deposited with the Fund.
- (2) If you have 10 or more years of credited service upon termination, you shall be entitled to a monthly retirement benefit. The benefit shall be determined in the same manner as for normal or early retirement and shall be based upon your credited service, average final compensation and the benefit accrual rate as of the date of termination. The benefit shall be payable to you starting at your otherwise normal or early retirement date, determined based upon your actual years of credited service, provided you do not elect to withdraw your contributions and provided you survive to your otherwise normal or early retirement date. If you do not withdraw your accumulated contributions and do not survive to your otherwise normal or early retirement date, your designated beneficiary shall be entitled to a benefit as provided herein for a deceased member, vested or eligible for retirement under Death Before Retirement.

The Internal Revenue Code provides that certain eligible lump sum distributions from the pension plan may be directly rolled over into qualified individual retirement accounts, annuities or certain other pension plans. A 20% withholding shall be required on taxable portions of such lump sum distributions not directly transferred to a new custodian.

K. Reemployment After Retirement. If you retire under normal or early retirement and wish to be reemployed by the city, you should be aware that your ability to continue to receive your pension benefit upon reemployment may be restricted.

L. Additional Credited Service. In addition to credited service actually earned in the employment of the Fire Department, you may also receive credited service as follows:

- (1) "Buy-Back" of Time Lost Due to Absences Authorized by the Family and Medical Leave Act. If you are absent on unpaid leave under the Family & Medical Leave Act, you may purchase lost credited service by making an actuarially determined contribution to the Plan, such that there is no cost to the Plan in allowing such credited service, within strict time periods provided for in the plan document.
- (2) "Buy-Back" for Military Service Prior to Employment. The time that you serve or have served on active duty in the active military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily, honorably or under honorable conditions, prior to first and initial employment with the City shall be added to your years of Credited service provided that:
 - (a) You contribute to the Fund a sum of money equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the system for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the plan in giving you the additional years of credited service, plus
 - (iii) the amount charged by the actuary for determining the amount you must contribute.
 - (b) Multiple requests to purchase credited service pursuant to this subsection shall be made at any time prior to retirement.
 - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
 - (d) The maximum credit under this subsection shall be 4 years.
 - (e) Credited service purchased pursuant to this subsection shall not count toward vesting or eligibility for not-in-line of duty disability benefits.
- (3) "Buy-Back" for Prior Fire Service. The years or fractional parts of years that you previously served as a Firefighter with the City of Brooksville during a period of previous employment and for which

period accumulated contributions were withdrawn from the Fund shall be added to your years of credited service provided that within the first 90 days of your reemployment you pay into the plan the withdrawn contributions with interest.

If, after 90 days from your reemployment you have failed to purchase credited service pursuant to the previous paragraph or if you served as a full-time Firefighter for any other municipal, county or special district fire department in the State of Florida, you will receive credited service only if:

- (a) You contribute to the Fund a sum of money equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the system for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the plan in giving you the additional years of credited service, plus
 - (iii) the amount charged by the actuary for determining the amount you must contribute.
- (b) Multiple requests to purchase credited service may be made at any time prior to retirement.
- (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
- (d) The maximum credit under this subsection for service other than with the City of Brooksville shall be 5 years of credited service and shall count for all purposes, except vesting and eligibility for not-in-line of duty disability benefits. There shall be no maximum purchase of credit for prior service with the City of Brooksville and such credit shall count for all purposes, including vesting.
- (e) In no event, however, may credited service be purchased pursuant to this subsection for prior service with any other municipal, county or special district fire department, if such prior service forms or will form the basis of a retirement benefit or pension from a different employer's retirement system or plan.
- (f) In addition to service as a Firefighter in this State, credit may be purchased in the same manner as provided above for federal, other state, county or municipal service if the prior service is recognized by the Division of State Fire Marshal, as provided under Chapter 633, Florida Statutes, or you provide proof to the Board that such service is equivalent to the service required to meet the definition of a Firefighter.

