

BOARD OF TRUSTEES

DAVIE POLICE OFFICERS PENSION PLAN

ADMINISTRATIVE RULES REGARDING MILITARY BUYBACKS, PRIOR POLICE SERVICE BUYBACKS, AND PERMISSIVE SERVICE CREDIT

1. Section 1.28 of the Plan governs the purchase of military and police buyback as follows:

Participants may buy back up to four (4) years of service for the purposes of retirement. This service may have been in the form of previous military or police (law enforcement service) with any State, Municipal, or Federal agency. Total buy back shall not exceed four (4) years.

All cost of the buy back shall be determined by the Pension Board's actuary and such cost shall be borne by the affected employee(s). The actuary will base the cost on the actuarial equivalent of the buy back.

The Pension Board may permit the buy back in either lump sum or over a multi-year time frame not to exceed five (5) years and not to extend past the Participant's retirement date. If the Participant buys back over a period of time, additional interest at the rate the plan earns will continue to accrue on the unpaid balance.

A Participant shall not be deemed vested until the completion of ten (10) years of actual service as a sworn police officer with the Town.

2. Section 3.1(b)(4) of the Plan governs the purchase of permissive service credit and provides in relevant part as follows:

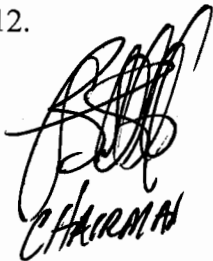
Upon vesting, Participants shall be permitted to purchase permissive service credit, applied as an increased benefit accrual factor ("multiplier") as set forth below. The increased multiplier may be purchased in one percent (1%) increments in an amount not to exceed twenty percent (20%) of Final Average Earnings.

...Additionally, vested Participants shall be permitted to purchase permissive service credit expressed as an earlier normal retirement date.

Permissive service credit shall not be granted until the Participant has paid to the Pension Fund the actuarial cost of the purchase, as determined by the actuary for the Plan. The Board shall establish a uniform rule for the implementation of this provision.

3. In accordance with the Pension Board's administrative authority set forth in Section 9.1(b)(4) of the Plan, the Pension Board adopts the following rules governing actuarial calculations for military buyback, prior police buyback, permissive service credit and divorce proceedings:
4. Prior service and permissive service shall not be granted until the Participant is fully vested and has paid to the Plan the actuarial cost of the service purchased, as determined by the actuary. Participants purchasing military service credit shall provide the Board of Trustees with proof of prior service with honorable separation from the military. No prior police service credit may be purchased if the Participant is receiving or will receive any other retirement benefit based on the purchased service. Buyback purchases may be funded with a rollover from another qualified plan.
5. A Participant who terminates service prior to vesting in the Plan shall be entitled to a refund of all sums paid to buyback prior military or police service, without interest.
6. Participants will not be billed for the actuary's cost of calculating one buyback, permissive service or divorce calculation. A Participant's buyback request may contain any combination of military or prior police service. Participants shall be billed, based on the actuary's standard fee schedule, for subsequent calculations following a Participant's free initial request.
7. Prior to processing an initial request, the Participant shall be informed that Participants are required to pay all charges by the actuary of any subsequent actuarial calculations. Following the initial request, Participants shall be required to prepay the actuary's fee for actuarial calculations for all subsequent calculation requests. There shall be no charge for the final retirement calculation by the actuary, upon the submission by a Participant of a retirement application in the ordinary course.
8. This rule shall operate prospectively. All Participants are entitled to one free actuarial calculation request following the effective date of the Administrative Rule.

This rule was considered by the Board of Trustees at a public hearing, following proper notice. The Administrative Rule was adopted by vote of the Trustees on August 07, 2012, 2012.



CHAIRMAN