



UMATILLA CITY COUNCIL MEETING

April 7, 2026 at 6:00 PM

Council Chambers, 1 S. Central Avenue, Umatilla, Florida 32784

AGENDA

Please silence your electronic devices

PLEDGE OF ALLEGIANCE AND INVOCATION

CALL TO ORDER

ROLL CALL

AGENDA REVIEW

MINUTES REVIEW

1. Approval of Meeting Minutes
- March 17, 2026, Regular City Council Meeting

PRESENTATIONS

2. Water Conservation Month Proclamation
3. Automated School Zone Speed Enforcement Camera Project
4. 195 Bulldog Lane - Mallory Sosinski

PUBLIC COMMENT

At this point in the meeting, the Umatilla City Council will hear questions, comments and concerns from the public.

Please write your name and address on the paper provided at the podium. Zoning or code enforcement matters which may be coming before the Council at a later date should not be discussed until such time as they come before the Council in a public hearing. Comments, questions, and concerns from the public regarding items listed on this agenda shall be received at the time the Council addresses such items during this meeting. Public comments are generally limited to three minutes.

CONSENT AGENDA

PUBLIC HEARING / ORDINANCES / RESOLUTIONS

5. First Reading of Ordinance No. 2026-C, Twin Lakes PUD Amendment
6. First Reading of Ordinance No. 2026-D, Umatilla Police Officers' Retirement Trust Fund's Participation Under Florida Municipal Pension Trust Fund Defined Benefit Plan

NEW BUSINESS

7. City of Umatilla Purchasing Policy Update
8. City of Umatilla Personnel Policy Update

REPORTS

9. Staff Reports

ADJOURNMENT

Individuals with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk at least two (2) working days in advance of the meeting date and time at (352)669-3125. F.S. 286.0105 If a person decides to appeal any decision or recommendation made by Council with respect to any matter considered at this meeting, he will need record of the proceedings, and that for such purposes, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Any invocation that may be offered before the official start of the Council meeting is and shall be the voluntary offering of a private citizen to and for the benefit of the Council pursuant to Resolution 2014-43. The views and beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Council and do not necessarily represent their individual religious beliefs, nor are the views or beliefs expressed intended to suggest allegiance to or preference for any particular religion, denomination, faith, creed, or belief by the Council or the City. No person in attendance at this meeting is or shall be required to participate in any invocation and such decision whether or not to participate will have no impact on his or her right to actively participate in the public meeting.

The City of Umatilla is an equal opportunity provider and employer.



UMATILLA CITY COUNCIL MEETING

March 17, 2026 at 6:00 PM

Council Chambers, 1 S. Central Avenue, Umatilla, Florida 32784

MINUTES

PLEDGE OF ALLEGIANCE AND INVOCATION

CALL TO ORDER

Having been duly advertised as required by law, Mayor Creech called the Regular City Council Meeting to order at 6:00 p.m., led the Pledge of Allegiance, and delivered the invocation.

ROLL CALL

MEMBERS PRESENT

Christopher Creech, Mayor
Zack Durbin, Vice Mayor
Katherine Adams Council Member
Fred Fetterolf, Council Member
Bear Crockett, Council Member

NOT PRESENT

Adam Bolton, Assistant City Manager
Misti Lambert, Programs and Compliance Manager

ALSO PRESENT

Aaron Mercer, City Manager
Jeniffer Cotch, City Attorney
Jessica Burnham, City Clerk
Regina Frazier, Finance Director
David Seeley, Chief of Police
Vaughan Nilson, Public Works Director
Amy Stultz, Library Director
Misti Lambert, Programs and Compliance Manager

AGENDA REVIEW

MOTION BY COUNCIL MEMBER ADAMS TO APPROVE THE AGENDA; SECONDED BY COUNCIL MEMBER CROCKETT . MOTION PASSED BY A UNANIMOUS VOICE VOTE.

MINUTES REVIEW

1. Approval of Meeting Minutes
- February 17, 2026, Regular City Council Minutes

MOTION BY VICE MAYOR DURBIN TO APPROVE FEBRUARY 17, 2026, REGULAR CITY COUNCIL MINUTES; SECONDED BY COUNCIL MEMBER ADAMS. MOTION PASSED BY A UNANIMOUS VOICE VOTE.

PRESENTATIONS

2. Golf Cart Presentation

Chief of Police David Seeley provided an overview of golf cart ordinances in the Cities of Mount Dora and Tavares, outlining key differences between the two approaches along with shared advantages and disadvantages. He also highlighted important policy considerations for the City to evaluate. Following the presentation, the Council discussed the possibility of placing the issue on the ballot for voters to decide.

MOTION BY COUNCIL MEMBER CROCKETT TO HAVE A REFERENDUM ON THE BALLOT FOR GOLF CARTS; SECONDED BY VICE MAYOR DURBIN. MOTION PASSED BY A UNANIMOUS VOICE VOTE.

PUBLIC COMMENT

Mayor Creech opened public comment

Charlee Burgess, representing the Umatilla Chamber of Commerce, reported that the Chamber currently has 144 members. She highlighted the success of two recent events—the chili cook-off and the BBQ and expressed appreciation to Public Works for their assistance. She also noted the well-attended March breakfast. Upcoming initiatives include the All Things Golf scholarship supporting Umatilla High School, as well as a Lunch and Learn scheduled for April 2 in partnership with Lake Technical College, which will feature a free session on AI tools.

Mayor Creech closed public comment

CONSENT AGENDA

- 3. US Marshals Service Funds**
- 4. SECO Easement for Lake Fern Industrial Park**
- 5. Release of Maintenance Bond Magnolia Pointe Phase One**

MOTION BY VICE MAYOR DURBIN TO APPROVE THE CONSENT AGENDA; SECONDED BY COUNCIL MEMBER FETTEROLF. MOTION PASSED BY A UNANIMOUS VOICE VOTE.

PUBLIC HEARING / ORDINANCES / RESOLUTIONS

- 6. First Reading of Ordinance No. 2026-C, Twin Lakes PUD Amendment**

City Attorney Cotch read the Ordinance by title only.

ORDINANCE 2026-C

AN ORDINANCE OF THE CITY OF UMATILLA, COUNTY OF LAKE, STATE OF FLORIDA, AMENDING ORDINANCE NO. 1998-J, AS AMENDED, TO ADOPT A MASTER DEVELOPMENT AGREEMENT RELATING TO REAL PROPERTY CURRENTLY ZONED RESIDENTIAL PLANNED UNIT DEVELOPMENT CONSISTING OF 67.41 ± ACRES FOR THE HEREAFTER DESCRIBED PROPERTY OWNED BY TWIN LAKES RESERVE & GOLF CLUB, INC. LOCATED SOUTH OF KEENE ROAD AND WEST OF SR 19; AMENDING THE OPEN SPACE; REPLACING THE GOLF PRO SHOP WITH A 40-BED ASSISTED LIVING FACILITY; AMENDING THE CONCEPTUAL SITE PLAN; PROVIDING FOR CONDITIONS AND CONTINGENCIES; DIRECTING THE CITY MANAGER TO PROVIDE CERTIFIED COPIES OF THIS ORDINANCE AFTER APPROVAL TO THE CLERK OF THE CIRCUIT COURT, AND THE LAKE COUNTY MANAGER; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

Attorney Cotch administered the oath to those providing testimony.

Sherie Lindh, LPG Planners, explained that the property owner is requesting an amendment to the existing Planned Unit Development (PUD) approved under Ordinance 1998-J. The current PUD and concept plan allow for 160 single-family homes at a density of 2.37 units per acre, with a minimum lot size of 10,000 square feet and a minimum living area of 1,200 square feet. The plan also includes a golf course with a 3,000-square-foot pro shop and 25.17 acres (37%) of open space, encompassing the golf course and buffers. To date, 114 lots have been plated.

The proposed amendment would repurpose the 3.65-acre golf pro shop site for a 40-bed assisted living facility and reduce the total open space to 16.67 acres.

Kelly Turner, representing the property owner, spoke about the potential for approximately 8 to 10 job opportunities associated with the project and emphasized that the proposed use represents the highest and best use of the property. She also noted that a homeowners association (HOA) agreement would be established between the assisted living facility (ALF) and the Twin Lakes community.

Mayor Creech opened public comment

No one spoke

Mayor Creech closed public comment

MOTION BY COUNCIL MEMBER ADAMS TO APPROVE FIRST READING OF ORDINANCE NO. 2026-C, TWIN LAKES PUD AMENDMENT; SECONDED BY VICE MAYOR DURBIN. MOTION PASSED BY ROLL CALL VOTE.

Council Member Adams	YES
Vice Mayor Durbin	YES
Council Member Crockett	YES
Council Member Fetterolf	YES
Mayor Creech	YES

7. Resolution No. 2026-03, Uniform Collection Agreement between Lake County Tax Collector and The City of Umatilla

City Attorney Stone read the Resolution by title only

RESOLUTION 2026 - 03

A RESOLUTION OF THE CITY OF UMATILLA, LAKE COUNTY, FLORIDA, APPROVING A UNIFORM COLLECTION AGREEMENT WITH DAVID W JORDAN, LAKE COUNTY TAX COLLECTOR TO REIMBURSE THE TAX COLLECTOR FOR ADMINISTRATIVE AND ACTUAL COSTS INCURRED AS A RESULT OF THE UNIFORM COLLECTION OF NON-AD VALOREM ASSESSMENTS; PROVIDING AN EFFECTIVE DATE

Regina Frazier provided an overview of the agenda item, explaining that the City Council is being asked to approve a Uniform Collection Agreement with the Lake County Tax Collector for the collection of the City's solid waste and stormwater assessments using the uniform method authorized under Florida law. She explained that Florida Statutes allow municipalities to collect certain service assessments on the annual property tax bill through this "uniform collection method." She further noted that on December 16, 2025, the City Council adopted Resolution No. 2025-35 expressing its intent to implement this method beginning in Fiscal Year 2026. To move forward, the City must enter into a formal agreement with the Tax Collector.

Mayor Creech opened public comment

No one spoke

Mayor Creech closed public comment

MOTION BY VICE MAYOR DURBIN TO APPROVE RESOLUTION NO. 2026-03, UNIFORM COLLECTION AGREEMENT BETWEEN LAKE COUNTY TAX COLLECTOR AND THE CITY OF UMATILLA; SECONDED BY COUNCIL MEMBER CROCKETT. MOTION PASSED BY A UNANIMOUS VOICE VOTE.

NEW BUSINESS

8. City of Umatilla Grant Policy

Ms. Frazier provided an overview of the item, explaining that grants from federal, state, and private sources offer valuable funding opportunities for City projects but often come with complex requirements, including compliance, reporting, matching funds, and potential ongoing operational costs. She stated that the proposed grant policy establishes a standardized framework for applying for, accepting, administering, and closing out grant-funded projects. The policy defines roles and responsibilities, outlines approval procedures, ensures proper financial oversight, and promotes transparency and accountability in the use of external funding. Ms. Frazier added that adopting the policy will help ensure grant opportunities align with the City's financial capacity, strengthen internal controls, improve coordination, and enhance overall oversight of grant-funded projects.

MOTION BY COUNCIL MEMBER FETTEROLF TO APPROVE CITY OF UMATILLA GRANT POLICY; SECONDED BY COUNCIL MEMBER CROCKETT. MOTION PASSED BY A UNANIMOUS VOICE VOTE.

9. Request for Letter of Support - Meaningful Milestones Academy USDA Application

Mr. Mercer provided an overview of a request for a letter of support for Meaningful Milestones Academy in its application to the USDA Rural Development Community Facilities Loan and Grant Program. He explained that the academy, currently located at 100 Guerrant Street in Umatilla, serves students with developmental disabilities, autism spectrum disorder, and behavioral support needs. The proposed project would establish a permanent facility to expand services, support local families, create jobs, and enhance specialized educational resources in the area.

Patrick from Meaningful Milestones also addressed the Council, sharing the organization's background, current challenges, and the need for support to move the project forward.

MOTION BY VICE MAYOR DURBIN TO APPROVE THE REQUEST LETTER OF SUPPORT FOR MEANINGFUL MILESTONES ACADEMY USDA APPLICATION; SECONDED BY COUNCIL MEMBER CROCKETT. MOTION PASSED BY A UNANIMOUS VOICE VOTE.

REPORTS

10. Staff Reports

Mr. Mercer reported that the Joint Planning Agreement (JPA) with the County is expected to be finalized within the next few weeks, followed by a brief presentation to Council. He also noted that the Lake Fern Industrial Park project is nearing completion. Additionally, the CDBG grant has been reviewed and is moving forward to the bidding phase. Staff has reached out to property owners at 410 N. Orange Avenue and 195 Bulldog Lane properties to provide updates. Outstanding code enforcement fines were also noted, including approximately \$107,000 at 410 N. Orange Avenue and \$146,000 at 195 Bulldog Lane.

Discussion took place regarding establishing a deadline for the two properties to have an agreement in place. City Attorney Cotch was directed to begin preparing a response to the notice of creditors for the property located at 195 Bulldog Lane.

City Attorney Cotch provided a legislative update, noting that the session is ongoing without a finalized budget, which will need to return to Tallahassee next month. She reported that several proposed bills impacting local governments did not pass, including those related to property taxes, which may be reconsidered in April. She also highlighted legislation that did pass, including an increase to the sovereign immunity cap and measures expanding local government budget transparency.

Council Member Fetterolf had nothing to report.

Council Member Crockett had nothing to report.

Mayor Creech inquired about a letter from GFL Environmental regarding an outstanding balance the City may owe. Mr. Mercer responded that the City is preparing a reply to GFL Environmental, indicating that the amounts referenced in their letter are incorrect.

Vice Mayor Durbin noted that the EEA Chapter will hold its 28th fundraiser.

Council Member Adams announced that the Museum BBQ is scheduled for April 9th from 5–7 PM and expressed appreciation to Public Works for their assistance with museum events.

Chief of Police Seeley had nothing to report.

Ms. Frazier announced that the City will be starting budget workshops soon.

Mr. Nilson had nothing to report.

Ms. Stulz reported that the citywide yard sale was successful, raising \$1,400 to support summer programs.

ADJOURNMENT

With no further business for discussion, the meeting adjourned at approximately 7:08 p.m.

Jessica Burnham, CMC, FCRM
City Clerk

Christopher R Creech, Mayor



CITY OF UMATILLA

AGENDA ITEM STAFF REPORT

DATE: March 17, 2026

MEETING DATE: April 7, 2026

SUBJECT: Water Conservation Month Proclamation

BACKGROUND SUMMARY:

April has been designated as Florida's Water Conservation Month, a time to raise awareness about the importance of conserving water. The City of Umatilla supports water conservation through educational programs and special events, encouraging businesses, schools, and residents to take action. The City Council is asked to approve this proclamation to promote public awareness and participation in preserving Florida's precious water resources.

RECOMMENDATIONS:

Proclamation

FISCAL IMPACTS:

N/A

ATTACHMENTS:

1. Water Conservation Month Proclamation
-



PROCLAMATION

CITY OF UMATILLA, FLORIDA

WHEREAS, water is a basic and essential need of every living creature; and

WHEREAS, the State of Florida, Water Management Districts and City of Umatilla are working together to increase awareness about the importance of water conservation; and

WHEREAS, the City of Umatilla and the State of Florida has designated April, typically a dry month when water demands are most acute, as Florida's Water Conservation Month, to educate citizens about how they can help save Florida's precious water resources; and

WHEREAS, the City of Umatilla has always encouraged and supported water conservation, through various educational programs and special events; and

WHEREAS, every business, industry, school and citizen can make a difference when it comes to conserving water; and

WHEREAS, every business, industry, school and citizen can help by saving water, thus promoting a healthy economy and community; and

WHEREAS, outdoor irrigation comprises a large portion of water use, The City of Umatilla will encourage citizens and businesses to focus on improving outdoor irrigation efficiency.

NOW, THEREFORE, be it resolved that by virtue of the authority vested in me as Vice Mayor of the City of Umatilla, and on behalf of the City of Umatilla City Council do hereby proclaim the month of April as

WATER CONSERVATION MONTH

The City of Umatilla, Florida is calling upon each citizen and business to help protect our precious resource by practicing water saving measures and becoming more aware of the need to conserve water.

Signed and Sealed this 7th day of April 2026.

Christopher R. Creech, MAYOR



CITY OF UMATILLA AGENDA ITEM STAFF REPORT

DATE: March 31, 2026

MEETING DATE: April 7, 2026

SUBJECT: Automated School Zone Speed Enforcement Camera Project

BACKGROUND SUMMARY:

Staff is requesting permission to conduct an automated school zone speed enforcement study at no cost to the City. Florida law permits the use of automated speed detection devices within designated school zones. Implementation of this technology would serve as a force multiplier, enabling consistent speed enforcement in school zones even when officers are committed to higher priority calls for service. The speed enforcement study is a requirement to see if the program is feasible for our school zones.

RECOMMENDATIONS:

Approval to conduct automated school zone speed enforcement study.

FISCAL IMPACTS:

None, the vendor performs the study at their expense.

ATTACHMENTS:

None



CITY OF UMATILLA

AGENDA ITEM STAFF REPORT

DATE: March 31, 2026

MEETING DATE: April 7, 2026

SUBJECT: 195 Bulldog Lane - Mallory Sosinski

BACKGROUND SUMMARY:

Ms. Mallory Sosinski, representative for 195 Bulldog Lane, has requested to be placed on the City Council agenda to address the Council regarding the liens on 195 Bulldog Lane.

- August 9, 2017, Code Compliance Officer Misti Lambert initiated Case No. 17-00139 for the property located at 195 Bulldog Lane, owned by Betty J. Atkinson. The property was found to be in violation due to overgrown grass and weeds, as well as the presence of two abandoned vehicles: a car located beneath a pole barn and a semi-trailer.
- February 28, 2018, the case was presented before Special Master Brenda Smith, who determined that the property was in violation. An order was issued requiring compliance within 30 days, with a fine of \$50.00 per day to be imposed for non-compliance thereafter.
- March 7, 2018, After multiple notices sent to Ms. Atkinson were returned undeliverable, Code Officer Lambert contacted her sister, Martha Manning. Ms. Manning advised that she would attempt to reach Ms. Atkinson and encourage her to bring the property into compliance.
- April 2, 2018, and April 17, 2018, Follow-up inspections revealed that the violations had not been corrected. As a result, the compliance deadline passed, and fines began accruing in accordance with the Special Master's order.
- November 13, 2018, I initiated Case No. 18-00219 for the property located at 208 Lori Court, also owned by Ms. Atkinson. The property had fallen into a state of disrepair, and Code Officer Lambert had received complaints regarding the condition from Mr. Doug Kroulik. Code Officer Lambert's inspections revealed overgrown vegetation, including weeds and volunteer trees growing from the gutters, as well as a large hole in the roof that allowed water to enter the structure. On that same day, she contacted Ms. Atkinson's sister, Martha Manning, to determine whether she had been able to reach Ms. Atkinson. Ms. Manning advised that she would "try to get some answers."
- Code Officer Lambert proceeded with enforcement action on the property located at 208 Lori Court. The case was scheduled for hearing on January 31, 2019, before Special Master Brenda Smith, who found the property to be in violation and ordered compliance within 30 days. The order further stated that a fine of \$50.00 per day would begin accruing for each day the property remained in violation beyond the compliance deadline.
- May 15, 2019 208 Lori Court remained out of compliance and the case proceeded to certification of fine. Compliance was achieved and the fines stopped March 2, 2021.
- During the course of enforcement on the Lori Court property, Code Officer Lambert was advised by Finance Director Regina Frazier that the utility bill for 195 Bulldog Lane was returned from the new

owner's address. Unaware of a new owner, Code Officer Lambert reviewed the property record card for 195 Bulldog Lane and found that ownership appeared to have changed to Jose A. Olivencia via quitclaim deed recorded February 5, 2019. This raised concerns based on Code Officer Lambert's prior contact with Ms. Atkinson's sister, who had indicated that Ms. Atkinson was unwilling to relinquish ownership of her properties despite being unable to maintain them.

- Due to these concerns, Code Officer Lambert accompanied the Sheriff's Office to Ms. Atkinson's residence in unincorporated Eustis. During that contact, Ms. Atkinson stated that she had not executed a quitclaim deed transferring the property to Jose A. Olivencia. A detective was assigned to investigate the matter, and ownership of the property was ultimately reverted back to Ms. Atkinson on April 6 2021.
- 195 Bulldog Lane, case number 17-00139 was brought into compliance August 31, 2021.
- November 5, 2024, Code Compliance Officer Misti Lambert observed that the roof of the pole barn located at 195 Bulldog Lane had sustained considerable damage from Hurricane Milton in October 2024. Code Officer Lambert sent Respondent Betty J Atkinson's guardian, Mallory Sosinski an email stating that the roof needed some attention, but that a formal case was not being opened at that time.
- July 10, 2025, Code Officer Lambert opened a new violation on 195 Bulldog Lane and mailed a correction notice for case number 25-00018, when she observed no action had been taken on the pole barn roof and new damage was observed on the office building where the roof had been peeled back by the wind. The notice was mailed to the Respondent's address on record with the Lake County Property Appraiser's office.
- September 12, 2025, after no contact from or actions by the respondent, Code Officer Lambert called guardian Sosinski to see if there was a plan to fix the issues at 195 Bulldog Lane. Code Officer Lambert emailed photos of the violations and allowed Sosinski an additional 45 days [October 27, 2025] to bring the property into compliance.
- October 31, 2025, Code Officer Lambert issued the Notice of Violation for International Property Maintenance Code (IPMC) 304.4 and 304.7 for the damaged roofing components on the pole barn and the office building with a compliance deadline of November 14, 2025.
- November 3, 2025, Code Officer Lambert observed that the roof on the office had been repaired.
- November 13, 2025, Code Officer Lambert was advised that guardian Sosinski had applied for a demolition permit for both buildings.
- November 17, 2025, Code Officer Lambert found that the permit had not yet been issued due to non-payment of the permit fees. Code Officer Lambert emailed guardian Sosinski to ascertain her intent for the property/permit. She also contacted the demolition company to ascertain what sort of turn-around time they anticipated if the permit is secured. She was advised it could be 30-60 days due to workload and upcoming holidays.
- November 18, 2025, Per Building Department records, a permit was issued to Greenwood and Son Contractors, Inc for demotion of the structures.
- November 20, 2025, Code Officer Lambert took the case to Special Master, who ordered compliance within 90 days [February 18, 2026]
- January 2026, Code Officer Lambert had a conversation with City Manager Aaron Mercer about the lack of progress. Mr. Mercer reached out to Glen Greenwood to ascertain a status on the demolition. Mr. Greenwood stated he did not have an executed contract from Ms. Sosinski, so he hadn't scheduled the demolition.
- On February 19, 2026, Code Officer Lambert inspected to find no progress made.
- On March 19, 2026, after no further communication from Ms. Sosinski or Greenwood and Son Contractors demolition began on the structures bringing the property into compliance.
- On April 2, 2026, Code Officer Lambert brought the case back before Special Master Taylor Tremel for certification of the fine previously ordered on November 20, 2025. At that time, Special Master Tremel withheld the imposition of daily fines and instead ordered that Ms. Sosinski reimburse the City for its

incurred hard costs.

As of April 7, 2026

Code Enforcement Fines, Fees, and Administration:	\$101,119.17
Utility Bills with Late Penalties	<u>46,599.75</u>
Total	\$147,718.92

City Attorney Fees	\$3,362.50
In-house hard cost of all cases without Attorney Fees:	2,828.05
Utility Bill (Principal Only)	<u>10,701.68</u>
Total	\$16,892.23

RECOMMENDATIONS:

N/A

FISCAL IMPACTS:

TBD

ATTACHMENTS:

1. signed april 7 meeting -Request to be placed on a City Council Agenda Fillable Form
-



CITY OF UMATILLA

"NATURE'S HOMETOWN"

Agenda Item Request Application

Thank you for your interest in participating in the public process. Please complete this form to request that an item be placed on a future Community Redevelopment Agency (CRA)/ City Council agenda. Submission of this form does not guarantee placement; all requests are subject to review by the City Manager in accordance with City policies.

Applicant Information

Full Name:	
Address:	
Phone Number:	
Email:	

Agenda Item Details

Requested Meeting Date (if known):	
Proposed Agenda Title/Topic:	
Summary of Request (brief description):	
Reason for Request / Desired Outcome:	

Supporting Documentation

Please attach any relevant documents, reports, maps, or exhibits that will assist the City Manager/ City Council in reviewing your request.

Presentation

Do you wish to present this item during the meeting?	☐ Yes ☐ No
If yes, estimated time needed:	_____ minutes

Acknowledgment

I understand that submission of this application does not guarantee placement on the requested agenda. The City reserves the right to determine the appropriate meeting date or to decline requests that do not meet applicable requirements.

Signature:	<u>Mallory Sosinski</u>	Date:
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Submit completed application to:

City Clerk's Office:

Jessica Burnham

jburnham@umatillafl.org



CITY OF UMATILLA

AGENDA ITEM STAFF REPORT

DATE: March 17, 2026

MEETING DATE: April 7, 2026

SUBJECT: First Reading of Ordinance No. 2026-C, Twin Lakes PUD Amendment

BACKGROUND SUMMARY:

The property owner is seeking an amendment to the existing Planned Unit Development (PUD) approved under Ordinance 1998-J. The current PUD and concept plan allow 160 single-family homes (2.37 units/acre) with a minimum lot size of 10,000 sq. ft., a minimum living area of 1,200 sq. ft., a golf course with a 3,000 sq. ft. pro shop, and 25.17 acres (37%) of open space, which includes the golf course and buffers. To date, 114 lots have been platted. The proposed amendment would repurpose the golf pro shop area (3.65 acres) for a 40-bed Assisted Living Facility and reduce the total open space to 16.67 acres.

RECOMMENDATIONS:

Approval of Ordinance No. 2026-C, Twin Lakes PUD Amendment

FISCAL IMPACTS:

N/A

ATTACHMENTS:

1. Attachment #1 Staff Report_Twin Lakes
 2. Ordinance No. 2026-C, Twin Lakes PUD Amendment
 3. Twin Lakes DA_SIGNED
 4. Twin Lakes ACLF Conceptual Site Plan
-

ATTACHMENT #1

CITY OF UMATILLA PROJECT REVIEW STAFF REPORT BY LPG URBAN & REGIONAL PLANNERS, LLC

PUD AMENDMENT

Owner: Twin Lakes Reserve & Golf Club Inc., Kenneth Whitmarsh

General Location: West of SR 19 and south of Keene Road

Number of Acres: 67.41 ± acres

Existing Zoning: Planned Unit Development (PUD)

Existing Land Use: Single Family Medium Density (5 units/acre)

Date: January 22, 2026

Description of Project

The owner is seeking an amendment to the Planned Unit Development (PUD). The existing PUD (Ordinance 1998-J) and concept plan allowed for 160 single family homes (2.37 units/acre) with a minimum lot size of 10,000 square feet, a minimum living area of 1,200 square feet, golf course, 25.17 acres of open space (37%) which included the golf course and buffers, and a 3,000 square foot golf pro shop. To date 114 lots have been platted. The applicant would like to amend the PUD to allow a 40 bed Assisted Living Facility in the former area of the golf pro shop (3.65 acres) and reduce the open space to 16.67 acres.

	Surrounding Zoning	Surrounding Land Use
North	Planned Unit Development (PUD)	Single Family Medium Density (5 units/acre)
South	Commercial (C-2)	Commercial
East	Commercial (C-2), PFD	Lake County Rural, City Commercial and City Institutional
West	UR-5	Single Family Medium Density

Assessment

PUD Amendment

The project area is approximately 18.41 acres and consists of the former golf course and former golf pro shop. The applicant is requesting a PUD Amendment to allow a 40-bed ALF in the area where the previous golf pro shop was located, amend open space from 25.17 acres (37%) to 16.67 acres (27%). The golf course tract was never platted; therefore, to assure that the minimum open space required remains undeveloped the applicant is proposing to convey the

ATTACHMENT #1

property to the Community Association/HOA by restricted deed prior to site development. It is unclear if it is the applicant's intent to plat this area and if it is the intent for the HOA to maintain such open space.

The project area for the proposed ACLF is 3.65 acres and includes the existing parking lot, stormwater management area and landscape buffer.

Adjacent city zoning consists of PUD (Keene Road), PFD (Church), UR-5 (residential lots) and C-2. The proposed PUD Amendment is compatible with adjacent zoning and would further the city's goal in providing for communities for a lifetime.

Trip Generation Analysis

A trip generation analysis was conducted on the proposed amendment by the applicant. The result indicates that the amendment would decrease traffic by 57 daily trips. SR 19 is designated as an arterial roadway under the jurisdiction of FDOT with an adopted Level of Service (LOS) of D. The amendment will not degrade the LOS.

Proposed Land Use Program

Land Use	Size/Unit	ITE Code	Daily Trips	PM Peak Hour Trips	PM Trips Enter	PM Trips Exit
ALF	40 beds	254	104	10	4	6
TOTAL GROSS TRIPS (PROPOSED)			104	10	4	6

* 11th Edition

Existing Land Use Program

Land Use	Size/Unit	ITE Code	Daily Trips	PM Peak Hour Trips	PM Trips Enter	PM Trips Exit
Retail	3.0 KSF	822	161	11	1	10
TOTAL GROSS TRIPS (EXISTING)			161	11	1	10

Net Difference (Proposed Net Trip Generation Minus Existing Net Trip Generation)

Land Use	PM Peak Hour Trips	PM Trips Enter	PM Trips Exit
TOTAL NET TRIPS (PROPOSED – EXISTING)	-1	3	-4

School Impact Analysis

The subject site is a 55+ community and proposed PUD amendment will not impact schools

ATTACHMENT #1

Potable Water Analysis

The PUD Amendment will not degrade the LOS and there is sufficient capacity as shown in Table 3 below.

Table 3 – Water Analysis Based on PUD Amendment

Ordinance #	Acres	Proposed City Zoning	Maximum Development	Water Demand (gross) (mgpd)	Capacity or Deficit (mgpd)
City of Umatilla Current Capacity					0.275*
Twin Lake Estates	18.6	PUD	40 bed/ALF	.003	.003
Total	18.6				0.272

* Includes Keene Road

Estimated water demand based on PF Policy 4-1.10.1 of LOS of 850 gpd per commercial acre (3.65 acres)

Sanitary Sewer Analysis

The subject site is within the City of Umatilla's Utility Service area; however, central sewer is not available. The proposed ALF will be served by an onsite septic system.

Environmental Analysis

An environmental analysis was conducted by Meryman Environmental and within the proposed ALF site several gopher tortoise burrows were observed. Prior to development, the appropriate regulatory permits will be secured.

Recommendation

Staff recommends approval as the PUD Amendment will reduce impacts and is compatible with the adjacent zonings and is consistent with FLU Policy 1-1.11.1: Application of Planned Unit Developments.

Staff also recommends the following conditions:

The subject ALF site (3.65 acres) shall be platted

The required open space for the entire PUD shall be conveyed as open space in perpetuity (16.67 acres) and should be platted as a tract unless City Council agrees to other terms.

ORDINANCE 2026-C

AN ORDINANCE OF THE CITY OF UMATILLA, COUNTY OF LAKE, STATE OF FLORIDA, AMENDING ORDINANCE NO. 1998-J, AS AMENDED, TO ADOPT A MASTER DEVELOPMENT AGREEMENT RELATING TO REAL PROPERTY CURRENTLY ZONED RESIDENTIAL PLANNED UNIT DEVELOPMENT CONSISTING OF 67.41 ± ACRES FOR THE HEREAFTER DESCRIBED PROPERTY OWNED BY TWIN LAKES RESERVE & GOLF CLUB, INC. LOCATED SOUTH OF KEENE ROAD AND WEST OF SR 19; AMENDING THE OPEN SPACE; REPLACING THE GOLF PRO SHOP WITH A 40-BED ASSISTED LIVING FACILITY; AMENDING THE CONCEPTUAL SITE PLAN; PROVIDING FOR CONDITIONS AND CONTINGENCIES; DIRECTING THE CITY MANAGER TO PROVIDE CERTIFIED COPIES OF THIS ORDINANCE AFTER APPROVAL TO THE CLERK OF THE CIRCUIT COURT, AND THE LAKE COUNTY MANAGER; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Owner desires to amend the Planned Unit Development conditions previously approved by Ordinance No. 2006-A for certain real property consisting of approximately 67.41 ± acres located south of Keene Road and west of SR 19, as legally described in Exhibit “A” attached hereto and incorporated herein by reference (the “Property”); and

WHEREAS, the petition bears the signature of all required parties; and

WHEREAS, the required notice of the proposed rezoning has been properly published; and

WHEREAS, the City Council reviewed said petition, the staff report, and any comments—favorable or unfavorable—from the public and surrounding property owners at a duly advertised public hearing; and

WHEREAS, upon review, certain terms pertaining to the development of the Property have been duly approved, and

WHEREAS, the City Council has determined that this amendment is consistent with the City of Umatilla Comprehensive Plan and Land Development Regulations.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Umatilla, Florida, as follows:

Section 1: Purpose and Intent. That the zoning classification of the Property, being situated in the City of Umatilla, Florida, shall hereafter be designated as Residential Planned Unit Development (RPUD), as defined in the Umatilla Land Development Regulations.

Section 2: Zoning Classification. That the Property shall be designated as RPUD, in accordance with Chapter 6, Section 2(k) of the Land Development Regulations of the City of Umatilla, Florida. The Property rezoned pursuant to this section shall be subject to the Umatilla Land Development Regulations pertaining to properties within the Planned Unit Development District and shall be developed according to the Master Developer’s Agreement attached hereto as Exhibit “B” and made a part hereof by reference.

Section 3: The City Manager, or designee, is hereby directed to amend, alter, and implement the official zoning map of the City of Umatilla, Florida, to include said designation consistent with this Ordinance.

Section 4: Severability. If any provision or portion of this Ordinance is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of this Ordinance shall remain in full force and effect.

Section 5: Scrivener's Errors. Scrivener's errors in the legal description may be corrected without a public hearing or at public meeting, by re-recording the original ordinance or a certified copy of the ordinance and attaching the correct legal description.

Section 6: Effective Date. This Ordinance shall become effective immediately upon passage by the City Council of the City of Umatilla.

PASSED AND ORDAINED in regular session of the City Council of the City of Umatilla, Lake County, Florida, this _____ day of _____, 2026.

Christopher R. Creech, Mayor
City of Umatilla, Florida

ATTEST:

Approved as to Form:

Jessica Burnham, CMC, FCRM
City Clerk

Jennifer Cotch
City Attorney

Passed First Reading _____
Passed Second Reading _____
(SEAL)

Exhibit "A"

PARCEL "A"

That portion of Gibson and Gotherman Addition to Altoona, as recorded in Plat Book 1, Page 38, Public Records of Lake County, Florida, lying south of Twin Lakes Estates Phase III (3), as recorded in Plat Book 58, Pages 26 and 27, Public Records of Lake County, Florida.

AND

PARCEL "B"

The South 860.00 feet of Government Lot 2, Section 6, Township 18 South, Range 27 East, Lake County, Florida, lying West of the West line of "Gibson and Gotherman" Addition to Altoona, as recorded in Plat Book 1, Page 38, Public Records of Lake County, Florida;; LESS AND EXCEPT all of that portion of Twin Lakes Estates, as recorded in Plat Book 43, pages 97 and 98, Public Records of Lake County, Florida; LESS AND EXCEPT all of that portion of Twin lakes Estates Phase II (2), as recorded in Plat Book 49, Pages 39 and 40, Public Records of Lake County, Florida.

AND

PARCEL "C"

That part of Government Lot 3, Section 6, Township 18 South, Range 27 East, Lake County, Florida, lying North of Block E in Silver Beach Heights, as recorded in Plat Book 14, Pages 25 and 25-A, Public Records of Lake County, Florida, and West of the Westerly right of way of abandoned railroad; LESS begin at the Northeast corner of Lot 4, Block E, of said Silver Beach Heights, run East along the North line of Block E 306.05 feet, more or less, to the Westerly right of way of State Road No. 19 and Designated Point A. Return to the point of beginning and run North parallel to the East line of Tarpon Avenue of platted Silver Beach Heights 305.58 feet, thence East parallel to the North line of Aforesaid Block E 551.19 feet, more or less, to the Westerly right of way of aforesaid railroad, thence Southwesterly along said abandoned railroad right of way and the Westerly right of way of State Road No. 19 to Designated Point A; ALSO LESS begin at the Northeast corner of Lot 4, Block E of aforesaid Silver Beach Heights, run North parallel to the East line of Tarpon Avenue of platted Silver Beach Heights 305.58 feet, thence West parallel to the North line of aforementioned Block E 239.83 feet, more or less, to the West line of aforementioned Government Lot 3, thence South along said West line being parallel to the East line of aforesaid Tarpon Avenue 305.58 feet, more or less, to the North line of Block E, thence East along said North line 239.83 feet, more or less, to the Point of Beginning. LESS AND EXCEPT all of that portion of Twin Lakes Estates, as recorded in Plat Book 43, Pages 97 and 98, Public Records of Lake County, Florida; LESS AND EXCEPT all of that portion of Twin Lakes Estates Phase II (2), as recorded in Plat Book 49, Pages 39 and 40, Public Records of Lake County, Florida.

AND

TRACT "A" PHASE II

Tract "A", Twin Lakes Estates Phase II (2), according to the plat thereof recorded in Plat Book 49, Pages 39 and 40, Public Records of Lake County, Florida.

AND

TRACT "B" PHASE III

Tract "B", Twin Lakes Estates Phase III (3), according to the plat thereof recorded in Plat Book 58, Pages 26 and 27, Public Records of Lake County, Florida.

PARCEL "D" Official Records Book 2251, Pages 486 through 488, LAKE County

Beginning 535.52 feet North of the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of Section 6, Township 18 South, Range 27 East; thence run North 305.58 feet; thence East 12 chains and 4 links to the Right of Way of the St. Johns and Lake Eustis Railroad (now the Atlantic Coast Line Railroad); thence South 35° West to a point due East of the Point of Beginning; thence West 628.3 feet to Point of Beginning.

EXCEPT (LESS), however, from the above-described parcel, the following: The South 190 feet of the above-described parcel, except the West 380 feet thereof; the North line of above excepted tract being 335 feet; the West line being 190 feet; the South line being 208.3 feet (166 feet West of Highway); and the East line being the West line of the Right of Way of A.C.L. R.R.

PARCEL NO. 1 Official Records Book 2251, Pages 464 through 466, LAKE County

PARCEL 1, being conveyed by John David McTureous, Mary McTureous Carter, and Ann McTureous Campbell, as Successor Co-Trustees of the Mildred C. McTureous Revocable Trust Agreement dated March 9, 1989:

Beginning 535.52 feet North of the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of Section 6, Township 18 South, Range 27 East; thence run West 180.1 feet, thence North 777.48 feet, thence East 180.1 feet, thence South 777.48 feet to the Point of Beginning.

AND

PARCEL NO. 2

PARCEL 2, being conveyed by Mildred C. McTureous, an unmarried woman:

The South 190 feet of the following tract, EXCEPT the West 380 feet thereof (the North line of the tract hereby described as 335 feet, more or less; being 166 feet, more or less, West of the Highway; and the East line is the West line of the Right of Way of the A.C.L. R.R.), to-wit:

Beginning 535.52 feet North of the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of Section 6, Township 18 South, Range 27 East; thence run North 305.58 feet; then East 12 chains and 4 links to the Right of Way of the St. Johns and Lake Eustis Railroad (now the Atlantic Coast Line Railroad); thence South 35° West to a point due East of the Point of Beginning; thence West 628.3 feet to Point of Beginning.

MASTER DEVELOPER'S AGREEMENT

This MASTER DEVELOPER'S AGREEMENT (the "Agreement") is made this ____ day of _____, 2026, by and between the **CITY OF UMATILLA, a Florida municipal corporation** ("City"), whose address is 1 South Central Avenue, Umatilla, Florida 32784, and **Twin Lakes Reserve & Golf Club, Inc., a Florida corporation** ("Owner"), whose address is 2412 Ben Franklin Drive, Deland, Florida, 32720, hereinafter referred to collectively as the "Parties."

RECITALS

1. The Owner desires to amend the Planned Unit Development ("PUD") conditions previously approved by Ordinance No. 1998-J, as amended by Ordinance 2026-__, consisting of approximately 18.6 ± acres of the larger 67.41+/- acre Planned Unit Development property within the City of Umatilla, described and depicted as set forth on Exhibit "A" attached to and incorporated in this Agreement (hereafter referred to as the "Property").

2. The Property is currently located within the City of Umatilla and is currently zoned "Residential Planned Unit Development (RPUD)" with a future land use designation on the City of Umatilla Future Land Use Map of "Residential Single Family Medium Density."

3. The City Council has determined that the amendment to the PUD conditions and proposed development are consistent with the City's Comprehensive Plan, Land Development Regulations, and the public interest.

4. Owner represents that it is the sole legal owner of the Property and that it has the full power and authority to make, deliver, enter into, and perform pursuant to the terms and conditions of this Agreement and has taken all necessary action to authorize the execution, delivery, and performance of the terms and conditions of this Agreement.

5. The City of Umatilla has determined that the amendment to the PUD conditions of the Property and the proposal for its development presents, among other things, an opportunity for the City to secure quality planning and growth, protection of the environment, and a strengthened and revitalized tax base.

6. Owner will fund certain public improvements and infrastructure to facilitate the development of the Property and have further offered to adhere to certain development standards outlined herein.

7. The Property is within the City's Chapter 180, Florida Statutes, utility district, and Owner has requested and City desires to provide water as well as other municipal services to the Property.

ACCORDINGLY, in consideration of the mutual benefits and the public interest and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

Section 1. Recitals. The above recitals are true and correct, are hereby incorporated herein by reference, and form a material part of this Agreement. All exhibits to this Agreement are hereby deemed a part thereof.

Section 2. Conditions Precedent. Owner has filed an application for an amendment to the RPUD zoning conditions for the Property. It is understood and agreed to by the City and the Owner that this Agreement shall not be binding or enforceable as to any Party unless and until: a) the City adopts an ordinance approving the RPUD amendment and this Agreement; and b) this Agreement is executed by both Parties and recorded in the Official Records of Lake County, Florida. The Parties hereto understand and acknowledge that the City is in no way bound to amend or rezone the Property. The City Council shall have the full and complete right to approve or deny the application for zoning amendment. However, if the City Council denies the application for zoning amendment, this Agreement shall be void and shall be of no further force and effect.

Section 3. Land Use/Development. Development of the Property shall be substantially consistent with the Conceptual Plan prepared by Huffstetler Landscape Architecture & Planning attached as **Exhibit "B"** (the "Plan"). All development shall be consistent with City's "Residential Planned Unit Development" (RPUD) zoning district as it currently exists or as amended, and subject to City approval.

Section 4. Permitted Uses. Permitted Uses of the Property are as follows:

- a. One (1) Assisted Living Facility containing no more than forty (40) beds; and
- b. Customary and incidental accessory buildings and structures subordinate to the primary use.

No expansion of the number of beds, change in use, or intensification of development shall be permitted except by formal amendment to this Agreement and approval by ordinance of the City Council.

Section 5. Development Standards. Development Standards for the Property shall be as follows:

a. Minimum Setback requirements shall be:

Front: Road Right of Way - Fifty feet (50')

Side: Road Right of Way – Twenty-five feet (25')

Another Lot – Ten feet (10'),

Rear: Another Lot – Twenty-five feet (25')

Lake – Fifty feet (50')

Required landscape buffers shall supersede the minimum setbacks permitted by this section.

Accessories Structure Setback: All accessory structures shall be located no closer to the property line than five feet (5').

b. Maximum building height shall be limited to thirty-five feet (35').

c. The Assisted Living Facility shall meet the Non-Residential Design Standards of Chapter 6, Section 5 of the City's Land Development Regulations.

Section 6. Site Access and Transportation Improvements. Vehicular access to the project site shall be provided by access onto Twin Lake Circle and State Road 19.

- a. The Permittee shall provide all necessary improvements within and adjacent to the development as required by Florida Department of Transportation (FDOT) and City of Umatilla.
- b. All roads or related transportation improvements associated with the Development will be privately owned and maintained. The City shall have no obligation to accept, maintain, repair, or improve any private road or transportation improvement serving the Property.

Section 7. Lighting. All exterior lighting shall be arranged to reflect light away from adjacent properties to the greatest extent possible while providing lighting adequate to ensure safety on road right of way.

Section 8. Water and Wastewater. Subject to the terms herein, Owner and their successors and assigns agree to obtain water and wastewater service (hereafter, "Utilities") exclusively through purchase from City when the City makes such water and sewer services sufficient to service all uses of the Property available to the Property. The rates to be charged by City for Utilities to the Property shall be those rates and charges made by the City to its customers which are from time to time approved by the City Council or by any other governmental regulatory body from time to time having jurisdiction over such matters. Owner covenants and warrants to City that it will not engage in the business of providing such Utilities to the Property or within City's F.S. Chapter 180 utility district. Notwithstanding the foregoing, private wells for irrigation purposes will be allowed within the Property so long as such wells are approved and permitted by the St. Johns River Water Management District (the "District") and comply with the rules and regulations of the District. Owner shall construct, at Owner's expense, all on-site utility facilities as well as pay for the extension of facilities from City's eventual point of connection at the edge of the Property. All such improvements must be constructed to City requirements and transferred to City as a contribution in aid of construction. Onsite sewage treatment and disposal systems may be used temporarily until central sewer service is available within 1,000 feet of the Property, at which time Owner shall connect to City utilities. The Owner shall provide the City utility easements related to the Property as requested by the City from time to time. The City shall further provide all other municipal services to the Property as are needed by Owner from time to time in accordance with the City's applicable policies for the provision of said services. Connection to central sanitary sewer shall be required within twelve (12) months of availability of such service within one thousand (1,000) feet of the Property, unless a longer period is approved by the City Council by written extension.

Any onsite wastewater treatment system, including but not limited to enhanced nutrient reducing onsite sewage treatment and disposal systems or distributed wastewater treatment systems (DWTS) permitted pursuant to Florida law, shall be designed, permitted, installed, operated, and maintained solely at Owner's expense and responsibility. Owner shall obtain all required permits from the Florida Department of Environmental Protection and any other applicable regulatory agency. The City shall have no ownership, operational, maintenance, monitoring, or regulatory responsibility for any such onsite or distributed wastewater treatment system unless and until expressly accepted by the City by written agreement approved by the City Council.

Section 9. Impact Fees. Owner shall be required to pay impact fees as established by City from time to time, including water, police, and fire impact fees. The amount to be paid shall be the adopted impact fee rate schedule at the time of building permit is issued.

Owner agrees to pay all other impact fees and any impact fees adopted after the execution of this Agreement as building permits are issued. If impact fees increase from the time they are paid until the building permit is issued, Owner shall pay the incremental increased amount at the time building permits are issued. Prepayment of utility impact fees and acceptance by City of such fees shall reserve capacity. No capacity is reserved until or unless such fees have been paid pursuant to an agreement with City. Owner agrees and understands that no capacity has been reserved and that Owner assumes the risk that capacity will be available.

Section 10. Easements. Owner shall provide the City such public easements or right of way in form acceptable to the City Attorney, as the City deems necessary for utility services, including but not limited to water, sewer, enhanced nutrient reducing onsite sewage treatment and disposal system, and drainage.

Section 11. Landscaping/Buffers. Developer has reviewed City's Land Development Regulations relating to landscaping and agrees to comply with such regulations. A twenty-five-foot (25') Type "B" landscape buffer shall be installed along the western property boundary adjacent to the residential. A fifteen-foot (15') Type "B" landscape buffer shall be installed adjacent to Twin Lakes Circle. A fifteen-foot (15') Type "A" landscape buffer shall be installed along State Road 19. Owner shall, at its sole expense, install underground irrigation systems on all common areas of the Property, as well as exercise any other measures reasonably necessary to ensure the long-term maintenance of the landscaping.

Owner acknowledges City's goal of achieving a greater level of tree preservation within the City. In aid of such goal, Owner agrees to comply with all existing applicable City of Umatilla Land Development Regulations pertaining to tree removal and replacement, subject to limitations or modifications by Florida Statute.

Failure to install or maintain required landscaping and buffers shall constitute a violation of this Agreement and the City's Land Development Regulations and may be enforced accordingly.

Section 12. Stormwater Management. Owner agrees to provide at Owner's expense a stormwater management system consistent with all regulatory requirements of the City and the St. John's River Water Management District. Impacts to flood plains are allowed in accordance with the Water Management District procedures for compensating storage and will be based on the 100-year floodplain established by Lake County.

Section 13. Other Municipal Facilities/Services. The City hereby agrees to provide, either directly or through its franchisees or third party providers, police and fire protection, and solid waste collection, disposal, and recycling services to the Property under the same terms and conditions and in the same manner as are afforded to all other commercial property owners within the City.

Section 14. Signage. Signage shall be in compliance with all applicable regulations contained within the City of Umatilla's Land Development Regulations, unless City grants a waiver or variance pursuant to the City's Land Development Regulations.

Section 15. Environmental Considerations. The Owner agrees to comply with all federal, state, county, and city laws, rules and regulations regarding any environmental issues affecting the Property.

Section 16. Compliance with City Laws and Regulations. Except as expressly modified herein, all development of the Property shall be subject to compliance with the City Land Development Regulations and City Code provisions, as amended, as well as regulations of county, state, local, and federal agencies. All improvements and infrastructure shall be constructed to City standards.

Section 17. Due Diligence. The City and Owner further agree that they shall commence all reasonable actions necessary to fulfill their obligations hereunder and shall diligently pursue the same throughout the existence of this Agreement. The City shall further provide all other municipal services to the Property as are needed by Owner from time to time in accordance with the City's applicable policies for the provision of said services.

Section 18. Enforcement/Effectiveness. A default by either Party under this Agreement shall entitle the other Party to all remedies available at law. This is a non-statutory development agreement which is not subject to or enacted pursuant to the provisions of Sections 163.3220 – 163.3243, *Florida Statutes*. Nothing in this Agreement shall be construed to limit or waive the City's police powers or its authority to enforce applicable laws, ordinances, or regulations.

Section 19. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Florida and venue for any action hereunder shall be in the Circuit Court of Lake County, Florida.

Section 20. Binding Effect; Assignability. This Agreement, once effective, shall be binding upon and enforceable by and against the Parties hereto and their assigns. This Agreement shall be assignable by the Owner to successive owners. Owner shall, however, provide written notice to the City of any and all such assignees. The rights and obligations set forth in this Agreement shall run with the land and be binding on all successors and/or assignees. The Parties hereby covenant that they will enforce this Agreement and that it is a legal, valid, and binding agreement. Owner shall notify the City in writing within thirty (30) days of any transfer of ownership. This Agreement shall be recorded in the Official Records of Lake County at Owner's expense.

Section 21. Waiver; Remedies. No failure or delay on the part of either Party in exercising any right, power, or privilege hereunder will operate as a waiver thereof, nor will any waiver on the part of either Party or any right, power, or privilege hereunder operate as a waiver of any other right, power, privilege hereunder, nor will any single or partial exercise of any right, power, or privilege hereunder preclude any other further exercise thereof or the exercise of any other right, power, or privilege hereunder.

Section 22. Exhibits. All exhibits attached hereto are hereby incorporated in and made a part of this Agreement as if set forth in full herein.

