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ORDINANCE NO. 02-2024

AN ORDINANCE OF THE CITY OF SEMINOLE, FLORIDA FURTHER AMENDING THE CITY OF SEMINOLE MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND, ADOPTED PURSUANT TO ORDINANCE NO. 18-2000, AS SUBSEQUENTLY AMENDED; AMENDING SECTION 1, DEFINITIONS; AMENDING SECTION 4, FINANCES AND FUND MANAGEMENT; AMENDING SECTION 7, PRE-RETIREMENT DEATH; AMENDING SECTION 16, MINIMUM DISTRIBUTION OF BENEFITS; AMENDING SECTION 24, MILITARY SERVICE PRIOR TO EMPLOYMENT; AMENDING SECTION 27, PRIOR FIRE SERVICE; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEMINOLE, FLORIDA;

SECTION 1: That the City of Seminole Municipal Firefighters' Pension Trust Fund, adopted pursuant to Ordinance No. 18-2000, as subsequently amended, is hereby further amended by amending Section 1, Definitions, by amending the definition of Salary, to read as follows:

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Salary means total compensation for services rendered to the City as a Firefighter reportable on the Member's W-2 form, excluding lump sum payments of accrued sick leave and vacation time and payments made by the City pursuant to the City's Health Insurance Opt-out Program, 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 December 16, 2012 (the "effective date"), Salary shall not include more than three hundred (300) hours of premium overtime per fiscal year. Provided however, in any event, payments for premium overtime in excess of three hundred (300) hours per year 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. Additional hours worked pursuant to the Fair Labor Standards Act (FLSA) shall not be deemed to be overtime.

Compensation in excess of the limitations set forth in Section 401(a)(17) of the Code as of the first day of the Plan Year shall be disregarded for any purpose, including employee contributions or any benefit calculations. The annual compensation of each member taken into account in determining benefits or employee contributions for any Plan Year beginning on or after January 1, 2002, may not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Internal Revenue Code Section 401(a)(17)(B). Compensation means compensation during the fiscal year, and the fiscal year is considered the determination period. The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year. If the determination period consists of fewer than 12 months for all members, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12, as provided for in Treas. Reg. Section 1.401(a)(17)-1(b)(3)(iii)(B). If the compensation for any prior determination period is taken into account in determining a Member's contributions or benefits for the current Plan Year, the compensation for such prior determination period is subject

to the applicable annual compensation limit in effect for that prior period.. The limitation on compensation for an "eligible employee" shall not be less than the amount which was allowed to be taken into account hereunder as in effect on July 1, 1993. "Eligible employee" is an individual who was a Member before the first plan year beginning after December 31, 1995.

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SECTION 2: That the City of Seminole Municipal Firefighters' Pension Trust Fund, adopted pursuant to Ordinance No. 18-2000, as subsequently amended, is hereby further amended by amending Section 4, Finances and Fund Management, subsection 6.J., to read as follows:

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- 6. J. Any overpayments or underpayments from the Fund to a Member, Retiree or Beneficiary caused by errors of computation shall be adjusted with interest at a rate per annum approved by the Board in such a manner that the Actuarial Equivalent of the benefit to which the Member or Beneficiary was correctly entitled, shall be paid. Overpayments shall be charged against payments next succeeding the correction or collected in another manner if prudent. Notwithstanding the foregoing, the Board shall have the discretion to not seek recovery of inadvertent overpayments from benefit recipients, or other parties, including the City, based on the circumstances of the overpayment, on a case-by-case basis, provided that any such actions are consistent with the provisions of the Secure Act 2.0 applicable to governmental plans with regard to inadvertent benefit overpayments and any applicable guidance subsequently issued by the Treasury and the Internal Revenue Service. Underpayments shall be made up from the Fund in a prudent manner.

