

**FRUITLAND PARK CITY COMMISSION
REGULAR MEETING AGENDA**

August 24, 2023

City Hall Commission Chambers
506 W. Berckman Street
Fruitland Park, Florida 34731

6:00 p.m.

(Workshop to follow upon conclusion of regular meeting.)

1. CALL TO ORDER, INVOCATION AND PLEDGE OF ALLEGIANCE

Invocation – Pastor Greg Yarbrough, Trinity Assembly of God

Pledge of Allegiance – Police Chief Erik Luce

2. ROLL CALL

3. SPECIAL PRESENTATION

Law Enforcement Dispatch Services Presentation (city manager)
Lake County Sheriff's Office

4. CONSENT AGENDA

Routine items and items not anticipated to be controversial are placed on the Consent Agenda to expedite the meeting. If a commissioner, staff member or member of the public wish to discuss any item, the procedure is as follows: (1) Pull the item(s) from the Consent Agenda; (2) Vote on remaining item(s); and (3) Discuss each pulled item separately and vote.

(a) Approval of Minutes (city clerk)

July 31, 2023 workshop and July 27, 2023, regular meeting

(b) Resolution 2023-044 Health and Benefits Cafeteria Plan (city attorney/city manager/human resources director)

A RESOLUTION OF THE CITY COMMISSION OF THE
CITY OF FRUITLAND PARK, FLORIDA, ADOPTING THE
CITY OF FRUITLAND PARK CAFETERIA PLAN;
AUTHORIZING THE MAYOR AND CITY MANAGER TO
EXECUTE ANY DOCUMENTS THAT MAY BE
REQUIRED; PROVIDING FOR AN EFFECTIVE DATE.

5. REGULAR AGENDA

(a) Urick Street Force Main Extension Project - Mitigation and Arbitration Discussion (city attorney/city manager)

Discussion regarding the Urick Street Force Main Extension project.

PUBLIC HEARING

- (b) Second Reading and Public Hearing – Ordinance 2023-011 SRF Am. 1 to Loan Agreement WW350821 and Grant Agreement SG350822 – FDEP (city attorney/city manager)**

AN ORDINANCE OF CITY OF FRUITLAND PARK, FLORIDA, APPROVING STATE REVOLVING FUND AMENDMENT 1 TO LOAN AGREEMENT WW350821 AND GRANT AGREEMENT SG350822 BETWEEN THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION AND THE CITY OF FRUITLAND PARK, FLORIDA TO RESCHEDULE LOAN REPAYMENT ACTIVITIES TO ALLOW THE CITY ADDITIONAL TIME TO COMPLETE CONSTRUCTION; PROVIDING FOR CONFLICTS, SEVERABILITY, AND EFFECTIVE DATE. (The first reading was held on July 27, 2023.)

END OF PUBLIC HEARING

- 6. (a) City Manager**
- i. Economic Development Status Update**
 - ii. Commercial Developments Permits Issued Status Update**
 - iii. CR 466A Phase 3B Utility Adjustment Plans Status Update Report**
 - iv. Mirror Lake Village MDA PUD - Roadway Improvements Status Report**
 - v. 2024-25 Appropriations Discussion**
- (b) City Attorney**
- i. U.S. Bank National Association v. Robert Moore and City of Fruitland Park, Lake County Case No. 2022-CA-00845**
 - ii. Wayne Goodridge and Tammy Goodridge v. City of Fruitland Park, Lake County Case No. 2022-CA-1628**
 - iii. Code of Ordinances – Codification**
 - iv. LDR Codification**
 - v. Kaitlin Delong vs. City of Fruitland Park, Lake County Case No. 2022-CA-00463**

7. UNFINISHED BUSINESS

8. PUBLIC COMMENTS

This section is reserved for members of the public to bring up matters of concern or opportunities for praise. Action may not be taken by the City Commission at this meeting; however, questions may be answered by staff or issues may be referred for appropriate staff action.

Note: Pursuant to F.S. 286.0114 and the City of Fruitland Park's Public Participation Policy adopted by Resolution 2013-023, members of the public shall be given a reasonable opportunity to be heard on propositions before the City Commission. Accordingly, comments, questions, and concerns regarding items listed on this agenda shall be received at the time the City Commission addresses such items during this meeting. Pursuant to Resolution 2013-023, public comments are limited to three minutes.

9. COMMISSIONERS' COMMENTS

(a) **Commissioner Mobilian**

(b) **Commissioner Bell**

(c) **Commissioner Gunter**

(d) **Vice Mayor DeGrave**

10. MAYOR'S COMMENTS

September 15, 2023, Lake County Women's Hall of Fame Nomination

11. ADJOURNMENT

City commission workshop to follow.