Section 23. Notice. Any notice to be given shall be in writing and shall be sent by certified mail, return receipt requested, to the Party being noticed at the following addresses or such other address as the Parties shall provide from time to time:

As to City:	City Manager City of Umatilla
--------------------	----------------------------------

	P.O. Box 2286 Umatilla, FL 32784-2286 352-669-3125 Telephone
Copy to:	Mayor City of Umatilla P.O. Box 2286 Umatilla, FL 32784-2286 352-669-3125 Telephone Kevin Stone Stone & Gerken, P.A. 4850 N. Highway 19A Mount Dora, FL 32757 352-357-0330 Telephone
As to Owner:	Twin Lakes Reserve & Golf Club, Inc. Kenneth Whitmarsh 2412 Ben Franklin Drive Deland, FL, 32720
Copy to:	GavKee Contracting Services, Inc. 614 E Hwy 50, Box 307 Clermont, FL 34711 Telephone: 321-689-2306

Section 25. Entire Agreement. This Agreement sets forth all of the promises, covenants, agreements, conditions, and understandings between the Parties hereto, and supersedes all prior and contemporaneous agreements, understandings, inducements or conditions, express or implied, oral or written, except as herein contained. However, the failure of this Agreement to address a particular permit, condition, term, or restriction shall not relieve Owner from complying with the law governing said permitting requirements, conditions, terms or restrictions.

Section 26. Term of Agreement. The term of this Agreement shall commence on the date this Agreement is executed by both the City and Owner and shall terminate ten (10) years thereafter; provided, however, that the term of this Agreement may be extended by mutual consent of the City and the Owner, subject to a public hearing.

Section 27. Amendment. Amendments to the provisions of this Agreement shall be made by the Parties only in writing by formal amendment.

Section 28. Severability. If any part of this Agreement is found invalid or unenforceable in any court of competent jurisdiction, such invalidity or unenforceability shall not affect the other parts of this Agreement, if the rights and obligations of the Parties contained herein are not materially prejudiced and if the intentions of the Parties can be effected. To that end, this Agreement is declared severable.

IN WITNESS WHEREOF, the Parties have set their hands and seals this ____ day of _____ 2026.

CITY OF UMATILLA, FLORIDA

By: _____
Christopher Creech, Mayor

ATTEST:

Jessica Burnham, CMC, FCRM
City Clerk

WITNESSES:

Cali Canlas
Printed Name: CALI CANLAS
Mengel
Printed Name: Letty Vergel

TWIN LAKES RESERVE & GOLF CLUB, INC.

By: _____
Printed Name: Kenneth Whitmarsh
As its: President

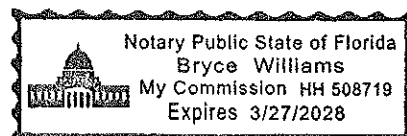
STATE OF FLORIDA)
COUNTY OF LAKE)

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 11 day of MARCH 2026, by KENNETH WHITMARSH, as PRESIDENT of TWIN LAKES RESERVE & GOLF CLUB, INC., a Florida corporation, on behalf of the company. He/she is personally known to me ☐ or has produced FLORIDA DL as identification.

Bryce Williams
(Signature of Notary Public – State of Florida)

Name of Notary Public: BRYCE WILLIAMS
(Print, Type, or Stamp Commissioned Name of Notary Public)

Commission No.: HH508719
My Commission Expires: 03/27/2028



residential lots

al lot

PUD

East-West Mid-Section Line
N88°50'25"E 559.49'

3.65 acres +/-

PUD

C-2

C-2

PFD



CITY OF UMATILLA

AGENDA ITEM STAFF REPORT

DATE: March 17, 2026

MEETING DATE: April 7, 2026

SUBJECT: First Reading of Ordinance No. 2026-D, Umatilla Police Officers' Retirement Trust Fund's Participation Under Florida Municipal Pension Trust Fund Defined Benefit Plan

BACKGROUND SUMMARY:

The City Council of Umatilla has established the Police Officers' Retirement Trust Fund to provide retirement benefits for police officers. The Council intends to restate the Fund under the Florida Municipal Pension Trust Fund Defined Benefit Plan Document and add it as a party through the Master Trust Agreement. Once restated, the Fund will follow the provisions of the Florida Municipal Pension Trust Fund, and the current applicable sections in the City's Code of Ordinances will be repealed. Staff recommends approval of the restatement and all actions necessary to implement the Master Trust Agreement.

RECOMMENDATIONS:

Approval of Ordinance No. 2026-D, Umatilla Police Officers' Retirement Trust Fund's Participation Under Florida Municipal Pension Trust Fund Defined Benefit Plan

FISCAL IMPACTS:

None

ATTACHMENTS:

1. Ordinance No. 2026-D, Police Officers' Retirement Trust Fund's Participation Under Florida Municipal Pension Trust Fund Defined Benefit Plan
 2. Exhibit A_FMP TF DB Plan Document
 3. Exhibit B_FMP TF Investment Policy
 4. Exhibit C_Master Trust Agreement 11.29.18 Signed
 5. Exhibit D_Adoption Agreement
 6. Exhibit E_Trust Joinder Agreement
-

ORDINANCE NO. 2026-D

AN ORDINANCE AUTHORIZING THE CITY OF UMATILLA POLICE OFFICERS' RETIREMENT TRUST FUND'S PARTICIPATION UNDER THE FLORIDA MUNICIPAL PENSION TRUST FUND DEFINED BENEFIT PLAN DOCUMENT AS AMENDED, THROUGH THE MASTER TRUST AGREEMENT AS AMENDED, AS A PARTY THERETO; PROVIDING FOR PUBLICATION; PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council for the City of Umatilla has established a retirement plan for police officers called the City of Umatilla Police Officers' Retirement Trust Fund (hereinafter the "Fund"); and

WHEREAS, it is the intent of the City Council for the City of Umatilla to authorize the participation of the Fund under the Florida Municipal Pension Trust Fund Defined Benefit Plan Document to be added as a party through the Master Trust Agreement; and

WHEREAS, the Fund shall be restated utilizing the Florida Municipal Pension Trust Fund Defined Benefit Plan Document and the applicable provisions under the Code of Ordinances for the City of Umatilla shall be repealed.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF UMATILLA, FLORIDA:

Section 1. The City Council of the City of Umatilla hereby expressly authorizes the participation of the Fund under the Florida Municipal Pension Trust Fund Defined Benefit Plan Document, as a party thereto through the Master Trust Agreement and hereby authorizes the administration of the Fund and the investment of the assets of the Fund, within the procedures, policies and methods outlined in the Florida Municipal Pension Trust Fund Defined Benefit Plan Document as amended (attached hereto as Exhibit A), Investment Policy Objectives and Guidelines as amended (attached hereto as Exhibit B), the Master Trust Agreement as amended (attached hereto as Exhibit C), Adoption Agreement as may be amended (attached hereto as Exhibit D) and Trust Joinder Agreement (attached hereto as Exhibit E).

Section 2. The City Council of the City of Umatilla hereby empowers the City Manager of the City of Umatilla with the authority to execute such documents and agreements as are required for joining as a party to the Florida Municipal Pension Trust Fund Master Trust Agreement including but not limited to a Trust Joinder Agreement .

Section 3. This Ordinance shall remain in full force and effect until supplemented, amended, repealed or otherwise altered.

Section 4. Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Umatilla, Florida.

Section 5. All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed, specifically the Fund as stated in Chapter 2, Article VII, Division 4 of the City of Umatilla Code of Ordinances (hereinafter the "Code"). The Florida Municipal Pension Trust Fund Defined Benefit Plan Document (Exhibit A), is hereby adopted and substituted as Chapter 2, Article VII, Division 4 of the Code. Notwithstanding the substitution of the Fund with the Florida Municipal Pension Trust Fund Defined Benefit Plan Document (Exhibit A), it is the intent of this Ordinance that no benefits for members or retirees of the Fund be altered or diminished by said repeal, and that the description of said benefits shall be incorporated, in full, as part of the Adoption Agreement attached and incorporated into this Ordinance as Exhibit D.

Section 6. If any section, subsection, sentence, clause, phrase of this Ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

Section 7. This Ordinance shall become effective October 1, 2026. The participation of the City of Umatilla Police Officers' Retirement Trust Fund in the Florida Municipal Pension Trust Fund Defined Benefit Plan and Master Trust Agreement shall commence on that date.

PASSED ON FIRST READING, this __ day of _____, 2026.

PASSED AND ADOPTED ON SECOND READING, this __ day of _____, 2026.

City of Umatilla

Christopher R. Creech, Mayor

ATTEST:

Approved as to form:

Jessica Burnham, CMC, FCRM
City Clerk

Jennifer Cotch, City Attorney



FLORIDA MUNICIPAL PENSION TRUST FUND

DEFINED BENEFIT PLAN DOCUMENT

RESTATED AND AMENDED AS OF September 21, 2023

Sponsored and Administered by:
FLORIDA LEAGUE OF CITIES, INC.
301 S. Bronough Street, P.O. Box 1757
Tallahassee, FL 32302-1757
(850) 222-9684
Fax (850) 222-3806

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ARTICLE 1

DEFINITIONS

As used herein, unless otherwise defined or required by the context, the following words and phrases shall have the meaning indicated:

1.01 “Accumulated Contributions”:

shall mean a Participant's own contributions without interest. For those Participant's who purchase Credited Service with interest or at no cost to the Plan, only that portion of any payment representing the amount attributable to the Participant's contributions based on the applicable Participant contribution rate shall be included in Accumulated Contributions.

1.02 “Accrued Benefit”:

shall mean a fraction of the benefit to which a Participant would be entitled at their Normal Retirement Date. The numerator of the fraction is the years of participation completed to date and the denominator is the years of participation in the Plan that would have been earned if the Participant continued employment until their Normal Retirement Date.

1.03 “Actuary”:

shall mean an actuary that is a member of the Society of Actuaries or the American Academy of Actuaries and who is enrolled under subtitle C of Title III of the Employee Retirement Income Security Act of 1974.

1.04 “Actuarial Equivalent”:

Actuarial Equivalent is defined in the attachment marked Exhibit B.

1.05 “Adoption Agreement”:

shall mean the document outlining the specific benefits of the Plan, as executed by the Employer and attached to and made part of the Plan.

1.06 “Average Final Compensation”:

shall mean one-twelfth (1/12) of the average annual compensation of the five (5) best years of the last ten (10) years of Credited Service prior to retirement, termination or death, or the career average, whichever is greater, unless otherwise specified in the Adoption Agreement. A year shall be defined as the twelve (12) consecutive months immediately prior to death, disability or retirement. In the case of a Volunteer Firefighter, Average Final Compensation shall mean the average salary of the five (5) best years of the ten (10) best contributing years prior to change in status to a permanent full-time Firefighter or retirement as a Volunteer Firefighter or the career average of a Volunteer Firefighter, whichever is greater.

1.07 “Beneficiary”:

shall mean the person or persons entitled to receive benefits hereunder at the death of a Participant who has or have been designated in writing by the Participant and filed with the Board. If no such designation is in effect, or if no person so designated is living, at the time of death of the Participant, the beneficiary shall be the estate of the Participant.

1.08 “Board”:

Shall mean the Board of Trustees, which shall administer and manage the Plan herein provided and serve as Trustees of the Fund.

1.09 “Code”:

shall mean the Internal Revenue Code of 1986, as amended from time to time.

1.10 “Credited Service”:

shall mean the total number of years and fractional parts of years as a Participant during which the Participant made required contributions to the Plan, omitting intervening years or fractional parts of years when such Participant is not employed by the Employer. Credited Service may be given for years of employment as a Police

Officer, Firefighter or Public Safety Officer, prior to plan inception at the discretion of the Employer and as stated in the Adoption Agreement.

A Participant may voluntarily leave his Participant contributions in the Fund for a period of five (5) years after leaving the employ of the Employer pending the possibility of being rehired in a position eligible for participation in this Plan, without losing credit for the time that he was a Participant in the Plan. If a vested Participant does not become reemployed within five (5) years, then the Accumulated Contributions will be returned to the Participant without interest, unless otherwise specified in the Adoption Agreement, upon receipt of written request of the Participant. If a Participant who is not vested is not reemployed with the Employer within five (5) years, his Accumulated Contributions shall be returned without interest. Upon return of a Participant's Accumulated Contribution, all rights and benefits under the Plan are forfeited and terminated. Upon any reemployment in a position eligible for participation in this Plan, a Participant shall not receive credit for the years and fractional parts of years for which he has withdrawn his Accumulated Contributions from the Plan unless the Participant repays into the Fund the contributions he has withdrawn, with interest, as determined by the Board, within ninety (90) days after reemployment.

A Participant shall receive Credited Service for all purposes, including vesting, for the years or fractional parts of years that he performs "Qualified Military Service" including voluntary or involuntary service in the armed forces of the United States as defined in the Uniformed Services Employment and Reemployment Rights Act (USERRA) (P.L. 103-353), after separation from employment with the Employer, to perform training or service, provided that:

- (A)** The Participant must return to his employment with the Employer within one (1) year following the date of military discharge or his release from active service.
- (B)** The Participant is entitled to reemployment under the provisions of USERRA,

(C) The maximum credit for military service pursuant to this paragraph shall be five (5) years.

(D) This section is intended to satisfy the minimum requirements of USERRA, as may be amended from time to time. To the extent that this section does not meet the minimum requirements of USERRA, the provisions of USERRA shall govern.

If a participant dies on or after January 1, 2007 while performing Qualified Military Service as defined by USERRA, the participant's beneficiaries shall be entitled to any benefits the participant would have been entitled to had he or she resumed employment and then died while employed.

Beginning January 1, 2009, to the extent required by section 414(u)(12) of the Code, an individual receiving differential wage payments, as defined under section 3401(h)(2) of the Code, from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the Code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

1.11 “Deferred Retirement Option Plan” or “DROP”:

shall mean a local law plan retirement option in which a Participant may elect to participate. A Participant may retire for all purposes of the plan and defer receipt of retirement benefits into a DROP account while continuing employment with his employer. However, a Participant who enters the DROP and who is otherwise eligible to participate shall not thereby be precluded from participating or continuing to participate in a supplemental plan in existence on, or created after, the date of adoption of a DROP by the Employer pursuant to Section M, “DROP,” of the Adoption Agreement.

1.12 “Early Retirement Date”:

shall mean the date which is specified in the Adoption Agreement - Section G3, Early Retirement Date.

1.13 “Effective Date”:

shall mean the date of this Plan as specified in the Adoption Agreement - Section A1.

1.14 “Employee”:

shall mean the classes of employees designated as eligible to participate in this Plan as specified in the Adoption Agreement - Section B., except as otherwise provided in the Adoption Agreement.

1. 15 “Employer”:

shall mean the municipality, governmental entity, public agency or political subdivision established within the State of Florida that adopts this Plan.

1. 16 “Firefighter”:

shall mean any person employed solely by a constituted fire department or public safety department of any municipality or special fire control district who is certified as a Firefighter as a condition of employment in accordance with the provisions of Section 633.35, Fl. Stat., and whose duty is to extinguish fires, to protect life, and to protect property. The term includes all certified, supervisory, and command personnel whose duties include, in whole or in part, the supervision, training, guidance, and management responsibilities of full-time firefighters, part-time firefighters, or auxiliary firefighters but does not include part-time firefighters or auxiliary firefighters.

1. 17 “Fund”:

shall mean the Trust Fund established herein as part of the Plan.

1.18 “Limitation Year”:

shall mean the calendar year, or the 12-consecutive month period elected by an Employer in the Adoption Agreement and approved by the FMPTF Master Trustee or its designee. All qualified plans maintained by the Employer must use the same Limitation Year. If the Limitation Year is amended to a different 12-consecutive month period, the new Limitation Year must begin on a date within the Limitation Year in which the amendment is made.

1.19 “Normal Retirement Date”:

shall mean the date as specified in the Adoption Agreement - Section G1 Normal Retirement Date.

1.20 “Participant or Member”

shall mean the actively employed Employees who are eligible to participate in this Plan as specified in the Adoption Agreement - Section B, Plan and Section C, Eligibility. Benefit improvements which, in the past, have been provided for by amendments to the Plan adopted by the Employer by ordinance or resolution, and any benefit improvements which might be made in the future shall apply prospectively and shall not apply to Participants who terminate employment or who retire prior to the effective date of any ordinance or resolution adopting such benefit improvements, unless such ordinance or resolution specifically provides to the contrary.

1.21 “Plan”:

shall mean the pension Plan as herein set forth and as may be amended from time to time.

1.22 “Plan Year”:

shall mean the Plan's accounting year of twelve (12) consecutive months commencing on October 1 of each year and ending the following September 30, or the Plan Year as specified in the Adoption Agreement.

1.23 “Police Officer”:

shall mean any person who is elected, appointed, or employed full time by any municipality, who is certified or required to be certified as law enforcement officer in compliance with s. 943.1395, Fl. Stat., who is vested with authority to bear arms and make arrests, and whose primary responsibility is the prevention and detection of crime or the enforcement of the penal, criminal, traffic, or highway laws of the State. This definition includes all certified supervisory and command personnel whose duties include, in whole or in part, the supervision, training, guidance, and management responsibilities of full-time law enforcement officers, part-time law enforcement officers, or auxiliary law enforcement officers, but does not include part-time law enforcement officers or auxiliary law enforcement officers as the same are defined in s. 943.10(6) and (8), Fl. Stat., respectively. A Police Officer classification shall also include a public safety officer who is responsible for performing both police and fire services.

1.24 “Public Safety Officer”:

shall mean an actively employed person who is responsible for performing both firefighter and police officer services. A Public Safety Officer shall be considered a “police officer” for the purposes of this Plan.

1.25 “Salary/Compensation”:

Notwithstanding any provision of this Plan or Adoption Agreement, “Salary/Compensation” for all Participants participating under the Plan shall be limited as follows:

For noncollectively bargained service earned on or after July 1, 2011, or for service earned under collective bargaining agreements entered into on or after July 1, 2011, when calculating a Participant’s retirement benefits, the Plan may include up to 300 hours per year of overtime compensation as noted in the Adoption Agreement, but may not include any payments for accrued unused sick leave or annual leave. For those Participants whose terms and conditions of employment are collectively

bargained, this provision is effective for the first agreement entered into on or after July 1, 2011.

For Firefighters, “compensation” or “salary” means, for noncollectively bargained service earned before July 1, 2011, or for service earned under collective bargaining agreements in place before July 1, 2011, the fixed monthly remuneration paid a Firefighter; where, as in the case of a Volunteer Firefighter, remuneration is based on actual services rendered, the term means the total cash remuneration received yearly for such services, prorated on a monthly basis. For noncollectively bargained service earned on or after July 1, 2011, or for service earned under collective bargaining agreements entered into on or after July 1, 2011, the term has the same meaning except that when calculating retirement benefits, up to 300 hours per year in overtime compensation may be included as noted in the Adoption Agreement, but payments for accrued unused sick or annual leave may not be included.

For Police Officers, “compensation” or “salary” means, for noncollectively bargained service earned before July 1, 2011, or for service earned under collective bargaining agreements in place before July 1, 2011, the total cash remuneration paid to a Police Officer for services rendered, including overtime payments which may be limited to not less than 300 hours per calendar year, but not including any payments for extra duty or a special detail work performed on behalf of a second party employer. For noncollectively bargained service earned on or after July 1, 2011, or for service earned under collective bargaining agreements entered into on or after July 1, 2011, the term has the same meaning except that when calculating retirement benefits, up to 300 hours per year in overtime compensation may be included as noted in the Adoption Agreement, but payments for accrued unused sick or annual leave may not be included.

For a firefighter or police officer supplemental plan operating under either section 175.351(4) or 185.35(4), Florida Statutes, the definition of compensation or salary may be as provided under the referenced sections of law.

Compensation in excess of the limitations set forth in Section 401(a)(17) of the Code as of the first day of the calendar year shall be disregarded for any purpose, including employee contributions or any benefit calculations. The annual compensation of each member taken into account in determining benefits or employee contributions for any calendar year beginning on or after January 1, 2002, may not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code.

See Section D of the Adoption Agreement for further details.

1.26 “Spouse”:

shall mean the Participant's spouse under applicable law at the time benefits become payable.

1.27 “Total and Permanent Disability”:

shall mean a physical or mental condition of a Participant resulting from bodily injury, disease, or mental disorder which renders him incapable of employment as a Firefighter, Police Officer or Public Safety Officer, and which condition constitutes total disability as determined by the Board.

1.28 “Trust Fund or Trust”:

shall mean the Trust Fund established under this Plan to hold Plan assets and to which contributions are to be paid and benefits held. Nothing herein shall preclude the establishment of more than one trust fund as may be required by law or adopted by the Employer.

1.29 “Trustee”:

shall mean the person or persons named as and making up the Board of Trustees or Board, who shall administer and manage the Plan.

1.30 “Valuation Date”:

shall mean the first day of the Plan Year.

1.31 “Volunteer Firefighter”:

shall mean any person whose name is carried on the active membership roll of a constituted volunteer fire department or a combination of a paid and volunteer fire department of any municipality or special fire control district and whose duty is to extinguish fires, protect life, and to protect property. Compensation for services rendered by a Volunteer Firefighter shall not disqualify him as a volunteer. A person shall not be disqualified as a Volunteer Firefighter solely because he has other gainful employment. Any person who volunteers assistance at a fire, but is not an active member of the department described herein is not a Volunteer Firefighter within the meaning of this paragraph.

ARTICLE 2

PARTICIPATION

2.01 Conditions of Eligibility

A Participant shall become eligible to participate in this Plan as specified in Section C of the Adoption Agreement.

As a condition of eligibility, the Employee participants shall be required to complete a medical examination as prescribed by the Board, and provide complete and accurate information concerning their health status as requested by the Board. Any material misstatements or omissions of required health or medical information by an applicant or Participant shall be grounds for denial of benefits. Based upon medical evidence of any pre-existing adverse health condition, resulting from the prescribed examination or other medical records or history, the Board may determine ineligibility for disability benefits hereunder, as related to such pre-existing condition. A Participant may be declared ineligible for disability benefits only at the time of the initial examination provided in this section, or at a later date if the Board established that a condition existed at the time of the Participant's employment or date of participation, and the condition was known to the employee. A determination of pre-existing condition shall be recorded on the Participant's record of membership, a copy of which shall be provided to the Participant, and shall be reflected in the minutes of the Board meeting at which such determination was made by the Board. The procedures followed and the determination of the Board as to a pre-existing condition shall be considered on a uniform, non-discriminatory basis.

2.02 Participation

Each Participant shall complete a form prescribed by the Board providing the following information:

- (A) enrollment in the Plan
- (B) designation of a beneficiary or beneficiaries,

- (C) a certified statement as to prior medical history, and a waiver to release and access medical records.

2.03 Change in Designation of Beneficiary

A Participant may from time to time change his designated beneficiary by written notice to the Board upon forms provided by the Board. Upon such change, the rights of all previously designated beneficiaries to receive any benefits under the Plan shall cease. A change of beneficiary shall not require consent of the beneficiary. Notwithstanding the provisions of this paragraph, a police officer retiree or firefighter retiree may change his or her designation of beneficiary up to two times without the approval of the Board or the current beneficiary. The retiree is not required to provide proof of the good health of the beneficiary being removed, and the beneficiary being removed need not be living.

ARTICLE 3

BOARD OF TRUSTEES

3.01 Board of Trustees

(A) The sole and exclusive administration of and responsibility for the proper operation of the Plan is hereby vested in a Board of Trustees. For plans participating in Chapter 175 or 185, Fl. Stat., these trustees shall be selected according to Section 175.061 (1)(b), Fl. Stat., and Section 185.05, (1)(b), Fl. Stat. For plans not participating in Chapter 175 or 185, Fl. Stat., these trustees shall be selected according to municipal ordinance, or resolution adopted by the governing body of the special fire control district. Each Board of Trustees shall be a legal entity with, in addition to other powers and responsibilities contained herein, the power to bring and defend lawsuits of every kind, nature, and description. Accurate and detailed accounts of all Board meetings must be kept. All accounts, books and records relating thereto shall be open to inspection and audit in accordance with general law. The Board shall issue such reports as are requested and make available to the same for inspection any and all records and accounts which are deemed appropriate in order to comply with governmental regulations issued thereunder.

(B) The Board members shall, by a majority vote, elect a Chairman and a Secretary. The Secretary of the Board shall keep a complete minute book of the actions, proceeding, or hearings of the Board. The Board members shall not receive any compensation as such, but may receive expenses and per diem as provided by law.

(C) Each Board member shall serve as trustee for a period of 2 years, unless he or she sooner leaves the employment of the Employer, whereupon a successor shall be chosen in the same manner as an original appointment. However, the terms of office of the appointed and elected

members may be amended by municipal ordinance, or resolution adopted by the governing body of the special fire control district to extend the terms from 2 years to 4 years. The length of the terms of office shall be the same for all board members.

(D) Each Board member shall be entitled to one vote on the Board. A majority of the Board shall be necessary for any decision of the Board. A Board member shall have the right to abstain from voting as the result of a conflict of interest provided that Board member states in writing the nature of the conflict and complies with the provisions of Section 112.3143, Fl. Stat.

(E) The Board of Trustees shall engage such actuarial, accounting, legal, and other services as shall be required to transact the business of the Plan. The compensation of all persons engaged by the Board and all other expenses of the Board necessary for the operation of the Plan shall be paid from the Fund at such rates and in such amounts as the Board of Trustees shall approve.

(F) The duties and responsibilities of the Board of Trustees shall include, but not necessarily be limited to, the following:

- (1)** To construe the provisions of the Plan and determine all questions arising thereunder.
- (2)** To determine all questions relating to eligibility and participation.
- (3)** To determine the amount of all benefits hereunder.
- (4)** To establish uniform rules and procedures to be followed for administrative purposes, benefit applications, and all matters required to administer the Plan.
- (5)** To distribute to Participants, at regular intervals, information concerning the Plan.
- (6)** To receive and process all applications for participation and benefits.

- (7) To authorize all payments whatsoever from the Fund, and to notify the disbursing agent, in writing, of approved benefit payments and other expenditures arising through operation of the Plan and Fund.
- (8) To have performed actuarial studies and at least triennial valuations, as required by law, and make recommendations regarding any and all changes in the provisions of the Plan.
- (9) To perform such other duties as required to administer the Plan.
- (10) To arrange for and select physicians for medical exams and review and advise on medical disability eligibility issues.
- (11) To invest and reinvest the assets of the Fund.

(G) At least once every three (3) years, the Board shall retain a professionally qualified independent consultant who shall evaluate the performance of any existing professional money manager and shall make recommendations to the Board regarding the selection of money managers for the next investment term. These recommendations shall be considered by the Board at its next regularly scheduled meeting.

ARTICLE 4

FINANCES AND FUND MANAGEMENT

4.01 Establishment and Operation of Fund

(A) As part of the Plan, there is hereby established the Fund, into which shall be deposited all of the contributions and assets whatsoever attributable to the Plan, including any assets of any prior municipal trust fund(s).

(B) The actual custody and supervision of the Fund (and assets thereof) shall be vested in the Board. Payment of benefits and disbursements from the Fund shall be made by the disbursing agent but only upon written authorization from the Board or its designee.

(C) All funds of the Plan may be deposited by the Board with the Employer, acting in a ministerial capacity only, who shall be liable in the same manner and to the same extent as he is liable for the safekeeping of funds for the Employer. However, any funds so deposited with the Employer shall be kept in a separate fund by the Employer or clearly identified as such funds of the Plan. In lieu thereof, the Board shall deposit the funds in a qualified public depository as defined in Section 280.02, Fl. Stat., which depository with regard to such funds shall conform to and be bound by all of the provisions of Chapter 280, Fl. Stat. In order to fulfill its investment responsibilities as set forth herein, the Board may retain the services of a custodian bank, an investment adviser registered under the Investment Advisors Act of 1940, or otherwise exempt from such required registration, an insurance company, or a combination of these, for the purpose of investment decisions and management. Such investment manager shall have discretion, subject to any guidelines as prescribed by the Board, in the investment of all Fund assets.

(D) All funds of the Plan may be commingled without limitation in governmental investment trusts, no-load investment funds or no-load mutual

funds, and all such trusts or funds must comply with the Investment Policy as attached as Exhibit A. Accurate records are to be maintained at all times reflecting the financial composition of the Fund, including accurate current accounts and entries as regards the following:

- (1) Current amounts of Accumulated Contributions of Participants on both an individual and aggregate account basis, and
- (2) receipts and disbursements, and
- (3) benefit payments, and
- (4) current amounts clearly reflecting all monies, funds and assets whatsoever attributable to contributions and deposits from the Employer, and
- (5) all interest, dividends and gains (or losses), and
- (6) such other entries as may be properly required so as to reflect a clear and complete financial report of the Fund.

(E) An independent audit shall be performed annually by a certified public accountant for the most recent fiscal year of the Employer showing a listing of assets and a statement of all income and disbursements during the year. Such income and disbursements must be reconciled with the assets at the beginning and end of the year. Such report shall reflect a complete evaluation of assets on a cost and market basis, as well as other items normally included in a certified audit.

(F) The Board of Trustees shall have the following investment powers and authority:

- (1) The Board of Trustees shall be vested with full legal title to said Fund, subject, however, and in any event to the authority and power of the governing body of the Employer to amend or terminate this Plan, provided that no amendment or termination shall ever result in the use

of any assets of the Fund except for the payment of regular expenses and benefits under this Plan, and except as otherwise provided in this Plan. All contributions deposited into the Fund, and the income thereof, without distinction between principal and income, shall be held and administered by the Board, or its agent, in the Fund, and the Board shall not be required to segregate or invest separately any portion of the Fund.

(2) All monies paid into or held in the Fund shall be invested and reinvested by the Board. The Fund shall be invested in accordance with an established investment policy adopted by the Board. The adopted investment policy will be made part of this document and shall be attached as **Exhibit A**.

(3) The Board may cause any investment in securities held by it to be registered in or transferred into its name as Trustee or into the name of such nominee as it may direct, or it may retain them unregistered and in a form permitting transferability, but the books and records shall at all times show that all investments are part of the Trust Fund.

(4) The Board is empowered, but is not required, to vote upon any stocks, bonds, or securities of any corporation, association, or trust and to give general or specific proxies or powers of attorney with or without power of substitution to participate in mergers, reorganizations, recapitalization, consolidations and similar transactions with respect to such securities; to deposit such stock or other securities in any voting trust or any protective or like committee with the Trustee or with depositories designated thereby; to amortize or fail to amortize any part or all of the premium or discount resulting from the acquisition or disposition of assets; and generally to exercise any of the powers of an owner with respect to stocks, bonds, or other investments comprising the Fund which it may deem to be in the best interest of the Fund to exercise.

(5) Any overpayments or underpayments from the Fund to a Participant or beneficiary caused by errors of computation shall be adjusted with interest at a rate per annum as utilized in the prior years' actuarial valuation. Overpayments shall be charged against payments next succeeding the correction. Underpayments shall be made up from the Trust Fund.

(6) In any application to or proceeding or action in the courts, the Board and Employer shall be a necessary party, and no Participant or other person having an interest in the Fund shall be entitled to any notice or service of process. Any judgment entered in such a proceeding or action shall be conclusive upon all persons.

(7) Any powers and functions of the Board may be performed or carried out by the Board through duly authorized agents, provided that the Board at all times maintains continuous supervision over the acts of any such agent; provided further, that legal title to the Fund always remain with the Board.

(G) Notwithstanding any provision of this section to the contrary, for plans participating in Chapter 175 or 185, Fl. Stat., the Board shall identify and publicly report any direct or indirect holdings it may have in any scrutinized company, as defined in section 215.473, Florida Statutes, and proceed to sell, redeem, divest, or withdraw all publicly traded securities it may have in that company beginning January 1, 2010. The divestiture of any such security must be completed as specified in Chapter 175 or 185, Fl. Stat. The Board and its named officers or investment advisors may not be deemed to have breached their fiduciary duty in any action taken to dispose of any such security, and the Board shall have satisfactorily discharged the fiduciary duties of loyalty, prudence, and sole and exclusive benefit to the participants of the pension fund and their beneficiaries if the actions it takes are consistent with the duties imposed by s. 215.473, and the manner of the disposition, if any, is reasonable as to the means chosen.

For the purposes of effecting compliance with that section, the pension fund shall designate terror-free plans that allocate their funds among securities not subject to divestiture. No person may bring any civil, criminal, or administrative action against the Board of trustees or any employee, officer, director, or advisor of such pension fund based upon the divestiture of any security pursuant to this paragraph.

ARTICLE 5

CONTRIBUTIONS

5.01 Participant Contributions

(A) **Amount** Participants in the Plan shall be required to make contributions to the Fund in the amount specified in the Adoption Agreement - Section K, Employee Contributions.

(B) **Method** Participant contributions shall be made by payroll deduction. Participant contributions withheld by the Employer on behalf of the Participant shall be deposited in the Fund immediately after each pay period.

(C) **Pre-Tax Employee Contributions** If pre-tax Employee Contributions are applicable, this provision will be noted within the Adoption Agreement - Section K as pre-tax contributions pursuant to Section 414(h) of the Code, otherwise the Plan will assume after tax contributions. Such designation is contingent upon the contribution being excluded from the Employees' gross income for federal income tax purposes. For all other purposes of the Plan, such contributions shall be considered Employee contributions.

5.02 State Contributions

Any monies received or receivable by reason of laws of the State of Florida, for the express purpose of funding the Plan shall be deposited in the Trust Fund comprising part of this Plan immediately. Contributions must be deposited within five (5) days after receipt by the Employer.

5.03 Employer Contributions

So long as this Plan is in effect, the Employer shall deposit quarterly contributions for each Plan Year to the Trust Fund in an amount equal to the amount determined by the Actuary, taking into account Participant contributions, state contributions for such

year, and the total cost for the Plan Year, as represented in the most recent actuarial valuation of the Plan. The total cost for each Plan Year shall be defined as the total normal cost plus the additional amount sufficient to amortize the unfunded past service liability as provided in Part VII of Chapter 112, Florida Statutes.

5.04 Other

Private donations, gifts and contributions may be deposited to the Fund.

ARTICLE 6

BENEFIT AMOUNTS AND ELIGIBILITY

6.01 Normal Retirement Date

A Participant's Normal Retirement Date shall be as specified in the Adoption Agreement - Section G1, Normal Retirement Date. A Participant may retire on his Normal Retirement Date or on the first day of any month thereafter. Normal Retirement under the Plan is retirement from employment with the Employer on or after the Normal Retirement Date and completion of the required years of credited service.

6.02 Normal Retirement Benefit

(1) A Participant retiring hereunder on or after his Normal Retirement Date shall receive a monthly benefit as specified in the Adoption Agreement - Section G2, Normal Retirement Benefit, which shall commence on the first day of the month coincident with or next following his termination of employment.

In the event that a Participant does not begin to receive his Benefit at his Normal Retirement Date, such Participant shall be entitled to a deferred benefit equal to the benefit he was entitled to receive at his Normal Retirement Date, adjusted to take into account his Average Final Compensation and years of Credited Service as of his actual retirement date.

(2) The monthly Normal Retirement Benefit of a Volunteer Firefighter who changes status from a Volunteer Firefighter to a full-time Firefighter shall be as provided below.

(A) The amount of monthly retirement income payable to a full-time Firefighter who retires on or after his or her Normal Retirement Date shall be an amount equal to the number of his or her years of Credited Service as a full-time Firefighter multiplied by the Normal Retirement Benefit multiplier specified in Section

G2 of the Adoption Agreement multiplied by his or her Average Final Compensation as a full-time Firefighter.

(B) The amount of monthly retirement income payable to a Volunteer Firefighter who retires on or after his or her Normal Retirement Date shall be an amount equal to the number of his or her years of Credited Service as a Volunteer Firefighter multiplied by the Normal Retirement Benefit multiplier specified in Section G2 of the Adoption Agreement multiplied by his or her Average Final Compensation as a Volunteer Firefighter.

(C) The sum of the Firefighter's monthly retirement income as determined under (A) and (B) shall be the Firefighter's Normal Retirement Benefit.

6.03 Normal Form of Benefit

The normal form of benefit shall be a single monthly retirement benefit for life, ceasing upon death, except as otherwise provided for plans operating under Chapter 175 or 185, Fl. Stat.

6.04 Cost of Living Adjustments to Benefit Payments

A cost-of-living increase, if applicable, shall be as specified in the Adoption Agreement, Section L - COLA Adjustments.

6.05 Early Retirement Date

A Participant may retire on the Early Retirement Date as specified in the Adoption Agreement - Section G3, Early Retirement Date. Early retirement under the Plan is termination from employment with the Employer on or after the Early Retirement Date and prior to the Normal Retirement Date and the actual completion of the required years of credited service.

6.06 Early Retirement Benefit

A Participant retiring hereunder on or after his Early Retirement Date may receive either a deferred or an immediate monthly retirement benefit payable for life, or as otherwise provided for plans operating under Chapter 175 or 185, Fl. Stat. as follows:

(A) A deferred monthly retirement benefit which shall commence on what would have been his Normal Retirement Date had he remained a Participant, determined based upon his actual years of Credited Service. The amount of such deferred monthly retirement benefit shall be determined in the same manner as for retirement at his Normal Retirement Date, as determined based upon his actual years of Credited Service, except that Credited Service and Average Final Compensation shall be determined as of his Early Retirement Date; or

(B) An immediate monthly retirement benefit which shall commence on his Early Retirement Date. The amount of the Early Retirement Benefit shall be determined in the same manner as for Retirement at his Normal Retirement Date, except the benefit shall be actuarially reduced to take into account the Participant's younger age and the earlier commencement of retirement income payments as specified in Section G4 of the Adoption Agreement for each year before the Normal Retirement Date that benefit payment commenced.

6.07 Deferred Retirement Option Program or "DROP"

A Deferred Retirement Option Program or "DROP", if applicable, shall be as specified in the Adoption Agreement, Section M – DEFERRED RETIREMENT OPTION PROGRAM, "DROP".

An Employer or Board may establish a DROP distribution option to be administered by the Florida Municipal Pension Trust Fund ("FMPTF") Master Trustee whereby DROP funds are invested through the FMPTF Master Trustee or to allow retirees to

direct the investment of DROP funds through the FMPTF Master Trustee. Such an arrangement may be provided for by separate agreement.

6.08 Required Distribution Date

Distribution of a participant's benefit under this article must commence no later than April 1 of the calendar year following the later of the calendar year during which the participant attains the applicable age required by IRC § 401(a)(9) or the calendar year in which the participant terminates employment with the Employer.

[Note: Under SECURE 2.0 Act the applicable age requirements are as follows:

- 70 ½ for Participants born June 30, 1949, or earlier
- 72 for Participants born on July 1, 1949, through and including December 31, 1950
- 73 for Participants born on January 1, 1951, through and including December 31, 1959
- 75 for Participants born January 1, 1960, or later]

6.09 Defined Contribution Plan Component -- Share Plan

(A) For plans participating in Chapter 175 or 185, Florida Statutes, in accordance with sections 175.351(6) and 185.35(6), Florida Statutes, there is hereby established a defined contribution plan component ("Share Plan") to provide special benefits to Firefighters, Police Officers and Public Safety Officers who are Members of the defined benefit plan, as set forth in this section unless a Share Plan has been created and is operational through an Adoption Agreement, in which case the provisions of the Share Plan under the Adoption Agreement shall prevail. The Share Plan shall be funded solely and entirely by Chapter 175 and 185 premium tax monies that are allocated to the Share Plan, either by (1) mutual consent of the Employer and the plan members' collective bargaining representative, or if there is no collective bargaining representative a majority of plan members; or (2) operation of sections 175.351(1)(a)-(f) and 185.35(1)(a)-(f), Florida Statutes. The Board shall provide documentation to the plan administrator of the manner in which premium tax monies are to be allocated to the Share Plan on or before

December 31, 2015 and on or before each September 30 thereafter. It is not required that any premium tax monies be allocated to the Share Plan.

(B) *Eligible Share Plan Participants.* Eligible Share Plan participants shall be determined through collective bargaining between the Employer and the plan members' collective bargaining representative, or if there is no collective bargaining representative, by the Employer. The Employer or Board shall provide a description to the plan administrator of the eligible Share Plan participants on or before December 31, 2015, and upon any change in such description thereafter.

(C) *Individual Share Accounts.* For accounting purposes only, an individual share account shall be created for each eligible Share Plan participant as of the date that premium tax monies are first allocated to the Share Plan. Thereafter the plan administrator shall maintain appropriate records showing the share account balance of each participant. Once funds have been credited to participant share accounts, an annual statement shall be provided to each participant setting forth their share account balance as of the end of the preceding plan year.

(D) *Share Account Funding.* Individual share accounts shall be established as of December 31, 2015 for all eligible Share Plan participants, or at a later date when premium tax monies are first allocated to the Share Plan. Individual share accounts shall be credited with a portion of any premium tax monies allocated to the Share Plan for the plan year beginning October 1, 2015, and each plan year thereafter in which premium tax monies are allocated to the Share Plan, as follows:

(1) Initial Credit from Unallocated Premium Tax Monies (if applicable). If any accumulation of additional premium tax monies which have not been allocated to fund benefits in excess of the

minimum benefits are to be credited to participant share accounts, such monies shall be credited in the same proportion that each participant's completed months of Credited Service has to the combined completed months of Credited Service of all participants.

(2) Annual Credit. As of October 1 following the initial credit of unallocated premium tax monies in accordance with paragraph (1) above, any annual premium tax monies allocated to the Share Plan shall be credited to participant share accounts, with each participant's account receiving an equal share of the total amount allocated.

(E) *Allocation of Investment Gains and Losses.* As of October 1 each year in which premium tax monies have been or are credited to participant share accounts, each individual share account shall be adjusted to reflect the net investment earnings or losses for the Trust for the immediately preceding plan year. The net investment earnings or losses for the Trust shall be the percentage earned or lost by the total Trust investments, including realized and unrealized gains or losses, net of brokerage commissions, transaction costs and management fees, as determined by the Plan's investment advisor.

(F) *Forfeiture.* A Share Plan participant who terminates employment with less than the minimum number of years of credited service specified in the Adoption Agreement for vesting shall forfeit his/her share account. Forfeited amounts shall be reallocated to the other participant share accounts at the end of the plan year in which a forfeiture occurs, unless a different allocation is required by law. A participant whose share account is forfeited shall not thereafter be entitled to any portion of the amount forfeited, and if subsequently reemployed in an eligible position shall participate in the Share Plan as a new participant.

(G) *Distribution of Share Account.* A participant's share account balance shall be distributed to the participant or his/her designated beneficiary within 180 days following the participant's retirement, death, or termination of employment after obtaining the minimum number of years of credited service specified in the Adoption Agreement for vesting and reaching the normal retirement date. The share account distribution shall reflect one hundred percent of the participant's share account balance as of October 1 preceding the participant's retirement, death, or termination of employment and meeting the conditions specified herein, and shall be paid in one lump sum payment. No optional forms of payments shall be permitted.

(H) *Internal Revenue Code Limitations.* Notwithstanding any other provision of this section, credits to a participant's share account and the share account distribution shall be subject to the applicable limits contained in section 415(c) of, and any other applicable limitations set forth in, the Internal Revenue Code.

ARTICLE 7

PRE-RETIREMENT DEATH

- 7.01 Death Prior to Vesting - In-Line-Of-Duty** Prior to retirement, if the Participant dies in-line-of-duty, and he is not vested, his beneficiary shall receive benefits as specified in the Adoption Agreement - Section I1, Death Prior to Vesting - In-Line-Of-Duty.
- 7.02 Death After Vesting - In-Line-Of-Duty** Prior to retirement, if a vested Participant dies in-line-of-duty, having completed the required years of Credited Service, his beneficiary shall receive benefits as specified in the Adoption Agreement - Section I2, Death After Vesting - In-Line-Of-Duty.
- 7.03 Death Prior to Vesting - Off-Duty** The beneficiary of a deceased Participant who was not vested and who dies prior to retirement from causes other than in-line-of-duty shall receive a refund of one hundred percent (100%) of the Participants' Accumulated Contributions as specified in the Adoption Agreement Section I3, Death Prior to Vesting- Off Duty.
- 7.04 Death After Vesting - Off-Duty** If a vested Participant dies prior to retirement from causes other than in-line-of-duty, having completed the required years of Credited Service, his beneficiary shall receive the benefit otherwise payable to the Participant at the Early or Normal Retirement Date as specified in the Adoption Agreement Section I4, Death After Vesting - Off-Duty.
- 7.05 Beneficiaries Receipt of Payment** A Beneficiary may not elect an optional form of benefit, however, the Board may elect to make a lump sum payment pursuant to Article 10(G) to a beneficiary of the death benefits payable hereunder.
- 7.06 Distribution of Benefits** Distributions to the beneficiary shall commence by a date selected in accordance with this Article and the Adoption Agreement; however in no

event shall distribution commence later than December 31 of the calendar year in which the participant would have attained the applicable age required by IRC § 401(a)(9). [See note to Provision 6.08 regarding applicable age requirements]

7.07 Benefit for Firefighters with Cancer As provided and subject to the limitations in section 112.1816, Florida Statutes, effective July 1, 2019 a firefighter (as defined in section 112.1816(1), Florida Statutes) who is a Participant is considered to have died in the line of duty if he or she dies as a result of cancer (as defined in section 112.1816(1), Florida Statutes) or circumstances that arise out of the treatment of cancer (as defined in section 112.1816(1), Florida Statutes).

ARTICLE 8

DISABILITY

8.01 Disability Benefits In-Line-Of-Duty

(A) **Benefits** Each Participant who shall become Totally and Permanently Disabled while an active Participant of the Employer to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a Firefighter, Police Officer or Public Safety Officer, respectively, which disability was directly caused by the performance of his duty as a Firefighter, Police Officer or Public Safety Officer, respectively, shall, upon establishing the same to the satisfaction of the Board, be entitled to a monthly pension which is as defined in the Adoption Agreement - Section H1, Disability Benefits In-The-Line-of Duty.

(B) **Presumption** Pursuant to the provisions of section 112.18, Fl. Stat., as amended from time to time, any condition or impairment of the health of a Firefighter, Police Officer or Public Safety Officer caused by tuberculosis, hypertension or heart disease, or hardening of the arteries for a Police Officer or a Public Safety Officer, shall be presumed to have been suffered in line-of-duty unless the contrary is shown by competent evidence, provided that such Firefighter, Police Officer or Public Safety Officer, shall have successfully passed a physical examination upon entering into employment with the Employer, which may include a cardiogram, which failed to reveal any evidence of such condition; and provided further, that such presumption shall not apply to benefits payable or granted in a policy of life insurance or disability insurance.

(C) **Additional Presumption** Section 112.181, Fla. Stat., as amended from time to time, is hereby adopted and incorporated by reference and is applicable to those conditions described therein that are diagnosed on or after January 1, 1996.

8.02 Disability Benefits Off-Duty

Every Firefighter, Police Officer or Public Safety Officer as defined in the Adoption Agreement - Section B, Plan who shall have become Totally and Permanently Disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a Firefighter, Police Officer or Public Safety Officer, respectively, as defined in Article 1, and which disability is not directly caused by the performance of his duties as a Firefighter, Police Officer or Public Safety Officer, respectively, shall, upon establishing the same to the satisfaction of the Board of Trustees, be entitled to a disability benefit as provided in the Adoption Agreement - Section H2, Disability Benefits Off-Duty.

A disabled Participant that does not meet the credited years of service requirements in the Adoption Agreement - Section H2, Disability Benefits Off-Duty, will receive a return of his Accumulated Contributions without interest.

8.03 Conditions Disqualifying Disability Benefits

Each Participant who is claiming disability benefits shall establish, to the satisfaction of the Board, that such disability was not occasioned primarily by:

- (A) Excessive or habitual use of any drugs, intoxicants or narcotics.
- (B) Injury or disease sustained while willfully and illegally participating in fights, riots or civil insurrections, or while committing a crime.
- (C) Injury or disease sustained while serving in any branch of the Armed Forces.
- (D) Injury or disease sustained after his employment as a Participant with the Employer had terminated.
- (E) *For Police Officers and Public Safety Officers only:* injury or disease sustained by the Participant while working for anyone other than the Employer and arising out of such employment.

8.04 Physical Examination Requirement

A Participant shall not become eligible for disability benefits until and unless he undergoes physical examination by a qualified physician or physicians and/or surgeons or surgeons, who shall be selected by the Board for that purpose.

Any Participant receiving disability benefits under this Plan may be periodically re-examined by a qualified physician or physicians and/or surgeon or surgeons who shall be selected by the Board, to determine if such disability has ceased to exist. If the Board finds that the former Participant is no longer Permanently and Totally Disabled to the extent that he is able to render useful and efficient service as a Firefighter, Police Officer or Public Safety Officer, respectively, the Board shall recommend to the Employer that the former Participant be returned to performance of duty as a Firefighter, Police Officer or Public Safety Officer, respectively, and shall again become eligible to Participate in the Plan. In the event the former Participant so ordered to return to employment shall refuse to comply with the order within thirty (30) days from the issuance thereof, the Participant shall forfeit the right to his benefits hereunder.

The cost of the physical examination and/or re-examination of the Participant claiming and or receiving disability benefits shall be paid by the Plan. All other reasonable costs as determined by the Board incident to the physical examination, such as, but not limited to, transportation, meals and hotel accommodations, shall be paid by the Plan.

If a Participant recovers from disability and reenters the service of the Employer as a Participant, his service will be deemed to have been continuous, but the period beginning with the first month for which he received a disability retirement income payment and ending with the date he reentered the service of the Employer will not be considered as Credited Service for the purposes of the Plan. The Board shall have the power and authority to make the final decision regarding all disability claims.

8.05 Disability Payments

The monthly benefit to which a Participant is entitled in the event of the Participant's disability shall be payable on the first day of the first month after the Board determines such entitlement. Provided, however, the Participant may select, at any time prior to the date on which benefit payments begin, an optional form of benefit payment as described in Article 10, Optional Forms of Benefits, which shall be the Actuarial Equivalent of the normal form of benefit. The amount of the first disability payment shall include an amount payable from the date the Board determined such entitlement. Disability benefits shall cease:

(A) If the Participant recovers from the disability prior to his Normal Retirement Date, the payment due next proceeding the date of such recovery, or

(B) If the Participant dies without recovering from disability or attains Normal Retirement Date, the later of the payment due next proceeding his death, or as otherwise provided for plans operating under Chapter 175 or 185, Fl. Stat.

8.06 Disability Payments & Workers Compensation

If a Participant receives a disability benefit under the Plan and workers compensation benefits pursuant to Chapter 440, Fl. Stat., for the same disability and the total monthly benefits received from both exceed one hundred percent (100%) of the Participants' average monthly wage determined in accordance with Chapter 440, Fl. Stat., the disability pension benefit shall be reduced so that the total monthly amount received by the Participant does not exceed one hundred percent (100%) of such average monthly wage. In no event shall a Participant's disability pension benefit be reduced to less than 42% of Average Final Compensation for in-line-of duty disability and 25% of Average Final Compensation for off-duty disability, as provided in Chapters 175 and 185, Fl. Stat. In the event of a lump sum workers compensation

settlement, the disability retirement income payable from the Plan shall be adjusted as follows:

(A) The amount of the lump sum settlement shall be divided by the Participant's remaining life expectancy (in months) as determined using the actuarial assumptions represented in the last completed valuation of the Plan.

(B) If the number obtained in paragraph (A) above, when added to the Participant's monthly disability retirement income from the Plan, exceeds the Participant's final monthly compensation on the date of disability, the amount of the excess shall be deducted from the Participant's monthly disability retirement income from the pension plan, for the duration of the Participant's remaining life expectancy as determined in paragraph (A) above.

(C) If the number obtained in paragraph (A) above, when added to the Participant's monthly disability retirement income from the Plan, does not exceed the Participant's final monthly compensation on the date of disability, there shall be no reduction of the Participant's disability benefit from the plan.

8.07 Benefit for Firefighters with Cancer

As provided and subject to the limitations in section 112.1816, Florida Statutes, effective July 1, 2019 a firefighter (as defined in section 112.1816(1), Florida Statutes) who is a Participant is considered to be totally and permanently disabled in the line of duty if he or she meets the Plan's definition of Totally and Permanently Disabled due to a diagnosis of cancer (as defined in section 112.1816(1), Florida Statutes) or circumstances that arise out of the treatment of cancer (as defined in section 112.1816(1), Florida Statutes).

