AGENDA
REGULAR MEETING
CITY OF FERNANDINA BEACH
BOARD OF TRUSTEES
POLICE OFFICERS' AND FIREFIGHTERS' PENSION PLAN
AUGUST 12, 2021
1:00 PM
CITY HALL COMMISSION CHAMBERS
204 ASH STREET
FERNANDINA BEACH, FL 32034

1. CALL MEETING TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF MINUTES

4.1 MAY 13, 2021 REGULAR MEETING, JUNE 17, 2021 JOINT MEETING AND JUNE 17, 2021 SPECIAL MEETING

5. QUARTERLY/ANNUAL REPORTS

5.1 ANDCO CONSULTING QUARTERLY PERFORMANCE EVALUATION REPORT FOR QUARTER ENDING JUNE 30, 2021

5.2 FOSTER AND FOSTER EXPERIENCE STUDY REPORT

6. REPORT FROM BOARD ATTORNEY

7. APPROVAL OF INVOICES ALREADY PAID AS PER AGREEMENT OR CONTRACT

7.1 ANDCO CONSULTING, LLC INV. #38381 - $5,625.00

7.2 SUGARMAN AND SUSSKIND INV. #159725 -- $2,210.00

7.3 SUGARMAN AND SUSSKIND INV. #160554 -- $1,190.00

7.4 HIGHLAND CAPITAL MANAGEMENT, LLC INV. #28163 -- $11,276.08

7.5 AGINCOURT CAPITAL MANAGEMENT, LLC INV. #14510 -- $4,008.01

7.6 FIDUCIARY TRUST INTERNATIONAL QUARTERLY FEES -- $4,223.30

7.7 AMERICAN CORE REALTY FUND QUARTERLY FEES -- $7,779.70

7.8 FOSTER AND FOSTER INV. #20713 -- $11,625.00

8. REQUEST FOR CONTRIBUTION REFUNDS

8.1 TRAVIS HARGROVE -- $15,307.82

8.2 MARK GARRARD -- $13,160.63

9. REQUEST FOR COMMENCEMENT OF DROP

9.1 WILLIAM BAUGHN - JULY 1, 2021

10. OLD BUSINESS

10.1 SUMMARY PLAN DESCRIPTION REVIEW

10.2 REVIEW OF ADMINISTRATIVE SERVICES AGREEMENT WITH FOSTER AND FOSTER

11. NEW BUSINESS

12. REQUESTS FROM THE PUBLIC TO BE HEARD ON ITEMS NOT ON THE AGENDA

13. OTHER BOARD DISCUSSION

14. ADJOURNMENT

All members of the public are invited to be present and be heard. Persons with disabilities requiring accommodations in order to participate in this program or activity should contact the City Clerk at (904) 310-3115 or TTY/TDD 711 (for the hearing or speech impaired).

The Board of Trustees of the Police and Fire Pension Plan met on Thursday, May 13, 2021, at 1:00 pm in the City Commission Chambers in City Hall. The following Members were present: Chair Karl Ashley, Walter Sturges and David Samson. Jim Norman and Rusty Burke were absent.

4. APPROVAL OF MINUTES FROM FEBRUARY 11, 2021 REGULAR MEETING: The Minutes of the February 11, 2021 Regular Meeting were presented for approval. A **motion was made by Member Samson, seconded by Member Sturges, to approve the Minutes. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

5. QUARTERLY/ANNUAL REPORTS:

5.1. ANDCO CONSULTING QUARTERLY INVESTMENT REPORT FOR QUARTER ENDING MARCH 31, 2021: Mr. John Thinnes presented the board with a handout just to show the journey of the last year. He stated that when he was here this time last year it was the depts of the market going down and the start of the pandemic. The chart shows the S&P 500 and every time there is a 5% pullback in the market. You can see that in this last year it went down almost 34% in 23 days and shows the changes through April 30, with the portfolio continuing to reach all-time highs. He referred to page 2 of the chart which shows the time period from October 9, 2007 to the end of April, 2021. It shows that there have been over 3,400 trading days and if you were just invested in the S&P 500 your return would be over 9%. If you take out the best 5 days of the 3,400 your annualized return drops to 6.13%. If you take out the best 10 days it drops to 3.65%. If you could avoid the 20 worst days your return would be almost 22%. This shows that you can't time the market. He referred the board to the investment book and stated that the first ten pages are the numbers and charts of the market environment. He referenced page 2 and the chart which shows international equity benchmarks with the red bars, US equity with the blue bars and the green bars are fixed income. He stated that the fund did have a positive quarter and referred to the dark green bars which are US fixed income at a negative 3.4, so interest rates have gone up. When interest rates go up, fixed income goes down. Although fixed income was negative the fund still had a good quarter. He referred to the chart on the bottom right corner of page 2 and the very large numbers listed there. He stated that basically the quarter dropped off when the market went down 34% and picked up a positive quarter. He referred to the equities listed on page 3 in the upper right corner. He stated that he had shared with the board that Apple, Amazon, Google, Microsoft and Facebook had driven the market for 2020 and that was reflected by the red bars in the chart. He stated that this quarter there was a reversal with the rest of the market taking off instead of just those five companies, which he viewed as a positive. He referred to page 9 to illustrate the fixed income, with the treasury yield curve chart on the bottom of the page. He shared that the fed would keep rates low for awhile which is the left side of the chart. The jobs numbers were released earlier in the week with 266,000 increases instead of the million they were expecting which means the fed would not raise rates anytime soon. The green line towards the right side of the chart the fed does not control. This went up due to fear of inflation as those numbers came out which is why the market was down earlier in the week. He shared that market participants are fearing inflation with all the stimulus that is about to hit. He referred to page 11 which shows the portfolio ending March 31 at $31.9 million and as of today another 3 to 3.5% can be added, keeping the portfolio near all time highs. Page 12 shows the allocation which remains within allowable ranges. With the equity markets continuing to rise the fund is slightly overweight domestic equity and underweight fixed income but still within range so no portfolio rebalance is necessary at this time. The fund remains in compliance with the IPS. Page 18 shows the returns up 4.82% for the quarter, confirming the recent changes have been successful. The number 5 in parentheses next to the 4.82 shows that for the quarter the plan beat 95% of thousands of plans around the country, a very successful quarter. For the fiscal year the return was over 15%. The one-year number was over 36% because one bad quarter was dropped off and a good one was picked up. Page 19 shows some large one-year numbers with Highland Core Value, the value manager, was up almost 14% and T Rowe Price was only marginally positive. The one-year numbers are very large, showing Highland up 58%, T Rowe up 55%, and the market up 62%. The bottom of page 19 shows Highland International, value manager, and Europacific Growth with value outperforming growth. Rounding out the portfolio on page 20 is the fixed income manager, Agincourt, an intermediate bond manger. When interest rates go up, bonds go down less. He stated that over all the managers performed as expected.

6. REPORT FROM BOARD ATTORNEY PEDRO HERRERA: Attorney Pedro Herrera joined the meeting remotely and began with a continuation of a discussion from the February meeting regarding the Summary Plan Description. He asked if the board had a chance to review the updated draft version which tracks the changes with new language underlined and deletions struck through. Member Samson requested that the order of discussion be changed and the discussion of the proposal for administrative services precede the Summary Plan Description discussion.

Item 11.1 Pension Administrator Services was presented and discussed at this time. Chair Ashley confirmed that the City has provided administrative services to the plan at no cost to the plan. The proposal presented is to either hire a part time or a full time administrator. HR Director Denise Matson advised the board that the City is requesting the pension board take over administrative services through a third part administrator or hiring an administrator for the pension plan. The Human Resources and Finance staff have aided the pension boards in administrative services for well over 15 years. The City Commission has not been in favor of hiring additional staff over the last few fiscal years and the City no longer has the ability or resources to provide these services to the pension plans. She stated that providing in house administrative services is atypical of most plans. Most plans have outsourced administrative services because they have the knowledge, experience and skill in administering Florida Statute 112, 175 and 185 plans. Although the hiring of a part time staff member to handle pension plan administration services could be an alternative, the current challenges with recruiting, retaining and selecting candidates in the current labor market is very difficult and seeking a part time employee without benefits would be even more challenging. It is the City's recommendation that the board hire a firm such as Foster & Foster or other actuarial firm to handle pension plan administrative services. There was discussion regarding the recommendation. Mr. Doug Lozen with Foster & Foster was present at the meeting and addressed some of the questions. He stated that if both boards hired their firm there would be a 10% discount. He also stated that the administrative expenses are built into the actuarial valuation every year and the City reimburses. If you hire a third party administrator such as Foster & Foster you will see direct billing money coming out of the trust fund that the City reimburses. He stated that right now that does not happen, the resources used in the City are not paid from the trust fund but are paid by the City. Attorney Herrera clarified that the law was followed with respect to certain requirements that have to be in an RFP in a procurement, they apply to municipalities but they do not apply to this pension fund so we are not bound by those requirements. He wanted to emphasize that this is a specialty and inherent in it a certain amount of experience necessary in order to do it well and efficiently. He stated that the pool of administrative firms on a local level with the pricing listed here in Florida is not large. Attorney Herrera also stated that from his perspective it was cleaner for the board to hire a third party administrator directly but could work with the City. He also stated that the RFP process could take several months. Mr. Lozen stated that the approximate cost for just the Police and Fire plan was just under $24,000. There was further discussion regarding the RFP process. **A motion was made by Member Sturges, seconded by Member Samson, to table the issue and schedule a joint workshop with the General Employees' Pension Board to discuss third party administration. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

There was discussion regarding the Summary Plan Description and language that had been stricken out to be removed. Attorney Herrera assured the board that just because the language wasn't included in the SPD did not mean it was not in effect. Chair Ashley pointed out some language conflicts, for example "the pension plan is administered by the plan board of trustees" and he felt the wording should be "governed by the board of trustees". Attorney Herrera pointed out that state statutes actually use the terminology "administered" so that is why it is there. Member Samson questioned the May 13 date on the document and Attorney Herrera advised that if the board adopted the document today contingent on certain revisions, then today's date could be used. If the board decides not to adopt the document today, then the date would be changed. **A motion was made by Member Samson, seconded by Member Sturges, to approve the Summary Plan Description as presented contingent on inclusion of Exhibit B, actuarial fact sheet and the Chairman's revisions as noted. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

Attorney Herrera shared with the board that the legislative session ended a couple of weeks ago and there were no changes that impact this plan. With respect to Police Officers' and Firefighters', it has been proposed that as part of the state budget, essential first responders would receive a $1,000 check, essentially a bonus payment upon approval of the state budget. He further advised the board that Form 1 financial disclosure forms are due by July 1 as required and can be filed via email to the Supervisor of Elections of the county in which you reside.

7. APPROVAL OF INVOICES ALREADY PAID AS PER AGREEMENT OR CONTRACT: The following invoices were on the agenda for consideration:

7.1.	ANDCO COLSULTING, LLC INV. #37630	$ 5,625.00
7.2.	SUGARMAN & SUSSKIND INV. #155601	$ 680.00
7.3.	SUGARMAN & SUSSKIND INV. #156214	$ 170.00
7.4.	SUGARMAN & SUSSKIND INV. #157192	$ 1,445.00
7.5.	HIGHLAND CAPITAL MANAGEMENT, LLC INV. #27488	$ 10,820.82
7.6.	AGINCOURT CAPITAL MANAGEMENT, LLC INV. #14034	$ 3,972.38
7.7.	FIDUCIARY TRUST INTERNATIONAL QUARTERLY FEES	$ 4,009.98
7.8.	AMERICAN CORE REALTY FUND QUARTERLY FEES	$ 7,508.71
7.9	FOSTER & FOSTER INV. #19807	$ 3,533.00

A motion was made by Member Sturges, seconded by Member Samson, to approve the invoices already paid as per agreement or contract. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.

8. APPROVAL OF INVOICES TO BE PAID: The following invoices were on the agenda for consideration:

8.1.	J NORMAN FPPTA CPPT/CEU VIRTUAL REIMB DUE CITY	$ 450.00

A motion was made by Member Sturges, seconded by Member Samson, to approve the invoice to be paid. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.

9. REQUEST FOR CONTRIBUTION REFUNDS: According to the agenda support documents, the following individuals requested contribution refunds: Mr. David Swanson in the amount of $12,964.57, Mr. William L. Smith in the amount of $12,249.56, and Mr. John Juliana in the amount of $10,516.79. **A motion was made by Member Sturges, seconded by Member Samson, to approve the contribution refund requests. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

10. OLD BUSINESS:

10.1 Summary Plan Description Update. This was discussed under Report from Board Attorney.

11. NEW BUSINESS:

11.1 Pension Plan Administrator Services. This was discussed under Report from Board Attorney.

12. REQUESTS FROM THE PUBLIC TO BE HEARD ON ITEMS NOT ON THE AGENDA: There were no requests to be heard at this time.

13. OTHER BOARD DISCUSSION: There were no items for discussion under other board discussion.

14. ADJOURNMENT: There being no further business to come before the Board of Trustees of the Police & Fire Pension Plan the meeting was adjourned.

