



POLICE AND FIRE PENSION FUND

ONE WEST ADAMS STREET, SUITE 100

JACKSONVILLE, FLORIDA 32202-3616

"We Serve...and We Protect"

AMENDMENT TO SENIOR STAFF VOLUNTARY RETIREMENT PLAN

Whereas, Section 8 A of the Plan requires the Plan to be maintained in accordance with the provisions of the Internal Revenue Code; and,

Whereas, Section 9 A of the Plan gives the Board the continuing authority to amend the Plan;

Whereas, Section 415(m) of the Internal Revenue Code provides for the adoption of an excess benefit arrangement to address any provision of the Plan which may exceed the provisions of Section 415 (b); and,

Whereas the Board is obligated to pay the retirement benefits earned by participants in the Plan; and,

Whereas any actuarial gain shall inure to the credit of the Board;

Section 10 is hereby created to read as follows:

Section 10: Excess Benefit Arrangement

In order to assure payment of all benefits accrued, consistent with the provisions of Section 415(b) of the Internal Revenue Code, an excess benefit arrangement is hereby adopted consistent with the provisions of Section 415(m) of the Internal Revenue Code.

APPROVED BY THE BOARD OF TRUSTEES AT ITS MEETING ON OCTOBER 9, 2015.

**JACKSONVILLE POLICE AND FIRE
PENSION FUND BOARD OF
TRUSTEES**

Larry Schmitt, Chair

Richard Tuten III, Board Secretary

Paul Daragjati
Fund Counsel

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Administrative Rule for Management of the Excess Benefit Arrangement

- (a) *General.* The Board hereby creates and establishes a qualified excess benefit arrangement pursuant to Section 415(m) of the Internal Revenue Code of 1986, as amended (the "Code"). The excess benefit arrangement shall be separate from and in addition to the Plan.
- (b) *Purpose.* The purpose of the excess benefit arrangement is to pay to eligible payees of the Plan certain benefits that in the event the benefits earned exceed, and otherwise would be reduced by, the limitations on benefits imposed by Section 415(b) of the Code.
- (c) *Eligibility.* Any payee under the Retirement System shall be eligible to participate in the excess benefit arrangement whenever his or her earned benefit under the Plan exceeds the maximum benefit limit imposed by Section 415(b) of the Code. Participation in the excess benefit arrangement shall continue for as long as the payee's earned benefit under the Retirement System is reduced by the application of the maximum benefit limit imposed by Section 415(b) of the Code.
- (d) *Benefit.*
- (1) During the period of eligibility, each eligible payee of the Plan shall be entitled to receive an amount equal to the difference of the gross amount of the bi-weekly retirement benefit the payee would have been entitled to receive under the Retirement System if not for the limitations on benefits imposed by Section 415(b) of the Code and the gross amount of the reduced bi-weekly retirement benefit actually paid to the payee under the Plan, as determined by an actuary engaged by the Pension Board of Trustees.
 - (2) Benefits due under the excess benefit arrangement shall be paid by the Board directly to each payee. All payments under the excess benefit arrangement shall be made on or about the same date the Board pays the payee his or her regular bi-weekly retirement or survivor benefit due under the Plan and shall be made by separate transaction.
 - (3) The benefits provided by this Section shall not be subject to execution, garnishment, attachment or any other process of any court with respect to a payee under the excess benefit arrangement, except for income deduction orders and federal income tax levies.
- (e) *Administration.*
- (1) The Board shall administer the excess benefit arrangement.

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(2) The Board shall compile and maintain all records necessary or appropriate for the administration of the excess benefit arrangement pursuant to this Section.

(f) *Funding.*

(1) The Board, in consultation with its actuary shall pay benefits pursuant to this Section

(2) All amounts required to be funded and paid by the Board pursuant to this Section shall be maintained in a separate account and shall not be co-mingled with any asset of the Plan.

(3) The Board shall be solely responsible for funding the excess benefit arrangement. No payee contributions or deferrals, directly or indirectly, by election or otherwise shall be made or allowed under the excess benefit arrangement. The excess benefit arrangement shall be unfunded within the meaning of federal tax law.

(g) *Actuarial Gain.* Any actuarial gain in the Plan resulting from this Section shall be credited to the reduction of the Police and Fire Pension Fund's unfunded liability in the next following actuarial valuation.