ARTICLE 9

VESTING

If a Participant terminates his employment with the Employer for reasons other than retirement, disability or death, the Participant shall be entitled to the following:

(A) If the Participant has less than the number of years of Credited Service specified in the Adoption Agreement - Section J1, Termination of Employment and Vesting, the Participant shall be entitled to a refund of his Accumulated Contributions without interest.

(B) If the Participant has the required number of years of Credited Service specified in the Adoption Agreement - Section J2, Termination of Employment and Vesting, the Participant shall be entitled to a retirement benefit that is the Actuarial Equivalent of the Accrued Benefit otherwise payable to him commencing at the Participant's otherwise Normal or Early Retirement Date, and determined based on actual years of Credited Service, provided he does not elect to withdraw his Accumulated Contributions and provided the Participant survives to his Normal or Early Retirement Date.

(C) Any vested Participant of the Plan who is no longer eligible to participate in this Plan due to a change of employment, but who remains employed by the Employer in a class not eligible to participate under this Plan, shall have his Accrued Benefit to the date of such termination under this Plan preserved, provided he does not elect to withdraw his Accumulated Contributions from this Plan. Such Accrued Benefit shall be payable at his otherwise Early or Normal Retirement Date hereunder in accordance with the provisions of this Plan.

(D) If a Participant who terminates employment prior to his Early Retirement Date or his Normal Retirement Date and elects to withdraw Accumulated Contributions, is subsequently reemployed and again becomes a Participant in this Plan, his Credited

Service for purposes of vesting and benefit accruals shall not include any periods of employment prior to his reemployment date unless he repays to the Fund his Accumulated Contributions previously withdrawn with interest, as determined by the Board, within ninety (90) days after reemployment. If a Participant repays the foregoing amount to the Fund within the prescribed time period, the interest of the Participant in his Accrued Benefit previously forfeited shall be restored in full and the Participant's Credited Service shall be based on all periods of employment.

ARTICLE 10

OPTIONAL FORMS OF BENEFITS

(A) In lieu of the normal form of benefit as specified herein, a Participant's Early or Normal Retirement or Disability Benefit may be paid in an optional form as selected by the Participant.

Subject to the approval of the Board or its designee, the Participant may elect to receive the Actuarial Equivalent of the benefit otherwise payable to the Participant in accordance with one of the following options:

1. Monthly income payments for the life of the Participant.
2. Monthly income payment for the life of the Participant and after his death, a joint pensioner benefit payable for the life of the joint pensioner equal to, 100%, 75%, 66 2/3%, or 50% of the amount payable to the Participant.
3. Such other amount and form of retirement benefit payment that, in the opinion of the Board, will meet the circumstances of the Participant and the Trust.

(B) The Participant, upon electing any option pursuant to this Article, will designate the joint pensioner or beneficiary (or beneficiaries) to receive the benefit, if any, payable under the Plan in the event of Participant's death, and will have the power to change such designation from time to time. Such designation will name a joint pensioner or one or more primary beneficiaries where applicable. A Participant may change his Beneficiary at any time. If a Participant has elected an option with a joint pensioner and the Participant's retirement benefits have commenced, the Participant may thereafter change his joint pensioner twice without the approval of the Board or the current joint pensioner. A Participant is not required to provide proof of the good health of the joint pensioner being removed, and the joint pensioner being removed need not be living.

(C) Upon change of a Participant's joint pensioner in accordance with this Article, the amount of the retirement income payable to the Participant shall be actuarially re-

determined to ensure that the benefit paid is the Actuarial Equivalent of the present value of the Participant's then-current benefit at the time of change, and there is no impact to the Plan. Any such Participant shall pay the actuarial recalculation expenses. Each request for a change will be made in writing on a form prepared by the Board and on completion will be filed with the Board. In the event that no designated Beneficiary survives the Participant, such benefits as are payable in the event of the death of the Participant subsequent to his retirement shall be paid as provided in Section 11, Beneficiaries.

(D) Benefit payments shall be made under the option elected in accordance with the provisions of this Article and shall be subject to the following limitations:

1. If a Participant dies prior to his Normal Retirement Date or Early Retirement Date, the beneficiary will receive a benefit paid under the normal form of benefit in accordance with Article 7, Pre-Retirement Death.
2. If both the retired Participant and the beneficiary (or beneficiaries) designated by Participant die before full payment has been effected under any option providing for payments for a period certain and life thereafter, the value of the remaining payments shall be paid in such other amount and form of retirement benefit payment that, in the opinion of the Board, will meet the circumstances of the retiree and the Trust in accordance Article 11.
3. If the designated Beneficiary (or Beneficiaries) or joint pensioner dies before the Participant's retirement under the Plan, the option elected will be canceled automatically and a retirement income of the normal form and amount will be payable to the Participant upon his retirement as if the election had not been made, unless a new election is made in accordance with provisions of this Article or a new Beneficiary is designated by the Participant prior to his retirement.
4. If a Participant continues employment beyond his Normal Retirement Date pursuant to the provisions of the Normal Retirement Date provided in the Adoption Agreement, and dies prior to his actual retirement and while an option made pursuant to the provisions of the Adoption Agreement is in effect,

monthly retirement income payments will be made, or a retirement benefit will be paid, under the option to a Beneficiary (or Beneficiaries) designated by the Participant in the amount or amounts computed as if the Participant had retired under the option on the date on which his death occurred.

(E) Unless otherwise allowed by law, a Participant may not change his benefit payment option after the date of cashing or depositing his first benefit check.

(F) Distribution of a participant's benefit under this article must commence no later than April 1 of the calendar year following the later of the calendar year during which the participant attains the applicable age required by IRC § 401(a)(9). or the calendar year in which the participant terminates employment with the Employer. [See note to Provision 6.08 regarding applicable age requirements]

(G) Notwithstanding anything herein to the contrary, the Board in its discretion, may elect to make a lump sum payment to a Participant or a Participant's Beneficiary in the event that the total commuted value of the monthly income payments to be paid do not exceed one thousand dollars (\$1,000). Any such payment made to any person pursuant to the power and discretion conferred upon the Board by the preceding sentence shall operate as a complete discharge of all obligations under the Plan with regard to such Participant and shall not be subject to review by anyone, but shall be final, binding and conclusive on all persons.

ARTICLE 11

BENEFICIARIES

(A) Each Participant may, on a form provided for that purpose, signed and filed with the Board, designate a beneficiary (or beneficiaries) to receive the benefit, if any, which may be payable in the event of his death and each designation may be revoked by such Participant by signing and filing with the Board a new designation-of-beneficiary form. The consent of a Participant's beneficiary to any change of beneficiary shall not be required.

(B) If a deceased Participant fails to name a beneficiary in the manner prescribed in Section A, or if the beneficiary (or beneficiaries) named by a deceased Participant predeceases the Participant, the death benefit, if any, which may be payable under the Plan with respect to such deceased Participant shall be paid by the Board to the estate of the Participant, and the Board, in its discretion, may direct that the commuted value of the remaining value of the remaining monthly income benefits be paid in a lump sum.

Any payment made to any person pursuant to this Section shall operate as a complete discharge of all obligations under the Plan with regard to the deceased Participant and any other persons with rights under the Plan and shall not be subject to review by anyone but shall be final, binding, and conclusive on all persons ever interested hereunder.

ARTICLE 12

CLAIMS PROCEDURES

The Board shall establish administrative claims procedures to be utilized in processing written requests ("claims"), on matters which affect the substantial rights of any person ("claimant"), including Participants, retirees, Beneficiaries, or any person affected by a decision of the Board.

ARTICLE 13

REPORTS TO DIVISION OF RETIREMENT

Each year by no later than March 15th, the Board shall file an Annual Report with the State of Florida, Division of Retirement, and the Employer containing the documents and information contained in Sections 175.261 and 185.221, Florida Statutes.

ARTICLE 14

ROSTER OF RETIREES

The Secretary of the Board shall keep a record of all persons receiving a benefit or vested Participants who will receive a future vested benefit under the provisions of this Plan in which it shall be noted the time when the benefit became payable. Additionally, the Secretary shall keep a record of all Participants employed by the Employer in such a manner as to show the name, address, date of employment and date such employment is terminated.

ARTICLE 15

BOARD ATTORNEY AND PROFESSIONALS

The Board may employ independent legal counsel at the Fund's expense for the purposes contained herein, together with such other professional, technical, or other advisors as the Board deems necessary.

ARTICLE 16

MAXIMUM PENSION

16.01 Basic Limitation

Notwithstanding any other provisions of this plan to the contrary, the member contributions paid to, and retirement benefits paid from, the plan shall be limited to such extent as may be necessary to conform to the requirements of Code Section 415 for a qualified retirement plan. Before January 1, 1995, a plan member may not receive an annual benefit that exceeds the limits specified in Code Section 415(b), subject to the applicable adjustments in that section. On and after January 1, 1995, a plan member may not receive an annual benefit that exceeds the dollar amount specified in Code Section 415(b)(1)(A) (\$160,000), subject to the applicable adjustments in Code Section 415(b) and subject to any additional limits that may be specified in this plan.

For purposes of Code Section 415(b), the term “annual benefit” means a benefit payable annually in the form of a straight life annuity without regard to the benefit attributable to after-tax employee contributions (except pursuant to Code section 415(n)) and to rollover contributions (as defined in Code section 415(b)(2)(A)), and with the benefit attributable determined in accordance with Treasury Regulations located in 26 C.F.R. 1.415(b)-1.

16.02 Adjustments to Basic Limitation for Form of Benefit.

If the form of benefit is other than the annual benefit defined in section 16.01, the benefit shall be adjusted so that it is the equivalent of the annual benefit using factors prescribed in Treasury Regulations. If the form of benefit without regard to any automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity then the preceding sentence is applied by either reducing the Code Section 415(b) limit applicable at the annuity starting date or by adjusting the form of benefit to an actuarially equivalent amount determined using the assumptions specified in 26 CFR 1.415(b)-1 that takes into account the additional benefits under the form of benefit as follows:

(A) Benefit Forms Not Subject to § 417(e)(3): The straight life annuity that is actuarially equivalent to the member's form of benefit shall be determined under this section 16.02(A) if the form of a member's benefit is either a non-decreasing annuity (other than a straight life annuity) payable for a period of not less than the life of the member (or in the case of a qualified pre-retirement survivor annuity, the life of the surviving spouse), or an annuity that decreases during the life of the participant merely because of (a) the death of the survivor annuitant (but only if the reduction is not below 50% of the benefit payable before the death of the survivor annuitant), or (b) the cessation or reduction of Social Security supplements or qualified disability payments (as defined in Code Section 401(a)(11)). For a benefit paid in a form described in this Section 16.02(A), the actuarially equivalent straight life annuity is equal to the greater of:

- (1) The annual amount of the straight life annuity (if any) payable to the member under the plan commencing at the same annuity starting date as the member's form of benefit, or
- (2) the annual amount of the straight life annuity commencing at the same annuity starting date that has the same actuarial present value as the member's form of benefit, computed using a 5 percent interest rate assumption and the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)); or

(B) Benefit Forms Subject to § 417(e)(3): If a form of member's benefit is other than a benefit form described in section 16.02(A), the actuarially equivalent straight life annuity benefit that is the greatest of:

- (1) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, specified in the plan for actuarial experience;

(2) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable computed using a five percent interest assumption for the applicable statutory interest assumption and (i) for years prior to January 1, 2009 the applicable mortality tables for the distribution under 26 CFR 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62) and (ii) for years after December 31, 2008 the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)); or

(3) The annual amount of the straight life annuity commencing at the annuity starting date that has the same actuarial present value as the particular form of benefit payable computed using the applicable interest rate for the distribution under 26 CFR 1.417(e)-1(d)(3) the 30-year Treasury rate prior to January 1, 2007 using the rate in effect for the month prior to retirement and on and after January 1, 2007 using the rate in effect for the first day of the plan year with a one-year stabilization period and (i) for years prior to January 1, 2009 the applicable mortality tables for the distribution under 26 CFR 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62) and (ii) for years after December 31, 2008 the applicable mortality tables described in Code Section 417(e)(3)(B) (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing Code Section 417(e)(3)(B)), divided by 1.05.

(C) The actuary may adjust the 415(b) limit at that annuity starting date in accordance with paragraphs (A) and (B) above.

(D) Benefits Not Taken into Account. For purposes of this Section, the following benefits shall not be taken into account in applying these limits:

- (1) Any ancillary benefit which is not directly related to retirement income benefits;
- (2) Survivor benefits payable to a surviving spouse under a qualified joint and survivor annuity to the extent such benefits would not be payable if the participant's benefit were paid in another form;
- (3) Any other benefit not required under §415(b)(2) of the Code and Regulations thereunder to be taken into account for purposes of the limitation of Code Section 415(b)(1);

(E) COLA Effect. Effective on and after January 1, 2003, for purposes of applying the limits under Code Section 415(b) (the "Limit"), the following will apply:

- (1) A member's applicable limit will be applied to the member's annual benefit in the member's first limitation year of benefit payments without regard to any automatic cost of living adjustments;
- (2) thereafter, in any subsequent limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the then applicable benefit limit including any adjustment to the Code Section 415(b)(1)(A) dollar limit under Code Section 415(d), and the regulations thereunder; but
- (3) in no event shall a member's benefit payable under the plan in any limitation year be greater than the limit applicable at the annuity starting date, as increased in subsequent years pursuant to Code Section 415(d) and the regulations thereunder.

Unless otherwise specified in the plan, for purposes of applying the limits under Code Section 415(b), a Member's applicable limit will be applied taking into consideration cost of living increases as required by Section 415(b) of the Code and applicable Treasury Regulations.

(F) Other Adjustments in Limitations.

(1) In the event the member's retirement benefits become payable before age sixty-two (62), the limit prescribed by this section shall be reduced in accordance with regulations issued by the Secretary of the Treasury pursuant to the provisions of Code Section 415(b) of the Code, so that such limit (as so reduced) equals an annual straight life benefit (when such retirement income benefit begins) which is equivalent to an annual benefit in the amount of the applicable dollar limitation of Section 415(b)(1)(A) of the Code (as adjusted pursuant to Section 415(d) of the Code) beginning at age sixty-two (62).

(2) In the event the member's benefit is based on at least fifteen (15) years of credited service as a full-time police officer or firefighter, the adjustments provided for in (F)(1) above shall not apply.

(3) The reductions provided for in (F)(1) above shall not be applicable to disability benefits or pre-retirement death benefits.

(4) In the event the member's retirement benefit becomes payable after age sixty-five (65), for purposes of determining whether this benefit meets the limit set forth herein, such benefit shall be adjusted so that it is actuarially equivalent to the benefit beginning at age sixty-five(65). This adjustment shall be made in accordance with regulations promulgated by the Secretary of the Treasury or his delegate.

16.03 Less than Ten (10) Years of Service.

The maximum retirement benefits payable under this section to any member who has completed less than ten (10) years of credited service shall be the amount determined under section 16.01 multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten (10). The reduction provided by this section cannot reduce the maximum benefit below 10% of the limit determined without regard to this

subsection. The reduction provided for in this section shall not be applicable to pre-retirement disability benefits or pre-retirement death benefits.

16.04 Participation in Other Defined Benefit Plans.

The limit of this section with respect to any member who at any time has been a member in any other defined benefit plan as defined in Code Section 414(j) maintained by the Employer shall apply as if the total benefits payable under all Employer defined benefit plans in which the member has been a member were payable from one plan.

16.05 Ten Thousand Dollar (\$10,000) Limit.

Notwithstanding anything in this article to the contrary, the retirement benefit payable with respect to a member shall be deemed not to exceed the limit set forth in this article if the benefits payable, with respect to such member under this plan and under all other qualified defined benefit pension plans to which the Employer contributes, do not exceed ten thousand dollars (\$10,000) for the applicable limitation year and for any prior limitation year and the Employer has not at any time maintained a qualified defined contribution plan in which the member participated; provided, however, that if the member has completed less than ten years of credited service, the limit hereunder shall be a reduced limit equal to ten thousand dollars (\$10,000) multiplied by a fraction, the numerator of which is the number of the member's years of credited service and the denominator of which is ten.

16.06 Reduction of Benefits.

Reduction of benefits and/or contributions to all plans, where required, shall be accomplished by first reducing the member's benefit under any defined benefit plans in which member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be determined by the board and the plan administrator of such other plans, and next, by reducing or allocating excess forfeitures to defined

contribution plans in which the member participated, such reduction to be made first with respect to the plan in which member most recently accrued benefits and thereafter in such priority as shall be established by the board and the plan administrator for such other plans provided, however, that necessary reductions may be made in a different manner and priority pursuant to the agreement of the board and the plan administrator of all other plans covering such member.

16.07 Service Credit Purchase Limits.

(A) Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, if a member makes one or more contributions to purchase permissive service credit under the plan, then the requirements of this section will be treated as met only if:

(1) the requirements of Code Section 415(b) are met, determined by treating the accrued benefit derived from all such contributions as an annual benefit for purposes of Code Section 415(b), or

(2) the requirements of Code Section 415(c) are met, determined by treating all such contributions as annual additions for purposes of Code Section 415(c).

(3) For purposes of applying subparagraph (A)(1), the plan will not fail to meet the reduced limit under Code section 415(b)(2)(C) solely by reason of this subparagraph (3), and for purposes of applying subparagraph (A)(2) the plan will not fail to meet the percentage limitation under Section 415(c)(1)(B) of the Code solely by reason of this subparagraph (3)

(B) For purposes of this subsection the term “permissive service credit” means service credit—

(1) recognized by the plan for purposes of calculating a member’s benefit under the plan.

(2) which such member has not received under the plan, and

(3) which such member may receive only by making a voluntary additional contribution, in an amount determined under the plan,

which does not exceed the amount necessary to fund the benefit attributable to such service credit.

Effective for permissive service credit contributions made in limitation years beginning after December 31, 1997, such term may, if otherwise provided by the plan, include service credit for periods for which there is no performance of service, and, notwithstanding clause (B)(2), may include service credited in order to provide an increased benefit for service credit which a member is receiving under the plan.

(C) For purposes of applying the limits in this Section 16.07 only and for no other purpose, the definition of compensation where applicable will be compensation actually paid or made available during a limitation year, except as noted below and as permitted by Treasury Regulations located in 26 CFR 1.415(c)-2, or successor regulations. Unless another definition of compensation that is permitted by Treasury Regulations Section 1.415(c)-2, or successor regulation, is specified by the plan, compensation will be defined as wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by an employer for which the employer is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3) and 6052 and will be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2)).

(1) However, for limitation years beginning after December 31, 1997, compensation will also include amounts that would otherwise be included in compensation but for an election under Code Sections 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b). For limitation years beginning after December 31, 2000, compensation will also include any elective amounts that are not includible in the gross income of the employee by reason of Code Section 132(f)(4).

(2) For limitation years beginning on and after January 1, 2007, compensation for the limitation year will also include compensation

paid by the later of 2½ months after an employee's severance from employment or the end of the limitation year that includes the date of the employee's severance from employment if:

- a. the payment is regular compensation for services during the employee's regular working hours, or compensation for services outside the employee's regular working hours (such as overtime or shift differential), commissions, bonuses or other similar payments, and, absent a severance from employment, the payments would have been paid to the employee which the employee continued in employment with the employer; or
- b. the payment is for unused accrued bona fide sick, vacation or other leave that the employee would have been able to use if employment had continued.

(3) Back pay, within the meaning of Treasury Regulations Section 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included under this definition.

(D) Notwithstanding any other provision of law to the contrary, the Board may modify a request by a member to make a contribution to the plan if the amount of the contribution would exceed the limits provided in Code Section 415 by using the following methods:

- (1) If the law requires a lump sum payment for the purchase of service credit, the Board may establish a periodic payment deduction plan for the member to avoid a contribution in excess of the limits under Code Sections 415(c) or 415(n).
- (2) If payment pursuant to subparagraph (D)(1) will not avoid a contribution in excess of the limits imposed by Code Section 415(c), the Board may either reduce the member's contribution to an amount within the limits of that section or refuse the member's contribution

(E) If the annual additions for any member for a plan year exceed the limitation under Code Section 415(c), the excess annual addition will be corrected as permitted under the Employee Plans Compliance Resolution System (or similar IRS correction program).

(F) For limitation years beginning on or after January 1, 2009, a member's compensation for purposes of this section shall not exceed the annual limit under Code Section 401(a)(17).

16.08 Additional Limitation on Pension Benefits.

Notwithstanding anything herein to the contrary:

(1) The normal retirement benefit or pension payable to a retiree who becomes a Participant of the Plan and who has not previously participated in such Plan, on or after January 1, 1980, shall not exceed one hundred percent (100%) of average final compensation. However, nothing contained in this section shall apply to supplemental retirement benefits or to pension increases attributable to cost-of-living increases or adjustments.

(2) No Participant shall be allowed to receive a retirement benefit or pension which is in part or in whole based upon any service with respect to which the Participant is already receiving, or will receive in the future, a retirement benefit or pension from a different employer's retirement system or plan. This restriction does not apply to social security benefits or federal benefits under Chapter 67, Title 10, U.S. Code.

16.09 Benefit Restoration Plan & Trust

(A) An Employer may fund a Benefit Restoration Plan as permitted under Code Section 415(m) as specified in this Section

(B) Definitions

(1) "Information Sheet":

is the document executed by the Employer providing specific information as to that Employer.

(2) “Participant”:

means an employee of the Employer who is eligible to receive benefits under this Benefit Restoration Plan, under (C).

(3) “Pensioner”:

means a former employee of the Employer who is retired and receiving retirement benefits.

(4) “Benefit Restoration Plan”:

means the provisions of section 16.09, which is hereby established for the payment of retirement benefits supplementing the Plan benefits as permitted under Code Section 415(m).

(5) “Benefit Restoration Plan Year”:

means the limitation year of the Plan under Code Section 415.

(6) “Plan”:

means the plan identified in the Adoption Agreement which is a Florida Municipal Pension Trust Fund Defined Benefit Plan maintained by a participating employer, and with respect to which this Benefit Restoration Plan will provide supplemental benefits.

(7) “Trust”:

means the trust fund established in subsection (E) (2) of this Benefit Restoration Plan, which shall constitute a separate trust fund from the trust fund maintained under the Plan.

(8) “Board”:

means the Board of Trustees of the Plan, serving in the separate capacity as trustees of this Benefit Restoration Plan.

(C) PARTICIPATION

(1) All Participants, Pensioners and Beneficiaries of the Plan whose retirement or survivor benefits from that Plan for a Plan Year have been limited by Code Section 415 are eligible to participate in

this Benefit Restoration Plan, unless excluded by category under the terms of the Information Sheet.

(2) Participation in the Benefit Restoration Plan is automatic. Any Participant, Pensioner or Beneficiary who is eligible for benefits is entitled to such benefits without the necessity of enrollment. Participation in the Benefit Restoration Plan will cease for any Plan Year in which the retirement benefit of a Pensioner or Beneficiary is not limited by Code Section 415.

(D) **BENEFITS**

(1) **Benefit Amount**

A covered Pensioner or Beneficiary shall receive a monthly benefit equal to the difference between the participant's monthly retirement benefit otherwise payable from the Plan prior to any reduction or limitation because of Code Section 415 and the actual monthly retirement benefit payable from the Plan as limited by Code Section 415. The monthly benefit shall be subject to withholding for any applicable income or employment taxes.

(2) **Payment of Benefit**

Benefits under the Benefit Restoration Plan shall be paid only if the Pensioner or Beneficiary is receiving retirement benefits from the Plan.

(3) **Form of Benefit**

The form of the benefit paid to a Pensioner or Beneficiary from the Benefit Restoration Plan shall be the same payable under the Plan.

(4) **Re-calculation of Benefits**

The maximum benefit under the Plan shall be increased as permitted by Internal Revenue Service regulations to reflect cost-of-living adjustments above the base period, and from August 1, 2000, the benefit paid to any Participant or Beneficiary who is in payment status will be adjusted as the first day of each limitation year for the increase, if any, in the dollar limitation indexed under section 415(d) of the Code.

(E) **CONTRIBUTIONS AND FUNDING**

(1) Contributions

(a) The Board, upon the recommendation of the actuary, shall determine the required contributions to pay plan benefits in accordance with (3) below. The required contribution for each Plan Year shall be the total amount of benefits payable under (D) to all Pensioners and Beneficiaries, plus such amount as determined by the Board to pay the administrative expenses of the Benefit Restoration Plan and the Employer's share of any employment taxes on the benefits paid from the Plan.

(b) The required contribution as determined by the Board, upon the recommendation of the actuary, shall be paid into the Trust from an allocation of the Employer contribution amounts paid under the Plan.

(2) Benefit Restoration Plan Trust Fund

Contributions to the Benefit Restoration Plan shall be deposited in the separate Trust established and administered by the Board. This Trust is intended to be exempt from federal income tax under Code Sections 115 and 415(m)(1). The Trust assets shall be subject to the claims of general creditors of the Employer in the case of bankruptcy.

(3) Funding Assets

The benefit liabilities of the Benefit Restoration Plan shall be funded on an as-needed basis. The Trust established under (2) above shall not be accumulated to pay benefits payable in future years. Accordingly, any assets of the Trust shall be invested by the Board in short-term investments as the Board may determine to assure preservation of principal rather than the generation of income.

(4) Non-assignability of Benefits

The benefits payable under this Benefit Restoration Plan may not be assigned or alienated, except as otherwise permitted for benefits payable by the Plan.

(5) Amendment and Termination

The Employer reserves the right to amend this Benefit Restoration Plan at any time. No modification or amendment of the Benefit Restoration Plan shall make it possible for any part of the income or assets of the fund to be used for, or diverted to, purposes other than for the exclusive benefit of the Participants, Pensioners and Beneficiaries, except as set forth in section (2) above.

The Employer reserves the right to discontinue or terminate this Benefit Restoration Plan in whole or in part. Upon a termination of the Benefit Restoration Plan, the Board shall take such steps as the Board determines to be necessary or desirable to comply with applicable laws and to apply any remaining assets.

If, after satisfaction of all liabilities, there is any balance remaining in the fund, such balance shall be refunded to the Employer if not otherwise prohibited by law.

(F) ADMINISTRATION

(1) Benefit Restoration Plan Administration

The Benefit Restoration Plan shall be administered by the Board. The Board shall have the same authority to administer the Benefit Restoration Plan as exists for the Plan. The Board may delegate any or all of the Board's administrative authority.

(2) Compliance Authority

The Board may make modifications to the benefits payable under the Benefit Restoration Plan as may be necessary to maintain its qualified status under Code Section 415(m).

(3) No Liability for Benefits

Since this Benefit Restoration Plan is not intended to accumulate funds, the Benefit Restoration Plan shall not be liable for the payment of any benefits except to the extent of funds actually received from the Employer and not previously distributed or applied to pay Benefit Restoration Plan expenses.

(4) This Benefit Restoration Plan shall be construed, administered and governed in all respects by the laws of the State of Florida.

(G) EFFECTIVE DATES

The Board shall pay benefits under the Benefit Restoration Plan beginning on or after the date specified on the Information Sheet.

ARTICLE 17

DISTRIBUTION OF BENEFITS

As of the Effective Date, this Plan shall pay all benefits in accordance with a good faith interpretation of the requirements of Code Section 401(a)(9) and the regulations promulgated thereunder, as applicable to a governmental plan as defined in Code Section 414(d). Notwithstanding any other provision of this Plan to the contrary, a form of retirement income payable from this Plan shall satisfy the following conditions:

- (A)** If the retirement income is payable before the Participant's death,
- (1)** It shall either be distributed or commence to the Participant not later than April 1 of the calendar year following the later of the calendar year in which the Participant attains the applicable age required by IRC § 401(a)(9), or the calendar year in which the Participant retires; and,
 - (2)** the benefit shall be paid over the life of the Participant or over the lifetimes of the Participant and designated beneficiary and shall be paid over the period extending not beyond the life expectancy of the Participant and designated beneficiary

Where benefit payments have commenced in accordance with the preceding paragraphs and the Participant dies before his entire interest in the Plan has been distributed, the remaining portion of such interest in the Plan shall be distributed no less rapidly than under the form of distribution in effect at the time of the Participant's death.

(B) If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

- (1)** If the Participant's surviving spouse is the Participant's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the

Participant died, or by December 31 of the calendar year in which the Participant would have attained the applicable age as required under IRC § 401(a)(9), if later. [See note to Provision 6.08 regarding applicable age requirements]

- (2) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.
- (3) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (4) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse are required to begin, this subsection (B), other than B(1), will apply as if the surviving spouse were the Participant. For purposes of this subsection, unless this provision B(4) applies, distributions are considered to begin on the Participant's required beginning date. If this provision B(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under B(4). If distributions under an annuity meeting the requirements of this article commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under B(1)), the date distributions are considered to begin is the date distributions actually commence.

(C) Direct Transfers of Eligible Rollover Distributions

- (1) This paragraph applies to distributions made on or after January 1, 1993. Notwithstanding any provisions of the Plan to the contrary that would otherwise limit

a distributee's (as defined below) election under this paragraph, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution (as defined below) that is equal to at least \$500 paid directly to an eligible retirement plan (as defined below) specified by the distributee in a direct rollover (as defined below). If an eligible rollover distribution is less than \$500, a distributee may not make the election described in the preceding sentence to rollover only a portion of the eligible rollover distribution.

(2) For purposes of this paragraph, the following terms shall have the following meanings:

(i) An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code Section 401(a)(9), and the portion of any distribution that is not included in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other distribution(s) that is reasonably expected to total less than \$200 during a year.

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to (1) a traditional individual retirement account or annuity described in § 408(a) or (b) of the Code (a —traditional IRA) or a Roth individual retirement account or annuity described in § 408A (a —Roth IRA); or (2) to a qualified defined contribution, defined benefit, or annuity plan described in § 401(a) or § 403(a) or to an annuity contract described in § 403(b), if such plan or contract provides for separate accounting for

amounts so transferred (including interest thereon), including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

(ii) An “eligible retirement plan” is an eligible plan under § 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan, a traditional IRA, a Roth IRA, an annuity plan described in § 403(a) of the Code, an annuity contract described in § 403(b) of the Code, or a qualified defined benefit or defined contribution plan described in § 401(a) of the Code, that accepts the distributee’s eligible rollover distribution. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in § 414(p) of the Code.

(iii) A “distributee” includes an Employee or former Employee. In addition, the Employee’s or former Employee’s surviving spouse is a distributee with regard to the interest of the spouse. For distributions occurring in plan years beginning after December 31, 2009 (or in any earlier plan year beginning after December 31, 2006), a distributee also includes the Participant’s non-spouse designated beneficiary. In the case of a non-spouse beneficiary, the direct rollover may be made only to a traditional IRA or Roth IRA that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of § 402(c)(11). Also, in this case, the determination of any required minimum distribution under § 401(a)(9) that is ineligible for rollover shall be made in accordance with Notice 2007-7, Q&A 17 and 18, 2007-5 I.R.B. 395.

(iv) A “direct rollover” is a payment by the Plan to the eligible retirement plan specified by the distributee.

ARTICLE 18

MISCELLANEOUS PROVISIONS

18.01 Interest of Participants in Plan

All assets of the Fund shall be held in trust and at no time prior to the satisfaction of all liabilities under the Plan with respect to Participants and Beneficiaries, shall any part of the corpus or income of the Fund be used for or diverted to any purpose other than for their exclusive benefit. No plan amendment or ordinance shall be adopted by the Employer which shall have the effect of reducing the then vested accrued benefits of Participants or Participants' beneficiaries under the Plan.

18.02 Summary Plan Descriptions

The Summary Plan Description outlining the provisions of this Plan was designed only to give a brief description of the benefit provided and does not include all the provisions or exclusions in the Plan Document. If the Summary Plan Description disagrees with the Plan herein in any way, the Plan Document will govern.

18.03 Gender and Number

Wherever any words are used in the masculine, feminine or neutral gender, they shall be construed as though they were also used in another gender in all cases where they would apply. Whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would apply.

18.04 Headings and References

All headings and references to sections, subsections, paragraphs, etc., in this Plan are inserted for convenience only and shall not affect the construction or interpretation of this Plan.

18.05 Benefit Improvements

Benefit improvements which, in the past, have been provided for by amendments to the Plan adopted by the Employer by ordinance or resolution, and any benefit improvements

which might be made in the future, shall apply prospectively and shall not apply to Participants who terminate employment or who retire prior to the effective date of any ordinance or resolution adopting such benefit improvements, unless such ordinance or resolution specifically provides to the contrary.

18.06 Procedure for Unclaimed Benefit

If the Board is unable, within three years after any benefit becomes due to a Participant or Beneficiary under the Plan, to authorize payment because the identity or whereabouts of such person cannot be ascertained, the Board may direct that such benefit and all further benefits with respect to such person shall be forfeited and all liability for the payment thereof shall terminate.

18.07 Qualified Military Service:

Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with § 414(u) of the Code. To the extent that the definition of “credited service” sets forth contribution requirements that are more favorable to the participants than the minimum compliance requirements, the more favorable provisions shall apply.

Consistent with the Heroes Earning Assistance and Relief Tax (HEART) Act, a deceased person’s period of qualified military service will be credited service under the Plan.

If a Participant dies while engaged in qualified military service, the Participant’s beneficiaries shall be entitled to any benefits the Participant would have been entitled to as if the Participant had resumed employment immediately prior to his or her death in accordance with the Heroes Earning Assistance and Relief Tax (HEART) Act, and any regulations promulgated thereunder.

18.08 Domestic Relations Order Submission:

(A) Prior to the entry of any domestic relations order which affects or purports to affect the Fund’s responsibilities in connection with the payment of benefits, that order should

be submitted through the Fund's administrator for review as to whether the Fund may honor it.

(B) If the domestic relations order is not submitted to the administrator for review prior to entry, and the Fund is ordered to take action that it may not legally take, and the Fund expends administrative or legal fees in resolving the matter, the Participant who submitted the domestic relations order will be required to reimburse the Fund its expenses in connection with the order.

(C) The administrator may develop rules or regulations concerning what the Fund will consider to determine if a domestic relations order may be complied with by the Fund.

18.09 Prohibited Transaction

Effective January 1, 1989, the Board may not engage in any transaction prohibited under Section 503(b) of the Code.

18.10 Qualification of Plan

It is intended that this plan shall constitute a qualified public pension plan under the applicable provisions of the Code for a qualified plan under Code Section 401(a) and a governmental plan under Code Section 414(d), as now in effect and as may be amended from time to time. Any modification or amendment of this Plan may be made retroactively, if necessary or appropriate to maintain qualification.

18.11 Plan Amendments

The Employer acknowledges the FMPTF Defined Benefit Plan document may be amended from time to time by the FMPTF Master Trustee to comply with applicable federal or state laws or regulations, and to make ministerial or administrative changes to the Plan, without the consent of the Employer or of Participants or any Beneficiaries thereof. Any amendment of the Plan, made in accordance with this provision, may be made retroactively, if deemed necessary or appropriate by the FMPTF Master Trustee. A copy of any Plan amendment shall be delivered to the Plan administrator, and the Plan shall be amended in the manner and effective as of the date set forth therein, and the Employers, Employees, Participants and Beneficiaries shall be bound by the amendment.

The FMPTF Master Trustee shall not make any amendment to benefits under the Plan unless the amendment is necessitated to comply with applicable federal or state laws or regulations. Employers shall receive copies of any Plan amendments made by the FMPTF Master Trustee.

ARTICLE 19

REPEAL OR TERMINATION OF PLAN

(A) This Plan and Fund may be modified, terminated, or amended, in whole or in part at any time by the Employer; provided that if this Plan or any subsequent ordinance or resolution shall be amended or repealed in its application to any person benefiting hereunder, the amount of benefits which at the time of any such alteration, amendment, or repeal shall have accrued to the Participant or beneficiary shall not be affected thereby, except to the extent that the assets of the Fund may be determined to be inadequate.

(B) If this Plan shall be repealed, or if contributions to the Plan are discontinued, or if there is a transfer, merger or consolidation of government units, services or functions as provided in Chapter 121, Fl. Stat., the Board shall continue to administer the Plan in accordance with the provisions of this Plan, for the sole benefit of the then Participant's, any beneficiaries then receiving retirement allowances, and any future persons entitled to receive future benefits. In the event of repeal, termination or permanent discontinuance of contributions due to transfer, merger or consolidation of government units, services or functions, or for any other reason, there shall be full vesting (100%) of benefits accrued to date of repeal and the assets of the Plan shall be allocated as follows:

(C) General Employees

Benefits for General Employees shall be distributed in an equitable manner to provide benefits on a proportionate basis to the persons so entitled in accordance with the provisions of this Plan. The following shall be the order of priority for purposes of allocating the assets of the Plan as of the date of repeal of this Plan, or if contributions to the Plan are discontinued with the date of such discontinuation being determined by the Employer.

(1) Apportionment shall first be made in respect of each retired Participant receiving a retirement or disability benefit hereunder on such date, each person receiving a benefit on such date on account of a retired or disabled (but since deceased) Participant, and each Participant who has, by such date, become eligible

for normal retirement but has not yet retired, an amount which is the actuarial equivalent of such benefit, based upon the actuarial assumptions in use for purposes of the most recent actuarial valuation, provided that, if such asset value be less than the aggregate of such amounts, such amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such asset value.

(2) If there be any asset value remaining after the apportionment under paragraph 1, apportionment shall next be made in respect of each Participant in the service of the Employer on such date who has completed at least ten (10) Years of Credited Service and who is not entitled to an apportionment under paragraph 1, in the amount required to provide the Actuarial Equivalent, as described in paragraph 1 above, of the accrued Normal Retirement Benefit, based on the Credited Service and Salary as of such date, and each vested former Participant then entitled to a deferred benefit who has not, by such date, begun receiving benefit payments, in the amount required to provide said Actuarial Equivalent of the accrued Normal Retirement Benefit, provided that, if such remaining asset value is less than the aggregate of the amounts apportioned hereunder, such latter amounts shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such remaining asset value.

(3) If there be any asset value after the apportionments under paragraph 1 and 2 above, apportionment shall be made in respect of each Participant in the service of the Employer on such date who is not entitled to an apportionment under paragraphs 1 and 2 above in the amount equal to Participant's Accumulated Contributions, provided that, if such remaining asset value be less than the aggregate of the amounts apportioned hereunder, such latter amount shall be proportionately reduced so that the aggregate of such reduced amounts will be equal to such remaining asset value.

(4) If there be any asset value remaining after the apportionments under paragraphs 1, 2, and 3 above, apportionment shall lastly be made in respect of each participant included in paragraph 3 above to the extent of the Actuarial Equivalent,

as described in paragraph 1 above, of the accrued Normal Retirement Benefit, less the amount apportioned in paragraph 3 above, based on the Credited Service and Average Final Compensation as of such date, provided that, if such remaining asset value be less than the aggregate of the amounts apportioned hereunder, such amounts shall be reduced so that the aggregate of such reduced amounts will be equal to such remaining asset value.

(5) In the event that there be asset value remaining after the full apportionment specified in paragraphs 1, 2, 3, and 4 above, such excess shall be returned to the Employer, less return of the State's contributions to the State if applicable, provided that, if the excess is less than the total contributions made by the Employer and the State to the date of termination such excess shall be divided proportionately to the total contributions made by the Employer and the State.

The allocation of the Fund provided for in this subsection may, as decided by the Board and the Employer be carried out through the purchase of insurance company contracts to provide the benefits determined in accordance with this subsection. The Fund may be distributed in one sum to the persons entitled to said benefits or the distribution may be carried out in such other equitable manner as the Board and the Employer may direct. The Trust may be continued in existence for purposes of subsequent distributions.

(6) After all the vested and accrued benefits provided hereunder have been paid and after all other liabilities have been satisfied, then and only then, shall any remaining funds be reverted to of the Employer.

(D) Police Officers and Firefighters

Benefits for Police Officers and Firefighters for plans participating in Chapters 175 or 185, Fl. Stat., shall be distributed in accordance with the following procedure:

(1) The Board shall determine the date of distribution and the asset value required to fund all the nonforfeitable benefits, after taking into account the expenses of such distribution. The Board shall inform the Employer if additional assets are required, in which event the Employer shall continue to financially support the plan until all nonforfeitable benefits have been funded.

(2) The Board shall determine the method of distribution of the asset value, that is, whether distribution shall be by payment in cash, by the maintenance of another or substituted trust fund, by the purchase of insured annuities, or otherwise, for each participant entitled to benefits under the plan as specified in paragraph (3).

(3) The Board shall distribute the asset value as of the date of termination in the manner set forth in this subsection, on the basis that the amount required to provide any given retirement income shall mean the actuarially computed single-sum value of such retirement income, except that if the method of distribution determined under paragraph (2) involves the purchase of an insured annuity, the amount required to provide the given retirement income shall mean the single premium payable for such annuity. The actuarial single-sum value may not be less than the employee's accumulated contributions to the plan, with interest if provided by the plan, less the value of any plan benefits previously paid to the employee.

(4) If in the event that there is asset value remaining after the full distribution as specified in paragraph (3), and after the payment of any expenses incurred with such distribution, such excess shall be returned to Employer, less return to the state of the state's contributions, provided that, if the excess is less than the total contributions made by the Employer and the state to date of termination of the plan, such excess shall be divided proportionately to the total contributions made by the Employer and the state.

ARTICLE 20

EXEMPTION FROM EXECUTION, NON-ASSIGNABILITY

The pensions, annuities, or any other benefits accrued or accruing to any person under the provisions of this Plan, the Accumulated Contributions and the assets in the Fund created under this Plan are exempt from any state, county or municipal tax of the state and shall not be subject to execution, attachment, garnishment or any legal process whatsoever and shall be unassignable.

ARTICLE 21

FORFEITURE OF PENSION: CONVICTION AND FORFEITURE

Any Participant who is convicted of the any of the following offenses committed prior to retirement, or whose employment is terminated by reason of his admitted commission, aid or abetment of the following specified offenses, shall forfeit all rights and benefits under this Plan, except for the return of his Accumulated Contributions as of the date of termination.

(A) Specified offenses are as follows:

- (1)** the committing, aiding or abetting of an embezzlement of public funds;
- (2)** the committing, aiding or abetting of any theft by a public officer or employee from the employer;
- (3)** bribery in connection with the employment of a public officer or employee;
- (4)** any felony specified in Chapter 838, Florida Statutes;
- (5)** the committing of an impeachable offense.
- (6)** the committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he acts or in which he is employed, of the right to receive the faithful performance of his duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his public office or employment position.
- (7)** the committing on or after October 1, 2008, of any felony defined in Section 800.04, Florida Statutes, against a victim younger than sixteen (16) years of age, or any felony defined in Chapter 794, Florida Statutes, against a victim younger than eighteen (18) years of age, by a public officer or employee through the use or attempted use of power, rights, privileges, duties, or position of his or her office or employment position.

(B) Conviction shall be defined as follows: An adjudication of guilt by a court of competent jurisdiction; a plea of guilty or a nolo contendere; a jury verdict of guilty when adjudication of guilt is withheld and the accused is placed on probation; or a conviction by the Senate of an impeachable offense.

(C) Court shall be defined as follows: any state or federal court of competent jurisdiction, which is exercising its jurisdiction to consider a proceeding involving the alleged commission of a specified offense. Prior to forfeiture, the Board shall hold a hearing on which notice shall be given to the Participant whose benefits are being considered for forfeiture. Said Participant shall be afforded the right to have an attorney present. No formal rules of evidence shall apply, but the Participant shall be afforded a full opportunity to present his case against forfeiture.

(D) Any Participant who has received benefits from the Plan in excess of his Accumulated Contributions after Participant's rights were forfeited pursuant to this section shall be required to pay back to the Fund the amount of the benefits received in excess of his Accumulated Contributions. The Board may implement all legal action necessary to recover such funds.

(E) As provided in the Florida Statutes, it is unlawful for a person 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. A person who commits a crime is punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

(F) In addition to any applicable criminal penalty upon conviction for a violation described in subsection (E), a Participant or Beneficiary of the Plan may, in the discretion of the Board, be required to forfeit the right to receive any or all benefits to which the person would be otherwise be entitled under the Plan. For purposes of

this subsection (F) “conviction” means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

ARTICLE 22

PENSION VALIDITY

The Board shall have the power to examine and investigate into the facts upon which any pension shall heretofore have been granted under any prior or existing law, or shall hereafter be granted or obtained erroneously, fraudulently or illegally for any reason. The Board is empowered to purge the pension rolls or correct the pension amount of any person heretofore granted a pension under prior or existing law or any person hereafter granted a pension under this Plan if the same is found to be erroneous, fraudulent or illegal for any reason, and to reclassify any person who has heretofore under any prior or existing law been or who shall hereafter under this Plan be erroneously, improperly or illegally classified. Any overpayments or under payments shall be corrected and paid or repaid in a reasonable manner determined by the Board.

ARTICLE 23
SIGNATORIES

This agreement is effective on the date specified in the Adoption Agreement.

EMPLOYER

AUTHORIZED SIGNATURE

TITLE

DATE

EXHIBIT A

MASTER TRUST AGREEMENT (INCLUDING INVESTMENT POLICY)

EXHIBIT B

ACTUARIAL EQUIVALENT

Actuarial Equivalent for benefit calculations under the Plan:

Actuarial Equivalent shall mean a benefit of equivalent current value to the benefit that would otherwise have been provided to the Participant. At the time of calculation of the actuarially equivalent benefit, the calculation shall not include possible future benefit increases which have not been adopted by the Employer and which are not in effect as of the calculation date. Actuarial equivalence will be based on an interest or discount rate and mortality table as set forth in this paragraph. The interest rate will be equal to the post-retirement rate of interest that was used to determine the minimum funding requirement pursuant to Chapter 112, Florida Statutes, for the plan year that precedes the plan year during which the benefit is being determined. The mortality table will be the unisex mortality table that is promulgated by the Commissioner from time to time for purposes of determining lump sum values pursuant to Code section 417(e)(3).

FLORIDA MUNICIPAL PENSION TRUST FUND
INVESTMENT POLICY
Amended and Restated As of June 8, 2023

I. AUTHORITY

The Master Trust Agreement originally made as of the 16th day of December, 1983, and as amended and restated most recently as of November 29, 2018, by and between all parties who are now or may hereafter become members of the Florida Municipal Pension Trust Fund (“FMPTF” or the “Master Trust Fund”) and the individuals named as Master Trustees pursuant to Section 109 of the Master Trust Agreement and their successors (such trustees collectively referred to as the “Master Trustees”). The Master Trust Agreement provides that the Master Trustees have the exclusive authority and discretion to manage and control the assets of the Master Trust Fund according to the provisions herein. Except as otherwise defined herein, the capitalized terms in this policy shall have the same meaning as such terms have in the Master Trust Agreement. Notwithstanding any provisions of this Investment Policy to the contrary, including but not limited to provisions in Sections II, III, IV, VI, VII, IX, X, XIII, and XIV, investment options selected by Participating Employers under Open Architecture Investment are exempt from the provisions of this Investment Policy. Participating Employers who select Open Architecture Investment are responsible for selecting and overseeing investment options for Participating Employees, Beneficiaries, and Alternate Payees which includes, among other matters, establishing default investment option(s), and which may also include establishing an investment policy, asset classes, and desired performance results.

II. PURPOSE

The purpose of the Master Trust Fund is to collectively manage the investment of the assets of the Plans of participating Florida governments. The Master Trust Fund operates as a non-profit, tax-exempt entity that provides professional and cost-effective investment and administrative services for all types of retirement plans.

The Master Trustees have established the herein investment policy and portfolio guidelines to assist the Administrator in the administration of the assets of the Master Trust Fund; to guide the investment managers in structuring portfolios consistent with the Master Trust Fund’s desired performance results and an acceptable level of risk; and to assure the Master Trust Fund assets are managed in a prudent fashion.

Except for the selection and oversight of investment options under Open Architecture Investment, this policy is applicable to all funds, assets and properties under the control of the Master Trustees and to all consultants, agents, and staff responsible to the Master Trustees.

III. DUTIES AND RESPONSIBILITIES

A. Administrator. Under the direction of the Master Trustees, it shall be the responsibility of the Administrator to supervise and administer the Master Trust Fund’s investment program pursuant to a written agreement between the Master Trust Fund and the Administrator, including, but not limited to, the following:

1. Supervise and coordinate the activities of qualified investment management firms, dealers, brokers, issuers, custodians, consultants and other investment advisors in keeping with this investment policy.
2. Provide advice and assistance in the administration and operation of the Master Trust Fund's investment program.
3. Establish accounting systems and procedures for the safekeeping, disposal of and recording of all investment assets held or controlled by the Master Trust Fund including the establishment of appropriate internal controls as required.
4. Assist in the design, development, operation, review and evaluation of the Master Trust Fund's investment program for compliance with this policy.
5. Advise the Master Trustees as to recommendations relative to amendments to this policy.
6. Inform the Master Trustees of unaddressed concerns with the Master Trust Fund's investment program.
7. Immediately notify the Master Trustees of any event or of any information that may have a severe and adverse effect on the Master Trust Fund's investment program under the provisions of this policy.

B. Investment Managers. Under the direction of the Master Trustees and subject to an applicable written investment management agreement, the duties and responsibilities of the investment managers for the Master Trust Fund shall include, but not be limited to, the following:

1. Will have full discretion in the management of assets allocated to the investment managers, subject to the overall investment policy and guidelines set by the Master Trustees.
2. Serve as fiduciaries responsible for specific securities decisions.
3. Will abide by duties, responsibilities and guidelines detailed in any specific investment manager agreement.

C. Custodian. Under the direction of the Master Trustees and subject to an applicable written custodial agreement, the duties and responsibilities of the Custodian shall include, but not be limited to, the following:

1. Accepts possession of securities for safekeeping; collects and disburses income; collects principal of sold, matured or called items; provides periodic accounting statements; and processes and maintains securities lending program.
2. Meets as required with the Master Trustees and provides reports relative to the status of the Master Trust Fund.

3. In a timely fashion, forwards and transmits to the appropriate investment managers all proxies related to equity securities held in an account.

4. Will abide by duties, responsibilities and guidelines detailed in any specific custodial agreement.

D. Performance Monitoring Consultant (Investment Consultant). Under the direction of the Master Trustees and subject to an applicable written investment consulting agreement, the duties and responsibilities of the investment consultant shall include, but not be limited to, the following:

1. Assists the Master Trustees in developing investment policy guidelines, including asset class choices, asset allocation targets and risk diversification.

2. Provides the Master Trustees with objective information on a broad spectrum of investment management specialists and helps construct a portfolio management team of superior investment managers.

3. Monitors the performance of the investment managers and provides regular quarterly reports to the Master Trustees, which will aid the Master Trustees in carrying out the intent of this policy.

4. Reports conclusions and recommendations to the Master Trustees as required.

5. Evaluates and makes recommendations, as needed, on portfolio management.

6. Evaluates and makes recommendations, as needed, on other areas of investment, such as real estate, foreign securities or venture capital.

7. Will abide by duties, responsibilities and guidelines detailed in any specific investment consulting agreement.

IV. INVESTMENT AND FIDUCIARY STANDARDS

The standard of prudence to be used by investment advisors, money managers or other qualified parties or individuals with contracted investment responsibilities with the Master Trust Fund (the “Managers”) shall be the “prudent person”, which provides that the investments of the Master Trust Fund shall be made with the judgment and care under the circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of the invested Master Trust Fund assets considering the probable income, total return and probable safety of these Master Trust Fund investments. Managers shall adhere to the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 at 29 U.S.C. s. 1104(a)(1)(A) through (C). Individuals, acting in accordance with established procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to minimize any investment losses.

