

1   A bill to be entitled  
 2           An act relating to the West Palm Beach Police Pension  
 3           Fund of the City of West Palm Beach, Palm Beach  
 4           County; amending chapter 24981 (1947), Laws of  
 5           Florida, as amended; revising definitions; revising  
 6           trustee terms; clarifying powers of the board of  
 7           trustees; adding provision for physical for  
 8           determining preexisting conditions; adding procedure  
 9           for returning withdrawn contributions upon rehire or  
 10          reinstatement to employment; adding normal retirement  
 11          age for retirement based on years of service; deleting  
 12          obsolete retirement calculations; clarifying survivor  
 13          language for normal form of benefit; adding 10-year  
 14          certain benefit to optional forms; adding a death  
 15          benefit provision to the DROP account; clarifying the  
 16          retiree's option to elect an optional form at the time  
 17          of retirement; adding an actuarial equivalent  
 18          calculation for survivor benefits paid to a spouse  
 19          other than the one to whom the retiree was married at  
 20          the time of retirement; deleting the section actuarial  
 21          assumptions; clarifying the purchase of service is  
 22          limited to 5 years; providing an effective date.

23  
 24   Be It Enacted by the Legislature of the State of Florida:  
 25

26 Section 1. Subsection (2), paragraph (a) of  
 27 subsection(3), paragraph (b) of subsection (5), subsection (6),  
 28 paragraph (a) of subsection (8), subsection (9), paragraph (b)  
 29 of subsection (13), paragraph (c) of subsection (17), and  
 30 subsections (34)-(37) of section 16 of chapter 24981 (1947),  
 31 Laws of Florida, as amended by chapter 2012-259, Laws of  
 32 Florida, are amended, and paragraph (g) is added to subsection  
 33 (3), to read:

34 Section 16. West Palm Beach Police Pension Fund.—

35 (2) Definitions.—The following words or phrases, as used  
 36 in this act, shall have the following meanings, unless a  
 37 different meaning is clearly indicated by the context:

38 (a) "Accrued benefit" means the amount of a member's  
 39 pension as of a specified date determined in accordance with the  
 40 terms of the pension plan, whether or not the member is eligible  
 41 to access it.

42 (b) ~~(a)~~ "Actuarial equivalent value," "actuarial  
 43 equivalence," or "single sum value" means the stated  
 44 determination using an interest rate of 8.00 ~~8.25~~ percent per  
 45 year and the RP-2000 Mortality Table for annuitants with future  
 46 improvements in mortality projected to 2017 using Scale BB,  
 47 blending 90 percent male rates and 10 percent female rates for  
 48 the member and 10 percent male rates and 90 percent female rates  
 49 for the beneficiary. For females, the base mortality rates  
 50 include a 100 percent white collar adjustment. For males, the

51 base mortality rates include a 90 percent blue collar adjustment  
 52 and a 10% white collar adjustment ~~1983 Group Annuity Mortality~~  
 53 ~~Table.~~

54 (c) ~~(b)~~ "Beneficiary" means any person, except a retirant,  
 55 who is entitled to receive a benefit from the West Palm Beach  
 56 Police Pension Fund or the West Palm Beach Police Pension and  
 57 Relief Fund, as applicable.

58 (d) ~~(e)~~ "Board of Trustees" or "Board" means the Board of  
 59 Trustees provided for in this act.

60 (e) ~~(d)~~ "City" means the City of West Palm Beach, Florida.

61 (f) ~~(e)~~ "Department" means the Police Department in the  
 62 City of West Palm Beach.

63 (g) ~~(f)~~ "Enrolled actuary" means an actuary who is enrolled  
 64 under Subtitle C of Title III of the Employee Retirement Income  
 65 Security Act of 1974 and who is a member of the Society of  
 66 Actuaries or the American Academy of Actuaries.

67 (h) ~~(g)~~ "Final average salary" means the average of the  
 68 monthly salary paid a member in the 3 best years of employment.  
 69 In no event shall any one year, beginning January 1, 2005,  
 70 include more than 400 hours of overtime. Prior to January 1,  
 71 2005, individual years may include more than 400 hours of  
 72 overtime. Effective prospectively from January 1, 2013, the  
 73 overtime will be limited to 300 hours in any one year. Effective  
 74 [insert effective date] for purposes of determining final  
 75 average salary, any lump sum payment made to a member for

76 retroactive pay, such amounts shall not be considered as a lump  
77 sum but will be treated as if paid during the retroactive pay  
78 periods.

79 (i)~~(h)~~ "Fund" or "Pension Fund" means the West Palm Beach  
80 Police Pension Fund or the West Palm Beach Pension and Relief  
81 Fund, as applicable.

82 (j)~~(i)~~ "Member" or "participant" means any person who is  
83 included in the membership of the Fund in accordance with  
84 subsection (6).

85 (k)~~(j)~~ "Pension" means a monthly amount payable from the  
86 Fund throughout the future life of a person, or for a limited  
87 period of time, as provided in this act.

88 (l)~~(k)~~ "Police officer" means any person who is elected,  
89 appointed, or employed full time by the City, who is certified  
90 or required to be certified as a law enforcement officer in  
91 compliance with section 943.14, Florida Statutes, who is vested  
92 with authority to bear arms and make arrests, and whose primary  
93 responsibility is the prevention and detection of crime or the  
94 enforcement of the penal, criminal, traffic, or highway laws of  
95 the state. This definition includes all certified supervisory  
96 and command personnel whose duties include, in whole or in part,  
97 the supervision, training, guidance, and management  
98 responsibilities of full-time law enforcement officers, part-  
99 time law enforcement officers, or auxiliary law enforcement  
100 officers, but does not include part-time law enforcement

101 officers or auxiliary law enforcement officers as the same are  
102 defined in subsections (6) and (8) of section 943.10, Florida  
103 Statutes.

104 (m)~~(l)~~ "Qualified health professional" means a person duly  
105 and regularly engaged in the practice of his or her profession  
106 who holds a professional degree from a university or college and  
107 has special professional training or skill regarding the  
108 physical or mental condition, disability, or lack thereof, upon  
109 which he or she is to present evidence to the Board.

110 (n)~~(m)~~ "Qualified public depository" means any bank or  
111 savings association organized and existing under the laws of  
112 Florida and any bank or savings association organized under the  
113 laws of the United States that has its principal place of  
114 business, or a branch office, in Florida which is authorized  
115 under the laws of Florida or the United States to receive  
116 deposits in Florida; that meets all of the requirements of  
117 chapter 280, Florida Statutes; and that has been designated by  
118 the Treasurer of the State of Florida as a qualified public  
119 depository.