- (4) Rollovers or Transfers of Funds to Purchase Service. In the event you are eligible to purchase additional credited service as provided above, you may be eligible to rollover or transfer funds from another retirement program in which you participate (traditional IRA, deferred compensation plan maintained by a government employer (457 plan), 401k plan, profit sharing plan, defined benefit plan, money purchase plan, annuity plan or tax sheltered annuity) in order to pay all or part of the cost of purchasing such additional credited service.

M. Contributions and Funding. The City is paying the portion of the cost of the pension plan over and above your contributions and any amounts received from the state insurance rebates, with a minimum annual City contribution of 5% of the total salary of members. You contribute 3.29% of your salary to the Fund. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits.

N. Maximum Benefits. In no event will the annual benefits paid from this Plan exceed \$210,000 annually, subject to certain cost of living adjustments and actuarial reductions under certain circumstances prior to age 62, as set forth in Section 415 of the Internal Revenue Code.

If you began participation for the first time on and after January 1, 1980, you cannot receive a benefit in excess of 100% of your average final compensation.

O. Forfeiture of Pension. If you are convicted of the certain crimes listed in the Plan committed prior to retirement, or if your employment is terminated by reason of your admitted commission, aid or abetment of these crimes, you shall forfeit all rights and benefits under the Plan, except for the return of your contributions as of the date of your termination.

P. Conviction and Forfeiture: False, Misleading or Fraudulent Statements. It is unlawful for you to willfully and knowingly make, or cause to be made, or to assist, conspire with, or urge another to make, or cause to be made, any false, fraudulent, or misleading oral or written statement or withhold or conceal material information to obtain any benefit from the Plan.

If you violate the previous paragraph, you commit a misdemeanor of the first degree, punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

In addition to any applicable criminal penalty, upon conviction for a violation described above, you or your beneficiary may, in the discretion of the Board, be required to forfeit the right to receive any or all benefits to which you would otherwise be entitled under the Plan. For purposes of this subsection, "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

Q. Claims Procedure Before the Board. You may request, in writing, that the Board review any claim for benefits under the Plan. The Board will review the case and enter a decision as it deems proper within not more than 180 days from date of the receipt of such written request, or in the case of a disability claim, from receipt of a medical release and completed interrogatories. The time period may be extended if you agree to the extension.

The Board's decision on your claim will be contained in an order which will be in writing and will include:

- (1) The specific reasons for the Board's action;
- (2) A description of any additional information that the Board feels is necessary for you to perfect your claim;

- (3) An explanation of the review procedure next open to you which includes a formal evidentiary hearing.

4. **NON-FORFEITURE OF PENSION BENEFITS**

A. **Liquidation of Pension Fund Assets.** In the event of repeal, or if contributions to the Fund are discontinued by the City, there will be a full vesting of benefits accrued to date of repeal.

B. **Interest of Members in Pension Fund.** At no time prior to the satisfaction of all liabilities under the Plan shall any assets of the Plan be used for any purpose other than for the Firefighters' exclusive benefit. In any event, your contributions to the Plan are non-forfeitable.

5. **VESTING OF BENEFITS**

Your retirement benefits are vested after 10 years of credited service.

6. **APPLICABLE LAW**

The Plan is governed by certain federal, state and local laws, including, but not limited to the following:

- A. Internal Revenue Code and amendments thereto.
- B. Chapter 175, Florida Statutes, "Municipal Firefighters' Retirement Trust Funds".
- C. Part VII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".
- D. Ordinances of the City of Brooksville.
- E. Administrative rules and regulations adopted by the Board of Trustees.

7. **PLAN YEAR AND PLAN RECORDS**

The Plan year begins on October 1 of each year and ends on September 30 of the following year. All records of the Plan are maintained on the basis of the Plan year.

8. **APPLICABLE PROVISIONS OF COLLECTIVE BARGAINING AGREEMENTS**

There is a collective bargaining agreement between the Firefighters and the City and pension benefits may be bargainable.