Any individual who is involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Managers shall have a written policy which addresses the disclosure of potential conflict-of-interests which shall be submitted to the Administrator upon request. Managers shall also disclose to the Administrator any material financial/investment position or finding which may be contrary to this policy or otherwise related to the performance of the Master Trust Fund's portfolio. Any adverse findings of the U.S. Department of Labor or the Securities and Exchange Commission regarding a Manager or its financial activities shall be brought to the immediate attention of the Master Trustees by the Administrator once the Administrator is notified.

Before engaging in any investment transactions with the Master Trust Fund, a Manager shall have submitted to the Administrator a signed certification from a duly authorized representative attesting that the individuals responsible for the Master Trust Fund's account have reviewed and shall comply with this investment policy and that they agree to undertake reasonable efforts to preclude imprudent transactions involving the assets of the Master Trust Fund.

V. INTERNAL CONTROLS

The Master Trustees require that the Administrator and any other designees establish a system of internal controls which shall be in writing. These controls shall be reviewed by independent certified public accountants as part of any required periodic financial statement audit. The internal controls should be designed to prevent losses of the Master Trust Fund which might arise from fraud, error, misrepresentation by third parties, or imprudent actions by the Master Trustees, Administrator or other designees.

VI. BROKERAGE AND BID REQUIREMENT

Managers shall use their best efforts to ensure that portfolio transactions are placed on a best execution basis. The Master Trustees intend to utilize recapture commissions when it does not interfere with best execution, solely at the discretion of the investment managers. Managers are required to, on a quarterly basis, report all brokerage transactions and reasons for using brokers to the Master Trustees. The Managers shall competitively bid securities in question when feasible and appropriate. Except as otherwise required by law, the most economically advantageous bid must be selected.

VII. PROXY VOTING

Responsibility for the voting of proxies shall be with the Master Trustees. The Master Trustees may exercise the right to assign this responsibility to the investment managers. Since proxy votes may be considered an asset of the Master Trust Fund, the assignment of voting proxies shall be exercised solely in the interest of the participants and beneficiaries of the Master Trust Fund, and for the exclusive purpose of providing benefits to participants and beneficiaries. Documentation related to the handling and voting of proxies will be reported to the Master Trustees on a quarterly basis.

The Master Trustees may (but are not required to) solicit Participating Employees' instructions as to the voting of a Master Trust Fund investment for their benefit. In so doing, the

Master Trustees may solicit instructions from only those Participating Employees whose Plan accounts held the applicable investment on the record date fixed by the investment issuer. To the extent that the Administrator receives proper instructions from these Participating Employees, the Master Trustees shall vote the Master Trust Fund's rights in accordance with the instructions. To the extent of the Master Trust Fund's rights for which Participating Employees did not give proper instructions, the Master Trustees may vote in their discretion.

VIII. CONTINUING EDUCATION

The Master Trust Fund acknowledges the importance of continuing education for Master Trustees. To that end, the Master Trustees shall attend appropriate educational conferences in connection with their duties and responsibilities as Master Trustees.

IX. REPORTING AND PERFORMANCE MEASUREMENT

The Administrator shall submit to the Master Trustees a quarterly investment report with information sufficient to provide for a comprehensive review of investment activity and performance for the quarter. Performance shall be measured against appropriate indices identified by the Master Trustees for each investment category. This report shall summarize recent market conditions, economic developments and anticipated investment conditions. The report should also summarize the investment strategies employed in the most recent quarter, and describe the portfolio in terms of investment securities, maturities, risk characteristics, adherence to guidelines and other relevant features.

Managers shall provide timely transaction and performance data to record and document investment activity, including asset valuation, yield and total return data and such other relative performance data of the Master Trust Fund's portfolio on a periodic basis as may be reasonably requested by the Administrator.

The Administrator, Managers and other contracted parties shall provide to the Master Trust Fund's auditor such verifications or reports as are required for the purpose of developing and supporting the annual financial statements of the Master Trust Fund and the footnotes thereto.

Managers shall provide immediate written and telephonic notice to the Administrator of any significant event relating to the Master Trust Fund, specifically but not limited to the resignation, termination or incapacity of any senior personnel of any Manager.

X. RISK AND DIVERSIFICATION

The Master Trustees will monitor the return per unit of risk (as measured by the standard deviation of quarterly returns) of the Master Trust Fund's assets on an ongoing basis, with each Manager's contribution being reviewed independently and as to its impact on the overall Master Trust Fund's investment return and volatility of results over time. Each Manager's contribution will be measured against similar data for appropriate benchmarks.

Investment guidelines and monitoring will provide controls for identifying and limiting risk of loss from over concentration of assets invested in a specific maturity, with a single issuer,

in like instruments, or dealers or through utilization of intermediaries for purchase and sale of investments.

Risk and diversification strategies shall be reviewed and revised, if necessary, on a regular basis in light of the current and projected market condition and the Master Trust Fund's needs.

Assets in the Master Trust Fund shall be diversified among equities, fixed income and real estate to minimize overall portfolio risk consistent with the level of expected return and thereby improve the long-term return potential of the Master Trust Fund's assets. The Master Trustees reserve the right to add additional diversification by retaining multiple Managers or portfolios, upon Master Trustee approval and amendment to this policy, to further minimize portfolio risk or to maintain the level of expected return.

Managers shall be selected to fulfill a particular diversifying role within the Master Trust Fund's overall investment structure. It is the express intent of the Master Trustees to grant each Manager substantial discretion over the assets under its control.

XI. CUSTODIAN

The Custodian shall hold all actively managed or non-indexed assets of the Master Trust Fund. The Custodian will operate in accordance with a separate agreement with the Master Trustees. All securities shall be held with a third party, and all securities purchased by, and all collateral obtained by the Master Trustees shall be properly designated as an asset of the Master Trustees. No withdrawal of securities, in whole or in part, shall be made from safekeeping except by the Master Trustees or their designee. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery versus payment" basis, if applicable, to ensure that the Custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

XII. DEFINED BENEFIT PLAN SPECIFICATIONS

These provisions relate to the investment of the assets of the Defined Benefit Pension Plan Trust and the portion of the Other Post-Employment Benefit Plan Trust relating to other post-employment benefit plans that are defined benefit plans.

A. Investment Objective and Expected Annual Rate of Return. The primary objective is to seek long-term growth of capital and income consistent with conservation of capital. Necessary liquidity will be maintained to meet payout requirements. Emphasis is placed on achieving consistent returns and avoiding extreme volatility in market value.

As of October 1 of each year, the individual members of the FMPTF will annually determine for their defined benefit plans the total expected annual rate of return for the current year, for each of the next several years and for the long-term thereafter. This determination must be filed promptly with the Department of Management Services, the Administrator, Master Trustees, and the actuaries, if any, for the Plans.

B. Asset Allocation and Portfolio Composition. Assets of the Master Trust Fund shall be invested in a diversified portfolio consisting of equity and debt. Although cash is not included in the asset allocation of the Master Trust Fund, surplus cash flows, additional

contributions and Manager cash will be utilized to pay obligations of the Master Trust Fund and periodic re-balancing of the assets. The Master Trust Fund may consider investments in other asset classes which offer potential enhancement to total return at risks no greater than the exposure under the initially selected asset classes.

From time to time the Master Trustees will adopt asset allocation strategies within the ranges specified below:

	<u>Maximum Target Limitation</u>
Equities	70% at market

The Master Trustees may employ an independent consultant to perform an annual, or more frequent, Asset Allocation Report that will include, but not be limited to, a strategic analysis and report on asset allocation investments between different types of investments and appropriate changes to the percentages therein. This study will be used to assist the Master Trustees in the determination of the appropriate investment allocation to maximize the return and minimize the risk to the pooled assets of the Master Trust Fund. This study may include a recommendation to add or delete asset classes as is warranted by the risk/reward analysis and by Master Trustees' approval.

The Master Trustees are not bound by acceptance or denial of recommendations presented in conjunction with the Asset Allocation Report.

It is not the intention of the Master Trust Fund to become involved in the day-to-day investment decisions. Therefore, the Administrator is authorized by this policy to make asset allocation decisions to reallocate or redirect either contributions or the investments held by the Master Trust Fund in order to take advantage of changing market conditions. Any tactical allocation that will cause the allocation of the investment classes to vary from the approved strategic allocation percentages of any asset class by more than 10% requires approval by the Chair of the Master Trustees.

The Administrator will report to the Master Trustees at their quarterly meetings on the tactical and re-balancing allocation decisions made during the prior quarter.

C. Maturity and Liquidity. The Master Trust Fund shall provide sufficient liquidity to meet any required payment.

D. Authorized Investments. In an effort to accomplish the objectives of the Master Trust Fund, this policy identifies various authorized investment instruments, issuer diversification, maturity constraints, investment ratings and liquidity parameters. The following are authorized investments:

1. Repurchase agreements which are purchased only from dealers authorized by the Master Trustees and may only involve the sale and repurchase of securities authorized for purchase by this investment policy. Maximum maturity at purchase shall not exceed 180 days with a total average maturity, at any point in time, for all repurchase agreements held of not greater than 60 days.

2. Direct obligations of the United States Treasury including bills, notes, bonds and various forms of Treasury zero-coupon securities.

3. Any authorized investments purchased by or through the State Board of Administration or the Office of the State Treasurer and held on behalf of the Master Trust Fund in a commingled pool or separate account.

4. Commercial paper issued in the United States by any corporation, provided that such instrument carries a rating of A1/P1 (or comparable rating) as provided by two of the top nationally recognized statistical rating organization; and that the corporation's long term debt, if any, is rated at least A1/A+ by a nationally recognized statistical rating organization or, if backed by a letter of credit ("LOC"), the long term debt of the LOC provider must be rated at least AA (or a comparable rating) by at least two of the nationally recognized statistical rating agencies publishing ratings for financial institutions. The maximum maturity shall not exceed 270 days from the time of purchase.

5. Banker's acceptances issued within the U.S. by institutions with a long term debt rating of at least AA or short term debt rating of P1 (or comparable ratings), as provided by one nationally recognized statistical rating organization. Exceptions to the above may be approved by the Administrator from time to time and reported to the Master Trustees. The invested account of a Manager may own no more than 5% of the portfolio in banker's acceptances issued by any one depository institution at one time. Maximum maturity shall not exceed 270 days from the time of purchase.

6. Nonnegotiable Certificates of Deposit issued by Florida Qualified Public Depositories as identified by the State Treasurer's office and/or negotiable certificates of deposit issued in U.S. dollars by institutions, provided such institution carries a short term rating of at least A1/P1 (or comparable rating) and a long term rating of at least A (or comparable rating) as provided by two of the top nationally recognized rating agencies. The invested account of a Manager may own no more than \$5,000,000 in certificates of any one depository institution at one time. Maximum maturity on any certificate shall be 2 years.

7. Obligations of the agencies or instrumentalities of the federal government, including, but not limited to, the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Banks, Federal Farm Credit Banks, Student Loan Marketing Association and the Resolution Master Trust Funding Corporation.

8. Money market mutual master trust funds as defined and regulated by the Securities Exchange Commission. Money market master trust funds will be limited to monies held by trustees, paying agents, safekeeping agents, etc. as a temporary investment to facilitate relationships as delineated above.

9. Mortgage obligations guaranteed by the United States government and sponsored agencies or instrumentalities including but not limited to the Government National Mortgage Association, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. Mortgage-backed securities, including mortgage-pass through securities and collateralized mortgage obligations ("CMOs") issued, guaranteed or backed by an agency or instrumentality of the federal government or other mortgage securities including CMOs rated AAA or equivalent by a nationally recognized statistical rating

organization. Derivative mortgage securities, such as interest only, principal only, residuals and inverse floaters are prohibited.

10. Corporate fixed income securities issued by any corporation in the United States with any A rating or better. A Manager may hold no more than 3% of the invested account in any one corporation at the time of purchase.

11. Asset-backed securities issued in the United States with a rating of A or better by a NRSRO.

12. Securities of state, municipal and county governments or their public agencies, which are rated A or better by a nationally recognized statistical rating organization.

13. Commingled governmental investment trusts, no-load investment master trust funds, or no-load mutual master trust funds in which all securities held by the trusts or master trust funds are authorized investments as provided herein or as may be approved by the Master Trustees.

14. Guaranteed investment contracts (“GIC’s”) with insurance companies rated in the highest category by AM Best Rating System or a comparable nationally recognized statistical rating organization.

15. Investment agreements with other financial institutions. If collateralized, the collateral securing the investment agreement shall be limited to those securities authorized for purchase by this investment policy. The invested account of a Manager may own, at one time, no more than \$10,000,000 in investment agreements from any one financial institution. Investment agreements are obligations of financial institutions typically bearing a fixed rate of interest and having a fixed maturity date. Investment agreements are privately negotiated and illiquid.

16. Equity assets, including common stock, preferred stock and interest bearing obligations having an option to convert into common stock.

17. Florida Municipal Investment Trust (FMIvT) Portfolios.

E. Valuation of Illiquid Investments. If illiquid investments for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism, the criteria set forth in Section 215.47(6), Florida Statutes, shall apply, except that submission to an Investment Advisory Council is not required. For each plan year (defined benefit plans only) the Master Trustees must verify the determination of the fair market value for those investments and ascertain that the determination complies with all applicable state and federal requirements. The Master Trustees shall disclose to the Department of Management Services and the Administrator each such investment for which the fair market value is not provided.

F. Master Repurchase Agreements. All approved institutions and dealers transacting repurchase agreements shall execute and perform as stated in a Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the Master

Repurchase Agreement. This provision does not restrict or limit the terms of any such Master Repurchase Agreement.

G. Criteria for Investment Manager Review. The Master Trustees wish to adopt standards by which ongoing retention of a Manager should be determined. With this in mind, the following guidelines are adopted:

If, at any time, any one of the following is breached, the Manager will be notified of the Master Trustees' serious concern for the Fund's continued safety and performance and that manager termination could occur.

1. Consistent performance below the 50th percentile in the specified universe over rolling 3-year periods.
2. Consistent under-performance of the stated target index over rolling 3-year periods.
3. Loss by the Manager of any senior personnel deemed detrimental to the Manager's ability to perform required duties or any potentially detrimental organizational issues that may arise and have an effect on the management of Master Trust Fund assets.
4. Substantial change in basic investment philosophy by the Manager.
5. Substantial change of ownership of the firm deemed detrimental to the Manager's ability to perform required duties.
6. Failure to attain at least a 51% vote of the confidence of the Master Trustees.
7. Failure to observe any guidelines as stated in this policy.

This shall in no way limit or diminish the Master Trustees' right to terminate the Manager at any time for any reason.

An investment management agreement will be entered into between the Master Trustees and each Manager. Each investment management agreement will include such items as fiduciary standards, notice requirements, duties and responsibilities and specific investment guidelines for the Manager and will be subject to the prior review and approval of an attorney for the Master Trustees.

All Managers must be duly registered with the appropriate government agencies to act in the capacity of investment manager on behalf of the Master Trustees. Any Manager appointed shall promptly notify the Master Trustees in the event any circumstance arises that may result in its failing to continue to meet the requirements stipulated by the respective government agencies.

A Manager's performance will be evaluated with the assistance of performance measurement consultants on an on-going basis and will be a primary criteria for their retention.

H. Deferred Retirement Option Program Funds. For a defined benefit plan within the Defined Benefit Pension Plan Trust, an employer or board of trustees may establish a Deferred Retirement Option Program (“DROP”) distribution option whereby DROP funds are invested through the Master Trust Fund or allow participant-directed investment of DROP funds through the Master Trust Fund as provided under Article XIII of this Investment Policy.

I. “Pecuniary Factor” - Compliance with Section 112.662, Florida Statutes. As used herein, the term “pecuniary factor” means a factor that the Administrator, investment managers, named fiduciary, or Master Trustees prudently determines is expected to have a material effect on the risk or returns of an investment based on appropriate investment horizons consistent with the investment objectives and funding policy of the defined benefit plans. The term does not include the consideration of the furtherance of any social, political, or ideological interests.

When deciding whether to invest and when investing the assets of the defined benefit plans, only pecuniary factors may be considered and the interests of the participants and beneficiaries of the plans may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor. The weight given to any pecuniary factor must appropriately reflect a prudent assessment of its impact on risk or returns.

If, at any time, the Master Trustees are to exercise shareholder rights or are to exercise such rights on behalf of the defined benefit plans, including the voting of proxies, only pecuniary factors may be considered and the interests of the participants and beneficiaries of plans may not be subordinated to other objectives, including sacrificing investment return or undertaking additional investment risk to promote any nonpecuniary factor.

XIII. DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLAN SPECIFICATIONS

These provisions relate to the investment of the assets of the Defined Contribution Pension Plan Trust, the Deferred Compensation Plan Trust, the portion of the Other Post-Employment Benefit Plan Trust relating to other post-employment benefit plans that are defined contribution plans, and the portion of the Defined Benefit Pension Plan Trust relating to participant-directed investment of Deferred Retirement Option Program funds. As provided in Section I. Authority of this Investment Policy, the provisions in this Section XIII have limited or no application to investment options selected and overseen by a Participating Employer under Open Architecture Investment.

A. Purpose. The Master Trustees are charged with the overall responsibility to manage the Master Trust Fund assets prudently on behalf of the Participating Employees. The general purpose of this investment policy is to assist the Master Trustees in discharging their responsibility to supervise, monitor and evaluate the investment of the Master Trust Fund assets. The Master Trustees believe this investment policy should be dynamic and should be reviewed periodically. The Master Trustees intend that this policy will not be overly restrictive given changing economic, business and capital market conditions.

Therefore, this policy is compiled to ensure:

1. The Master Trustees define a formal set of investment objectives, guidelines and procedures for the management of the Master Trust Fund assets, subject to the terms of the Plans' documents and investment advisory agreements entered into by the Managers and the Trustees.

2. Direct and indirect investment expenses are controlled and reasonable.

3. The investments of the Master Trust Fund assets are managed in accordance with the fiduciary prudence and due diligence requirements that experienced investment professionals would utilize and with all applicable laws, rules and regulations from various state, local and federal agencies that may impact the Master Trust Fund assets.

4. If and to the extent permitted by their respective Plans, Participating Employees and Beneficiaries have the ability to invest in a variety of asset classes, thereby gaining exposure to a wide range of investment opportunities.

B. Investment Objective. To the extent any Plans provide for participant-directed investments, the Master Trust Fund will make available a range of different diversified investment options that have varying degrees of risk and return.

It is anticipated, but not required, that the same investment options be available for each Plan. Investment options offered to Participating Employees and their Beneficiaries shall be approved by the Trustees.

To the extent any Plans provide for participant-directed investment, the primary objective of the Master Trust Fund is to offer the Participating Employees and their Beneficiaries a range of investment choices to permit diversification and a choice of investment strategies. The objectives are further defined as follows:

1. To provide a spectrum of investment options so a Participating Employee will be able to choose the investment mix that may fall within a range of risk and return characteristics customarily appropriate for the Participating Employee.

2. To provide sufficient investment choices so that the asset classes selected shall be such that taken together Participating Employees will have a reasonable opportunity to materially affect the potential investment returns in their accounts, while at the same time controlling risk or volatility. It is the intent that a Participating Employee may be able to build a balanced portfolio in a manner generally consistent with modern portfolio theory.

C. Guidelines

1. Investment options for the Participating Employees shall be determined solely in the interest of the Participating Employees and their Beneficiaries and for the exclusive purpose of providing benefits to the Participating Employees and their Beneficiaries.

2. Investment options for the Participating Employees shall be determined with the care, skill, prudence and diligence under the circumstances then prevailing that a

prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and aims.

3. Investment options for the Participating Employees shall be determined so as to offer an array of investment options so Participating Employees can protect themselves from large losses by appropriately diversifying their account.

D. Participant Control. To the extent permitted by the Plans, Participating Employees shall be given control over the investment allocation process. This shall include the right to change investment allocations of existing account balances and future contributions daily. Participating Employees shall also be given information necessary for them to reasonably understand the investments and to make reasonably informed investment decisions.

E. Self Directed Investment Option. Participants are allowed to self-direct their Pension accounts within the mutual fund offering. .

F. Procedure

1. The Master Trustees shall use business judgment in selecting investment products limited to registered investment company [“mutual fund”] shares and collective investment fund units, which the Master Trustees may own indirectly through a group trust or a securities account. The Plans’ investment options shall not include any investment for which the indicia of ownership cannot be held by the Master Trustees in the United States of America. Investment companies need not be classified as “diversified” as defined by the Investment Company Act of 1940. Both passive and actively managed investment strategies will be considered.

2. The following characteristics (when applicable) shall be considered in selecting the specific asset classes and corresponding investments to be made available to Participating Employees:

(a) Investment category and objective as defined in the prospectus or equivalent literature as well as current and historically consistent adherence to the asset classes and investment styles as defined in Section XIII.F below.

(b) The Manager(s) and tenure. (Longer tenure is preferred.)

(c) Acquisition costs and ongoing management fees including turnover. (Lower fees and turnover are preferred.)

(d) Investment record: total returns (net of expenses) on a time-weighted basis over three- and five-year periods and their relationship to appropriate benchmarks and peer groups. (Higher returns are preferred.)

(e) Risk adjusted return measurements: Sharpe Ratio and Alpha Returns and their relationship to appropriate benchmarks and peer groups. (Higher Sharpe Ratio and Alpha Return are preferred.)

(f) Risk characteristics: risk as measured implicitly by reviewing standard deviation and beta as used to compute Sharpe Ratios and Alpha statistics. (Lower standard deviations and betas are preferred.)

(g) Any other criteria that the Master Trustees deem worthwhile in judging the suitability of an investment, as long as the overall range of other investment options meets all requirements of this investment policy.

The Master Trustees shall review the long-term performance, risk and correlation characteristics of various asset classes, focusing on the balance between risk and return and the asset class' market behavior so that the investment options reasonably span the risk/return spectrum.

3. Miscellaneous Criteria: In selecting the specific investments to be made available to participants, the Master Trustees shall consider the following additional criteria:

(a) *Services to Participating Employees*

- (1) Communication from the funds
- (2) Accessibility to fund information
- (3) Ease and cost of investment transfers
- (4) Nature and frequency of reports to Participating Employees

(b) *Services to Master Trustees*

- (1) Nature and frequency of investment reports
- (2) Availability and access to Administrator and Managers
- (3) Corresponding costs and expenses associated with Plan record keeping and reporting and administration
- (4) Quantitative and qualitative due diligence regarding the Managers

G. Asset Classes. As a result of review and analysis, and in consideration of the criteria outlined in this policy, the Master Trustees have selected the following asset classes (investment styles) and may achieve objectives through passive (index) or active management. It is understood that this list is dynamic and subject to change by amendment of this policy at any time and from time to time:

- a) Money Market Fund – Invests in high quality money market instruments, seeks current income, seeks to maintain a constant \$1 net asset value (NAV)
- b) Stable Value Fund – Seeks income with capital preservation by investing in a pool consisting of one or more of the following: Guaranteed Investment Contracts, Synthetic Investment Contracts and Separate Account Investment Contracts issued by insurance companies; Bank Investment Contracts; Asset backed securities; Treasury bonds; and cash equivalents. The preponderance of its assets is invested in securities with a credit quality of AAA.

- c) **Intermediate Bond Fund** –Seeks a moderate and sustainable level of current income, and aggregate performance consistent with intermediate-term, investment-grade fixed income securities. While investing primarily in high quality corporate bonds, the manager emphasizes sectors and securities that represent good relative value, and modestly adjusts portfolio duration based on the interest rate outlook, the shape of the yield curve, and other factors.
- d) **Total Bond Market Index** – Seeks to track the performance of the BloomBar Capital U.S. Aggregate Bond Index. Broadly diversified exposure to investment-grade U.S. bond market. Intermediate Duration portfolio. Provides moderate current income with high credit quality.
- e) **Total International Bond Index** - Seeks to track the performance of the Bloomberg Barclays Global Aggregate ex-USD Index. Broadly diversified exposure to the global, investment-grade, fixed-rate debt markets outside of the United States by investing in government, government agency, corporate, and securitized non-U.S. investment grade fixed-income investments.
- f) **Large Company Value** – Invests in large and mid cap value stocks. Seeks long-term capital and income.
- g) **Large Company Growth** – Invests in large and mid cap growth stocks. Seeks long-term capital appreciation.
- h) **Large Cap Index Fund** – Seeks to track the performance of the S&P 500 Index. Predominantly U.S. Large Cap stocks, diversified across growth and value styles.
- i) **Social Index Fund** – Seeks to track the performance of the FTSE4Good US Select Index by investing in large and mid capitalization US stocks that are screened for certain social and environmental criteria.
- j) **Small to Mid Cap Core** – Invests in small to medium sized company stocks. Seeks long-term capital growth.
- k) **Small Cap Index Fund** – Seeks to track the performance of the CRSP US Small Cap Index. Small cap equity diversified across growth and value styles.
- l) **International Stock Index Fund** – Seeks to track the performance of the FTSE Global All Cap Ex US Index. International equity diversified across growth and value styles.
- m) **Emerging Markets Stock Index Fund** - Seeks to track the performance of the FTSE Emerging Markets All Cap China A Inclusion Index which represents large-,mid-, and small-cap stocks of companies located in emerging market countries.
- n) **International Small Cap Index Fund** - Seeks to track the performance of the FTSE Global Small Cap ex US Index which represents broad exposure across developed and emerging non-U.S. small-cap equity markets.

- o) Real Estate Index – Seeks to track the performance of the FTSE NAREIT Index. Invests in Equity Real Estate Investment Trusts.
- p) Balanced Fund – Balanced Allocation 60% to 70% stocks, 30% to 40% bonds. Seeks long-term capital appreciation and reasonable current income, with moderate risk. Primarily invests in large and mid capitalization value stocks and intermediate, short and long term government and investment grade corporate bonds.
- q) Target Retirement Funds – A lineup of multiple targeted maturity funds that offer a range of maturity dates that provide investors of different ages with a single solution or core investment for their retirement portfolio. Each fund gradually and automatically shifts the underlying asset allocation to become more conservative as the retirement date draws near.

H. Trustee-Directed Participant Allocation. The following investment allocation will be made for each Participating Employee's account that does not file and maintain a timely investment election form.

Age Based Default Fund utilizing the Vanguard Target Retirement Funds

I. Performance Measurement.

1. Each actively-managed investment shall be measured against the performance of its corresponding asset class and peer group as defined by performance monitoring services deemed to be acceptable by the investment consultant to the Master Trust Fund.

2. The performance of each active and passive investment shall be measured against market indexes that correspond with its investment category.

- a) Money Market Fund: 90-Day Treasury Bills
- b) Stable Value Fund: 90-Day Treasury Bills
- c) Intermediate Bond Fund: BloomBar US 5-10 Year Credit Index
- d) Total Bond Market Index Fund: BloomBar US Aggregate Bond Index
- e) Total International Bond Index Fund: BloomBar Global Aggregate Index
- f) Large Company Value: Russell 1000 Value Index
- g) Large Company Growth Fund: Russell 1000 Growth Index
- h) Large Company Index Fund: S&P 500 Index
- i) Social Index Fund: FTSE4Good US Select Index
- j) Small to Mid Cap Core: Russell 2500 Index
- k) Small Cap Index Fund: CRSP US Small Cap Index
- l) International Stock Index Fund: FTSE Global All Cap Ex US Index
- m) Emerging Markets Index Fund: FTSE Emerging Markets All Cap China A Inclusion Index
- n) International Small Cap Index Fund: FTSE Global Small Cap ex US Index

- o) Real Estate Index Fund: FTSE NAREIT Index
- p) Balanced Fund: Blended Index of 60% S&P 500 & 40% Bloomberg Aggregate Bond Indices
- q) Target Retirement Funds: S&P Target Date Indices

3. The performance of each investment may be measured against additional standards and benchmarks established by the Master Trustees from time to time as criteria for continued acceptance of each investment.

4. It is understood that the passively-managed options within the Master Trust Fund will not be measured relative to peer groups, but rather have the goal of mirroring both the risk and return of their appropriate benchmark.

J. Criteria for Evaluating Funds Selected in Each Asset Category

1. The following information shall be considered in determining if an investment option should be replaced. Once an investment is selected for the Master Trust Fund, performance will be evaluated from the date it was added to the Master Trust Fund using these criteria. At all times each mutual fund must carry a Morningstar Star rating of at least a three if available.

(a) Portfolio statistics as determined by portfolio and style analysis that demonstrates a departure from the fund's intended investment category (asset class).

(b) Termination of the Manager, material change in the management team or change in ownership.

(c) Increase in direct and indirect expenses.

(d) Actively managed funds should outperform their relevant benchmark over a 3 and 5 year time frame.

(e) Actively managed funds should rank above median compared to their relevant group over a 3 and 5 year time frame.

(f) Actively managed funds should rank above median in 2 of the last 3 rolling 1 year intervals compared with their relevant benchmarks.

(g) Passively managed funds should approximate the risk (standard deviation) and return of their relevant benchmark over all time periods.

(h) Target retirement funds should generate a sharpe ratio (risk/return statistic) that exceeds their relevant benchmark over a 3 and 5 year time frame.

(i) Any other information that may lead the Master Trustees to believe the fund is not fulfilling the intent and purpose of this policy, including performance relative to indexes specified in Section XIII.H above.

If any of these events occur, the Master Trustees shall consider whether the fund continues to be an appropriate investment for the Master Trust Fund. The Master Trustees acknowledge that fluctuating rates of return characterize the securities markets, particularly during short-term time periods. Recognizing that short-term fluctuations may cause variations in performance, the Master Trustees intend to evaluate Manager performance from a long-term perspective giving funds an opportunity to recover from periods of poor returns. If a Manager has consistently failed to adhere to one or more of the above conditions, it is reasonable to presume a lack of adherence going forward. Failure to remedy the circumstances of unsatisfactory performance by the Manager, within a reasonable time, shall be grounds for termination. Any recommendation to terminate a Manager will not be made solely based on quantitative data. Frequent changes are neither expected nor desirable. When a fund is replaced, all assets in the replaced fund will be transferred to the new fund 30 days after the Master Trustees have voted to remove the fund. Written notice to all affected Participating Employers will be sent within 10 days of the Master Trustees decision to remove the fund. All deposits previously allocated into the replaced fund will be directed to the new fund. Appropriate information about the fund replacement and new fund prospectus will be given to Participating Employees prior to the exchange.

Events that Constitute Immediate Removal of a Mutual Fund.

In an effort to maintain strict oversight of the mutual funds in which assets of the Defined Contribution Pension Plan Trust, Deferred Compensation Plan Trust, Defined Benefit Pension Plan Trust Deferred Retirement Option Program, and Other Post-Employment Benefit Plan Trust are held, the following guidelines have been developed as a basis for when a mutual fund must immediately be removed from the Master Trust Fund. Funds meeting the following criteria may be removed by the Administrator with 30 days written notice to affected Participating Employees and notification to the Chair of the Master Trustees. Written notice to all affected Participating Employers will be sent within 10 days of the decision to remove the fund. Appropriate information about the fund's replacement and new fund prospectus will be given to Participating Employees prior to the exchange.

- Management team termination
- Material and significant changes to the fund's investment policy.

2. Qualitative due diligence of each fund will be conducted on a periodic basis with appropriate parties at each investment entity. Any issue materially affecting the management staff and investment process associated with each fund will be considered, including:

- (a) Changes to the management team or the firm's ownership.
- (b) Modifications to the fund's investment policy, philosophy and decision process.

(c) Deviation of investment style, regulatory action and investigation or litigation by a government agency.

K. **Proxy Voting**. The Master Trustees will vote on all proxies issued by the mutual funds.

XIV. REVIEW AND AMENDMENTS

It is intended that the Managers, investment consultants, Administrator and Master Trustees review this investment policy periodically. If at any time a Manager or consultant believes that the specific objectives defined herein cannot be met or that the guidelines unreasonably constrict performance, the Master Trustees shall be notified in writing. By the initial and continuing acceptance of these investment guidelines, the Manager concurs with the provisions of this policy.

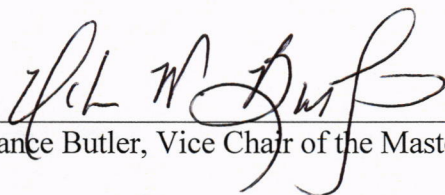
XV. FILING OF INVESTMENT POLICY

Upon adoption by the Master Trustees, this investment policy shall be promptly filed with the Department of Management Services, the Participating Employers and the Plans' actuaries, if any.

XVI. EFFECTIVE DATE

This amendment and restatement of the Florida Municipal Pension Trust Fund Investment Policy shall become effective as of June 8, 2023.

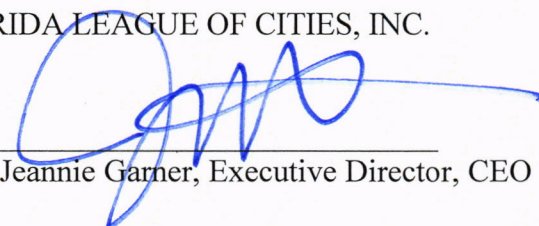
Adopted by the Master Trustees of the Florida Municipal Pension Trust Fund this 8th day of June, 2023.



Constance Butler, Vice Chair of the Master Trustees

Attest:

FLORIDA LEAGUE OF CITIES, INC.

By: 

Jeannie Garner, Executive Director, CEO

FLORIDA MUNICIPAL PENSION TRUST FUND
MASTER TRUST AGREEMENT

As Amended and Restated November 29, 2018

THIS AGREEMENT made effective as of *November 29, 2018*, amends and restates the Agreement dated as of December 16, 1983, and as previously amended and restated as of June 1, 2006 ("Agreement"), by and between all of the parties who are now or may hereafter become Participating Employers in the Florida Municipal Pension Trust Fund and the individuals named as Master Trustees pursuant to Section 109 hereof and their successors (such individuals collectively referred to as the "Master Trustees").

WITNESSETH:

WHEREAS, the Florida Constitution, Article VIII, Section 2(b), provides, in part, that municipalities shall have governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions and render municipal services, and may exercise any power for municipal purposes except as otherwise provided by law, and

WHEREAS, Section 166.021, Florida Statutes, provides, in part, that municipalities shall have the governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when expressly prohibited by law, and further defines a municipal purpose to mean any activity or power which may be exercised by the State or its political subdivisions, and

WHEREAS, in Greene v. Gray, 87 So.2d 504 (Fla. 1956), the Florida Supreme Court held public pension plans serve a public purpose, and

WHEREAS, Section 163.01, Florida Statutes, provides that a public agency of the State may exercise jointly with any other public agency of the State any power, privilege or authority which such agencies share in common, for the purpose of permitting local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage, and

WHEREAS, the initial Master Trustees established the Master Trust Fund for the purpose of receiving, holding, investing, reinvesting, managing, administering and distributing the assets of employee benefit plans maintained by Participating Employers for the exclusive benefit of eligible employees and their beneficiaries, including, without limitation, contributions by Participating Employers to such plans, and

WHEREAS, the Participating Employers with a defined benefit pension plan or plans will execute a covenant or agreement whereby each Participating Employer will covenant and agree that they will deposit their required plan contributions in the Master Trust Fund, based upon appropriate actuarial analysis of benefits or applicable agreement, and out of which lawful and proper claims are to be paid, that there will be no disbursements out of the Master Trust Fund by

way of dividends or distribution of accumulated reserves to the respective Participating Employers, and that they will make expense payments as required for plan design and administration, and

WHEREAS, the Participating Employers with a defined contribution pension plan or plans or with a deferred compensation plan or plans will execute a covenant or agreement to participate in the Master Trust Fund in accordance with the terms of this Agreement, and

WHEREAS, the Participating Employers with a post-employment benefit plan or plans other than a pension plan or plans will execute a covenant or agreement that they will deposit their contributions in the Master Trust Fund, based upon appropriate actuarial analysis of benefits or applicable agreement, and out of which lawful and proper claims are to be paid, that they will covenant and agree that there will be no disbursements out of the Master Trust Fund by way of dividends or distribution of accumulated reserves to the respective Participating Employers, and that they will make expense payments as required for plan design and administration.

NOW, THEREFORE, the parties hereto mutual agree as follows:

PART 1- GENERAL PROVISIONS

Section 100. APPLICATION.

The provisions of Part I are general administrative provisions applicable to each Part of this Agreement.

Section 101. DEFINITIONS.

The following definitions shall apply to each Part of this Agreement, unless the context of the term indicates otherwise, and shall govern the interpretation of this Agreement:

A. Administrator. The term "Administrator" shall mean the Florida League of Cities, Inc. or any successor designated by the Master Trustees to administer the Master Trust Fund and the Plans.

B. Beneficiary. The term "Beneficiary" shall mean a person designated by a Participating Employee to be entitled to a Benefit in case of death of the Participating Employee in accordance with the terms of the applicable Plan.

C. Benefits. The term "Benefits" shall mean any and all benefits provided for Participating Employees and their Beneficiaries payable from the assets of the Master Trust Fund or the assets of a Plan, or the policies of insurance providing for such payments, or both, upon certification by the Participating Employer of eligibility for such benefits.

D. Custodian. The term "Custodian" shall mean the banks, mutual funds, insurance companies or other qualified entities selected by the Master Trustees, under a separate written document with each, to hold the assets of the Master Trust Fund or the assets of any Plan.

E. Deferred Compensation Plan Trust. The term "Deferred Compensation Plan Trust" shall mean the trust created herein that holds the assets of the participating deferred compensation plans.

F. Defined Benefit Pension Plan Trust. The term "Defined Benefit Pension Plan Trust" shall mean the trust created herein that holds the assets of the participating defined benefit pension plans.

G. Defined Contribution Pension Plan Trust. The term "Defined Contribution Pension Plan Trust" shall mean the trust created herein that holds the assets of the participating defined contribution pension plans.

H. Employee. The term "Employee" shall mean the employees and officials of each Employer under a classification established by each Employer and accepted by the Master Trustees.

I. Employer. The term "Employer" shall mean every municipality established within, or public agency or political subdivision of, the State of Florida or, where appropriate, the local board of trustees established pursuant to applicable law.

J. Investment Policy. The term "Investment Policy" shall mean the Florida Municipal Pension Trust Fund Investment Policy, as amended.

K. IRC. The term "IRC" shall mean the Internal Revenue Code of 1986, as amended, and, as relevant in context, the Internal Revenue Code of 1954, as amended.

L. Master Trust Fund. The term "Master Trust Fund" shall mean the Florida Municipal Pension Trust Fund, comprised of all of the assets of the Defined Benefit Pension Plan Trust, Defined Contribution Pension Plan Trust, Deferred Compensation Plan Trust and Other Post-Employment Benefit Plan Trust, which shall include all assets of the Plans.

M. Master Trustees. The term "Master Trustees" shall mean the individuals who serve as trustees of the Master Trust Fund pursuant to Section 109 hereof and their successors.

N. Open Architecture Investment. The term "Open Architecture Investment" shall mean a Participating Employer that has been acknowledged through the Trust Joinder Agreement to select and oversee the investment options under and for the FMPTF 401(a) Defined Contribution Retirement plan and/or FMPTF 457(b) Deferred Compensation plan, rather than using the investment options selected by the Master Trustees. Under Open Architecture Investment, the Master Trustees and Plan Administrator are responsible for only the administrative services provided to the Defined Contribution Retirement plan and/or the Deferred Compensation plan.

O. Other Post-Employment Benefit Plan Trust. The term "Other Post-Employment Benefit Plan Trust" shall mean the trust created herein that holds the assets of the participating post-employment benefit plans other than pension plans.

P. Participating Employee. The term "Participating Employee" shall mean any eligible Employee of a Participating Employer.

Q. Participating Employer. The term "Participating Employer" shall mean an Employer which becomes a party to this Agreement by executing a Trust Joinder Agreement as provided in Section 102 hereof.

R. Plans. The term "Plans" shall mean the defined benefit pension plan or plans, the defined contribution pension plan or plans, the deferred compensation plan or plans and the post-employment benefit plan or plans other than pension plans, which are maintained by Participating Employers pursuant to any applicable statute, regulation, ordinance, resolution, plan, program, policy, agreement, understanding or other arrangement for the benefit of eligible employees and their beneficiaries.

S. State. The term "State" shall mean the State of Florida.

Section 102. PARTICIPATING EMPLOYERS.

A. Approval. The Master Trustees shall be the sole judge of whether an Employer is eligible to become a Participating Employer. The Master Trustees may delegate the ministerial authority for membership approval to the Administrator.

B. Trust Joinder Agreement. Each Employer makes its election to become a Participating Employer by executing a Trust Joinder Agreement in such form and intent as provided by the Master Trustees. By executing the Trust Joinder Agreement, the Employer agrees to be bound by all the terms and provisions of this Agreement, the Trust Joinder Agreement and all rules and regulations adopted by the Master Trustees under this Agreement.

C. Continuing as a Participating Employer. A Participating Employer shall be entitled to continue to be a Participating Employer as determined from time to time by the Master Trustees.

Section 103. MANAGEMENT OF ASSETS OF THE MASTER TRUST FUND.

A. Authority of Master Trustees. Except as set forth in subsections B, C, D, E, or H of this Section, and except as otherwise provided by law, the Master Trustees shall have exclusive authority and discretion to manage and control the assets of the Master Trust Fund held by them pursuant to the guidelines established by the Master Trustees in the Investment Policy.

B. Investment Managers. The Master Trustees, from time to time, may appoint one (1) or more independent Investment Managers ("Investment Manager"), pursuant to a written investment management agreement with each, describing the powers and duties of the Investment Manager to invest and manage all or a portion of the Master Trust Fund. The Investment Manager shall have the power to direct the management, acquisition or disposition of that portion of the Master Trust Fund for which the Investment Manager is responsible.

The Master Trustees shall be responsible for ascertaining that each Investment Manager, while acting in that capacity, satisfies the following requirements:

1. The Investment Manager is either (i) registered as an investment adviser under the Investment Advisers Act of 1940, as amended; (ii) a bank as defined in that Act; (iii) an insurance company qualified to perform the services described herein under the

laws of more than one state; or (iv) a pooled investment program for governmental entities created pursuant to Section 163.01, Florida Statutes; and

2. The Investment Manager has acknowledged in writing to the Master Trustees that it is a fiduciary with respect to the Plan or Plans with assets in the portion of the Master Trust Fund for which the Investment Manager has responsibility for management, acquisition or disposition.

C. Investment Manager Duties. Subject to the approval of the Master Trustees, each Investment Manager shall establish and carry out an investment policy and method for the portion of the Master Trust Fund for which it is responsible that is consistent with the objectives of the Investment Policy and the particular Plan or Plans with assets in the portion of the Master Trust Fund for which the Investment Manager has responsibility for management, acquisition or disposition. At least annually, the Investment Manager shall review its investment policy and method with the Master Trustees. The Investment Manager shall also make investments in a manner that is consistent with applicable law, and, as advised by the Administrator, the cash requirements of the Plans.

Each Investment Manager shall no less than annually or at the request of the Master Trustees certify the value of any securities or other property of the Master Trust Fund managed by such Investment Manager. The Master Trustees shall be entitled to rely conclusively upon such valuation for all purposes under the trust for the Plans.

D. Absence of Master Trustees' Responsibility for Investment Manager. The Master Trustees shall not be liable for any act or omission of any Investment Manager and shall not be under any obligation to invest or otherwise manage the assets of the Master Trust Fund or of the Plans that are subject to the management of any Investment Manager. Without limiting the generality of the foregoing, the Master Trustees shall not be liable by reason of their taking or refraining from taking at the direction of any Investment Manager any action pursuant to this Section, or pursuant to a notification of an order to purchase or sell securities issued by any Investment Manager, nor shall the Master Trustees be liable by reason of their refraining from taking any action because of the failure of any Investment Manager to give such direction or order; the Master Trustees shall be under no duty to question or to make inquiries as to any direction or order or failure to give any direction or order by any Investment Manager; the Master Trustees shall be under no duty to make any review of an investment acquired for any investment fund at the direction or order of any Investment Manager; and the Master Trustees shall be under no duty at any time to make any recommendation with respect to disposing of or continuing to retain any such investment.

E. Investment of Chapters 175 and 185 Funds. To the extent the Master Trustees determine that delegation of investment authority to Participating Employers with a defined benefit plan or plans is required pursuant to Chapters 175 or 185, Florida Statutes, then such powers as set forth in paragraph A of this Section shall be so delegated.

F. Reporting. The Master Trustees shall be responsible for and shall cause to be filed such annual or periodic audits, valuations, reports and disclosures as are required by law or agreements.

The Master Trustees may employ professional advisors to prepare such audits, valuations, reports and disclosures and the cost of such professional advisors shall be borne by the Master Trust Fund.

G. Commingling Assets. Except to the extent prohibited by applicable law, the Master Trustees may commingle the assets of all Participating Employers and Participating Employees held by the Master Trustees under this Agreement for investment purposes in the Master Trust Fund and shall hold the Master Trust Fund in trust and manage and administer the same in accordance with the terms and provisions of this Agreement and the Plans. However, the assets of Participating Employers and Participating Employees in the various trusts included in the Master Trust Fund shall be accounted for separately. The Master Trustees and the Administrator shall be under no duty to determine whether the amount of any contribution is in accordance with the Plans, or to collect or enforce payment of any contribution. Separate investment funds within the Master Trust Fund and varying percentages of investment in any such separate investment fund by the Participating Employers and Participating Employees, to the extent so determined by the Master Trustees, are expressly permitted.

H. Open Architecture Investment. Notwithstanding any provisions of this Agreement to the contrary, a Participating Employer that has been acknowledged through the Trust Joinder Agreement may elect Open Architecture Investment. If a Participating Employer selects Open Architecture Investment, the Participating Employer will be responsible for selecting and overseeing Plan investment option(s), including default option(s), rather than using the investment options selected by the Master Trustees. Notwithstanding any provisions of this Agreement to the contrary, a Participating Employer acknowledges by the selection of Open Architecture Investment that neither the Plan Administrator nor the Master Trustees have any responsibility for and shall not have any liability relating to the selection or oversight of Plan investment options. The Master Trustees shall have no fiduciary duty or any liability for an investment option or any loss sustained by a Participating Employer, Participating Employee, Beneficiary, or Alternate Payee whose Account in whole or in part is invested through Open Architecture Investment.

Section 104. ADMINISTRATIVE POWERS AND DUTIES.

A. Administrator. The Administrator shall serve as Secretary-Treasurer of the Master Trust Fund and shall have the power and authority to implement policy matters set by the Master Trustees as they relate to the on-going operation and supervision of the Master Trust Fund and the provisions of this Agreement and applicable law.

B. Master Trustees. The Master Trustees shall have and in their sole and absolute discretion may exercise from time to time and at any time, either through their own actions or through a Custodian selected by the Master Trustees, the following administrative powers and authority with respect to the Master Trust Fund.

1. To continue to hold any property of the Master Trust Fund that becomes otherwise unsuitable for investment for as long as the Master Trustees in their discretion deem desirable; to reserve from investment and keep unproductive of income, without liability for interest, cash temporarily awaiting investment and such cash as they deem

advisable, or as the Administrator from time to time may specify, in order to meet the administrative expenses of the Master Trust Fund or anticipated distributions therefrom.

2. To hold property of the Master Trust Fund in their own names or in the name of a nominee or nominees, without disclosure of the trust, or in bearer form so that it will pass by delivery, but no such holding shall relieve the Master Trustees of their responsibility for the safe custody and disposition of the Master Trust Fund in accordance with the provisions of this Agreement; the books and records of the Master Trustees shall show at all times that such property is part of the Master Trust Fund and the Master Trustees shall be absolutely liable for any loss occasioned by the acts of their nominee or nominees with respect to securities registered in the name of the nominee or nominees.
3. To organize and incorporate under the laws of any state they may deem advisable one or more corporations (and to acquire an interest in any such corporation that they may have organized and incorporated) for the purpose of acquiring and holding title to any property, interests or rights that the Master Trustees are authorized to acquire under Section 103 hereof.
4. To employ in the management of the Master Trust Fund suitable agents, without liability for any loss occasioned by any such agents selected with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.
5. To make, execute and deliver, as trustee, any deeds, conveyances, leases, mortgages, contracts, waivers or other instruments in writing that they may deem necessary or desirable in the exercise of its powers under this Agreement.
6. To do all other acts that they may deem necessary or proper to carry out any of the powers set forth in Section 103 or 106 or this Section, to administer or carry out the purposes of the Master Trust Fund or any Plan, or as otherwise is in the best interests of the Master Trust Fund or any Plan; provided, however, the Master Trustees need not take any action unless in their opinion there are sufficient Master Trust Fund assets available for the expense thereof.
7. To adopt bylaws governing the Master Trustees' operations and procedures.
8. To contract with municipal corporations, political subdivisions and other public entities of State or of local government and private entities for the provision of Plan services and for the use or furnishing of services and facilities necessary, useful, or incident to providing Plan services.
9. To contract with public or private entities for the provision of administrative services.
10. To adopt plans, trust agreements, investment guidelines and other documents necessary or desirable for the Plans.

11. To charge fees for administrative services in addition to any fees charged by other administrative service providers.

12. To collect and disburse all funds due or payable from the Master Trust Fund, under the terms of the Plans.

13. To provide for and promulgate all rules, regulations, and forms deemed necessary or desirable in contracting with Participating Employers and Participating Employees, in fulfilling the Master Trustees' purposes of providing benefits through the Master Trust Fund and Plans, and in maintaining proper records and accounts.

14. To employ insurance companies, banks, trust companies, investment brokers, investment advisors, or others as agents for the receipt and disbursement of funds held in trust for Participating Employers and Participating Employees in the Plans.

15. To participate in a tax-exempt group trust that has been determined by the Internal Revenue Service to be a pooled fund arrangement pursuant to Revenue Ruling 81-100.

16. To determine, consistent with the applicable law and the claims procedure under the Plans, all questions of law or fact that may arise as to investments and the rights of any person claiming rights under the Plans, including without limitation, Participating Employees, former Participating Employees, and Beneficiaries.

17. Subject to and consistent with the IRC, to construe and interpret the Master Trust Agreement and to correct any defect, supply any omissions, or reconcile any inconsistency in the Agreement.

18. To contract for, purchase or otherwise procure insurance and investment products.

19. To register any Master Trust Fund asset in the name of the Master Trust Fund or in the name of its agent or nominee or to hold any instrument in bearer form (but the books and records of the Plans shall at all times show that such investments are part of the Master Trust Fund).

Section 105. TAXES, EXPENSES AND COMPENSATION OF MASTER TRUSTEES.

A. Taxes. The Master Trustees, without direction from the Administrator, shall pay out of the Master Trust Fund all taxes imposed or levied with respect to the Master Trust Fund, or any part thereof, under applicable law, and, in their discretion, may contest the validity or amount of any tax, assessment, claim or demand respecting the Master Trust Fund or any part thereof.

B. Expenses and Compensation. The Master Trustees are authorized to set aside from Participating Employer and Participating Employee contributions received and the investment income earned thereon a reasonable sum for the operating expenses and administrative expenses of the Master Trust Fund and the Plans. All remaining funds coming into the Master Trustees shall be set aside, managed and used only for the payment of Benefits as set forth in the applicable Plan.

The Master Trustees may establish from time to time a reasonable amount of compensation to cover attendance at meetings by the Master Trustees and the Administrator in the performance of the normal duties of the Master Trustees or Administrator, which compensation may include reimbursement for necessary expenses incurred therein.

C. Payment of Expenses. The Master Trustees may use and apply assets in the Defined Benefit Pension Plan Trust, Deferred Compensation Plan Trust, Defined Contribution Pension Plan Trust and Other Post-Employment Benefit Plan Trust as part of and in the Master Trust Fund to pay or provide for the payment of all reasonable and necessary expenses which may be incurred in connection with the establishment and maintenance of the Defined Benefit Pension Plan Trust, Deferred Compensation Plan Trust, Defined Contribution Pension Plan Trust and Other Post-Employment Benefit Plan Trust, including but not limited to, the employment of such administrative, legal, accounting, and other expert and clerical assistance, the leasing of such premises and the purchase or lease of such materials, supplies and equipment as the Master Trustees, in their discretion, may deem necessary or appropriate in the performance of their duties, or the duties of the agents or employees of the Master Trust Fund or the Master Trustees.

