



# WELCOME



# *Pension Workshop*

Retirement Plan and Trust for Police Officers



A vertical strip on the left side of the slide features a close-up of the American flag's stars and stripes. Below the flag, there is a semi-circular graphic containing financial data, including the number 57.5, a green upward-pointing triangle, and the text 57.5 + .5.

# *Disclaimer*

*This workshop is designed to be educational in nature and is not intended to provide investment, tax, or legal advice.*

*You should consult with your own tax, legal, accounting professionals or any other advisors for advice on the implementation of any plan of action in your particular situation.*

A vertical strip on the left side of the slide features a close-up of the American flag's stars and stripes, overlaid with a semi-transparent stock market ticker showing green and red numbers and symbols.

# *Pension Workshop*

- *Pension Board & Board Retained Service Providers*
- *Retirement Plan Update*
- *Overview of Benefits*
- *Processing of Applications*



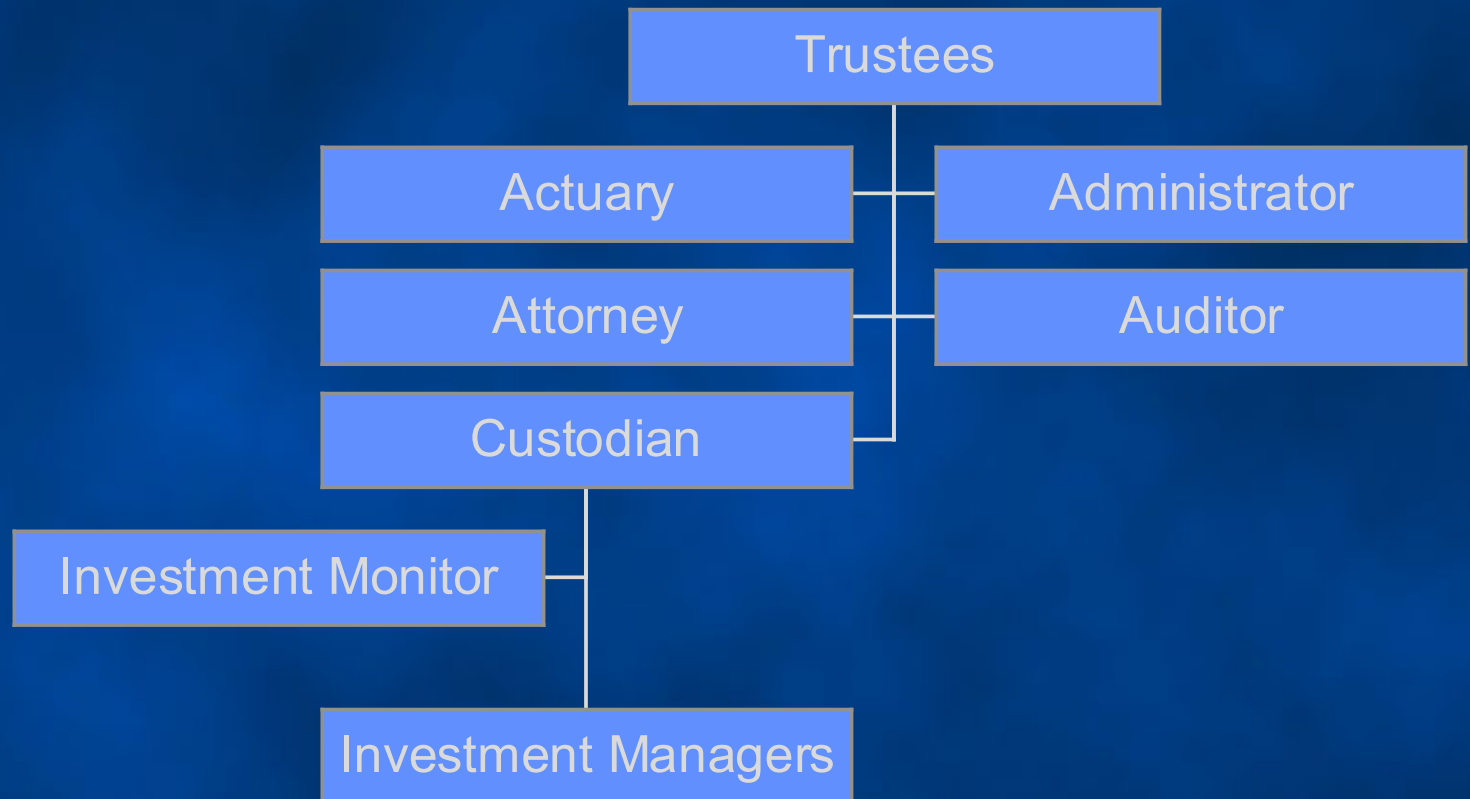
*Pension Board  
(Plan Administrator)*





# *Pension Board*

## *(and Board Retained Service Providers)*





# *Board: Administers Plan*

- *Trustees Serve 2-Year Terms*
- *Two Trustees elected by participants:*
  - *Scott Tufts, Chair*
  - *Chris Martin*
- *Two Resident Trustees appointed by City:*
  - *John Baker, Secretary*
  - *Mark Vitek*
- *Fifth Trustee: Jason Sayre*