9. **FINANCIAL AND ACTUARIAL INFORMATION**

- A. A report of pertinent financial and actuarial information on the solvency and actuarial soundness of the Plan has been prepared by the Pension Plan's actuary, Foster & Foster, Inc., and is attached as Exhibit "B".
- B. A detailed accounting report of the plan's expenses for the previous fiscal year is available for review from the Plan Administrator.
- C. A copy of the administrative expense budget for the plan, for each fiscal year is available for review upon request to the Plan Administrator.

10. **DIVORCE OR DISSOLUTION OF MARRIAGE**

Federal and state law provides certain restrictions regarding the payment of your pension benefits in the event of your divorce or dissolution of marriage. Immediately upon your involvement in such a legal proceeding, you should provide a member of the Board with the name and address of your attorney or your name and address if you have no attorney. The Board's attorney will then provide you or your attorney with information concerning the legal restrictions regarding your pension benefits. In addition, a copy of any proposed order must be submitted to the Board prior to entry by the court. Failure to do so may require you to pay any expenses incurred by the Board in correcting an improper court order.

11. **EX-SPOUSES AS BENEFICIARY OR JOINT PENSIONER**

The Florida Legislature has adopted Section 732.703, Florida Statutes. This law nullifies the designation of your ex-spouse as a Beneficiary or Joint Annuitant / Joint Pensioner on your pension plan retirement benefits. This law went into effect on July 1, 2012.

After July 1, 2012, if you want your ex-spouse to be a beneficiary or joint annuitant/joint pensioner for your plan benefit, you will have to make that designation AFTER the dissolution of marriage. If you currently have an ex-spouse as a beneficiary or joint annuitant/joint pensioner, and want to keep this designation, you will have to designate the ex-spouse again after July 1, 2012.

To reconfirm your current beneficiary, or to designate a new beneficiary, complete a new Designation of Beneficiary Form (PF-3).

To reconfirm your current joint annuitant/joint pensioner, or to designate a new joint annuitant/joint pensioner (if authorized by the current plan provisions), indicate such change on a Change or Confirmation of Designated Joint Annuitant or Joint Pensioner Form (PF-25). If necessary, the plan administrator will submit the new form to the actuary of the plan for recalculation of your benefit. There may be a charge to you to make this change.

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

12. **EXCLUSION OF HEALTH INSURANCE PREMIUMS FROM INCOME.**

When you retire because of disability or have worked to the date you are immediately eligible for normal retirement (not early retirement), you can elect to exclude from income, distributions made from your benefit that are used to pay the premiums for accident or health insurance or long-term care insurance. The premium can be for coverage for you, your spouse, or dependents. The distribution must be made directly from the plan to the insurance provider using pension form PF-22 which authorizes the distribution. (This form may be obtained from your plan administrator) You can exclude from income the smaller of the amount of the insurance premiums or \$3,000.00. You can only make this election for amounts that would otherwise be included in your income.

EXHIBIT "A"

BOARD OF TRUSTEES

The names and addresses of the members of the Board of Trustees are:

Chairman: Joe Pecora
City of Brooksville Fire Department
85 Veterans Avenue
Brooksville, Florida 34601

Vice-Chairman: Regina Ann Martin
City of Brooksville Fire Department
85 Veterans Avenue
Brooksville, Florida 34601

Secretary: Bradley W. Sufficool
City of Brooksville Fire Department
85 Veterans Avenue
Brooksville, Florida 34601

Member: Margaret "Peg" Bloomquist
City of Brooksville Fire Department
85 Veterans Avenue
Brooksville, Florida 34601

Member: Donald Nichols
City of Brooksville Fire Department
85 Veterans Avenue
Brooksville, Florida 34601

CITY OF BROOKSVILLE
FIREFIGHTERS' RETIREMENT TRUST FUND

EXHIBIT "B"