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Karl Ashley, Chair

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Jim Norman, Secretary

DRAFT

The Board of Trustees for both the Police and Fire Pension Plan and the General Employees' Pension Plan met on Thursday, June 17, 2021 at 1:00 pm in the City Commission Chambers in City Hall. The following members of the Police and Fire Pension Plan were present: Chair Karl Ashley, Rusty Burke, Walter Sturges and David Samson. Member Jim Norman was absent.

The following members of the General Employees' Pension Plan were present: Chair Jeremiah Glisson, Susan Carless, Andre Desilet and new member Bob Virtue. Member Steven Gibb was absent.

4. OLD BUSINESS:

4.1. PENSION ADMINISTRATOR SERVICES: Police and Fire pension board Chair Karl Ashley advised the boards that this joint meeting was scheduled to get information on pension administrator services with a presentation by Foster & Foster. Ms. Ferrell Jenne presented a power point outlining the services they provide and answered questions by the trustees of each plan.

12. REQUESTS FROM THE PUBLIC TO BE HEARD ON ITEMS NOT ON THE AGENDA: There were no requests to be heard at this time.

14. ADJOURNMENT: There being no further business to come before the Board of Trustees of the General Employees' Pension Plan the meeting was adjourned.

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Karl Ashley, Chair
Police and Fire Pension Board

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Jim Norman, Secretary
Police and Fire Pension Board

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Jeremiah Glisson, Chair
General Employees' Pension Board

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Steven Gibb, Secretary
General Employees' Pension Board

DRAFT

The Board of Trustees of the Police and Fire Pension Plan met for a Special Meeting on Thursday, June 17, 2021, at 2:00 pm in the City Commission Chambers in City Hall. The following Members were present: Chair Karl Ashley, Walter Sturges, Rusty Burke and David Samson. Jim Norman was absent.

3. OLD BUSINESS:

3.1 Pension Plan Administrator Services. Chair Ashley reminded the board of the presentation by Foster & Foster from the previous joint meeting and referred to their proposal dated March 15. There was discussion regarding the start date of the services and a review of the contract prior to final approval. **A motion was made by Member Burke, seconded by Member Sturges to accept the proposal for plan administrator services from Foster & Foster. Vote upon passage of the motion was taken by ayes and nays and being all ayes, carried.**

There was discussion regarding the final version of the Summary Plan Description and changes that had been requested. Attorney Herrera suggested placing the Summary Plan Description back on the August agenda for review with the proposed corrections.

4. REQUESTS FROM THE PUBLIC TO BE HEARD ON ITEMS NOT ON THE AGENDA: There were no requests to be heard at this time.

5 OTHER BOARD DISCUSSION: There were no items for discussion under other board discussion.

6. ADJOURNMENT: There being no further business to come before the Board of Trustees of the Police & Fire Pension Plan the meeting was adjourned.

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Karl Ashley, Chair

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Jim Norman, Secretary

CITY OF FERNANDINA BEACH
FIREFIGHTERS' AND POLICE OFFICERS' PENSION PLAN

ACTUARIAL EXPERIENCE STUDY
August 4, 2021

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

August 4, 2021

Board of Trustees
City of Fernandina Beach
Firefighters' and Police Officers' Pension Plan

Re: Actuarial Experience Study

Dear Board:

The following report presents the results of an actuarial experience study of the actuarial assumptions and methods used for actuarial valuation purposes for the City of Fernandina Beach Firefighters' and Police Officers' Pension Plan. In the course of the analysis, we compiled plan experience from October 1, 2010 through September 30, 2020. While we cannot verify the accuracy of all the information provided, the supplied information used for performance of the annual actuarial valuations or compiled from prior year annual reports was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe it has produced appropriate results.

The report includes a review of demographic and economic experience, a comparison of this experience to current actuarial assumptions, our recommendations for consideration regarding changes in assumptions or methods to be effective for the October 1, 2021 actuarial valuation, and the estimated actuarial impact of these suggested changes. We believe implementing the recommend changes will assist in achieving the objective of developing costs that are stable, predictable, and represent our best estimate of anticipated experience.

It is important to remember that the ultimate cost of your retirement plan is independent of any actuarial assumptions or methods used throughout the valuation process. This cost will be the sum of the benefits paid from the fund and the administrative expenses incurred, less any net investment gains received. Future actuarial measurements may differ significantly from current measurements due to such factors as: plan experience differing from that anticipated by assumptions; changes in assumptions; increases or decreases expected as part of the natural operation of the methodology used (such as the end of an amortization period); changes in plan provisions or applicable law.

Please note the contents of this analysis and the October 1, 2020 actuarial valuation report are considered integral parts of this actuarial opinions. In reviewing the results presents in this study, it should be noted there are risks that may not be inherently apparent to the reader thar should be carefully considered. For key risks, please see the Discussion of Risk section of the October 1, 2010 actuarial valuation report.

The actuarial measurements included in this report are based on actuarial asset values as of September 30, 2020 and would be different if market asset values were used instead of actuarial asset values.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. The results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

Foster & Foster does not provide legal, investment or accounting advice. Thus, the information in this report is not intended to supersede or supplant the advice or the interpretations of the plan or its affiliated legal, investing or accounting partners.

The undersigned are familiar with the immediate and long-term aspects of pension valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All sections of this report are considered an integral part of the actuarial opinions.

Respectfully submitted,

FOSTER & FOSTER INC.

Douglas H. Lozen, EA, MAAA

Kevin H. Peng, ASA, EA, MAAA

ACTUARIAL STANDARDS OF PRACTICE

The Actuarial Standards Board (ASB) is responsible for determining which actuarial activities are the best representations of generally accepted actuarial principles, and is also responsible for issuing guidance in the form of Actuarial Standards of Practice (ASOPs) to help actuaries in various practice areas deliver results and recommendations that are consistent with those representations. Generally speaking, ASOPs identify what the actuary should consider, document, and disclose when performing actuarial assignments.

The experience study and related measurements of benefit obligations for the plan are subject to the "coordinated guidance" provided in various ASOPs, including but not limited to:

- ASOP No. 4, *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*, which ties together the standards shown below, provides guidance on actuarial cost methods, and addresses overall considerations for measuring pension obligations and determining plan costs or contributions

- ASOP No. 23, *Data Quality*

- ASOP No. 25, *Credibility Procedures*

- ASOP No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*

- ASOP No. 35, *Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations*

- ASOP No. 44, *Selection and Use of Asset Valuation Methods for Pension Valuations*

- ASOP No. 51, *Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions*

- ASOP No. 56, *Modeling*

This report refers to ASOPs by number (e.g. ASOP No. 4) throughout. It is important to keep in mind that this experience study report only reflects the guidance provided in the final releases of the above-mentioned ASOPs issued by the ASB on or before the date of this report. The results provided in this report reflect the requirements of, and are consistent with, the applicable above-mentioned Actuarial Standards of Practice. When applicable, details from the relevant ASOP will be provided in the report section associated with a particular analysis or topic.

EXPERIENCE REVIEW SUMMARY

Below is a summary of our key findings and suggested changes for your consideration. The remainder of the document provides details of our analysis, documents our suggestions, and determines the estimated corresponding actuarial impact.

- Amortization Method – We recommend amortizing future amortization bases over 15 years and consolidating all existing bases into a single amortization layer with a 13.58- year period. The impact of assumption changes discussed in this report reflects this change.

- Investment Return – Based on the plan's asset allocation and long-term expected rates of investment return by asset class provided by the plan's investment advisor, we feel the long-term investment return assumption is currently supported and do not recommend any change to the assumed rate. In the summary section of this report, we have illustrated the impact of lowering the investment return assumption from 7.70% to 7.50% or 7.25% per year, for informational purposes.

- Salary Increases – We recommend changing the assumed rates to be 20% for those with less than 1 year of service, 9% for those with 1 year of service, 6% for those with 2 years of service, 4.75 for those with 3-9 years of service and 4.50% for those with 10 or more years of service , based on experience observed during the period.

- Payroll Growth Rate – We recommend a 0% payroll growth assumption for amortization of all components of the UAAL.

- Mortality Rates – Chapter 2015-157, Laws of Florida, mandates the Board to employ the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System (FRS). The valuation mortality assumption is already aligned with the July 1, 2020 FRS actuarial valuation, including appropriate risk and collar adjustments based on plan demographics. Additionally, the July 1, 2021 actuarial valuation report was not yet available at the time this report was prepared; as a result, no adjustment applies to this assumption at this time.

- Retirement Rates – We recommend adjustments to normal retirement rates, generally lower than previously assumed; while no changes in the early retirement rates at this time.

- Withdrawal Rates – We recommend adjustments to the assumed rates of withdrawal, resulting in generally less withdrawals than previously assumed for members with service less than 15 years.

- Disability Rates – We do not recommend changing the disability rates at this time.

REVIEW OF SELECT VALUATION METHODS

In this section, we have evaluated select valuation methods as follows:

- ❖ Amortization Method

Amortization Method

The plan's Unfunded Actuarial Accrued Liability (UAAL) is currently being funded in such a manner that each new layer of UAAL from any source (actuarial gains/losses, assumption changes, benefit changes) is created with the following amortization periods:

Experience: 10 Years.
Assumption/Method Changes: 20 Years.
Benefit Changes: 30 Years.

We believe that this amortization method results in a significant amount of interest payments on the UAAL that could be reduced if the plan were using shorter amortization periods. Below is an excerpt from the actuarial valuation which illustrates the current existing UAAL layers and their respective amortization payments.

Type of Base	Date Established	Years Remaining	10/1/2020 Amount	Amortization Amount
	10/1/1991	1	66,567	66,567
	10/1/1995	5	323,165	71,447
	10/1/2001	11	452,977	52,560
Method Change	10/1/2004	14	1,483,777	144,929
Prior Losses	10/1/2004	8	1,118,601	166,251
Actuarial Loss	10/1/2005	8	395,188	58,734
Actuarial Gain	10/1/2006	8	(675,581)	(100,407)
Actuarial Gain	10/1/2007	8	(375,695)	(55,837)
Benefit Change	10/1/2007	17	893,870	76,885
Method Change	10/1/2008	8	290,808	43,221
Actuarial Loss	10/1/2009	19	1,434,482	115,319
Actuarial Loss	10/1/2010	20	402,693	31,422
Assump. Change	10/1/2010	20	311,257	24,287
Actuarial Loss	10/1/2011	21	1,361,552	103,359
Actuarial Loss	10/1/2012	22	500,273	37,023
Actuarial Gain	10/1/2013	23	(269,354)	(19,469)
Software Change	10/1/2013	23	(1,126,932)	(81,455)
Benefit Change	10/1/2013	23	(5,534)	(400)
Actuarial Loss	10/1/2014	24	52,710	3,727
Actuarial Gain	10/1/2015	25	(687,130)	(47,611)
Actuarial Loss	10/1/2016	6	40,369	8,034
Assump. Change	10/1/2016	16	688,437	70,838
State Reserve credit	10/1/2016	16	(2,669)	(275)
Actuarial Gain	10/1/2017	7	(59,663)	(10,531)
State Reserve credit	10/1/2017	17	(2,556)	(255)
Assump. Change	10/1/2017	17	326,999	32,623
Actuarial Gain	10/1/2018	8	(20,589)	(3,289)
Assump. Change	10/1/2018	18	298,350	28,946
Chapter 2019-21	10/1/2018	28	(1,939)	(158)
Actuarial Gain	10/1/2019	9	(297,958)	(43,736)
Assump Change	10/1/2019	19	342,668	32,418
Actuarial Loss	10/1/2020	10	311,054	42,461
Assump Change	10/1/2020	20	(240,766)	(22,263)
			7,329,431	825,365

The table below shows the projected UAAL and UAAL amortization payment for the next 28 years for each of the existing bases. This will produce a somewhat volatile stream of payments.

Current Projected UAAL Balance and Amortization Payment

Year	Balance	Payment
2020	7,329,431	825,365
2021	7,004,881	773,151
2022	6,711,575	787,833
2023	6,379,870	802,852
2024	6,006,449	818,221
2025	5,587,721	753,894
2026	5,206,032	760,093
2027	4,788,275	785,175
2028	4,311,341	669,079
2029	3,922,717	724,976
2030	3,443,968	694,941
2031	2,960,702	640,166
2032	2,499,215	651,627
2033	1,989,852	663,348
2034	1,428,646	476,089
2035	1,025,902	483,768
2036	583,878	421,081
2037	175,333	283,588
2038	(116,591)	260,249
2039	(405,857)	55,970
2040	(497,389)	(7,770)
2041	(527,320)	(174,594)
2042	(379,886)	(239,619)
2043	(151,067)	(74,242)
2044	(82,740)	(82,294)
2045	(480)	(158)
2046	(347)	(158)
2047	(204)	(204)
2048	0	0

* Please note that under current law, the City may not be allowed to reduce their funding requirements by the amounts shown that are negative.

Occasionally, Boards consolidate all of the bases into one base, or “fresh start” the UAAL, which is essentially refinancing your total UAAL. If the Board decided to consolidate the bases into one base with a 13.58-year amortization, then the payment stream would be much more level over the 13.58-year period as shown on the next page.

