

GENERAL INFORMATION ABOUT YOUR PLAN

There is certain general information you may need to know about your Plan. This general information is summarized below.

Name of Plan

The name of the Plan is *City of Cocoa, Florida Firefighters' Retirement Plan*.

Plan Sponsor

The Plan Sponsor is the *City of Cocoa*.

Plan Administrator

The Board of Trustees is the Plan Administrator.

Administrative Manager

The Administrative Manager is a person or company engaged by the Board of Trustees to administer the day-to-day business of the Plan. The Administrative Manager is *Resource Centers*.

Designated Agent for Service of Legal Process

The Chairman of the Board of Trustees is the designated agent for service of legal process.

Type of Administration

The Board of Trustees, in accordance with Chapter 175, Florida Statutes, administers the Plan. The Board has the authority to interpret the terms of the Plan and to make determinations that may affect your eligibility for benefits. The Board of Trustees consists of five members, two who are active firefighters elected by members of the plan, two who are residents of the City appointed by the City Council, and one who is chosen by the other four Trustees and appointed, as a ministerial duty, by the City Council. Trustees serve for four-year terms and may serve more than one term. The Board of Trustees may retain the services of attorneys, accountants, actuaries, administrators, investment advisors and other professional consultants to assist them in the administration of the Fund. Pension Fund assets are maintained and invested separately from City assets and cannot be used for any purpose other than that specified in the City Code. Members of the Board of Trustees are listed in Exhibit A.

Plan Year

The plan year begins on October 1 and ends on September 30. The Plan's fiscal records are maintained on this basis.

Relevant Provisions of Local and State Laws

The Plan is set forth in Chapter II, Part II of the City of Cocoa Code of Ordinances. Certain provisions of Chapters 112, 119 and 175, Florida Statutes, and various federal laws including the Internal Revenue Code and amendments also govern your Plan.

Financial and Actuarial Information

A report of financial and actuarial information is included as Exhibit B.

Custodian

The Custodian is responsible for the safekeeping of securities owned by the Pension Fund. At the direction of the Plan Administrator, the Custodian also pays benefits to eligible persons and pays expenses incurred by the Plan. The Custodian is *Salem Trust Company*.

Investment Managers and Consultant

The investment managers are responsible for selecting the securities to be bought and sold by the Pension Fund, in accordance with the written investment policy guidelines approved by the Plan Administrator. The current investment managers are:

Richmond Capital

Polen Capital Management

Intercontinental Real Estate Corporation

Fidelity Extended Market Index

Brandywine Global Investment Management

Hardman Johnston Global Advisors

The investment consultant advises the Board of Trustees on investment objectives monitors the performance of its managers compared to applicable indices and recommends asset allocation of the Fund. The investment consultant is *Dahab Associates*.

Member; Participant

Member or participant means a City employee certified as a Firefighter as a condition of employment and, eligible to participate in the plan and former employees who are entitled to receive benefits or are receiving benefits from the plan. Participation in the Plan is mandatory. The Fire Chief may irrevocably choose not to participate in the Plan within 30 days of initial employment or promotion.

Beneficiary

Your beneficiary is each person that you designate in writing to the Plan who are to receive any benefits that may become payable upon your death. You should designate a beneficiary when you become a member of the Plan. You may change your beneficiary at any time prior to retirement upon written notification to the Administrative Manager.

Contributions

Participants are currently required to contribute 6.5% of covered salary. Contributions are deducted from each weekly paycheck and deposited in the Pension Fund account. As of each October 1st, your accumulated contributions are credited with interest at the rate of 4 1/2%, compounded annually, in the event that your employment is terminated with less than ten years of credited service, you will receive your accumulated contributions as provided in Section 10, Non-Vested Members.

Creditable Service; Credited Service

"Creditable Service" or "Credited Service" is generally your period of employment with the City of Cocoa as a firefighter measured in years and completed months of actual service.