120 (o)~~(n)~~ "Retirant" means any member who retires with a  
121 pension from the Fund.

122 (p)~~(o)~~ "Retirement" means a member's withdrawal from  
123 Police Department employment as a police officer with a pension  
124 payable from the Fund.

125        (q) ~~(p)~~ "Salary" means the fixed monthly compensation paid  
126 to a member; compensation shall include those items as have been  
127 included as compensation in accordance with past practice.  
128 However, the term shall not be construed to include lump sum  
129 payments for accumulated leave. On and after January 1, 2003,  
130 salary shall mean total cash remuneration paid by the City to a  
131 police officer for services rendered excluding lump sum payments  
132 for accumulated leave such as accrued vacation leave, accrued  
133 sick leave, and accrued personal leave. Effective January 1,  
134 2005, overtime hours earned and paid in excess of 400 hours in  
135 any 26 consecutive pay periods shall be excluded from the  
136 definition of salary. Effective prospectively from January 1,  
137 2013, overtime hours earned and paid in excess of 300 hours in  
138 any 26 consecutive pay periods shall be excluded from the  
139 definition of salary.; Prior to January 1, 2005, all overtime  
140 hours earned and paid shall be included in the definition of  
141 salary and shall not be limited by any cap. This definition of  
142 compensation shall not include off-duty employment performed for  
143 vendors other than the City of West Palm Beach per Article 30,  
144 Pension Plan and Section 5 of the collective bargaining  
145 agreement between the Palm Beach County Police Benevolent  
146 Association and the City of West Palm Beach. Beginning with  
147 salary paid after December 31, 2008, and pursuant to s.  
148 414(u) (7) of the Internal Revenue Code, "salary" includes

149 amounts paid by the City as differential wages to members who  
150 are absent from employment while in qualified military service.

151 (r)~~(q)~~ "Service" or "service credit" means the total  
152 number of years, and fractional parts of years, of employment of  
153 any police officer, omitting intervening years, and fractional  
154 parts of years, when such police officer was not employed by the  
155 City. No member shall receive credit for years, or fractional  
156 parts of years, of service for which the member has withdrawn  
157 his or her contributions to the Fund. It is further provided  
158 that a member may voluntarily leave his or her contributions in  
159 the Fund for a period of 5 years after leaving the employ of the  
160 Department, pending the possibility of being rehired by the  
161 Department, without losing credit for the time he or she has  
162 participated actively as a police officer. Should he or she not  
163 be re-employed as a police officer with the Department within 5  
164 years, his or her contributions shall be returned without  
165 interest. In determining the aggregate number of years of  
166 service of any member, years of service for prior police officer  
167 or military service, as well as intervening military service,  
168 may be added, provided the member meets the requirements of  
169 subsection (34)~~(35)~~.

170 (s)~~(r)~~ The masculine gender includes the feminine and  
171 words in the singular with respect to persons shall include the  
172 plural and vice versa.

173 (3) Board of Trustees of Police Pension Fund.—

174 (a) Board of Trustees created.—There is hereby created a  
175 Board of Trustees, which shall be solely responsible for  
176 administering the West Palm Beach Police Pension Fund. The Board  
177 shall be a legal entity, with the power to bring and defend  
178 lawsuits of every kind, nature, and description and shall be  
179 independent of the City to the extent required to accomplish the  
180 intent, requirements, and responsibilities provided for in this  
181 act. The Board shall consist of five trustees, as follows:

182 1. Two legal residents of the City, who shall be appointed  
183 by the City. Each resident trustee shall serve as a trustee for  
184 a period of 4 ~~2~~ years, unless sooner replaced by the City, at  
185 whose pleasure he or she shall serve, and may succeed himself or  
186 herself as a trustee.

187 2. Two police officers, who shall be elected by a majority  
188 of the police officers who are members of the Fund. Elections  
189 shall be held under such reasonable rules and regulations as the  
190 Board shall from time to time adopt. Each member-trustee shall  
191 serve as trustee for a period of 4 ~~2~~ years, unless he or she  
192 sooner ceases to be a police officer in the employ of the  
193 Department, whereupon the members shall choose his or her  
194 successor in the same manner as the original appointment. Each  
195 member-trustee of the Fund may succeed himself or herself as a  
196 trustee.

197 3. A fifth trustee, who shall be chosen by a majority of  
198 the other four trustees. This fifth person's name shall be



199 submitted to the City, which shall, as a ministerial duty,  
200 appoint such person to the Board as a fifth trustee. The fifth  
201 person shall serve as trustee for a period of 4 ~~2~~ years, and may  
202 succeed himself or herself as a trustee.

203 (g) Powers of the Board of Trustees.-The duties and  
204 responsibilities of the Board shall include, but are not limited  
205 to, the following:

206 1. To construe the provisions of the plan and determine  
207 all questions arising thereunder.

208 2. To determine all questions relating to eligibility and  
209 participation.

210 3. To determine or have determined and certified the  
211 amount of all retirement allowances or other benefits hereunder.

212 4. To receive and process all applications for  
213 participation and benefits and, where necessary, conduct  
214 hearings thereon.

215 5. To authorize all payments whatsoever from the fund, and  
216 to notify the disbursing agent, in writing, or approve benefit  
217 payments and other expenditures arising through operation of the  
218 plan and fund.

219 6. To make recommendations to the city commission and  
220 union regarding changes in the provisions of the plan.

221 7. To review reports of and have meetings with the  
222 custodian and investment agents or advisors; to require written  
223 reports from the custodian on fund assets and transactions on a

224 monthly basis; to require written and oral reports from the  
 225 investment agents or advisors on at least an annual basis, such  
 226 reports to reflect fund investment, performance, investment  
 227 recommendations, and overall review of fund investment policies.

228 8. To maintain a minute book containing the minutes and  
 229 records of the proceedings and meetings of the Board.

230 9. To make uniform rules and regulations and to take  
 231 action as may be necessary to carry out the provisions of the  
 232 plan and all decisions of the Board made in good faith shall be  
 233 final, binding, and conclusive on all parties.

234 10. To take such other action as the Board shall deem, in  
 235 their sole and exclusive discretion, as being necessary for the  
 236 efficient management of the plan.