Further, based on guidance from the “Actuarial Funding Policies and Practices for Public Pension Plans” as developed by the Conference of Consulting Actuaries Public Plans Community (CCA PPC), we believe that the current amortization methodology should be amended in a manner that will avoid the possibility of deferring too much cost to the future. The report published by the CCA PPC concluded that amortizing experience gains and losses over a period of less than 15 years contributes to volatility in the City’s contribution requirements and that the ideal amortization period would be 15-20 years. Additionally, the report states that benefit changes should be amortized over a period no greater than 15 years. This would avoid deferring too much cost to future generations of taxpayers.

If the Board consolidates the bases, then our recommendation would be that all future bases of any type (benefit changes, assumption or method changes, and actuarial gains and losses) be amortized over 15 years instead of the current 10/20/30 year structure. We believe this will achieve the goal of maintaining stable and predictable funding, without deferring too much cost to the future.

Below, we have included a table which illustrates the projected UAAL and amortization for the consolidated base of UAAL under the proposed 13.58-year period.

Projected UAAL Balance and Amortization Payment
With Consolidated Base (Level Dollar)

Year	Balance	Payment
2020	7,329,431	825,365
2021	7,004,879	825,365
2022	6,655,337	825,365
2023	6,278,880	825,365
2024	5,873,436	825,365
2025	5,436,773	825,365
2026	4,966,487	825,365
2027	4,459,989	825,365
2028	3,914,490	825,365
2029	3,326,988	825,365
2030	2,694,248	825,365
2031	2,012,787	825,365
2032	1,278,854	825,365
2033	488,408	488,408
2034	0	

The balance of this report was determined assuming that the above recommended change to the UAAL amortization method will be approved. Therefore, the increase or decrease in the UAAL resulting from each of the proposed assumption changes discussed throughout the remainder of this report were amortized as a level dollar over a 15-year period.

Please note that there is no initial funding impact associated with consolidate existing layers of UAAL.

REVIEW OF ECONOMIC ASSUMPTIONS

ASOP No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*, provides guidance to actuaries in selecting (including giving advice on selecting) economic assumptions – primarily investment return, discount rate, post-retirement benefit increases, inflation, and compensation increases – for measuring obligations under defined benefit pension plans.

Throughout the remainder of this section, we have used the standards set forth in ASOP No. 27 as a guideline for reviewing and if applicable, selecting recommended changes to the following economic actuarial assumptions and methods:

- Investment Return
- Salary Increases
- Payroll Growth Rate

Please keep in mind that ASOP No. 27 (and ASOP No. 35) recognizes a range of reasonable assumptions and states "the actuary should recognize the uncertain nature of the items for which assumptions are selected and, as a result, may consider several different assumptions reasonable for a given measurement. The actuary should also recognize that different actuaries will apply different professional judgment and may choose different reasonable assumptions. As a result, a range of reasonable assumptions may develop both for an individual actuary and across actuarial practice."

Investment Return

The investment return assumption is critical in the actuarial valuation since it determines the portion of assets that will come from investment income rather than contributions from the plan sponsor and its participants. The investment return assumption should be determined based on the long-term rate of return (net of investment-related fees) the plan expects to earn over the life of the plan. The assumed rate of investment return is currently 7.70% per year compounded annually, net of investment-related expenses.

We believe that the decision to modify the investment return assumption shall be made based upon input from your investment professionals, reflecting any significant changes to the asset allocation, and their judgment of capital market returns. Keep in mind, however, that this assumption should reflect the best estimate of investment returns expected to be realized until the last participant in the plan dies, which could be 50+ years from now.

ASOP No. 27 provides that in developing a reasonable assumption, the actuary may consider a broad range of data and other inputs, including the judgment of investment professionals. The data that may be considered includes: current yields to maturity of fixed income securities; forecasts of inflation, GDP growth, and total returns for each asset class; historical and current investment data (including real and nominal returns); the inflation and inflation risk components implicit in the yield of inflation-protected securities; dividend yields, earnings yields, real estate capitalization rates; and historical plan performance.

For purposes of reviewing the investment return assumption, a building block approach is often used, whereby the actuary determines the weighted average expected real rate of return for the plan's target investment portfolio and then adjusts for inflation and expenses not reflected in the real rates of return. Foster & Foster is an actuarial firm, and we do not have the required expertise to produce our own capital market assumptions. For this reason, ASOP No. 27 addresses that the actuary will often collect capital market assumptions from external sources in order to determine the forward-looking expected arithmetic and/or geometric returns. The capital market assumptions can be broadly classified into the following categories: expected returns by asset class; standard deviation by asset class; and correlation coefficients between asset classes.

ASOP No. 27 states "to determine the forward-looking expected geometric return for an entire portfolio, the actuary should take the weighted average of the forward-looking expected arithmetic return for each of the asset classes and adjust such determination to reflect the variance of the entire portfolio…in general, a forward-looking expected geometric return for an asset class can be approximated by taking the forward-looking expected arithmetic return and subtracting one-half of the variance of the asset class". Below, we have employed this technique in order to review the current investment return assumption used in actuarial valuations.

Capital Market Assumptions – Board Investment Advisor

In order to complete the GASB 67/68 disclosures each year, the Board's investment advisor provides our firm with a broad target asset allocation (based on guidance from GASB) along with their corresponding forward-looking expected arithmetic returns by asset class. Below is the excerpt from the most recent GASB 67/68 disclosures, based on a September 30, 2020 measurement date.

Asset Class	(1) Target Allocation	(2) Expected Arithmetic Return by Asset Class (Long-Term)	(3) = (1) x (2) Expected Portfolio Arithmetic Return (Long-Term)
Domestic Equity	50.00%	7.50%	3.75%
International Equity	15.00%	8.50%	1.28%
Broad Market Fixed Income	15.00%	2.50%	0.38%
Global Fixed Income	5.00%	3.50%	0.18%
Real Estate	10.00%	4.50%	0.45%
GTAA	5.00%	3.50%	0.18%
Total Real	100.00%		6.22%
Assumed Inflation			2.50%
Total Nominal			8.72%

As noted above, the expected long-term geometric return can be approximated by subtracting one-half of the variance (volatility). Since GASB does not require inclusion of the expected risk by asset class, we are not able to determine the portfolio variance without requesting additional information from the investment advisor. However, you can see that the expected long-term arithmetic return of 8.72% is 1.02% greater than the current investment return of assumption of 7.70%, leaving room for portfolio variance of around 2.04%.

Based on the relevant data discussed in this section, we believe that the current 7.70% investment return assumption is reasonable and do not recommend any change at this time. However, it should be noted that many plans across the State are considering lower their investment return assumption. In the summary section of this report, we have illustrated the impact of lowering the investment return assumption from 7.70% to 7.50% or 7.25% per year, for informational purposes.

Salary Increases

The salary increase assumption is used to project a participant's compensation while actively employed, from the valuation date until the assumed retirement age. This allows the actuary to estimate the pension benefit the member will be entitled to at retirement. Generally, a participant's compensation will increase over the long term in accordance with inflation, productivity growth, and merit adjustments. Currently, the valuation utilizes a service-based salary scale assumption.

Please see the chart below. Based on this experience, we recommend amending the assumed rates of salary increases to better align with actual plan experience.

Service	Count	Salary (Prior Year)	Actual Salary	Expected Salary	Actual Increase	Expected Increase	Proposed Increase
<1	47	1,734,579	2,107,209	1,908,037	21.48%	10.00%	20.00%
1	48	2,133,616	2,328,290	2,325,641	9.12%	9.00%	9.00%
2	38	1,839,723	1,944,189	2,005,298	5.68%	9.00%	6.00%
3	28	1,405,801	1,467,903	1,476,091	4.42%	5.00%	4.75%
4	27	1,441,479	1,518,750	1,513,553	5.36%	5.00%	4.75%
5-9	144	8,352,727	8,735,662	8,770,363	4.58%	5.00%	4.75%
10+	218	15,941,434	16,679,738	16,658,799	4.63%	4.50%	4.50%
<Total>	550	32,849,359	34,781,741	34,657,782	5.88%	5.51%	5.78%

The impact of only the recommended changes to the salary increase assumption is a decrease in the funding requirements and UAAL.

Salary Increases	Required City/State Contribution	Increase / (Decrease)	UAAL	Funded Ratio
Current	31.03%		7,329,431	80.1%
Proposed	30.93%	-0.10%	7,297,543	80.2%

Payroll Growth

For purposes of amortizing the Unfunded Actuarial Accrued Liability (UAAL), Florida Statutes Chapter 112, Part VII, permits the use of a payroll growth assumption that does not exceed the average annual payroll growth over the past 10 years. Currently the payroll growth assumption is 2.30% for UAAL bases prior to October 1, 2016. Not using a payroll growth assumption results in a higher principal payment towards the UAAL in the first few years of amortization. For discussion purposes, the funding requirements reflecting no payroll growth assumption are shown below.

Payroll Growth Increases	Required City/State Contribution	Increase / (Decrease)	UAAL	Funded Ratio
Current	31.03%		7,329,431	80.1%
Proposed	32.76%	1.73%	7,329,431	80.1%

Note that the impact of reducing the Payroll growth to zero will be diminished if the plan consolidates all the existing bases.

REVIEW OF DEMOGRAPHIC ASSUMPTIONS

ASOP No. 35, *Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations*, provides guidance to actuaries in selecting (including giving advice on selecting) demographic and other noneconomic assumptions for measuring obligations under defined benefit pension plans.

Throughout the remainder of this section, we have used the standards set forth in ASOP No. 35 as a guideline for reviewing and if applicable, selecting recommended changes to the following demographic and other noneconomic actuarial assumptions:

- Retirement Rates
- Withdrawal Rates
- Disability Rates

Generally, demographic assumptions are based on actual plan experience with additional consideration for current trends. ASOP No. 35 states “the actuary should use professional judgment to estimate possible future outcomes based on past experience and future expectations and select assumptions based upon application of that professional judgment. For any given measurement, the actuary will typically be able to identify two or more reasonable assumptions for the same contingency.”

Demographic trends generally remain consistent over time, absent significant changes in plan provisions. Therefore, the best true indicator of future experience is past experience. For each assumption, this analysis compares actual experience for the studied time period to the current assumptions used for purposes of the actuarial valuations. Note that actuarial assumptions reflect average experience over long periods of time. A change in actuarial assumptions generally occurs when experience over a period of years indicates a consistent pattern.

Retirement Rates - Early

A retirement rate is the associated probability at a specific point in time that a participant will retire, given that they have attained the eligibility requirements for retirement. The associated cost due to retirement experience is determined by the age at which participants retire (or enter DROP). The current eligibility requirement for Early Retirement is attainment of age 50 and completion of 6 years of service.

It is assumed that members will retire Early at a rate of 10.00% per year prior to Normal Retirement. Over the ten-year period, there were only 3 Early Retirements out of 38 exposures. Below is a table of the approximate age and service of each of the actual Early Retirements over the last 10 years. Given this experience, there is not enough evidence to change the early retirement assumption at this time.

Early Retirement

Retiree	Approximate Age at Retirement	Approximate Service at Retirement	Retirement
J	54	19	Early
K	52	20	Early
L	54	7	Early

Retirement Rates - Normal

The current eligibility requirements for Normal Retirement are the earlier of: 1) age 55 and 6 years of Credited Service, or 2) 25 years of Credited Service, regardless of age. Currently, the valuation uses the following assumed rate for normal retirement:

Number of Years Eligible for Normal Retirement	Probability of Retirement
0	50%
1	50%
2+	100%

Below is a table of the approximate age and service of each of the actual Normal Retirements during this ten-year study period.

Normal Retirement (More than 25 Years of Service; Or 55+ Years of Age and Completion 6 years of Service)

Retiree	Approximate Age at Retirement	Approximate Service at Retirement	Retirement	Years After First Eligibility
A	55	11	Normal	0
B	62	15	Normal	7
C	52	26	Normal	1
D	53	25	Normal	0
E	53	26	Normal	1
F	60	9	Normal	3
G	47	25	Normal	0
H	53	25	Normal	0
I	55	15	Normal	0

As you can see from the data; most of the time, when Firefighters or Policeman first become eligible for Normal Retirement, they do retire or enter the DROP immediately; if not, they retired within one year past the Normal Retirement eligibility. The only two exception were Retiree B and F who were hired at an older age. Based on this observation, we recommended changing the Normal Retirement Assumption to the followings:

Number of Years Eligible for Normal Retirement	Probability of Retirement
0	70%
1+	100%

As you can see, the recommended changes result in generally higher rates of normal retirement, while no changes in early retirement rates. This results in an earlier assumed retirement age and a shorten period of time to fund future benefit accruals, thereby increasing current costs, as shown below.

Retirement Rates	Required City/State Contribution	Increase / (Decrease)	UAAL	Funded Ratio
Current	31.03%		7,329,431	80.1%
Proposed	31.41%	0.38%	7,439,985	79.9%

Withdrawal Rates

The withdrawal rate, or termination rate, is the probability that a participant will separate employment from a cause other than disability, death, or retirement. Currently, the valuation uses a service-based table.

Overall, the actual incidence of termination was less than expected in total. Based on the experience since 2010, we recommend adjustments to the rates as shown below.

