

## GUIDE TO YOUR PLAN

The Houston Firefighters' Relief and Retirement Fund's Summary Plan Description, or SPD, explains benefit provisions for you and your family.

### PLAN SUMMARY

All descriptions of benefits and contributions contained herein relating to the Houston Firefighters' Relief and Retirement Fund ("HFRRF" or "Fund") and Tex. Rev. Civ. Stat. Art. 6243e.2(1) (the "Statute") are only accurate as of the date of the publication of this summary.

#### **1. MEMBERSHIP ELIGIBILITY**

You are eligible for membership in the plan if you start working as a firefighter for the Houston Fire Department before you attain age 36 and meet the minimum physical requirements.

You become a participant in the plan when you satisfy the plan's eligibility requirements, are assigned to the Fire Department payroll and begin making contributions to the plan.

If you transfer directly to the Houston Fire Department from another Texas city's fire department, you may be eligible to receive past service credit for participation in that other Texas city's fire pension system (see Transferring Credit).

#### **2. PAYMENTS**

If you are eligible for service or disability retirement benefits when you retire, you will receive monthly payments for your lifetime. When you die, your survivor(s), if eligible, will receive your benefits in accordance with the Fund's Statute.

#### **3. CONTRIBUTIONS**

Once you are accepted into the plan, you contribute, through biweekly payroll deductions, 10.5% of your total gross pay to the Fund. Your contributions to the plan are withheld from your pay before your federal income tax obligation is calculated. Your contributions do not, however, affect the total gross pay amount on which your pension benefits, and the contributions themselves, are calculated.

Benefits paid from the Fund come from 3 sources:

- Your contributions
- City of Houston contributions
- Investment returns of the Fund

#### **4. RETIREMENT BENEFIT TYPES**

The plan provides the following types of retirement benefits for firefighters and their eligible survivors:

##### **(A.) Service Retirement**

Service retirements are based off a percentage of a member's average monthly salary ("AMS"). Members are eligible for and may receive a service retirement as follows:

- 1) The member was hired as a firefighter prior to July 1, 2017, and the member has attained 20 years of service. AMS is based upon the member's highest 78 pay periods and overtime would only be included for those pay periods prior to July 1, 2017. Accrual rates for such a member's service retirement are as follows:
  - Service years 1-20 prior to July 1, 2017: 2.5%;
  - Service years after 20th year prior to July 1, 2017: 3%
  - Service years 1-20 on or after to July 1, 2017: 2.75%
  - Service years after 20th year on or after to July 1, 2017: 2.00%
  - No benefit percentage cap.
  
- 2) The member was hired as a firefighter on or after July 1, 2017, and the sum of the member's age in years and the member's years of participation in the fund equals at least 70. The AMS is based upon the member's last 78 pay periods with no overtime included. Accrual rates for such a member's service retirement are as follows:
  - Service years 1-20: 2.25%;
  - Service years after 20<sup>th</sup> year: 2.00%;
  - Benefit percentage capped at 80%

Service retirement payments are reported to the Internal Revenue Service as ordinary income.

#### **(B.) Refund of Your Contributions**

All members that terminate service with the Houston Fire Department with less than 10 years of service are entitled to receive a refund of their employee contributions without interest.

If eligible under the Statute, members that terminate service with at least 10 years of participation but less than 20 may elect refund of contributions made to the Fund:

- With interest computed at 5% simple interest for the member's contributions to the Fund made before July 1, 2017; and
- Without interest for the member's contributions to the Fund made on or after July 1, 2017.

If you elect a refund of contributions, you may request that the Fund issue the payment as a direct rollover.

#### **(C.) Deferred Pension**

For a member that was hired as a firefighter prior to July 1, 2017 and leaves the Fire Department after participating in the plan for at least 10 years but less than 20 years, you may choose to receive a deferred benefit. Your deferred benefit will begin at age 50, and you will receive 1.7% of your average monthly salary for each year of participation.