# *Pension Board*

## *(Plan Administrator)*

- *Meets Quarterly*
- *Additional Meetings as Needed*
- *Hires and Manages All Service Providers*
- *Reviews and Approves All Benefits*
- *Trustees Serve as Fiduciaries*





# *Changes To Ordinance*

- *Changes to Ordinance Collectively Bargained*
- *Ordinances Adopted by City Commission*
- *Plan ADMINISTERED by Trustees*



# *Board Retained Service Providers*

- *Actuary: Southern Actuarial Service*
- *Legal Counsel: Christiansen & Dehner*
- *Custodian: Salem Trust*
- *Investment Managers: Multiple*
- *Investment Consultant: BCA Consultants*
- *Plan Administrator: Resource Centers*



# *Plan Overview and Assets*

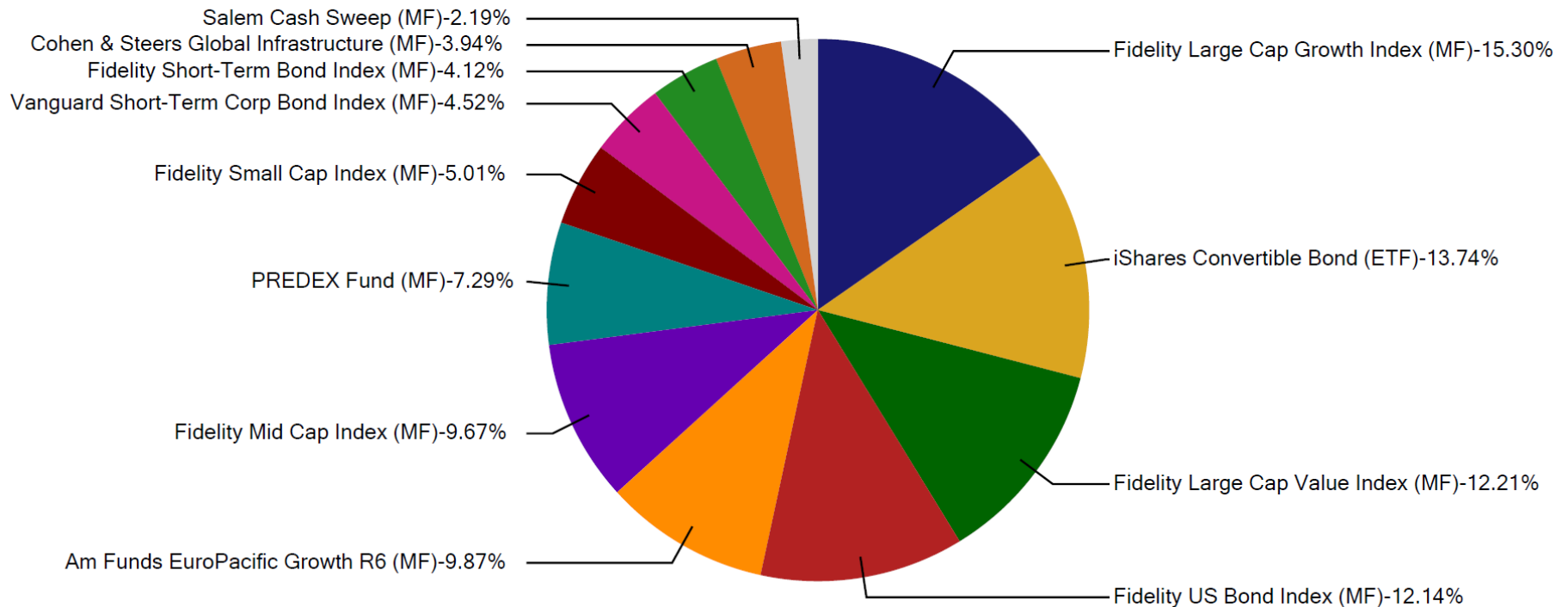