Average Monthly Earnings

"Average monthly earnings" of an employee who was hired prior to October 27, 2015 is the average monthly salary of your three best consecutive years of service of the ten-year period immediately preceding your retirement, termination or death. "Average monthly earnings" of an employee who was hired on or after October 27, 2015 is the average monthly salary of your five best years of service of the ten-year period immediately preceding your retirement, termination or death. A year is any twelve consecutive months. "Earnings" includes your regular pay plus any tax-deferred or tax- exempt income you receive from the City for earnings prior to October 27, 2015. Earnings after that date shall mean regular base pay including state funded incentives, holiday pay, driver and

paramedic (solo or nonsolo) pay, and overtime pay up to 100 hours per fiscal year. Payments for non-City events, overtime pay in excess of 100 hours per fiscal year, and payments for sick and annual leave in excess of the hours accrued as of August 8, 2013 are excluded.

Vesting; Vested Benefit

You are vested for a present or future benefit upon completion of ten years of full-time contributing employment with the *City of Cocoa* when you retire.

RETIREMENT BENEFITS

1. ELIGIBILITY FOR NORMAL RETIREMENT

For Members hired on or after November 9, 2015, the earlier of a) the attainment of age 55 with 10 years of service or b) the completion of 25 years of Credited Service, regardless of age.

For those members hired on or after January 1, 1999 and prior to November 9, 2015, the Normal Retirement Date is the earlier of a) the attainment of age 52 with 10 years of service or b) the completion of 25 years of Credited Service, regardless of age.

For those members hired prior to January 1, 1999, the Normal Retirement Date is the earlier of a) the attainment of age 52 or b) the completion of 25 years of Credited Service, regardless of age.

An application for normal retirement must be filed with the Administrative Manager in order to be considered by the Board of Trustees. An eligible member may retire on his normal retirement date or on the first day of any month thereafter.

2. AMOUNT OF A NORMAL RETIREMENT PENSION

The amount of a normal retirement pension is based on 3% of the participant's average monthly earnings for each year of continuous service. Credit is given for partial years. Average monthly earnings is computed on the average salary of the three highest consecutive contributing years of service of the 10 years immediately preceding retirement, termination or death.

3. ELIGIBILITY FOR EARLY RETIREMENT

An employee who is age 50 and has 10 or more years of credited service is eligible for early retirement. An application for early retirement must be filed with the Administrative Manager.

4. AMOUNT OF AN EARLY RETIREMENT PENSION

An early retirement benefit is computed on the same basis as a normal retirement but is reduced by 3% for each year by which commencement of early retirement benefits precedes the normal retirement date.

5. STANDARD FORM OF RETIREMENT

The standard form of retirement is a monthly benefit payable to you for your life. This benefit is guaranteed for a minimum of 10 years. If after payment commences, you die before 120 monthly payments have been made, payments to your beneficiary will continue until 120 total payments have been made.

6. OPTIONAL FORMS OF BENEFITS

Benefit options must be elected prior to retirement and can be changed at any time before receipt of your first pension benefit check. The value of optional forms of benefits shall be the actuarial equivalent of the standard life and 10 year certain benefits.

- Joint and Last Survivor – The Joint and Last Survivor form of payment pays the retired participant a reduced monthly pension for his/her life. Upon the retired participant's death, the spouse or a relative will be paid a designated percentage of the reduced monthly pension for his/her life. The election of this option shall be null and void

- if the spouse or relative other than the spouse or other relative dies before the benefit payments commence.
- Life Annuity - You may elect to receive an increased benefit payable for your life only that will cease upon your death.
 - Other - Benefits may be paid in any other form approved by the Board so long as actuarial equivalence with the above benefit options is maintained.

NOTE: The percentage of reduction or increase of the amount of your pension benefit under any of the optional forms of payment is based on your age and your beneficiary's age at the time of your retirement. The precise payment cannot be determined until after you have received your final paycheck. Optional forms of payment cannot be elected or changed after the first pension check is cashed.