DATES TO REMEMBER

- September 8, 2023, Lake County League of Cities, *School District Update*, Mount Dora Golf Course, 1100 South Highland Street, Mount Dora, Florida 32757 at 12:00 noon;
- September 14, 2023, City Commission Regular at 6:00 p.m., and
- September 28, 2023, City Commission Regular at 6:00 p.m.;

For more city events information access the calendar on the website:
<https://www.fruitlandpark.org/>

Please note that in addition to the city commission meetings, more than one city commissioner may be present at the above-mentioned events.

Any person requiring special accommodation at this meeting because of disability or physical impairment should contact the City Clerk's Office at City Hall (352) 360-6727 at least forty-eight (48) hours prior to the meeting. (§286.26 F.S.)

If a person decides to appeal any decision made by the City of Fruitland Park with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings and 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. The city does not provide verbatim records. (§286.0105, F.S.)

PLEASE TURN OFF ELECTRONIC DEVICES OR PLACE IN VIBRATE MODE

CITY OF FRUITLAND PARK
AGENDA ITEM SUMMARY SHEET
Item Number: 3

ITEM TITLE: SPECIAL PRESENTATION – Law Enforcement
Dispatch Services

MEETING DATE: Thursday, August 24, 2023

DATE SUBMITTED: Tuesday, August 15, 2023

SUBMITTED BY: City Manager

BRIEF NARRATIVE: Special Presentation – Law Enforcement Dispatch
Services – Lake County Sheriff's Office

FUNDS BUDGETED: None

ATTACHMENTS:

RECOMMENDATION:

ACTION: None

CITY OF FRUITLAND PARK
AGENDA ITEM SUMMARY SHEET
Item Number: 4a-b

ITEM TITLE: Draft Meeting Minutes and Resolution 2023-044
MEETING DATE: Thursday, August 24, 2023
DATE SUBMITTED: Monday, August 14, 2023
SUBMITTED BY: (See below)

BRIEF NARRATIVE: Routine items and items not anticipated to be controversial are placed on the Consent Agenda to expedite the meeting. If a commissioner, staff member or member of the public wish to discuss any item, the procedure is as follows: (1) Pull the item(s) from the Consent Agenda; (2) Vote on remaining item(s), and (3) Discuss each pulled item separately and vote.

- (a) **Approval of Minutes** (city clerk)
July 31 workshop and July 27, 2023 regular meetings
- (b) **Resolution 2023-044 Health and Benefits Cafeteria Plan** (city attorney/city manager/human resources director)

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, ADOPTING THE CITY OF FRUITLAND PARK CAFETERIA PLAN; AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE ANY DOCUMENTS THAT MAY BE REQUIRED; PROVIDING FOR AN EFFECTIVE DATE.

(Budget Line Item 10230; five percent increase and Budget Line Item 10232; ten percent increase employer contribution to dependent care.)

FUNDS REQUIRED: (See (b) above.)

ATTACHMENTS: Draft minutes, proposed resolution with exhibits A, plan document; B, summary plan and C, new payroll deduction rates.

RECOMMENDATION: Approve the minutes, if there are no corrections, as submitted and adopt Resolution 2023-044.

ACTION: **Approval**

FRUITLAND PARK CITY COMMISSION WORKSHOP
MEETING MINUTES DRAFT
July 31, 2023

A workshop meeting of the Fruitland Park City Commission was held at 506 W. Berckman Street, Fruitland Park, Florida 34731 on Monday, July 31, 2023 at 6:00 p.m.

Members Present: Mayor Chris Cheshire, Vice Mayor Patrick DeGrave, Commissioners John L. Gunter Jr., Chris Bell, and John Mobilian.

Also Present: City Manager Gary La Venia; City Treasurers Gary Bauchman and Jeannine Racine; City Attorney Anita Geraci-Carver; Police Chief Erik Luce; Sergeant David Cox, Police Department; Public Works Director Robb Dicus; Parks and Recreation Director Michelle Yoder; Library Director JoAnn Glendinning; Human Resources Director Betty McHale; Community Development Department, Interim Community Development Director Michael “Mike” Rankin, LPG Urban Regional Planners Inc. (consultant retained by the city) and Keli Feilder, Community Development Department; and City Clerk Esther B. Coulson.

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

After Mayor Cheshire called the meeting to order, Chief Luce led in the Pledge of Allegiance to the flag.

2. ROLL CALL

Mayor Cheshire requested that Ms. Coulson call the roll and a quorum was present.

By unanimous consent, the city commission accepted Mayor Cheshire’s suggestion on the order of business for this evening’s agenda.

Ms. McHale gave a power-point presentation on human resources workforce statistics; market results; salaries and paid time off, with recommendations and distributed proposed pay quartiles and Appendix C, Accumulation of Annual (Vacation Leave) -- derived from Ordinance 92-018. (Copies of the respective documents are filed with the supplemental papers to the minutes of this meeting.)