Section 106: GENERAL DUTIES AND MEETINGS OF THE MASTER TRUSTEES.

A. General Duties. The Master Trustees and each Investment Manager appointed pursuant to this Agreement shall discharge their respective duties under this Agreement solely in the interest of the Participating Employers and Participating Employees in the Plans and their Beneficiaries and: (i) for the exclusive purpose of providing Benefits to such Participating Employees and their Beneficiaries and defraying reasonable expenses of administering the Plans; (ii) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims; and (iii) by diversifying the investments of the Plans so as to minimize the risk of large losses, unless, under the circumstances, it is clearly prudent not to do so. However, the duties and obligations of the Master Trustees and each Investment Manager, respectively, as such, shall be limited to those expressly imposed upon them, respectively, by this Agreement notwithstanding any reference herein to the Plans.

1. Authority of the Master Trustees. The Master Trustees shall have the power and authority and shall be charged with the duty of general supervision and operation of the Master Trust Fund, and shall conduct the business and activities of the Master Trust Fund in accordance with this Agreement and applicable law. The Master Trustees shall not exercise any powers in a manner that is inconsistent with this Agreement.

2. Approval of New Members. The Master Trustees or other designee shall receive applications from Employers for membership in the Master Trust Fund and shall approve or disapprove such applications for membership in accordance with the terms of this Agreement, the Trust Joinder Agreement and the rules and regulations established by the Master Trustees for admission of new members to the Master Trust Fund. The Master Trustees shall have total discretion in determining whether to accept a new member. The Master Trustees may delegate the authority for membership approval to the Administrator or its designees. In the event that the Plan proposed by the applicant is a defined benefit plan, then, if required by the Plan and before the applicant is approved for membership, the

Plan must be approved for actuarial soundness by the Administrator and must comply with Chapter 112, Florida Statutes.

3. Master Trustees' Liabilities. No Master Trustee shall be liable for any action taken pursuant to this Agreement in good faith or for an omission except bad faith or gross negligence, or for any act of omission or commission by any other Master Trustee. The Master Trustees are hereby authorized and empowered to obtain, at the expense of the Master Trust Fund, liability insurance fully protecting the respective Master Trustees, the Administrator, and the Master Trust Fund from any loss or expense incurred, including reasonable attorney's fees, for all acts of the Master Trustees except bad faith or gross negligence. The Master Trust Fund hereby agrees to save, hold harmless and indemnify the Master Trustees and Administrator from any loss, damage or expense incurred by said persons or entities while acting in their official capacity excepting bad faith or gross negligence.

4. Standard of Review. In evaluating performance of the Master Trustees, compliance by the Master Trustees with this Agreement must be determined in light of the facts and circumstances existing at the time of the Master Trustees' decision or action and not by hindsight.

5. Limitations on Liabilities. The Master Trustees' responsibilities and liabilities shall be subject to the following limitations:

(a) The Master Trustees shall have no duties other than those expressly set forth in this Agreement or the Plans and those imposed on the Master Trustees by applicable laws.

(b) The Master Trustees shall be responsible only for money and property actually received by the Master Trustees, and then to the extent described in this Agreement. The Master Trustees shall not be under any duty to require payment of any contribution to the Master Trust Fund or to see that any payment made to them is computed in accordance with the provisions of the Plans.

(c) The Master Trustees shall not be responsible for the correctness of any determination of payments or disbursements from the Master Trust Fund.

(d) The Master Trustees shall have no liability for the acts or omissions of any predecessor or successor in office.

(e) The Master Trustees shall have no liability for (i) the acts or omissions of any Investment Manager or Managers; (ii) the acts or omissions of any insurance company; (iii) the acts or omissions of any mutual fund; or (iv) following directions that are given to the Master Trustees by the Participating Employer, Participating Employees or the Administrator in accordance with this Agreement or the Plans.

(f) The Master Trustees shall have no liability for an investment option or any loss sustained by a Participating Employer, Participating Employee,

Beneficiary, or Alternate Payee whose Account in whole or in part is invested through Open Architecture Investment.

B. Reliance on Counsel. The Master Trustees may employ, retain or consult with legal counsel, who may be counsel for the Administrator, the Florida League of Cities, Inc., any of the Plans or any Master Trustee, in their individual capacities concerning any questions which may arise with reference to the duties and powers or with reference to any other matter pertaining to this Agreement; and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Master Trustees in good faith in accordance with the opinion of such counsel, and the Master Trustees shall not be liable therefor.

C. Meetings. The Master Trustees shall meet at least semi-annually, and more frequently if called, at the principal office of the Master Trust Fund or at such other location as may be acceptable to a majority of the Master Trustees. The Chairman of the Master Trustees or his designee shall set the date, time and location of each meeting, and notice shall be furnished to each Master Trustee by the Administrator not less than ten (10) days prior to the date of the meeting and may specify the purpose and any action proposed to be taken at the meeting. Furthermore, such notice shall be directed to the Master Trustees by mail to the respective addresses of the Master Trustees as recorded in the office of the Master Trust Fund. The Chairman or any two (2) other Master Trustees may direct the Administrator to send the prerequisite notice for any special meeting of the Master Trustees.

For the purposes of a duly called meeting of the Master Trustees, a quorum shall exist if a majority of the Master Trustees are present.

The Administrator or its designee shall keep minutes of all meetings, proceedings and acts of the Master Trustees, but such minutes need not be verbatim. Copies of all minutes of the Master Trustees shall be sent by the Administrator or its designee to the Master Trustees.

All actions by, and decisions of, the Master Trustees shall be by vote of a majority of the Master Trustees attending a duly called regular or special meeting of the Master Trustees at which a quorum is present.

D. Office of the Master Trust Fund. The Master Trustees shall establish, maintain and provide adequate funding for an office for the administration of the Master Trust Fund. The address of such office is to be made known to the parties interested in or participating in the Master Trust Fund and to the appropriate governmental agencies. The books and records pertaining to the Master Trust Fund and its administration shall be kept and maintained at the office of the Master Trust Fund.

E. Execution of Documents. A certificate signed by the Chairman of the Master Trustees, or such other person as may be designated by the Master Trustees, shall be evidence of the action of the Master Trustees, and any such certificate or other instrument so signed shall be kept and maintained at the office of the Master Trust Fund and may be relied upon as an action of the Master Trustees.

F. Appointment of Administrator. The Master Trustees shall designate and provide compensation for an Administrator to administer the affairs of the Master Trust Fund. An

Administrator so appointed shall furnish a fidelity bond with the Master Trustees as obligee. The Master Trustees shall determine the amount of the fidelity bond and evidence of the bond shall be available to the appropriate governmental agencies.

G. Unclaimed Benefit Payments. If any check or share certificate in payment of a Benefit under this Agreement or any Plan, which has been mailed by regular United States first-class mail to the last address of the payee furnished to the Master Trustees or the Administrator, is returned unclaimed, the Master Trustees or the Administrator shall discontinue further payments to such payee until they receive further instructions, subject to any applicable unclaimed property act provisions. The Master Trustees or Administrator shall further take reasonable actions to locate such payees.

H. Duty to Furnish Information. Both the Administrator and the Master Trustees shall furnish to each other any document, report, return, statement or other information that the other reasonably deems necessary to perform duties imposed under this Agreement or otherwise imposed by law.

I. Authority of Individual Master Trustees. The Master Trustees may delegate a particular function, power or authority to an individual Master Trustee (the "Individual Master Trustee"). When such delegation occurs, no person dealing with the Individual Master Trustee shall be required to make inquiry as to the authority of the Individual Master Trustee to do any act hereunder. Any such person shall be entitled, conclusively, to assume that the Individual Master Trustee is properly authorized to do any act, which he/she purports to do hereunder, and any such person shall be under no liability to any person, whomsoever, for any act done hereunder pursuant to such written direction of the Individual Master Trustee. When such action is so authorized by an Individual Master Trustee, any such person may assume conclusively that the Individual Master Trustee has full power and authority to receive and give receipt for any money or property becoming due and payable to the Master Trustees, and no such person shall be bound to inquire as to the disposition or application of any money or property paid or delivered to the Individual Master Trustee, or paid or delivered in accordance with such written direction of the Individual Master Trustee.

J. Reliance on Communications. The Master Trustees may rely upon a certification of the Administrator with respect to any instruction, direction, or approval of the Administrator and may continue to rely upon such certification until a subsequent certification is filed with the Master Trustees. The Master Trustees shall have no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as fully authorized by the Administrator.

Section 107. ACCOUNTS.

The Master Trustees shall keep or cause to be kept at the expense of the Master Trust Fund accurate and detailed accounts of all their receipts, investments and disbursements under this Agreement and the Plans, with the Master Trustees accounting separately for each Investment Manager's portion of the Master Trust Fund.

Section 108. COMMUNICATIONS.

Until notice is given to the contrary, communication to the Master Trustees shall be sent to them at the Master Trust Fund's office at 301 South Bronough Street, Suite 300, Tallahassee, FL 32302 and communications to the Administrator shall be sent to 301 South Bronough Street, Suite 300, Tallahassee, FL 32302.

Section 109. APPOINTMENT, RESIGNATION OR REMOVAL OF MASTER TRUSTEES.

A. Master Trustees. The operation and administration of the Master Trust Fund shall be the full responsibility of the Master Trustees selected from the ranks of elected officials of municipal governments participating in the Plans.

B. Appointment of Master Trustees and Length of Appointment. The number of Master Trustees shall be five (5).

1. The first group of Master Trustees was selected by the President of the Florida League of Cities, Inc. or his designee in order to create an interim group of Master Trustees to establish the Plans. This interim group of Master Trustees served until successor Master Trustees were elected. The first group of Master Trustees was composed of five (5) Master Trustees. The initial terms of the Master Trustees was as follows: two (2) individual Master Trustees selected for a one- (1-)year term and three (3) individual Master Trustees selected for a two- (2-)year term. The terms thereafter shall be for three (3) years.

2. Beginning in January, 1986 the Master Trustees shall solicit nominations from the Participating Employers for Master Trustee and such nominees shall constitute the basis for the election of Master Trustees by the majority vote of the Master Trustees then in office. The Master Trustees may be re-elected but no Master Trustee shall serve more than two (2) consecutive three- (3-) year terms. In the event a Master Trustee is elected to fill an unexpired term, the unexpired term shall not be included in the two- (2-) term limitation provided herein. Replacement Master Trustees shall be elected from nominations provided by Participating Employers and vacancies shall be filled by the majority vote of the Master Trustees then in office from the nominees offered by such Participating Employers.

3. No individual Master Trustee may be elected or continue to serve as a Master Trustee after becoming an owner, officer or employee of the Administrator or a Custodian.

4. Each Master Trustee and each successor Master Trustee shall acknowledge and consent to his election as a Master Trustee by giving written notice of acceptance of such election to the Chairman of the Master Trustees.

C. Resignation of a Master Trustee.

1. A Master Trustee may resign from all duties and responsibilities under this Agreement by giving not less than sixty (60) days prior written notice sent by registered mail to the Chairman of the Master Trustees. Such notice shall state the date such

resignation shall take effect and such resignation shall take effect on such date unless a successor Master Trustee shall have been elected at an earlier date by the Master Trustees in which event such resignation shall take effect immediately upon the election of the successor Master Trustee.

2. Any Master Trustee, upon leaving office, shall forthwith turn over and deliver to the Chairman of the Master Trustees at the principal office of the Master Trust Fund any and all records, books, documents or other property in his or her possession or under his or her control which belongs to the Master Trust Fund.

D. Removal of a Master Trustee. Each Master Trustee, unless due to the resignation, death, incapacity, or refusal to act, shall serve and shall continue to serve subject to the provisions of this Agreement.

A Master Trustee shall relinquish his or her office or may be removed by a majority vote of the Master Trustees ipso facto when he or she no longer serves in an official capacity with the Participating Employer by which he or she was nominated or when the Employer is no longer a Participating Employer in the Master Trust Fund. Notice of removal of a Master Trustee shall be furnished to the other Master Trustees by the Chairman of the Master Trustees and shall set forth the effective date of such removal.

E. Appointment of a Successor Master Trustee. In the event a Master Trustee shall die, resign, become incapacitated, or refuse to act, a successor Master Trustee shall be elected forthwith by the Master Trustees. The notice of the election of a successor Master Trustee shall be furnished to the other Master Trustees by the Chairman of the Master Trustees, and shall be accompanied by the acceptance of the successor Master Trustee.

F. Master Trustees Rights. In case of the death, resignation or refusal or inability to act of any one or more of the Master Trustees, the Master Trustees shall have the powers, rights, estates and interests of this Agreement as Master Trustees and shall be charged with the duties of this Agreement; provided in such cases, no action may be taken unless it is concurred in by a majority of the remaining Master Trustees.

G. Appointment of Chairman. The Master Trustees may appoint or remove a Chairman at any time who shall have such authority, duties and responsibilities as may be set forth in this Agreement from time to time and as provided under applicable law.

Section 110. AMENDMENT OR TERMINATION OF THIS AGREEMENT; TERMINATION OF PLANS.

A. Amendment. This Agreement and the trusts created hereby may be amended in writing at any time by the concurrence of a majority of the Master Trustees. No amendment to this Agreement, which directly affects the scope of powers of the Master Trustees, terms of office or the selection of Master Trustees shall become effective without the concurrence of the Board of Directors of the Florida League of Cities, Inc.

No change which specifically affects the exercise of powers by the Master Trustees or the fiduciary responsibilities of the Master Trustees to Participating Employers and Participating

Employees shall be required to be approved by the Board of Directors of the Florida League of Cities, Inc., nor shall this Section be construed to give the Board of Directors of the Florida League of Cities, Inc. the power to exercise any fiduciary responsibility of the Master Trustees or to interfere with the exercise of those responsibilities by the Master Trustees.

This Agreement may not be amended so as to change its purpose as set forth herein or to permit the diversion or application of any funds of the Master Trust Fund or of the Plans for any purpose other than those specified herein. The Master Trustees, upon adoption of an amendment to this Agreement, shall send a copy of any such amendment to the Participating Employers.

B. Termination. This Agreement and any trust created hereby may be terminated at any time by the Master Trustees with respect to an Employer when the Employer's participation in a participating Plan is terminated or when a Trust Joinder Agreement has been terminated. The Defined Contribution Pension Plan Trust may be terminated in its entirety when all of the participating defined contribution pension plans have been terminated in their entirety or have terminated their participation in the Defined Contribution Pension Plan Trust. The Deferred Compensation Plan Trust may be terminated in its entirety when all of the participating deferred compensation plans have been terminated in their entirety or have terminated their participation in the Deferred Compensation Plan Trust. The Other Post-Employment Benefit Plan Trust may be terminated in its entirety when all of the participating other post-employment benefit plans have been terminated in their entirety or have terminated their participation in the Other Post-Employment Benefit Plan Trust. The Defined Benefit Pension Plan Trust may be terminated in its entirety pursuant to Florida law. This Agreement and the Master Trust Fund may be terminated in their entirety pursuant to Florida law.

In case of a termination of this Agreement, either in whole or in part, the Master Trustees (subject to the provisions of Section 111 hereof and reserving respectively such sums as the Master Trustees shall deem necessary in settling their respective accounts and to discharge any obligation of the Master Trust Fund for which as trustees the Master Trustees shall be liable) shall hold, apply, transfer or distribute the affected assets of the Master Trust Fund in accordance with the applicable provisions of this Agreement and the affected Plans. Upon any termination, in whole or in part, of this Agreement and the trusts created hereby, the Master Trustees shall have a right to have their respective accounts settled as provided in Section 112.

In the case of the complete or partial termination of this Agreement as to one or more Employers, including a termination arising from the discontinuance or delinquency of contributions, the affected assets of the Master Trust Fund shall continue to be held pursuant to the direction of the Master Trustees, for the benefit of affected Participating Employees and Beneficiaries, pursuant to the benefit provisions of the affected Plan. This Agreement shall remain in full effect with respect to each Participating Employer that does not terminate its participation in the Master Trust Fund on behalf of its Participating Employees, or whose participation is not terminated by the Master Trustees. In the event of a complete termination of the Master Trust Fund, or of the complete termination of the Defined Contribution Pension Plan Trust, the Deferred Compensation Plan Trust, the Defined Benefit Pension Plan Trust or the Other Post-Employment Benefit Plan Trust, the Master Trustees will take reasonable steps to avoid a distribution to the Participating Employees and Beneficiaries, except pursuant to benefit options under the provisions of the participating Plans, including transfers to successor plan(s). However, if distributions must

be made, the Administrator shall be responsible for directing distribution of all affected assets of the Master Trust Fund to Participating Employees and Beneficiaries.

Distributions under a participating Plan of existing accounts or accrued benefits to the Participating Employees and Beneficiaries affected by the termination are subject to the benefit provisions of the Plan. However, if a Participating Employer requests a plan-to-plan transfer of Plan assets with respect to the Participating Employer's Participating Employees, the Master Trustees may in their discretion make the transfer.

Notwithstanding the foregoing, the Master Trustees shall not be required to pay out any assets of the Master Trust Fund to Participating Employees and Beneficiaries or a successor plan upon termination of this Agreement or the Master Trust Fund, in whole or in part, until the Master Trustees have received written certification from the Administrator (i) that all provisions of law with respect to such termination have been complied with, including the termination of a Plan; and (ii) after the Master Trustees have made a determination of the fair market value of the assets of a Plan, that the assets of the Plan are sufficient to discharge when due all obligations of the Plan required by law. The Master Trustees shall rely conclusively on such written certification and shall be under no obligation to investigate or otherwise determine its propriety.

When the assets of the Master Trust Fund affected by a termination have been applied, transferred or distributed and the accounts of the Master Trustees have been settled, then the Master Trustees shall be released and discharged from all further accountability or liability respecting the trust or trusts, or portions thereof, affected by the termination and shall not be responsible in any way for the further disposition of the assets of the trust or trusts, or portions thereof, affected by the termination or any part thereof so applied, transferred or distributed.

Section 111. PROHIBITION OF ASSIGNMENT OF INTEREST.

No interest, right or claim in or to any part of the Master Trust Fund or the funds of the Plans, or any payment therefrom shall be assignable, transferable or subject to sale, mortgage, pledge, hypothecation, commutation, anticipation, garnishment, attachment, execution or levy of any kind, and the Master Trustees shall not recognize any attempt to assign, transfer, sell, mortgage, pledge, hypothecate, commute or anticipate the same, except to the extent required by law.

Section 112. MISCELLANEOUS.

A. Titles. The titles to Parts and Sections of this Agreement are placed herein for convenience of reference only, and the Agreement is not to be construed by reference thereto.

B. Professional Administrator. The Administrator may delegate any of its obligations under this Agreement to a professional administrator.

C. Successors. This Agreement shall bind and inure to the benefit of the successors and assigns of the Florida League of Cities, Inc., the Master Trustees, the Participating Employers and the Participating Employees.

D. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one instrument, which may be sufficiently evidenced by any counterpart. Any Participating Employer that formally applies for participation in this Agreement by executing a Trust Joinder Agreement and is accepted by the Master Trustees shall thereupon become a party to this Agreement and be bound by all of the terms and conditions thereof, and said Trust Joinder Agreement shall constitute a counterpart of this Agreement.

E. Jurisdiction. This Agreement shall be interpreted, construed and enforced, and the trust or trusts created hereby shall be administered, in accordance with the laws of the United States and of the State of Florida.

F. Situs of the Trust. The situs of the trust or trusts created hereby is the State of Florida. All questions pertaining to its validity, construction, and administration shall be determined in accordance with the laws of the State of Florida. Venue for any action regarding this Agreement is Leon County, Florida.

G. Construction. Whenever any words are used in this Agreement in the masculine gender, they shall be construed as though they were also used in the feminine or neuter gender in all situations where they would so apply and whenever any words are used in this Agreement in the singular form, they shall be construed as though they were also used in the plural form in all situations where they would so apply, and whenever any words are used in this Agreement in the plural form, they shall be construed as though they were also in the singular form in all situations where they would so apply.

H. Fiscal Year. The Master Trust Fund and all trusts created by it shall operate on a fiscal year from 12:01 a.m. October 1st to midnight of the last day in September in the following year or as otherwise provided by the participating Plan. Application for participation in this Agreement, when approved in writing by the Master Trustees or their designee, shall constitute a continuing contract for each succeeding fiscal year unless cancelled by the Master Trustees or unless the Participating Employer resigns or withdraws from this Agreement by written notice.

I. Parties Bound. This Agreement shall be binding upon the parties hereto, the Participating Employers and the Participating Employees in any Plan and persons claiming under or through them pursuant to any Plan, and, as the case may be, the heirs, executors, administrators, successors and assigns of each of them.

J. Necessary Parties to Disputes. Necessary parties to any accounting, litigation or other proceedings relating to this Agreement shall include only the Master Trustees and the Administrator. The settlement or judgment in any such case in which the Master Trustees are duly served or cited shall be binding upon all Participating Employers and Participating Employees in any Plan and their Beneficiaries and estates, and upon all persons claiming by, through or under them.

K. Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of the Agreement shall continue to be fully effective. If any provision of the Agreement is held to violate the IRC

or to be illegal or invalid for any other reason, that provision shall be deemed to be null and void, but the invalidation of that provision shall not otherwise affect any Plan or trust created by this Agreement.

PART 2 - DEFINED BENEFIT PENSION PLAN TRUST

Section 200. APPLICATION.

The provisions of Part 2 apply to the Defined Benefit Pension Plan Trust and the participating defined benefit pension plans of Participating Employers.

Section 201. ESTABLISHMENT AND PURPOSE OF TRUST FOR DEFINED BENEFIT PENSION PLANS.

A. Establishment of Trust For Defined Benefit Pension Plans. The Participating Employers with a defined benefit pension plan or plans establish with the Master Trustees, and the Master Trustees hereby accept, a Defined Benefit Pension Plan Trust for the exclusive benefit of Participating Employees and Beneficiaries of Participating Employers consisting of such cash or other property acceptable to the Master Trustees as shall be transferred to the Master Trustees from time to time by the trustee of any Participating Employer with a defined benefit pension plan or plans, as provided in Section 202 hereof, for investment in the Master Trust Fund, together with the earnings, income, additions and appreciation thereon and thereto.

B. Purposes of Defined Benefit Pension Plan Trust. The Master Trustees may use and apply assets in the Defined Benefit Pension Plan Trust, as part of the Master Trust Fund, for the following purposes:

1. At no time prior to the satisfaction of all liabilities with respect to Participating Employees and their Beneficiaries shall any part of the corpus or income be used for, or diverted to, purposes other than the exclusive benefit of the Participating Employees and their Beneficiaries to distribute the corpus and income of the Defined Benefit Pension Plan Trust to the Participating Employees and their Beneficiaries in accordance with applicable law and the participating defined benefit pension plans.
2. To establish and accumulate as part of the Master Trust Fund an adequate reserve to carry out the purposes of the Defined Benefit Pension Plan Trust.
3. To pay any federal, state or local taxes or fees, which may be properly imposed on or levied against the Defined Benefit Pension Plan Trust or benefits paid therefrom.
4. If deemed appropriate and advisable, to pay premiums on separately administered life insurance coverage on the lives of Participating Employees of Participating Employers.

Section 202. PARTICIPATING EMPLOYERS WITH A DEFINED BENEFIT PENSION PLAN OR PLANS.

A. Approval. Before the approval of the participation of any Employer that has a defined benefit pension plan not established as a Plan by the Master Trustees, such plan must be approved for actuarial soundness by an actuary selected by the Master Trustees or Administrator and such plan must comply with Chapter 112, Florida Statutes.

B. Accumulated Share. No Participating Employer shall have any right, title or interest in or to any specific assets of the Master Trust Fund, but shall have an undivided beneficial interest in the Master Trust Fund; however, there shall be a specific accounting of assets allocable to each Participating Employer and each participating Plan.

C. Contributions. The Administrator shall have the responsibility for accepting contributions by Participating Employers. The Administrator shall be under no duty to determine whether the amount of any contribution is in accordance with the Participating Employer's defined benefit pension plan or plans or to collect or enforce payment of any contribution. All contributions under the participating defined benefit pension plans shall be transferred to the Defined Benefit Pension Plan Trust to be held, managed, invested and distributed as part of the Defined Benefit Pension Plan Trust by the Master Trustees in accordance with the provisions of the Plans and applicable law. All benefits under the Plans shall be distributed solely from the Defined Benefit Pension Plan Trust and Participating Employers shall have no financial liability therefor other than the obligation to make contributions to the Defined Benefit Pension Plan Trust as provided in the Plans.

D. Chapter 175 or 185 Plans. The Master Trustees shall be authorized to take the steps they deem necessary or appropriate to comply with Chapters 175 and 185, Florida Statutes, with respect to any defined benefit pension plan of a Participating Employer established pursuant to such Chapters.

PART 3 - DEFINED CONTRIBUTION PENSION PLAN TRUST

Section 300. APPLICATION.

The provisions of Part 3 apply to the Defined Contribution Pension Plan Trust and the participating defined contribution pension plans of the Participating Employers.

Section 301. ESTABLISHMENT AND PURPOSE OF TRUST FOR DEFINED CONTRIBUTION PENSION PLANS.

A. Establishment of Trust for Defined Contribution Pension Plans. The Master Trustees established the Defined Contribution Pension Plan Trust for the exclusive benefit of Participating Employees of Participating Employers with a defined contribution pension plan or plans. The authority to conduct the general investment operation and the general administration of the Defined Contribution Pension Plan Trust is vested in the Master Trustees. The Master Trustees may contract with the Administrator to perform delegated functions with respect to any participating defined contribution pension plan, and the Administrator may contract with third parties to provide administrative, investment and custodial services in relation to any participating defined contribution pension plan.

B. Purposes of Defined Contribution Pension Plan Trust. The Master Trustees shall maintain the Defined Contribution Pension Plan Trust for the exclusive benefit of the Participating Employees and their Beneficiaries. The Master Trustees intend to maintain sound prudent practices designed to provide easy and convenient access to information and transactions for Participating Employees, including transfers from one investment option to another at the Participating Employee's direction. The Master Trustees intend to maintain these practices at a reasonable cost to the Participating Employers and Participating Employees. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to preserve Participating Employees' rights to choose freely among a broad range of investment options and to self-direct investments for their Plan accounts. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to perform ongoing evaluations and reviews to ensure that the investment options offered remain diversified, competitive and attractive to Participating Employers and Participating Employees. It is the Master Trustees' intent that the Defined Contribution Pension Plan Trust be exempt under Sections 501(a) and 115 of the IRC.

Section 302. DEFINED CONTRIBUTION PENSION PLAN TRUST ADMINISTRATION.

A. Defined Contribution Pension Plan Trust Administration. The Master Trustees shall receive and accept for the purposes hereof all property paid to them by or at the direction of the Participating Employers and Participating Employees and shall hold, invest, reinvest, manage, administer and distribute property and the increments, proceeds, earnings and income thereof for the exclusive benefit of the Participating Employees and Beneficiaries under the participating defined contribution pension plans. All assets shall be held by the Master Trustees in the Defined Contribution Pension Plan Trust. The Master Trustees have authority to invest, in accordance with valid Participating Employer and Participating Employee instructions, and manage the assets of the Defined Contribution Pension Plan Trust.

B. Exclusive Benefit Rule. No portion of the vested principal or the income of the Defined Contribution Pension Plan Trust shall revert to any Participating Employer, or ever be used for or diverted to any purpose other than for (i) the exclusive benefit of Participating Employees in the participating defined contribution pension plans and persons claiming under or through them pursuant to such plans and (ii) the payment of reasonable expenses of such plans and the Defined Contribution Pension Plan Trust. The Master Trustees shall administer the Defined Contribution Pension Plan Trust in compliance with IRC Section 503(b).

C. Defined Contribution Pension Plans. All references in this Part 3 to defined contribution pension plans shall mean the participating defined contribution pension plans of the Participating Employers in the Defined Contribution Pension Plan Trust. The participating defined contribution pension plans, as amended from time to time, shall be incorporated herein by reference, and the terms herein shall have the meanings attributed to them in such plans.

D. Property. The word "property" used for the Defined Contribution Pension Plan Trust shall be deemed to refer to any property, real or personal, or part interest therein, wherever situated, including, but without being limited to, preferred and common stocks, shares of investment companies, bonds, notes, debentures and mortgages, equipment trust certificates,

investment trust certificates, interest in partnerships whether limited or general, or in any insurance contract, policy, annuity or other investment media offered by an insurance company.

Section 303. DEPOSITS AND DISBURSEMENTS FROM THE TRUST.

A. Trust Deposits. The Master Trustees hereby delegate to the Administrator the responsibility for accepting deposits to the Defined Contribution Pension Plan Trust.

B. Trust Payments. The Master Trustees hereby delegate to the Administrator the responsibility for making payments from the Defined Contribution Pension Plan Trust. The Administrator shall make payments from the Defined Contribution Pension Plan Trust to Participating Employees, their Beneficiaries and such other persons as the appropriate participating defined contribution pension plans may provide. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Benefits under participating defined contribution pension plans and the payment of expenses of administration of the participating defined contribution pension plans, as may be specified in the participating defined contribution pension plans. The Administrator shall ensure that any payment directed under this Section conforms to the provisions of the applicable participating defined contribution pension plan, this Agreement, and the provisions of applicable law. Payments from the Defined Contribution Pension Plan Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Administrator. The Master Trustees shall not incur any liability or other damage on account of any payment or other distribution made by the Defined Contribution Pension Plan Trust in accordance with this Section.

C. Allocation of Expenses. The Master Trustees shall pay all expenses of the Defined Contribution Pension Plan Trust from the assets in the Defined Contribution Pension Plan Trust. All expenses of the Defined Contribution Pension Plan Trust, which are allocable to a particular investment option or account, may be allocated and charged to such investment option or account as determined by the Master Trustees. All expenses of the Defined Contribution Pension Plan Trust which are not allocable to a particular investment option or account shall be charged to each such investment option or account in the manner established by the Master Trustees.

Section 304. INVESTMENT OPTIONS.

The Master Trustees, in accordance with provisions of the participating defined contribution pension plans, may establish one (1) or more investment options within the Defined Contribution Pension Plan Trust, each option being hereinafter referred to as an "investment option." The Master Trustees shall transfer to each such investment option such portion of the assets of the Defined Contribution Pension Plan Trust as appropriate. The Master Trustees shall manage, acquire or dispose of the assets in an investment option in accordance with valid specific investment directions given by the Participating Employers or Participating Employees. All income received with respect to, and all proceeds received from, the disposition of property held in an investment option shall be credited to, and reinvested in, such investment option. The Master Trustees shall establish at least one (1) default investment option in the absence of valid Participating Employer or Participating Employee investment direction.

From time to time, the Master Trustees may eliminate an investment option, and the proceeds thereof shall be reinvested in another investment option in accordance with the directions of the Master Trustees.

Notwithstanding any provisions of this Section to the contrary, the powers and responsibilities as set forth in this Section regarding the selection and oversight of investment options by the Master Trustees shall be removed from the Master Trustees and shall be placed with a Participating Employer if the Participating Employer selects Open Architecture Investment.

Section 305. INVESTMENT IN INSURANCE CONTRACTS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with insurance companies qualified to do business in the State of Florida. Any asset invested pursuant to such an agreement shall be held by the insurance company. Each insurance company so selected shall certify the value of the Defined Contribution Pension Plan Trust's interest in the property held by it at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Defined Contribution Pension Plan Trust.

Section 306. INVESTMENT IN MUTUAL FUNDS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with companies offering mutual fund products. Any asset invested pursuant to such an agreement shall be held by the Master Trustees. Each mutual fund so selected shall certify the value of the Defined Contribution Pension Plan Trust's interest in that fund at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Defined Contribution Pension Plan Trust.

Section 307. MISCELLANEOUS.

A. Conflict. In resolving any conflict among provisions of the Defined Contribution Pension Plan Trust and in resolving any other uncertainty as to the meaning or intention of any provision of the Defined Contribution Pension Plan Trust, the interpretation that (i) causes the participating defined contribution pension plans to satisfy the applicable requirements of IRC Sections 401(a) and 414(d) and the Defined Contribution Pension Plan Trust to be exempt from tax under IRC Sections 115 and 501(a), and (ii) causes the participating defined contribution pension plan and the Defined Contribution Pension Plan Trust to comply with all applicable requirements of law shall prevail over any different interpretation.

B. No Guarantees. Neither the Administrator nor the Master Trustees guarantee the Defined Contribution Pension Plan Trust from loss or depreciation or the payment of any amount which may become due to any person under any participating defined contribution pension plan or this Agreement.

PART 4 - DEFERRED COMPENSATION PLAN TRUST

Section 400. APPLICATION.

The provisions of Part 4 apply to the Deferred Compensation Plan Trust and the participating deferred compensation plans.

Section 401. ESTABLISHMENT AND PURPOSE OF TRUST FOR DEFERRED COMPENSATION PLANS.

A. Establishment of Trust for Deferred Compensation Plans. The Master Trustees establishes the Deferred Compensation Plan Trust for the exclusive benefit of Participating Employees of Participating Employers with a deferred compensation plan or plans. The authority to conduct the general investment operation and the general administration of the Deferred Compensation Plan Trust is vested in the Master Trustees. The Master Trustees may contract with the Administrator to perform delegated functions with respect to any participating deferred compensation plan and the Administrator may contract with third parties to provide administrative, investment and custodial services in relation to any participating deferred compensation plan.

B. Purposes of Deferred Compensation Plan Trust. The Master Trustees shall maintain the Deferred Compensation Plan Trust for the exclusive benefit of the Participating Employees and their Beneficiaries. The Master Trustees intend to maintain sound prudent practices designed to provide easy and convenient access to information and transactions for Participating Employees, including transfers from one investment option to another at the Participating Employee's direction. The Master Trustees intend to maintain these practices at a reasonable cost to the Participating Employers and Participating Employees. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to preserve Participating Employees' rights to choose freely among a broad range of investment options and to self-direct their investments. Except for Participating Employers who select Open Architecture Investment, the Master Trustees intend to perform ongoing evaluations and reviews to ensure that the investment options offered remain diversified, competitive and attractive to Participating Employers and Participating Employees. It is the Master Trustees' intent that the Deferred Compensation Plan Trust be exempt under Sections 501(a) and 115 of the IRC.

Section 402. DEFERRED COMPENSATION PLAN TRUST ADMINISTRATION.

A. Deferred Compensation Plan Trust Administration. The Master Trustees shall receive and accept for the purposes hereof all property paid to them by or at the direction of the Participating Employers and Participating Employees and shall hold, invest, reinvest, manage, administer and distribute property and the increments, proceeds, earnings and income thereof for the exclusive benefit of the Participating Employees and Beneficiaries under the participating deferred compensation plans. All assets shall be held by the Master Trustees in the Deferred Compensation Plan Trust. The Master Trustees have authority to invest, in accordance with valid Participating Employer and Participating Employee instructions, and manage the assets of the Deferred Compensation Plan Trust.

B. Exclusive Benefit Rule. No portion of the vested principal or the income of the Deferred Compensation Plan Trust shall revert to the Participating Employers, or ever be used for or diverted to any purpose other than for (i) the exclusive benefit of Participating Employees in the Deferred Compensation Plan Trust and persons claiming under or through them pursuant to

the participating deferred compensation plans and (ii) the payment of reasonable expenses of such plans and the Deferred Compensation Plan Trust. The Master Trustees shall administer the Deferred Compensation Plan Trust in compliance with IRC Section 503(b).

C. Deferred Compensation Plans. All references in this Part 4 to deferred compensation plans shall mean the participating deferred compensation plans of the Participating Employers in the Deferred Compensation Plan Trust. The participating deferred compensation plans, as amended from time to time, shall be incorporated herein by reference, and the terms herein shall have the meanings attributed to them in such plans.

D. Property. The word "property" used for the Deferred Compensation Plan Trust shall be deemed to refer to any property, real or personal, or part interest therein, wherever situated, including, but without being limited to, preferred and common stocks, shares of investment companies, bonds, notes, debentures and mortgages, equipment trust certificates, investment trust certificates, interest in partnerships whether limited or general, or in any insurance contract, policy, annuity or other investment media offered by an insurance company.

Section 403. DEPOSITS AND DISBURSEMENTS FROM THE TRUST.

A. Trust Deposits. The Master Trustees hereby delegate to the Administrator the responsibility for accepting deposits to the Deferred Compensation Plan Trust.

B. Trust Payments. The Master Trustees hereby delegate to the Administrator the responsibility for making payments from the Deferred Compensation Plan Trust. The Administrator shall make payments from the Deferred Compensation Plan Trust to Participating Employees, their Beneficiaries and such other persons as the participating deferred compensation plans may provide. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Benefits under participating deferred compensation plans and the payment of expenses of administration of the participating deferred compensation plans, as may be specified in the deferred compensation plan. The Administrator shall ensure that any payment directed under this Section conforms to the provisions of the deferred compensation plan, this Agreement, and the provisions of applicable law. Payments from the Deferred Compensation Plan Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Administrator. The Master Trustees shall not incur any liability or other damage on account of any payment or other distribution made by the Deferred Compensation Plan Trust in accordance with this Section.

C. Allocation of Expenses. The Master Trustees shall pay all expenses of the Deferred Compensation Plan Trust from the assets of the Deferred Compensation Plan Trust. All expenses of the Deferred Compensation Plan Trust, which are allocable to a particular investment option or account may be allocated and charged to such investment option or account as determined by the Master Trustees. All expenses of the Deferred Compensation Plan Trust which are not allocable to a particular investment option or account shall be charged to each such investment option or account in the manner established by the Master Trustees.

Section 404. INVESTMENT OPTIONS.

The Master Trustees, in accordance with provisions of the participating deferred compensation plans, may establish one (1) or more investment options within the Deferred Compensation Plan Trust, each option being hereinafter referred to as an "investment option." The Master Trustees shall transfer to each such investment option such portion of the assets of the Deferred Compensation Plan Trust as appropriate. The Master Trustees shall manage, acquire or dispose of the assets in an investment option in accordance with valid specific investment directions given by the Participating Employers or Participating Employees. All income received with respect to, and all proceeds received from, the disposition of property held in an investment option shall be credited to, and reinvested in, such investment option. The Master Trustees shall establish at least one (1) default investment option in the absence of valid Participating Employer or Participating Employee investment direction.

From time to time, the Master Trustees may eliminate an investment option, and the proceeds thereof shall be reinvested in another investment option in accordance with the directions of the Master Trustees.

Notwithstanding any provisions of this Section to the contrary, the powers and responsibilities as set forth in this Section regarding the selection and oversight of investment options by the Master Trustees shall be removed from the Master Trustees and shall be placed with a Participating Employer if the Participating Employer selects Open Architecture Investment.

Section 405. INVESTMENT IN INSURANCE CONTRACTS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with insurance companies qualified to do business in the State of Florida. Any asset invested pursuant to such an agreement shall be held by the insurance company. Each insurance company so selected shall certify the value of the trust's interest in the property held by it at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Deferred Compensation Plan Trust.

Section 406. INVESTMENT IN MUTUAL FUNDS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with companies offering mutual fund products. Any asset invested pursuant to such an agreement shall be held by the Master Trustees. Each mutual fund so selected shall certify the value of Deferred Compensation Plan Trust's interest in that fund at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under Deferred Compensation Plan Trust.

Section 407. MISCELLANEOUS.

A. Conflict. In resolving any conflict among provisions of Deferred Compensation Plan Trust and in resolving any other uncertainty as to the meaning or intention of any provision of Deferred Compensation Plan Trust, the interpretation that (i) causes the participating deferred compensation plans and Deferred Compensation Plan Trust to satisfy the applicable requirements of IRC Section 457(b) and the Deferred Compensation Plan Trust to be exempt from tax under

IRC Sections 115 and 501(a), and (ii) causes the participating deferred compensation plans and Deferred Compensation Plan Trust to comply with all applicable requirements of law shall prevail over any different interpretation.

B. No Guarantees. Neither the Administrator nor the Master Trustees guarantee the Deferred Compensation Plan Trust from loss or depreciation or the payment of any amount which may become due to any person under the participating deferred compensation plans or this Agreement.

PART 5 – OTHER POST-EMPLOYMENT BENEFIT PLAN TRUST

Section 500. APPLICATION.

The provisions of Part 5 apply to the Other Post-Employment Benefit Plan Trust and the participating post-employment benefit plans of Participating Employers other than pension plans.

Section 501. ESTABLISHMENT OF OTHER POST-EMPLOYMENT BENEFIT PLAN TRUST.

The Participating Employers with post-employment benefit plan or plans other than pension plans establish with the Master Trustees, and the Master Trustees hereby accept, an Other Post-Employment Benefit Plan Trust for the exclusive benefit of such Participating Employers' Participating Employees and their Beneficiaries consisting of such cash or other property acceptable to the Master Trustees as shall be transferred to the Master Trustees from time to time by the trustee of any Participating Employer's other post-employment benefit plan or plans, as provided in Section 502 hereof, for investment in the Master Trust Fund, together with the earnings, income, additions and appreciation thereon and thereto.

Section 502. ADMINISTRATION OF OTHER POST-EMPLOYMENT BENEFIT PLAN TRUST.

A. General. The Master Trustees shall receive and accept for the purposes hereof all property paid to them by or at the direction of the Participating Employers and Participating Employees and shall hold, invest, reinvest, manage, administer and distribute property and the increments, proceeds, earnings and income thereof for the exclusive benefit of the Participating Employees and their Beneficiaries under the participating other post-employment benefit plans. All such assets shall be held by the Master Trustees in the Other Post-Employment Benefit Plan Trust. The Master Trustees have authority:

1. to invest, manage and distribute the assets of the Other Post-Employment Benefit Plan Trust;
2. to establish and accumulate as part of the Master Trust Fund an adequate reserve to carry out the purposes of the Other Post-Employment Benefit Plan Trust;

3. to pay any federal, state or local taxes or fees, which may be properly imposed on or levied against the Other Post-Employment Benefit Plan Trust or benefits paid therefrom; and

4. if deemed appropriate and advisable, to pay premiums on separately administered life or other insurance coverage on the lives of Participating Employees of Participating Employers with participating other post-employment benefit plans.

B. Exclusive Benefit Rule. Except as otherwise provided by any applicable provision of any statute, regulation, ordinance, resolution or other post-employment benefit plan, no portion of the vested principal or the income of the Other Post-Employment Benefit Plan Trust shall revert to any Participating Employer, or ever be used for or diverted to any purpose other than for (i) the exclusive benefit of Participating Employees in the participating post-employment benefit plans and persons claiming under or through them pursuant to such plans and (ii) the payment of reasonable expenses of such plans and the Other Post-Employment Benefit Plan Trust. The Master Trustees shall administer the Other Post-Employment Benefit Plan Trust in compliance with IRC Section 503(b).

C. Contributions. The Administrator shall have the responsibility for accepting contributions by Participating Employers. Neither the Master Trustees nor the Administrator shall be under any duty to determine whether the amount of any contribution is in accordance with the Participating Employer's other post-employment benefit plan or plans or to collect or enforce payment of any contribution. All contributions under the participating other post-employment benefit plans shall be transferred to the Other Post-Employment Benefit Plan Trust to be held, managed, invested and distributed as part of the Other Post-Employment Benefit Plan Trust by the Master Trustees in accordance with the provisions of the Plans and applicable law. All benefits under the Plans shall be distributed solely from the Other Post-Employment Benefit Plan Trust and Participating Employers shall have no financial liability therefor other than the obligation to make contributions to the Other Post-Employment Benefit Plan Trust as provided in the Plans.

D. Other Post-Employment Benefit Plans. All references in this Part 5 to other post-employment benefit plans shall mean the participating other post-employment benefit plans of the Participating Employers in the Other Post-Employment Benefit Plan Trust. The participating other post-employment benefit plans, as amended from time to time, shall be incorporated herein by reference, and the terms herein shall have the meanings attributed to them in such plans.

E. Property. The word "property" used for the Other Post-Employment Benefit Plan Trust shall be deemed to refer to any property, real or personal, or part interest therein, wherever situated, including, but without being limited to, preferred and common stocks, shares of investment companies, bonds, notes, debentures and mortgages, equipment trust certificates, investment trust certificates, interest in partnerships whether limited or general, or in any insurance contract, policy, annuity or other investment media offered by an insurance company.

F. Applicable Laws and Regulations. The Master Trustees shall be authorized to take the steps they deem necessary or appropriate to comply with any laws or regulations applicable to any participating other post-employment benefit plan of a Participating Employer.

Section 503. PARTICIPATING EMPLOYERS WITH AN OTHER POST-EMPLOYMENT BENEFIT PLAN OR PLANS.

A. Approval. Before the approval of the participation of any Employer that has an other post-employment benefit plan not established as a Plan by the Master Trustees, such plan must be approved for actuarial soundness by an actuary selected by the Master Trustees or Administrator, if required, unless such requirement is waived by the Master Trustees.

B. Accumulated Share. No Participating Employer shall have any right, title or interest in or to any specific assets of the Master Trust Fund, but shall have an undivided beneficial interest in the Master Trust Fund; however, there shall be a specific accounting of assets allocable to each Participating Employer and each participating Plan.

Section 504. DEPOSITS AND DISBURSEMENTS FROM THE TRUST.

A. Trust Deposits. The Master Trustees hereby delegate to the Administrator the responsibility for accepting deposits to the Other Post-Employment Benefit Plan Trust.

B. Trust Payments. The Master Trustees hereby delegate to the Administrator the responsibility for making payments from the Other Post-Employment Benefit Plan Trust. The Administrator shall make payments from the Other Post-Employment Benefit Plan Trust to Participating Employees, their Beneficiaries and such other persons as the appropriate participating other post-employment benefit plans may provide. Such payments shall be made in such manner, in such amounts and for such purposes, including the payment of Benefits under participating other post-employment benefit plans and the payment of expenses of administration of the participating other post-employment benefit plans, as may be specified in the participating other post-employment benefit plans. Payments from the Other Post-Employment Benefit Plan Trust shall be made by check (or the check of an agent) or deposit to the order of the payee. Payments or other distributions hereunder may be mailed to the payee at the address last furnished to the Administrator. The Master Trustees shall not incur any liability or other damage on account of any payment or other distribution made by the Other Post-Employment Benefit Plan Trust in accordance with this Section.

C. Allocation of Expenses. The Master Trustees shall pay all expenses of the Other Post-Employment Benefit Plan Trust from the assets in the Other Post-Employment Benefit Plan Trust. All expenses of the Other Post-Employment Benefit Plan Trust, which are allocable to a particular investment option or account, may be allocated and charged to such investment option or account as determined by the Master Trustees. All expenses of the Other Post-Employment Benefit Plan Trust which are not allocable to a particular investment option or account shall be charged to each such investment option or account in the manner established by the Master Trustees.

Section 505. INVESTMENT OPTIONS.

The Master Trustees, in accordance with applicable provisions of the participating other post-employment benefit plans, may establish one (1) or more investment options within the Other Post-Employment Benefit Plan Trust, each option being hereinafter referred to as an "investment

option.” The Master Trustees shall transfer to each such investment option such portion of the assets of the Other Post-Employment Benefit Plan Trust as appropriate. The Master Trustees shall manage, acquire or dispose of the assets in an investment option in accordance with valid specific investment directions given by the Participating Employers or Participating Employees. All income received with respect to, and all proceeds received from, the disposition of property held in an investment option shall be credited to, and reinvested in, such investment option. The Master Trustees shall establish at least one (1) default investment option in the absence of valid Participating Employer or Participating Employee investment direction.

From time to time, the Master Trustees may eliminate an investment option, and the proceeds thereof shall be reinvested in another investment option in accordance with the directions of the Master Trustees.

Section 506. INVESTMENT IN INSURANCE CONTRACTS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with insurance companies qualified to do business in the State of Florida. Any asset invested pursuant to such an agreement shall be held by the insurance company. Each insurance company so selected shall certify the value of the Other Post-Employment Benefit Plan Trust’s interest in the property held by it at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Other Post-Employment Benefit Plan Trust.

Section 507. INVESTMENT IN MUTUAL FUNDS.

The Master Trustees may offer one (1) or more investment options pursuant to one (1) or more agreements with companies offering mutual fund products. Any asset invested pursuant to such an agreement shall be held by the Master Trustees. Each mutual fund so selected shall certify the value of the Other Post-Employment Benefit Plan Trust’s interest in that fund at least annually. The Master Trustees shall be entitled to rely conclusively on such valuation for all purposes under the Other Post-Employment Benefit Plan Trust.

Section 507. MISCELLANEOUS.

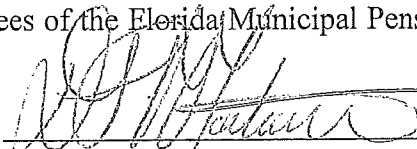
A. Conflict. In resolving any conflict among provisions of the Other Post-Employment Benefit Plan Trust and in resolving any other uncertainty as to the meaning or intention of any provision of the Other Post-Employment Benefit Plan Trust, the interpretation that (i) causes the Other Post-Employment Benefit Plan Trust to be exempt from tax under IRC Sections 115 and 501(a), and (ii) causes the participating other post-employment benefit plan and the Other Post-Employment Benefit Plan Trust to comply with all applicable requirements of law shall prevail over any different interpretation.

B. No Guarantees. Neither the Administrator nor the Master Trustees guarantee the Other Post-Employment Benefit Plan Trust from loss or depreciation or the payment of any amount which may become due to any person under any participating other post-employment benefit plan or this Agreement.

[SIGNATURE PAGE FOLLOWS]

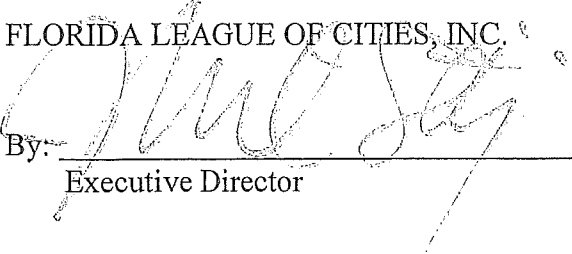
IN WITNESS WHEREOF, the Master Trustees have caused this Master Trust Agreement to be amended and restated as of the 29th day of November, 2018.

Passed and adopted by the Master Trustees of the Florida Municipal Pension Trust Fund this 29th day of November, 2018.


Chair of the Master Trustees

Accepted by the Administrator

FLORIDA LEAGUE OF CITIES, INC.

By: 

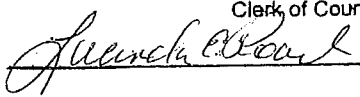
Executive Director

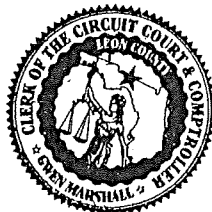
STATE OF FLORIDA, COUNTY OF LEON

I HEREBY CERTIFY that the above and foregoing is a true and correct copy of an instrument recorded in the official records of Leon County, Florida.

WITNESS my hand and seal of office this 5 day of Dec, 2018.

GWEN MARSHALL
Clerk of County Court

 D.C.



FLORIDA MUNICIPAL PENSION TRUST FUND DEFINED BENEFIT PLAN AND TRUST

ADOPTION AGREEMENT

The undersigned employer (City of Umatilla) adopts the Florida Municipal Pension Trust Fund Defined Benefit Plan and Trust for those Employees who shall qualify as Participants hereunder, to be known as the City of Umatilla Police Officers' Retirement Trust Fund (hereinafter "Plan"):

It shall be effective as of the date specified below. The Employer hereby selects the following Plan specifications:

EMPLOYER INFORMATION

Employer:	City of Umatilla
Contact Name and Title:	Regina Fraiser, Finance Director
Address:	1 South Central Ave Umatilla, FL 32784
Telephone:	(352) 669-3125

NAME AND ADDRESS OF TRUSTEE:

Florida Municipal Pension Trust Fund
301 S. Bronough St. Suite 301, Tallahassee, FL 32301
TEL: (904) 222-9684; Fax: (904) 222-3806

LOCATION OF EMPLOYER'S PRINCIPAL OFFICE:

The Employer is located in the State of Florida and this Trust shall be enforced and construed under the laws of the State of Florida.