7. DISABILITY RETIREMENT

If you are permanently and totally disabled and are wholly prevented from rendering useful and efficient service to the city as a firefighter, you should file a written application with the Board of Trustees for a disability retirement benefit. The Board of Trustees will gather evidence of the disability and decide whether or not the disability benefit is to be granted.

Service Incurred - A member who becomes totally and permanently disabled as part of and in connection with his performance of services for the City is eligible for a disability retirement equal to 42% of the member's average monthly earnings in effect on the date of disability. Effective October 1, 2021, the disability benefit is the same as the member's normal retirement amount; provided this amount is not less than 42% of the members average monthly earnings on the date of disability. If the service-connected disability occurred during an active shooter event or mass killing event, as defined in 28 U.S.C. s. 530C, the disability benefit shall equal the member's accrued retirement benefit with a 2% minimum provided such amount is not less than 60% of the member's average monthly earnings on the date of disability. Benefits will begin when your sick pay and accrued vacation have all been paid.

Non-Service Incurred - A member who becomes totally and permanently disabled from causes that are not in connection with his service to the City is eligible for a disability retirement benefit equal to one-twelfth (1/12) of 25% of base salary in effect on the date of disability. Benefit payments will begin 6 months from the date of disability.

Other information you should know about Disability Retirement:

Benefit Options – The optional forms of benefits available to members retiring on Normal and Early Retirements are available for disability retirement.

Disability in Line of Duty - Any condition or impairment of health caused by tuberculosis, hypertension or heart disease resulting in total or partial disability or death shall be presumed to have been accidental and suffered in the line of duty unless evidence to the contrary proves otherwise. You must have had a clean pre-employment physical examination for the presumption to apply. Effective July 1, 2019, if a Member becomes totally and permanently disabled due to a cancer diagnosis or circumstances that arise from the treatment of cancer, it shall be presumed that the disability is in the line of duty provided that the statutory conditions in Section 112.1816, Florida Statutes, have been met.

No Disability Benefits After Termination or DROP - Terminated employees and DROP participants are not eligible for disability benefits.

Termination of Disability Benefit - Your disability benefit terminates upon the earlier of recovery, as determined by the Board, the payment that preceded the member's death, or upon completing 120 monthly payments. An optional form of benefit may be elected. As a disabled pensioner, you are subject to periodic medical examinations as directed by the Board to determine whether a disability is continuing.

Recovery - If you recover from your disability and are immediately re-employed by the City, the period of time you were disabled shall be included as continuous service. If you recover and are not immediately re-employed, or if you refuse to submit to a medical examination, your future benefits will be determined as though your termination date was the date of disability.

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

- Excessive and habitual use of drugs, intoxicants or narcotics;
- Your own willful and illegal participation in fights, riots, civil insurrections or while committing a felony;
- Service in the armed forces;
- Injury or disease following termination of employment;
- Injury or disease sustained while working for prior employers that arises during the first ten years of credited service with the City.

8. **DEFERRED RETIREMENT OPTION PLAN (DROP)**

A member who reaches the earliest normal retirement date as described in Section 1. **ELIGIBILITY FOR NORMAL RETIREMENT** will be eligible to participate in the DROP. If you wish to participate in the DROP, you must submit an application, approved by the board; at least 90 days prior to date you want to begin DROP participation. An election to participate in the DROP is irrevocable and participation in the DROP requires you to terminate employment within 60 months.

9. **COST OF LIVING ADJUSTMENT**

On October 1, if you are receiving a benefit from the plan and reach age 65, your benefit will be adjusted according to changes in the CPI for the previous year ending on June 30. Benefits for beneficiaries of deceased members who would have attained age 65 will also be adjusted. The percent of increase or decrease in benefits is limited to 3%, and in no case will any adjustment result in an amount that is less than the initial benefit.