A. Participant Data	<u>10/1/2014</u>	<u>10/1/2013</u>
Number Included		
Actives	16	17
Service Retirees	15	15
DROP Retirees	3	3
Beneficiaries	0	0
Terminated Vested	10	9
Disability Retirees	0	0
Total	<u>44</u>	<u>44</u>
Total Annual Payroll	\$598,402	\$651,472
Payroll Under Assumed Ret. Age	598,402	651,472
Annual Rate of Payments to:		
Service Retirees	297,942	295,732
DROP Retirees	115,362	114,100
Beneficiaries	0	0
Terminated Vested	12,492	12,492
Disability Retirees	0	0
 B. Assets		
Actuarial Value ¹	5,752,586	5,249,323
Market Value ¹	6,024,186	5,456,907
 C. Liabilities		
Present Value of Benefits		
Active Members		
Retirement Benefits	2,096,661	2,248,802
Disability Benefits	12,823	15,562
Death Benefits	6,339	6,819
Vested Benefits	177,101	183,976
Refund of Contributions	17,621	18,538
Service Retirees	3,320,307	3,352,108
DROP Retirees ¹	1,926,325	1,789,219
Beneficiaries	0	0
Terminated Vested	85,873	65,131
Disability Retirees	0	0
Excess State Monies Reserve	110	110
Total	<u>7,643,160</u>	<u>7,680,265</u>

C. Liabilities - (Continued)	<u>10/1/2014</u>	<u>10/1/2013</u>
Present Value of Future Salaries	3,729,689	4,191,171
Present Value of Future Member Contributions	122,707	137,890
EAN Normal Cost (Retirement)	103,331	121,822
EAN Normal Cost (Disability)	1,991	2,167
EAN Normal Cost (Death)	522	498
EAN Normal Cost (Vesting)	9,814	9,629
EAN Normal Cost (Refunds)	4,089	4,064
Total Normal Cost (Entry Age Method)	<u>119,747</u>	<u>138,180</u>
Present Value of Future Normal Costs (Entry Age)	690,073	835,972
Accrued Liability (Retirement)	1,508,240	1,515,764
Accrued Liability (Disability)	3,290	3,677
Accrued Liability (Death)	3,643	3,651
Accrued Liability (Vesting)	101,370	109,376
Accrued Liability (Refunds)	3,929	5,258
Accrued Liability (Inactives) ¹	5,332,505	5,206,458
Excess State Monies Reserve	110	110
Total Actuarial Accrued Liability	<u>6,953,087</u>	<u>6,844,294</u>
Unfunded Actuarial Accrued Liability (UAAL)	1,200,501	1,594,970
 D. Actuarial Present Value of Accrued Benefits		
Vested Accrued Benefits		
Inactives ¹	5,332,505	5,206,458
Actives	797,469	736,156
Member Contributions	<u>130,941</u>	<u>133,297</u>
Total	6,260,915	6,075,911
Non-vested Accrued Benefits	<u>276,713</u>	<u>302,594</u>
Total Present Value Accrued Benefits	6,537,628	6,378,505
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	0	
Assumption Changes	0	
New Accrued Benefits	(21,879)	
Benefits Paid	(301,643)	
Interest	482,645	
Other	0	
Total:	<u>159,123</u>	

Valuation Date	10/1/2014	10/1/2013
Applicable to Fiscal Year Ending	<u>9/30/2016</u>	<u>9/30/2015</u>

E. Pension Cost

Normal Cost (with interest) % of Total Annual Payroll ²	20.79	22.03
Administrative Expense (with interest) % of Total Annual Payroll ²	5.38	4.02
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 28 years as of 10/1/2014 (with interest) % of Total Annual Payroll ²	28.83	31.77
Total Required Contribution % of Total Annual Payroll ²	55.00	57.82
Expected Member Contributions % of Total Annual Payroll ²	3.29	3.29
Expected City & State Contrib. % of Total Annual Payroll ²	51.71	54.53

F. Past Contributions

Plan Years Ending:	<u>9/30/2014</u>
Total Required Contribution	\$ 356,850
City and State Requirement	336,626
Actual Contributions Made:	
Members	20,225
City	248,414
State	88,212
Total	<u>356,851</u>

G. Net Actuarial Gain (Loss) 322,571

¹ The asset values and liabilities for DROP Members include accumulated DROP Balances as of 10/1/2013 and 10/1/2014.

² Contributions developed as of 10/1/2014 are expressed as a percentage of total annual payroll at 10/1/2014 of \$598,402.