EMPLOYER FISCAL YEAR:

Twelve months commencing on October 1st and ending on September 30th.

A. PLAN INFORMATION

This Adoption Agreement shall establish a Plan and Trust with the following provisions:

- A1) Effective Date:** October 1, 2026
- A2) Plan Year (12 consecutive month period):**
Beginning October 1 and Ending September 30
- A3) Plan Anniversary Date (Annual Valuation Date):** October 1
- A4) Name of Plan Administrator:**
Florida Municipal Pension Trust Fund
301 S. Bronough St., Suite 301 Tallahassee, FL 32301

Retirement Plan and Trust for Police Officers of the City of Umatilla
ADOPTION AGREEMENT

Tel: (904) 222-9684
Fax: (904) 222-3806

A5) Florida Municipal Pension Trust Fund I.D. Number: 59-2961075

A6) Plan's Agent for Legal Process:
Florida Municipal Pension Trust Fund
301 S. Bronough St., Suite 301 Tallahassee, FL 32301
Tel: (904) 222-9684
Fax: (904) 222-3806

B. PLAN

The Plan represents the Full-Time Police Officers (*as defined in Ch. 185.02, Fla. Stat.*) of the City of Umatilla.

C. ELIGIBILITY

Employees shall become participants in the Plan effective immediately when hired. (*as defined in Ch. 185 Fla. Stat.*)

D. SALARY

"Salary" means the total compensation for services rendered to the city as a police officer reportable on the member's 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 service earned after July 1, 2011 (the "effective date"), salary shall not include more than three hundred (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 three hundred (300) hours per 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.

Compensation in excess of the limitations set forth in section 401(a)(17) of the code as of the first day of the plan year shall be disregarded for any purpose, including employee contributions or any benefit calculations. The annual compensation of each member taken into account in determining benefits or employee contributions for any plan year beginning on or after January 1, 2002, may not exceed two hundred thousand dollars (\$200,000.00), as adjusted for cost-of-living increases in accordance with code section 401(a)(17)(B).

Compensation means compensation during the fiscal year. The cost-of-living adjustment in effect for a calendar year applies to annual compensation for the determination period that begins with or within such calendar year. If the determination period consists of fewer than twelve (12) months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is twelve (12). If the compensation for any prior determination period is taken into account in determining a member's contributions or benefits for the current plan year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period. The limitation on compensation for an "eligible employee" shall not be less than the amount which was allowed to be taken into account hereunder as in effect on July 1, 1993. "Eligible employee" is an individual who was a member before the first plan year beginning after December 31, 1995.

E. CREDITED SERVICE

E1) Definition

"Credited service" means the total number of years and fractional parts of years of service as a police officer with member contributions, when required, omitting intervening years or fractional parts of years when such member was not employed by the city as a police officer. A member may voluntarily leave his accumulated contributions in the fund for a period of five (5) years after leaving the employ of the police department pending the possibility of being reemployed as a police officer, without losing credit for the time that he was a member of the Plan. If a vested member leaves the employ of the police department, his accumulated contributions will be returned only upon his written request. If a member who is not vested is not reemployed as a police officer with the police department within five (5) years, his accumulated contributions, if one-thousand dollars (\$1,000.00) or less shall be returned. If a member who is not vested is not reemployed within five (5) years, his accumulated contributions, if more than one-thousand dollars (\$1,000.00), will be returned only upon the written request of the member and upon completion of a written election to receive a cash lump sum or to rollover the lump sum amount on forms designated by the board. Upon return of a member's accumulated contributions, all of his rights and benefits under the Plan are forfeited and terminated. Upon any reemployment, a police officer shall not receive credit for the years and fractional parts of years of service for which he has withdrawn his accumulated contributions from the fund, unless the police officer repays into the fund the contributions he has withdrawn, with interest, as determined by the Board, within ninety (90) days after his reemployment.

The years or fractional parts of a year that a member performs "qualified military service" consisting of voluntary or involuntary "service in the uniformed services" as defined in the Uniformed Services Employment and Reemployment Rights Act

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(USERRA) (P.L. 103-353), after separation from employment as a police officer with the city to perform training or service, shall be added to his years of credited service for all purposes, including vesting, provided that:

- (1) The member is entitled to reemployment under the provisions of USERRA.
- (2) The member returns to his employment as a police officer within one year from the earlier of the date of his military discharge or his release from active service, unless otherwise required by USERRA.
- (3) The maximum credit for military service pursuant to this paragraph shall be five (5) years.
- (4) This paragraph is intended to satisfy the minimum requirements of USERRA. To the extent that this paragraph does not meet the minimum standards of USERRA, as it may be amended from time to time, the minimum standards shall apply.

In the event a member dies on or after January 1, 2007, while performing USERRA qualified military service, the beneficiaries of the member are entitled to any benefits (other than benefit accruals relating to the period of qualified military service) as if the member had resumed employment and then died while employed.

Beginning January 1, 2009, to the extent required by section 414(u)(12) of the code, an individual receiving differential wage payments (as defined under section 3401(h)(2) of the code) from an employer shall be treated as employed by that employer, and the differential wage payment shall be treated as compensation for purposes of applying the limits on annual additions under section 415(c) of the code. This provision shall be applied to all similarly situated individuals in a reasonably equivalent manner.

Leave conversions of unused accrued paid time off shall not be permitted to be applied toward the accrual of credited service either during each plan year of a member's employment with the city or in the plan year in which the member terminates employment.

E2) Option of Purchasing Prior Credited Service (Military & Police Service)

Military Service Prior to Employment. The years or fractional parts of years that a police officer serves or has 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 department shall be added to his years of credited service provided that:

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- (1) The member contributes to the fund the sum that he would have contributed, based on his salary and the member contribution rate in effect at the time that the credited service is requested, had he been a member of the system for the years or fractional parts of years for which he is requesting credit plus amounts actuarially determined such that the crediting of service does not result in any cost to the fund plus payment of costs for all professional services rendered to the board in connection with the purchase of years of credited service.
- (2) Multiple requests to purchase credited service pursuant to this section may be made at any time prior to retirement.
- (3) Payment by the member of the required amount shall be made within six (6) months of his request for credit, but not later than the retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
- (4) The maximum credit under this section shall be four (4) years.
- (5) Credited service purchased pursuant to this section shall count for all purposes, except vesting and eligibility for not-in-line of duty disability benefits.

Prior Police Service. Unless otherwise prohibited by law, and except as provided for in herein, the years or fractional parts of years that a member previously served as a full-time police officer with the city during a period of previous employment and for which period accumulated contributions were withdrawn from the fund, or the years and fractional parts of years that a member served as a full-time police officer or the years and fractional parts of years that a member served as a police officer for any other municipal, county or state law enforcement department in the State of Florida shall be added to the years of credited service provided that:

- (1) The member contributes to the fund the sum that he would have contributed, based on the salary and the member contribution rate in effect at the time that the credited service is requested, had he been a member of the system for the years or fractional parts of years for which he is requesting credit plus amounts actuarially determined such that the crediting of service does not result in any cost to the fund plus payment of costs for all professional services rendered to the board in connection with the purchase of years of credited service.
- (2) Multiple requests to purchase credited service pursuant to this section may be made at any time prior to retirement.
- (3) Payment by the police officer of the required amount shall be made within six (6) months of his request for credit, but not later than the retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.

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(4) The maximum credit under this section for service other than with the City of Umatilla shall be five (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 Umatilla and such credit shall count for all purposes, including vesting.

(5) In no event, however, may credited service be purchased pursuant to this section for prior service with any other municipal, county or state law enforcement department, 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.

(6) For purposes of determining credit for prior service as a police officer as provided for in this section, in addition to service as a police officer in this state, credit may be purchased by the member 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 F.S. Ch. 943, or the police officer provides proof to the board that such service is equivalent to the service required to meet the definition of a "police officer" per F.S. §185.02(16).

F. AVERAGE FINAL COMPENSATION

Average final compensation means one-twelfth (1/12) of the average salary of the five (5) best years of the last ten (10) years of credited service prior to retirement, termination, or death, or the career average as a full-time police officer, whichever is greater. A year shall be twelve (12) consecutive months.

G. BENEFIT AMOUNTS AND ELIGIBILITY

G1) Normal Retirement Age and Date:

Normal retirement age and date. A member's normal retirement age is the earlier of the attainment of age fifty-five (55) and the completion of ten (10) years of credited service, or upon the attainment of age fifty-two (52) and the completion of twenty-five (25) years of credited service years of credited service. Each member shall become one hundred (100) percent vested in his accrued benefit at normal retirement age. A member's normal retirement date shall be the first day of the month coincident with or next following the date the member retires from the city after attaining normal retirement age.

G2) Normal Retirement Benefit:

Normal retirement benefit. A member retiring on or after his normal retirement date shall receive a monthly benefit which shall commence on the first day of the month coincident with or next following his retirement and be continued thereafter during member's lifetime, ceasing upon death, but with one hundred twenty (120) monthly payments guaranteed in any event.

The monthly retirement benefit shall equal two and one-half (2.5) percent of average final compensation, for each year of credited service earned on or before September 30, 2019, and three (3) percent of average final compensation, for each year of credited service earned on or after October 1, 2019.

G3) Early Retirement Date:

Early retirement date. A member may retire on his early retirement date which shall be the first day of any month coincident with or next following the attainment of age fifty (50) and the completion of ten (10) years of credited service. Early retirement under the Plan is retirement from employment with the City on or after the early retirement date and prior to the normal retirement date.

G4) Early Retirement Benefit:

Early retirement benefit. A member retiring hereunder on his early retirement date may receive either a deferred or an immediate monthly retirement benefit payable in the same form as for normal retirement as follows:

(1) A deferred monthly retirement benefit which shall commence on what would have been his normal retirement date determined based upon his actual years of credited service as a police officer and shall be continued on the first day of each month thereafter. The amount of each such deferred monthly retirement benefit shall be determined in the same manner as for retirement, determined based upon his actual years of credited service, except that credited service and average final compensation shall be determined as of his early retirement date; or

(2) An immediate monthly retirement benefit which shall commence on his early retirement date and shall be continued on the first day of each month thereafter. The benefit payable shall be as determined in paragraph (1) above, reduced by three (3) percent for each year by which the commencement of benefits precedes the date which would have been the member's normal retirement date, determined based upon his actual years of credited service.

H. DISABILITY BENEFITS

H1) Disability Benefits In-Line of Duty:

Any member who shall become totally and permanently disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a police officer, which disability was directly caused by the performance of his duty as a police officer, shall, upon establishing the same to the satisfaction of the board, be entitled to a monthly pension equal to two and one-half (2.5) percent of average final compensation, for each year of credited service

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earned on or before September 30, 2019, and three (3) percent of his average final compensation, for each year of credited service earned on or after October 1, 2019, but in any event the minimum amount paid to the member shall be forty-two (42) percent of the average final compensation of the member. Eligibility requirements for disability benefits are set forth below.

Eligibility for disability benefits. Subject to [subsection] (4) below, only active members of the Plan on the date the Board determines entitlement to a disability benefit are eligible for disability benefits.

(1) Terminated persons, either vested or non-vested, are not eligible for disability benefits.

(2) If a member voluntarily terminates his employment, either before or after filing an application for disability benefits, he is not eligible for disability benefits.

(3) If a member is terminated by the city for any reason other than for medical reasons, either before or after he files an application for disability benefits, he is not eligible for disability benefits.

(4) The only exception to [subsection] (1) above is:

- a. If the member is terminated by the city for medical reasons and he has already applied for disability benefits before the medical termination; or
- b. If the member is terminated by the city for medical reasons and he applies within thirty (30) days after the medical termination date.

If either [subsection] (4)a. or (4)b. above applies, the member's disability application will be processed and fully considered by the Board.

H2) Disability Benefits Not-in-Line of Duty:

Any member with ten (10) years or more credited service who shall become totally and permanently disabled to the extent that he is unable, by reason of a medically determinable physical or mental impairment, to render useful and efficient service as a police officer, which disability is not directly caused by the performance of his duties as a police officer shall, upon establishing the same to the satisfaction of the board, be entitled to a monthly pension equal to two and one-half (2.5) percent of his average final compensation for each year of credited service earned on or before September 30, 2019, and three (3) percent of his average final compensation for each year of credited service earned on or after October 1, 2019. Eligibility requirements for disability benefits are set forth above in "Eligibility for disability benefits."

I. DEATH BENEFITS BEFORE RETIREMENT (PRE-RETIREMENT DEATH BENEFITS)

I1) Death Prior to Vesting or Eligibility for Retirement – In-Line-Of-Duty:

Prior to vesting or eligibility for retirement. The beneficiary of a deceased member who was not receiving monthly benefits or who was not yet vested or eligible for early or normal retirement shall receive a refund of one hundred (100) percent of the member's accumulated contributions.

I2) Deceased Members Vested or Eligible for Retirement with Spouse as Beneficiary. *(This subsection applies only when the member's spouse is the sole designated beneficiary. The spouse beneficiary of any member who dies and who, at the date of his death was vested or eligible for early or normal retirement, shall be entitled to a benefit as follows):*

- a) If the member was vested, but not eligible for normal or early retirement, the spouse beneficiary shall receive a benefit payable for ten (10) years, beginning on the date that the deceased member would have been eligible for early or normal retirement, at the option of the spouse beneficiary. The benefit shall be calculated as for normal retirement based on the deceased member's credited service and average final compensation as of the date of his death and reduced as for early retirement, if applicable. The spouse beneficiary may also elect to receive an immediate benefit, payable for ten (10) years, which is actuarially reduced to reflect the commencement of benefits prior to the early retirement date.
- b) If the deceased member was eligible for normal or early retirement, the spouse beneficiary shall receive a benefit payable for ten (10) years, beginning on the first day of the month following the member's death or at the deceased member's otherwise early or normal retirement date, at the option of the spouse beneficiary. The benefit shall be calculated as for normal retirement based on the deceased member's credited service and average final compensation as of the date of his death and reduced as for early retirement, if applicable.
- c) A spouse beneficiary may not elect an optional form of benefit, however, the Board may elect to make a lump sum payment to a member or a member's beneficiary in the event that the total commuted value of the monthly income payments to be paid do not exceed one thousand dollars (\$1,000.00). Any such payment made to any person pursuant to the power and discretion conferred upon the Board by the preceding sentence shall operate as a complete discharge of all obligations under the system with regard to such member and shall not be subject to review by anyone, but shall be final, binding and conclusive on all persons.
- d) A spouse beneficiary may, in lieu of any benefit provided for in [subsection] (a) or (b) above, elect to receive a refund of the deceased

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member's accumulated contributions.

- e) Notwithstanding anything contained in this section to the contrary, in any event, distributions to the spouse beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the member died, or by a date selected pursuant to the above provisions in this section that must be on or before December 31 of the calendar year in which the member would have attained seventy-two (72).
- f) If the surviving spouse beneficiary commences receiving a benefit under subsection (a) or (b) above, but dies before all payments are made, the actuarial value of the remaining benefit will be paid to the spouse beneficiary's estate in a lump sum.

I3) Deceased Members Vested or Eligible for Retirement with Non-Spouse Beneficiary. *(This subsection applies only when the member's spouse is not the beneficiary or is not the sole designated beneficiary, but there is a surviving beneficiary).*

The beneficiary of any member who dies and who, at the date of his death was vested or eligible for early or normal retirement, shall be entitled to a benefit as follows:

- a) If the member was vested, but not eligible for normal or early retirement, the beneficiary will receive a benefit payable for ten (10) years. The benefit will begin by December 31 of the calendar year immediately following the calendar year in which the member died. The benefit will be calculated as for normal retirement based on the deceased member's credited service and average final compensation and actuarially reduced to reflect the commencement of benefits prior to the normal retirement date.
- b) If the deceased member was eligible for normal or early retirement, the beneficiary will receive a benefit payable for ten (10) years, beginning on the first day of the month following the member's death. The benefit will be calculated as for normal retirement based on the deceased member's credited service and average final compensation as of the date of his death and reduced for early retirement, if applicable.
- c) A beneficiary may not elect an optional form of benefit, however the Board may elect to make a lump sum payment to a member or a member's beneficiary in the event that the total commuted value of the monthly income payments to be paid do not exceed one thousand dollars (\$1,000.00). Any such payment made to any person pursuant to the power and discretion conferred upon the Board by the preceding sentence shall operate as a complete discharge of all obligations under the system with regard to such member and shall not be subject to review by anyone, but

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shall be final, binding and conclusive on all persons.

- d) A beneficiary may, in lieu of any benefit provided for in [subsection] (a) or (b) above, elect to receive a refund of the deceased member's accumulated contributions.
- e) If a surviving beneficiary commences receiving a benefit under subsection (a) or (b) above, but dies before all payments are made, the actuarial value of the remaining benefit will be paid to the surviving beneficiary's estate by December 31 of the calendar year of the beneficiary's death in a lump sum.
- f) If there is no surviving beneficiary as of the member's death, and the estate is to receive the benefits, the actuarial equivalent of the member's entire interest must be distributed by December 31 of the calendar year containing the fifth anniversary of the member's death.
- g) The Uniform Lifetime Table in Treasury Regulations § 1.401(a)(9)-9 shall determine the payment period for the calendar year benefits commence, if necessary to satisfy the regulations.

J. TERMINATION OF EMPLOYMENT AND VESTING

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

J1) If the member has less than ten (10) years credited service upon termination, the member shall be entitled to a refund of his accumulated contributions or the member may leave it deposited with the fund.

J2) If the member has ten (10) or more years of credited service upon termination, the member shall be entitled to a monthly retirement benefit, determined in the same manner as for normal or early retirement and based upon the member's credited service, average final compensation and the benefit accrual rate as of the date of termination, payable to him commencing at the member's otherwise normal or early retirement date, provided he does not elect to withdraw his accumulated contributions and provided the member survives to his otherwise normal or early retirement date. If the member does not withdraw his accumulated contributions and does not survive to his otherwise normal or early retirement date, his designated beneficiary shall be entitled to a benefit as provided herein for a deceased member, vested or eligible for retirement under pre-retirement death.

K. EMPLOYEE CONTRIBUTIONS:

Amount. Each member of the Plan shall be required to make regular contributions to the fund in the amount of three (3) percent of his salary. Member contributions withheld by the City on behalf of the member shall be deposited with the Board immediately after each pay period. The contributions made by each member to the fund shall be designated as employer contributions pursuant to § 414(h) of the code. Such designation is contingent upon the contributions being excluded from the members' gross income for Federal Income Tax purposes. For all other purposes of the Plan, such contributions shall be considered to be member contributions. Such contributions shall be made by payroll deduction.

State contributions. Any monies received or receivable by reason of laws of the State of Florida, for the express purpose of funding and paying for retirement benefits for police officers of the City shall be deposited in the fund comprising part of this Plan immediately and under no circumstances more than five (5) days after receipt by the City of Umatilla.

City contributions. So long as this Plan is in effect, the City shall make quarterly contributions to the fund in an amount equal to the required City contribution as shown by the applicable actuarial valuation of the Plan.

Other. Private donations, gifts and contributions may be deposited to the Plan, but such deposits must be accounted for separately and kept on a segregated bookkeeping basis. Funds arising from these sources may be used only for additional benefits for members, as determined by the Board, and may not be used to reduce what would have otherwise been required City contributions.

L. COST OF LIVING ADJUSTMENT (Optional Benefit)

Not applicable unless otherwise stated.

M. DEFERRED RETIREMENT OPTION PROGRAM - "DROP" (Optional Benefit)

(a) Definitions. As used in this DROP section, the following definitions apply:

(1) DROP. The City of Umatilla Police Officers' Retirement Trust Fund Deferred Retirement Option Plan.

(2) DROP account. The account established for each DROP participant under subsection (c).

(3) Total return of the assets. For purposes of calculating earnings on a member's DROP account pursuant to subsection (c)(2)b., for each fiscal year quarter, the percentage increase (or decrease) in the interest and dividends earned on

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investments, including realized and unrealized gains (or losses), of the total plan assets.

(b) Participation.

(1) *Eligibility to participate.* In lieu of terminating his employment as a police officer, any member who is eligible for normal retirement under the system may elect to defer receipt of such service retirement pension and to participate in the DROP.

(2) *Election to participate.* A member's election to participate in the DROP must be made in writing in a time and manner determined by the board and shall be effective on the first day of the first calendar month which is at least fifteen (15) business days after it is received by the board.

(3) *Period of participation.* A member who elects to participate in the DROP under subsection (b)(2), shall participate in the DROP for a period not to exceed sixty (60) months beginning at the time his election to participate in the DROP first becomes effective. An election to participate in the DROP shall constitute an irrevocable election to resign from the service of the city not later than the date provided for in the previous sentence. A member may participate only once.

(4) Termination of participation.

a. A member's participation in the DROP shall cease at the earlier of:

1. The end of his permissible period of participation in the DROP as determined under subsection (b)(3); or

2. Termination of his employment as a police officer.

b. Upon the member's termination of participation in the DROP, pursuant to subsection 1 above, all amounts provided for in subsection (c)(2), including monthly benefits and investment earnings or losses, shall cease to be transferred from the system to his DROP account. Any amounts remaining in his DROP account shall be paid to him in accordance with the provisions of subsection (d) when he terminates his employment as a police officer.

c. A member who terminates his participation in the DROP under this subsection (b)(4) shall not be permitted to again become a participant in the DROP.

(5) Effect of DROP participation on the system.

a. A member's credited service and his accrued benefit under the system shall be determined on the date his election to participate in the DROP first becomes effective. For purposes of determining the accrued benefit, the member's salary for the purposes of calculating his average final compensation shall include an amount equal to any lump sum payments which would have been paid to the member and included as salary as defined herein, had the member retired under normal retirement and not elected DROP participation. Member contributions attributable to any lump sums used in the benefit calculation and not actually received by the member shall be deducted from the first payments to the member's DROP account. The member shall not accrue any additional credited service or any additional benefits under the system (except for any supplemental benefit payable to DROP participants or any additional benefits provided under any cost-of-living adjustment for retirees in the system) while he is a participant in the DROP. After a member commences participation, he shall not be permitted to again contribute to the system nor shall he be eligible for disability or pre-retirement death benefits, except as provided for in the Section Reemployment After Retirement.

b. No amounts shall be paid to a member from the system while the member is a participant in the DROP. Unless otherwise specified in the system, if a member's participation in the DROP is terminated other than by terminating his employment as a police officer, no amounts shall be paid to him from the system until he terminates his employment as a police officer. Unless otherwise specified in the system, amounts transferred from the system to the member's DROP account shall be paid directly to the member only on the termination of his employment as a police officer.

(c) Funding.

(1) *Establishment of DROP account.* A DROP account shall be established for each member participating in the DROP. A member's DROP account shall consist of amounts transferred to the DROP under subsection (c)(2), and earnings or losses on those amounts.

(2) Transfers from retirement system.

a. As of the first day of each month of a member's period of participation in the DROP, the monthly retirement benefit he would have received under the system had he terminated his employment as a police officer and elected to receive monthly benefit payments thereunder shall be transferred to his DROP account, except as otherwise provided for in subsection (b)(4)b. A member's period of participation in the DROP shall be determined in accordance with the provisions of subsections (b)(3) and

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(b)(4), but in no event shall it continue past the date he terminates his employment as a police officer.

b. Except as otherwise provided in subsection (b)(4)b., a member's DROP account under this subsection (c)(2) shall be debited or credited with earnings, to be credited or debited to the member's DROP account, determined as of the last business day of each fiscal year quarter and debited or credited as of such date, determined as follows:

The average daily balance in a member's DROP account shall be credited or debited at a rate equal to the net investment return realized by the system for that quarter. "Net investment return" for the purpose of this paragraph is the total return of the assets in which the member's DROP account is invested by the board net of brokerage commissions, transaction costs and management fees.

For purposes of calculating earnings on a member's DROP account pursuant to this subsection (c)(2)b., brokerage commissions, transaction costs, and management fees shall be determined for each quarter by the investment consultant pursuant to contracts with fund managers as reported in the custodial statement. The investment consultant shall report these quarterly contractual fees to the board. The investment consultant shall also report the net investment return for each manager and the net investment return for the total plan assets.

c. A member's DROP account shall only be credited or debited with earnings or losses and monthly benefits while the member is a participant in the DROP. A member's final DROP account value for distribution to the member upon termination of participation in the DROP shall be the value of the account at the end of the quarter immediately preceding termination of participation date plus any monthly periodic additions made to the DROP account subsequent to the end of the previous quarter and prior to distribution. If a member fails to terminate employment after participating in the DROP for the permissible period of DROP participation, then beginning with the member's first month of employment following the last month of the permissible period of DROP participation, the member's DROP account will no longer be credited or debited with earnings or losses, nor will monthly benefits be transferred to the DROP account. All such non-transferred amounts shall be forfeited and continue to be forfeited while the member is employed by the police department, and no cost-of-living adjustments shall be applied to the member's credit during such period of continued employment. A member employed by the police department after the permissible period of DROP participation will still not be eligible for pre-retirement death or disability benefits and will not accrue additional credited service except as provided for in Section Reemployment After Retirement.

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(d) Distribution of DROP accounts on termination of employment.

(1) *Eligibility for benefits.* A member shall receive the balance in his DROP account in accordance with the provisions of this subsection (d) upon his termination of employment as a police officer. Except as provided in subsection (d)(5), no amounts shall be paid to a member from the DROP prior to his termination of employment as a police officer.

(2) Form of distribution.

a. Unless the member elects otherwise, distribution of his DROP account shall be made in a lump sum, subject to the direct rollover provisions set forth in subsection (d)(6). Elections under this paragraph shall be in writing and shall be made in such time or manner as the board shall determine.

b. Notwithstanding the preceding, if a member dies before his benefit is paid, his DROP account shall be paid to his beneficiary in such optional form as his beneficiary may select. If no beneficiary designation is made, the DROP account shall be distributed to the member's estate.

(3) *Date of payment of distribution.* Except as otherwise provided in this subsection (d), distribution of a member's DROP account shall be made as soon as administratively practicable following the member's termination of employment. Distribution of the amount in a member's DROP account will not be made unless the member completes a written request for distribution and a written election, on forms designated by the board, to either receive a cash lump sum or a rollover of the lump sum amount.

(4) *Proof of death and right of beneficiary or other person.* The board may require and rely upon such proof of death and such evidence of the right of any beneficiary or other person to receive the value of a deceased member's DROP account as the board may deem proper and its determination of the right of that beneficiary or other person to receive payment shall be conclusive.

(5) *Distribution limitation.* Notwithstanding any other provision of subsection (d), all distributions from the DROP shall conform to the "minimum distribution of benefits" provisions as provided for herein.

(6) *Direct rollover of certain distributions.* This subsection applies to distributions made on or after January 1, 2002. Notwithstanding any provision of the DROP to the contrary, a distributee may elect to have any portion of an eligible rollover distribution paid in a direct rollover as otherwise provided under the Plan's rollover distribution guidelines.

(e) *Administration of DROP.*

(1) *Board administers the DROP.* The general administration of the DROP, the responsibility for carrying out the provisions of the DROP and the responsibility of overseeing the investment of the DROP's assets shall be placed in the board. The members of the board may appoint from their number such subcommittees with such powers as they shall determine; may adopt such administrative procedures and regulations as they deem desirable for the conduct of their affairs; may authorize one or more of their number or any agent to execute or deliver any instrument or make any payment on their behalf; may retain counsel, employ agents and provide for such clerical, accounting, actuarial and consulting services as they may require in carrying out the provisions of the DROP; and may allocate among themselves or delegate to other persons all or such portion of their duties under the DROP, other than those granted to them as trustee under any trust agreement adopted for use in implementing the DROP, as they, in their sole discretion, shall decide. A trustee shall not vote on any question relating exclusively to himself.

(2) *Individual accounts, records and reports.* The Board shall maintain records showing the operation and condition of the DROP, including records showing the individual balances in each member's DROP account, and the board shall keep in convenient form such data as may be necessary for the valuation of the assets and liabilities of the DROP. The board shall prepare and distribute to members participating in the DROP and other individuals or file with the appropriate governmental agencies, as the case may be, all necessary descriptions, reports, information returns, and data required to be distributed or filed for the DROP pursuant to the code and any other applicable laws.

(3) *Establishment of rules.* Subject to the limitations of the DROP, the Board from time to time shall establish rules for the administration of the DROP and the transaction of its business. The board shall have discretionary authority to construe and interpret the DROP (including but not limited to determination of an individual's eligibility for DROP participation, the right and amount of any benefit payable under the DROP and the date on which any individual ceases to be a participant in the DROP). The determination of the board as to the interpretation of the DROP or its determination of any disputed questions shall be conclusive and final to the extent permitted by applicable law.

(4) *Limitation of liability.*

- a. The trustees shall not incur any liability individually or on behalf of any other individuals for any act or failure to act, made in good faith in relation to the DROP or the funds of the DROP.
- b. Neither the board nor any trustee of the board shall be responsible for any reports furnished by any expert retained or employed by the board,

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but they shall be entitled to rely thereon as well as on certificates furnished by an accountant or an actuary, and on all opinions of counsel. The board shall be fully protected with respect to any action taken or suffered by it in good faith in reliance upon such expert, accountant, actuary or counsel, and all actions taken or suffered in such reliance shall be conclusive upon any person with any interest in the DROP.

(f) *General provisions.*

(1) *The DROP is not a separate retirement plan.* Instead, it is a program under which a member who is eligible for normal retirement under the system may elect to accrue future retirement benefits in the manner provided in this DROP Section, for the remainder of his employment, rather than in the normal manner provided under the plan. Upon termination of employment, a member is entitled to a lump sum distribution of his or her DROP account balance or may elect a rollover. The DROP account distribution is in addition to the member's monthly benefit.

(2) *Notional account.* The DROP account established for such a member is a notional account, used only for the purpose of calculation of the DROP distribution amount. It is not a separate account in the system. There is no change in the system's assets, and there is no distribution available to the member until the member's termination from the DROP. The member has no control over the investment of the DROP account.

(3) *No employer discretion.* The DROP benefit is determined pursuant to a specific formula which does not involve employer discretion.

(4) *IRC limit.* The DROP account distribution, along with other benefits payable from the system, is subject to limitation under Internal Revenue Code section 415(b).

(5) *Amendment of DROP.* The DROP may be amended by an ordinance of the city at any time and from time to time, and retroactively if deemed necessary or appropriate, to amend in whole or in part any or all of the provisions of the DROP. However, except as otherwise provided by law, no amendment shall make it possible for any part of the DROP's funds to be used for, or diverted to, purposes other than for the exclusive benefit of persons entitled to benefits under the DROP. No amendment shall be made which has the effect of decreasing the balance of the DROP account of any member.

(6) *Facility of payment.* If a member or other person entitled to a benefit under the DROP is unable to care for his affairs because of illness or accident or is a minor, the board shall direct that any benefit due him shall be made only to a duly appointed legal representative. Any payment so made shall be a complete discharge of the liabilities of the DROP for that benefit.

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(7) *Information.* Each member, beneficiary or other person entitled to a benefit, before any benefit shall be payable to him or on his account under the DROP, shall file with the board the information that it shall require to establish his rights and benefits under the DROP.

(8) *Prevention of escheat.* If the Board cannot ascertain the whereabouts of any person to whom a payment is due under the DROP, the board may, no earlier than three (3) years from the date such payment is due, mail a notice of such due and owing payment to the last known address of such person, as shown on the records of the board or the city. If such person has not made written claim therefor within three (3) months of the date of the mailing, the board may, if it so elects and upon receiving advice from counsel to the system, direct that such payment and all remaining payments otherwise due such person be canceled on the records of the system. Upon such cancellation, the system shall have no further liability therefor except that, in the event such person or his beneficiary later notifies the board of his whereabouts and requests the payment or payments due to him under the DROP, the amount so applied shall be paid to him in accordance with the provisions of the DROP.

(9) *Written elections, notification.*

a. Any elections, notifications or designations made by a member pursuant to the provisions of the DROP shall be made in writing and filed with the board in a time and manner determined by the board under rules uniformly applicable to all employees similarly situated. The board reserves the right to change from time to time the manner for making notifications, elections or designations by members under the DROP if it determines after due deliberation that such action is justified in that it improves the administration of the DROP. In the event of a conflict between the provisions for making an election, notification or designation set forth in the DROP and such new administrative procedures, those new administrative procedures shall prevail.

b. Each member or retiree who has a DROP account shall be responsible for furnishing the board with his current address and any subsequent changes in his address. Any notice required to be given to a member or retiree hereunder shall be deemed given if directed to him at the last such address given to the board and mailed by registered or certified United States mail. If any check mailed by registered or certified United States mail to such address is returned, mailing of checks will be suspended until such time as the member or retiree notifies the board of his address.

(10) *Benefits not guaranteed.* All benefits payable to a member from the DROP shall be paid only from the assets of the member's DROP account and neither the city nor the board shall have any duty or liability to furnish the DROP with any

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funds, securities or other assets except to the extent required by any applicable law.

(11) Construction.

a. The DROP shall be construed, regulated and administered under the laws of Florida, except where other applicable law controls.

b. The titles and headings of the subsections in this DROP Section are for convenience only. In the case of ambiguity or inconsistency, the text rather than the titles or headings shall control.

(12) Forfeiture of retirement benefits. Nothing in this section shall be construed to remove DROP participants from the application of any forfeiture provisions applicable to the system. DROP participants shall be subject to forfeiture of all retirement benefits, including DROP benefits.

(13) Effect of DROP participation on employment. Participation in the 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.

**N. SUPPLEMENTAL BENEFIT COMPONENT FOR SPECIAL BENEFITS;
CHAPTER 185 SHARE ACCOUNTS**

There is hereby established an additional plan component to provide special benefits in the form of a supplemental retirement, termination, death and disability benefits to be in addition to the benefits provided for in the previous sections of this Plan, such benefit to be funded solely and entirely by F.S. Ch. 185, premium tax monies for each Plan year, which are allocated to this supplemental component as provided for in F.S. § 185.35. Amounts allocated to this supplemental component ("Share Plan"), if any, shall be further allocated to the members and drop participants as follows:

(a) Individual member share accounts. The board shall create individual "member share accounts" for all actively employed plan members and DROP participants and maintain appropriate books and records showing the respective interest of each member or DROP participant hereunder. Each member or DROP participant shall have a member share account for his share of the F.S. ch. 185 tax revenues described above, forfeitures and income and expense adjustments relating thereto. The board shall maintain separate member share accounts, however, the maintenance of separate accounts is for accounting purposes only and a segregation of the assets of the trust fund to each account shall not be required or permitted.

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(b) *Share account funding.*

(1) Individual member share accounts shall be established as of September 30, 2016 for all members and DROP participants who were actively employed as of October 1, 2015. Individual member share accounts shall be credited with an allocation as provided for in the following subsection (c) of any premium tax monies which have been allocated to the share plan for that plan year, beginning with the plan year ending September 30, 2016.

(2) Any forfeitures as provided in subsection (d), shall be used as part of future allocations to the individual member share accounts in accordance with the formula set forth in subsection (c)(1).

(c) *Allocation of monies to share accounts.*

(1) *Allocation of [F.S.] Ch. 185 contributions.*

a. Effective as of September 30, 2016, the amount of any premium tax monies allocated to the share plan shall be allocated to individual member share accounts as provided for in this subsection. Members retiring on or after October 1, 2015 and prior to September 30, 2016 shall receive an allocation. In addition, all premium tax monies allocated to the share plan in any subsequent plan year shall also be allocated as provided for in this subsection. Available premium tax monies shall be allocated to individual member share accounts at the end of each plan year on September 30 (a "valuation date").

b. On each valuation date, each current actively employed member of the plan not participating in the DROP, each DROP participant and each retiree who retires or DROP participant who has terminated DROP participation in the plan year ending on the valuation date (including each disability retiree), or beneficiary of a deceased member (not including terminated vested persons) who is otherwise eligible for an allocation as of the valuation date shall receive a share allocation as follows:

c. The total funds subject to allocation on each valuation date shall be allocated to each member share account of those eligible for an allocation in an amount equal to a fraction of the total amount, the numerator of which shall be the individual's total years and fractional parts of years of credited service as of the valuation date, and the denominator of which shall be the sum of the total years and fractional parts of years of credited service as of the valuation date of all individuals to whom allocations are being made. Beneficiaries shall receive an allocation based on the years of credited service of the deceased member or DROP participant.

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d. Re-employed retirees shall be deemed new employees and shall receive an allocation based solely on the credited service in the reemployment period.

(2) *Allocation of investment gains and losses.* On each valuation date, each individual member share account shall be adjusted to reflect the net earnings or losses resulting from investments during the year. The net earnings or losses allocated to the individual member share accounts shall be the same percentage which is earned or lost by the total plan investments, including realized and unrealized gains or losses, net of brokerage commissions, transaction costs and management fees.

Net earnings or losses are determined as of the last business day of the fiscal year, which is the valuation date, and are debited or credited as of such date.

For purposes of calculating net earnings or losses on a member's share account pursuant to this subsection, brokerage commissions, transaction costs, and management fees for the immediately preceding fiscal year shall be determined for each year by the investment consultant pursuant to contracts with fund managers as reported in the custodial statement. The investment consultant shall report these annual contractual fees to the board. The investment consultant shall also report the net investment return for each manager and the net investment return for the total plan assets.

(3) *Allocation of costs, fees and expenses.* On each valuation date, each individual member share account shall be adjusted to allocate its pro rata share of the costs, fees and expenses of administration of the share plan. These fees shall be allocated to each individual member share account on a proportionate basis taking the costs, fees and expenses of administration of the share plan as a whole multiplied by a fraction, the numerator of which is the total assets in each individual member share account (after adding the annual investment gain or loss) and the denominator of which is the total assets of the fund as a whole as of the same date.

(4) *No right to allocation.* The fact of allocation or credit of an allocation to a member's share account by the board shall not vest in any member, any right, title, or interest in the assets of the trust or in the [F.S.] Ch. 185 tax revenues except at the time or times, to the extent, and subject to the terms and conditions provided in this section.

(5) *[Annual statements.]* Members and DROP participants shall be provided annual statements setting forth their share account balance as of the end of the Plan year.

(d) *Forfeitures.* Any member who has less than ten (10) years of service credit and who is not otherwise eligible for payment of benefits after termination of employment with

Retirement Plan and Trust for Police Officers of the City of Umatilla
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the city as provided for in subsection (e) shall forfeit his individual member share account. Forfeited amounts shall be included and used as part of the [F.S.] Ch. 185 tax revenues for future allocations to individual member share accounts on each valuation date in accordance with the formula set forth in subsection (c)(1).

(e) *Eligibility for benefits.* Any member (or his beneficiary) who terminates employment as a police officer with the city or who dies, upon application filed with the board, shall be entitled to be paid the value of his individual member share account, subject to the following criteria:

(1) *Retirement benefit.*

a. A member shall be entitled to one hundred (100) percent of the value of his share account upon normal or early retirement pursuant to Section Benefit Amounts & Eligibility, or if the member enters the DROP, upon termination of employment.

b. Such payment shall be made as provided in subsection (f).

(2) *Termination benefit.*

a. In the event that a member's employment as a police officer is terminated by reason other than retirement, death or disability, he shall be entitled to receive the value of his share account only if he is vested in accordance with Section Termination of Employment and Vesting.

b. Such payment shall be made as provided in subsection (f).

(3) *Disability benefit.*

a. In the event that a member is determined to be eligible for either an in-line of duty disability benefit pursuant to Section Disability, subsection (a) or a not-in-line of duty disability benefit pursuant to Section Disability, subsection (c), he shall be entitled to one-hundred (100) percent of the value of his share account.

b. Such payment shall be made as provided in subsection (f).

(4) *Death benefit.*

a. In the event that a member or DROP participant dies while actively employed as a police officer, one hundred (100) percent of the value of his member share account shall be paid to his designated beneficiary as provided in Section Pre-Retirement Death.

b. Such payment shall be made as provided in subsection (f).

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(f) *Payment of benefits.* If a member or DROP participant terminates employment for any reason or dies and he or his beneficiary is otherwise entitled to receive the balance in the member's share account, the member's share account shall be valued by the plan's actuary on the next valuation date as provided for in subsection (c) above, following termination of employment. Payment of the calculated share account balance shall be payable as soon as administratively practicable following the valuation date, but not later than one hundred fifty (150) days following the valuation date and shall be paid in one lump sum payment. No optional forms of payments shall be permitted.

(g) *Benefits not guaranteed.* All benefits payable under this Section shall be paid only from the assets accounted for in individual member share accounts. Neither the city nor the board shall have any duty or liability to furnish any additional funds, securities or other assets to fund share account benefits. Neither the board nor any trustee shall be liable for the making, retention, or sale of any investment or reinvestment made as herein provided, nor for any loss or diminishment of the member share account balances, except due to his or its own negligence, willful misconduct or lack of good faith. All investments shall be made by the board subject to the restrictions otherwise applicable to fund investments.

(h) *Notional account.* The member share account is a notional account, used only for the purpose of calculation of the share distribution amount. It is not a separate account in the system. There is no change in the system's assets, and there is no distribution available to the member or DROP participant until the member's or DROP participant's termination from employment. The member or DROP participant has no control over the investment of the share account.

(i) *No employer discretion.* The share account benefit is determined pursuant to a specific formula which does not involve employer discretion.

(j) *Maximum additions.* Notwithstanding any other provision of this section, annual additions under this section shall not exceed the limitations of section 415(c) of the code pursuant to the provisions of Section Maximum Pension, subsection (k).

(k) *IRC limit.* The share account distribution, along with other benefits payable from the system, is subject to limitation under Internal Revenue Code section 415(b).

This Adoption Agreement may be used only in conjunction with the FMPTF Basic Plan Document.

This Adoption Agreement and the Basic Plan Document shall together be known as the Retirement Plan & Trust Police Officers of the City of Umatilla.

We have consulted our city attorney with reference to this Plan and Trust Agreement.

Retirement Plan and Trust for Police Officers of the City of Umatilla
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We understand that the City of Umatilla may amend any election in this Adoption Agreement by giving the Trustees written notification of such Amendment as adopted.

The Employer hereby agrees to the provisions of the Plan and Trust.

[Remainder of page left blank]

Retirement Plan and Trust for Police Officers of the City of Umatilla
ADOPTION AGREEMENT

IN WITNESS WHEREOF, the City of Umatilla hereby causes this Adoption Agreement to be executed on the _____ day of _____, 20____.

EMPLOYER:

City of Umatilla

By: _____

Date: _____

Mayor

Date: _____

The Adoption Agreement and the Basic Defined Benefit Plan Document are furnished for the consideration of the Employer and its legal and financial advisors. The Florida Municipal Pension Trust Fund advises the sponsoring Employer to consult with its own attorney and financial advisors on the legal and tax implications of the Defined Benefit Plan and the Adoption Agreement. Nothing herein should be construed as constituting legal or tax advice.

J:\WPDocs\6405.001 Umatilla Police Officers' Retirement Trust Fund – General Counsel Services\Documents re Plan Adoption of FMPTF Master Trust\Draft Adoption Agreement Amendment as of 6-20-22.docx

City of Umatilla Police Officers' Retirement Trust Fund

TRUST JOINDER AGREEMENT

THIS AGREEMENT, between the Board of Trustees of the **City of Umatilla Police Officers' Retirement Trust Fund** (herein referred to as the Board of Trustees of the "Retirement System") and the Master Trustees of the Florida Municipal Pension Trust Fund (herein referred to as the "Master Trustee").

WITNESSETH

WHEREAS, the Board of Trustees of the Retirement System, is authorized to vary the investment procedures of said Retirement System, and thereby permit the assets of said Retirement System to be invested in accordance with the Master Trust Agreement and the investment policy of the Florida Municipal Pension Trust Fund (herein referred to as the "FMPTF"); and further is authorized to participate in the FMPTF in accordance with the procedures, policies and methods outlined in the FMPTF Master Trust Agreement; and

WHEREAS, the FMPTF, in accordance with its Master Trust Agreement, provides a wide array of administrative, custodial and investment services to its participating members; and

WHEREAS, it is the intent of the Board of Trustees of the Retirement System to avail itself of the services offered by the FMPTF; and

WHEREAS, the Board of Trustees of the Retirement System desires to submit this Agreement to the FMPTF to become a party to the FMPTF Master Trust Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements flowing to each of the parties hereto, it is agreed as follows:

1. Both parties to the Agreement agree that the Retirement System is a participating member as provided in the FMPTF Master Trust Agreement.
2. The Board of Trustees of the Retirement System shall cause the assets of the Retirement System to be deposited, and cause contributions to be made based on its plan benefit formula and the terms of its plan, into a depository designated by the FMPTF.
3. The Board of Trustees of the Retirement System shall timely remit administrative fees as may be from time to time mutually agreed upon by the parties in writing and to a depository designated by the FMPTF.
4. The Board of Trustees of the Retirement System agrees to provide all initial and updates of all relevant employee information, including but not limited to birth dates, years of service, covered compensation and appropriate addresses to the FMPTF Administrator designated by the Master Trustee. The Board of Trustees of the Retirement System shall certify said information to be correct to the best of their knowledge and the Master Trustee and FMPTF Administrator shall have the right to rely on the accuracy of said information in performing contractual responsibilities.
5. The Board of Trustees of the Retirement System has a responsibility to provide to the FMPTF Administrator designated by the Master Trustee, in a timely manner, all information concerning employee termination (e.g., death, disability, retirement, resignation or dismissal). If the reason for termination is disability and the employee is claiming disability benefits, it shall be the sole responsibility of the Board of Trustees of the Retirement System to ascertain eligibility through procedures adopted by the Board of Trustees of the Retirement System. The Board of Trustees of the Retirement System shall certify said information to be correct to the best of their knowledge and the Master Trustee and the FMPTF Administrator shall have the right to rely on the accuracy of said information in performing contractual responsibilities.

6. The FMPTF shall provide administrative, custodial and investment services to the Retirement System in accordance with the ordinance establishing said Retirement System and in accordance with the FMPTF Master Trust Agreement.

7. The FMPTF, in accordance with the policies and procedures established by the FMPTF Master Trustee and the FMPTF Master Trust Agreement, shall periodically report its activities to the Board of Trustees of the Retirement System on a timely basis.

8. The parties to this Agreement agree to abide by, and be bound by the terms, duties, rights and obligations set forth in the FMPTF Master Trust Agreement, as may be amended by the Master Trustee, which is attached hereto and is made a part of this Agreement.

9. The Board of Trustees of the Retirement System elects to have the plan assets invested in accordance with the FMPTF investment policy with an equity to fixed income ratio of:

50% Equities/ 50% Fixed Income
~~XXX~~ 60% Equities/ 40% Fixed Income
~~70% Equities/ 30% Fixed Income~~

10. The Board of Trustees of the Retirement System may terminate this Agreement by giving at least sixty (30) days notice in writing to FMPTF. FMPTF may terminate this Agreement by giving at least ninety (30) days notice in writing to the Board of Trustees of the Retirement System. Any termination shall be governed by the provisions of the FMPTF Master Trust Agreement and the plan document for the Retirement System.

IN WITNESS WHEREOF, the Board of Trustees of the Retirement System and the FMPTF have caused this Agreement to be executed and the signatures of their respective authorized officers to be affixed this 30 day of MARCH, 2010.

City of Umatilla Police Officers' Retirement Trust Fund

A. Seabee
As Chairman

Attest:

W. Scott Pingle
As Secretary

FLORIDA MUNICIPAL PENSION TRUST FUND

Michael Steg
Secretary-Treasurer



CITY OF UMATILLA AGENDA ITEM STAFF REPORT

DATE: March 17, 2026

MEETING DATE: April 7, 2026

SUBJECT: City of Umatilla Purchasing Policy Update

BACKGROUND SUMMARY:

Based on federal and state grant requirements, several sections needed to be incorporated into our purchasing policy to stay in compliance. The added language includes a conflict of interest statement and disciplinary actions for violations; a suspended and debarred contractor policy statement including the requirements and consequences of non-compliance as well as a needs assessment statement to prevent the acquisition of unnecessary or duplicative items. These sections are highlighted in red on the attached policy, which once approved will be incorporated into the new Administrative Policy Manual.

RECOMMENDATIONS:

Approve the revised purchasing policy.

FISCAL IMPACTS:

None

ATTACHMENTS:

1. Purchasing Policy Rev 6
-



CITY OF UMATILLA

PURCHASING POLICY

PURPOSE

The purpose of this policy is to encourage competition among vendors and to provide guidance for the proper procurement of supplies and services for each department within the City.

Notwithstanding any provision of this Purchasing Policy to the contrary, all procurements funded in whole or in part with Federal funds shall comply with the requirements of 2 CFR Part 200. In the event of a conflict between this policy and Federal requirements, the Federal requirements shall control.

DISCUSSION

The City recognizes fair and open competition is a basic tenet of public procurement. Open competition reduces the appearance and opportunity of favoritism and inspires public confidence.

POLICY

I. Conflict of Interest

No employee, officer, or agent of the City shall participate in the selection, award, or administration of a contract if they have a real or apparent conflict of interest. A conflict of interest arises when the employee, officer, or agent, any member of their immediate family, their partner, or an organization which employs or is about to employ any of the aforementioned parties has a financial or other interest in, or a tangible personal benefit from, a firm considered for a contract award.

Employees, officers, and agents shall disclose in writing any actual or potential conflict of interest to their department head and the Procurement Officer prior to the solicitation, evaluation, or award of any contract. Such disclosure shall be documented in the procurement file.

The City's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subcontracts. Items of nominal value (not exceeding \$25) may be exempted at the discretion of the governing body where a written policy permits.

A. Disciplinary Actions for Violations:

Violations of this Conflict of Interest policy shall subject the offending employee, officer, or agent to disciplinary action up to and including:

- Written reprimand placed in the employee's personnel file;
- Suspension without pay for a period determined by the severity of the violation;
- Termination of employment for willful or repeated violations; and/or
- Referral for civil or criminal prosecution under applicable Florida law, including but not limited to Chapter 112, Florida Statutes (Code of Ethics for Public Officers and Employees), and applicable Federal statutes and regulations.

Any contract awarded in violation of this policy may be rescinded at the sole discretion of the City, and the offending party may be barred from future participation in City procurement activities.

II. Suspended and Debarred Contractor Policy Statement:

The City shall not award a contract under a Federal award to any contractor, vendor, or subrecipient that is suspended, debarred, or otherwise excluded from participating in Federal programs or activities. This requirement applies to all procurements funded in whole or in part with Federal funds, regardless of dollar amount.

- A. Verification Requirement: Prior to the award of any Federally funded contract or purchase order, the City Clerk or designee shall verify that the prospective contractor or vendor is not listed as suspended, debarred, or excluded by checking the System for Award Management (SAM.gov) at www.sam.gov. Specifically, the SAM.gov Exclusions Search must be queried using the contractor's legal name, Unique Entity Identifier (UEI), and/or Tax Identification Number (TIN).
- B. Documentation: A printed or electronic copy of the SAM.gov search result shall be retained in the procurement file for each transaction. The search must be conducted no earlier than the date of award and must confirm active, non-excluded status. For contracts with an extended period of performance, re-verification is recommended at each option period or renewal.
- C. Contractor Certification: All solicitations and contracts for Federally funded procurements shall include a certification clause requiring the prospective contractor to certify that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency, consistent with the requirements of 2 CFR Part 180 and 2 CFR Part 200.