10. **TERMINATION OF EMPLOYMENT PRIOR TO RETIREMENT**

Vested Members - Participants who terminate employment with the City after ten or more years of credited service may leave their contributions in the Plan. The right to a deferred early or normal retirement is retained so long as accumulated contributions are not refunded. The commencement date of the deferred pension is the member's early or normal retirement date. The benefit shall be the benefit in effect on the member's early or normal retirement date and is calculated using Average Monthly Earnings and credited service at the time of termination of employment. If a terminated vested member does not survive until benefit payments begin, his beneficiary will receive the member's accrued benefit payable for 10 years beginning at what would have been the member's normal retirement date.

Non-vested Members - If a participant with less than ten years of service terminates employment with the City, future rights to a pension are forfeited unless the participant is re-employed. Contributions may be left in the Plan for a period of up to five years. In the event of re-employment, participants who have left their contributions in the Plan retain prior service credit. If the participant is not re-employed within 5 years, his accumulated contributions will be returned. Those who are re-employed after electing a refund of their contributions will be treated as new members.

11. **PURCHASE OF CREDITS FOR PRIOR MILITARY SERVICE**

If you have completed at least 10 years of creditable service, you may purchase up to 4 years of previous Uniform Services Credit. The Fund's actuary will calculate the cost associated with the buy back of credits and you will be responsible for all costs for determining the costs of purchasing the buy back of credits.

12. **SURVIVOR BENEFITS - DEATH BEFORE RETIREMENT**

Death benefits paid on behalf of members who die prior to retirement fall into two categories: benefits to non-vested members and to vested members. In the case of a non-vested member, the designated beneficiary will receive a return of the member's contributions with interest. In the case of a vested member, the benefit is in the form of a monthly benefit, payable for 10 years. Such monthly benefit will be actuarially determined as though the deceased member had retired on his date of death. Any other actuarially equivalent benefit option approved by the Board may also be payable.

13. **DEATH IN LINE OF DUTY**

Effective October 1, 2021, if a member, other than a participant in DROP, dies in the line of duty, a death benefit shall be paid on the first day of the month on or after the member's death. This shall supersede any distribution that may have been provided by the member's designation of beneficiary. The death benefit amount stated as follows:

- (1) If the member is married at the time of death and not vested, the member's spouse shall receive 42% of the member's average monthly earnings at the time of the member's death. If the member is married at the time of death and vested, the member's spouse shall receive the member's accrued retirement benefit (calculated at 3% of average monthly earnings), payable for the life of the spouse. If the surviving spouse of a member killed in the line of duty dies, or if the member killed in the line of duty leaves no surviving spouse but is survived by a child or children under 18, the monthly payment that would have been paid to the surviving spouse shall be paid for the use and benefit of the member's child or children under 18 years of age and unmarried or, until the 25th birthday of any child of the member if the child is unmarried and enrolled as a full-time student.
- (2) If the member is not married at the time of death, a monthly benefit equal to 42% of the member's average monthly earnings at the time of the member's death shall be split equally among the member's beneficiaries. Benefit payments to a beneficiary under this paragraph shall continue for 20 years or until the death of the beneficiary, whichever occur first.
- (3) If a member's line-of-duty death occurred during an active shooter event or mass killing event, as defined in 28 U.S.C. s. 530C, and was the direct result of the unlawful and intentional act of the perpetrator of such of event, the benefit payable to the member's beneficiary or beneficiaries shall equal the greater of, 60% of the members average monthly earnings at the time of death, or if the member was vested, the same as the members' normal retirement benefit amount.

14. DOMESTIC RELATONS ORDERS

In the event that a member is divorced, the member's retirement benefit may be subject to distribution between the member and the former spouse under Florida's dissolution of marriage law. No share of the retirement benefit which is payable to a former spouse may be released until the member is actually retired and in receipt of benefits from the Fund. In the case of alimony and child support, the Fund may make payments directly to the former spouse or to the registry of the court.

15. 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

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. 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.