Withdrawal Rates

Service	Count	Actual	Expected	Actual Rate	Expected Rate	Proposed Rate
<1	52	7	7.3	13.5%	14.0%	13.0%
1	50	5	7.0	10.0%	14.0%	13.0%
2	41	6	5.3	14.6%	13.0%	13.0%
3	30	4	3.6	13.3%	12.0%	13.0%
4	27	2	2.7	7.4%	10.0%	8.0%
5-9	143	1	5.7	0.7%	4.0%	2.5%
10-14	109	3	3.8	2.8%	3.5%	2.5%
15+	72	1	0.0	1.4%	0.0%	0.0%
<Total>	524	29	35.5	5.5%	6.8%	5.9%

The recommended changes have the effect of decreasing the overall assumed rates of termination (albeit with an increase for those with 3 years of service). The aggregate effect is an increase to the City's contribution requirement, as shown below.

Withdrawal Rates	Required City/State Contribution	Increase / (Decrease)	UAAL	Funded Ratio
Current	31.03%		7,329,431	80.1%
Proposed	31.71%	0.68%	7,179,740	80.4%

Disability Rates

The disability rate assumption is the probability that a member will become disabled while an active participant in the plan. Currently, the valuation utilizes an age-based table with relatively low expected probabilities. Over the past ten years, the plan expected 1.04 disabilities and there were two disabilities during that time. Given this experience, we do not propose changing the disability rate assumption at this time.

SUMMARY

As stated throughout the content of this report, we have recommended the Board consider several changes to the actuarial assumptions utilized for purposes of completing the annual valuations. It is our belief that these changes reflect sound actuarial principles, are in compliance with the Actuarial Standards of Practice, are our best estimate of anticipated future experience, and will assist in achieving the objective of developing costs that are stable and predictable. Below, we have provided a summary of the estimated actuarial impact for the discussed changes. Please note we have also included the impact of lowering the investment return assumption to 7.50% or 7.25% per year, for informational purposes.

Change	Assumption	Increase/(Decrease) Required City/State Contribution	Increase/(Decrease) UAAL	Funded Ratio
	Current			80.1%
(1)	7.50% Investment Return	2.46%	768,956	78.5%
(2)	7.25% Investment Return	5.61%	1,767,949	76.4%
(3)	Salary Increases	-0.10%	(31,888)	80.2%
(4)	Retirement Rates	0.38%	110,554	79.9%
(5)	Withdrawal Rates	0.68%	(149,691)	80.4%
(6)	Combination (7.70%)	0.98%	(62,277)	80.2%
(7)	Combination (7.50%)	3.45%	694,709	78.6%
(8)	Combination (7.25%)	6.61%	1,678,418	76.6%

AndCo
531 W. Morse Blvd
Suite 200
Winter Park, FL 32789

Date	Invoice #
6/30/2021	38381

Bill To:
City of Fernandina Beach Police & Firefighters' Pension Plan

Description	Amount
Consulting Services and Performance Evaluation, Billed Quarterly (April, 2021)	1,875.00
Consulting Services and Performance Evaluation, Billed Quarterly (May, 2021)	1,875.00
Consulting Services and Performance Evaluation, Billed Quarterly (June, 2021)	1,875.00

It is our pleasure to provide 100% independent investment consulting ALWAYS putting clients first!

Balance Due **$5,625.00**

SUGARMAN & SUSSKIND
PROFESSIONAL ASSOCIATION
ATTORNEYS AT LAW

Robert A. Sugarman
Howard S. Susskind
Kenneth R. Harrison, Sr.
D. Marcus Braswell, Jr.
Pedro A. Herrera
David E. Robinson

100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
(305) 529-2801
Broward 763-2566
Toll Free 1-800-329-2122
Facsimile (305) 447-8115

June 9, 2021

Fernandina Beach Firefighters' & Police Officers' Pension
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

CURRENT FEES:	2,210.00
CURRENT COSTS:	0.00
PREVIOUS BALANCE:	1,445.00
PAYMENTS RECEIVED:	1,445.00-#101000696107503

TOTAL AMOUNT DUE:	2,210.00

SUGARMAN & SUSSKIND
100 Miracle Mile
Suite 300
Coral Gables, Florida 33134
Telephone: 305-529-2801
Fax: 305-447-8115
www.sugarmansusskind.com

Fernandina Beach Firefighters' & Police Officers' Pension
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

June 7, 2021
Invoice # 159725

Client:Matter CD-FBFP:MEET

In Reference To: Meeting

Professional Services

		Hrs/Rate	Amount
5/13/2021	Attend meeting. Prepare for meeting.	2.60 $425.00/hr	$1,105.00
	For professional services rendered	2.60	$1,105.00
	Previous balance		$510.00
5/10/2021	Payment - Thank You. Trace #101000696107503		($510.00)
	Total payments and adjustments		($510.00)
	Balance due		$1,105.00

Client:Matter CD-FBFP:MISC

In Reference To: Miscellaneous

Professional Services

		Hrs/Rate	Amount
5/25/2021	Email to Trustee regarding Board of Trustee composition and legal basis for such.	0.40 $425.00/hr	$170.00

	Hours	Amount
For professional services rendered	0.40	$170.00
Balance due		$170.00

Client:Matter CD-FBFP:RSPD

In Reference To: Summary Plan Description

Professional Services

		Hrs/Rate	Amount
5/4/2021	Receipt and review of revised SPD. Telephone conference with Trustee regarding same.	1.40 $425.00/hr	$595.00
5/18/2021	Review and edit SPD.	0.80 $425.00/hr	$340.00
	For professional services rendered	2.20	$935.00
	Previous balance		$935.00
5/10/2021	Payment - Thank You Trace #101000696107503		($935.00)
	Total payments and adjustments		($935.00)
	Balance due		$935.00

SUGARMAN & SUSSKIND

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Toll Free 1-800-329-2122
Facsimile (305) 447-8115

July 15, 2021

Fernandina Beach Firefighters' & Police Officers' Pension
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

CURRENT FEES:	1,190.00
CURRENT COSTS:	0.00
PREVIOUS BALANCE:	2,210.00
PAYMENTS RECEIVED:	2,210.00-#101000693125674

TOTAL AMOUNT DUE:	1,190.00

SUGARMAN & SUSSKIND

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Suite 300
Coral Gables, Florida 33134
Telephone: 305-529-2801
Fax: 305-447-8115
www.sugarmansusskind.com

Fernandina Beach Firefighters' & Police Officers' Pension
Attn: Ms. Teresa Bryan
204 Ash Street
Fernandina Beach, FL 32034

July 15, 2021

Invoice # 160554

Client:Matter CD-FBFP:MEET

In Reference To: Meeting

Professional Services

		Hrs/Rate	Amount
6/17/2021	Attend meeting.	2.00 $425.00/hr	$850.00
	For professional services rendered	2.00	$850.00
	Previous balance		$1,105.00
6/23/2021	Payment - Thank You Trace #101000693125674		($1,105.00)
	Total payments and adjustments		($1,105.00)
	Balance due		$850.00

Client:Matter CD-FBFP:MISC

In Reference To: Miscellaneous

		Amount
	Previous balance	$170.00
6/23/2021	Payment - Thank You Trace #101000693125674	($170.00)
	Total payments and adjustments	($170.00)

	Amount
Balance due	$0.00

Client:Matter CD-FBFP:RSPD

In Reference To: Summary Plan Description

Professional Services

		Hrs/Rate	Amount
6/18/2021	Receipt and review of SPD revisions. Review and edit SPD.	0.80 $425.00/hr	$340.00
	For professional services rendered	0.80	$340.00
	Previous balance		$935.00
6/23/2021	Payment - Thank You Trace #101000693125674		($935.00)
	Total payments and adjustments		($935.00)
	Balance due		$340.00

Highland Capital
MANAGEMENT, LLC

July 2, 2021

Invoice Number: 28163

MANAGEMENT FEE: FERNANDINA BEACH POLICE & FIRE PENSION

6/30/2021 Portfolio Value:			$ 9,020,862.84
Quarterly Fee Based On:			
$ 9,020,863 @ 0.50% per annum	$ 11,276.08		
$ 0 @ 0.375% per annum	$ 0.00		
Quarterly Fee:			$ 11,276.08
For the Period 4/1/2021 through 6/30/2021			
		Paid by Debit Direct	($ 0.00)
		Please Remit	$ 11,276.08

Account	Account Value	Quarterly Fee
(fernpf01) FERNANDINA BEACH POLICE & FIRE PENSION VALUE	$ 6,293,482.82	$ 7,866.86
(fernapf4) FERNANDINA BEACH POLICE & FIRE PENSION-ADR	$ 2,727,380.02	$ 3,409.22
Total	$ 9,020,862.84	$ 11,276.08

Mailing Check:

Highland Capital Management, LLC

6075 Poplar Ave, Suite 703

Memphis, TN 38119

Wiring Instructions:

Contact: srunyan@highlandcap.com

*****Note new checking account number*******

7/09/2021

INVOICE
#14510

INVOICE FOR PAYMENT

Ms. Teresa Bryan
City of Fernandina Beach General Employees' Pension Plan
204 Ash Street
Fernandina Beach, FL 32034

COPY SENT TO

Amed Avila

Fernandina Police and Firefighters' Pension Plan

Per Our Investment Management Agreement, the fees to Agincourt Capital Management in payment for investment services rendered from 4/1/2021 - 6/30/2021

MONTHLY MARKET VALUE

FPF - Fernandina Police and Firefighters' Pension Plan \ 450079840	6/30/2021	$6,412,819.00

$6,412,819.00	x	0.2500 %	=	$16,032.05

Total Annual Fee	**$16,032.05**
Total Quarterly Fee Due	**$4,008.01**

Please make payment to Agincourt Capital Management, within 30 days:

IF BY ACH
Branch Banking Trust (BBT) 901 East Byrd Street, Richmond, VA 23219
ABA# 021052053 | Account# 72169911 | FBO: Agincourt Capital Management

IF BY WIRE
Previous wire instructions are valid. Please send wire to account ending with #1778. If you need instructions, please call 804-915-1308.

IF BY CHECK
Agincourt Capital Management, LLC
ATTN: Elsie Rose
200 South 10th Street, Suite 800
Richmond, VA 23219

Agincourt's Federal Tax ID: 54-1947440

Please let us know if you would like a copy of our latest SEC Form ADV Part 2, our Code of Ethics or our Privacy Statement.

Fiduciary Trust International

Quarterly Fees for quarter ending June 30, 2021

Police and Fire:		
Account#	**Fee Period**	**Amount**
450079800.1	04/01/2021-06/30/2021	$2,105.25
450079820.1	04/01/2021-06/30/2021	$865.56
450079830.1	04/01/2021-06/30/2021	$375.02
450079840.1	04/01/2021-06/30/2021	$877.47
Total		**$4,223.30**

City of Fernandina Beach Police Officers' & Firefighters' Pension Plan
Account No. 1322

For the Quarter Ended June 30, 2021

	Date	Transaction	Unit Value	Units	Total
Beginning Net Asset Value	**03/31/21**		**$ 123,724.1037**	**22.0081**	**$ 2,722,930.45**
Contributions	-	$ -	-	-	-
Redemptions	-	-	-	-	-
Net Income Before Fees		26,317.36			26,317.36
Distributions Declared	06/30/21	27,229.31			
Asset Management Fees		(7,779.70)			(7,779.70)
Available for Reinvestment/Distribution		19,449.61			(19,449.61)
Amount Reinvested	06/30/21	19,449.61	127,473.3834	0.1526	19,449.61
Distribution Payable		-			
Unrealized Gain/(Loss)		40,803.87			40,803.87
Realized Gain/(Loss)		$ 42,622.53			42,622.53
Ending Net Asset Value	**06/30/21**		**$ 127,473.3834**	**22.1607**	**$ 2,824,894.51**

Total Number of Units	22.1607
Current Unit Value	$ 127,473.3834
Percentage Interest in the Fund	0.05%

Performance History

Gross of Fees	2Q2021	Year-to-Date	One-Year	Three-Year*	Five-Year*	Ten-Year*	Since Inception*
Income Return	0.97%	1.98%	3.95%	3.90%	3.91%	n/a	4.23%
Appreciation Return	3.06%	3.95%	3.28%	2.07%	2.75%	n/a	4.23%
Total Return	**4.03%**	**5.97%**	**7.33%**	**6.03%**	**6.74%**	**n/a**	**8.58%**

Net of Fees	2Q2021	Year-to-Date	One-Year	Three-Year*	Five-Year*	Ten-Year*	Since Inception*
Income Return	0.68%	1.41%	2.80%	2.76%	2.77%	n/a	3.07%
Appreciation Return	3.06%	3.95%	3.28%	2.07%	2.75%	n/a	4.23%
Total Return	**3.74%**	**5.39%**	**6.15%**	**4.87%**	**5.57%**	**n/a**	**7.39%**

Inception Date: January 2, 2014

Performance Disclaimer:
The returns above for the Investor's investment in the ARA Core Property Fund include leveraged returns before (gross) and after (net) the deduction of investment management fees and may include the reinvestment of some income. The sum of annualized component returns may not equal the total return due to the chain-linking of quarterly returns. American Realty Advisors will supplement this performance information with the distribution of the Fund's full quarterly report within 45 days following the close of the quarter. Past performance is not a guarantee of future results and it is important to understand that investments of the type made by the Fund pose the potential for loss of capital over any time period. Many factors affect fund performance including changes in market conditions and interest rates in response to other economic, political, or financial developments including the impact from the COVID-19 outbreak. Please refer to the Risk Factors in the Fund's offering memorandum. Investment returns, and the principal value of any investment will fluctuate, so that when an investment is sold, the amount received could be less than what was originally invested. Use of leverage may create additional risks.