237 (5) Reports; experience tables; regular interest.—

238 (b) Experience tables; regular interest; adoption of  
 239 same.—The Board shall, from time to time, adopt such mortality  
 240 and other tables of experience, and a rate or rates of interest,  
 241 as required to operate the Fund on an actuarial basis, ~~except as~~  
 242 ~~provided in subsection (34).~~

243 (6) Membership.—All police officers in the employ of the  
 244 Department shall be included in the membership of the Fund, and  
 245 all persons who hereafter become police officers in the employ  
 246 of the City shall thereupon become members of the Fund. New  
 247 members to the Fund are required to undergo a physical  
 248 examination for purposes of determining preexisting conditions.

249 This physical examination shall be conducted in conjunction with  
250 the City's postoffer, preemployment physical examination. The  
251 Board's medical director shall review the results of this  
252 physical examination and provide notice to the Board and the  
253 member of any abnormal findings of the examination. This  
254 physical examination will be used for the purposes of  
255 establishing a physical profile of the member for determining  
256 preexisting conditions and presumptive illnesses as provided for  
257 in subsections (14) and (15). After review, if further physical  
258 examination is required by the Board, such examination shall be  
259 conducted at Board expense. Except as otherwise provided in this  
260 act, should any member cease to be a police officer in the  
261 employ of the Department, he or she shall thereupon cease to be  
262 a member and his or her credited service at that time shall be  
263 forfeited. In the event such person is re-employed in the  
264 Department as a police officer, he or she shall again become a  
265 member. His or her forfeited service shall be restored to the  
266 member's credit, provided that he or she returns to the Fund the  
267 amount he or she might have withdrawn, together with regular  
268 interest from the date of withdrawal to the date of repayment.  
269 Members must begin the process of returning the withdrawn  
270 contributions within 1 year after date of rehire or the time  
271 will only be eligible for purchase within the provisions of  
272 subsection (34). Should a member have withdrawn their  
273 contributions due to a termination from employment and the

274 member is subsequently reinstated through the grievance and  
275 arbitration process, such member must also begin the process of  
276 returning the withdrawn contributions within 1 year after the  
277 date of reinstatement or the time will only be eligible for  
278 purchase within the provisions of subsection (34); however, a  
279 member who is reinstated through the grievance and arbitration  
280 process may repay the withdrawn contributions without interest  
281 if the repayment process is started within 1 year after the date  
282 of reinstatement. Upon the member's retirement or death, he or  
283 she shall thereupon cease to be a member.

284 (8) Age and service requirements for retirement.—

285 (a) Normal retirement.—Upon written application filed with  
286 the Board, any member may retire and receive the applicable  
287 pension provided for in paragraph (9) (a), provided that the  
288 member has attained age 50 and has at least 20 years of credited  
289 service, has attained age 55 and has at least 10 years of  
290 credited service, or has at least 25 years of continuous  
291 credited service, regardless of age. In the case of a retirement  
292 with 25 years of service, Normal Retirement Age is whatever age  
293 a member has attained when retired at 25 years of service.

294 (9) Retirement pension calculation.—

295 (a) Upon retirement eligibility as provided in subsection  
296 (8), a member shall receive a monthly pension. The pension shall  
297 be the following, as applicable:

298 1. For all years of service earned after October 1, 2011,  
 299 the benefit is calculated using 2.68 percent of final average  
 300 salary per year and fractional parts of the years of service up  
 301 to a total of 26 prospective years, plus 1 percent of the final  
 302 average salary multiplied by the number of years, and fraction  
 303 of a year, of credited service in excess of 26 years. This  
 304 change in the multiplier was ~~is~~ due to the change in assumptions  
 305 in a prior version of this special act set forth in subsection  
 306 ~~(34)~~. This reduction is required by this paragraph. For years of  
 307 service earned before October 1, 2011, the benefit will be  
 308 calculated under the provisions of the applicable subparagraphs  
 309 2.-4. ~~2.-5.~~ For purposes of determining the 26-year limitation,  
 310 the member's total number of years of credited service are used.  
 311 In no event shall the benefit be less than 2 percent per year of  
 312 credited service.

313 2. A member who has more than or equal to 12 years and 6  
 314 months of service at October 1, 1999, and who was actively  
 315 employed by the Department on or after October 1, 1999, shall  
 316 receive a benefit equal to ~~the greater of the following:~~  
 317 ~~a.~~ Three percent of final average salary multiplied by the  
 318 number of years, and fraction of a year, of credited service  
 319 earned from April 1, 1987, to September 30, 2011, plus 2.5  
 320 percent of final average salary multiplied by the number of  
 321 years, and fraction of a year, of credited service earned prior  
 322 to April 1, 1987, up to a total of 26 years, plus 1 percent of

323 the final average salary multiplied by the number of years, and  
324 fraction of a year, of credited service which is in excess of 26  
325 years.†

326 ~~b. Two and one-half percent of final average salary~~  
327 ~~multiplied by the number of years, and fraction of a year, of~~  
328 ~~credited service, not to exceed 26 years, plus 1 percent of the~~  
329 ~~final average salary multiplied by the number of years, and~~  
330 ~~fraction of a year, of credited service which is in excess of 26~~  
331 ~~years; or~~

332 ~~e. The sum of the following:~~

333 ~~(I) Two and one-half percent of final average salary~~  
334 ~~multiplied by the number of years, and fraction of a year, of~~  
335 ~~credited service earned through September 30, 1988; and~~

336 ~~(II) Two percent of final average salary multiplied by the~~  
337 ~~number of years, and fraction of a year, of credited service~~  
338 ~~earned on and after October 1, 1988.~~

339  
340 However, in no event shall the benefit be less than 2 percent  
341 per year of credited service. For all years of service after  
342 October 1, 2011, the benefit will be calculated in accordance  
343 with subparagraph 1.