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SECTION 3: That the City of Seminole Municipal Firefighters' Pension Trust Fund, adopted pursuant to Ordinance No. 18-2000, as subsequently amended, is hereby further amended by amending Section 7, Pre-Retirement Death, subsection 2.E., to read as follows:

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- 2. E. Notwithstanding anything contained in this Section to the contrary, in any event, distributions to the Spouse Beneficiary will begin no later than the beginning date provided under Section 16, ~~subsection 2.B.(1).~~

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SECTION 4: That the City of Seminole Municipal Firefighters' Pension Trust Fund, adopted pursuant to Ordinance No. 18-2000, as subsequently amended, is hereby further amended by amending Section 16, Minimum Distribution of Benefits, subsections 2.A., and 2.B.(1), to read as follows:

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- 2. A. Required Beginning Date.

- (1) The Member's entire interest will be distributed, or begin to be distributed, to the Member no later than the Member's required beginning date. ~~For a Member who attains age seventy and one~~

~~half (70 ½) prior to January 1, 2020, the Member's required beginning date is April 1 of the calendar year following the later of (i) the calendar year in which the Member attains age seventy and one half (70 ½) or (ii) the calendar year in which the Member terminates employment with the City. For a Member who attains age seventy and one half (70 ½) on or after January 1, 2020, the~~
The Member's required beginning date is April 1 of the calendar year following the later of (i) the calendar year in which the Member attains age seventy-two (72) the applicable age or (ii) the calendar year in which the Member terminates employment with the City.

(2) Applicable age.

- (a) For a Member who attained age 70½ before December 31, 2019, the applicable age is 70½.
- (b) For a Member who attained age 72 before January 1, 2023, the applicable age is 72.
- (c) For a Member who attains age 72 after December 31, 2022, the applicable age as defined in Code Section 401(a)(9)(C)(v).

* * * * *

- 2. B. (1) If the Member's surviving spouse is the Member's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Member died, or by a date on or before December 31 of the calendar year in which the Member would have attained age 70 ½, (or age 72 for a Member who would have attained age 70 ½ after December 31, 2019) if later the applicable age, as the surviving Spouse elects. Effective for calendar years beginning after December 31, 2023, a surviving spouse who is the Member's sole designated Beneficiary may elect to be treated as if the surviving spouse were the employee as provided under Code Section 401(a)(9)(B)(iv).

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SECTION 5: That the City of Seminole Municipal Firefighters' Pension Trust Fund, adopted pursuant to Ordinance No. 18-2000, as subsequently amended, is hereby further amended by amending Section 24, Military Service Prior to Employment, to read as follows:

SECTION 24. MILITARY SERVICE PRIOR TO EMPLOYMENT.

The years or fractional parts of years that a Firefighter serves or has served in the military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily, prior to first and initial employment with the City shall be added to his years of Credited Service provided that:

1. The Member contributes to the Fund the sum that he would have contributed had he been a Member of the System for the years or fractional parts of years for which he is requesting credit plus amounts actuarially determined such that the crediting of service does not result in any cost to the Fund plus payment of costs for all professional services rendered to the Board in connection with the purchase of years of Credited Service.

2. Multiple requests to purchase Credited Service pursuant to this Section may be made at any time prior to Retirement.

3. Payment by the Member of the required amount shall be made within six (6) months of his request for credit, but not later than the retirement date, and shall be made in one lump sum payment upon receipt of which Credited Service shall be given or the Member may elect to make payment for the requested Credited Service over a period of time as provided for in paragraph (6) below.

4. Credited Service purchased pursuant to this Section shall be counted for all purposes, except toward vesting of benefits and eligibility for not-in-line of duty disability benefits.

4 5. The maximum credit under this Section shall be five (5) years.

6. In lieu of the lump sum payment provided for in paragraph 3. above, a Member may elect to make payments over a period of time in order to fully pay the amount provided for in paragraph 1. The Member shall be required to notify the Board, in writing, of his election to make payments in the manner provided for in this paragraph. The payment plan provided for in this paragraph shall be subject to the following terms:

A. The principal amount to be paid shall be determined as set forth in paragraph 1. above.

B. The original principal amount shall be amortized over the period beginning with the first payment and ending no later than sixty (60) months from the date of the first payment.

C. Payments shall consist of principal and interest at a rate equal to the actuarially assumed rate of return on plan investments.