*Annualized; Since Inception returns are not reported for periods less than one year.
Returns are not reported on accounts invested less than a full period.

AMERICAN REALTY ADVISORS
INSTITUTIONAL CAPITAL MANAGEMENT

515 S. Flower St.
49th Floor
Los Angeles, CA 90071
213.233.5700

www.aracapital.com

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

Invoice

Date	Invoice #
7/27/2021	20713

Bill To
City of Fernandina Beach Firefighters' & Police Officers' Pension Plan 204 Ash Street Fernandina Beach, FL 32034

Phone: (239) 433-5500
Fax: (239) 481-0634
Email: AP@foster-foster.com
Website: www.foster-foster.com

City of Fernandina Beach Firefighters' and Police Officers' Pension Plan

Terms	Due Date
Net 30	8/26/2021

Description	Amount
Preparation of the 2020 Chapter 112.664 compliance disclosure	3,000.00
Preparation of Exhibit 'B' for attachment to the required Summary Plan Description	125.00
Special experience study and letter report	8,500.00

Thank you for your business!

Most preferred method of payment is an ACH deposit:
• Account Title: Foster & Foster, Inc.
• Account Number: 6100000360
• Routing Number: 063114661
• Bank Name: Cogent Bank

For payment via a mailed check, please remit to:
Foster & Foster, Inc.
13420 Parker Commons Blvd, Suite 104
Fort Myers, FL 33912

Balance Due $11,625.00

CITY OF FERNANDINA BEACH
Finance Department

Pauline Testagrose
Comptroller

July 27, 2021

Fiduciary Trust International
Attn: Pension Payroll
100 Fountain Pkwy – Bldg 160/2nd Floor
St. Petersburg, FL 33716

Subject: City of Fernandina Beach Police/Fire Employees
Pension Plan Account Number 450079800

Dear Pension Payroll:

The following employee has terminated their employment with the City. They are not vested in the Pension Plan, and have requested a refund of their contributions that have been deposited in the above referenced Plan. Please see the ACH attached.

Travis Hargrove

Name:	Travis Hargrove
Social Security Number:	
Date of Birth	
Date of Hire	December 16, 2016
Date of Release	February 20, 2021
Pre-Tax Portion	$15,307.82
Total Refund	$15,307.82

A lump sum distribution form has been signed by the employee and a copy is enclosed for your records. Please notify us when payment has been made. If additional information is needed please let me know. Thank you for your assistance in the above matter.

Sincerely,

Pauline Testagrose
Comptroller

Enclosure(s)
cc: Personnel File (w/enclosure)

CITY OF FERNANDINA BEACH
Finance Department

Pauline Testagrose
Comptroller

July 28, 2021

Fiduciary Trust International
Attn: Pension Payroll
100 Fountain Pkwy – Bldg 160/2nd Floor
St. Petersburg, FL 33716

Subject: City of Fernandina Beach Police/Fire Employees
Pension Plan Account Number 450079800

Dear Pension Payroll:

The following employee has terminated their employment with the City. They are not vested in the Pension Plan, and have requested a refund of their contributions that have been deposited in the above referenced Plan. Please see the ACH attached.

Mark A. Garrard

Name:	Mark A. Garrard
Social Security Number:	
Date of Birth	
Date of Hire	May 1, 2017
Date of Release	June 8, 2021
Pre-Tax Portion	$13,160.63
Total Refund	$13,160.63

A lump sum distribution form has been signed by the employee and a copy is enclosed for your records. Please notify us when payment has been made. If additional information is needed please let me know. Thank you for your assistance in the above matter.

Sincerely,

Pauline Testagrose
Comptroller

Enclosure(s)
cc: Personnel File (w/enclosure)

Teresa Bryan

From: Bill Baughn
Sent: Thursday, June 17, 2021 10:41 AM
To: Teresa Bryan
Cc: Ty Silcox; Kaleigh Simmons
Subject: DROP

Teresa,
Today marks my 25th anniversary and I am officially requesting to enter the DROP on July 1st, 2021. Let me know if you need anything further from me. Thank you.

Bill Baughn
Captain/Paramedic
City of Fernandina Beach
516 South 10th Street, Suite 118
Fernandina Beach, FL 32034
(904) 277-7331 | bbaugh@fbfl.org
www.fbfl.us

CITY OF FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION PLAN

SUMMARY PLAN DESCRIPTION

~~February 11, 2021ISSUE DATE~~May 13, 2021

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 FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION PLAN

SUMMARY PLAN DESCRIPTIONINTRODUCTION

The Board of Trustees of the City of Fernandina Beach Firefighters' and Police Officers' Pension Plan is pleased to present this booklet which briefly explains the provisions of your Firefighters and Police Officers' 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~~the Plan Sponsor Representative.~~ administrator~~. ~~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 for your retirement years.

The information presented is only a summary of the pension plan ("Plan") as provided in the ordinances of the City of Fernandina Beach. If there are any conflicts between the information in this booklet and the ordinances of the City of Fernandina Beach, the ordinances shall govern. The plan shall be administered in accordance with state and federal law, notwithstanding any provisions in this booklet or ordinances to the contrary. The provisions of this Summary Plan Description shall not constitute a contract between the Member and the Board of Trustees or the Plan. A copy of the ordinance establishing the Plan can be obtained from the City Clerk's office, which is located at 204 Ash Street, Fernandina Beach, Florida.

City of Fernandina Beach Firefighters' and Police Officers' Pension Plan

____

Chairman, Board of Trustees

Date: ____________________________

GENERAL INFORMATION ABOUT YOUR PLAN

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

Name of Plan

The City of Fernandina Beach Firefighters' and Police Officers' Pension Plan

Employers

City of Fernandina Beach, Florida

Plan Sponsor Representative~~Administrator~~

Teresa Bryan, PHR
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034
Telephone: (904) 310-3127
Email: tbryan@fbfl.org

Board of Trustees

The Plan is ~~administered~~ governed by a board of five trustees comprised of: two Plan participants elected by the Firefighter and Police Officer members (who may include a DROP participant); two trustees appointed by the Fernandina Beach City Commission who must be legal residents of the City; and a fifth trustee whoshall be elected by a majority of the other four trustees.

Designated Agent for Service of Legal Process

Chairperson of the Board of Trustees

Type of Administration

The Plan's Administrator is the Board of Trustees who are responsible for the overall administration of the Plan. It has discretionary authority to construe the terms of the Plan and make determinations on questions which may affect your eligibility for benefits. The Plan Administrator may also retain the services of attorneys, accountants, actuaries, investment advisors and other professionals.

Type of Plan

The Plan is a governmental defined benefit plan qualified under Section 401(a) of the Internal Revenue Code.

Plan Year

Each 12-month period beginning on October 1 and ending 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 62, Article IV, of the Code of Ordinances of the City of Fernandina Beach, as may be subsequently amended.

The most recent amendment to the Plan that is reflected in this Summary Plan Description is Ordinance No. 2020-07, adopted March 3, 2020.

Certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.) and Chapters 175 and 185, F.S., and the Internal Revenue Code and various federal laws alsogovern your Plan.

Relevant Provisions of Collective Bargaining Agreements:

Certain employees covered by the Plan are members of the following collective bargaining unit(s):

International Association of Fire Fighters, Local 2836

The current collective bargaining agreement between the IAFF unit and the City of Fernandina Beach was effective October 1, 2016 through September 30, 2021.

Coastal Florida Police Benevolent Association

The current collective bargaining agreement between the Coastal Florida PBA and the City of Fernandina Beach was effective October 1, 2019 through September 30, 2022.

Custodian:

The custodian of the Plan 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:

Fiduciary Trust

Financial Consultant:

John Thinnes
AndCo Consulting
4901 Vineland Road
Orlando, FL 32811
Telephone: (844) 442-6326

Investment Manager(s):

The investment managers are responsible for selecting the securities (stocks, bonds, etc.) to be bought and sold by the pension fund in accordance with guidelines established by the Board of Trustees.

Member

You are a Member of the Plan if you fulfill the prescribed eligibility requirements (see Eligibility and Credited Service section).

Firefighter

Means an actively employed full-time person, employed by the City, including hisor her initial probationary employment period, who is certified as a firefighter as a condition of employment in accordance with the provisions of Section 633.35, Florida Statutes, and whose duty it is to extinguish fires, to protect life and to protect property.

Police Officer

Means an actively employed full time person, employed by the City, including hisor her initial probationary employment period, who is certified as a police officer as a condition of employment in accordance with the provisions of Section 943.1395, Florida Statutes, who is vested with the authority to bear arms and make arrests, and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, traffic, or highway laws of the State of Florida.

Beneficiary

Your Beneficiary is each person designated to the Plan Administrator in writing by you to receive any payments that may become payable by the Plan upon your death. You should designate a Beneficiary when you become a Member of the Plan. From time to time, you should review your existing designation to ensure that it expresses your wishes. Prior to retirement you may change your designation at any time upon written notification to the Board. After retirement, you may change your designation up to two times upon written notification to theBoard. A change in your designation of beneficiary after retirement will require a recalculation and possible adjustment of your final benefit payments.

I. BOARD OF TRUSTEES AND PLAN ADMINISTRATION

A. Administration.

1. The City of Fernandina Beach Firefighters' and Police Officers' Pension Plan 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 Commission, 1 of whom is a Firefighter member who is elected by a majority of the Firefighters who are members of the Plan, 1 of whom is a Police Officer member who is elected by a majority of the Police Officers who are members of the Plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a two-year term.

2. DROP participants can be elected as Trustees, but not vote toelect Trustees.

B. The names and addresses of the current Trustees and the plan administrator 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.

II. ELIGIBILITY FOR PLAN MEMBERSHIP

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

III. 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 earlier of the attainment of age 55 and the completion of 6 years of credited service or the completion of 25 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 or Police Officer in the Fire or Police Department measured in years and parts of years. 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 K. below).

"Average Final Compensation" is 1/12 of the 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 Police Officer or Firefighter, whichever is greater. A year is defined as 12 consecutive months.

"Salary" is the total compensation for services rendered to the city as a firefighter or police officer reportable 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 police officer members, for service earned after October 1, 2013, and for firefighter members, for service earned after February 18, 2014 (the "effective date"), salary shall not include more than 300 hours of overtime per calendar year 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 calendar 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 leavetime 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. Regularly scheduled hours worked pursuant to the Fair Labor Standards Act (FLSA) shall not be deemed to be overtime and therefore not included in the 300-hour calculation.

The normal retirement benefit is calculated by multiplying 3.25% times years of credited service times your average final compensation: (3.25% x CS x AFC= normal retirement 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 6 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 would have qualified for normal retirement; or

2. Beginning immediately upon retirement, but if beginning immediately, the amount of the monthly benefit is reduced by 3% percent for each year by which the commencement of benefits precedes the date which would have been your normal retirement date. Normal retirement date, for purposes of this subsection, shall be determined as if you had remained employed, if you became a member prior to January 1, 2000, and determined based on actual years of service if you become a member on or after January 1, 2000.

E. Supplemental Benefit - Share Plan. Pursuant to Florida law, there has been 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. Your share account receives its proportionate share of the income or loss on the assets in the plan.

F. 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 <u>not</u> 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. <u>Deferred Retirement Option Plan (DROP)</u>.

a) If you become eligible for normal retirement, and are still employed by the City as a Firefighter or Police Officer, you have the option of "retiring" from the pension plan but continuing your employment as a Firefighter or Police Officer for an additional 5 years. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the City not later than 5 years from the commencement of DROP participation. 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 6-1/2% 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. One change in election is permitted.

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. All leave payouts shall be calculated and included as part of your final average compensation and employee contributions shall be deducted accordingly. You pay no further member contributions to the plan once you enter the DROP.

e) 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.

G. Disability Retirement. You are considered disabled when you become totally and permanently unable to perform useful and efficient service as a Firefighter or Police Officer. 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 monthly pension equal to 3.25% 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.

2. If the injury or disease is not service connected, a monthly pension equal to 3.25% of your average final compensation multiplied by the total years of credited service, but in no event shall your benefit be less than 25% of your Average Final Compensation at the time of such disability. This non-service connected benefit is only available if you have at least 10 years of credited service.

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, andif 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 2.75% 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 <u>not</u> 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 or Police Officer with the City of Fernandina Beach shall have terminated.

(5) For Police Officer members, injury or disease sustained while working for anyone other than the City and arising out of such employment.

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.

H. <u>Death Before Retirement.</u> If you die prior to retirement from the Fire or Police Department, your beneficiary shall receive the following benefit:

1. <u>Prior to Vesting or Eligibility for Retirement.</u> If you were notreceiving monthly benefits or were not yet vested or eligible for normal or early retirement upon your death, your beneficiary shall receive a refund of 100% of your accumulated contributions.