# *Asset Allocation*

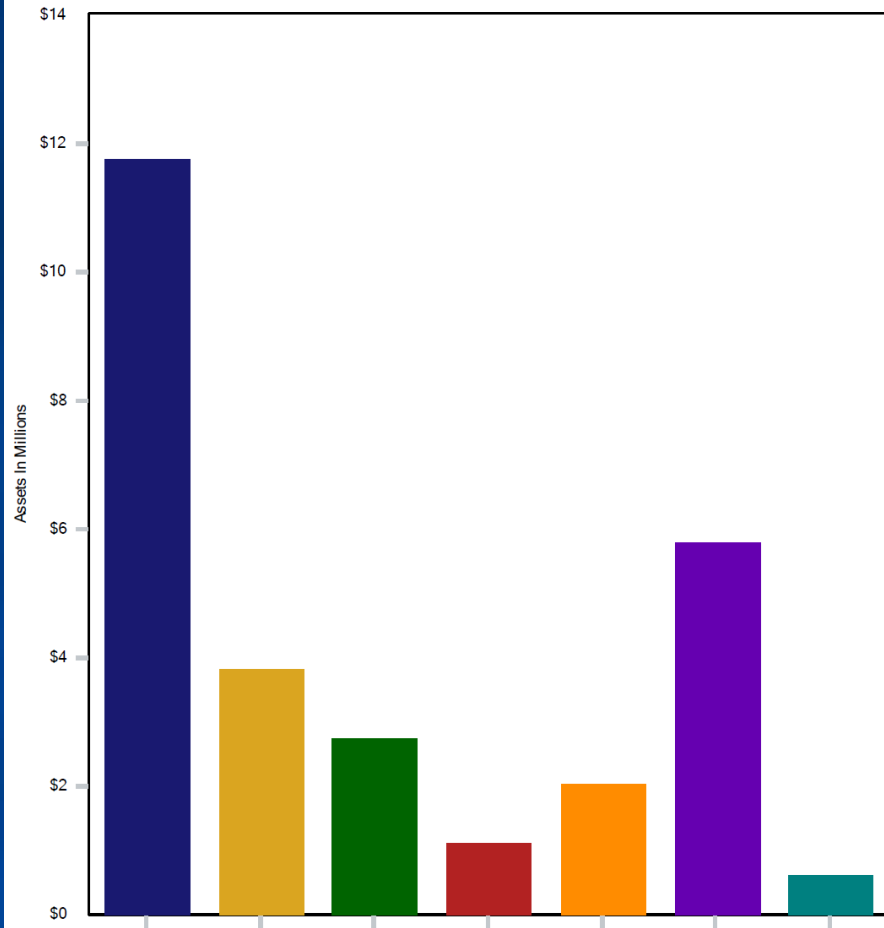
- *Pension assets invested in 10 different managed and index allocations*
- *Target allocation set by Investment Policy*
  - 50% Equities (stocks)
  - 25% Fixed Income (bonds)
  - 10% Real Estate
  - 10% Convertible Bonds
  - 5% Infrastructure
- *Diverse portfolio includes investments in large and small companies, different styles of management, investments overseas, real estate, and alternative asset classes*

December 31, 2020 : 27,825,774

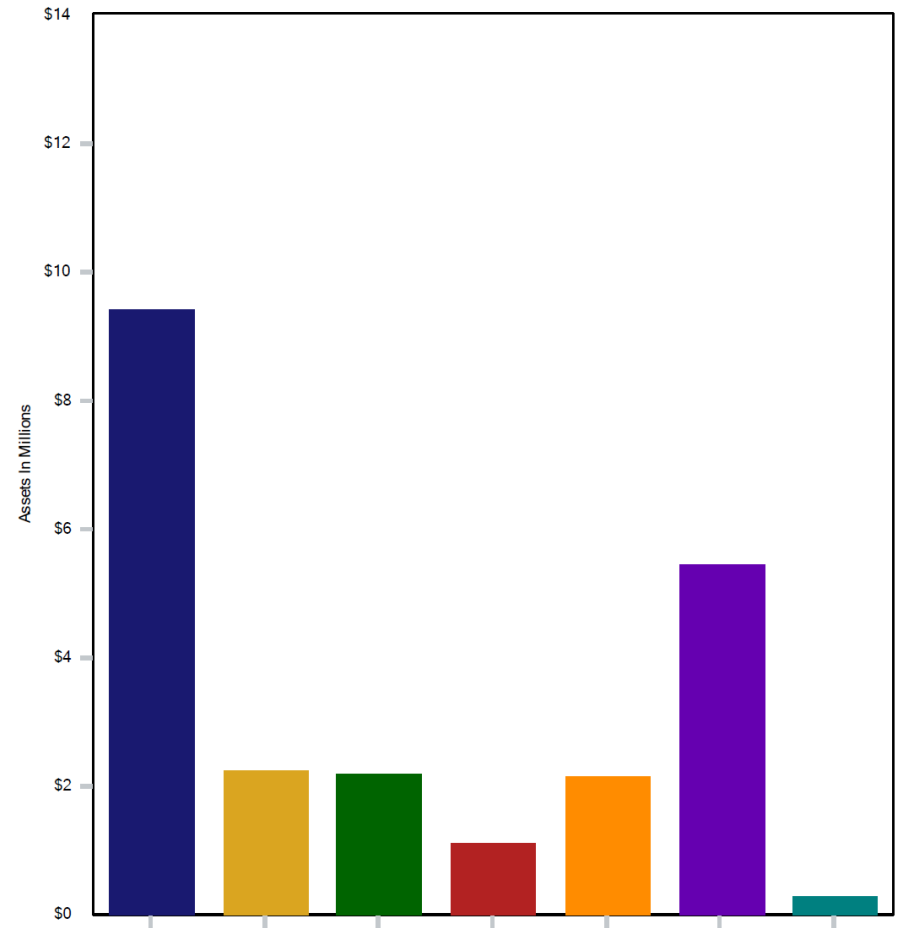


The Board allocates assets to obtain the greatest return with the least amount of risk.