- D. Consequences of Non-Compliance: Award of a contract to a suspended or debarred entity may result in disallowance of costs by the Federal awarding agency, repayment of expended Federal funds, and/or other sanctions against the City. Any contract discovered to have been awarded to a suspended or debarred contractor shall be immediately reported to the Federal awarding agency and may be terminated for cause.

III. Incentive for Local Businesses

- A. It is the City Council's desire to include provisions that will provide incentives to purchase goods from vendors located in the corporate limits of Umatilla. Whenever competitive sealed bids are received and one or more are submitted by a vendor located within the corporate limits of Umatilla, if all things stated in such bids are equal with respect to price, quality, and service, the commodities shall be purchased from the vendor located within the corporate limits.
- B. There may be a one percent (1%) increase over the low bid if the low bidder is not located within the corporate limits of Umatilla allowed as an incentive to local businesses within the corporate limits of Umatilla. Local businesses shall be defined as a business that has its main office within the corporate limits of Umatilla has a valid city business tax license and pays property taxes directly or indirectly to the City.

IV. Legislative Authority

The City Council may change, award, modify, or delete any provision in this Policy and award a purchase order or contract to anyone or any firm it deems appropriate at its sole discretion.

V. Purchasing Guidelines

- A. The City shall take affirmative steps to avoid the acquisition of unnecessary or duplicative items. Prior to initiating any procurement, the requesting department shall conduct a needs assessment to confirm that:
 - 1. The item, supply, or service is required to fulfill a legitimate and documented programmatic need;
 - 2. The item does not duplicate equipment, supplies, or services already available within the City or obtainable through intergovernmental agreements; and
 - 3. The quantity requested is reasonable and justified based on actual need, not convenience or anticipated future use.
- B. The following are abbreviated minimum guidelines. If a department or general law has established more restrictive rules, the department rules or general law will prevail. Should there be any conflict between these guidelines and the department's rules, these guidelines shall prevail.

1. Any payment issued by the Finance Department must be initiated by either a purchase order or direct payment request.
2. The proper support shall be included with each purchase order or direct payment, and the document(s) shall be approved by the proper level of authority. The support items required will vary depending upon the amount and/or type of purchase. Additionally, if competitive pricing is required, copies of the competitive pricing documents shall also be attached. Any exceptions to this policy must be authorized by the City Manager or his/her designee.
3. Ideally, each purchase that has been processed should be able to survive review by an outside auditor without the need for additional documentation.
4. If the vendor has not previously conducted business with the City, a new vendor file must be prepared. The purchaser should request a W-9 from the vendor and forward it to the Finance Department. Prior to issuing any payments, Finance will be responsible for creating the new vendor file.
5. Special instructions for payment processing should accompany the request for payment. If any documents are to accompany the check, those documents should be attached to the payment request.
6. If payment for an open purchase order is requested and the amount requested is less than the purchase order amount, the Finance Department must be notified to close the purchase order when no further payments are to be made.
7. If a payment request exceeds the purchase order amount by 10% or \$1,000, whichever amount is smaller, additional authorization will be required prior to payment. The person authorized to sign purchase orders is responsible for ensuring that the final purchase cost complies with all purchasing procedures as outlined in this policy.

C. For all procurements funded in whole or in part with Federal funds, the City shall comply with the procurement standards set forth in 2 CFR Part 200, including but not limited to the requirements set forth below.

VI. Levels of Required Authority

Depending upon the dollar amount or type of purchase, different levels of approval may be required prior to the actual purchase.

A. City Council Approval

Approval by the City Council is required of the following:

1. Any service agreement with a total annual cost equal to or greater than \$25,000 unless appropriated with the City's Operating Budget.

2. Any Capital purchase equal to or greater than \$25,000 unless appropriated with the City's Operating Budget.
3. Any purchase contract or agreement equal to or greater than \$25,000 except for:
 - a. Progress payments on previously approved contracts or agreements.
 - b. Inventory purchases for stock, purchased using competitive prices and when no single unit price of an item is greater than \$5,000.
 - c. Emergency repairs necessary to alleviate a potential safety or environmental hazard or to restore public services.
 - d. Field change orders falling within the City Manager's or his/her designee's authority.
 - e. Settlements on insurance claims consistent with the approved insurance contract.
 - f. Specific purchases appropriated with the City's Operating Budget.
4. The City Council has given the City Manager or his/her designee blanket change order approval authority for individual change orders up to a cumulative 10% of the approved contract amount on bid projects.

B. City Manager

The City Manager or designee must authorize all purchase orders submitted for purchases greater than \$5,000.00. Depending upon the level of cost, competitive pricing may be required as delineated in Section V. Purchase orders will be submitted as outlined in Section VII.

C. Department Head

The Department Head must authorize all purchases unless such authority has been delegated. If delegation has occurred, the Finance Department shall be notified in writing. If the delegation is for a limited time, this must be delineated within the memorandum. Department Heads have the authority for purchases of budgeted items up to \$5,000. Purchase requests over \$5,000 shall be approved by the City Manager prior to the issuance of a PO.

VII. Competitive Pricing

Competitive pricing is required for all purchases when the total purchase price will exceed \$5,000.

A. Written/Sealed Bid Competitive Quotations

1. Total Purchase Price less than or equal to \$5,000 - Do not require competitive pricing.
2. Total Purchase Price greater than \$5,000 and less than \$25,000 - Requires three written quotations that must be attached to the purchase order.
3. Total Purchase Price greater than or equal to \$25,000 - Sealed bids are required through an advertised process.
4. Notwithstanding anything to the contrary herein, services for engineers, architects, surveyors, and landscape architects for a project the basic construction cost of which is estimated by the City to be in excess of \$325,000 and/or for a planning or study activity when the fee for professional services exceeds \$35,000 shall be procured utilizing Florida Statute 287.055, the Consultant's Competitive Negotiations Act or pursuant to a continuing contract as authorized by that section.

B. Exceptions to the competitive pricing requirement

Each of these exceptions requires detailed written support be attached to the related purchase order. The exceptions in this section may not be used for purchases where general law requires a specified procurement process.

1. Emergency Repairs - repairs needed immediately to restore public services or to alleviate a safety or environmental hazard. A description of the emergency shall be attached to the purchase order, direct payment or p-card receipt with approval from the City Manager.
2. Unidentifiable Repairs - repairs that could not be identified prior to the commencement of repair work. A description of the circumstances shall be attached to the purchase order, direct payment or p-card receipt .
3. Sole Source - products or services available from only one vendor. Documentation must be attached to the purchase order. The City Manager must give approval for the "Sole Source" designation. The "Sole Source" designation will expire one year after approval and may be renewed upon submission of a new request with documentation.
4. Evaluated Source - products or services may be purchased from a vendor without obtaining competitive prices when it has been determined that it is in the best interest of the city to use that vendor. Documentation must be attached clearly defining why it is in the best interest of the City not to obtain quotes with each purchase and/or why this vendor is to be used when other vendors may supply their products at a lesser price. Proven quality differences and proximity of supplier are some examples of the reasons why a vendor may be declared an

“Evaluated Source.” The City Manager must give approval for the “Evaluated Source” designation. The “Evaluated Source” designation will expire one year after approval and may be renewed upon submission of a new request with documentation.

5. Federal, State, or other Governmental Contract.
 - a. “Piggyback” Agreements – The City has the ability to gain an economy of scale advantage and utilize agreements that have been formally solicited by another governmental entity. The “Piggyback” Agreement will be in accordance with all the terms and conditions, unit prices, time frames, and other criteria as is included in the other public entity’s formal solicitation. Vendor(s) under an agreement will then be contacted to ensure they agree to be bound by City “Piggyback” Agreement.
 - b. Cooperative/Consortium Agreements - Similar to “Piggybacking” agreements, the City has the ability to utilize an active agreement that has been formally solicited by a Cooperative/Consortium in which the City is an active member. A Cooperative/Consortium is an association of two or more individuals, companies, organizations or governments with the objective of participating in a common activity or pooling their resources for achieving a common goal. It is a best practice to consider the use of Cooperative/Consortium procurement agreements, on a case-by-case basis, and only after proper due diligence has been performed. Prior to using a Cooperative/Consortium agreement, attention should be given to ensuring legal compliance, open competition, and effective/efficient use of time and resources. If Council approval is required, appropriate agreement and agenda item will be created and presented to the Council. Authorized Purchasing Cooperatives/Consortiums for use by the City may include; but not limited to, the following:
 - National Cooperative Purchasing Alliance (NCPA)
 - National IPA-The Cooperative Purchasing Network (TCPN),
 - Sourcewell (Formerly NJPA)
 - The Interlocal Purchasing System (TIPS)
 - The Florida Sheriffs Association
 - Florida Department of Management Services (Division of State Purchasing)
 - GSA Cooperative Purchasing Program

- U.S. Communities
- Other State Agreements

6. PRIDE - purchases from PRIDE do not require competitive quotes.
7. Accounting, legal, permits, condemnation, and right-of-way services do not require competitive quotes.
8. Used Vehicle Purchases - If the vehicle price is consistent with the NADA or "Black Book" price, no competitive pricing is required. A copy of the source data must be attached. Purchase of used vehicle(s) requires the written approval of the City Manager.

VIII. Direct Payables and Purchasing Cards (P-Cards)

- A. Direct Payables are to be used as a tool to purchase daily supplies or other goods and services costing up to \$999.99.
- B. Purchasing Cards are to be used as a tool to purchase any supplies or other goods and services in order to streamline the purchasing process. All competitive purchasing requirements are still to be followed as outlined in Section V.
- C. If petty cash or a purchasing card is used, neither a direct payable nor Purchase Order shall be required.
- D. Department Heads are responsible for approval of all direct payables and p-card purchases.
- E. Support data for the direct payable or p-card purchase shall be included with the payable and uploaded into the appropriate software. In all cases the invoice(s) used as backup for payment requests shall be the original.

IX. Purchase Orders

- A. A Purchase Order (PO) shall be issued for all purchases of goods or services in excess of \$999.99 prior to the commitment to purchase the goods or services. The PO shall contain the quantity, description, price, authorization, and related information for the goods or services to be purchased.
- B. When preparing a PO, the purchase amount will determine the level of authority and the type of competitive pricing that may be required. (Refer to Section IV.)
- C. The PO shall be generated by the department purchasing the goods or services.
- D. Support data (including any competitive quotes) for the PO shall be included with the PO and uploaded into the financial software. In all cases the invoice(s) used as backup for payment requests should be the original(s).

E. Types of Purchase Orders

1. Regular Purchase Order - Used for a one-time purchase. Ideally, this type of PO will be created for one or more items purchased from one vendor, when the items will all be received at the same time. This PO will be processed for payment and then closed. Exceptions will be back orders or partial receipts, which should only be temporary.
2. Blanket Purchase Order used for continuing goods services or commodities where the fee or charge is known but the goods or services will be received over a known period of time. Examples of uses for a blanket PO are service contracts, maintenance contracts, etc.

F. Encumbering and Paying a Purchase Order

1. The encumbrance of a purchase order creates an obligation for the City to purchase and pay for goods or services from a particular vendor. Accordingly, the affected accounts will reflect a reduction of the budget for the amount of the encumbrance and affected accounts must have available budgeted funds to complete the purchase.



CITY OF UMATILLA

AGENDA ITEM STAFF REPORT

DATE: March 17, 2026

MEETING DATE: April 7, 2026

SUBJECT: City of Umatilla Personnel Policy Update

BACKGROUND SUMMARY:

The employee handbook was last updated in 2021. This revision includes the notice to employees of whistle-blower protections, another grant requirement. It also includes a correction to the minimum required hours for pro-rated accruals, a one-hour increase in accruals for 10+ year employees as well as the addition of a 20+ year accrual level for police officers. This policy also changes the accrual carryover from 5 to 6 weeks for general employees and 6.85 to 7 weeks for police officers and changes the carryover date from calendar year to fiscal year in order to align with financial reporting requirements. In addition, worker's comp reporting requirements have been clarified to include all incidents being sent to HR and not the City Clerk.

RECOMMENDATIONS:

Approve the revised Employee Handbook

FISCAL IMPACTS:

None

ATTACHMENTS:

1. Employee Handbook Rev 2
-



Employee Handbook

Revision History

Version	Date	Revision Author	Summary of Changes
1.0	12/21/2021	Frazier	First Draft
2.0	04/07/2026	Frazier	Whistleblower protections, minimum part-time hours, increase 10+ year vacation accruals and change carryover to fiscal year

Distribution

Name	Title
Staff	All Staff

Approval

Agenda	By	Date
Regular Consent	City Council	12/21/2021
Regular Consent	City Council	04/07/2026

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Purpose Statement

The purpose of these personnel policies is as follows:

1. To ensure that all City employees are treated fairly in all aspects of employment without regard for political affiliation, disability or handicap, race, color, age, national origin, sex (including pregnancy, childbirth, or related medical condition), religion, military or veteran status, genetic information, and any other status protected by applicable law.
2. To encourage all City employees to consistently give their best efforts in the performance of their duties to meet high standards of achievement;
3. To fill open positions and promote from within whenever possible;
4. To provide the best working environment possible for City employees.

No human organization will ever be free from day to day problems; however, these policies will help each employee to successfully resolve problems and encourage teamwork. The citizens of Umatilla depend on us, and together we can respond with service that reflects our commitment to excellence.

Aaron Mercer
City Manager
for the City Council

1 Introduction

1.1 Purpose of This Handbook

This Employee Handbook contains information about the employment policies and practices of the City of Umatilla ("the City"). The handbook is designed to ensure employees know what is expected of them, what they can expect from the City, and to ensure policies are communicated and implemented uniformly.

The policies outlined herein should be regarded as guidelines only and are not all-inclusive. The City retains the right to make decisions involving these policies as needed, including the right to establish, change, interpret, or revoke any policy, without prior notice. Any changes will be communicated to employees. This handbook replaces any prior handbook(s) and verbal or written policy statements.

No oral statements or representations can change the provisions of this handbook. Additionally, the provisions of this handbook are not intended to create contractual obligations with respect to any matter.

Please become familiar with all information contained within this handbook. If you have questions about any matter contained within it or not addressed in it, please contact your manager or Human Resources.

1.2 Employment-at-Will

The City is an at-will employer. This means that regardless of any provision in this handbook, either you or the City may terminate the employment relationship at any time, for any reason, with or without cause or notice.

Nothing in this handbook or in any document or statement shall limit the right to terminate employment at-will unless the employee has a written contract of employment stating otherwise that is signed by the employee and the City Manager. No one is authorized to modify this policy or enter into any employment agreement, oral or written, with any employee that is contrary to this policy unless there is a signed document stating otherwise between the employee and the City Manager.

1.3 Intent

It shall be the intent of the City Council and other elected officials that:

- A. The employees of Umatilla be productive persons who perform a useful purpose.
- B. There shall be no employee on the City payroll for whom there is no employment needed.

- C. There shall be no individual, group, or factions in City employ who shall create disharmony, unrest, disquiet, institute rumors or by any other act cause dissention and inefficiency in City government.
- D. All officers and employees shall comply with and assist in carrying out the personnel policy, including compiling of personnel records and information.

1.4 Scope

The Personnel Policy, regulations and procedures as adopted shall apply to all personnel under the jurisdiction of the City Council and any other agency, board or department of the City.

1.5 Exemptions

Personnel exempt from this policy manual are:

- A. Elected Officials
- B. Members of City Boards and Committees.
- C. Persons engaged in a professional capacity on a contractual, fee, or retainer basis or hired to perform temporary services, investigations or inquiries on behalf of the City Council or a committee of other elected officials.

1.6 Records of City Personnel

The personnel records of the various departments are considered public information pursuant to the "Public Records Act" or other statute. As such, personnel files are subject to disclosure pursuant to the Public Records Act, unless the information is subject to a specific statutory exemption. Release of personnel records requires prior notification to the City Manager or designee.

2 General Policies

2.1 Immigration Reform and Control Act

As required by the federal Immigration Reform and Control Act of 1986 (IRCA), we only employ individuals who are authorized to work in the United States. Each new employee, as a condition of employment, must present documentation establishing identity and employment eligibility.

Employees who are authorized to work in the United States for a specified period of time must provide proof of renewed employment eligibility prior to the expiration of the current authorization period in order to remain employed. It is the employee's responsibility to ensure they take appropriate and timely steps to retain their authorization to work in the United States.

In accordance with Florida law, the City participates in the federal E-Verify program to verify employment eligibility of all new employees.

2.2 Discrimination, Harassment, and Retaliation

The City of Umatilla is an equal opportunity employer and as such, is committed to providing a work environment free of discrimination, harassment, retaliation, and disrespectful or other unprofessional conduct by or toward an employee, manager or third party (vendors, citizens, contractors, etc.) for any reason, including, but not limited to:

- Race
- Religion (including religious dress and grooming practices)
- Color
- Sex/gender (including pregnancy, childbirth, breastfeeding or related medical conditions); gender identity/gender expression; and sexual orientation
- National origin
- Ancestry
- Physical or mental disability or handicap
- Genetic information/characteristics
- Age
- Military or veteran status
- Any other basis protected by federal, state or local law or ordinance or regulation.

The City also prohibits discrimination, harassment, disrespectful or unprofessional conduct based on the perception that anyone has any of these characteristics or is associated with a person who has or is perceived as having any of these characteristics. Our commitment to equal employment opportunity and providing a workplace free of discrimination, harassment, and retaliation applies to all aspects of employment including: hiring, promotion, compensation, benefits, training, termination, and all other terms and conditions of employment.

The conduct prohibited by this policy includes conduct in any form, whether verbal, non-verbal, visual, written, or physical. This includes, but is not limited to, e-mail, voice mail, Internet activity, text messages, pictures, images, objects, writings, words, gestures, or physical contact.

In general, discrimination and harassment are conduct that denigrates or shows hostility or aversion toward an individual based on a protected status. It can take many forms, including: epithets, slurs; threats; derogatory names, comments, objects or visual depictions; unwelcome jokes or teasing; and other verbal, nonverbal, written, visual or physical conduct that is based on a protected status.

Sexual harassment can include a range of subtle or not-so-subtle behaviors and may involve individuals of the same or different gender. It can be generally defined as: unwelcome sexual advances, requests for sexual favors, and/or verbal or physical conduct of a sexual nature including, but not limited to, sexually-related images, jokes, teasing, uninvited touching or other sexually-related conduct where such conduct:

- requires submission to the conduct as a term or condition of employment or is used as a basis for employment decisions;
- substantially interferes with an individual's work performance; or,
- creates an intimidating, hostile, or offensive working environment.

Sexual harassment does not need to be motivated by sexual desire to be unlawful or to violate this policy. For example, hostile acts toward an employee because of his/her gender can amount to sexual harassment, regardless of whether the treatment is motivated by sexual desire.

Additional examples of sexual harassment include:

- Physical acts of a sexual nature, such as:
 - Touching, pinching, patting, kissing, hugging, grabbing, brushing against another employee's body or poking another employee's body;
 - Rape, sexual battery, molestation or attempts to commit these assaults.
- Unwanted sexual advances or propositions, such as:
 - Requests for sexual favors accompanied by implied or overt threats concerning

- the target's job performance evaluation, a promotion or other job benefits or detriments;
- Subtle or obvious pressure for unwelcome sexual activities.
- Sexually oriented gestures, noises, remarks or jokes, or comments about a person's sexuality or sexual experience, which create a hostile work environment.
- Sex stereotyping occurs when conduct or personality traits are considered inappropriate simply because they may not conform to other people's ideas or perceptions about how individuals of a particular sex should act or look.
- Sexual or discriminatory displays or publications anywhere in the workplace, such as:
 - Displaying pictures, posters, calendars, graffiti, objects, promotional material, reading materials or other materials that are sexually demeaning or pornographic. This includes such sexual displays on workplace computers or cell phones and sharing such displays while in the workplace.
- Hostile actions taken against an individual because of that individual's sex, sexual orientation, gender identity and the status of being transgender, such as:
 - Interfering with, destroying or damaging a person's workstation, tools or equipment, or otherwise interfering with the individual's ability to perform the job;
 - Sabotaging an individual's work;
 - Bullying, yelling, name-calling.

Harassment, whether sexual or based on another protected status, is not limited to the physical workplace itself. It can occur while employees are traveling for business or at City sponsored events. Calls, texts, emails, and social media usage by employees can constitute unlawful workplace harassment, even if they occur away from the workplace, on personal devices, or during non-working hours.

Those in a supervisory capacity are expected to have a high level of consciousness regarding this policy and must promptly advise the City Manager of any potential incidents of harassment or discrimination. Specifically, with respect to sexual harassment conduct, no one in a supervisory or elected capacity shall threaten or insinuate either explicitly or implicitly that any individual's submission to or rejection of sexual advances will in any way influence any personnel decisions regarding that person's employment, evaluation, wages, advancement, assigned duties, shifts, or any other condition of employment.

A victim of discrimination, harassment or other similar conduct does not have to be the intended recipient of the behavior. It can be anyone who finds the behavior offensive and feels affected by such behavior. If you believe you have been subject to conduct prohibited by this policy or become aware of such conduct, you should report the situation immediately to your supervisor, Department Head, or the City Manager. This applies whether the party involved is

an employee, someone in management, vendor, citizen, or any member of the public with whom you come in contact as part of your employment. Anyone witnessing or receiving a report about possible harassment **must** report the situation immediately.

The City will investigate all reports promptly and fairly and in accordance with any legal requirements. The City will maintain confidentiality to the extent possible; however, the City's duty to investigate and take appropriate action may prevent complete confidentiality. Investigations will be conducted with the highest degree of confidentiality and discretion possible for the protection of all parties involved.

If the City determines that discrimination, harassment, retaliation or other prohibited conduct has occurred, appropriate action will be taken in accordance with the circumstances involved. This may include disciplinary action, up to and including termination. Employees should also know that if they engage in unlawful harassment, they can be held personally liable for the misconduct.

Adverse action will not be taken against an employee who, in good faith, reports or participates in an investigation under this policy. The City prohibits any form of retaliation against any employee who files a complaint or participates in an investigation under this policy. Retaliation or adverse action occurs when an employee experiences a negative consequence **because** they, in good faith, filed a complaint or participated in an investigation under this policy. Examples of retaliation or adverse action include, but are not limited to: firing, demotion, denial of a promotion, unjustified negative performance evaluations, increased supervision or scrutiny, sudden enforcement of previously unenforced policies, exclusion from activities or privileges one would normally be invited to or included in, or any other action that would deter a reasonable person in the same circumstances from filing a complaint or participating in an investigation. Retaliation is illegal and will result in disciplinary action, up to and including termination.

The City takes very seriously its commitment to providing an environment free of harassment, discrimination, and retaliation, and our policy is meant to ensure employees feel comfortable asking questions or raising concerns. You are encouraged to contact your supervisor or Department Head if you have any questions or concerns.

2.3 Workplace Accommodations

Americans with Disabilities Act and Amendments Act (ADAAA)

The City is committed to ensuring equal opportunity in employment for qualified persons with disabilities who can perform the essential functions of their job, with or without reasonable accommodation, provided that such accommodations impose no undue hardship on the City. Unless you inform us otherwise, the City assumes that you can perform the essential functions of your job without any accommodation. If you are a qualified individual with a disability and you require a reasonable accommodation in order to perform the essential functions of your job, notify your Department Head.

oWhether accommodation is required, whether it is feasible, and the type of accommodation that is provided is dependent upon many factors. To facilitate this process, you may be asked about the type of accommodation you believe is necessary, the functional limitations caused by your disability, and/or permission to obtain information from your physician.

Accommodations for Pregnancy

Similarly, an employee may have a need for a reasonable accommodation due to pregnancy or conditions related to pregnancy. In accordance with applicable law, the City will work with employees to provide reasonable accommodations, provided the accommodation does not impose an undue hardship on the City. Such accommodations may include: more frequent or longer breaks; time off to attend to a pregnancy complication or recover from childbirth; acquisition or modification of equipment or seating; a temporary transfer to a less strenuous or hazardous position, including light duty; job restructuring; private non-bathroom space for expressing breast milk; assistance with manual labor; and modification of work schedule. Employees should discuss their need for accommodation with their Department Head so the City can work with the employee to explore options.

Religious Accommodations

An employee may find the need for a reasonable accommodation for employees' religious beliefs, observances, and practices when a need for such accommodation is identified and reasonable accommodation is possible. A reasonable accommodation is one that eliminates the conflict between an employee's religious beliefs, observances, or practices and the employee's job requirements, without causing undue hardship to the City. Employees needing this type of accommodation should speak directly with their Department Head. We are not familiar with all religious practices and beliefs; therefore, we may need documentation from a leader of your religious sect or denomination to support your request.

2.4 Whistleblower Protection

The City is committed to maintaining an environment where employees can report concerns about unlawful conduct, fraud, or violations of City policy without fear of retaliation.

Employees have the right to report, in good faith, the following without fear of adverse employment action:

- Violations of federal, state, or local laws or regulations
- Fraud, waste, or abuse of government resources
- Health or safety hazards in the workplace
- Financial misconduct or accounting irregularities
- Violations of City policy, contracts, or ethical standards
- Retaliation against any employee who has previously made a protected report

The City strictly prohibits retaliation against any employee who in good faith reports a concern, participates in an investigation, or refuses to participate in conduct believed to be unlawful. Retaliation includes but is not limited to: termination, demotion, suspension, harassment, reduction in pay or hours, or any other adverse employment action.

Any supervisor or employee found to have retaliated against a reporting employee will be subject to disciplinary action, up to and including termination.

Employees may report concerns through any of the following channels:

- Directly to your supervisor or manager
- Department Director
- Finance/Human Resources Department
- City Manager
- City Attorney
- Directly to relevant government agencies or regulatory bodies

Reports may be made anonymously where permitted by law. All reports will be investigated promptly and confidentially to the extent practicable.

2.5 Political Activity

No employee, while on duty during hours of regular employment, shall solicit orally or by letter, or receive pay, or be in any manner concerned with the subscription to any political campaign.

No employee shall use his or her official authority as an employee to influence or attempt to influence, coerce or attempt to coerce a political body or to in any way interfere with any nomination of election of any person to any public office.

Nothing in this policy shall prevent any employee from becoming a member of a political club or organization or attending meetings of such club organizations or expressing an opinion on all political subjects except those specifically prohibited above, or from enjoying freedom from all interference in casting a vote.

It is the intent of this policy to maintain impartial City Service and to work toward the ideal of a public service that is dedicated to all citizens of the City, to maintain fair and equal treatment and to avoid a conflict of interest.

2.6 Outside Employment

Employment, including self-employment, outside of the City must not conflict in any way with your responsibilities, performance, or attendance with the City. Prior to acceptance, full-time employees must disclose outside employment in writing and be approved by the Department Head.

Employees may not conduct outside work on working time, nor may employees use City property, equipment or facilities in connection with outside work, whether on or off working time.

2.7 Code of Ethics

The City strives to conduct all its affairs and activities with the highest standards of integrity and ethical conduct. We believe that each of us is responsible for projecting the best possible image of the City to each other, our citizens, business partners, and the public. This requires careful observance of the spirit and letter of the law, as well as the highest standards of conduct and personal integrity when performing job duties.

In general, the use of good judgment, based on high ethical principles, will guide employees with respect to lines of acceptable conduct. If a situation arises in which it is difficult to determine the proper course of action, an employee should discuss the matter openly with their Department Head or the Finance Director.

If an employee reasonably believes that a policy, practice, or activity of the City is in violation of the law or public policy or witnesses a potentially illegal, fraudulent, or unethical act, the employee should discuss the concern with their Department Head or the Finance Director.

The City will not retaliate against an employee because that employee:

- A. reports what the employee believes in good faith to be a violation of the law, including reports to an applicable federal, state or local agency;
- B. participates in good faith in any resulting investigation or proceeding; or
- C. exercises their rights under any state or federal law(s) or regulation(s) to pursue a claim or take legal action to protect the employee's rights.

The City will take disciplinary action, up to and including termination, against an employee who engages in retaliatory conduct against another employee in violation of this policy.

2.8 Conflicts of Interest

Personnel in a position to influence City actions shall refrain from business, professional and social relationships which may affect the exercise of their independent judgment in dealing with the City suppliers of goods and services.

An outside personal economic relationship which affords present or future financial benefits to an employee, the employee's family, or to individuals with whom the employee has business or financial ties, may be considered a conflict of interest requiring evaluation by City officials, or designated representatives, when:

- A. The employee is engaged in a private business or financial relationship which may secure an advantage of goods, services or influence due to the position of the employee with the City.

- B. The employee designates sources for procurement or procures parts, materials, services, supplies, and facilities by purchase or lease, or sells or leases to the City in his or her own name or in the name of others.
- C. The employee acts as director, officer, agent, sole proprietor, partner, stockholder (if owning in excess of ten percent of securities outstanding), employee, paid consultant or advisor to a supplier of the City.

An employee having an outside personal economic relationship under the conditions specified above shall disclose in a written sworn statement to the employee's Department Head at six-month intervals the nature and scope of his or her outside personal economic interest and the extent of financial benefit received. If the employee is in doubt if engaged in a conflict of interest, it is the employee's responsibility to seek clarification from his or her Department Head. Employees found to be in an undisclosed conflict of interest face disciplinary action.

If conflict of interest is found to exist, the Department Head will resolve the matter with the employee, which may require the employee to cease the activity creating the conflict in order to remain employed with the City. Statements of an employee's outside economic interest shall be transmitted by Department Heads to the City Manager.

Employee acceptance of preferential loans, advances, "kick-backs", or of gifts, gratuities, favors and entertainment from a supplier, bidder, or other parties doing business with the City Government is improper and such action shall not be condoned. This is not meant to prohibit such incidentals as lunch, dinner, or minor social activity that is accepted among business acquaintances, provided the activity is of nominal value and is not connected to any business transaction.

These are only some examples of situations that may create a conflict of interest. All City personnel are responsible for complying with the Code of Ethics for Public Officers and Employees found in Chapter 112 of the Florida Statutes.

2.9 Disclosure of Information

The integrity of our City and the trust our citizens have in us requires that each employee maintain the highest degree of confidentiality when handling internal or citizen matters. Information that is obtained in the course of employment shall not be released by any employee other than to those charged with this responsibility as a part of their official duties.

This policy applies to confidential information in any format, including verbal and written, and extends to all forms of technology, including, but not limited to, e-mail, computers, cell phones, and USB drives.

Additionally, employees must take necessary measures to protect confidential information, including but not limited to, use of passwords and other security measures, securing files and documents when away from the workstation, locking drawers at the end of the workday, etc.

Anyone who improperly uses or discloses confidential information will be subject to disciplinary action, up to and including termination, even if they do not actually benefit from the disclosed

information. The City also reserves the right to pursue any legal measures it deems appropriate to address any actual or potential harm to the City resulting from violations of this policy, and the employee who improperly discloses or uses the information may be subject to legal action by other parties.

Media and Outside Inquiries

All inquiries concerning the City, its citizens, or its operations must be passed to the City Manager. No one is authorized to make statements or release information on behalf of the City unless it is part of the employee's assigned job duties or express permission has been granted by the City Manager. Notwithstanding this policy, all employees shall respond appropriately to public records requests in accordance with Chapter 119 Florida Statutes.

References

The City will respond to employment verification requests with the employee's written consent, except where disclosure without the employee's consent is required by law. Employment verifications and requests for employment references concerning past, present, or potential employees must be passed to the Finance Director. No one else is permitted to provide this information.

2.10 Employment of Relatives

No spouse or member of the immediate family of a City employee will be hired, transferred, or retained on a regular or temporary basis within the same City department, except as may be determined in the best interest of the City and approved by the City Manager. For purposes of this policy, immediate family is defined as blood, marital, or step relative, including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, wife, husband, father/mother-in-law, brother/sister-in-law, stepfather/mother, stepbrother/sister, half-brother/sister or any ward of any employee living in the same household. If the relationship relates to the City Manager, the decision shall rest in the City Council.

If a relationship described above exists or is established between employees who are in the same City department, it is the responsibility of the employees involved in the relationship to disclose the relationship to the City Manager.

In all situations, employees are expected to exercise good judgment with respect to evaluating the potential for conflicts in any such relationships. Relationship issues that are brought into the workplace, or that interfere in any way with the work of the employee(s) or others, may result in the termination of employment of one or both of the employees.

2.11 Code of Conduct

It is the policy of the City of Umatilla that certain rules and regulations regarding employee behavior are necessary for the efficient operation of the City and for the benefit and safety of

all employees. Conduct that interferes with operations, discredits the City, or is offensive to the public or fellow employees will not be tolerated.

Employees are expected at all times to conduct themselves in a positive manner so as to promote the best interests of the City. Such conduct includes, but is not limited to:

- A. Reporting to work punctually as scheduled and being at the proper work station, ready to work, at the assigned starting time.
- B. Giving proper advance notice whenever unable to work or report to work on time.
- C. Complying with all safety and security regulations.
- D. Smoking tobacco or electronic devices only at authorized locations. Unauthorized locations include City buildings, vehicles, while operating equipment, or other locations determined by Department Head or City Manager.
- E. Wearing clothing appropriate for the work being performed.
- F. Maintaining equipment, work place, and work area in a clean and orderly manner.
- G. Treating all customers, visitors and fellow employees in a courteous manner.
- H. Refraining from behavior or conduct deemed offensive or undesirable, or
- I. which is contrary to the City's best interests.
- J. Performing assigned tasks efficiently and in accord with established quality standards.
- K. Reporting to supervisors any suspicious, unethical or illegal conduct by fellow employees, customers or suppliers.

These examples are not all inclusive, and employees who violate the City's standards of conduct face disciplinary action, up to and including termination.

2.12 Arrests and Criminal Activity

Employees are required to report arrests in any local, state, federal, or other jurisdiction to their immediate supervisor, within forty-eight (48) hours.

The employment of a current employee of the City who is convicted of or pleads guilty or nolo contendere to a felony or first-degree misdemeanor, in any local, state, federal, or other jurisdiction may be deemed a group I or II offense depending on degree or severity. In these cases, the Department Director shall render a recommendation to the City Manager regarding action to be taken, and the City Manager shall make a final determination regarding the employment status of the employee.

2.13 Conduct around Citizens

City Employees are expected to conduct themselves and represent the City of Umatilla with the highest level of professionalism. Minimum required conduct when working around citizens includes:

- Conversations with citizens should be limited to matters that are within the realm of the employee's job responsibilities.
- Never discuss a citizen except with City management and while no other citizen is present.
- Conversations in public areas should not be inappropriate for a citizen to overhear.
- Borrowing, asking for, or accepting money from a citizen is strictly forbidden.
- Do not solicit citizens for charitable donations or participation in any non-City fundraising activity.

2.14 Purchases and Expenses

No one is permitted to purchase goods or services on behalf of the City of Umatilla or using the City's funds unless it is part of their assigned job duties and prior approval has been granted by City management. Additionally, no one may use the City's accounts with vendors to make personal purchases. This prohibition includes using postage meters and shipping accounts (FedEx, UPS, etc.).

Employees who may need to incur business-related expenses must be good stewards of the City's funds. Amounts that exceed what the City of Umatilla deems appropriate without prior approval from City management as well as personal or other non-reimbursable expenses will not be reimbursed. Approved expenses will only be reimbursed upon receipt of a completed expense report and original receipts; employees must turn these into their manager for approval and then forwarded to Finance. Expenses must be approved and submitted to Finance within 30 days of incurring the expense.

If you have a City credit card, you must submit original receipts and documentation in accordance with internal accounting procedures.

City credit cards are for business purchases only. You will be personally responsible for unauthorized purchases, late fees, and any other fees resulting from personal or unauthorized purchases. Additionally, such misuse of the card will result in disciplinary action, up to and including termination.

The employee assigned a City credit card is responsible for the security and usage of the card and agrees to take all reasonable steps to protect the card and the information on it. Employees must immediately report to Accounting any loss, damage, suspicious activity, or potential breach of the card or card number.

2.15 Travel Expenses

The Council recognizes that, from time to time, municipal employees at all levels of employment may be required to incur travel expenses in pursuit of their duties on behalf of the City by attendance at conventions, conferences, seminars, workshops, or other training and that the public benefits from the attendance at these events. The Council further recognizes a need to minimize the costs of travel and subsistence while attending these events and the need for guidelines for employees that will ensure a budgeting of available funds for the maximum public benefit.

All travel requests, whether previously budgeted or unbudgeted, must be submitted to the City Manager not less than two weeks prior to said travel and estimates of all costs and expenses shall accompany the request. Emergency travel may be permitted at the discretion of the City Manager without notice.

MILEAGE

All mileage shall be shown from the employee's normal workplace to the point of destination and the return and shall be computed on the Google Maps or other automated mapping systems. Mileage shall not be paid for normal commuting to/from the employee's home, only mileage in excess of normal commute. Mileage shall be paid in an amount equal to the IRS mileage rate. In lieu of mileage, a City vehicle shall be used if possible.

RATE OF PER DIEM AND SUBSISTENCE

- A. Each overnight traveler may be reimbursed actual costs of lodging to be substantiated by a receipt.
- B. Per diem is reimbursed at the current IRS GSA MI&E rate. The first and last calendar day of travel shall be calculated at 75%.
- C. If any meals are included in conference or by other means, that portion of allowance will not be reimbursed.
- D. Any meal reimbursements made to an employee for non-overnight travel is considered taxable by the IRS and will be added to the employee's paycheck and taxed accordingly.

INCIDENTAL EXPENSES

A traveler may be reimbursed by the City for incidental travel expenses including, but not limited to, tolls, local mileage, taxi fare, ferry and bridge fares, registration fees, and the course attendance materials. Itemized receipts are required for reimbursement of all incidental expenses.

NON-REIMBURSABLE EXPENDITURES

- A. Tips, except as provided above.
- B. Alcoholic beverages, entertainment items, and valet parking unless self-parking is not

available.

- C. Expenses for any spouse or non-employee who may have accompanied the employee seeking reimbursement.
- D. No non-reimbursable expenditure shall be charged to any city credit card.

Expenses paid with a City credit card shall be accompanied by itemized statements or receipts.

Expenditures are subject to review and approval by the City Manager.

Any employee found responsible for an unauthorized, unnecessary or unreasonable expense, after review by the City Manager, shall be responsible for repayment. Said repayment shall be made within fourteen (14) days of review.

2.16 Personal Appearance of Employees

It is the policy of the City of Umatilla that each employee's dress, grooming and personal hygiene should be appropriate to the work situation.

Employees are expected at all times to present a professional, business-like image to customers, prospects and the public. A favorable personal appearance, including proper maintenance of work areas, is an ongoing requirement of employment with the City. Radical departures from conventional dress or personal grooming and hygiene standards are not permitted.

The personal appearance of office workers and any employees who have regular contact with the public is to be governed by the following standards:

- A. Employees are expected to dress in a manner that is normally acceptable to similar business establishments. The wearing of suggestive/revealing attire or of skorts, shorts, T-shirts with product or business logos, midriff baring or backless clothing and similar items of casual attire is not permitted as they do not present a businesslike appearance. Skirt/dress length should be no shorter than 4" above the knee.
- B. Hair should be clean and neatly trimmed or arranged. Shaggy, unkempt hair is not permissible regardless of length.
- C. Sideburns, moustaches and beards should be neatly trimmed.

Certain employees may be required to meet special dress, grooming and/or hygiene standards, such as wearing uniforms or personal protective equipment (PPE), depending upon the nature of their job.

At their discretion, the City Manager or Department Head may allow employees to dress in a more casual fashion than is normally required. On these occasions, employees are still expected to present a neat appearance and are not permitted to wear ripped or disheveled clothing, athletic wear, or similarly inappropriate clothing.

If an employee has any doubt about the appropriateness of certain dress, the employee should ask his/her Supervisor. The City Manager has final say on any dispute regarding what dress is appropriate or not.

Any employee who does not meet the standards of this policy will be required to take corrective action, which may include going home to change clothes without pay, and may be subject to disciplinary action.

Exceptions to accepted attire may be made on a case-by-case basis due to, for example, a medical condition or religious observance. Employees requesting an exception should speak to their Supervisor.

2.17 Use of Communication Systems

E-mail and voice mail systems as well as Internet resources are provided to facilitate business-related communication and activities, and use of these systems and resources is for authorized business purposes only. Employees may not use the City's systems and resources for creating, storing or disseminating commercial or personal advertisements, promotions, solicitations, etc., and at no time is distributing jokes, cartoons, ads, chain letters, etc., permitted.

All of our policies apply fully to the use of e-mail, voice mail, and the Internet, including our policies against harassment and discrimination. Therefore, employees are prohibited from displaying, transmitting, or downloading sexually-explicit images or messages, ethnic slurs, racial epithets or any other verbal, written, or visual communication or data that could be construed as harassment, discrimination, bullying, or similar conduct.

Employees shall not use unauthorized codes or passwords to gain access to others' files or accounts, nor may employees share their passwords with others except where required by City management.

In accordance with applicable law, the City of Umatilla reserves the right to enter, search and/or monitor the e-mail and voice mail systems and the files or transmissions of any employee without notice. Employees should expect that any communications that they send and receive through these systems may be disclosed to management. Employees should not assume that any communications are private or confidential. Additionally, the time employees spend on the Internet and the sites they visit may be tracked. Management reserves the right to search and/or monitor Internet usage and any files/transmissions without notice. Employees should expect that communications they send and receive by the Internet, the websites they visit, and any files, documents, etc., they view, upload or download may be disclosed to City management; this includes deleted information. Employees should not assume that such communications and information are private or confidential.

Employees are prohibited from attempting to disable, defeat or circumvent any security or monitoring mechanism.

2.18 Technological Devices

Employees may be provided with various technological devices, such as computers, laptops, tablets, cell phones, etc. Employees are responsible for the physical security of the devices issued to them and should store them in a secure location when not in the immediate possession of the authorized user. Employees must notify their supervisor or Department Head immediately if a device is lost, stolen, or damaged.

All technological devices should be password protected and other security measures taken as appropriate to prevent unauthorized disclosure of City or citizen information. Passwords must be made available to management at any time on demand.

All City-issued devices are for authorized business use, and all work, files, documents, etc., created, performed, or stored on these devices is the property of the City of Umatilla. All City policies apply to City-issued devices and their use.

Downloading or installing instant messaging programs or any other unauthorized program is not permitted. Personal or non-approved items, including, but not limited to external hard drives, memory cards, flash drives, and personal electronic devices, including phones and music players, may not be inserted into or attached to any City device.

The City of Umatilla reserves the right to search and monitor, at any time and without notice to any employee, any files, documents, messages, communications, or other activities which are created, sent, received, viewed, or stored on any of the City's owned, leased, or managed computer equipment or other storage medium. Employees must be aware that any activities, files, messages, and communications they wish to keep private must be performed, sent, received, viewed, or stored outside of the City and on equipment not owned, leased, or managed by the City.

2.19 Social Media

Social media includes all means of communicating or posting information or content of any sort on the Internet, including your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board or chat room, whether or not associated or affiliated with the City of Umatilla, as well as any other form of electronic communication.

The same principles and guidelines found throughout this Handbook apply to your activities online, even when such activity takes place on personal devices and/or outside of working time. Ultimately, you are solely responsible for what you post online. Keep in mind that any conduct that adversely affects your job performance, the performance of other employees or otherwise adversely affects customers, suppliers, people who work on behalf of the City of Umatilla or the City of Umatilla's business interests may result in disciplinary action, up to and including termination. Inappropriate postings that may include discriminatory remarks, harassment, threats of violence, or similar conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Maintain the confidentiality of City trade secrets and private or confidential information. Do not post internal reports, policies, procedures or other internal business-related confidential communications. Do not create a link from your social media to the City's website without identifying yourself as an employee. When expressing yourself, be clear that they are your personal opinions and that you are not a spokesperson for the City of Umatilla and are not speaking on behalf of the City of Umatilla.

Social media may not be used while on working time or on equipment provided by the City, unless it is work-related, is part of your job duties, and is authorized by management. City email addresses may not be used to register on social networks, blogs or other online tools utilized for personal use.

Please contact your supervisor or Department Head if you have any questions.

2.20 General Safety

The City of Umatilla strives to provide a working environment that meets all regulatory requirements for safety as well as serves as a benchmark for best practices. A safe working environment requires each employee to remain aware of potential safety issues and report such situations to management immediately.

All employees must adhere to the following basic safety rules:

- Notify management of any emergency situation, including accidents, medical situations, threats of violence, etc., as well as any accident or injury of a customer or other visitor on the property. Additionally, notify management of anything or anyone strange or unusual on the property.
- If you are injured or become sick at work, no matter how slightly, notify your supervisor as soon as possible.
- Use, adjust and repair equipment only if you are trained and authorized to do so and only in the intended manner. Report defective equipment immediately to your supervisor.
- Follow instructions. If you are not sure of the safe procedure, ask your supervisor.
- Get help when lifting or pushing heavy or awkward objects.
- Personal protective equipment must be used at all times when and where required.
- The use of hazardous or toxic materials must be in compliance with all regulations concerning handling and disposal.
- Avoid horseplay and similar activities, even in jest, that could create a hazard or inadvertently hurt someone.
- Know the locations, contents and use of first aid and fire-fighting equipment as well as the location of and routes to emergency exits.
- Place all materials and equipment in their proper location when not in use, including

trash in the proper trash receptacles. Keep walking areas, including stairwells and doorways, free of trash debris, and other materials that could cause a tripping or slipping hazard.

The above list is not exhaustive. Employees will be informed of the specific safety requirements for their job and are expected to strictly adhere to them. Any safety violation, no matter how small, may lead to disciplinary action, up to and including termination.

2.21 Searches and Surveillance

To the extent permitted by law, the City of Umatilla reserves the right to inspect packages, purses, brief cases, or any other possessions or articles carried to and from the City's property. As all offices, desks, files, equipment, City vehicles, etc., are the property of the City of Umatilla and are provided solely for use during one's employment, the City of Umatilla reserves the right to search any employee's office, desk, files, equipment, City vehicles, or any other area or article on our premises.

Employees who refuse to cooperate in an inspection, as well as employees who, after the inspection, are believed to be in possession of stolen property or illegal or unauthorized substances or have otherwise violated any City policy, will be subject to disciplinary action, up to and including termination.

The City of Umatilla may also make use of surveillance cameras on City property, excluding restrooms. The City monitors these cameras for a number of reasons to promote the safety and security of property and all individuals on the property, and employees should expect that any of their activities may be captured on these cameras and viewed by City management without notice to the employee. Should such activity violate City policies or otherwise raise concerns about the employee's conduct or performance, disciplinary action, up to and including termination may result. Additionally, camera activity may be turned over to law enforcement.

2.22 Substance Abuse

Employees are prohibited from reporting to work or working while using illegal or unauthorized substances. The legal use of prescribed or over-the-counter drugs is permitted on-the-job only if it does not impair an employee's ability to perform their job effectively and in a safe manner that does not endanger the employee or other individuals in the workplace. Employees are prohibited from reporting for duty or remaining on duty with any alcohol, illegal or unauthorized substances in their systems. Employees are also prohibited from consuming alcohol, illegal or unauthorized substances during working hours, including break periods.

In addition, employees are prohibited from engaging in the illicit use, possession, sale, purchase, transfer, conveyance, distribution, or manufacture of illegal drugs or controlled substances in any amount or in any manner in the workplace, including: during working hours, on City government premises, while driving on City business or while engaged in any City activities off premises. This does not include the authorized use of alcohol, in moderate

consumption, at City-sponsored employee events.

The City of Umatilla reserves the right to take any and all lawful actions necessary to enforce this policy including, but not limited to:

- (1) requiring applicants and/or employees to be screened for suspected illicit drug use and/or inappropriate alcohol use in violation of this policy and
- (2) searching City property, including desks or other suspected areas of concealment, as well as an employee's personal property when the City has reasonable suspicion to believe that this policy has been violated.

Any violation of this policy, including refusal to take a required screen or tampering with or falsifying a screen, will result in disciplinary action, up to and including termination. Employees who test positive on a drug/alcohol screen face disciplinary action, up to and including termination of employment. The disciplinary action taken will be determined solely by the City based on a variety of factors. Employees who are not terminated for a first offense will be expected to immediately terminate the inappropriate and prohibited use of drugs and/or alcohol and may be required to seek assistance as a condition of continued employment. Additionally, and in accordance with the law, the City of Umatilla reserves the right to re-test the employee without notice and as frequently as deemed necessary. A second positive screen will result in immediate termination of employment.

Although our policy against substance abuse in the workplace is strict, we recognize that substance abuse can be a condition that can be successfully treated. If you believe that substance abuse is a problem for you, you are encouraged to get confidential professional help. An employee with a substance abuse problem is expected to maintain the same standards of conduct and performance as all other employees. The City of Umatilla may provide an unpaid leave for an employee to enroll in an appropriate rehabilitation program, consistent with the City's leaves of absence policies.

To the extent permitted by state and federal law, this policy applies fully to the use of marijuana, even when used for medicinal purposes. Employees seeking accommodation for lawful and prescribed use should contact Human Resources to determine what, if any, accommodations are available. In making these determinations, safety in the workplace and adherence to applicable laws will always be the City of Umatilla's priority.

3 Employment Standards

3.1 Categories of Employment

Employees are classified as full-time, part-time, or temporary.

- **Regular Full-time** employees regularly work at least 35 hours per week and are entitled to all City benefits, provided they meet eligibility and enrollment requirements.
- **Regular Part-time** employees regularly work less than 35 hours per week and may be eligible for limited benefits, including those required by law. Specifically, part-time employees who regularly work 20 hours or more per week are eligible for coverage under FRS and receive prorated vacation and sick time.
- **Temporary** employees are hired for a certain project or length of time and are not eligible for any benefits, except those required by law, regardless of the number of hours worked. The duration of employment for a temporary employee is typically six months.

Additionally, employees are classified as either exempt or non-exempt.

- **Non-exempt** employees are subject to minimum wage requirements and receive overtime pay as required by federal and/or state law.
- **Exempt** employees do not receive overtime pay and are not subject to minimum wage requirements.

Upon hire, you will be notified of your employment classification. If you have any questions or concerns about your classification, please contact your Supervisor.

3.2 City Service

Continuous Service

An employee's continuous service date shall be established as the first date of actual job performance to receive wages.

Authorized leaves of absence and layoff to the extent provided by the "Leave of Absence Without Pay" policy shall not be considered a break in service. All other separations shall be considered a break in service at the end of the employee's regular shift on the last day of work.

Creditable Service

Creditable service shall be construed as service during which the employee was on the payroll of the City, or during which he or she was on leave of absence without pay except that any employee who works less than eleven (11) calendar days during any calendar month, due to any kind of leave of absence without pay, shall not earn leave credits of any type during any calendar month.

3.3 Pay Periods

Employees are paid weekly on Friday for the week that ends the previous Saturday; however, Police Officers are paid biweekly on Friday for the two-week period that ends the previous Saturday. When payday is a banking holiday, employees normally will be paid the day before the holiday.

The City pays wages via our direct deposit program that allows your net pay to be deposited directly into the checking and/or savings account(s) of your choosing. Employees are responsible for confirming their paycheck funds are in their bank account(s) each payday before using them.

Please review your paycheck each payday. Report any mistakes to the Finance Director.

3.4 Payroll Deductions

The City of Umatilla is required by law to withhold federal and state income taxes, social security taxes and amounts stated in support and garnishment orders. Deductions may also be made for benefit plans the employee has elected. To the extent permitted by law, other deductions may be made from time to time with the employee's voluntary written consent.