Following Ms. McHale’s request for assistance on the personnel policies and procedures manual and for Ms. Dorothy “Dottie” F. Green, Latham, Luna, Eden & Beaudine LLP (labor and employment law attorney retained by the city), to provide feedback on what she finalized at the end of December 2022, Mr. La Venia addressed his plan to contact Ms. Green again after sending his recent email to her in that regard.

Ms. McHale pointed out, in response to Mayor Cheshire’s inquiry, the first paid-time off (PTO) to cover the sick leave policy earmarked in the proposed balanced budget.

Vice Mayor DeGrave referred to his recent meeting with staff; relayed his suggestion to set aside, as a buyback, benefits or central contingency line-item for review together with the city’s manual at the August 24, 2023 workshop to be scheduled at the conclusion of the

regular city commission meeting to which Mr. La Venia interjected his plan to retire by the end of September 2024.

By unanimous consent, the city commission directed the city manager to seek out consulting firms to commence the recruitment process for the position of the city manager and agreed to hold a workshop session on the personnel policies and procedures manual, after the labor attorney's review, upon the conclusion of its August 24, 2023 regular meeting.

Later in the meeting, and after considerable discussion, **in preparation of the city manager's impending retirement, the city commission, upon Vice Mayor DeGrave recommendation, agreed to include in the FY 2023-24 budget up to \$70,000 funds set aside for the hiring of a southern national search firm, double-pay and vacation time with shadowing, and benefits payout and relocating expenses.**

The city commission, by unanimous consent, additionally agreed with the city attorney's plan to review and provide guidance on the paid time off policy to the human resources director for consider at the workshop.

3. FY 2023-24 PROPOSED BUDGET

Mr. Bachmann gave a power-point presentation on the FY 2023-24 proposed budget as follows:

- General Fund Revenues

After Vice Mayor DeGrave referred to the percentage of total budget column reflected on the far right, Mr. Bachmann explained the difference between FY 2022-23 revised budget and the FY 2023-24 proposed budget and suggested that the city commission disregard same due to the defect and problems experienced with the Tyler Technologies Inc.'s MUNIS® computer software.

Following much discussion, Mr. La Venia addressed the plan to transition to a BS&A Cloud Software® for \$33,000, over a three-year period, to be included in the proposed budget and subsequently in the forthcoming budgets until FY 2025-26 and to communicate with the community development department on amalgamating its current TRAKiT Software by Superion (Solutions) LLC into same.

Upon Mayor Cheshire's suggestion, and **by unanimous consent, the city commission directed staff to submit a budget amendment for FY 2022-23 and consider the approval of a contract with BS&A Cloud Software®, as previously cited, for consideration at a forthcoming meeting.**

- Executive

After Vice Mayor DeGrave referred to page 21, regarding records management for \$45,000, Ms. Coulson referred to her email of today's date outlining the status, the ongoing projects relative to same and recommendations for the city commission's

consideration at a future meeting; a copy of which is filed with the supplemental papers to the minutes of this meeting.

- **Legal**

Subsequent to further discussion, and **by unanimous consent, the city commission agreed with the city manager's recommendation, acceptable by the city attorney, to seek existing attorneys or firms with legal expertise in labor counsel and provide a report to the city commission (preferably after reviewing the personnel policies and procedures manual).**

- **Other General Government**

Mr. La Venia addressed the opportunity, annually, to earmark initially \$55,000 for city hall improvements in the following order (1), utility section (finance department); (2), ceiling insulation, and (3), commission chambers dais upgrades.

After Mr. La Venia addressed the annual leasing of a 22-foot Christmas tree to be placed in front of city hall for \$15,000 which includes the repairing, dismantling, installation and storing as opposed to the one-time \$45,000 to purchase same, **by unanimous consent, and upon Commissioner Gunter's suggestion, the city commission agreed to remove the Christmas tree line item for \$15,000 from the FY 2023-24 budget and utilize commercial grade products for decorations.**

By unanimous consent, and upon Vice Mayor DeGrave's recommendation, the city commission agreed to transfer the implementation of Tyler forms module for general billing, payroll, financial and business licenses for \$13,360 to BS&A Cloud Software®. (The city treasurer recognized that the Munis modules not being used will be taken from the \$34,310; addressed the intent to recommend a budget amendment for FY 2022-23 to initiate the BS&A Cloud Software and propose a second payment for \$34,310 for FY 2023-24.)

(Commissioner Mobilian left the meeting room at this time.)

- **Law Enforcement** – in confirming that two vehicles will be purchased which is included in the FY 2023-24 proposed budget, Chief Luce compared this date at 3:00 p.m., the increase in the number of varied service calls received for 2023 to be 13,749 with the same date and time in 2022 at 8,992.
- **Solid Waste** – After Vice Mayor DeGrave referred to the solid waste operating expenses for recycle, **by unanimous consent, the city commission agreed with the city manager's recommendation to remove the word "recycle" as it is classified as regular bulk waste pickup.**

- **Library** – Ms. Glendinning recognized \$6,000 allocation to replace the peg boards on both sides as the electronic signs have started to burn out; addressed her plan, in response to several questions posed, for the \$2,900 to be placed in the children’s room and to keep it to expand the teen room, and agreed in the affirmative to identify the \$6,000 to buy the shelving.