16. APPLICABLE PROVISIONS OF COLLECTIVE BARGAINING AGREEMENTS

The current collective bargaining agreement between the City of Cocoa and the Firefighters contains certain provisions which deal directly with pension benefits and pension benefits are a bargainable issue.

17. FORFEITURE OF PENSION

If you are convicted of certain offenses listed in Section 112.3173, Florida Statutes, committed prior to retirement, or if your employment is terminated by reason of your admitted commission, aid or abetment of these offenses, you shall forfeit all rights and benefits under the Plan, except for the return of your contributions as of the date of your termination.

18. FILING FOR RETIREMENT

You should file your retirement application at least thirty days before your planned retirement date or 90 days prior to participating in the DROP. All forms can be obtained from the Administrative Manager at the following address:

Resource Centers LLC
4360 Northlake Blvd Suite 206
Palm Beach Gardens, FL 33410
Ph: 561.624.3277 Toll Free: 800.206.0116
Fax: 561.624.3277 Email: CocoaFire@ResourceCenters.com

The precise payment cannot be determined until after you have received your final paycheck.

19. APPEARANCES BEFORE THE BOARD

All meetings of the Board of Trustees are open to the public and are governed by the provisions of the Florida Government in the Sunshine Law. Any member wishing to present a request for action by the Board may do so by making a request in writing to the Administrative Manager in advance of the meeting. All decisions of the Board are final. Members who disagree with a decision of the Board of Trustees may seek judicial review by filing a petition in the Circuit Court of Brevard County.

20. 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 from your plan administrator which authorizes the distribution. 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

Chairman: Norris Park

Secretary: Brandon Lang

Trustee: Leland Cox

Trustee: Elliott Zimmerman

Trustee: Patrick Madden

ACTUARY: Foster & Foster

ATTORNEY: Mark Floyd of Mierzwa & Floyd, P.A.

AUDITOR: MSL CPAs & Advisors

Exhibit B

CITY OF COCOA FIREFIGHTERS' RETIREMENT PLAN PRINCIPAL VALUATION RESULTS

	New Assump <u>10/1/2021</u>	Old Assump <u>10/1/2021</u>	<u>10/1/2020</u>
A. Participant Data			
Actives	39	39	35
Service Retirees	33	33	31
DROP Retirees	4	4	5
Beneficiaries	4	4	4
Disability Retirees	9	9	8
Terminated Vested	<u>8</u>	<u>8</u>	<u>7</u>
Total	97	97	90
Total Annual Payroll	\$2,387,503	\$2,387,503	\$2,169,312
Payroll Under Assumed Ret. Age	2,317,513	2,317,513	2,101,444
Annual Rate of Payments to:			
Service Retirees	1,401,253	1,401,253	1,272,568
DROP Retirees	267,658	267,658	304,571
Beneficiaries	137,146	137,146	135,881
Disability Retirees	179,149	179,149	161,919
Terminated Vested	20,527	20,527	20,527
B. Assets			
Actuarial Value (AVA) ¹	25,935,760	25,935,760	23,694,805
Market Value (MVA) ¹	27,530,561	27,530,561	22,119,560
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	12,976,615	11,957,620	11,292,111
Disability Benefits	1,137,371	1,066,030	968,077
Death Benefits	207,441	193,382	175,390
Vested Benefits	0	0	0
Refund of Contributions	10,610	10,580	9,457
Service Retirees	16,747,031	16,213,983	14,834,060
DROP Retirees ¹	4,578,278	4,423,001	5,106,746
Beneficiaries	1,063,067	1,026,254	1,025,533
Disability Retirees	2,515,627	2,412,260	2,164,855
Terminated Vested	260,687	252,532	286,944
Share Plan Balances ¹	<u>0</u>	<u>0</u>	<u>0</u>
Total	39,496,727	37,555,642	35,863,173