344 ~~3. A member who has more than 12 years and 6 months of~~  
345 ~~service and who has entered the DROP on or before October 1,~~  
346 ~~1999, and who was actively employed by the Department on October~~

347 ~~1, 1999, shall receive a benefit equal to the greater of the~~  
348 ~~following:~~

349 ~~a. Three percent of final average salary multiplied by the~~  
350 ~~number of years, and fraction of a year, of credited service~~  
351 ~~earned in the 12 years and 6 months prior to entering the DROP,~~  
352 ~~plus 2.5 percent of final average salary multiplied by the~~  
353 ~~number of years, and fraction of a year, of credited service~~  
354 ~~earned prior to that date which is 12 years and 6 months prior~~  
355 ~~to entering the DROP, up to a total of 26 years, plus 1 percent~~  
356 ~~of the final average salary multiplied by the number of years,~~  
357 ~~and fraction of a year, of credited service which is in excess~~  
358 ~~of 26 years. The one-half percent enhancement to the accrual~~  
359 ~~rate shall also be applied retroactively to the date of entering~~  
360 ~~the DROP, or 2 years, whichever is less, provided that the~~  
361 ~~retroactive application shall include principal only and not any~~  
362 ~~earnings thereon. An example of the calculation described in~~  
363 ~~this sub-subparagraph is set forth in the collective bargaining~~  
364 ~~agreement between the City of West Palm Beach and the Police~~  
365 ~~Benevolent Association, Certified Unit No. 825, October 1, 1998-~~  
366 ~~September 30, 2001;~~

367 ~~b. Two and one-half percent of final average salary~~  
368 ~~multiplied by the number of years, and fraction of a year, of~~  
369 ~~credited service, not to exceed 26 years, plus 1 percent of the~~  
370 ~~final average salary multiplied by the number of years, and~~

371 ~~fraction of a year, of credited service which is in excess of 26~~  
 372 ~~years; or~~

373 ~~e. The sum of the following:~~

374 ~~(I) Two and one-half percent of final average salary~~  
 375 ~~multiplied by the number of years, and fraction of a year, of~~  
 376 ~~credited service earned through September 30, 1988; and~~

377 ~~(II) Two percent of final average salary multiplied by the~~  
 378 ~~number of years, and fraction of a year, of credited service~~  
 379 ~~earned on and after October 1, 1988.~~

380  
 381 ~~However, in no event shall the benefit be less than 2 percent~~  
 382 ~~per year of credited service. For all years of service after~~  
 383 ~~October 1, 2011, the benefit will be calculated in accordance~~  
 384 ~~with subparagraph 1.~~

385 3.4. A member who has less than 12 years and 6 months of  
 386 service on October 1, 1999, and who was actively employed by the  
 387 Department on or after October 1, 1999, shall receive a benefit  
 388 equal to ~~the greater of the following:~~

389 ~~a.~~ Three percent of final average salary multiplied by the  
 390 number of years, and fraction of a year, of credited service up  
 391 to September 30, 2011, plus 1 percent of the final average  
 392 salary multiplied by the number of years, and fraction of a  
 393 year, of credited service which is in excess of 26 years.~~†~~

394 ~~b.~~ Two and one-half percent of final average salary  
 395 ~~multiplied by the number of years, and fraction of a year, of~~



396 ~~credited service, not to exceed 26 years, plus 1 percent of the~~  
397 ~~final average salary multiplied by the number of years, and~~  
398 ~~fraction of a year, of credited service which is in excess of 26~~  
399 ~~years; or~~

400 ~~e. The sum of the following:~~

401 ~~(I) Two and one-half percent of final average salary~~  
402 ~~multiplied by the number of years, and fraction of a year, of~~  
403 ~~credited service earned through September 30, 1988; and~~

404 ~~(II) Two percent of final average salary multiplied by the~~  
405 ~~number of years, and fraction of a year, of credited service~~  
406 ~~earned on and after October 1, 1988.~~

407

408 However, in no event shall the benefit be less than 2 percent  
409 per year of credited service. For all years of service after  
410 October 1, 2011, the benefit will be calculated in accordance  
411 with subparagraph 1.

412 4.5. A member who terminated employment, retired on a  
413 vested deferred benefit, or retired on or before October 1,  
414 1999, shall receive a benefit equal to the greater of the  
415 following:

416 a. Two and one-half percent of final average salary  
417 multiplied by the number of years, and fraction of a year, of  
418 credited service not to exceed 26 years, plus 1 percent of the  
419 final average salary multiplied by the number of years, and

420 fraction of a year, of credited service which is in excess of 26  
 421 years; or

422 b. The sum of the following:

423 (I) Two and one-half percent of final average salary  
 424 multiplied by the number of years, and fraction of a year, of  
 425 credited service earned through September 30, 1988; and

426 (II) Two percent of final average salary multiplied by the  
 427 number of years, and fraction of a year, of credited service  
 428 earned on and after October 1, 1988.

429

430 ~~The 3 percent benefit accrual factor for active employees in~~  
 431 ~~subparagraphs (a) 2., 3., and 4. is contingent on and subject to~~  
 432 ~~the adoption and maintenance of the assumptions set forth in~~  
 433 ~~subsection (34). If such assumptions are modified by~~  
 434 ~~legislative, judicial, or administrative agency action and the~~  
 435 ~~modification results in increased City contributions to the~~  
 436 ~~Pension Fund, the 3 percent benefit accrual factor for active~~  
 437 ~~employees in subparagraphs (a) 2., 3., and 4. shall be~~  
 438 ~~automatically decreased prospectively from the date of the~~  
 439 ~~action, to completely offset the increase in City contributions.~~  
 440 ~~However, in no event shall the benefit accrual factor in~~  
 441 ~~subparagraphs (a)1., 2., 3., 4., and 5. be adjusted below 2.5~~  
 442 ~~percent.~~

443

444 To the extent that the benefit accrual factor is less than 3  
445 percent for active members with less than 12 years and 6 months  
446 of service on October 1, 1999, the supplemental pension  
447 distribution calculation under subparagraph (12)(a)2. shall be  
448 adjusted for employees who retire or enter the DROP after  
449 October 1, 1999. The adjustment shall be to decrease the minimum  
450 return of 8.25 percent needed to afford the supplemental pension  
451 distribution, where the amount of the reduction is zero if an  
452 employee has been credited with 12 years and 6 months of service  
453 or more with the 3-percent benefit accrual factor or 1.25  
454 percent if an employee has been credited with no more than a  
455 2.5-percent benefit accrual factor. If an employee has been  
456 credited with less than 12 years and 6 months of service at the  
457 3-percent benefit accrual factor, then the accumulated amount  
458 over 2.5 percent for each year of service divided by one-half  
459 percent divided by 12.5 subtracted from 1 multiplied by 1.25  
460 percent is the reduction from 8.25 percent. An example of the  
461 calculation of the minimum return for the supplemental pension  
462 distribution as herein described is set forth in the collective  
463 bargaining agreement between the City of West Palm Beach and the  
464 Police Benevolent Association, Certified Unit No. 145 and  
465 Certified Unit No. 825, October 1, 1998-September 30, 2001.  
466  
467 Effective October 1, 2011, the assumed investment rate of return  
468 was lowered from 8.25 percent to 8 percent, which resulted in a

469 reduction in the benefit multiplier to 2.68 percent for all  
470 prospective years of service, up to 26 years of service in  
471 total, and 1 percent for each year of service after 26.  
472 Additionally, for any supplemental pension distributions  
473 subsequent to October 1, 2011, the revised factors in this  
474 paragraph will be applied.