2. <u>Deceased Members Vested or Eligible for Retirement with Spouse as Beneficiary.</u> If you die while actively employed and at the date of your death were vested or eligible for normal or early 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, or an actuarially equivalent benefit payable for the life of your spouse beneficiary, beginning on the date that you would have been eligible for normal or early retirement. 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. Your spouse beneficiary may also elect to receive an immediate benefit, payable for 10 years, or an actuarially equivalent benefit payable for the life of your spouse beneficiary, which is actuarially reduced to reflect the commencement of benefits prior to the early retirement date.

b) If you were eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, or an actuarially equivalent benefit payable for the life of your beneficiary, beginning on the first day of the month following your death or at your otherwise normal 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) A spouse beneficiary may not elect any other optional form of benefit; however, the Board may elect to make a lump sum payment.

d) A 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. <u>Deceased Members Vested or Eligible for Retirement with Non-Spouse Beneficiary.</u> 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 ofcommencement of those benefits may be required to be earlier, with the resulting reduction in the amount.

I. <u>Termination of Employment and Vesting.</u> If your employment is terminated, either voluntarily or involuntarily, the following benefits are payable:

1. If you have less than 6 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 up to 5 years. If not reemployed by the City of Fernandina within 5 years, your contributions shall be returned without interest.

2. If you have 6 or more years of credited service upon termination, you shall be entitled to a monthly retirement benefit should you elect not to withdraw your contributions. The benefit shall be determined in the same manner as for normal or early retirement and based upon your credited service, average final compensation and the benefit accrual rate as of your date of termination. If you became a member prior to January 1, 2000, your benefit shall be payable and commence at what otherwise would have been your early or normal retirement date had you remained employed. If you became a member on or after January 1, 2000, your benefit shall be payable and commence on or after you reach age 50 for an early retirement benefit or upon reaching age 55 for a normal retirement benefit. 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 the section entitled, “Death Before Retirement.”

In the event you have also accumulated credited service in the City of Fernandina Beach General Employees' Pension Plan, such other credited service shall be combined with credited service in this Plan for determining vesting and eligibility for early or normal retirement in this Plan. Such other credited service shall <u>not</u> be considered in determining benefits under this Plan except that, for those members who terminate membership in this Plan but continue employment with the City as a general employee, any benefit to be paid from this Plan shall be based on the benefit accrual rate in effect for this plan on the date that you actually terminate employment with the City, but only years of employment with the City as a member of this Plan for police officers and firefighters shall be used in calculating average final compensation for benefits from this Plan.

The Internal Revenue Code provides that certain eligible lump sum distributions from the pension system 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 <u>directly</u> transferred to a new custodian.

J. <u>Reemployment After Retirement.</u> 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.

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

"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.~~

Military Service Prior to Employment. ~~The years or fractional parts of years you serve or have served on active duty 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 and honorably or under honorable conditions, prior to first and initial employment with the City Police or Fire Departmentshall be added to your years of credited service provided that:~~

~~You contribute to the Fund a sum of money equal to:~~

~~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 Plan for the years or fractional parts of years for which you are requesting credit, plus~~

~~an additional amount to be determined by the Board'sactuary so that there is no cost to the Plan in giving~~

~~you the additional years of credited service, plus~~

~~the amount charged by the actuary for determining the amount you must contribute.~~

~~Multiple requests to purchase credited service may be madeat any time prior to retirement.~~

~~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.~~

~~The maximum credit under this subsection shall be 4 years.~~

~~Credited service purchased pursuant to this subsection shall not count toward vesting or for eligibility for not-in-line of duty disability benefits.~~

"Buy-Back" for Prior Police or Fire Service. ~~The years or fractional parts of years that you previously served as a Police Officer or Firefighter with the City of Fernandina Beach during a period of previous employment and for which period accumulated contributions were withdrawn from the Fund, shall be added to youryears 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 ifyou served as a full-time Police Officer for any other municipal, county or state law enforcement department or as a Firefighter for any other municipal, county, state or special district fire department in the State of Florida, you will receive credited service only if:~~

~~You contribute to the Fund a sum of money equal to:~~

~~the amount you would have contributed to the plan had you worked for the City for the years you are requesting credit, plus~~

~~an additional amount to be determined by the Board'sactuary so that there is no cost to the plan in giving you the additional years of credited service, plus~~

~~the amount charged by the actuary for determining the amount you must contribute.~~

~~Multiple requests to purchase credited service may be madeat any time prior to retirement.~~

~~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.~~

~~The maximum credit under this subsection for service otherthan with the City of Fernandina Beach 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 Fernandina Beach and such credit shall count for all purposes, including vesting.~~

~~In no event, however, may credited service be purchased pursuant to this subsection for prior service as a Police Officer with any other municipal, county or state law enforcement department or as a Firefighter for any other municipal, county, state or special district fire department inthe State of Florida, 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.~~

~~In addition to service as a firefighter in this state, credit maybe 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.~~

~~In addition to service as a police officer 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 Criminal Justice Standards and Training Commission within the Department of Law Enforcement, as provided under Chapter 943, Florida Statutes, or you provide proof to the board that such service~~

~~is equivalent to the service required to meet the definition of a police officer.~~

~~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.~~

L. 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. You contribute 7.7% of your salary to the Plan. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits.

M. ~~Maximum Benefits. In no event will the annual benefits paid from the Fund exceed the annual limitation under Internal Revenue Code section 415(b)(1)(A) (which as of 2020 is $230,000 annually, a number that may be adjusted by the IRS in future years), subject to certain cost of living adjustments and actuarial reductions, prior to age 62 as set forth in Section 415 of the Internal Revenue Code.~~

M.

M. ~~If you began participation for the first time on and after January 1, 1980, youcannot receive a benefit in excess of 100% of your average final compensation.~~

M.

M. Forfeiture of Pension. If you are convicted of the certain crimes listed in the plan document 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.

~~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.~~

N. 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 the 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:~~

~~The specific reasons for the Board's action;~~

~~A description of any additional information that the Board feels is necessary for you to perfect your claim;~~

~~An explanation of the review procedure next open to you whichincludes a formal evidentiary hearing.~~

IV. 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' and Police Officers' exclusive benefit. In any event, your contributions to the Plan are non-forfeitable.

V. VESTING OF BENEFITS

Your retirement benefits are vested after 6 years of credited service.

VI. 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. Chapters 175 and 185, Florida Statutes, "Municipal Police Officers' and

Firefighters' Retirement Trust Funds".

C. Part VII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".

D. Ordinances of the City of Fernandina Beach.

E. Administrative rules and regulations adopted by the Board of Trustees.

VII. 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.

VIII. APPLICABLE PROVISIONS OF COLLECTIVE BARGAINING AGREEMENTS

The current collective bargaining agreement between the City and the Police Officers and Firefighters contains no provisions which deal directly with pension benefits.

IX. 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 copy of the detailed accounting report of the plan's expenses for the previous fiscal year is available for review upon request to 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.

X.

X. 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 of Trustees 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.

~~**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.~~

~~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: Karl Ashley
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034

Secretary: Jim Norman
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

Member: Walter Sturges
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

Member: Rusty Burke
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

Member: David Samson
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

PLAN ADMINISTRATOR

Ms. Teresa Bryan
Fernandina Beach Firefighters' and Police Officers' Pension Plan
204 Ash Street
Fernandina Beach, FL 32034
Telephone: 904-310-3127
Email: tbryan@fbfl.org

EXHIBIT "B"

CITY OF FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION PLAN

SUMMARY PLAN DESCRIPTION

May 9, 2019~~October 1, 2016~~

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 FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION PLAN

SUMMARY PLAN DESCRIPTION

INTRODUCTION

The Board of Trustees of the City of Fernandina Beach Firefighters' and Police Officers' Pension Plan is pleased to present this booklet which briefly explains the provisions of your Firefighters and Police Officers' 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~~ the representative for the Plan's Adminstration. 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 for ~~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 Fernandina Beach. If there are any conflicts between the information in this booklet and the ordinances of the City of Fernandina Beach, the ordinances shall govern. The plan shall be administered in accordance with state and federal law, notwithstanding any provisions in this booklet or ordinances to the contrary. The provisions of this Summary Plan Description shall not constitute a contract between the Member and the Board of Trustees or the Plan. A copy of the ordinance establishing the Plan can be obtained from the City Clerk's office, which is located at 204 Ash Street, Fernandina Beach, Florida.

City of Fernandina Beach Firefighters' and Police Officers' Pension Plan

____

Chairman, Board of Trustees

Date: ____________________________

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 City of Fernandina Beach Firefighters' and Police Officers' Pension Plan

Employers

City of Fernandina Beach, Florida

Plan Administrator

Teresa Bryan, PHR
City of Fernandina Beach
204 Ash Street
Fernandina Beach, FL 32034
(904) 310-3127
tbryan@fbfl.org

Board of Trustees

The Plan is administered by a board of five trustees comprised of: two Plan participants elected by the Firefighter and Police Officer members (who may include a DROP participant); two trustees appointed by the Fernandina Beach City Commission who must be legal residents of the City; and a fifth trustee who shall be elected by a majority of the other four trustees.

Designated Agent for Service of Legal Process

Chairperson of the Board of Trustees

Type of Administration

The Plan's Administrator is the Board of Trustees who are responsible for the overall ~~administration~~ governance (?) of the Plan. It has discretionary authority to construe the terms of the Plan and make determinations on questions which may affect your eligibility for benefits. The Plan Administrator may also retain the services of attorneys, accountants, actuaries, investment advisors, and for day-to-day plan administration , ~~and~~ as well as other professionals.

Type of Plan

The Plan is a governmental defined benefit plan qualified under Section 401(a) of the

Internal Revenue Code.

Plan Year

Each 12-month period beginning on October 1 and ending 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 62, Article IV, of the Code of Ordinances of the City of Fernandina Beach, as may be subsequently amended.

The most recent amendment to the Plan that is reflected in this Summary Plan Description is Ordinance No. 2016-22, adopted September 6, 2016.

Comment [PH1]: Confirm with Teresa.

Certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.) and Chapters 175 and 185, F.S., and the Internal Revenue Code and various federal laws also govern your Plan.

Relevant Provisions of Collective Bargaining Agreements:

Certain employees covered by the Plan are members of the following collective bargaining unit(s):

International Association of Fire Fighters, Local 2836

The current collective bargaining agreement between the IAFF unit and the City of Fernandina Beach was effective October 1, 2016 through September 30, 2019.

Comment [PH2]: Confirm.

Coastal Florida Police Benevolent Association

The current collective bargaining agreement between the Coastal Florida PBA and the City of Fernandina Beach was effective October 1, 2016 through September 30, 2019.

Comment [PH3]: Confirm.

Custodian:

The custodian of the Plan 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:

Fiduciary Trust

Financial Consultant:

John Thinnes
AndCo Consulting

4901 Vineland Road
Orlando, FL 32811
Telephone: (844) 442-6326

Investment Manager(s):

The investment managers are responsible for selecting the securities to be bought and sold by the pension fund in accordance with guidelines established by the Board of Trustees.

The current investment managers are:

[insert names]

Member

You are a Member of the Plan if you fulfill the prescribed eligibility requirements (see Eligibility and Credited Service section).

Firefighter

Means an actively employed full-time person, employed by the City, including his or her initial probationary employment period, who is certified as a firefighter as a condition of employment in accordance with the provisions of Section 633.35, Florida Statutes, and whose duty it is to extinguish fires, to protect life and to protect property.

Police Officer

Means an actively employed full time person, employed by the City, including his or her initial probationary employment period, who is certified as a police officer as a condition of employment in accordance with the provisions of Section 943.1395, Florida Statutes, who is vested with the authority to bear arms and make arrests, and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, traffic, or highway laws of the State of Florida.

Beneficiary

Your Beneficiary is each person designated to the Plan Administrator in writing by you to receive any payments that may become payable by the Plan upon your death. You should designate a Beneficiary when you become a Member of the Plan. From time to time, you should review your existing designation to ensure that it expresses your wishes. Prior to retirement you may change your designation at any time upon written notification to the Board. After retirement, you may change your designation up to two times upon written notification to the Board. A change in your designation of beneficiary after retirement will require a recalculation and possible adjustment of your final benefit payments.

I. BOARD OF TRUSTEES AND PLAN ADMINISTRATION

A. Administration.

1. The City of Fernandina Beach Firefighters' and Police Officers' Pension Plan 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 Commission, 1 of whom is a Firefighter member who is elected by a majority of the Firefighters who are members of the Plan, 1 of whom is a Police Officer member who is elected by a majority of the Police Officers who are members of the Plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a two-year term.

2. DROP participants can be elected as Trustees, but not vote to ~~for~~ elect~~ed~~ Trustees.

B. The names and addresses of the current Trustees and the plan administrator 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.

II. ELIGIBILITY FOR PLAN MEMBERSHIP

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

III. 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 earlier of the attainment of age 55 and the completion of 6 years of credited service or the completion of 25 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 or Police Officer in the Fire or Police Department measured in years and parts of years. 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 K. below).

"Average Final Compensation" is 1/12 of the 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 Police Officer or Firefighter, whichever is greater. A year is defined as 12 consecutive months.

"Salary" is the total compensation for services rendered to the city as a firefighter or police officer reportable 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 police officer members, for service earned after October 1, 2013, and for firefighter members, for service earned after February 18, 2014 (the "effective date"), salary shall not include more than 300 hours of overtime per calendar year 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 calendar 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. Regularly scheduled hours worked pursuant to the Fair Labor Standards Act (FLSA) shall not be deemed to be overtime and therefore not included in the 300-hour calculation.