Ms. Glendinning featured the proposed directional signs to the library, city hall and police/fire departments to be restored back on Fountain Street and Rose Avenue and accepted the compliments relayed for the café and children’s programs as well as highlighted the past and plans for future events. She gave a statistical report on the café’s number of visits, sales, expenditures and profits. (Copies of the respective documents are filed with the supplemental papers to the minutes of this meeting.)

Later in the meeting, and **by unanimous consent, the city commission agreed to include in the FY 2023-24 proposed budget funds earmarked towards the display advertising lighting outside the library.**

- **Swimming Pool**

Ms. Yoder addressed the problems with and explained the need to repair and replace the original swimming pool filters \$10,000 of which has been included in the budget for the last three years.

In response to Mayor Cheshire’s question regarding the continuing swim team practices (Leesburg Aquatics Club) and after Mr. La Venia acknowledged the retention of a full-time pool manager (who can train lifeguards and teach water safety instructors to be certified), Ms. Yoder addressed the plan (with the adequate number of lifeguards and after Lake County Public Schools commence on August 10, 2023) to allow the swimming pool to remain operational over the weekends with swim lessons from morning to evening.

Ms. Kerrie B. Johnson, City of Fruitland Park resident; gave reasons why she supports continuing in the swim fit (water aerobics) program which was not utilized during this summer; noted the benefits to the community, and addressed the ability to participate after-hours to which Ms. Yoder mentioned her efforts in seeking employees and the need for a regular staff person or subcontractor who is certified and insured.

Ms. Coulson confirmed in the affirmative to an inquiry posed by Unincorporated Lady Lake Area Resident Ms. Liz Davis on her availability and willingness to continue to teach the swim fit classes (recognizing the conflicts with her work schedule) as a certified, insured and subcontractor instructor.

Ms. Margaret “Peggy” Joseph, Town of Lady Lake resident, who expressed concerns on her June 15 web from submission through the city’s website and her June 20, 2023 emails to individual city commissioners regarding her satisfaction with the equipment used in the pool and the classes taught. She referred to her inquiry with Infinity Fitness and Spa Inc. (who has an agreement with the city for the use of city swimming pool for

exercise classes) where they assured her and other individuals on the availability of classes that would be taught and the ability for her to join.

Ms. Connie Ashley, Lady Lake Unincorporated Area resident, representing the seniors and individuals on a fixed budget who cannot participate in the gym, voiced her positive experience gained from taking water swim fit classes a year ago; recognized the activities with the Warren Wallis United Methodist Camp to learn safety, and complimented the programs offered at the pool; thus, requested support from a community standpoint.

- **Parks and Recreation Maintenance**

Ms. Yoder explained, in response to Mr. La Venia's reference to the restructuring of staff, the combination of recreation (parks and recreation maintenance) rather than sharing with the public works staff.

After discussion and in response to Vice Mayor DeGrave's reference to the cemetery costs of \$9,000 and whether it ought to be an enterprise fund, he pointed out page 89 under personal services showing electric *Shiloh field, cemetery*.

By unanimous consent, and upon Vice Mayor DeGrave's suggestion, the city manager agreed to include a road fund revenue line item in the budget for cemetery costs.

After Mayor Cheshire questioned applying for grants for the skate park and his concerns regarding the current condition of Olive Park, Ms. Yoder addressed the inability to obtain Florida Recreation Development Assistance Program (FRDAP) grant funding and the lack of response after reaching out to the grant writer to which Mr. La Venia mentioned his plan to communicate with Ms. Melissa N. Fox (Fred Fox Enterprises Grants Compliance Manager previously retained by the city).

Following some discussion and in responding to Commissioner Gunter's previous requests over the years for a splash park, Mr. La Venia agreed to identify a location in Gardenia Park to apply for a \$500,000 matching grant award from the Community Redevelopment Agency (CRA) towards same.

Later in the meeting, Ms. Geraci-Carver, in response to Commissioner Gunter's inquiry confirmed that CRA funds can be used to fund the splash pad as a new project.

- **Recreation**

In response to Mr. Bachmann's review of the soccer field grant and the likelihood for a budget amendment, Mr. La Venia anticipated receiving an interlocal agreement from Lake County for \$150,000 for FY 2022-23; installing, over a two or five-year period, replacement lights at Cales Memorial Athletic Complex, and proposing a question to Ms. Fox as to whether FRDAP grants can be applied in that regard.

Answering questions posed by Mr. La Venia, Ms. Yoder confirmed that the double-sided video electronic display sign at the community center needs replacement where at the library the costs have been earmarked for \$30,000 with funds coming from the CRA.