D. Payments shall be made by payroll deduction from each paycheck on an after-tax basis.

E. In the event that a Member dies, retires or otherwise terminates his employment, without having made full payment of the principal amount necessary to receive all Credited Service requested, the Member shall receive so much of the Credited Service requested, determined using procedures established by the actuary, which could be purchased with the amount of principal paid by the Member to the date of his death or termination of employment.

F. In the event that the Member's employment is terminated for any reason and he is not entitled to any benefit from the System other than the return of the amounts he has had deducted from his paycheck as his normal contribution to the system, the amounts which the Member has paid pursuant to this subsection to purchase additional Credited Service, shall

be returned to him including all interest paid, however, no interest shall accrue on amounts paid to purchase service.

SECTION 6: That the City of Seminole Municipal Firefighters' Pension Trust Fund, adopted pursuant to Ordinance No. 18-2000, as subsequently amended, is hereby further amended by amending Section 27, Prior Fire Service, to read as follows:

SECTION 27. PRIOR FIRE SERVICE.

Unless otherwise prohibited by law, and except as provided for in Section 1, the years or fractional parts of years that a Member previously served as a full-time Firefighter with the City during a period of previous employment and for which period Accumulated Contributions were withdrawn from the Fund, or the years and fractional parts of years that a Member served as a full-time Firefighter for any other municipal, county or special district fire department in the State of Florida shall be added to his years of Credited Service provided that:

1. The Member contributes to the Fund the sum that he would have contributed had he been a Member of the System for the years or fractional parts of years for which he is requesting credit plus amounts actuarially determined such that the crediting of service does not result in any cost to the Fund plus payment of costs for all professional services rendered to the Board in connection with the purchase of years of Credited Service.

2. Multiple requests to purchase Credited Service pursuant to this Section may be made at any time prior to Retirement.

3. Payment by the Member of the required amount shall be made within six (6) months of his request for credit, but not later than the retirement date, and shall be made in one (1) lump sum payment upon receipt of which Credited Service shall be given.

4. The maximum credit under this Section for service other than with the City of Seminole shall be five (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 Seminole and such credit shall count for all purposes, including vesting.

5. In no event, however, may Credited Service be purchased pursuant to this Section 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 as set forth in Section 15, subsection 12.B.

6. In lieu of the lump sum payment provided for in paragraph 3. above, a Member may elect to make payments over a period of time in order to fully pay the amount provided for in paragraph 1. The Member shall be required to notify the Board, in writing, of his election to make payments in the manner provided for in this paragraph. The payment plan provided for in this paragraph shall be subject to the following terms:

A. The principal amount to be paid shall be determined as set forth in paragraph 1. above.

- B. The original principal amount shall be amortized over the period beginning with the first payment and ending no later than sixty (60) months from the date of the first payment.
- C. Payments shall consist of principal and interest at a rate equal to the actuarially assumed rate of return on plan investments.
- D. Payments shall be made by payroll deduction from each paycheck on an after-tax basis.
- E. In the event that a Member dies, retires or otherwise terminates his employment, without having made full payment of the principal amount necessary to receive all Credited Service requested, the Member shall receive so much of the Credited Service requested, determined using procedures established by the actuary, which could be purchased with the amount of principal paid by the Member to the date of his death or termination of employment.
- F. In the event that the Member's employment is terminated for any reason and he is not entitled to any benefit from the System other than the return of the amounts he has had deducted from his paycheck as his normal contribution to the system, the amounts which the Member has paid pursuant to this subsection to purchase additional Credited Service, shall be returned to him including all interest paid, however, no interest shall accrue on amounts paid to purchase service.

SECTION 7: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Seminole.

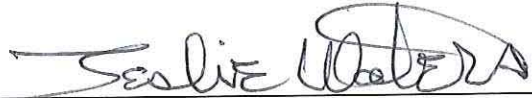
SECTION 8: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 9: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 10: That this Ordinance shall become effective upon adoption.

PASSED ON FIRST READING, the 13th day of February, 2024.

PASSED AND ADOPTED ON SECOND READING, this 12th day of March, 2024.


LESLIE WATERS, MAYOR

ATTEST:


ANN MARIE MANCUSO, CITY CLERK

