
Sec. 46-323. Buybacks/reemployment.

- (a) Any member of the plan who is employed by the city prior to entry into military service and who takes a leave of absence for the purpose of entering into military service in the armed forces of the United States and thereafter reenters the employ of the city, within one year from the date of his release from active service shall have up to five years of credited service added to his years of actual credited service with the city, at no cost to the member. The amount of credit to be added shall coincide with the member's actual time served in the military. Effective October 1, 2017, notwithstanding any provision of this plan to the contrary, contributions, benefits and service credits with respect to qualified military service will be provided in accordance with section 414(u) of the Internal Revenue Code.

Furthermore, effective October 1, 2017, the survivors of any participant who dies on or after October 1, 2017, while performing qualified military service, are entitled to any additional benefits (other than contributions relating to the period of qualified military service, but including vesting service credit for such period and any ancillary life insurance or other survivor benefits) that would have been provided under the plan had the participant resumed employment on the day preceding the participant's death and then terminated employment on account of death.

- (b) **Prior Military** — Any member who has successfully completed all of the terms of the probationary period for the City of Key West and who has served on active military duty in the Armed Forces of the United States prior to entry or re-entry into the plan may receive credit for a maximum of five (5) years of military service time in the plan, provided the member has not received and will not receive a benefit from another retirement plan based on such prior service, and provided that for each year being purchased the member pays to the plan the full actuarial cost of the buyback. Members purchasing military service credit shall provide the Board of Trustees with proof of the prior service with honorable separation.
- (c) **Prior Police Service** — Any member who is a police officer and who has successfully completed all of the terms of the probationary period for the City of Key West and who has been employed in a full-time position as a police officer with another government agency prior to entry or re-entry into the plan may receive credit for up to a maximum of five (5) years of such police officer employment in the plan, provided the member has not received and will not receive a benefit from another retirement plan based on such prior police officer employment, and provided that for each year being purchased the member pays to the plan the full actuarial cost of the buyback. Members purchasing prior police officer employment credit shall provide the Board of Trustees with proof of the prior qualifying employment.
- (d) **Prior Firefighter** — Any member who is a firefighter and who has successfully completed all of the terms of the probationary period for the City of Key West and who has been employed in a full-time position as a firefighter with another government agency prior to entry or re-entry into the plan may receive credit for up to a maximum of five (5) years of such firefighter employment in the plan, provided the member has not received and will not receive a benefit from another retirement plan based on such prior firefighter employment, and provided that for each year being purchased the member pays to the plan the full actuarial cost of the buyback. Members purchasing prior firefighter employment credit shall provide the Board of Trustees with proof of the prior qualifying employment.
- (e) The full actuarial cost of a military, police or fire service buyback, as described in sections (b)(c) and/or (d), above, shall be calculated pursuant to the following assumptions:
- (1) Full actuarial cost shall be calculated by assuming 100 basis points below the plan's assumed rate of return at the time of the request, or six and one half percent (6.5%).
 - (2) There shall be an assumption of zero percent(0%) turnover in calculating the contribution payment.

-
- (3) Should the member not complete the buyback, he or she shall be granted credited service in the amount that the contribution is made support the credited service. The actuary shall compute the amount of the credited service
- (f) The contribution of the full actuarial cost for any military, police or fire service buyback under this subsection required of the employee may be made in installment payments correlated to the amount of years of service being purchased, up to five (5) years. The Plan actuary shall prepare the initial and subsequent calculations (if required) related to the cost of any military buyback under this section. The fee charged by the actuary for the calculation(s) shall be paid for by the member. There shall be no cost to the Plan or to the City for any such service credits purchased by the member.
 - (g) Purchased service shall only count toward retirement eligibility for those members retiring under normal or early provisions, and shall not count toward eligibility for not-in-line of duty disability benefits.
 - (h) Payment for additional service may be made via direct transfer or rollover of an eligible rollover distribution from a qualified retirement plan as determined by the Board of Trustees.
 - (i) The maximum purchase under this section shall be five (5) years when combined with credited service purchased for prior service as a police officer or firefighter in a full-time position with another government agency.
 - (j) A member who is receiving or will receive a pension benefit for military service in any other pension plan supported by public funds may not use that service for this pension plan. A member who is receiving or will receive any other pension in which time served in the military was used by the employee in that other pension plan shall not be eligible for military buyback as provided in this section.
 - (k) Reemployment by the city, other than as a full-time civil servant, shall not affect receipt of benefits from the plan. If a retiree is reemployed as a full-time civil service employee in a position covered by this plan, receipt of benefits shall be suspended for the period of reemployment. Upon ending the period of reemployment, benefits shall be recommenced, taking into account any additional credited service or change in final monthly compensation. Notwithstanding the foregoing, if a police officer member retires from the plan, and is subsequently reemployed as a firefighter, or if a firefighter retires from the plan, and is subsequently reemployed as a police officer, the reemployed member may continue to receive their retirement benefit from the plan, and shall be enrolled in the plan as a newly hired member.
 - (l) The Board of Trustees has the authority to adopt administrative rules to implement military and prior service buybacks.

(Code 1986, § 5.043; Ord. No. 01-09, § 1, 8-7-2001; Ord. No. 05-17, § 2, 7-19-2005; Ord. No. 11-08, § 1, 5-3-2011; Ord. No. 17-12, § 1, 10-18-2017; Ord. No. 18-08, § 1, 4-4-2018)