- **General Funds Transfer**

Mr. Bachmann referred to the general fund expenses graph for utilities which is incorrect; confirmed that a \$100,000 transfer was for paving and in answer to a question posed by Vice Mayor DeGrave, the \$83,008 is removed which came out of the utility revenue.

- **FY 2023-24 CRA Budget**

Mr. La Venia identified the areas not included in the CRA; namely, Wingspread, Myrtle Lake Breezes, The Glen Subdivisions and The Villages of Fruitland Park (Pine Hills and Pine Ridge); referred to approximately \$1.5 million reserved for the CRA, noting the budgeted projects for CR 466A Phase 3B, and referred to the recent costs of \$1.1 million for same where Mr. Dicus is anticipating receiving utility adjustment plans for said roadway for review.

After Mr. La Venia addressed utilizing CRA funding for the project from the reserve - taking another \$650,000 for CR 466A and when receiving the water impact fees, earmarking \$3,500 for wastewater and the remaining \$1 million for water -- relayed Vice Mayor DeGrave's suggestion to loan the city funds from CRA and upon receiving the water impact fees, pay the city back from the CRA money with enough funds remaining from the CRA, He addressed the need to demolish the current public works building to construct a parking lot and bid on the foreclosed property located on 105 West Berckman Street when the time comes.

Following further discussion and at **Vice Mayor DeGrave's request, the city commission agreed for the city attorney and city manager to review the funds for CR 466A Phase B and report back to the city commission.**

- **Utility Revenues**

Mayor Cheshire and Vice Mayor DeGrave recalled the city commission's previous action to review mid-FY 2022-23 the to reduce the water usage rate of 7.5% to three and a half percent (3.5%) for 2022; review mid-FY 2022-23 the electric tax fund received, and identify how the rate could be lowered to a reduced revenue source.

- **Water Department**

Mr. La Venia indicated that funds have been earmarked in the budget for water meters to which Mr. Dicus gave reasons why he plans to place orders on October 1, 2023 as it is earmarked in the FY 2022-23 budget with availability of same expected within six to 12 months.

After discussion, Vice Mayor DeGrave recalled the city commission's awarding of the flow test fire hydrant inspection quote to Wayne Automatic Fire Sprinklers for \$13,750

(at its July 14, 2022 meeting) to which Mr. Dicus confirmed that same is in the budget; addressed the inability to clean and repaint 286 fire hydrants due to staff shortage and mentioned his efforts, with no response, in soliciting a painting company to perform same.

Mr. Dicus responded to a question posed by Vice Mayor DeGrave that there are no plans to restripe The Villages and mentioned his intent to purchase a paint sprayer equipment, for stop bars within the city.

Mr. La Venia reported on the current million-dollar grant for a 16' line along US Highway 27/441 corridor to serve a portion of the proposed commercial and residential development; addressed the plan to review water impact fees of approximately \$900,000 and addressed his plan to appear before the Lake County Board of County Commissioners at its August 29, 2023 regular meeting. He recognized the current invitation to bids 2023-02 (Patricia Avenue) and 2023-03 (Spring Lake Road) respectively for water mains and services and the anticipated community development block grants once the bids are procured.

4. OTHER BUSINESS

Earlier in the meeting and after Commissioner Bell referred to his previous discussions regarding Mirror Lake Village (Apartments sewer) and Urick Street wastewater package plan, Mr. Dicus referred to his recent communication on the \$80,000 impact fee where he is waiting for their decision.

By unanimous consent, the city commission determined not to meet on August 1, 2023 for the FY 2023-24 budget workshop.

5. ADJOURNMENT

The meeting adjourned at 8:36 p.m.

The minutes were approved at the August 24, 2023 regular meeting.

Signed _____
Esther B. Coulson, City Clerk, MMC

Signed _____
Chris Cheshire, Mayor

**FRUITLAND PARK CITY COMMISSION REGULAR
MEETING MINUTES DRAFT
July 27, 2023**

A regular meeting of the Fruitland Park City Commission was held at 506 W. Beckman Street, Fruitland Park, Florida 34731 on Thursday, July 27, 2023, at 6:00 p.m.

Members Present: Mayor Chris Cheshire, Vice Mayor Patrick DeGrave, Commissioners John L. Gunter Jr., and John Mobilian.

Member Absent: Commissioner Chris Bell

Also Present: Gary La Venia City Manager; City Attorney Anita Geraci-Carver; City Treasurer Gary Bachmann; Police Chief Erik Luce and Sergeant David Cox, Police Department; Public Works Director Robb Dicus; Human Resources Director Betty McHale; Michael “Mike” Rankin, Interim Community Development Director, LPG Urban & Regional Planners Inc. (consultant retained by the city); Mses. Sharon Williams, Administrative Manager; Kelli Fielder, Permit and Zoning Technician, and Carrie Pruitt, Permit Technician, Community Development Department; Lieutenant Chris Albert and Firefighter/Emergency Medical Technician Elizabeth “Liz” Kelley Lake County Fire Rescue, and City Clerk Esther B. Coulson.