December 31, 2020

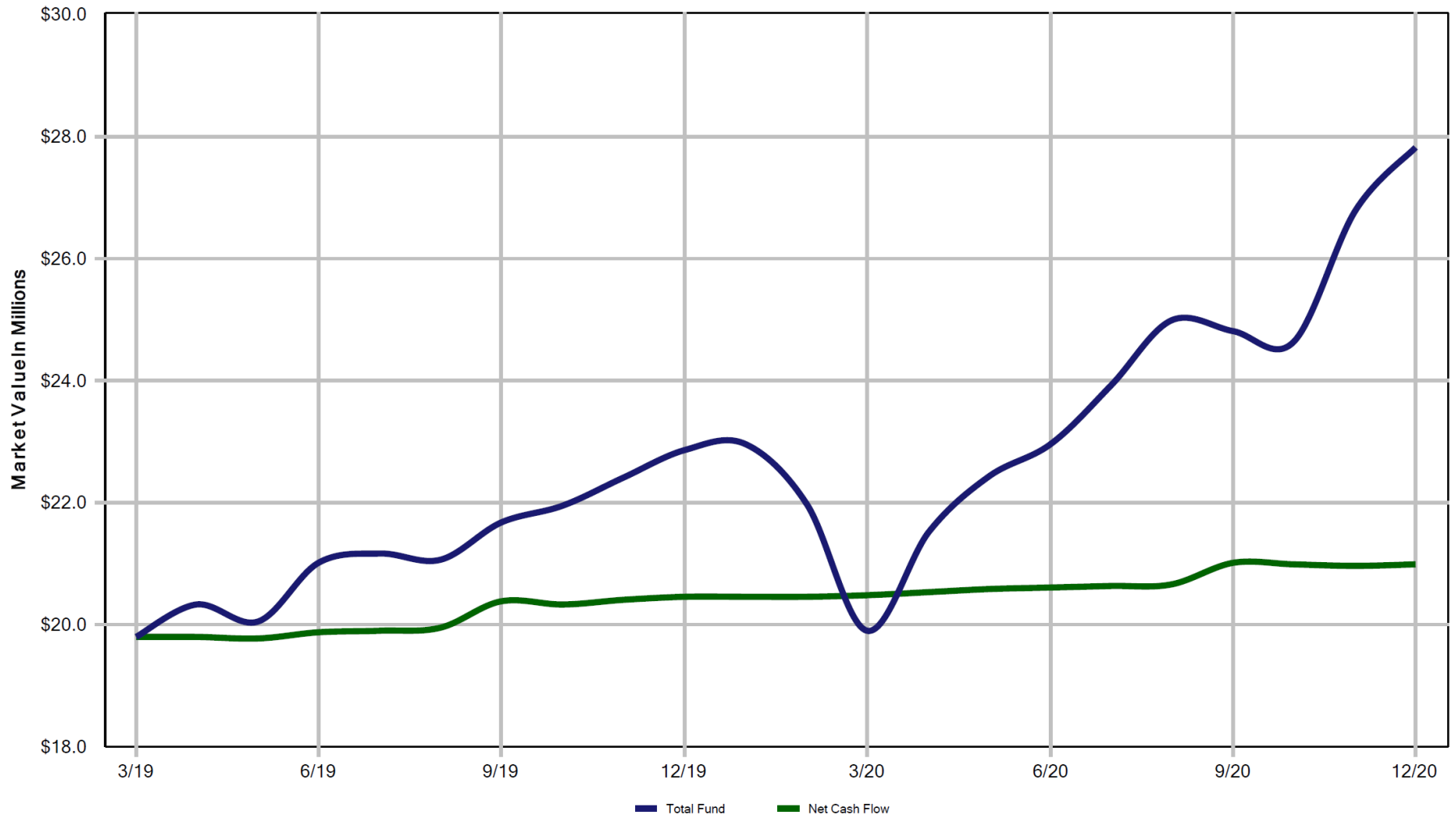


December 31, 2019

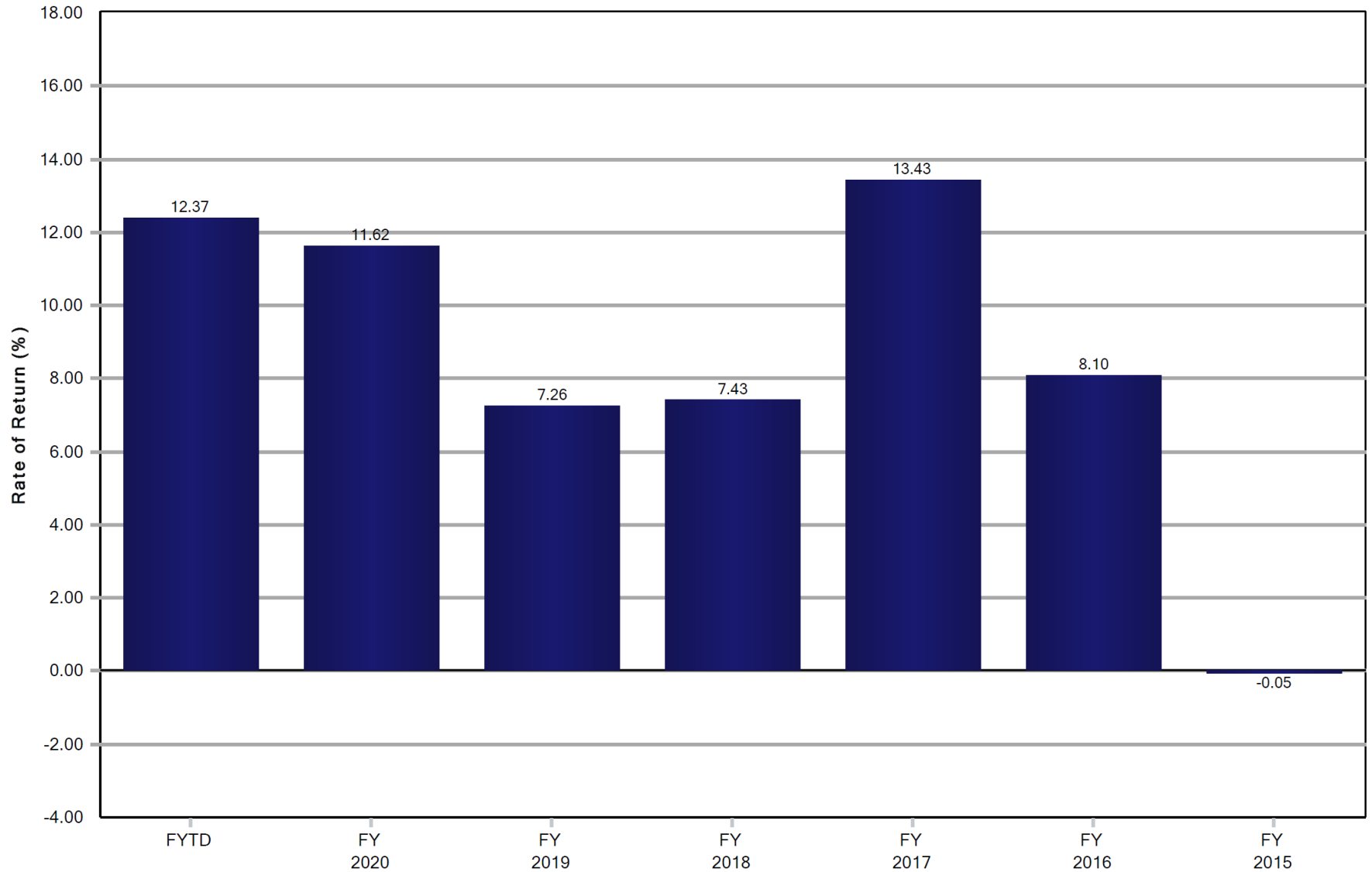