#### **(D.) Disability Retirement**

The Fund provides benefits for firefighters who become disabled on-duty or off-duty. You will not be entitled to a disability benefit if your disability is the direct result of a condition that pre-existed when you joined the Fund.

The Pension Benefits Committee reviews each request for disability benefits using its established policies and procedures. The application process may require 60 days or more before action is taken by the Pension Benefits Committee. You are considered disabled and entitled to some form of benefit if the Pension

Benefits Committee determines from your application, physicians' exams and other evidence that you are eligible for the particular type of disability benefit you are applying for, based on the Fund's Statute. The Pension Benefits Committee must determine that the condition is likely to be permanent for the benefit application to be approved. Disability retirement eligibility and benefit amounts are as follows:

1. Occupational On-Duty Disability: A member becomes disabled on duty and is no longer capable of performing the usual and customary duties of a firefighter. The benefit is calculated as the greater of 50% of the members average monthly salary or the service retirement the member otherwise would have been entitled to receive.
2. General On-Duty Disability: A member becomes disabled on duty and is no longer capable of performing any substantial gainful activity (earning wages on a full-time basis - 40 or more hours per week). The benefit is calculated as the greater of 75% of the members average monthly salary or the service retirement the member otherwise would have been entitled to receive.
3. Off-Duty Disability: A member becomes disabled while off duty and cannot perform the usual and customary duties of a firefighter. The benefit is calculated as the greater of 25% of the members average monthly salary plus 2.5% for each full year of participation in the Fund (not to exceed 50%) or the service retirement the member otherwise would have been entitled to receive.

If, at the time you entered the department, you passed a physical examination that did not show evidence of cancer or of a condition or disease of the lungs or heart, and you die or become disabled from heart disease, lung disease, or cancer, such death or disability shall be presumed to be job-related and on duty and you or your eligible survivors may be entitled to receive a disability benefit (either an occupational on-duty or general on-duty disability benefit, as described above, depending on the nature of your disability) from the Fund, unless the presumption is rebutted by clear and convincing evidence.

*Keep in mind that tax laws affecting benefits can change, and they are complex. We urge you to seek the advice of a tax professional to interpret tax laws and revenue rulings and determine what is best for you and how you will be affected.*

## **5. DEFERRED RETIREMENT OPTION PLAN (DROP)**

Firefighters that were members of the Fund prior to July 1, 2017 have the option of entering the Deferred Retirement Option Plan (DROP) once they reach 20 years of participation. The DROP enables a firefighter to accumulate a separate sum of money toward retirement while still working as an active employee. The firefighter's monthly pension benefit amount is established as of the DROP entry date, and the value of the monthly pension benefit is credited to the firefighter's DROP account and all interest earned thereon. DROP account balances are available for distribution when the firefighter leaves the Fire Department, or the firefighter can elect to leave the DROP account balance with the Fund and take distributions according to Fund policy. An eligible surviving spouse can choose to maintain a DROP account with the Fund.

The DROP includes a Back-DROP provision. The DROP account of an active DROP participant can be recalculated based on what the account balance would have been had the participant elected the DROP up to three years earlier than he or she actually did. Your initial DROP entry date cannot be backdated prior to September 1, 1995, or prior to 20 years of credited service, and must be on the first of the month you select.

The maximum duration in DROP is 13 years. As of July 1, 2017, member contributions are no longer credited to the DROP account. For DROP participants who had at least 20 years of participation as of July 1, 2017, their monthly benefit at actual retirement would be increased by 2% for every full year of DROP participation for the first 10 years, for a maximum of 20%. There is a pro-ration of this benefit in the final year of DROP participation if less than a full year (2% divided by 12, or .166% per month).

## **6. DROP – FREQUENTLY ASKED QUESTIONS**

### **What is the DROP?**

The DROP is the Deferred Retirement Option Plan (DROP) that took effect September 1, 1995 as a retirement option available to members who were hired as firefighters prior to July 1, 2017.

### **How does the DROP work?**

The DROP allows you to accumulate a lump-sum cash amount for retirement to be paid in addition to your monthly retirement benefit. Under the DROP, you determine your future monthly pension benefit while continuing to work as an active firefighter.