1. CALL TO ORDER, INVOCATION, AND PLEDGE OF ALLEGIANCE

After Mayor Cheshire called the meeting to order and Reverend Fred Miller, Mount Pleasant AME Church, gave the invocation, Chief Luce led in the pledge of allegiance to the flag.

ACTION: 6:00:00 p.m. No action was taken.

2. ROLL CALL

Mayor Cheshire requested that Ms. Coulson call the roll where a quorum was declared present and Commissioner Bell’s absence was acknowledged.

Mayor Cheshire recognized the following changes to this evening’s agenda:

5.(a) Resolution 2023-039 – Scorpio
Addendum – A1A Contract.

5.(b) Resolution 2023-040 Proposed Millage
Revised agenda summary, resolution, and addendum DR-420 and DR420MM-P

5.(j) Ordinance 2023-010 Rezoning
Revised master development agreement at petitioner’s request.

5.(k) Ordinance 2023-006 Rezoning
Page two, section 3 of the MDA, conceptual site plan is dated November 15, 2023 should read *July 18, 2023*.

ACTION: 6:01:33 p.m. After Mayor Cheshire announced the decorum for this evening's meeting and at his request, **the city commission, by unanimous consent, excused the absence of Commissioner Chris Bell and accepted the above changes to this evening's agenda.**

3. COMMUNITY REDVELOPMENT AGENCY

On or before 6:15p.m. recess to the community redevelopment agency.

ACTION 6:03:17 p.m. **By unanimous consent, the city commission recessed its meeting at 6:03 p.m. to the community redevelopment agency and reconvened at 6:07 p.m.**

4. CONSENT AGENDA

By unanimous consent, the city commission considered its action to approve the July 13, 2023, regular meeting minutes.

ACTION: 6:06:47 p.m. **On motion of Vice Mayor DeGrave, seconded by Commissioner Gunter and unanimously carried, the city commission approved the consent agenda as previously cited.**

5. REGULAR AGENDA

- (a) **Resolution 2023-039 – A1A Document (Construction Management Services “At Risk” New Public Safety Complex Contract RFQ 2023-01) - Scorpio**
Ms. Geraci-Carver read into the record proposed Resolution 2023-039, the substance of which is as follows:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, APPROVING AIA DOCUMENT A133-2019 STANDARD FORM OF AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER AS CONTRACTOR WHERE BASIS OF PAYMENT IS THE COST OF THE WORK PLUS A FEE WITH A GUARANTEED MAXIMUM PRICE; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT; PROVIDING FOR AN EFFECTIVE DATE. (Postponed from the July 13, 2023 meeting.)

ACTION: 6:06:59 p.m. After Mr. La Venia addressed the pre-construction work negotiations being reduced and Ms. Geraci-Carver noted the state and federal requirements and required insurance in the addendum, **a motion was made by Vice Mayor DeGrave and seconded by Commissioner Mobilian, that the city commission adopt the previously cited Resolution 2023-039, with addendum.**

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

(b) Resolution 2023--040 Proposed Millage FY 2023-24

After Ms. Geraci-Carver read into the record proposed Resolution 2023-040, the substance of which is as follows, Mayor Cheshire announced that the city is prepared to set the proposed millage rate from 3.9134 -- which is a 9.3% increase over the roll back rate of 3.5803 the same rate as the last five years -- and once the proposed rate is established, the city commission cannot exceed that rate:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, LAKE COUNTY, FLORIDA, ADOPTING A NOT TO EXCEED MILLAGE RATE OF 3.9134 LEVYING OF AD VALOREM TAXES FOR FISCAL YEAR 2023-2024 AND SETTING THE DATE, TIME AND PLACE OF PUBLIC HEARING ON THE BUDGET FOR FISCAL YEAR 2023-2024, PROVIDING FOR AN EFFECTIVE DATE.

ACTION: 6:09:46 p.m. After discussion, a motion was made by Commissioner Gunter and seconded by Vice Mayor DeGrave that the city commission adopt Resolution 2023-040, as previously cited, to include \$1,022,647,846.00 as the gross taxable value.

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

(c) Non CRA Road Paving Quote – FY 2022-23

The city commission considered its action to approve the renewal contract with Paquette Company for non-Community Redevelopment Agency (CRA) road paving.

After discussion, Vice Mayor DeGrave's referred to the subtotal of \$124,086.25 for the three non-CRA roads and the provision shown on page two of Paquette's proposal . . . *bid based on \$92.00 per ton plus tax, if cost of asphalt increases, additional cost will be incurred . . .*

Ms. Geraci-Carver suggested, in response, that Mr. La Venia has the discretion to authorize the expenditure of whatever the costs may have been increased under the terms of the contract.