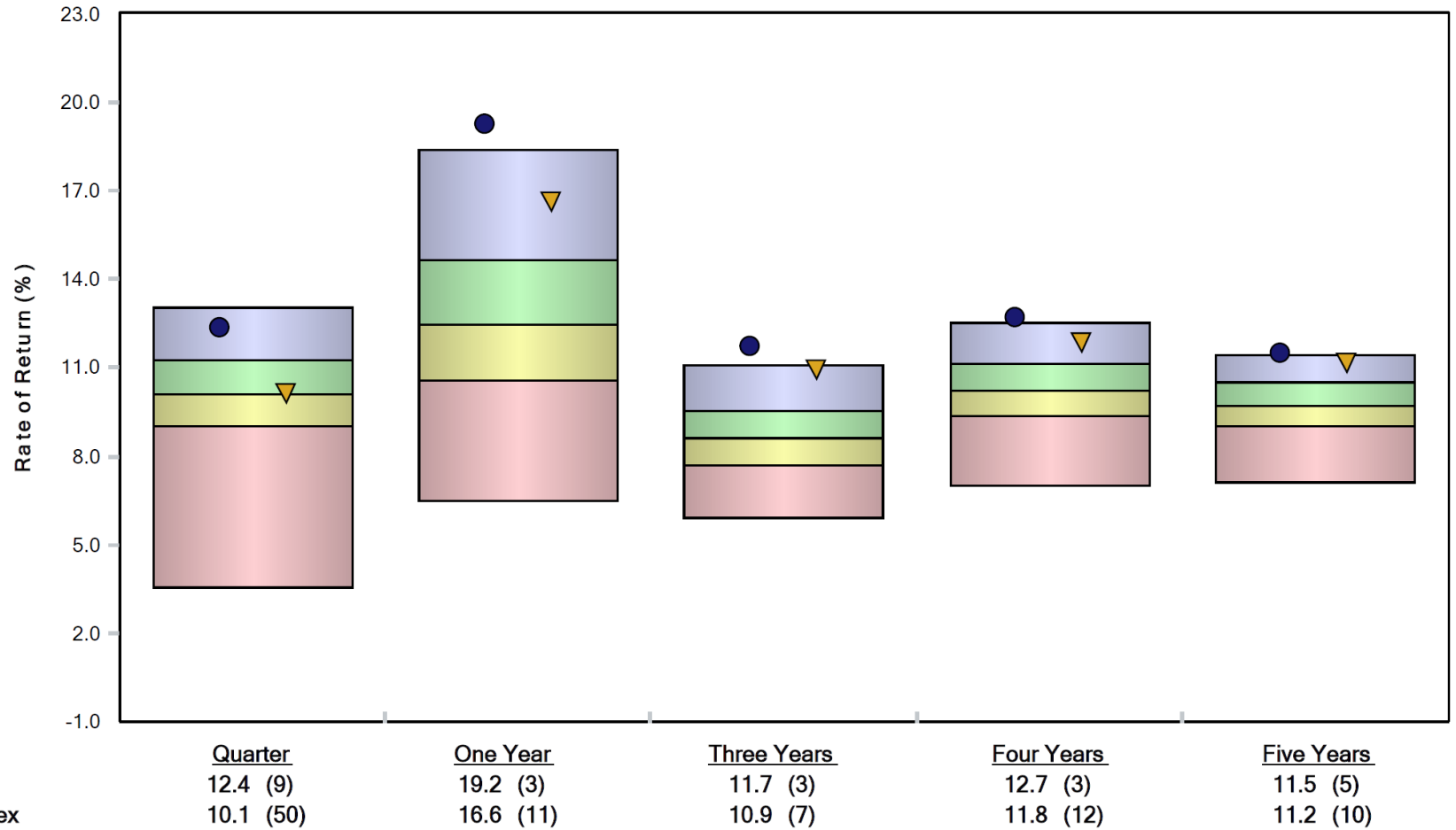
City of Clermont Police Officers' Retirement Plan  
Growth of Investments  
January 1, 2016 Through December 31, 2020



City of Clermont Police Officers' Retirement Plan  
Fiscal Year Rates of Return  
December 31, 2020



City of Clermont Police Officers' Retirement Plan  
Peer Universe Quartile Ranking  
December 31, 2020

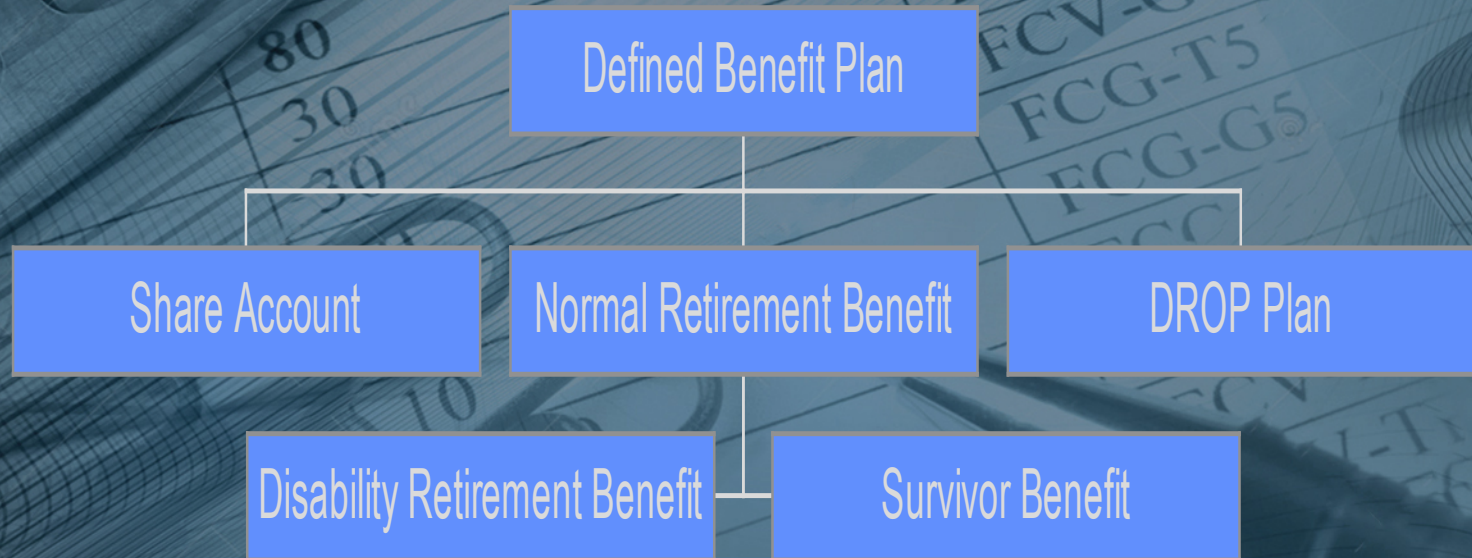






# *Pension Overview*

# *Pension Benefits*







# *Defined Pension Benefit*

- *Benefits Funded Mainly by Investment Returns*
- *City Contributions + Employee Contributions of 5%*
- *5 to 10 Year Vesting Period*
- *Separation Before Normal Retirement*
  - *Deferred benefit*
  - *Refund of contributions with interest*

# *Retirement*

- *Normal Retirement*
  - *Age 55 and 10 Years of Credited Service*
  - *20 Years Service Regardless of Age*
- *Early retirement*
  - *Age 50 with 10 Years Service*
  - *Benefit Reduced 3% Per Year*
- *Benefit Formula:*  
*(Final Average Salary) x*  
*(Number Years of Service) x Multiplier*







# *Benefit Formula*

- *Average Final Compensation:*
  - Highest 5 Years in Last 10 Years
  - Total Compensation, Excludes Overtime Over 300 Hours Per Year as of 10/01/19 and Unused Sick & Vacation Payouts
- *Multiplier:*
  - 3% Per Year Service After 10/01/02
  - Maximum Benefit 100% of Average Final Compensation
- *Service: Years and Months Rounded to Nearest Whole Month*



# *Payment Options*

- *Standard form of benefit payment:  
10 Years (120 Payments) Guaranteed*
- *Optional Forms of Benefit Payment*
  - *Single Life Annuity*
  - *Joint 100%, 75%, 66-2/3%, 50%  
Survivor Benefit*
- *Partial Lump Sum Options Available  
in Place of DROP*



# *Following Retirement*

- *Member Allowed to Change Joint Annuitant Twice*
- *Divorced Member Must Specifically Designate Ex-Spouse*
- *Health Insurance Premiums Deducted from Pension Up to \$3,000 Excluded from Income*