Exhibit B

C. Liabilities - (Continued)	New Assump <u>10/1/2021</u>	Old Assump <u>10/1/2021</u>	<u>10/1/2020</u>
Present Value of Future Salaries	26,304,676	25,693,498	22,534,941
Present Value of Future Member Contributions	1,709,804	1,670,077	1,464,771
Normal Cost (Retirement)	564,054	519,474	476,786
Normal Cost (Disability)	73,316	69,669	64,470
Normal Cost (Death)	14,287	13,530	12,503
Normal Cost (Vesting)	0	0	0
Normal Cost (Refunds)	<u>4,402</u>	<u>4,396</u>	<u>3,845</u>
Total Normal Cost	656,059	607,069	557,604
Present Value of Future Normal Costs	7,209,071	6,499,517	5,775,569
Accrued Liability (Retirement)	6,710,463	6,333,109	6,301,582
Accrued Liability (Disability)	358,023	343,014	318,512
Accrued Liability (Death)	52,790	50,279	47,581
Accrued Liability (Vesting)	0	0	0
Accrued Liability (Refunds)	1,690	1,693	1,791
Accrued Liability (Inactives) ¹	25,164,690	24,328,030	23,418,138
Share Plan Balances ¹	<u>0</u>	<u>0</u>	<u>0</u>
Total Actuarial Accrued Liability (EAN AL)	32,287,656	31,056,125	30,087,604
Unfunded Actuarial Accrued Liability (UAAL)	6,351,896	5,120,365	6,392,799
Funded Ratio (AVA / EAN AL)	80.3%	83.5%	78.8%

Exhibit B

D. Actuarial Present Value of Accrued Benefits	New Assump <u>10/1/2021</u>	Old Assump <u>10/1/2021</u>	<u>10/1/2020</u>
Vested Accrued Benefits			
Inactives + Share Plan Balances ¹	25,164,690	24,328,030	23,418,138
Actives	2,618,530	2,392,048	2,673,676
Member Contributions	<u>1,396,535</u>	<u>1,396,535</u>	<u>1,346,319</u>
Total	29,179,755	28,116,613	27,438,133
Non-vested Accrued Benefits	<u>912,330</u>	<u>832,000</u>	<u>642,595</u>
Total Present Value			
Accrued Benefits (PVAB)	30,092,085	28,948,613	28,080,728
Funded Ratio (MVA / PVAB)	91.5%	95.1%	78.8%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	1,143,472	0	
Plan Experience	0	1,127,628	
Benefits Paid	0	(2,280,287)	
Interest	0	2,020,544	
Other	<u>0</u>	<u>0</u>	
Total	1,143,472	867,885	

Exhibit B

	New Assump	Old Assump	
Valuation Date	10/1/2021	10/1/2021	10/1/2020
Applicable to Fiscal Year Ending	<u>9/30/2023</u>	<u>9/30/2023</u>	<u>9/30/2022</u>

E. Pension Cost

Normal Cost (with interest)			
% of Total Annual Payroll ²	29.32	27.18	27.53
Administrative Expenses (with interest)			
% of Total Annual Payroll ²	3.53	3.54	4.38
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 20 years (as of 10/1/2021, with interest)			
% of Total Annual Payroll ²	35.61	31.15	43.85
Minimum Required Contribution			
% of Total Annual Payroll ²	68.46	61.87	75.76
Expected Member Contributions			
% of Total Annual Payroll ²	6.50	6.50	6.50
Expected City and State Contribution			
% of Total Annual Payroll ²	61.96	55.37	69.26

F. Past Contributions

Plan Years Ending:	<u>9/30/2021</u>
Total Required Contribution	1,839,910
City and State Requirement	1,696,098
Actual Contributions Made:	
Members (excluding buyback)	143,812
City	1,571,637
State	<u>124,461</u>
Total	1,839,910

G. Net Actuarial (Gain)/Loss (540,548)

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2021 and 9/30/2020.

² Contributions developed as of 10/1/2021 are expressed as a percentage of total annual payroll at 10/1/2021 of \$2,317,513.