ACTION: 6:16:29 p.m. On motion of Commissioner Gunter, seconded by Commissioner Mobilian and unanimously carried, the city commission approved the aforementioned quote, with the city attorney's suggestion, as previously cited.

(d) CRA Road Paving Quote - FY 2022-23

The city commission considered its action to approve the recommendation of approval on the renewal contract with Paquette Company for CRA road paving.

ACTION: 6:18:57 p.m. **On motion of Vice Mayor DeGrave, seconded by Commissioner Mobilian and unanimously carried, the city commission approved the CRA's recommendation of approval of \$161,740 with the city attorney's suggestion as cited under Agenda Item 5.(c).**

PUBLIC HEARING

By unanimous consent, Mayor Cheshire opened the public hearings at this evening's meeting.

(e) Public Hearing - Resolution 2023-041 Utility Easements Termination – Mirror Lake Village Phase II - Replat Tract F - Petitioner: Park Square Enterprises LLC

It now being the time advertised to consider the adoption of Resolution 2023-041 and after Ms. Geraci-Carver read into the record the following title, Mayor Cheshire called for interested parties to be heard:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, APPROVING THE TERMINATION OF EASEMENT RELATING TO UTILITY EASEMENTS NO LONGER NEEDED WITHIN MIRROR LAKE VILLAGE PHASE II, A REPLAT OF TRACT F, MIRROR LAKE VILLAGE; AUTHORIZING THE MAYOR TO EXECUTE THE TERMINATION OF EASEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

ACTION: 6:19:40 p.m. **After discussion, a motion was made by Vice Mayor DeGrave and seconded by Commissioner Mobilian that the city commission adopt Resolution 2023-041 as previously cited.**

There being no one from the public and **by unanimous consent, Mayor Cheshire closed the public hearing.**

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

(f) Public Hearing - Resolution 2023-042 Mirror Lake Village Phase II Final Plat Approval - Petitioner: Park Square Enterprises LLC

It now being the time advertised to consider the adoption of Resolution 2023-042 and after Ms. Geraci-Carver read into the record the following title, Mayor Cheshire called for interested parties to be heard:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, GRANTING FINAL PLAT APPROVAL OF MIRROR LAKE VILLAGE PHASE II GENERALLY LOCATED EAST OF OLIVE AVENUE, SOUTHEAST OF MIRROR LAKE AND LEMON AVENUE,

NORTH OF MIRROR LAKE VILLAGE PHASE I AND EAST OF
S. DIXIE AVENUE, FRUITLAND PARK, FLORIDA; AND
PROVIDING FOR AN EFFECTIVE DATE.

Mr. Rankin described the subject final plat approval noting that the (July 19, 2023) title opinion will need to be updated within 30 days of plat recording.

Ms. Geraci-Carver responded in the affirmative, to Commissioner Gunter's question, that she will conduct a further review on the city commission's previous (April 25, 2019) action as to whether Lemon Avenue was vacated as it was not revealed on the title work.

ACTION: 6:21:24 p.m. After further discussion, and **by unanimous consent, the city commission accepted the suggestion by the city manager and city attorney to review the master development agreement conditions of the Mirror Lake Village Planned Unit Development (enacted by Ordinance 2019-001) and report back to the city commission with further information as to whether the gate or roadway improvements would be a requirement.**

A motion was made by Vice Mayor DeGrave and seconded by Commissioner Mobilian that the city commission adopt Resolution 2023-042 as previously cited.

There being no one from the public and **by unanimous consent, Mayor Cheshire closed the public hearing.**

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

(g) First Reading and Public Hearing – Ordinance 2023-011 Am. 1 SRF and Grant Agreements

Ms. Geraci-Carver read into the record proposed Ordinance 2023-011, the substance of which is as follows:

AN ORDINANCE OF CITY OF FRUITLAND PARK, FLORIDA, APPROVING STATE REVOLVING FUND AMENDMENT 1 TO LOAN AGREEMENT WW350821 AND GRANT AGREEMENT SG350822 BETWEEN THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION AND THE CITY OF FRUITLAND PARK, FLORIDA TO RESCHEDULE LOAN REPAYMENT ACTIVITIES TO ALLOW THE CITY ADDITIONAL TIME TO COMPLETE CONSTRUCTION; PROVIDING FOR CONFLICTS, SEVERABILITY, AND EFFECTIVE DATE. (The second reading will be held on August 24, 2023.)

ACTION: 6:36:10 p.m. After much discussion, a motion was made by Vice Mayor DeGrave and seconded by Commissioner Mobilian that the city commission approve Ordinance 2023-011 as previously cited.

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

After discussion and by unanimous consent, the city commission, upon Vice Mayor DeGrave's request directed staff to place an item on the next agenda to consider mitigation and arbitration for the Urick Street Force Main Extension project.