475 (b) Payment of benefits.—

476 1. First payment.—Service pensions shall be payable on the  
477 first day of each month. The first payment shall be payable the  
478 first day of the month coincident with or next following the  
479 date of retirement or death, provided the member has completed  
480 the applicable age and service requirements.

481 2. Last payment.—The last payment shall be the payment due  
482 next preceding the member's death, except that payments shall be  
483 continued to the designated beneficiary (or beneficiaries) if a  
484 10-year certain benefit, a joint and survivor option, or  
485 beneficiary benefits, as applicable, are payable.

486 (c) Normal form of retirement income; 10-year certain  
487 benefit.—

488 1. Married member.—The normal form of retirement benefit  
489 for a married member or for a member with dependent children or  
490 parents shall be a pension and death benefits. The pension  
491 benefit shall provide monthly payments for the life of the  
492 member. Thereafter, death benefits shall be paid to the

493 ~~beneficiary~~ designated survivor ~~by the member~~ as provided in  
494 subsection (17).

495 2. Unmarried member.—The normal form of retirement benefit  
496 for an unmarried member without dependent children or parents  
497 shall be a 10- year certain benefit. This benefit shall pay  
498 monthly benefits for the member's lifetime. In the event the  
499 member dies after his or her retirement but before receiving  
500 retirement benefits for a period of 10 years, the same monthly  
501 benefit shall be paid to the beneficiary (or beneficiaries) as  
502 designated by the member for the balance of such 10-year period  
503 or, if no beneficiary is designated, to heirs at law, or estate  
504 of the member, as provided in section 185.162, Florida Statutes.

505 (d) Optional forms of retirement income.—

506 1.a. In the event of normal, early, or disability  
507 retirement, in lieu of the normal form of retirement income  
508 payable as specified in paragraph (c), and in lieu of the death  
509 benefits as specified in subsection (17), a member, upon written  
510 request to the Board and subject to the approval of the Board,  
511 may elect to receive a retirement income of equivalent actuarial  
512 value payable in accordance with one of the following options:

513 (I) Lifetime option.—A retirement income of a larger  
514 monthly amount, payable to the member for his or her lifetime  
515 only.

516 (II) Joint and survivor option.—A retirement income of a  
517 modified monthly amount, payable to the member during the joint

518 lifetime of the member and a dependent joint pensioner  
519 designated by the member, and following the death of either of  
520 them, 100 percent, 75 percent, 66- 2/3 percent, or 50 percent of  
521 such monthly amounts, payable to the survivor for the lifetime  
522 of the survivor.

523 (III) 10-year certain option.-A retirement income of the  
524 normal form of benefit but in lieu of the survivor benefits as  
525 provided for in subsection (17), the member may elect to  
526 designate a beneficiary to receive the remainder of 120  
527 payments, in the event that the member dies before receiving 120  
528 payments. In the event that the member/retiree receives 120 or  
529 more payments, no benefit is ever paid to a beneficiary.

530 b. The member, upon electing any option of this paragraph,  
531 shall designate the joint pensioner or beneficiary (or  
532 beneficiaries) to receive the benefit, if any, payable in the  
533 event of his or her death, and shall have the power to change  
534 such designation from time to time; but any such change shall be  
535 deemed a new election and shall be subject to approval by the  
536 Board. Such designation shall name a joint pensioner or one or  
537 more primary beneficiaries where applicable. If a member has  
538 elected an option with a joint pensioner or beneficiary and his  
539 or her retirement income benefits have commenced, he or she may  
540 thereafter change the designated joint pensioner or beneficiary  
541 only twice. Any retired member who desires to change his or her  
542 joint pensioner or beneficiary shall file with the Board a

543 | notarized notice of such change. Upon receipt of a completed  
544 | change of joint pensioner form or such other notice, the Board  
545 | shall adjust the member's monthly benefit by the application of  
546 | actuarial tables and calculations developed to ensure that the  
547 | benefit paid is the actuarial equivalent of the present value of  
548 | the member's current benefit and there is no impact to the Plan.

549 |       c. The consent of a member's joint pensioner or  
550 | beneficiary to any such change shall not be required.

551 |       d. For any other changes of beneficiaries, the Board may  
552 | request such evidence of the good health of the joint pensioner  
553 | who is being removed as it may require; and the amount of the  
554 | retirement income payable to the member upon the designation of  
555 | a new joint pensioner shall be actuarially redetermined, taking  
556 | into account the ages and sex of the former joint pensioner, the  
557 | new joint pensioner, and the member. Each such designation shall  
558 | be made in writing on a form prepared by the Board, and, on  
559 | completion, shall be filed with the Board. In the event that no  
560 | designated beneficiary survives the member, such benefits as are  
561 | payable in the event of the death of the member subsequent to  
562 | his or her retirement shall be paid as provided in subparagraph  
563 | (c)2.

564 |       2. Retirement income payments shall be made under the  
565 | option elected in accordance with the provisions of this  
566 | paragraph and shall be subject to the following limitations:

567           a. If a member dies prior to his or her normal retirement  
568 date or early retirement date, whichever first occurs,  
569 retirement benefits shall be paid in accordance with subsection  
570 (17).

571           b. If the designated beneficiary (or beneficiaries) or  
572 joint pensioner dies before the member's retirement, the option  
573 elected shall be canceled automatically and a retirement income  
574 of the normal form and amount shall be payable to the member  
575 upon his or her retirement as if the election had not been made,  
576 unless a new election is made in accordance with the provisions  
577 of this paragraph or a new beneficiary is designated by the  
578 member prior to his or her retirement.

579           c. If a member continues in the employ of the Department  
580 after meeting the age and service requirements set forth in  
581 paragraph (8) (a) and dies prior to retirement and while an  
582 option provided for in this paragraph is in effect, monthly  
583 retirement income payments shall be paid, under the option, to a  
584 beneficiary (or beneficiaries) designated by the member in the  
585 amount or amounts computed as if the member had retired under  
586 the option on the date on which his or her death occurred.

587           3. No member may make any change in his or her retirement  
588 option after the date of cashing or depositing the first  
589 retirement check.