The normal retirement benefit is calculated by multiplying 3.25% times years of credited service times your average final compensation: (3.25% x CS x AFC= normal retirement 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 6 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 would have qualified for normal retirement; or

2. Beginning immediately upon retirement, but if beginning immediately, the amount of the monthly benefit is reduced by 3% percent for each year by which the commencement of benefits precedes the date which would have been your normal retirement date. Normal retirement date, for purposes of this subsection, shall be determined as if you had remained employed, if you became a member prior to January 1, 2000, and determined based on actual years of service if you become a member on or after January 1, 2000.

E. Supplemental Benefit - Share Plan. Pursuant to Florida law, there has been 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. Your share account receives its proportionate share of the income or loss on the assets in the plan.

F. 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 or Police Officer, you have the option of "retiring" from the pension plan but continuing your employment as a Firefighter or Police Officer for an additional 5 years. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the City not later than 5 years from the commencement of DROP participation. ~~Participation in the~~ 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 6-1/2% 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. One change in election is permitted.

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. You pay no member contributions to the plan once you enter the DROP.

e) 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.

G. Disability Retirement. You are considered disabled when you become totally and permanently unable to perform useful and efficient service as a Firefighter or Police Officer. 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 monthly pension equal to 3.25% 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 ~~a~~Average ~~f~~Final ~~c~~Compensation.

2. If the injury or disease is not service connected, a monthly pension equal to 3.25% of your average final compensation multiplied by the total years of credited service, but in no event shall your benefit be less than 25% of your Average Final Compensation at the time of such disability. This non-service connected benefit is only available if you have at least 10 years of credited service.

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 2.75% 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 or Police Officer with the City of Fernandina Beach shall have terminated.

(5) For Police Officer members, injury or disease sustained while working for anyone other than the City and arising out of such employment.

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.

H. Death Before Retirement. If you die prior to retirement from the Fire or Police 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 normal or early retirement upon your death, your beneficiary shall receive a refund of 100% of your accumulated contributions.

2. Deceased Members Vested or Eligible for Retirement with Spouse as Beneficiary. If you die while actively employed and at the date of your death were vested or eligible for normal or early 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, or an actuarially equivalent benefit payable for the life of your spouse beneficiary, beginning on the date that you would have been eligible for normal or early retirement. 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. Your spouse beneficiary may also elect to receive an immediate benefit, payable for 10 years, or an actuarially equivalent benefit payable for the life of your spouse beneficiary, which is actuarially reduced to reflect the commencement of benefits prior to the early retirement date.

b) If you were eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, or an actuarially equivalent benefit payable for the life of your beneficiary, beginning on the first day of the month following your death or at your otherwise normal 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) A spouse beneficiary may not elect any other optional form of benefit; however, the Board may elect to make a lump sum payment.

d) A 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.

I. 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 6 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 up to 5 years. If not reemployed by the City of Fernandina within 5 years, your contributions shall be returned without interest.

2. If you have 6 or more years of credited service upon termination, you shall be entitled to a monthly retirement benefit should you elect not to withdraw your contributions. The benefit shall be determined in the same manner as for normal or early retirement and based upon your credited service, average final compensation and the benefit accrual rate as of your date of termination. If you became a member prior to January 1, 2000, your benefit shall be payable and commence at what otherwise would have been your early or normal retirement date had you remained employed. If you became a member on or after January 1, 2000, your benefit shall be payable and commence on or after you reach age 50 for an early retirement benefit or upon reaching age 55 for a normal retirement benefit. ~~The benefit shall be payable commencing at your otherwise normal or early retirement date, determined as if you had remained employed if you became a member prior to January 1, 2000 and payable on or after age 50 for an early retirement benefit or age 55 for a normal retirement benefit if you became a member on or after January 1, 2000, 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 the section entitled, "Death Before Retirement."

In the event you have also accumulated credited service in the City of Fernandina Beach General Employees' Pension Plan, such other credited service shall be combined with credited service in this Plan for determining vesting and eligibility for early or normal retirement in this Plan. Such other credited service shall not be considered in determining benefits under this Plan except that, for those members who terminate membership in this Plan but continue employment with the City as a general employee, any benefit to be paid from this Plan shall be based on the benefit accrual rate in effect for this plan on the date that you actually terminate employment with the City, but only years of employment with the City as a member of this Plan for police officers and firefighters shall be used in calculating average final compensation for benefits from this Plan.

The Internal Revenue Code provides that certain eligible lump sum distributions from the pension system 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.

J. 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.

K. Additional Credited Service. In addition to credited service actually earned in the employment of the Fire or Police 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. Military Service Prior to Employment. The years or fractional parts of years you serve or have served on active duty 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 and honorably or under honorable conditions, prior to first and initial employment with the City Police or Fire Department shall be added to your years of credited service provided that:

a) You contribute to the Fund a sum of money equal to:

(1) 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 Plan for the years or fractional parts of years for which you are requesting credit, plus

(2) 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

(3) 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 shall be 4 years.

e) Credited service purchased pursuant to this subsection shall not count toward vesting or for eligibility for not-in-line of duty disability benefits.

3. <u>"Buy-Back" for Prior Police or Fire Service</u>. The years or fractional parts of years that you previously served as a Police Officer or Firefighter with the City of Fernandina Beach 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 Police Officer for any other municipal, county or state law enforcement department or as a Firefighter for any other municipal, county, state 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:

      (1) the amount you would have contributed to the plan had you worked for the City for the years you are requesting credit, <u>plus</u>

      (2) 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, <u>plus</u>

      (3) 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 Fernandina Beach 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 Fernandina Beach 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 as a Police Officer with any other municipal, county or state law enforcement department or as a Firefighter for any other municipal, county, state or special district fire department in the State of Florida, 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.

g) In addition to service as a police officer 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 Criminal Justice Standards and Training Commission within the Department of Law Enforcement, as provided under Chapter 943, Florida Statutes, or you provide proof to the board that such service is equivalent to the service required to meet the definition of a police officer.

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.

L. 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. You contribute 7.7% of your salary to the Plan. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits.

Comment [PH4]: Confirm this remains contribution rate. Current ordinance states 7.7%.

M. Maximum Benefits. In no event will the annual benefits paid from the Fund exceed the annual limitation under Internal Revenue Code section 415(b)(1)(A) (which as of 2019 is $225,000 annually, a number that may be adjusted by the IRS in future years), subject to certain cost of living adjustments and actuarial reductions, prior to age 62 as set forth in Section 415 of the Internal Revenue Code.~~In no· event will the annual benefits paid from this Plan exceed $210,000.00 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.

N. Forfeiture of Pension. If you are convicted of the certain crimes listed in the plan document 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.

O. 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.

P. 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 the 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.

IV. 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' and Police Officers' exclusive benefit. In any event, your contributions to the Plan are non-forfeitable.

V. VESTING OF BENEFITS

Your retirement benefits are vested after 6 years of credited service.

VI. 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. Chapters 175 and 185, Florida Statutes, "Municipal Police Officers' and Firefighters' Retirement Trust Funds".

C. Part VII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".

D. Ordinances of the City of Fernandina Beach.

E. Administrative rules and regulations adopted by the Board of Trustees.

VII. 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.

VIII. APPLICABLE PROVISIONS OF COLLECTIVE BARGAINING AGREEMENTS

The current collective bargaining agreement between the City and the Police Officers and Firefighters contains no provisions which deal directly with pension benefits.

Comment [PH5]: Verify with current CBA.

IX. 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 copy of the detailed accounting report of the plan's expenses for the previous fiscal year is available for review upon request to 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.

X. 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 of Trustees 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.

XI. 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.

XII. 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

Comment [PH6]: Confirm current list and officers.

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

Chairman: Walter Sturges
City of Fernandina Beach
204 Ash Street
Fernandina Beach, Florida 32034

Secretary: Jim Nonnan
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

Member: Donald McFayden
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

Member: Rusty Burke
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

Member: Janet Griffin
City of Fernandina Beach 204 Ash Street
Fernandina Beach, Florida 32034

PLAN ADMINISTRATOR

Ms. Teresa Bryan
Fernandina Beach Firefighters' and Police Officers' Pension Plan
204 Ash Street
Fernandina Beach, FL 32034
Telephone: 904-310-3127
Email: tbryan@fbfl.org

CITY OF FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION PLAN

EXHIBIT "B"

Comment [JD7]: To be provided by the actuary

Exhibit "B"

CITY OF FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION PLAN

SUMMARY OF PRINCIPAL VALUATION RESULTS

A. Participant Data	New Assump 10/1/2020	Old Assump 10/1/2020	10/1/2019
Actives	65	65	66
Service Retirees	35	35	37
DROP Retirees	4	4	4
Beneficiaries	8	8	6
Disability Retirees	3	3	3
Terminated Vested	14	14	11
Total	129	129	127
Total Annual Payroll	$4,744,850	$4,744,850	$4,490,192
Payroll Under Assumed Ret. Age	4,545,497	4,545,497	4,301,874
Annual Rate of Payments to:			
Service Retirees	1,288,374	1,288,374	1,370,405
DROP Retirees	215,717	215,717	215,717
Beneficiaries	173,927	173,927	129,036
Disability Retirees	59,615	59,615	59,615
Terminated Vested	37,438	37,438	37,438
B. Assets			
Actuarial Value (AVA) [1]	29,516,133	29,516,133	27,191,913
Market Value (MVA) [1]	28,647,116	28,647,116	26,416,580
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	22,202,890	22,196,356	19,816,674
Disability Benefits	550,775	529,064	507,091
Death Benefits	112,366	155,724	147,091
Vested Benefits	587,320	577,153	598,470
Refund of Contributions	81,271	81,256	90,680
Service Retirees	13,192,047	13,407,491	14,185,839
DROP Retirees [1]	3,368,532	3,385,172	3,142,575
Beneficiaries	1,664,602	1,661,492	1,289,816
Disability Retirees	575,877	563,003	570,552
Terminated Vested	308,176	306,025	299,611
Share Plan Balances [1]	63,290	63,290	39,092
Total	42,707,146	42,926,026	40,687,491

Exhibit "B"

C. Liabilities - (Continued)	New Assump 10/1/2020	Old Assump 10/1/2020	10/1/2019
Present Value of Future Salaries	34,193,372	34,152,556	33,430,253
Present Value of Future Member Contributions	2,632,890	2,629,747	2,574,129
Normal Cost (Retirement)	703,419	702,239	670,100
Normal Cost (Disability)	36,298	34,898	33,641
Normal Cost (Death)	5,329	7,252	7,009
Normal Cost (Vesting)	53,553	52,534	55,519
Normal Cost (Refunds)	23,549	23,547	23,049
Total Normal Cost	822,148	820,470	789,318
Present Value of Future Normal Costs	5,861,582	5,839,696	5,772,635
Accrued Liability (Retirement)	16,957,995	16,971,361	14,686,480
Accrued Liability (Disability)	305,474	294,832	272,086
Accrued Liability (Death)	73,200	102,445	94,030
Accrued Liability (Vesting)	318,905	313,756	318,382
Accrued Liability (Refunds)	17,466	17,463	16,393
Accrued Liability (Inactives) [1]	19,109,234	19,323,183	19,488,393
Share Plan Balances [1]	63,290	63,290	39,092
Total Actuarial Accrued Liability (EAN AL)	36,845,564	37,086,330	34,914,856
Unfunded Actuarial Accrued Liability (UAAL)	7,329,431	7,570,197	7,722,943
Funded Ratio (AVA / EAN AL)	80.1%	79.6%	77.9%

Exhibit "B"

D. Actuarial Present Value of Accrued Benefits	New Assump 10/1/2020	Old Assump 10/1/2020	10/1/2019
Vested Accrued Benefits			
Inactives + Share Plan Balances [1]	19,172,524	19,386,473	19,527,485
Actives	9,092,620	9,109,521	7,935,321
Member Contributions	2,821,513	2,821,513	2,549,171
Total	31,086,657	31,317,507	30,011,977
Non-vested Accrued Benefits	566,261	565,484	409,213
Total Present Value Accrued Benefits (PVAB)	31,652,918	31,882,991	30,421,190
Funded Ratio (MVA / PVAB)	90.5%	89.9%	86.8%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	(230,073)	0	
Plan Experience	0	855,995	
Benefits Paid	0	(1,672,244)	
Interest	0	2,278,050	
Other	0	0	
Total	(230,073)	1,461,801	

Exhibit "B"

	New Assump	Old Assump	
Valuation Date	10/1/2020	10/1/2020	10/1/2019
Applicable to Fiscal Year Ending	9/30/2022	9/30/2022	9/30/2021
E. Pension Cost			
Normal Cost (with interest)			
% of Total Annual Payroll [2]	18.78	18.75	19.05
Administrative Expenses (with interest)			
% of Total Annual Payroll [2]	1.09	1.09	1.11
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 28 years (as of 10/1/2020, with interest)			
% of Total Annual Payroll [2]	18.86	19.37	19.55
Minimum Required Contribution			
% of Total Annual Payroll [2]	38.73	39.21	39.71
Expected Member Contributions			
% of Total Annual Payroll [2]	7.70	7.70	7.70
Expected City and State Contribution			
% of Total Annual Payroll [2]	31.03	31.51	32.01

F. Past Contributions

Plan Years Ending:	9/30/2020
Total Required Contribution	1,897,885
City and State Requirement	1,548,358
Actual Contributions Made:	
Members (excluding buyback)	349,527
City	1,306,962
State	241,397
Total	1,897,886

G. Net Actuarial (Gain)/Loss	311,054

[1] The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2020 and 9/30/2019.