*Share Accounts  
&  
DROP Plan*





# *Share Accounts*

- *Defined Contribution Component of Defined Benefit Plan*
- *Funded by Chapter 185 Insurance Premium Tax Receipts*
- *Receipts Allocated Equally to Actively Employed Members Each Sep. 30*
- *Gains and Losses Same as Net Earnings*
- *Balances Distributed After Termination*



# *DROP Plan*

- *Members Eligible for Normal Retirement*
- *Maximum DROP 60 Months*
- *Account Earnings*
  - *Net Investment Return on Plan Assets*
  - *No Earnings for Final Quarter*
- *Members Must Take Full Distribution*



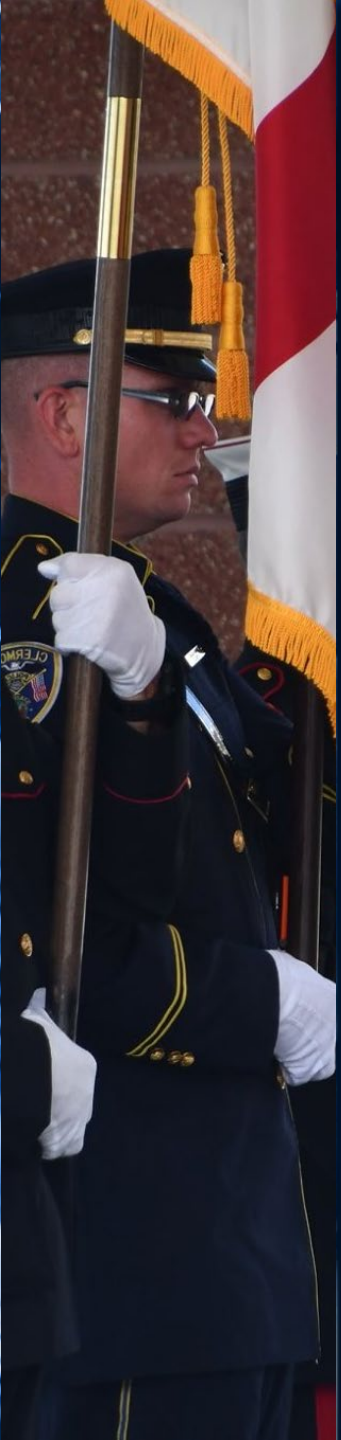
# *Additional Plan Provisions*



# *Disability Retirement*

- *Definition of Disability*
  - Participant Unable to Perform Duties of Police Officer
  - Disability Must Be Total and Permanent
- *Duty Disability*
  - No Service Requirement
  - Member Receives Greater of Accrued Benefit or 42% of Average Final Compensation
- *Non-Duty Disability*
  - Member must have 10 or more years service
  - Member Receives Greater of Accrued Benefit or 25% of Average Final Compensation





# *Pre-Retirement Death Benefits*

- *All Members Should Keep Pension Beneficiary Up-To-Date*
- *Vested Member*
  - Vested Portion of Accrued Benefit
  - Payable for 10 Years
  - Benefit Starts at Early or Normal Date
- *Beneficiary of Non-Vested Member Receives Member Refund with Interest*

# *Service Buyback*

- *Return Refunded Contributions with Interest in First 90 Days*
- *Eligible Service Purchases*
  - Prior Qualifying Military Service Credit
  - Prior Qualifying Police Service Credit
- *Members Must Pay Full Actuarial in 6 Months*
- *Purchased Services Counts for All Purposes Except Vesting & Eligibility for Non-Duty Disability Benefits*





# *Service Buyback: Payment*

- *Money Lying Around*
- *Qualifying Transfers*
  - Another Qualified Plan
  - 457 (Deferred Compensation) Account
  - Share Account
- *Payroll Deductions*
  - Payments to 5 Years
  - 7% Plan Assumed Interest Rate
  - City \$0.98 Admin Fee





# *Deferred Compensation (457 Plan)*

- *Participants Defer Current Income Until Separation from City*
- *Income Taxes Deferred Until Distributions Following Separation*
- *Accounts Available Through Empower*
- *Contribution Limit Set by IRS*



# *Retirement Procedures*



# *Application Procedures for Retirement*

- *Application Filed With Administrator*
- *Administrator Determines Final Average Salary, Reviews Calculation With Participant*
- *Actuary Determines Benefit And Payment Alternatives*
- *Participant Elects Form Of Benefit Payment Through Administrator*
- *Trustees Approve Benefit*
- *Administrator Pays Benefits To Retired Participants*





# *Application Procedures for Retirement*

- *Application: 1-2 Weeks Prior To Retirement*
- *Benefit Calculation: 1-2 Weeks Following Receipt of Final Payroll*
- *Review By Actuary: 1-2 Weeks*
- *Benefit Calculation & Forms Mailed to Member*
- *Member: 1-2 Weeks to Respond*
- *Set Up Pension Payment: 1 Week*
- *Actual Receipt First Check: Additional Mail Time*





# *Application Procedures for Retirement*

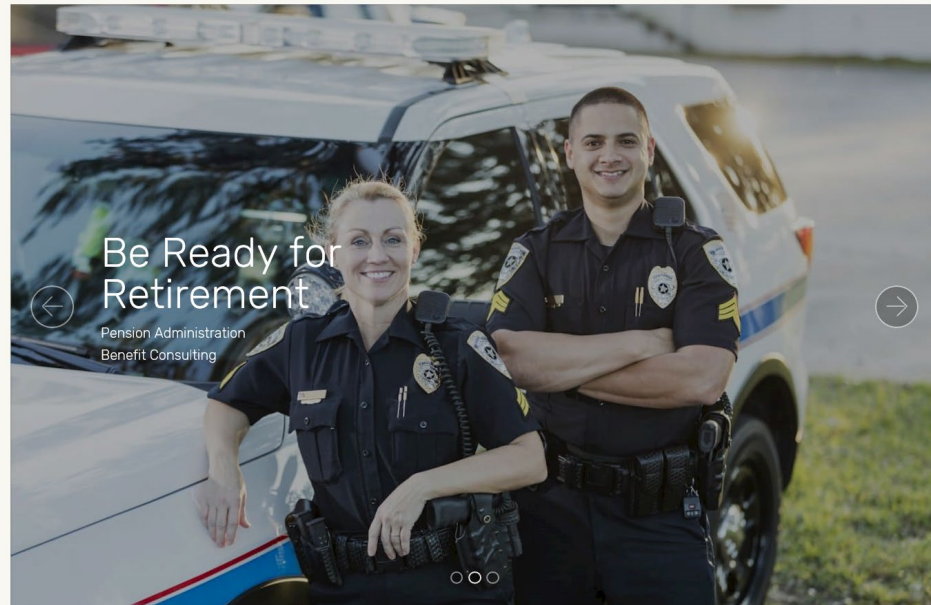
- *Required Forms*

- Application for Retirement
- Tax Withholding Form (W-4P)
- Benefit Election Form
- Copy Birth Certificate or Driver's License

- *Optional Forms*

- Direct Deposit Form
- Beneficiary Designation

*www.ResourceCenters.com*



#### Benefit Funds

The Resource Centers offers benefit consulting services for fully insured and self-funded benefit plans, including several insurance plans and Enrollment Services.

Current members can access your benefit fund dashboard here.

[Click Here](#)



#### Pension Funds

The Pension Resource Center specializes in the administration of municipal, Chapter 175, Chapter 185, and local law pension plans.

Current members can access your pension plan dashboard here.

[Click Here](#)



#### Knowledge Center

Additional useful sources of information for Pension funds and Retirement plans.

[Click Here](#)



#### Secure File Exchange

Our In-House application to exchange files with our clients and other entities in an encrypted and secure way.

[Click Here](#)





# *Virtual Pension Office*

- *Pension plan documents*
  - Ordinance
  - Summary Plan Description
- *Board approved minutes*
- *Forms & applications*
- *Recent Plan investment performance*
- *Links to other service providers*
- *Plan Email box:*  
[Clermont@ResourceCenters.com](mailto:Clermont@ResourceCenters.com)
- *Online benefit calculation & account inquiry system*

# Online Benefit Calculation System

Select *Clermont Police*  
Click on the “Benefit Calculator” Icon  
For Pension Benefit Projections



Pension Administration - Benefit Consulting

## THE RESOURCE CENTERS

[Home](#)  
[About Us](#)  
[Benefit Funds](#)  
[Pension Funds](#)  
[Secure File Exchange](#)  
[Resource Centers Clients](#)  
[Knowledge Center](#)  
[Contact Us](#)



AICPA  
SERVICE ORGANIZATIONS  
SOC  
aicpa.org/soc  
Formerly SAS 70 Reports

### West Palm Beach Firefighters' Pension Fund

#### Trustees

David Merrell, Chair Brian Walker, Secretary Guy Montante, Trustee	Ron Frano, Trustee Mark Parks, Trustee
--	---

[Trustee Resources](#)

#### Administrator

The **Pension Resource Center** administers the plan. You can contact our office at:

Pension Resource Centers  
Audrey Ross, Plan Administrator  
4360 Northlake Blvd. Suite 206  
Palm Beach Gardens, FL 33410

Phone: 561.624.3277  
Toll-Free: 800.206.0116  
Fax: 561.624.3278

**Important Notice:** Under Florida law, e-mail addresses are public records. If you do not want your e-mail address release in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

Email: [wpbfire@resourcecenters.com](mailto:wpbfire@resourcecenters.com)

#### Required Documents and Disclosures

[Link to Actuarial Fact Sheet website per Section 112.665\(1\)\(e\), Florida Statutes](#)

2017 Actuarial Valuation	2017 GASB 67 Report
2017 Audited FS	
2017 Compliance Report	
14	
15	
16	

#### Plan Documents

SPD October 2017	Special Act Implementation Rev 2013
Special Act - revised 2012	
Special Act amendment 2015	

#### Other Board Policies

Administration Policy 6-9-11	Exhibit A Admin. Policy 6-9-11
Benefit Payment Policy -2011.2.10	Special Tax Notice RE Rollovers
Buyback Policy	
DROP & Share Account Distribution Policy	

#### Online Calculators

The real time online pension calculator is currently unavailable

Pension Benefit Calculator

Share and DROP Account Balances





*Time To Answer  
Questions . . .*

The background is a composite image. On the left, there's a close-up of the American flag's stars and stripes. On the right, a grid of many small monitors, each displaying a different image, possibly surveillance footage. In the bottom left, there's a financial data display with numbers and a green upward arrow.

# THANK YOU

57<sup>8</sup> ▲ 18  
57.5 + .5