590           (e) Designation of beneficiary.-



591           1. Each member may, on a form provided for that purpose,  
592 signed and filed with the Board, designate a beneficiary (or  
593 beneficiaries) to receive the benefit, if any, which may be  
594 payable in the event of the member's death; and each designation  
595 may be revoked by such member by signing and filing with the  
596 Board a new designation of beneficiary form. However, after the  
597 benefits have commenced, a retirant may change his or her  
598 designation of a joint annuitant or beneficiary only twice. If  
599 the retirant desires to change his or her joint annuitant or  
600 beneficiary, he or she shall file with the Board a notarized  
601 notice of such change either by registered letter or on a form  
602 as provided by the Board. Upon receipt of a completed change of  
603 joint annuitant form or such other notice, the Board shall  
604 adjust the member's monthly benefit by the application of  
605 actuarial tables and calculations developed to ensure that the  
606 benefit paid is the actuarial equivalent of the present value of  
607 the member's current benefit.

608           2. Absence or death of beneficiary.—If a deceased member  
609 failed to name a beneficiary in the manner prescribed in  
610 subparagraph 1., or if the beneficiary (or beneficiaries) named  
611 by a deceased member predeceases the member, death benefits, if  
612 any, which may be payable under this act on behalf of such  
613 deceased member may be paid, in the discretion of the Board, to:

614           a. The spouse or dependent child or children of the  
615 member;

616           b. The dependent living parent or parents of the member;  
617 or

618           c. The estate of the member.

619           (13) Deferred Retirement Option Plan (DROP).—

620           (b) Amounts payable upon election to participate in DROP.—

621           1. Monthly retirement benefits that would have been  
622 payable had the member terminated employment with the Department  
623 and elected to receive monthly pension payments shall be paid  
624 into the DROP and credited to the retirant. Payments into the  
625 DROP shall be made monthly over the period the retirant  
626 participates in the DROP, up to a maximum of 60 months.

627           2. Effective October 1, 2002, DROP Participants have the  
628 option to select between two methods to credit investment  
629 earnings to their account. The method may be changed each year  
630 effective October 1; however, the method must be elected prior  
631 to October 1. The methods are:

632           a. Earnings using the rate of investment return earned (or  
633 lost) on Pension Fund assets as reported by the Fund's  
634 investment monitor. DROP assets are commingled with the Pension  
635 Fund assets for investment purposes.

636           b. A fixed rate of 8.25 percent for members who reached  
637 normal retirement age on or before October 1, 2012. Effective  
638 October 1, 2012, the fixed rate is 8 percent for members who  
639 retire or enter the DROP on or after October 1, 2012. In any  
640 fiscal year, if the amount paid in investment earnings under

641 | this paragraph creates a deficiency as compared to the gross  
642 | earnings of the pension fund as a whole (using the rate  
643 | determined by the Fund's investment monitor), then the rate will  
644 | be reduced to 4 percent effective the next October 1 until the  
645 | deficiency is satisfied. When the deficiency is satisfied, the  
646 | rate will return to 8 percent, effective the next October 1.  
647 | Beginning October 1, 2012, the cumulative amounts paid in  
648 | earnings for the fixed rate will be maintained in the actuarial  
649 | valuation.

650 | However, if a police officer does not terminate employment at  
651 | the end of participation in the DROP, interest credits shall  
652 | cease on the balance.

653 |         3. No payments shall be made from the DROP until the  
654 | member terminates employment with the Department.

655 |         4. Upon termination of employment, participants in the  
656 | DROP shall receive the balance of the DROP account in accordance  
657 | with the following rules:

658 |             a. Members may elect to begin to receive payment upon  
659 | termination of employment or defer payment of the DROP until the  
660 | latest day as provided under sub-subparagraph c.

661 |             b. Payments shall be made in either:

662 |                 (I) Lump sum.—The entire account balance shall be paid to  
663 | the retirant upon approval of the Board of Trustees.

664 (II) Installments.—The account balance shall be paid out  
 665 to the retirant in three equal payments paid over 3 years, the  
 666 first payment to be made upon approval of the Board of Trustees.

667 (III) Annuity.—The account balance shall be paid out in  
 668 monthly installments over the lifetime of the member or until  
 669 the entire balance is exhausted. Monthly amount paid shall be  
 670 determined by the Fund's actuary in accordance with selections  
 671 made by the member on a form provided by the Board of Trustees.

672 c. Any form of payment selected by a police officer must  
 673 comply with the minimum distribution requirements of s.  
 674 401(A) (9) of the Internal Revenue Code and is subject to the  
 675 requirements of subsection (30) of this act; e.g., payments must  
 676 commence by age 70- 1/2.

677 d. If a member dies and is eligible for benefits from the  
 678 DROP account, the entire balance of the DROP account shall be  
 679 converted to the name of the beneficiary designated in  
 680 accordance with subsection (9) (e). The entire balance shall be  
 681 paid out in a lump sum to the beneficiary, at the discretion of  
 682 the beneficiary. If the designated beneficiary is the surviving  
 683 spouse, the account may remain with the Fund until the latest  
 684 period specified under subsection (30). These DROP accounts  
 685 shall not be eligible for any further DROP distributions but are  
 686 eligible for earnings. If a member fails to designate a  
 687 beneficiary, or if the beneficiary predeceases the member, the

688 entire balance shall be converted, in the following order, to  
 689 the name or names of:

- 690 1. The member's surviving children on a pro rata basis;
- 691 2. If no children are alive, the member's spouse;
- 692 3. If no spouse is alive, the member's surviving parents  
 693 on a pro rata basis; or
- 694 4. If none are alive, the estate of the member.

695  
 696 The accounts which are converted to the names of the  
 697 beneficiaries shall have the right to name a successor  
 698 beneficiary. Any designated beneficiary, other than the  
 699 surviving spouse of the member, must take a distribution of the  
 700 entire share account balance by the end of 5 years after the  
 701 death of the member. Installment distributions which begin in  
 702 the calendar year of the member's death shall be treated as  
 703 complying with this 5-year distribution requirement, even though  
 704 the installments are not completed within 5 years after the  
 705 member's death. ~~The beneficiary of the DROP participant who dies~~  
 706 ~~before payments from the DROP begin shall have the same right as~~  
 707 ~~the participant in accordance with subsection (17).~~

708 e. Costs, fees, and expenses of administration shall be  
 709 debited from the individual member accounts on a proportionate  
 710 basis, taking the cost, fees, and expenses of administration of  
 711 the Fund as a whole, multiplied by a fraction, the numerator of  
 712 which is the total assets in all individual member accounts and

713 the denominator of which is the total assets of the Fund as a  
714 whole.

715 (17) Death benefits.—

716 (c) Death after retirement.—Upon the death of a retirant,  
717 the following applicable pensions shall be paid, subject to the  
718 provisions of subsection (18). This paragraph is not applicable  
719 if a retiree chose an optional form of benefit at the time of  
720 retirement or if the retiree was not entitled at the time of  
721 retirement under paragraph (9) (c).÷

722 1. The surviving spouse of the retirant shall receive a  
723 pension of two-thirds of the retirant's pension, provided that  
724 the retirant was receiving a pension under paragraph (9) (a).  
725 Upon the surviving spouse's death, the pension shall terminate.  
726 Effective for years of service earned after [insert effective  
727 date], if the retiree leaves a surviving spouse that he or she  
728 was not married to on the date of retirement, then the survivor  
729 benefit may be actuarially reduced to take into account the age  
730 of the substituted survivor.

731 2. In the event the deceased retirant does not leave a  
732 surviving spouse eligible to receive a pension, or if the  
733 surviving spouse dies and he or she leaves an unmarried child or  
734 children under age 18, each child shall receive a pension of an  
735 equal share of two-thirds of the deceased retirant's pension.  
736 Upon any child's adoption, marriage, death, or attainment of age  
737 18, the child's pension shall terminate and it shall be

738 appORTIONED to the pensions payable to the deceased retirant's  
739 remaining eligible children under age 18. In no case shall the  
740 pension payable to any such child exceed 20 percent of the  
741 deceased retirant's pension, or be less than \$15 per month.

742 3. In the event the deceased retirant does not leave a  
743 surviving spouse or children eligible to a pension provided for  
744 in subparagraphs 1. and 2. above, and he or she leaves a parent  
745 or parents who the Board finds are dependent upon the retirant  
746 for at least 50 percent of his, her, or their financial support,  
747 each parent shall receive a pension of an equal share of two-  
748 thirds of the deceased retirant's pension. Upon any parent's  
749 remarriage or death, his or her pension shall terminate.

750 4. In the event the deceased member does not leave a  
751 surviving spouse, children, or parents eligible to receive a  
752 pension, then the death benefit, if any, shall be paid to the  
753 estate of the deceased member. Any retirement income payments  
754 due after the death of a vested member may, in the discretion of  
755 the Board, be paid to the member's designated beneficiary or  
756 beneficiaries.

757 In any of the above cases, the Board, in its discretion, may  
758 direct that the actuarial value of the monthly benefit be paid  
759 as a lump sum.

760 ~~(34) Actuarial assumptions. The following actuarial~~  
761 ~~assumptions shall be used for all purposes in connection with~~  
762 ~~this Fund, effective October 1, 1999:~~

763       ~~(a) The assumed investment rate of return shall be 8.25~~  
764 ~~percent. Effective October 1, 2011, the Board of Trustees~~  
765 ~~changed the assumed rate of return to 8 percent.~~

766       ~~(b) The period for amortizing current, future, and past~~  
767 ~~actuarial gains or losses shall be 20 years, except that in~~  
768 ~~order to smooth existing gains and losses which are expected to~~  
769 ~~create volatile swings in the unfunded actuarial liability~~  
770 ~~contribution rate, the trustees may combine amortization bases~~  
771 ~~to re-amortize the unfunded actuarial liability contribution~~  
772 ~~rate. This re-amortization will not impact member benefits as~~  
773 ~~provided by subsection (9).~~

774 ~~The consequences of the change in assumptions in paragraphs (a)~~  
775 ~~and (b) shall first take effect during the October 1, 1999-~~  
776 ~~September 30, 2000, fiscal year of the City of West Palm Beach.~~  
777 ~~To the extent that effective dates or legislative delays might~~  
778 ~~influence the direct application to the October 1, 1999-~~  
779 ~~September 30, 2000, fiscal year of the actuarial cost estimate~~  
780 ~~dated March 24, 2000, there shall be a minimum contribution~~  
781 ~~reserve established by the Pension Fund for the City of West~~  
782 ~~Palm Beach. The reserve shall be credited with any amounts~~  
783 ~~contributed to the Pension Fund by the City of West Palm Beach~~  
784 ~~during the October 1, 1999-September 30, 2000, fiscal year in~~  
785 ~~excess of \$1,462,965. This amount has been determined by~~  
786 ~~combining the contribution requirement from the September 30,~~  
787 ~~1998, actuarial valuation report dated May 7, 1999, with the~~



788 ~~subsequent actuarial cost estimate dated March 24, 2000, both of~~  
 789 ~~which were prepared by the Fund's actuary.~~

790 (34)~~(35)~~ Other police officer or military service.-

791 (a) Prior police officer or military service.-Unless  
 792 otherwise prohibited by law, the years, or fractional parts of  
 793 years, that a member served as a police officer for any other  
 794 municipal, county, state, or federal law enforcement office or  
 795 any time served in the military service of the Armed Forces of  
 796 the United States shall be added to the years of credited  
 797 service, provided that the member contributes to the fund the  
 798 sum that would have been contributed, based on the member's  
 799 salary and the employee contribution rate in effect at the time  
 800 that the credited service is requested, had the member been a  
 801 member of this system for the years, or fractional parts of  
 802 years, for which the credit is requested, plus the amount  
 803 actuarially determined, such that the crediting of service does  
 804 not result in any cost to the fund, plus payment of costs for  
 805 all professional services rendered to the Board in

806 connection with the purchase of years of credited service.

807 1. Payment by the member of the required amount may be made  
 808 within 6 months after the request for credit and in one lump sum  
 809 payment, or the member may buy back this time over a period  
 810 equal to the length of time being purchased or 5 years,  
 811 whichever is greater, at an interest rate which is equal to the

812 Fund's actuarial assumption. A member may request to purchase  
813 some or all years of service.

814 2. The credit purchased under this subsection shall count  
815 for all purposes, except vesting.

816 3. In no event, however, may credited service be purchased  
817 pursuant to this section for prior service with any other  
818 municipal, county, state, or federal law enforcement office, if  
819 such prior service forms or will form the basis of a retirement  
820 benefit or pension from another retirement system or plan.

821 4. In the event that a member who is in the process of  
822 purchasing service suffers a disability and is awarded a benefit  
823 from the plan, the member shall not be required to complete the  
824 buyback. However, contributions made prior to the date the  
825 disability payment begins will be retained by the Fund.

826 5. If a member who has either completed the purchase of  
827 service or is in the process of purchasing service terminates  
828 before vesting, the member's contributions shall be refunded,  
829 including the buyback contributions.