3.5 Deductions in Pay for Exempt Employees

Exempt employees are paid on a salary basis and are generally paid their full salary for any week in which they perform work. However, their pay **may** be reduced at the discretion of the City in the following circumstances:

- A. Employees who are absent for at least a full day because of sickness, disability, or personal reasons may not be paid for that day unless they have accrued benefits under the City's paid leave policies. Their pay will not be reduced if they are absent for less than a full day because of sickness or disability, or personal reasons. However, an employee's leave balance may be reduced by the amount of time the employee is absent from work, even if the time absent is less than a full day.
- B. Employees who are absent from work for jury duty, attendance as a witness at a trial, or temporary military leave may have their pay reduced by the amount of payment they receive in the form of jury fees, witness fees, or military pay. Their pay will not be reduced by the number of hours or days they are absent from work unless they perform no work in a given week, and then their pay may be reduced at the discretion of the City.
- C. Employees may be suspended without pay if they are found to have violated one of the City's policies regarding proper workplace conduct, but only in full-day increments. Their pay will be reduced in an amount that is proportionate to the number of days suspended.
- D. Employees who work less than a full week during their first or last week of employment will be paid a proportionate part of their salary for the time actually worked.

E. Any time taken under the Family and Medical Leave Act (FMLA).

The City of Umatilla will reimburse any exempt employee whose pay is inadvertently reduced in violation of this policy. If you feel your pay has been improperly reduced, please notify Payroll as soon as possible so that we can investigate and reimburse you if there was an error.

3.6 Benefits

The City of Umatilla provides health benefits for all regular full-time employees who work 35 hours or more per week.

Health benefits are provided on a shared cost basis between the city and the employee. The percentage will be determined by the City Council during the annual budget process.

Employees can obtain health benefit coverage for their eligible dependents through the carrier with the premium paid through payroll deduction.

Employees who do not enroll upon initial eligibility may only enroll during the annual open enrollment period or if the employee experiences a qualified life status event (marriage, birth/adoption, loss of other coverage, etc.). If you experience a qualified life status event, you must notify the Finance Director within 30 days of the event in order to enroll outside of the annual open enrollment period.

General employees eligible for the State Retirement Plan shall be included in the Retirement Plan. Police Officers have their own retirement system.

All benefits are subject to policy provisions. Refer to the actual plan documents, as those documents are controlling.

To the extent permitted by law, all policy provisions and City benefits are subject to change at the discretion of the City Council.

3.7 Chain of Command

Employees of the City shall address all inquiries regarding job description, conduct, and/or carrying out any of the above to their direct supervisor. In the event the supervisor cannot resolve the issue, the employee should contact their Department Head. Where the matter still cannot be resolved, the Department Head must present the matter to the City Manager. The employee may also submit the issue to the City Manager for reconsideration. Failure to follow the Chain of Command shall be a direct violation of the Personnel Policy and may be grounds for termination.

4 Hours of Work

4.1 Working Hours

All regular full-time employees' work week, with the exception of Police Officers, shall consist of forty (40) hours.

Normal hours of operation for the City shall be 8:00 a.m. to 5:00 p.m., Monday through Friday. Certain Departments may establish different hours with approval of the City Manager.

Certain employees, because of their specialized duties, may be required to work a 40-hour week involving days or hours other than defined above.

4.2 Overtime

Non-exempt employees, with the exception of Police Officers, must have overtime approved in advance. Unauthorized overtime is grounds for disciplinary action.

Overtime shall be compensated at one and one-half (1½) times the employee's regular rate of pay for hours worked in excess of forty (40) in a work week. Only hours worked count toward determining if overtime pay is due; any paid time off benefits do not count.

For purposes of calculating overtime, the workweek begins on Sunday at 12:00 a.m. and ends on Saturday at 11:59 p.m.

Employees shall have the option of compensatory time, which shall be compensated at one and one-half (1½) times of the equivalent over time hours worked. Compensatory must be indicated as such on the employee's timecard and must be used within thirty (30) days.

4.3 Breaks

Employees should take a 30 – 60 minute meal break each day, which may be scheduled by the department based on operating requirements. During this or any other unpaid break, non-exempt employees are not permitted to perform any work for or on behalf of the City, and unpaid breaks must be reflected on the employee's time record.

Small, paid breaks may be taken as operating requirements allow but are not guaranteed.

Generally, employees may not shorten or skip their meal break to offset a late arrival or early departure, and employees may not work through meal breaks unless instructed otherwise by their supervisor.

In accordance with applicable law, the City will provide reasonable break time for an employee to express breast milk for her nursing child for the greater of one year after the child's birth or the period of time prescribed in applicable state or federal laws. Employees should check with their supervisor for specific information, including the location where the break may occur and how to account for the break time for timekeeping purposes.

5 Holidays

5.1 Official Holidays

The following are holidays that shall be observed by all Departments in which functions can be discontinued without adversely affecting required services to the public:

1. New Year's Day
2. Martin Luther King Day
3. Memorial Day
4. Independence Day
5. Labor Day
6. Veteran's Day
7. Thanksgiving (Thursday and Friday)
8. Christmas Eve
9. Christmas
10. New Year's Eve

ELIGIBILITY

All full-time regular employees and all part-time regular employees who regularly work 20 hours or more per week shall be eligible for pro rata holiday pay at their regular rate of pay.

WORK DURING HOLIDAYS

Each eligible employee shall be given the number of designated holidays each year. However, if the work requirements of the Department are such that an employee is required to work on any of the holidays designated, he or she shall be credited with holiday pay equal to the time which he or she is on duty.

HOLIDAY FALLING ON WEEKEND

When a holiday falls on Saturday, the preceding Friday shall be observed as a holiday. When a holiday falls on Sunday, the following Monday shall be observed as a holiday.

Christmas and New Year's:

When Christmas Eve and New Year's Eve fall on a Friday or Monday, the City Manager will determine which day will be recognized as Christmas Day and New Year's Day.

5.2 Floating Holidays

Employees are allowed two Floating Holidays each year in lieu of the President's Day holiday in February. The days may be used at the employee's discretion during the calendar year. The two floating holidays per year allow employees to take their birthday off or to celebrate other possible holidays that are not observed by the City.

Granting an employee time off for a Floating Holiday is at the discretion of the department head and supervisor, depending on necessary staffing needs and requirements. The Floating Holiday must be scheduled a minimum of one week in advance.

Regular full-time employees are paid for Floating Holidays at eight hours of their regular rate of pay. Eligibility requirements for Floating Holidays for part-time employees shall follow the guidelines found under Annual Leave.

Floating Holidays must be used within the **fiscal** year and cannot be rolled over to subsequent years. Any unused Floating Holiday time must be taken prior to **September 30th** or be forfeited by the employee. Employees separating with the City who have not used their Floating Holidays will lose the unused holidays.

Floating Holidays must be used in the increments they are assigned to the employee and not split up into a lesser increment. (Example: a 20-hour part-time employee will receive two four-hour Floating Holidays. The employee may not split the floating holiday into four two-hour increments.)

Newly hired employees will be allowed use of one Floating Holiday after three months and the use of the other Floating Holiday after six months as long as it is within the **fiscal** year running **October 1st** through **September 30th**.

6 Annual Leave

6.1 Eligibility

All full-time regular employees, and all part-time regular employees who work 20 hours or more per week on a yearly basis, shall earn annual leave. Temporary or other part-time employees shall not be eligible to earn or accrue annual leave unless specifically qualified above.

6.2 Accrual (General Employees)

All full-time regular employees working a 2,080 hour per year schedule (a 40-hour work week) shall accrue 8 hours of annual leave per calendar month of service. All regular employees after five (5) years of continuous service shall accrue 10 hours of annual leave per calendar month of service. All regular employees after ten (10) years of continuous service shall accumulate 12 hours of annual leave per calendar month of service. All regular employees after fifteen (15) years of continuous service shall accumulate 14 hours of annual leave per calendar month of service. All regular employees with over 20 years of continuous service shall accumulate 16 hours of annual leave per calendar month of service.

A maximum of 240 hours annual leave can be carried over into a new fiscal year. Any leave in excess of 240 hours at the end of the fiscal year will be forfeited by the employee and will not be paid out in lieu of using the time.

Any part-time regular employee of the City who works 20 or more hours per week on a yearly basis shall accrue annual leave in a pro rata amount with regular full-time employees of like time in service of the City of Umatilla. For example, a new part-time employee who works 20 hours per week would accrue 4 hours per calendar month of service and be able to carry a maximum of 100 hours of annual leave over into the new fiscal year.

6.3 Accrual (Police Officers)

Full-time regular employees working a 2,184 hour per year schedule (a 42-hour work week) shall accrue one (8.40 hours) of annual leave per calendar month of service. All regular employees after five (5) years of continuous service shall accrue 10.5 hours of annual leave per calendar month of service. All regular employees after ten (10) years of continuous service shall accumulate 12.6 hours of annual leave per calendar month of service. All regular employees after fifteen (15) years of continuous service shall accumulate 14.7 hours of annual leave per calendar month of service. All regular employees with over 20 years of continuous service shall accumulate 16.8 hours of annual leave per calendar month of service.

A maximum of 294 hours annual leave can be carried over into a new fiscal year. Any leave in excess of 294 hours at the end of the fiscal year will be forfeited by the employee and will not be paid out in lieu of using the time.

6.4 Use and Payment of Annual Leave

Annual leave is intended to be used to provide a periodic vacation and may also be used for other purposes when an employee needs to be away from scheduled work.

Annual leave shall be used only with the prior approval of the Department Head and shall not be authorized prior to the time it is earned and credited to the employee. Requests should be submitted at least 14 days in advance. While every effort is made to approve requests, staffing and operating requirements may result in requests being denied or delayed. When multiple requests are made for the same time period, seniority or first-come-first-served may determine the priority in approving requests.

The charge for annual leave shall be in one (1) hour increments.

Unused annual leave may not be used once an employee provides notice of their intent to leave their employment with the City; however, earned but unused annual leave is paid out upon separation of employment. At no other time is unused annual leave paid in lieu of taking the actual time off.

In case of death of an employee, payment of earned, unused annual leave shall be made to the employee's beneficiary, estate, or as provided by law.

7 Sick Leave

7.1 Eligibility

All full-time regular employees, and any part-time regular employee working 20 hours or more per week on a yearly basis shall earn sick leave.

7.2 Accrual

Sick leave for full-time regular employees on a 2,080 hour per year or 40 hours per week schedule shall be earned at the rate of 8 hours for each month of employment with the City.

Sick leave for full-time Police Officers on a 2,184 hour per year or 42 hours per week schedule shall be earned at the rate of 8.4 hours for each month of employment with the City.

Employees who work less than a full calendar month due to initial employment shall not earn sick leave for that month.

During a leave of absence with pay, an employee shall continue to earn sick leave until the employee returns to active employment.

Unused sick leave may be accumulated from one year to the next.

7.3 Use of Sick Leave

Sick leave shall be used only with the approval of the Department Head and shall not be authorized prior to the time it is earned and credited to the employee.

Sick leave shall be authorized only in the event of:

- A. The employee's personal illness, injury, or exposure to a contagious disease which would endanger others.
- B. The employee's personal appointments with a doctor, dentist, or other recognized practitioner when it is not possible to arrange such appointments during off duty hours, but not to exceed the extent of time required to complete such appointments.

Employees may request use of their sick leave for a personal illness, accident, injury, dental or physicians' appointment or for the illness, or injury of a member of the employee's immediate family. Medical documentation will be required detailing the need for family care, to include illness, care required and prognosis. Immediate family is defined as spouse, parents (including step and in-laws), children (including step), siblings, grandparents, grandchildren or other relatives living in the employee's household.

The charge for sick leave shall be in units of one (1) hour increments.

Doctor certificates may be required if sick time is used the day before or day after a holiday or if the employee is out for three (3) consecutive days or more.

Abuse of sick leave may constitute grounds for disciplinary action or termination. Abuse is determined on a case-by-case basis; however, some examples of abuse are:

- A. more than three (3) Monday absences in any 12-month period or more than three (3) Friday absences in any 12-month period for an employee who is regularly scheduled to work Monday through Friday.
- B. more than three (3) absences in any 12-month period on the regularly scheduled workday following a payday.
- C. routinely taking a sick day as sick leave is earned so as to show a pattern such as one day per month or one day every other month.
- D. Routinely taking a sick day that shows a pattern of any type. Some examples are; conjunction with holidays, weekends, or known busy workdays such as billing dates, late notices, etc.

Leave usage approved under the provision of Family Medical Leave or as a reasonable accommodation for a disability (as defined by the Americans with Disabilities Act) is exempted from being defined as abuse.

Not more than two (2) days per year of accrued sick leave may be designated as personal leave subject to the approval of the City Manager after five (5) workdays' prior notice to the Department Head. In the event of an emergency, the City Manager may waive notice. Personal leave days may not be used to extend holidays unless approved by the City Manager.

7.4 Sick Leave Donations

A Sick Leave donation process is established to provide assistance from employees to fellow employees who have exhausted their accrued Annual Leave and Sick Leave in the event of a personal catastrophic illness or injury of an employee.

Employees who would like to donate their sick leave to another City employee must submit a Sick Leave Donation Form designating to whom donation is being requested. Upon review and approval from the employee's Department Head, the Sick Leave Donation Form will be submitted to the City Manager for final approval.

Employee Donations

- A. Sick Leave is the only type of leave that may be donated to another employee.
- B. Employees must have a minimum of 96 hours accrued before they are able to donate time, and their donation cannot take their own balance below this amount.
- C. Employees may donate a maximum of 80 hours per calendar year to an individual employee in need.

- D. Participation is not mandatory. The City neither encourages or discourages participation.

Eligibility/Application for Donated Sick Leave

- A. Sick Leave may only be donated to City employees for personal catastrophic illness or injury, defined as: a medical condition of an employee as certified by a physician, which requires an employee's absence from duty for a prolonged period of time.
- B. All accrued leave (Sick, Vacation, and Compensatory Time) must be used before receiving donated sick leave days.
- C. Employees who are out with a Workers Compensation injury are not eligible for sick leave donations.
- D. If any donated sick leave is not used by the employee, the unused portion of the amount of sick leave transferred is returned to the donating employee. This would apply in the case of an employee's death or recovery from the illness or injury.

Any sick leave donated by an Employee during the 30 days prior to, or at the time of, such Employee's separation from the City through termination, resignation, or retirement shall be deducted from the amount of sick leave which would otherwise be paid out to the Employee pursuant to section 7.8(a). (Example: an employee who has worked for the city for over ten years may receive Sick Leave to a maximum of 480 hours. If the employee has a balance of 525 hours of accrued Sick Leave and donates an hour the day before he retires, he shall receive 479 hours of paid accrued sick leave upon retirement.)

7.5 Holidays during Leave

Holidays occurring while an employee is on sick leave shall not be charged against the employee's sick leave balance.

7.6 Medical Justification

A supervisor may require an employee to present medical documentation from the physician if he or she is absent more than three consecutive days.

7.7 Notification of Absence

Notification of absence shall be given to the appropriate supervisor by the employee or his or her representative (in cases of emergency where the employee is unable to call themselves) prior to beginning their work schedule unless it is an emergency; if it is an emergency notification must be given as soon as possible.

If absent for three (3) consecutive working days without reporting to the supervisor for a reason sufficient to justify the absence, the employee will be assumed to have voluntarily quit without

notice.

7.8 Forfeiture of Sick Leave

Employees who are terminated from City service for cause, resign without notice, or abandon their positions shall not be eligible for payment of accrued sick leave benefits.

Employees may be eligible for payment of accrued sick leave up to a **maximum of 480 hours** in the following instances:

- A. Employees who retire or separate service in good standing after five (5) years of continuous City service may be paid accrued sick leave. Credits shall be calculated at the regular rate of pay at the time of retirement or separation in good standing as follows:
 - 1) After five (5) years, 50% of the accrued hours;
 - 2) After seven (7) years, 80% of the accrued hours;
 - 3) After ten (10) years, 100% of the accrued hours
- B. Earned sick leave, pursuant to the above, of employees who die while in service of the City, shall be paid to the beneficiary, surviving spouse or estate of the employee as determined by law or by executed form in the personnel file.
- C. Employees who are laid off shall receive payment for earned sick leave, pursuant to the above, at the time of separation from the City.

8 Leaves of Absence

Leaves of Absence with Pay

8.1 Administrative Leave

Court

All employees who are subpoenaed as a prospective juror or as a witness shall be granted leave and shall suffer no loss of pay. The City will make up the difference between jury and/or witness pay and normal income derived from the City. An employee shall furnish proof of jury and/or witness pay as the City deems necessary to substantiate his or her pay.

In no case shall administrative leave with pay be granted for court attendance when an employee is the defendant or is engaged in personal litigation, unless such actions are a result of a lawful act performed by the employee as a part of his or her official duties as an employee of the City.

Elections

Any employee who lives at such a distance from his or her assigned work location as to preclude his or her voting outside of working hours, may be authorized a maximum of two hours of leave with pay for this purpose. An employee shall not be granted administrative leave to work at the polls during elections.

Meetings

In cases where it is deemed by the Department Head to be beneficial to the City, any employee may be granted leave with pay to attend such professional meetings or conferences as may contribute to the effectiveness of his or her employment. This is subject to prior approval of the City Manager.

Examinations

Any employee may be granted leave with pay subject to prior approval by City Manager to take examinations before a Federal, State or County Agency, provided such examinations are pertinent to his or her City employment.

Short Term Military Training

Any employee who is a member of the United States Armed Forces Reserves, including the National Guard, shall be entitled to leave without loss of pay or time during periods in which he or she is engaged in annual field training or other active duty for training exercise. Such leave without pay shall not exceed seventeen (17) calendar days in any one calendar year. Military earnings will be retained by the employee, and the City shall pay the difference between military pay and normal pay received from the City.

Examination for Military Service

Any employee who is ordered by his or her Selective Board to appear for a physical examination for induction into the military service shall be granted leave with pay for this purpose with credit for any pay received from Selective Service.

8.2 On-the-Job Injury/Worker's Compensation Claims

Employees incurring injuries covered under the Florida Workers' Compensation Law, presently Chapter 440, Florida Statutes, shall be entitled to compensation in accordance with said law as provided therein.

Employees are required to follow established safety rules and to use safety devices provided by the City.

General Administration

- A. Any employee injured in the line of duty must make an immediate report on the approved form to his or her supervisor, regardless of the extent of the injury. A report will then be made to **Human Resources** who will contact the Worker's Compensation carrier and report the First Notice of Injury and report to the City Manager. Failure to file a timely report may result in a reduction of benefits or loss of benefits. **A report must be filed regardless of whether or not medical treatment is sought.**
- B. Injured employees will be directed or escorted to a designated physician or emergency room for immediate attention when the seriousness of the injury so requires. In the event an employee refuses medical care, a signed statement to this effect should be obtained from the employee and submitted with the accident report.
 1. The physician or emergency room shall be from the Worker's Compensation carrier approved list.
 2. The employee seeking medical care and/or involved in any accident while on duty may be required to submit to a drug screen. A positive drug screen may impact an employee's eligibility for Worker's Compensation benefits and may result in termination of employment.
- C. An employee who is required to be absent from work due to a compensable injury shall be compensated in accordance with the applicable law, which takes precedence over this policy. Generally, the following sections are representative of some of the provisions of the act at the time of the adoption of this policy.
 1. Workers' Compensation does not pay for absences during the initial seven (7) calendar days following an accident. The employee may choose to use accrued sick or annual (if no sick is available) leave hours for the first seven (7) days and as supplement pay to workers' compensation pay. If the absence exceeds twenty-one (21) calendar days, workers' compensation will pay the employee for the initial seven (7) days.

- a. If the employee opts to use accrued sick or annual leave for the initial seven (7) calendar days following the injury, upon receipt of the check from the Worker's Compensation carrier for the initial seven (7) calendar days, the injured employee shall sign his/her check over to the city and the sick or vacation time commensurate to the 66 2/3% payment will be restored to the employee.
2. Worker's Compensation will pay 66 2/3% of the average weekly employee wages up to a maximum set by the state for absences beyond the first seven (7) calendar days or in accordance with the applicable law.
 - a. The employee may elect to use accrued sick leave to supplement the payment received from the Worker's Compensation carrier by an additional 33 1/3%. Accrued annual leave may not be used until such time as all sick leave is exhausted.
 - b. Employees out on Worker's Compensation are not eligible to draw from the Sick Leave donations.
3. The employee shall be placed on FMLA to run concurrently with the absence from work due to Worker's Compensation injury.
4. City group employment benefits for health, life, and other insurance shall continue in force so long as the employee remains on active payroll and provides payment for their share of monthly premiums as required of other employees. Ancillary insurance paid exclusively by the employee shall continue only as long as payment is made by the employee. This may be accomplished by direct payment to the City by the employee whereby the City shall pay the premium for the employee when making monthly payments for all others.
5. Sick and Annual Leave will continue to accrue during the time the employee is absent from work due to an on-the-job injury.

D. Termination of Employment

1. The City will make reasonable efforts to accommodate an employee who has been released from Worker's Compensation care but is unable to perform the duties of the position for which the employee was hired. In the event that the employee is unable to return to work after an attempt has been made to reasonably accommodate the employee, the City may terminate employment.
 - a. The City may notify the employee in writing of the intent to terminate employment if the employee is unable to return to work on a date certain.
 - b. The employee may respond to the City and offer suggestions of duties that could be performed by the employee in his/her physical condition.
 - c. The City may attempt to accommodate the employee. If the employee's condition is such that no reasonable accommodations can be made, the employment will be terminated by the City.

8.3 Bereavement Leave

- A. All employees regardless of status shall be entitled to Bereavement Leave after the first 60 days of employment. Bereavement Leave may be taken when an employee's immediate family member dies. Immediate family is defined as spouse, parents (including step and in-laws), siblings (including step and in-laws), children (including step), aunt/uncle, grandparents, and grandchildren of the employee.
- B. Leave qualifying and taken under this section shall not be counted against the employee's accrued leave for vacation or sick leave.
- C. Eligible employees may take the following amount of time off:
 - 1. For a death of an immediate family member occurring within the State of Florida – 3 consecutive workdays.
 - 2. For a death occurring outside the State of Florida – 5 consecutive workdays.
 - 3. Weekends and holidays shall not be counted as time taken for this type of occurrence.
 - a. A department head or the City Manager may require that the employee show proof of the death of a family member upon return to work by the employee. Such proof may be in the form of an obituary notification from a local newspaper or a copy of a death certificate.
 - b. An employee may request additional time beyond that gifted by the City by applying for vacation leave. Additional leave shall be considered by the employee's Department Head but may not necessarily be granted under all circumstances.
 - c. An employee may not use donated time to augment this type of leave.

Leaves of Absence without Pay

8.4 Educational Leave

An employee with at least six (6) months of satisfactory service may be granted leave of absence without pay for the purpose of furthering his or her education, if it is deemed that such education will be of clearly foreseeable benefit to the City.

Leaves of this type shall not normally exceed six (6) months and must be approved at least 60 days in advance of request by the City Manager.

Accrued benefits shall not be affected but no additional benefits shall accrue during the leave.

8.5 Family and Medical Leave (FMLA)

The Family and Medical Leave Act (“FMLA”) provides eligible employees the opportunity to take unpaid, job-protected leave for certain specified reasons. The maximum amount of leave an employee may use is either 12 or 26 weeks within a 12-month period, depending on the reasons for the leave.

To be eligible for family/medical leave, you must satisfy **both** of the following conditions:

- A. Worked for the City for at least 12 months and for at least 1,250 hours in the past 12 months;
- B. At the time leave is requested, worked at a worksite where there are at least 50 employees within 75 miles of the worksite.

Eligible employees may take FMLA leave for the following reasons:

- A. birth of a child, or to care for a newly-born child (up to 12 weeks);
- B. placement of a child with the employee for adoption or foster care (up to 12 weeks);
- C. to care for an immediate family member (employee’s spouse, child, or parent) with a serious health condition (up to 12 weeks);
- D. because of the employee’s serious health condition that makes the employee unable to perform the employee’s job (up to 12 weeks);
- E. to care for a covered servicemember with a serious injury or illness related to certain types of military service (up to 26 weeks) (see Military-Related FMLA Leave for more details);

or

- F. to handle certain qualifying exigencies arising out of the fact that the employee’s spouse, son, daughter, or parent is on duty under a call or order to active duty in the Uniformed Services (up to 12 weeks) (see Military-Related FMLA Leave for more details).

The maximum amount of leave that may be taken in a 12-month period for all reasons combined is 12 weeks, with one exception. For leave to care for a covered servicemember, the maximum combined leave entitlement is 26 weeks, with leaves for all other reasons constituting no more than 12 of those 26 weeks.

Definitions

A “*serious health condition*” is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement

includes an incapacity of more than three full calendar days and two visits to a health care provider or one visit to a health care provider and a continuing regimen of care; an incapacity caused by pregnancy or prenatal visits, a chronic condition, or permanent or long-term conditions; or absences due to multiple treatments. Other situations may meet the definition of continuing treatment.

A “covered servicemember” is a member or veteran of the Armed Forces, including the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.

The term “*serious injury or illness*” means an injury or illness incurred by the member in the line of duty while on active duty in the Armed Forces that may render the member medically unfit to perform the duties of the member’s office, grade, rank, or rating or one that existed before the beginning of active duty and was aggravated by service in the line of duty while on active duty. With regard to veterans, the injury or illness may manifest itself before or after the individual assumed veteran status.

“*Qualifying exigencies*” include activities such as short-notice deployment, military events, arranging alternative childcare, making financial and legal arrangements related to the deployment, rest and recuperation, counseling, and post-deployment debriefings.

Identifying the 12-Month Period

The 12-month period in which 12 weeks of leave may be taken is a rolling backward 12-month period from the date an employee uses any FMLA. For leave to care for a covered servicemember, the City calculates the 12-month period beginning on the first day the eligible employee takes FMLA leave to care for a covered servicemember and ends 12 months after that date. FMLA leave for the birth or placement of a child for adoption or foster care must be concluded within 12 months of the birth or placement.

Using Leave

Eligible employees may take FMLA leave in a single block of time, intermittently (in separate blocks of time), or by reducing the normal work schedule when medically necessary for the serious health condition of the employee or immediate family member, or in the case of a covered servicemember, his or her injury or illness. Eligible employees may also take intermittent or reduced-scheduled leave for military qualifying exigencies. Intermittent leave is not permitted for the birth of a child, to care for a newly-born child, or for placement of a child for adoption or foster care. Employees who require intermittent or reduced-schedule leave must try to schedule their leave so that it will not unduly disrupt the City's operations.

Use of Accrued Paid Leave

Depending on the purpose of your leave request, to the extent you have any accrued paid time off (PTO), you will be required to use it concurrently with your FMLA leave.

Maintenance of Health Benefits

If you and/or your family participate in our group health plan, the City will maintain coverage during your FMLA leave on the same terms as if you had continued to work. You must make arrangements to pay your share of health plan premiums while on leave.

In some instances, the City may recover premiums it paid to maintain health coverage or other benefits for you and your family.

Notice and Medical Certification

When seeking FMLA leave, you are required to provide:

- A. sufficient information and documentation for us to determine if the requested leave qualifies for FMLA protection and the anticipated timing and duration of the leave. You must also inform the City if the requested leave is for a reason for which FMLA leave was previously taken or certified;
- B. if the need for leave is foreseeable, this information must be provided 30 days in advance of the anticipated beginning date of the leave. If the need for leave is not foreseeable, this information must be provided as soon as is practicable and in compliance with the City's normal call-in procedures, absent unusual circumstances;
- C. medical certification supporting the need for leave due to a serious health condition affecting you or an immediate family member within 15 calendar days of the City's request to provide the certification. If you fail to do so, we may delay the commencement of your leave, withdraw any designation of FMLA leave or deny the leave, in which case your leave of absence would be treated in accordance with our standard leave of absence and attendance policies, subjecting you to discipline up to and including termination. Second or third medical opinions and periodic re-certifications may also be required;
- D. periodic reports as deemed appropriate by the City during the leave regarding your status and intent to return to work; and
- E. medical certification of fitness for duty before returning to work, if the leave was due to your serious health condition. The City will require this certification to address whether you can perform the essential functions of your position.

Failure to comply with the foregoing requirements may result in delay or denial of leave, or disciplinary action, up to and including termination.

Employer Responsibilities

To the extent required by law, the City will inform employees whether they are eligible under FMLA. Should an employee be eligible for FMLA, the City will provide them with a notice that specifies any additional information required as well as the employee's rights and responsibilities. If employees are not eligible, the City will provide a reason for the ineligibility.

The City will also inform employees if leave will be designated as FMLA and, to the extent possible, note the amount of leave counted against the employee's leave entitlement. If the City determines that the leave is not FMLA-protected, the City will notify the employee.

Job Restoration

Upon returning from FMLA leave, eligible employees will typically be restored to their original job or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions.

Exemption For Key Employees

Certain key employees may not be returned to their former or equivalent position following a leave if doing so would cause substantial economic injury to the City. Key employees are salaried and among the highest paid 10 percent of all employees at a worksite or within 75 miles of that worksite. The City will notify you if you qualify as a key employee and if the City intends to deny reinstatement and your rights in such instances.

Failure to Return After FMLA Leave

Any employee who fails to return to work as scheduled after FMLA leave or exceeds the 12-week FMLA entitlement (or in the case of military caregiver leave, the 26-week FMLA entitlement), will be subject to the City's standard leave of absence and attendance policies. This may result in termination if you have no other City-provided or legally mandated leave available to you that applies to your continued absence. Likewise, following the conclusion of your FMLA leave, the City's obligation to maintain your group health plan benefits ends (subject to any applicable COBRA rights).

Fraud

Providing false or misleading information or omitting material information in connection with an FMLA leave will result in disciplinary action, up to and including termination.

Employers' Compliance with FMLA and Employee's Enforcement Rights

FMLA makes it unlawful for any employer to interfere with, restrain, or deny the exercise of any right provided under FMLA, or discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

While the City encourages employees to bring any concerns or complaints about compliance with FMLA to the attention of Management, FMLA regulations require employers to advise employees that they may file a complaint with the U.S. Department of Labor or bring a private lawsuit against an employer.

Further, FMLA does not affect any federal or state law prohibiting discrimination, nor does it

supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

Limited Nature of This Policy

This policy should not be construed to confer any express or implied contractual relationship or rights to any employee not expressly provided for by FMLA. The City reserves the right to modify this or any other policy as necessary, in its sole discretion, to the extent permitted by law. State or local leave laws may also apply.

Military-Related Federal FMLA Leave

FMLA leave may also be available to eligible employees in connection with certain service-related medical and nonmedical needs of family members. There are two forms of such leave. The first is Military Caregiver Leave, and the second is Qualifying Exigency Leave. Each of these leaves is detailed below.

Military Caregiver Leave

Unpaid Military Caregiver Leave is designed to allow eligible employees to care for certain family members who have sustained serious injuries or illnesses in the line of duty while on active duty. The family member must be a "covered servicemember," which means: (1) a current member or veteran of the Armed Forces, National Guard, or Reserves, (2) who is undergoing medical treatment, recuperation, or therapy; or, in the case of a veteran, who was a current member of the Armed Forces, National Guard or Reserves within five years prior to the treatment for which an eligible employee requests leave; is otherwise in outpatient status; or is otherwise on the temporary disability retired list, (3) for a serious injury or illness that may render a current member medically unfit to perform the duties of the member's office, grade, rank, or rating. Military Caregiver Leave is not available to care for servicemembers on the *permanent* disability retired list.

To be "eligible" for Military Caregiver Leave, the employee must be a spouse, son, daughter, parent, or next of kin of the covered servicemember. "Next of kin" means the nearest blood relative of the servicemember, other than the servicemember's spouse, parent, son, or daughter, in the following order of priority: blood relatives who have been granted legal custody of the service member by court decree or statutory provisions; brothers and sisters; grandparents; aunts and uncles; and first cousins; unless the servicemember has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of Military Caregiver Leave. The employee must also meet all other eligibility standards as set forth within this FMLA policy.

An eligible employee may take up to 26 workweeks of Military Caregiver Leave to care for a covered servicemember in a "single 12-month period." The "single 12-month period" begins on the first day leave is taken to care for a covered servicemember and ends 12 months thereafter, regardless of the method used to determine leave availability for other FMLA-qualifying

reasons. If an employee does not exhaust his or her 26 workweeks of Military Caregiver Leave during this "single 12-month period," the remainder is forfeited.

Military Caregiver Leave applies on a per-injury basis for each servicemember. Consequently, an eligible employee may take separate periods of caregiver leave for each and every covered servicemember, and/or for each and every serious injury or illness of the same covered servicemember. A total of no more than 26 workweeks of Military Caregiver Leave, however, may be taken within any "single 12-month period."

Within the "single 12-month period" described above, an eligible employee may take a combined total of 26 weeks of FMLA leave including up to 12 weeks of leave for any other FMLA-qualifying reason (i.e., birth or adoption of a child, serious health condition of the employee or close family member, or a qualifying exigency). For example, during the "single 12-month period," an eligible employee may take up to 16 weeks of FMLA leave to care for a covered servicemember when combined with up to 10 weeks of FMLA leave to care for a newborn child.

An employee seeking Military Caregiver Leave may be required to provide appropriate certification from the employee and/or covered servicemember and completed by an authorized health care provider within 15 days.

Military Caregiver Leave is subject to the other provisions in this FMLA policy (requirements regarding employee eligibility, appropriate notice, use of accrued paid leave, etc.). Military Caregiver Leave will be governed by, and handled in accordance with, the FMLA and applicable regulations, and nothing within this policy should be construed to be inconsistent with those regulations.

Qualifying Exigency Leave

Eligible employees may take unpaid "Qualifying Exigency Leave" to tend to certain "exigencies" arising out of the duty under a call or order to active duty of a "covered military member" (i.e., the employee's spouse, son, daughter, or parent). Up to 12 weeks of Qualifying Exigency Leave is available in any 12-month period, as measured by the same method that governs measurement of other forms of FMLA leave within this FMLA policy (with the exception of Military Caregiver Leave, which is subject to a maximum of 26 weeks of leave in a "single 12-month period"). Although Qualifying Exigency Leave may be combined with leave for other FMLA-qualifying reasons, under no circumstances may the combined total exceed 12 weeks in any 12-month period (with the exception of Military Caregiver Leave as set forth above). The employee must meet all other eligibility standards as set forth within this FMLA policy.

Persons who can be ordered to active duty include active and retired members of the Regular Armed Forces, certain members of the retired Reserve, and various other Reserve members including the Ready Reserve, the Selected Reserve, the Individual Ready Reserve, the National Guard, state military, Army Reserve, Navy Reserve, Marine Corps Reserve, Air National Guard, Air Force Reserve, and Coast Guard Reserve. A call to active duty refers to a federal call to active duty, and state calls to active duty are not covered unless under order of the President of

the United States pursuant to certain laws.

Qualifying Exigency Leave is available under the following circumstances:

- A. **Short-notice deployment.** To address any issue that arises out of short notice (within seven days or less) of an impending call or order to active duty.
- B. **Military events and related activities.** To attend any official military ceremony, program; or event related to active duty; or a call to active duty status; or to attend certain family support; or assistance programs and informational briefings.
- C. **Childcare and school activities.** To arrange for alternative childcare; to provide childcare on an urgent, immediate need basis; to enroll in or transfer to a new school or daycare facility; or to attend meetings with staff at a school or daycare facility.
- D. **Financial and legal arrangements.** To make or update various financial or legal arrangements; or to act as the covered military member's representative before a federal, state, or local agency in connection with service benefits.
- E. **Counseling.** To attend counseling (by someone other than a health care provider) for the employee, the covered military member, or for a child or dependent when necessary as a result of duty under a call or order to active duty.
- F. **Temporary rest and recuperation.** To spend time with a covered military member who is on short-term, temporary rest and recuperation leave during the period of deployment. Eligible employees may take up to five of days of leave for each instance of rest and recuperation.
- G. **Post-deployment activities.** To attend arrival ceremonies, reintegration briefings and events, and any other official ceremony or program sponsored by the military for a period of up to 90 days following the termination of the covered military member's active duty status. This also encompasses leave to address issues that arise from the death of a covered military member while on active duty status.
- H. **Mutually agreed leave.** Other events that arise from the close family member's duty under a call or order to active duty, provided that the City and the employee agree that such leave shall qualify as an exigency and agree to both the timing and duration of such leave.

An employee seeking Qualifying Exigency Leave may be required to submit appropriate supporting documentation in the form of a copy of the covered military member's active duty orders or other military documentation indicating the appropriate military status and the dates of active duty status, along with a statement setting forth the nature and details of the specific exigency, the amount of leave needed and the employee's relationship to the military member, within 15 days. Qualifying Exigency Leave will be governed by, and handled in accordance with, the FMLA and applicable regulations, and nothing within this policy should be construed to be inconsistent with those regulations.

8.6 Military Leave

An employee who is drafted, or who is ordered to active duty in connection with reserve activities other than short-term training as outlined in Paragraphs 7.011 (E) and (F), shall upon presentation of a copy of his or her official orders, be granted leave without pay extending ninety (90) calendar days beyond the date of separation from the military service.

All unused leave benefits shall be retained by the employee, who shall have the same credited to his or her record if he or she applies for reinstatement to his or her position in accordance with Paragraph 7.023 (C). During such leaves of absence, the employee shall be entitled to preserve all rights established by City Personnel Policy.

Upon separation from the military service, the employee must request reinstatement within ninety (90) calendar days after separation. The City may require the employee to submit to a medical examination to determine his or her fitness, to perform the duties of the position to which he or she may be returning. If the employee volunteers for an additional tour of military duty, he or she shall forfeit his or her reinstatement rights.

Leaves of Absence General Provisions

8.7 General Provisions

Effective Dates

Leave of absence shall be effective the first date of absence and shall continue through the last date of absence.

Limitations on Leave Without Pay

A. Fringe Benefits

An employee shall not earn annual or sick leave benefits while on leave without pay, except to the extent provided in our "Creditable Service" policy.

B. Wage Increases

The time during which an employee is on leave without pay shall not count toward eligibility for wage increases. An employee shall not receive any wage increases while on leave without pay.

Insurance Coverage While on Leave of Absence

The City will continue to maintain group insurance benefits for employees while on leave with pay.

The employee, at the employee's expense, may make monthly cash premium payments at the City Hall.

The employee may continue insurance at employee's expense during leave without pay subject to insurance policy provisions and restrictions.

9 Disciplinary Action

9.1 Intention

It is the intention of the City that effective supervision and employee relations will avoid most matters which necessitate disciplinary action for violating such rules.

Disciplinary action is necessary in some instances as a tool to correct and eliminate unacceptable conduct or performance and/or in these situations to end the employment relationship.

The City recognizes the fact that each situation differs in many respects from others that may be similar in some ways. The City retains the right to treat each incident on an individual basis without creating a precedent for other cases which may arise in the future and to determine the appropriate discipline in every matter on a case-by-case basis.

9.2 City Manager and Department Heads

As authorized by the Umatilla City Charter, the Department Head shall have supervision and control of the departments established by the City Council. Department Heads are subject to the City Manager.

9.3 Disciplinary Action

Certain conduct is of such a serious nature that immediate termination may be warranted. Examples include, but are not limited to:

- Violation of the City's policies or procedures
- Unauthorized or illegal possession, use or sale of alcohol or illegal or controlled substances on work premises, during work hours, or while engaged in City activities
- Unauthorized possession, use or sale of weapons, firearms or explosives on work premises or while engaged in City activities
- Breach of confidentiality of City or citizen matters
- Theft or dishonesty, including falsification of any document or information
- Discrimination or harassment, including sexual harassment
- Disrespect or violence toward fellow employees, citizens, or other members of the public
- Perceived or actual conflict of interest, including performing outside work during working time or using City property, equipment or facilities in connection with outside work
- Unauthorized use, possession, or removal of City or citizen equipment or property,

including documents or information

- Negligence or any careless act that threatens property or endangers the life or safety of another person
- Violation of safety rules, including failure to report an accident or injury in the workplace
- Gambling on work premises or during working time
- Insubordination or refusing to carry out a work assignment
- Poor attendance
- Poor performance

These examples are not all inclusive of unacceptable conduct that could lead to discipline or termination. Such decisions will be based on an assessment of all relevant factors in a particular situation. Additionally, depending on the nature of the conduct, an employee may be subject to legal action by the City, a citizen, or other third party.

Disciplinary action for a violation of policy or other inappropriate conduct may include any of the below. The disciplinary action imposed will be determined by the City based on the individual circumstances. The City does not guarantee that one form of action will precede another.

Forms of discipline:

- Documented verbal warnings.
- Written reprimands.
- Suspension with or without pay.
- Demotion.
- Combination of above.
- Termination of employment.

Verbal reprimands and written reprimands may be issued by the supervisor with the knowledge of the Department Head. Suspension actions shall be submitted by the Department Head for review and authorization by the City Manager prior to the suspension action being issued. Discharge actions shall be presented by the Department Head to the City Manager who shall review the discharge action and cause for the action before such action is taken.

Employees should understand that they may be disciplined, up to and including termination, for violation of any of the offenses listed above; for violating departmental rules; for any action or failure to act which, in the opinion of the City Manager, adversely affects the ability of the employee and/or fellow employees to perform their responsibilities and/or adversely affects the efficient operation of the City government.

Nothing in this policy alters the at-will nature of employment. At all times, either the City or the employee may end the employment relationship, with or without cause or notice.

9.4 Documented Verbal Warning

Employees who are disciplined by documented verbal warning will have the reasons for said warning explained by their supervisor. The employee will receive a copy of the documented verbal warning and a copy shall be placed in the employee's personnel file.

9.5 Written Reprimand

A written reprimand shall contain a statement of the violation and the correction expected. It shall be signed by the immediate supervisor or Department Head of the employee. The original copy of the reprimand shall be given to the employee and a copy placed in the employee's personnel folder. The employee shall sign an acknowledgment that he or she has received a copy of the reprimand. Refusal to sign shall constitute insubordination and shall be cause for termination.

A written reprimand should be given as soon after the violation as practicable and in no event more than five (5) workdays after the most recent basis for the written reprimand is known by the employee's supervisor.

9.6 Suspension With or Without Pay

An employee may be suspended with or without pay as a disciplinary action for a period of no less than the balance of the employee's work shift to a period not to exceed two (2) weeks, depending on the offense and the employee's conduct record.

A suspended employee shall be notified by his or her supervisor or Department Head at the time of suspension of the specific reason for suspension and the expected correction. Such notification shall be given to the employee in writing and a copy placed in the employee's personnel file. If the employee refuses to sign the notification or is unavailable, notification may be sent by certified mail within three (3) workdays of the first date of suspension. A copy of such written notification shall be promptly given to the City Manager along with a written report of all appropriate information concerning the action.

In the case of an employee who is being suspended without pay, in conjunction with written notification of the disciplinary action, the Department Head shall provide the employee with an opportunity to be heard and to offer exculpatory evidence on his own behalf. Thereafter the supervisor or Department Head shall determine whether the suspension without pay is the appropriate disciplinary action, and if so, shall proceed as provided above.

9.7 Demotion

An employee may be demoted as disciplinary action. Prior to making a decision to demote an employee, the Department Head shall provide the City Manager with a written report stating the reasons for demotion. Once the Department Head receives approval from the City Manager, the Department Head shall provide the employee with an opportunity to be heard and to offer exculpatory evidence on his own behalf. Thereafter the Department Head shall determine whether demotion is the appropriate disciplinary action, and if so, shall give written notice of the demotion stating the reason for the demotion and the correction expected to maintain employment with the City. A copy of the notification shall be placed in the employee's personnel file. If the employee refuses to sign for the notification or is unavailable, notification may be sent by certified mail within three (3) workdays of the first date of demotion. A copy of such written notification shall be promptly given to the City Manager along with a written report of all appropriate information concerning the action.

The demoted employee will forfeit the pay grade attained with the higher level of responsibility and shall have his or her salary and benefits reflect the position to which the employee has been reassigned.

9.8 Clearing of Disciplinary Action Record

Disciplinary actions are matters of public records and are subject to the record management law and must remain in the file indefinitely.

9.9 Responsibility for Administration

It shall be the responsibility of the Department Head, in cooperation with the City Manager, to assure that disciplinary action be fair and consistent throughout the City Service.

10 Employee Grievances

10.1 Adjustment of Employee Grievances

All members of the City shall have the right at any time to secure consideration of any grievance with respect to his or her position or with his or her employment relationship to the City.

The employee, personally, shall bring his or her grievance to the attention of his or her immediate supervisor within five (5) working days from the time of occurrence of the problem who shall promptly seek to arrive at a solution which is satisfactory to the employee, and which is consistent with personnel policy and procedure.

If the employee has not received an answer from the supervisor within five (5) days or the supervisor is unable to adjust the grievance satisfactorily, the employee may submit the grievance in writing, along with his or her own written statement of the facts as he or she sees them to the Department Head.

If the grievance concerns the employee's supervisor or Department Head, the employee should contact Human Resources.

If the Department Head or Human Resources is unable to resolve the matter, the employee may contact the City Manager. In all cases, the decision of the City Manager will be final and binding.

Grievances should be resolved as promptly as practicable and in no event should designated representatives delay more than five (5) workdays in answering an appeal.

11 Termination of Employment

11.1 Classification of Termination

- A. **Resignation.** Any employee who voluntarily terminates (resigns) will be expected to give his supervisor at least two weeks' notice. If an employee fails to give notice, he shall be considered to have quit without notice and will forfeit any benefits such as accrued sick leave/annual leave.
- B. **Quit Without Notice.** An employee shall be deemed to have quit without notice if (a) the employee is absent from the workplace without reporting to the City through the appropriate chain of command a reason which is sufficient to justify such absence, (b) the employee quits without giving at least two weeks' notice, or (c) the employee fails to return from a leave of absence upon the expiration of leave.
- C. **Layoff.** A layoff results from a surplus in manpower due to reorganization, abolishing a position, or shortage of work funds. An employee shall be given at least two weeks' notice of layoff or two weeks' pay in lieu of notice. Pay in lieu of notice must be approved by the City Manager.
- D. **Termination.** Either the Department Head or the City Manager may dismiss an employee with or without cause.
- E. **Separation from Employment due to health or death.** Employees who leave their employment due to circumstances beyond their control due to health conditions or death shall be deemed to have provided notice of termination and are entitled to the same benefits available to employees who tender a resignation.

11.2 Appeals

The City Manager shall hear appeals in cases involving termination of employees.

The appeal shall be made within three (3) working days after Termination by filing a written request for a hearing with the City Manager.

The City Manager shall set a time and a place for the hearing to be held at the earliest possible date. The City Manager shall notify the employee and the Department Head of the time and place scheduled for the hearing.

Hearings before the City Manager shall be conducted informally in accordance with procedures established by the City Manager and shall not be bound by formal rules of evidence. The parties shall have the following rights: To have a record made of the hearing; to be represented by an attorney; to cross-examine all witnesses adverse to that party; and to subpoena any witness subject to the City's authority.

Within 10 working days after the hearing, the City Manager shall render his decision which shall constitute a final order.

11.3 Administration

Coverage under any City-sponsored benefit plans will end in accordance with plan provisions, and employees will be provided information on these processes. For payment of any earned but unused annual leave or sick time, see the applicable policies.

All City property must be returned upon termination. Otherwise, we may take action to recoup any replacement costs and/or seek the return of the property through appropriate legal recourse.

If your address changes during the calendar year in which termination occurs, you should notify the Finance Director before the end of the year so that your tax information will be sent to the correct address.

12 Personnel Procedures

12.1 Employment

Department Head's Responsibilities

- A. The Department Head shall establish and maintain the employment process for the City and will be responsible for:
- B. Insuring that all positions to be filled have been authorized and budgeted.
- C. Interviewing, testing, background investigation, and otherwise pre-qualifying all candidates for City employment. Copies of these shall be sent to the City Manager for review and retention in employees' personnel file.
- D. Recruitment and referral of qualified applicants to fill department vacancies.
- E. Induction of newly hired personnel including completion or required personnel and payroll forms, arrangement of physical examination, drug testing, and employee orientation.
- F. Approval of all changes in employee status in accordance with personnel policies according to the City council.
- G. Provide a current listing of the names and titles of those individuals, within the Department, authorized to requisition new employees.
- H. Insure that all job positions in their departments have been evaluated, rated and classified in accordance with the pay and classification plans.
- I. Provide on-the-job training to all new employees.

12.2 Establishing New Positions

The establishment of new or additional full-time positions can only be authorized by the City Council, subject to adequate justification of needs, and availability of funds.

Personnel to fill approved new positions shall not be requested or appointed until such time the position has been evaluated, classified, and assigned a pay grade by the City Manager.

Receipt of Employee Handbook

This is to acknowledge that I have received a copy of the Employee Handbook for the City of Umatilla ("the City") and understand that it sets forth terms and conditions of my employment as well as my responsibilities and obligations to the City. I understand and agree that it is my responsibility to read the Handbook and to abide by the rules, policies and standards set forth in it.

I also acknowledge that this Handbook does not represent all terms and conditions of employment that apply, and that it is a guide and not an express or implied contract.

I understand that this Handbook does not create a contract for a term of employment, and that I am employed at-will and that either the City or I may terminate my employment at any time with or without cause and with or without notice.

The policies in this Handbook may be updated or otherwise modified, amended or cancelled from time-to-time and that while the City will attempt to provide me advanced notice of such changes, I may not always get advanced notice.

In particular, I understand that I have no right or expectation of privacy in my use of the Internet or the City's other electronic communications resources, including the City's contracted communications services. I agree that the City may have access to any e-mails, text messages and usage information stored on or residing on the City's equipment or stored on or residing on equipment of a communication service provider to the City. This includes any electronic communication that I have forwarded from a private account, whether before or after my employment, to the City's equipment or equipment of the City's service provider.

I understand and consent to the City's monitoring my use of e-mail, the Internet and all other electronic communications resources as a condition of my employment.

If I have questions regarding the content or interpretation of this Handbook, I will bring them to the attention of my Supervisor or Department Head.

NAME: _____

DATE: _____

SIGNATURE: _____

UMATILLA POLICE DEPARTMENT PRESS RELEASE

March 17, 2026 through March 23, 2026

ARREST

n/a

CRIMINAL CITATIONS REQUIRING COURT APPEARANCE

03/17/2026	5:47 p.m.	Peshek, Charles William Umatilla	Driving while license suspended/cancelled/revoked (with knowledge)
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03/17/2026	7:30 p.m.	King, Tylor Brent Sr. Umatilla	Driving while license suspended.
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REPORTS FILED

03/22/2026	9:46 a.m.	Officers assisted the Lake County Sheriffs Office with transport of a person in need of treatment under the Baker Act. They were taken to Lifestream Behavioral Center and turned over to a Lake County Deputy upon arrival.
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03/22/2026	10:29 p.m.	Officers responded to the area of Outlook Street reference a bike being taken. Bike was located in the area of the Umatilla Animal Hospital.
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03/23/2026	9:18 a.m.	Officers responded to city property located in the area of Beasley Road reference a theft. A report was taken.
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ARRESTS	2
DISPATCHED CALLS	164
TRAFFIC STOPS	68
TRAFFIC CITATIONS ISSUED	7

UMATILLA POLICE DEPARTMENT PRESS RELEASE

March 24, 2026 through March 30, 2026

ARREST

03/25/2026	11:29 p.m.	Passamonte, Charles Umatilla	Battery 65+ (Domestic)
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CRIMINAL CITATIONS REQUIRING COURT APPEARANCE

03/26/2026	2:51 a.m.	Gibson, Jenelee Orlando	Driving while license suspended/cancelled/revoked.
03/26/2026	10:12 p.m.	Bush, Blake Eustis	No motor vehicle registration.

REPORTS FILED

03/24/2026	3:46 p.m.	Officers responded to a 911 hangup call from McDonalds. Upon arrival they were met with a person that wanted to report a theft that took place out of our jurisdiction. An information report was taken. Person was then advised to contact Volusia County Sheriffs Office to officially file a report for prosecution.	
03/24/2026	11:36 p.m.	Officers responded to a residence in the area of Lakeview Street reference a verbal dispute.	

ARRESTS	3
DISPATCHED CALLS	128
TRAFFIC STOPS	39
TRAFFIC CITATIONS ISSUED	3