Here's how it works. Once you are eligible for a service retirement, you may enroll in the DROP. When you enroll, you "lock in" your service and benefit levels as of the date your participation in the DROP takes effect. You continue to work as an active firefighter and earn your normal pay. While you work, the Fund credits the value of your monthly retirement benefit (based on your service as of the date you entered the DROP) into a notional DROP account.

You can participate in the DROP for up to 13 years. As long as you participate, the value of the retirement benefit calculated for you upon entry into the DROP is credited to your account each month, and your account earns interest. When you leave the Fire Department, your DROP account balance will be distributed to you in a lump sum, or you can choose to leave the assets of your DROP account with the Fund to continue earning interest and make withdrawals in accordance with the policies and procedures of the Board. When you leave the department and retire, you will start to receive your monthly pension benefits.

### **Do I have to decide at the time I enroll in the DROP how long I will participate and keep working for the Fire Department?**

No. You can participate from one month to 13 years. You can decide to stop working (and end your DROP participation) at any time during the 13 years.

### **Can I enter the DROP then change my mind?**

You can withdraw your DROP application at any time prior to its approval by the Pension Benefits Committee. That withdrawal must be in writing. Once acted upon by the Committee, your decision is irrevocable.

### **Does DROP participation affect disability or line-of-duty death benefits?**

A participant in DROP is ineligible for on-duty occupational disability benefits. In the case of on-duty death or on-duty general disability of a participant with a DROP account, the death benefit (100%) or disability benefit (75%) will be calculated as though the participant had not entered the DROP and will be paid to the eligible survivor(s) (in case of on-duty death) or participant (in the case of on-duty general disability). In addition, the DROP account that had accumulated to date will be available to the eligible survivor(s) (on-duty death) or participant (on-duty general disability).

**Am I eligible for Cost-Of-Living Adjustments (COLAs) if I am participating in the DROP, and if I am, when do I receive a COLA?**

No. As of July 1, 2017, active DROP participants are not eligible for a COLA.

**Does anything else go in my DROP account besides my normal monthly benefit payments?**

Yes. As of July 1, 2017, your DROP account will be credited with earnings at an annual rate equal to 65% of the previous 5 fiscal years compounded average. The annual rate will not be less than 2.5% and there is no maximum.

**Can I remain active with the Fire Department after my 13 years of DROP participation?**

Yes, but you cannot receive any money from your DROP account as long as you are an active employee. If you remain in active service the monthly benefit credits into your DROP account will cease, but the earnings (or interest credit) will continue to be credited to your DROP account. You will not be entitled to monthly pension payments until you leave active service with the department. Similarly, if you decide to retire and not participate in the DROP, you cannot later decide to return to active service and begin participating in the DROP.

**Will I receive statements advising me of the value in my DROP account?**

Yes. The Fund will provide each DROP participant with a balance statement quarterly. You may check your account at any time if you have enrolled on the Fund's website.

Although a separate accounting of its value is maintained, your DROP account is not separated from the assets of the Fund until a distribution payment is made. As such, your DROP account has no loan value and it cannot be used as collateral or guarantee.

**What is Back-DROP?**

Back-DROP is a provision that gives a DROP participant an option to go back to an earlier DROP date for up to 3 years prior to his/her original DROP election date. The date cannot be prior to September 1, 1995, and the participant must have at least 20 years of pension service on the effective Back-DROP date. The minimum Back-DROP period is one month and the maximum is 3 years, but the effective Back-DROP date must be on the first of a month. Under a Back-DROP election, the member's account balance is equal to the amount that the account would have had if the member had elected to participate in the DROP on an earlier date.

**When may I Back-DROP? Can I change my mind after I sign the application?**

You may Back-DROP immediately upon your DROP entry date. This option can be exercised at any time while you are in active service.

A member may revoke the Back-DROP election by notifying the Fund in writing no later than the earlier of the date the member leaves active service or the 10<sup>th</sup> business day after the date the member signs an application form for a Back-DROP.

**How many times can I Back-DROP?**

You may only Back-DROP once, unless:

- The Board determines that you have incurred a catastrophic injury or illness that will cause you to leave the Fire Department earlier than previously expected, and
- Your previous election was not for the maximum period allowed.

### **How is my Monthly Benefit increased when I exit DROP and retire?**

When you exit DROP and retire, for DROP participants who had at least 20 years of participation on July 1, 2017 your monthly benefit will be increased by 2% for each full year of participation in DROP, up to a maximum of ten years. (A full year is considered to be completed twelve months from your DROP entry date.) If you do not complete a full year in the final year of DROP participation, the 2% will be prorated (.166%) for each month.

### **How is the DROP account money paid out and distributed?**

When you leave the Department, your money will be distributed as you choose in one of the following ways:

- A check for the entire amount (less applicable withholding) will be made payable to you, or (if you prefer) electronically transferred to a bank or credit union account in your name, *or*
- The contents of your account will be transferred, in whole or in part, by the Pension Fund to an Individual Retirement Account (IRA) in your name, *or*
- The contents of your account will be transferred, in whole or in part, by the Pension Fund to an IRS qualified retirement plan (such as an employer-sponsored 401(k) plan).

When you elect to take money out of your DROP account, the Fund must take a minimum of 20% federal income tax out of the distribution. For individuals over 70 ½ years of age, if the distribution is a Required Minimum Distribution (RMD), you may elect 0 – 99% withholding, but only on the amount of the required minimum distribution

The contents of your account, in whole or in part, can be left with the Fund, subject to required minimum distribution rules. The Fund will account for your assets and you will earn interest at the same rate as normally calculated under the DROP. If you choose to leave your money in the Fund, you can make four withdrawals at any time during the calendar year (January to December) and/or set up either quarterly or monthly recurring payments.

### **How is my DROP distribution taxed?**

If you authorize the Fund to roll over your DROP proceeds directly to an IRA or another qualified retirement plan, or if you choose to leave your assets with the Fund, there are no immediate tax consequences. You would pay taxes on these funds only when you receive a distribution from your IRA, qualified retirement plan, or from the Fund.

If you receive the DROP account proceeds, the distribution will be treated as ordinary income to you in the year you receive it. The minimum federal income tax rate that must be withheld is 20 percent.

If you receive payment and are not at least age 50 by the end of the calendar year in which you leave active service, or if you withdraw money from a rollover account before you reach age 59½, you may

be subject to a 10 percent early distribution tax penalty.

Keep in mind that tax laws can change, and they are complex. We urge you to seek the advice of a tax professional to determine what is best for you and how you will be affected.

### **What happens to my DROP account proceeds in the event of my death while in the DROP?**

In accordance with Section 5(j) of Article 6243e.2(1), the following apply:

- (1) If there is an eligible spouse and no eligible children, your entire DROP account balance is paid to the eligible spouse or; the eligible spouse may elect to keep the balance in the Fund.
- (2) If you die and are survived by an eligible spouse and eligible children, one-half of your DROP account balance is paid to the eligible spouse (or the spouse may elect to keep the balance in the Fund), and the remaining one-half is divided equally among the eligible children. (Note: *Only the eligible spouse's half may be kept in the Fund.*)
- (3) If there are eligible children but no eligible spouse, your DROP account balance is divided equally among the eligible children, which, for this purpose, includes children who are less than 23 years of age, unmarried, and full-time students;
- (4) If there is not an eligible spouse and there are not any eligible children, your DROP account balance can be paid to a dependent parent; and
- (5) If there is not an eligible spouse, eligible children, or an eligible parent, your DROP account balance is distributed in accordance with your beneficiary designation as filed with the Board, or to your estate if there is no beneficiary.

*Note: You may elect to extend survivor benefit payments to children through age 23, unmarried, and full-time college students when there is an eligible spouse. You must complete the appropriate forms in order to notify the Fund of your desire to extend survivor benefits to a child that meets these criteria. Otherwise, survivor benefits would be extended as outlined in the Statute.*

*You may also elect to designate an adult child (or children) as an eligible child (or children) for the DROP proceeds. "Beneficiary adult child" is a child of a member by birth or adoption who is not an eligible child; and is designated as a beneficiary of a member's DROP account by valid designation under Section 5(j-1) of the Statute.*

### **If I marry or re-marry after entering the DROP, does my new spouse qualify as an eligible survivor for my DROP account benefits?**

After the effective date of your participation in the DROP, any person that subsequently becomes your spouse will be eligible for a reduced portion of your DROP account, based on the percentage of time this spouse was married to you between the date of your DROP election and your last day of active service. The remainder of your DROP account would be distributed to other eligible survivors, as provided for in the Statute. After leaving active service, any person that subsequently becomes your spouse will not be considered an "eligible spouse". You may designate such spouse on a "Beneficiary Designation Form". In the event of your death, your DROP account would be distributed to eligible survivors, if any. If there are no eligible survivors, the DROP account would be distributed to the designated beneficiary.

### **What happens if I'm divorced but there has been no Qualified Domestic Relations Order (QDRO) letter ruling from the Fund?**

The Fund will not distribute DROP benefits or monthly pension benefits to alternate payees without a fund approved QDRO.

### **If a portion of my DROP is awarded to my ex-spouse through a QDRO how will the Fund administer it?**

For an active DROP participant, the full value of your monthly benefit is always credited to your DROP account. If a QDRO is in place and is specifically attached to the proceeds of your pension either before or after you enter the DROP, payments to an alternate payee will not commence until you actually leave the Fire Department.

### **What do I need to do when I'm ready to leave the Department and exit the DROP?**

The timing of your departure is your responsibility, but in order to maximize your retirement benefits, contact the Fund at (281) 372-5100 or (800) 666-9737 and ask for Member Services when you start thinking about retirement.

To ensure that all members considering retirement are fully informed regarding their pension options and retirement benefits, you are required to attend a personal pre-retirement counseling meeting with the Fund to discuss your pension options prior to applying for retirement.

After completing your Pre-Retirement Counseling meeting, contact the HFD Human Resources Department to schedule an appointment to complete the appropriate documents to separate from active service.

Once you have completed your retirement forms with the City of Houston, you should contact the Fund to schedule an appointment to complete the Fund's retirement forms.

As of July 1, 2017, unused leave pay for DROP participants at retirement will be sent from the City of Houston to the Fund and credited to your DROP balance. Upon receiving the unused leave pay from the City of Houston, the Fund will credit it to your DROP account and notify you by email.

*(Note the City of Houston determines the timing, frequency, and amounts sent to the Fund).*

## **7. POST RETIREMENT OPTION PLAN (PROP)**

The Post Retirement Option Plan (PROP) became effective October 1, 2007 as an option for retired members and eligible spouses to defer taxable pension benefits to a notional account at the Fund, and accrue earnings on the balance each month.

As of July 1, 2017, a PROP participant may not have any additional amounts credited to his or her PROP account, nor shall any member be allowed to elect to participate in the PROP if the member was not already a PROP participant. PROP participants prior to July 1, 2017 may keep their balances with the Fund and will continue to accrue earnings.

## **8. ELIGIBLE SURVIVOR BENEFITS**

The plan includes provisions for your eligible survivors and beneficiaries if you are entitled to receive, or are receiving, a benefit from the Fund when you die. Eligible survivors are defined exclusively in Section 1 of the Statute and the distribution of such benefits to eligible survivors and beneficiaries is outlined in

section 7 of the Statute. No benefit will be paid if you die from suicide or attempted suicide before you have participated in the Fund for two years.

If you do not have any of the eligible survivors as defined in section 1 of the Statute, you can designate a beneficiary to receive (i) a refund of your contributions if you die before retirement so long as you were eligible for such refund, and/or (ii) any DROP or PROP balances you have remaining upon death.

For DROP and PROP purposes only, a DROP or PROP participant may designate an adult child (by birth or adoption) to be an eligible survivor for DROP or PROP account benefits (not for the monthly annuity). A member may also designate a Trust to receive the benefits payable to any eligible survivor or beneficiary other than an eligible spouse.

If a member is married after leaving active service, the new spouse would not be entitled to the full spouse's survivor benefit until the retiree and spouse have been married for five years. If the retiree dies before five years of marriage, the monthly pension benefit would be 20% for each year of marriage.

Your eligible survivors will receive a benefit equal to 100% of your average monthly salary if (i) you die as an active firefighter from an injury suffered on duty; or (ii) prior to being granted a disability benefit, you die from a disability suffered on duty. On-duty death benefits are tax-exempt if the firefighter is killed on-duty.

If you die from an off-duty illness or injury before you retire, your eligible survivor(s) will receive a survivor benefit equal to the benefit you would have received if you had retired with an off-duty disability on the day you died.

If you die after retirement your eligible survivor(s) will receive a survivor benefit equal to the benefit you were receiving at the time of your death.

Eligible survivors are entitled to a one-time death benefit at the time of your death in the amount of \$5,000 if you are receiving benefits when you die and \$10,000 (\$5,000 death benefit and \$5,000 additional retirement benefit payments) if you die before you retire.

If you retired on a deferred retirement and die before you reach age 50, your eligible beneficiaries can receive a survivor benefit equal to the benefit you would have received when you became age 50. Payments begin on the date you would have been age 50. If you retire on a deferred retirement and you are at least 50 years old when you die, your eligible beneficiaries' survivor benefits will be equal to the benefit you were receiving.

A surviving spouse of more than one firefighter is entitled to receive survivor benefits as the eligible spouse of only the member whose survivor benefits provide the highest benefit to that eligible spouse.

Survivor benefits for DROP participants are similar to monthly benefits. One important difference is that if a member gets married after entering the DROP, the spouse's DROP benefit would be based on the period of time he/she was married to the DROP participant, while the participant active in DROP.

## **9. OTHER PENSION BENEFIT PROVISIONS**

### **(A.) Transferring Credit**

If you enter the Houston Fire Department after serving in a fully paid fire department of another city in Texas with a similar fund benefiting only firefighters of that city to which the firefighter contributed (contact the Fund and ask for a Member Services Representative for a list of approved cities), you may

apply to have your prior service credit included as years of participation in the plan as long as you meet the criteria laid out in section 16 of the Statute.

If you choose not to apply for prior service credit, you must sign a waiver stating your intent to refuse prior service credit. Your participation in the plan will not be considered until your application for prior service credit is granted or you sign the waiver.

### **(B.) Qualified Domestic Relations Orders (QDROs)**

If a participant (or retiree) is divorced, the parties and the courts usually consider the participant's pension benefit an appropriate subject for inclusion the couple's divorce decree.

The Board has adopted the provisions of Chapter 804, Subchapters (A) and (C) of the *Texas Government Code*. This portion of the *Government Code* governs the direct payment of pension benefits by a pension system to someone other than a participant. Members are made aware of any QDRO activity that may be initiated against them.

A Domestic Relations Order (DRO) is a court order specifying how marital assets and child support responsibilities are to be divided among the divorcing parties. The Fund will only pay awarded benefits pursuant to a QDRO, directly to the former spouse, child or other individual specified in the decree. A QDRO is a DRO that has been submitted to the Board for review and has been found (by the Board's designated administrator) to satisfy government code provisions and the QDRO requirements contained in the Pension Benefit Policies.

In order to expedite the review process and limit costs to the participants, the Board has adopted several form QDROs. The form QDROs contain sample language acceptable to the Board. The forms do not mandate how you and your former spouse should divide your pension benefits, and you are not obligated to use the form QDROs. You and your legal counsel should determine any decisions regarding entitlement of benefits. Please bear in mind that you or your spouse should submit your DRO for review in plenty of time to allow for a ruling on its status as a QDRO before the entry of the divorce decree. If you fail to allow enough time for review, you may incur additional court costs, even after your decree is final.

If you need information on how a divorce will (or could) affect your benefits, contact the Fund at 281-372-5100 or 1-800-666-9737 and ask for a Member Services Representative. We can provide you with the current value of your pension benefit and contributions, as well as a copy of the appropriate QDRO forms.

### **(C.) Applying for Benefits**

You or your eligible beneficiaries must file a written application with the Board and follow the policies established by the Board before any benefits will be paid.

### **(D.) Appealing a Decision**

If the Pension Benefits Committee denies your application for disability benefits, you will be notified by certified mail of the decision. If you disagree with the committee's decision, you have 10 calendar days from the date you received notification to request, in writing, an appeal before the Board.

You may provide additional information regarding your application to the Board. Based on the facts obtained at the Board meeting, the Board will make a final determination of your application.

The Board has the final authority to grant or deny any application for disability benefits.

If you disagree with a decision made by the Board about a benefit, you may appeal the Board's decision to state District Court. (See Section 12 of the Statute.)

#### **(E.) Breaks in Service**

If you leave the department to serve in the U.S. Armed Forces during a war or national emergency and return to the department immediately thereafter, the time you serve may count as continuous years of participation when determining your benefit from the plan. If you served in the U.S. Armed Forces and need further information please contact the Fund at 281-372-5100 or 1-800-666-9737 and ask for a Member Services Representative.

If you leave the department for any other reason, your participation before you leave will count only if you return to the department within five years and begin paying into the Fund. The period of time you are away from the department and not contributing to the Fund will not count toward your years of participation. Your eligibility for re-entry into the Fund will depend on certain conditions laid out in Section 8.00 of the Pension Benefits Policies

#### **(F.) Adjustment to Your Benefit (COLAs)**

Benefits (including survivor benefits) from the plan may be adjusted each year with a Cost of Living Adjustment (COLA) and, if you are eligible for such COLA, added to your monthly benefit, in accordance with section 11 of the Statute.

#### **(G.) Annual Supplemental Benefit**

A supplemental benefit payment will be issued to eligible retirees and survivors (see Section 10A of the Statute) each January. The amount of the supplemental benefit is based on your date of retirement and the amount of your annual benefit (excluding the monthly supplemental benefit of \$150) in comparison to an annual minimum income level.

#### **(H.) Social Security**

As a firefighter, you are not eligible to receive Social Security benefits under the plan. But you may be eligible to receive Social Security benefits based on employment other than with the Houston Fire Department.

### **10. IMPORTANT NOTICE**

This summary describes many of the principal features of the Houston Firefighters' Relief and Retirement Fund pension plan. Remember, this is only a summary.

The plan's complete provisions are set forth in Article 6243e.2(1) of *Texas Civil Statutes*, which governs the operations of the plan. A retyped version of the Statute appears in this booklet. The Board has also adopted formal policies and procedures pursuant to the Statute, which are also reproduced in this booklet.

While this summary includes most of the facts about the plan, it does not attempt to describe all provisions or limitations as they apply in individual situations. In case of any conflict between this summary, the Statute, and the Policies and Procedures, the Statute and Policies and Procedures will prevail.

**Note:** This booklet is not a contract for, nor a guarantee of, present or continued employment or benefit disbursement.

## **11. MEMBER SERVICES STAFF**

If you have any questions about your benefits, call the Fund at **281-372-5100** or **1-800-666-9737**. **You may also contact us at [memberservices@hfrf.org](mailto:memberservices@hfrf.org)**. The following Member Services Representatives will be able to assist you:

**Dalia “Dolly” De La Cruz, CEBS** - Director of Member Services

**Tony L. Pierce, AFC®** - Member Services Education Manager

**Michele Word** - Benefits Administration Manager

**Kristi Marx, MSW, LSW** - Family Services Counselor

**Elizabeth A. Carrizal** - Sr. Benefits Specialist

**Sharon R. Johnson** - Sr. Benefits Specialist

**Diana Waterman** – Member Services Coordinator