830 6. A request to purchase service may be made at any time  
831 during the course of employment; however, the buyback is a one-  
832 time opportunity.

833 7. A member who previously served as a police officer with  
834 the City during a period of employment and for which accumulated  
835 contributions were withdrawn from the Fund may recontribute such  
836 withdrawn contributions plus interest from the date of

837 withdrawal to the date of repayment in accordance with  
838 subsection (6).

839 8. A member may purchase up to 5 years of credited service  
840 total for prior police or military service.

841 (b) Intervening military service.—In determining the  
842 creditable service of any police officer, credit for up to 5  
843 years of the time spent in the military service of the Armed  
844 Forces of the United States shall be added to the years of  
845 actual service without employee contribution, if:

846 1. The police officer is in the active employ of the  
847 municipality prior to such service and leaves a position, other  
848 than a temporary position, for the purpose of voluntary or  
849 involuntary service in the Armed Forces of the United States.

850 2. The police officer is entitled to reemployment under  
851 the provisions of the federal Uniformed Services Employment and  
852 Reemployment Rights Act.

853 3. The police officer returns to his or her employment as  
854 a police officer of the municipality within 1 year after the  
855 date of his or her release from such active service, except  
856 that, effective January 1, 2007, members who die or become  
857 disabled while on active duty military service shall be entitled  
858 to the rights of this section even though such member was not  
859 reemployed by the City. A member who dies or becomes disabled  
860 while on active duty military service shall be treated as though  
861 he or she were reemployed the day before he or she became

862 disabled or died, were credited with the service he or she would  
863 have been entitled to under this section, and then either died a  
864 nonduty death while employed or became disabled from a nonduty  
865 disability.

866 (35)~~(36)~~ Reemployment after retirement.—

867 (a) Reemployment by public or private employer.—Any  
868 retiree who is retired under this Plan, except for disability  
869 retirement as previously provided for, may be reemployed by any  
870 public or private employer, except the City, and may receive  
871 compensation from that employment without limiting or  
872 restricting in any way the retirement benefits payable under  
873 this Plan. Reemployment by the City on or after August 1, 2008,  
874 shall be subject to the limitations set forth in this section.

875 (b) Reemployment after normal retirement outside Police  
876 Department.—Any retiree who is retired under normal retirement  
877 pursuant to this Plan and who is reemployed by the City after  
878 that retirement shall, upon being reemployed, continue receipt  
879 of benefits, provided the retiree is not hired into the Police  
880 Department. Upon reemployment, the retiree is eligible to  
881 participate in the plan offered to new employees of that  
882 department, and the retiree shall be deemed a new employee  
883 subject to any vesting and contribution requirements of that  
884 plan. The benefit paid under this Plan shall not be changed in  
885 any way.

886 (c) Reemployment after normal retirement in Police  
887 Department.—Any retiree who is retired after normal retirement  
888 pursuant to this Plan shall not be reemployed by the Police  
889 Department as a police officer or in any position that  
890 supervises police officers. The pension of a retiree who is  
891 reemployed by the Police Department as a police officer or in  
892 any position that supervises police officers shall stop until  
893 the member terminates employment. However, a retiree who is  
894 reemployed by the Police Department neither as a police officer  
895 nor in any position that supervises police officers is eligible  
896 to participate in the plan offered to new employees of that  
897 employee classification, and the retiree shall be deemed a new  
898 employee subject to any vesting and contribution requirements of  
899 that plan. The benefit paid under this Plan shall not be changed  
900 in any way.

901 (d) Reemployment of terminated vested persons.—Reemployed  
902 terminated vested persons shall not be subject to the provisions  
903 of this section until such time as they begin to actually  
904 receive benefits but shall be subject to paragraph (9)(c). Upon  
905 receipt of benefits, terminated vested persons shall be treated  
906 as normal retirees for purposes of applying the provisions of  
907 this section.

908 (e) DROP participants.—Members or retirees who were in the  
909 deferred retirement option plan shall have the options provided  
910 for in this section for reemployment after termination of

911 employment as if the retiree were a retiree under normal  
912 retirement.

913 (36)~~(37)~~ Termination of the Plan.—Upon termination of the  
914 Plan by the City for any reason, or because of a transfer,  
915 merger, or consolidation of governmental units, services, or  
916 functions as provided in chapter 121, Florida Statutes, or upon  
917 written notice to the Board by the City that contributions under  
918 the Plan are being permanently discontinued, the rights of all  
919 employees to benefits accrued to the date of such termination or  
920 discontinuance and the amounts credited to the employees'  
921 accounts are nonforfeitable. The Fund shall be distributed in  
922 accordance with the following procedures:

923 (a) The Board shall determine the date of distribution and  
924 the asset value required to fund all the nonforfeitable benefits  
925 after taking into account the expenses of such distribution. The  
926 Board shall inform the City if additional assets are required,  
927 in which event the City shall continue to financially support  
928 the Plan until all nonforfeitable benefits have been funded.

929 (b) The Board shall determine the method of distribution  
930 of the asset value and whether distribution shall be by payment  
931 in cash, by the maintenance of another or substituted trust  
932 fund, by the purchase of insured annuities, or otherwise for  
933 each police officer entitled to benefits under the Plan, as  
934 specified in paragraph (c).

935           (c) The Board shall distribute the asset value as of the  
936 date of termination in the manner set forth in this subsection  
937 on the basis that the amount required to provide any given  
938 retirement income is the actuarially computed single-sum value  
939 of such retirement income, except that if the method of  
940 distribution determined under paragraph (b) involves the  
941 purchase of an insured annuity, the amount required to provide  
942 the given retirement income is the single premium payable for  
943 such annuity. The actuarial single-sum value may not be less  
944 than the employee's accumulated contributions to the Plan, with  
945 interest if provided by the Plan, less the value of any Plan  
946 benefits previously paid to the employee.

947           (d) If there is asset value remaining after the full  
948 distribution specified in paragraph (c), and after payment of  
949 any expenses incurred with such distribution, such excess shall  
950 be returned to the City, less the return to the state of the  
951 state's contributions, provided that if the excess is less than  
952 the total contributions made by the City and the state to date  
953 of termination of the Plan, such excess shall be divided  
954 proportionately to the total contributions made by the City and  
955 the state.

956           (e) The Board shall distribute, in accordance with the  
957 manner of distribution determined under paragraph (b), the  
958 amounts determined under paragraph (c).

959           Section 2. This act shall take effect upon becoming a law.