[2] Contributions developed as of 10/1/2020 are expressed as a percentage of total annual payroll at 10/1/2020 of $4,545,497.

ADMINISTRATIVE SERVICES AGREEMENT

Between

CITY OF FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION FUND

And

FOSTER & FOSTER, INC.

This agreement was made as of this ____ day of ___________ 2021 by and between **CITY OF FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION FUND** (hereinafter referred to as "Pension Fund") and **FOSTER & FOSTER, INC.** (hereinafter referred to as "Administrator").

WITNESSETH:

WHEREAS, Chapter 62, Article IV, of the City of Fernandina Beach Code establishes the Pension Fund and a related trust for the purpose of providing benefits to certain employees and paying the expenses related thereto; and

WHEREAS, Section 62-113, of the Fernandina Beach Code of Ordinance authorizes the Pension Fund's Board of Trustees to engage the services of an Administrator to administer the Pension Fund's operations; and

WHEREAS, the Administrator is engaged in the business of rendering administrative management services to employee benefit plans; and

WHEREAS, the Board of Trustees is familiar with the experience and reputation of the Administrator in rendering these services; and

WHEREAS, the Board of Trustees has determined it is in the best interest of the participants and beneficiaries of the Pension Fund to engage the services of the Administrator upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements contained herein, the parties agree as follows:

Section 1
Administrator

A. Engagement – The Pension Fund hereby engages and retains the Administrator who hereby accepts the engagement and retainer by the Pension Fund to serve as Administrator of the Pension Fund.

B. Duties and Responsibilities – Without limiting the generality of the foregoing, it is mutually acknowledged and agreed that the Administrator is engaged to perform those duties and responsibilities of the Pension Fund as Administrator which are delegated to it in accordance with the express terms of this agreement.

C. Limitation of Authority – The Administrator shall not:

1. Exercise any discretionary authority or discretionary control respecting the management of administration of the Pension Fund; or

2. Exercise any independent authority or control with respect to the management or disposition of the assets of the Pension Fund; or

3. Render investment advice with respect to any monies or property of the Pension Fund.

Section 2
Duration

This agreement becomes effective on the day of execution by both parties, and shall continue until otherwise terminated in accordance with the terms of this agreement.

Section 3
Fees

A. Base Fee – In consideration of the administrative services to be performed as agreed above, the Pension Fund agrees to pay the Administrator such fees as are provided in Exhibit A of this agreement. This fee shall not be increased for a period of two (2) years commencing from the effective date of this agreement.

B. Expenses – All extraordinary expenses such as printing charges, postage for mass mailings, overnight delivery charges, and special travel expenses reasonably and necessarily incurred by the Administrator shall be reimbursed by the fund.

Section 4
Services

The Administrator shall be responsible for and in charge of all administrative services required of it by the Pension Fund for the proper and complete administration of the fund. Without limiting the generality of the foregoing, the Administrator shall perform the following services:

A. Annual ongoing services are set forth below, performed under the supervision of the Board of Trustees.

1. Administration of meetings:
    a) Prepare and send meeting notices
    b) Schedule meetings
    c) Prepare agenda and agenda packets
    d) Prepare meeting minutes

2. Trustee organization
    a) Maintain board contact list of vendors and trustees
    b) Maintain pending matter list
    c) Run trustee elections
    d) Coordinate trustee appointments through the City
    e) Renew pension organizational dues and update trustee information

3. Review all statements and documents received from:
    a) Money Managers
    b) Performance Monitors
    c) Attorneys
    d) Actuaries
    e) Accountants
    f) Others

4. Review invoices and pay plan expenses as authorized
5. Ensure that all plan payments are ratified by the Board
6. Assist in the creation of board policies
7. Monitor disbursement of benefit payments
8. Obtain necessary information for retirement eligibility and benefits
9. Set up and maintain files
10. Respond to public record requests

11. Assist members in the retirement process
12. Maintain current beneficiary designations
13. Obtain quotes for fiduciary/cyber liability insurance
14. Ensure compliance with the Government in the Sunshine Law and the Public Records Act
15. Respond to inquiries from trustees, members (active, retired and terminated), money managers, and the custodian
16. Maintain a liaison between the Board and the City
17. Ensure the pension plan is administered in accordance with board policies and the Pension Ordinance
18. Collect necessary data for the audit report
19. Maintain a liaison with the City to obtain new employee data in a timely manner
20. Maintain a liaison with the State of Florida, Division of Retirement
21. Provide timely assistance to outside auditors for preparation of the annual financial statement.
22. Prepare the annual administrative budget
23. Prepare the annual detailed accounting report of actual plan expenses

B. Services requested of the plan administrator by the Trustees as special assignments, are set forth below.

1. Printing special or bulk mailings

2. Additional on-site meetings outside four (4) quarterly board meetings

3. Special projects assigned to the administrator by the Board

Section 5
Obligations of Administrator

It is mutually covenanted and agreed that all services rendered by the Administrator to or on behalf of the Pension Fund shall be performed with reasonable dispatch and shall be performed in a manner which is adequate and convenient to the Pension Fund and the participants and beneficiaries of the Pension Fund. The Administrator shall familiarize itself with the basic documents under which the Pension Fund is established and render all services in accordance with said documents. The

Administrator shall perform all obligations under this agreement in accordance with the provisions of and pursuant to Florida Statutes, Section 112.656(2). By execution of this agreement, the Administrator acknowledges that it is a fiduciary of the Pension Fund within the meaning of the Employee Retirement Income Security Act of 1974 (ERISA) and §112.656, Florida Statutes.

Section 6
Records

A. The Pension Fund will turn over to the Administrative Manager true copies of all records, reports, information and other data pertaining to this Pension Fund. The Administrator may rely upon the completeness and accuracy of the records, reports, and data delivered to it.

B. The Administrator shall be responsible for the continued maintenance of records for the Pension Fund.

C. In the course of performing its administrative services hereunder, the Administrator shall notify the Pension Fund of any information, records or reports which are necessary to maintain the business of the Pension Fund and shall assist the Pension Fund in obtaining such information.

Section 7
Public Records Law

Pursuant to section 119.0701, Florida Statutes, Administrator agrees to:

A. Keep and maintain public records required by the Pension Fund to perform the services contemplated by this Agreement.

B. Upon request from the Pension Fund, provide the Pension Fund with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

C. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if Administrator does not transfer the records to the Pension Fund.

D. Upon completion of the contract, transfer, at no cost, to Pension Fund all public records in possession of Administrator or keep and maintain public records required by the Pension Fund to perform the service. If Administrator transfers all public records to the Pension Fund upon completion of the contract, Administrator shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Administrator keeps and maintains public records upon completion of the contract, Administrator shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to Pension Fund, upon request from Pension Fund, in a format that is compatible with the information technology systems of the Pension Fund.

IF ADMINISTRATOR, AS THE RECORDS CUSTODIAN, HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT PLAN COUNSEL AT: SUGARMAN & SUSSKIND, P.A., 100 MIRACLE MILE, SUITE 300, CORAL GABLES, FL, 33134; Telephone: (305) 529-2801; pherrera@sugarmansusskind.com.

Section 8
Reports

The Administrator shall work with and assist the Pension Fund and its professional advisors in the preparation of records and reports to be filed with government departments or agencies or which are necessary to be disclosed and distributed to participants and beneficiaries.

Section 9
Disclosure of Records

All information, including records and other data, which may come into the possession of the Administrator shall be subject to disclosure and production to the extent required by the Public Records Act, Chapter 119, Florida Statutes, or upon compulsion of a subpoena issued by a court of competent jurisdiction, as approved by the Pension Fund.

Section 10
Excluded Items

It is understood and agreed by the parties that the Administrator shall not be responsible for the performance of auditing, legal or financial advisory services.

Section 11
Fidelity Bond and Insurance

The Administrator agrees to maintain at least $1,000,000.00 coverage for errors and omissions and at least $500,000 coverage through a fidelity bond. The Administrator agrees to notify the Pension Fund in writing of any change in its coverage. The Administrator shall provide copies of the proof of said bond and insurance to the Pension Fund at least once per year or upon request.

Section 12
Damages

The Administrator agrees it shall be liable to the Pension Fund for any damages or losses, which the Pension Fund or the fund may occur as the result of negligent or intentional acts or omissions of the Administrator or breach of this agreement.

Section 13
Governing Law

This agreement has since been executed in City of Fernandina Beach, Florida and shall be governed and construed in accordance with the laws of the State of Florida. Venue for any dispute shall be in Nassau County, Florida. In the event that any action shall be necessary for the enforcement of this agreement, the prevailing party shall recover its court costs, including reasonable attorney's fees.

Section 14
Entire Agreement

This agreement constitutes the entire understanding and agreement by the parties hereto and shall not be modified, amended or revoked except by the express written consent of the parties.

Section 15
Termination

This agreement may be terminated by the Pension Fund on thirty (30) days' written notice, or by the Administrator on ninety (90) days' written notice, with or without cause. In the event of a termination, the Administrator agrees to promptly (not to exceed 30 days) turn over to the successor administrator or such other party designated by the Pension Fund, all records, reports or documents belonging to the Pension Fund and in possession of the Administrator.

Section 16
Representations/Warranties

Administrator represents and warrants that it has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by a government, governmental authority or regulatory agency for acts contemplated by this Agreement and that it has the power to execute and deliver this Agreement and to perform its obligations hereunder and that this Agreement does not and will not contravene or violate (i) any law, rule or regulation applicable to Administrator or (ii) any constituent document, policy, guideline, contract or other document applicable to Administrator.

Section 17
E-Verify

In accordance with Chapter 2020-149, Laws of Florida, the Administrator confirms that it does not currently, and will not in the future, employ, contract with, or subcontract with unauthorized aliens and that it has registered accordingly with the E-Verify platform. Administrator acknowledges that any violation with the aforementioned will result in a default to this Agreement and the Trustees shall be entitled to any and all relief available, including but not limited to, consequential damages, rebate of fees, costs and expenses, etc., resulting from the voiding of this Agreement

IN WITNESS WHEREOF, the parties who caused this agreement to be executed on the date set forth above.

ENTERED on the date first written above.

BOARD OF TRUSTEES
CITY OF FERNANDINA BEACH FIREFIGHTERS' AND POLICE OFFICERS' PENSION FUND

By: ____________________________________
Chairperson

By:____________________________________
Secretary

FOSTER & FOSTER, INC.

By: ____________________________________

Title: ___________________________________

EXHIBIT A

FEE SCHEDULE

In consideration of the administrative services to be performed as agreed in the foregoing agreement, the Pension Fund shall pay the Administrator an annual fee of $________, payable as a monthly retainer fee in the amount of $______ to be billed in arrears. The fee shall be guaranteed for two (2) years, and shall include the usual and customary services identified in the Agreement as well as attendance at four (4) board meetings per year. Out-of-pocket travel expenses will be reimbursed, provided that travel fees shall be split among clients that the Administrator visits during a single trip. Our firm does not charge processing or copy fees.

<u>Fee Structure</u>

- A monthly fee of [WRITE OUT AMOUNT] ($______) that covers all regular and customary services.

The cost for work outlined in Section 4.B of this Agreement will be based upon the amount of time required and/or the cost of materials to complete each task. The hourly rate will be $180 and special travel time will be billed at an hourly rate of $90. We will provide a firm fee quotation prior to commencing any work at the Board's request.

The Administrator shall notify the Pension Fund at least ninety (90) days in advance of any proposed changes in this fee structure.

EXHIBIT B
CRIMES AFFIDAVIT

SWORN STATEMENT PURSUANT TO SECTION 287.133(3)(a), FLORIDA STATUTES, ON PUBLIC ENTITY CRIMES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to ____
[print name of the public entity]
By ____
[print individual's name and title]
For ____
[print name of entity submitting sworn statement]

whose business address is ____

____

and (if applicable) its Federal Employer Identification Number (FEIN) is ___________________________
(if the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement ____.)

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or of the United States, including, but not limited to, any bid or contract for goods or services to be provided to any public entity or an agency or political subdivision or any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, non-jury trial, or entry of a plea of guilty or nolo contendere.

4. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means: 1. A predecessor or successor of a person convicted of a public entity crime; or 2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" included those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate.

The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or

services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.

6. Based on information and belief, the statement which I have marked below is true in relation to the entity submitting this sworn statement. [indicate which statement applies]

_______ Neither the entity submitting this sworn statement, nor any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_______ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_______ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. [attached is a copy of the final order].

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

____
[signature]

STATE OF _______________________
COUNTY OF _____________________

The foregoing instrument was acknowledged before me, by means of ☐ physical presence or ☐ online notarization, on this _____ day of _____________________, 2021, by ______________________, who is personally known to me or who has produced (type of identification) as identification and who did □ / did not □ take an oath.

____

Print Name: _____________________________

Notary Public, Commission No.:
My Commission Expires: