



1 of average final compensation for each year of credited service on and after October 1, 2021.

2 A member, excluding vested terminated persons, retiring hereunder on or after his normal  
3 retirement date shall also receive a supplemental benefit equal to \$200.00 per month.

4 (3) Early retirement date. A member may retire on his early retirement date which shall be  
5 the first day of any month coincident with or next following the attainment of age 50 and the  
6 completion of eight ~~ten~~ years of credited service years. Early retirement under the system is  
7 retirement from employment with the town on or after the early retirement date and prior to  
8 the normal retirement date.

9 **Sec. 10.5-38. – Disability**

10 (1) Disability benefits in-line of duty. Any member who shall become totally and  
11 permanently disabled to the extent that he is unable, by reason of a medically determinable  
12 physical or mental impairment, to render useful and efficient service as a police officer, which  
13 disability was directly caused by the performance of his duty as a police officer, shall, upon  
14 establishing the same to the satisfaction of the board, be entitled to a monthly pension equal  
15 to 3.3 percent of his average final compensation multiplied by the total years of credited  
16 service for performance prior to October 1, 2021, and 3.5 percent of his average final  
17 compensation multiplied by the total years of credited service for performance on and after  
18 October 1, 2021, but in any event the minimum amount paid to the member shall be 42% of  
19 the average final compensation of the member. Terminated persons, either vested or  
20 nonvested, are not eligible for disability benefits, except that those terminated by the town  
21 for medical reasons may apply for a disability within 30 days after termination.

22 (3) Disability benefits not-in-line of duty. Any member with ~~ten~~ eight years or more  
23 credited service who shall become totally and permanently disabled to the extent that he is  
24 unable, by reason of a medically determinable physical or mental impairment, to render  
25 useful and efficient service as a police officer, which disability is not directly caused by the  
26 performance of his duties as a police officer shall, upon establishing the same to the  
27 satisfaction of the board, be entitled to a monthly pension equal to 3.3 percent of his average  
28 final compensation multiplied by the total years of credited service for performance prior to  
29 October 1, 2021, and 3.5 percent of his average final compensation multiplied by the total  
30 years of credited service for performance on and after October 1, 2021. Terminated persons,  
31 either vested or nonvested, are not eligible for disability benefits, except that those  
32 terminated by the town for medical reasons may apply for a disability within 30 days after  
33 termination.

34 **Sec. 10.5-39 Vesting.**

1 If a member terminates his employment as a police officer after the effective date of this  
2 ordinance, either voluntarily or by discharge, and is not eligible for any other benefits under  
3 this system, the member shall be entitled to the following:

4 (1) If the member has less than ~~ten~~eight years credited service upon termination, the  
5 member shall be entitled to a refund of his accumulated contributions, or the member may  
6 leave it deposited with the fund.

7 (2) If the member has ~~ten~~eight or more years of credited service upon termination, the  
8 member shall be entitled to a monthly retirement benefit, determined in the same manner as  
9 for normal or early retirement and based upon the member's credited service, average final  
10 compensation and the benefit accrual rate as of the date of termination, payable to him  
11 commencing at the member's otherwise normal or early retirement date, determined as if he  
12 had remained employed, provided he does not elect to withdraw his accumulated  
13 contributions and provided the member survives to his otherwise normal or early retirement  
14 date. If the member does not withdraw his accumulated contributions and does not survive  
15 to his otherwise normal or early retirement date, his designated beneficiary shall be entitled  
16 to a benefit as provided herein for a deceased member, vested or eligible for retirement  
17 under preretirement death.

18 **Sec. 10.5-46.- Minimum distribution of benefits**

19 (1) General rules.

20 (a) Effective date. Effective as of January 1, 1989, the plan will pay all benefits in  
21 accordance with a good faith interpretation of the requirements of Code Section  
22 401(a)(9) and the regulations in effect under that section, as applicable to a  
23 governmental plan within the meaning of Code Section 414(d). Effective on and after  
24 January 1, 2003, the plan is also subject to the specific provisions contained in this  
25 section. The provisions of this section will apply for purposes of determining required  
26 minimum distributions for calendar years beginning with the 2003 calendar year.

27 (b) Precedence. The requirements of this section will take precedence over any  
28 inconsistent provisions of the plan.

29 (c) TEFRA Section 242(b)(2), Elections. Notwithstanding the other provisions of this  
30 section other than this subsection (1)(c), distributions may be made under a  
31 designation made before January 1, 1984, in accordance with Section 242(b)(2) of the  
32 Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the plan that  
33 related to Section 242(b)(2) of TEFRA.

34 (2) Time and manner of distribution.

1 (a) Required beginning date. The member's entire interest will be distributed, or begin  
2 to be distributed, to the member no later than the member's required beginning date  
3 which shall not be later than April 1 of the calendar year following the calendar year in  
4 which the member attains age 70½, 72, or the calendar year in which the member  
5 terminates employment with the town.

6 (b) Death of member before distributions begin. If the member dies before  
7 distributions begin, the member's entire interest will be distributed, or begin to be  
8 distributed no later than as follows:

9 1. If the member's surviving spouse is the member's sole designated beneficiary,  
10 then distributions to the surviving spouse will begin by December 31 of the  
11 calendar year immediately following the calendar year in which the member died,  
12 or by a date on or before December 31 of the calendar year in which the member  
13 would have attained age 70½, 72, if later, as the surviving spouse elects.

14 2. If the member's surviving spouse is not the member's sole designated  
15 beneficiary, then, distributions to the designated beneficiary will begin by  
16 December 31 of the calendar year immediately following the calendar year in which  
17 the member died.

18 3. If there is no designated beneficiary as of September 30 of the year following the  
19 year of the member's death, the member's entire interest will be distributed by  
20 December 31 of the calendar year containing the fifth anniversary of the member's  
21 death.

22 4. If the member's surviving spouse is the member's sole designated beneficiary  
23 and the surviving spouse dies after the member but before distributions to the  
24 surviving spouse begin, this subsection (2)(b), other than subsection (2)(b)1., will  
25 apply as if the surviving spouse were the member.

26 For purposes of this subsections (2)(b) and (5), distributions are considered to begin  
27 on the member's required beginning date or, if subsection (2)(b)4., applies, the date  
28 of distributions are required to begin to the surviving spouse under subsection  
29 (2)(b)1. If annuity payments irrevocably commence to the member before the  
30 member's required beginning date (or to the member's surviving spouse before the  
31 date distributions are required to begin to the surviving spouse under subsection  
32 (2)(b)1.), the date distributions are considered to begin is the date distributions  
33 commence.

34 (c) Death after distributions begin. If the member dies after the required distribution of  
35 benefits has begun, the remaining portion of the member's interest must be

1 distributed at least as rapidly as under the method of distribution before the member's  
2 death.

3 (d) Form of distribution. Unless the member's interest is distributed in the form of an  
4 annuity purchased from an insurance company or in a single sum on or before the  
5 required beginning date, as of the first distribution calendar year distributions will be  
6 made in accordance with this section. If the member's interest is distributed in the  
7 form of an annuity purchased from an insurance company, distributions thereunder  
8 will be made in accordance with the requirements of Section 401(a)(9) of the code and  
9 Treasury regulations. Any part of the member's interest which is in the form of an  
10 individual account described in Section 414(k) of the code will be distributed in a  
11 manner satisfying the requirements of Section 401(a)(9) of the code and Treasury  
12 regulations that apply to individual accounts.

13 (3) Determination of amount to be distributed each year.

14 (a) General requirements. If the member's interest is paid in the form of annuity  
15 distributions under the plan, payments under the annuity will satisfy the following  
16 requirements:

17 1. The annuity distributions will be paid in periodic payments made at intervals not  
18 longer than one year.

19 2. The member's entire interest must be distributed pursuant to Section 10.5-36,  
20 Section 10.5-37, Section 10.5-39, or Section 10.5-40 (as applicable) and in any event  
21 over a period equal to or less than the member's life or the lives of the member and  
22 a designated beneficiary, or over a period not extending beyond the life expectancy  
23 of the member or of the member and a designated beneficiary. The life expectancy  
24 of the member, the member's spouse, or the member's beneficiary may not be  
25 recalculated after the initial determination for purposes of determining benefits.

26 (b) Amount required to be distributed by required beginning date. The amount that  
27 must be distributed on or before the member's required beginning date (or, if the  
28 member dies before distributions begin, the date distributions are required to begin  
29 under section 10.5-37) is the payment that is required for one payment interval. The  
30 second payment need not be made until the end of the next payment interval even if  
31 that payment interval ends in the next calendar year. Payment intervals are the periods  
32 for which payments are received, e.g., monthly. All the member's benefit accruals as of  
33 the last day of the first distribution calendar year will be included in the calculation of  
34 the amount of the annuity payments for payment intervals ending on or after the  
35 member's required beginning date.

1 (c) Additional accruals after first distribution calendar year. Any additional benefits  
2 accruing to the member in a calendar year after the first distribution calendar year will  
3 be distributed beginning with the first payment interval ending in the calendar year  
4 immediately following the calendar year in which such amount accrues.

5 (4) General distribution rules.

6 (a) The amount of an annuity paid to a member's beneficiary may not exceed the  
7 maximum determined under the incidental death benefit requirement of Code Section  
8 401(a)(9)(G), and effective for any annuity commencing on or after January 1, 2008, the  
9 minimum distribution incidental benefit rule under Treasury Regulation Section  
10 1.401(a)(9)-6, Q&A-2.

11 (b) The death and disability benefits provided by the plan are limited by the incidental  
12 benefit rule set forth in Code Section 401(a)(9)(G) and Treasury Regulation Section  
13 1.401-1(b)(1)(I) or any successor regulation thereto. As a result, the total death or  
14 disability benefits payable may not exceed 25 percent of the cost for all the members'  
15 benefits received from the retirement system.

16 (5) Definitions.

17 (a) Designated beneficiary. The individual who is designated as the beneficiary under  
18 the plan and is the designated beneficiary under Section 401(a)(9) of the code and  
19 Section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.

20 (b) Distribution calendar year. A calendar year for which a minimum distribution is  
21 required. For distributions beginning before the member's death, the first distribution  
22 calendar year is the calendar year immediately preceding the calendar year which  
23 contains the member's required beginning date. For distributions beginning after the  
24 member's death, the first distribution calendar year is the calendar year in which  
25 distributions are required to begin pursuant to section 10.5-37.

26 **Sec. 10.5-59. - Excess premium tax revenues; supplemental share account benefit.**

27 There is hereby established an additional plan component to provide special benefits in the  
28 form of a supplemental retirement, termination, death and disability benefits to be in  
29 addition to the benefits provided for in the previous sections of this plan, such benefit to be  
30 funded solely and entirely by Chapter 185, Florida Statutes, premium tax monies for each  
31 plan year which are allocated to this supplemental defined contribution component for  
32 special benefits as provided for in Section 185.35, Florida Statutes. As of October 1, 2017,  
33 there is mutual consent of the members' collective bargaining representative and the  
34 municipality to use premium tax revenues in the manner described herein. Of the additional

1 premium tax revenues received for the 2021 calendar year and each subsequent year that are  
2 in excess of \$110,000.00, the amount received for the 2021 calendar year, 50 percent must be  
3 used to reduce any unfunded liabilities of the plan and 50 percent must be placed in a  
4 defined contribution plan component. If there is no unfunded actuarial accrued liability as of  
5 the most recent actuarial valuation report, then the 50 percent that was to be used to reduce  
6 any unfunded liabilities of the plan will be used to reduce the town's funding requirement for  
7 that year. Amounts allocated to this supplemental component ("share plan"), if any, shall be  
8 further allocated to the members as set forth herein.

9 **SECTION 2.** Specific authority is hereby granted to codify and incorporate this Ordinance in  
10 the existing Code of Ordinances of the Town of Lady Lake, Florida.

11 **SECTION 3.** All ordinances or parts of Ordinances in conflict herewith be and the same are  
12 hereby repealed.

13 **SECTION 4.** If any section, subsection, sentence, clause, phrase of this ordinance, or the  
14 particular application thereof shall be held invalid by any court, administrative agency, or  
15 other body with appropriate jurisdiction, the remaining section, subsection, sentences,  
16 clauses, or phrases under application shall not be affected thereby.

17 **SECTION 5.** That this Ordinance shall become effective upon its adoption.

18 This Ordinance shall become effective upon its passage and adoption according to law.

19 **PASSED AND ORDAINED** this 4th day of October, 2021, in the regular session of the Town  
20 Commission of the Town of Lady Lake, Lake County, Florida, upon the second and final  
21 reading.

22 Town of Lady Lake, Florida

23 \_\_\_\_\_  
24 Ruth Kussard, Mayor

25 Attest:

26 \_\_\_\_\_  
27 Nancy Slaton, Town Clerk

28 Approved as to form:

29 \_\_\_\_\_  
30 Derek Schroth, Town Attorney