(h) Second Reading and Public Hearing - Ordinance 2023-008 Boundary Amendment (Annexation) - 19.10± Acres Multi-Family Medium – South of Urick Street and West of Thomas Avenue - Petitioner: Kimaya, LLC

It now being the time advertised to hold a public hearing, after Ms. Geraci-Carver read into the record proposed Ordinance 2023-008, the substance of which is as follows, Mayor Cheshire called for interested parties to be heard:

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, PROVIDING FOR A SMALL SCALE COMPREHENSIVE PLAN AMENDMENT BY AMENDING THE FUTURE LAND USE PLAN DESIGNATION FROM LAKE COUNTY URBAN HIGH DENSITY TO CITY MULTI-FAMILY MEDIUM DENSITY OF 19.10 +/- ACRES OF PROPERTY GENERALLY LOCATED SOUTH OF URICK STREET AND WEST OF THOMAS AVENUE; DIRECTING THE CITY MANAGER OR DESIGNEE TO TRANSMIT THE AMENDMENT TO THE APPROPRIATE GOVERNMENTAL AGENCIES PURSUANT TO CHAPTER 163, FLORIDA STATUTES; AUTHORIZING THE CITY MANAGER TO AMEND SAID COMPREHENSIVE PLAN; PROVIDING FOR SEVERABILITY, CONFLICTS AND SCRIVENER'S ERRORS; REPEALING ALL ORDINANCES IN CONFLICT HERewith; PROVIDING FOR AN EFFECTIVE DATE. (The first reading was held on July 13, 2023.)

ACTION: 6:44\34 p.m. A motion was made by Commissioner Gunter and seconded by Commissioner Mobilian that the city commission enact Ordinance 2023-008 as previously cited, to become effective immediately as provided by law.

There being no one from the public and by unanimous consent, Mayor Cheshire closed the public hearing.

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

(i) **Second Reading and Public Hearing Ordinance 2023-009 SSCPA – 19.10+ Acres Multi-Family Medium – South of Urick Street and West of Thomas Avenue - Petitioner: Kimaya, LLC**

It now being the time advertised to hold a public hearing, after Ms. Geraci-Carver read into the record proposed Ordinance 2023-009, the substance of which is as follows, Mayor Cheshire called for interested parties to be heard:

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, PROVIDING FOR A SMALL SCALE COMPREHENSIVE PLAN AMENDMENT BY AMENDING THE FUTURE LAND USE PLAN DESIGNATION FROM LAKE COUNTY URBAN HIGH DENSITY TO CITY MULTI-FAMILY MEDIUM DENSITY OF 19.10 +/- ACRES OF PROPERTY GENERALLY LOCATED SOUTH OF URICK STREET AND WEST OF THOMAS AVENUE; DIRECTING THE CITY MANAGER OR DESIGNEE TO TRANSMIT THE AMENDMENT TO THE APPROPRIATE GOVERNMENTAL AGENCIES PURSUANT TO CHAPTER 163, FLORIDA STATUTES; AUTHORIZING THE CITY MANAGER TO AMEND SAID COMPREHENSIVE PLAN; PROVIDING FOR SEVERABILITY, CONFLICTS AND SCRIVENER'S ERRORS; REPEALING ALL ORDINANCES IN CONFLICT HERewith; PROVIDING FOR AN EFFECTIVE DATE. (The first reading was held on July 13, 2023.)

ACTION: 6:44:00 p.m. **A motion was made by Vice Mayor DeGrave and seconded by Commissioner Gunter that the city commission enact Ordinance 2023-009 to become effective 31 days after its adoption.** (If this Ordinance is challenged within 30 days after its adoption, it may not become effective until the state land planning agency or Administrative Commission, respectively, issues a final order determining that this Ordinance is in compliance.)

There being no one from the public and **by unanimous consent, Mayor Cheshire closed the public hearing.**

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

By unanimous consent, the city commission took the following items out of order on this evening's agenda.

QUASI-JUDICIAL PUBLIC HEARING

(j) **Second Reading and Quasi-Judicial Public Hearing - Ordinance 2023-010 Rezoning - South of Urick Street and West of Thomas Avenue Petitioner: Kimaya, LLC**

It now being the time advertised to hold a public hearing, after Ms. Geraci-Carver read into the record proposed Ordinance 2023-010, the substance of which is as follows, Mayor Cheshire called for interested parties to be heard:

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, AMENDING THE BOUNDARIES OF THE CITY OF FRUITLAND PARK FLORIDA, IN ACCORDANCE WITH THE PROCEDURE SET FORTH IN SECTION 171.044, FLORIDA STATUTES, TO INCLUDE WITHIN THE CITY LIMITS APPROXIMATELY 19.10± ACRES OF LAND GENERALLY LOCATED SOUTH OF URICK STREET AND WEST OF THOMAS AVENUE; DIRECTING THE CITY MANAGER TO PROVIDE CERTIFIED COPIES OF THIS ORDINANCE AFTER APPROVAL TO THE CLERK OF THE CIRCUIT COURT, THE LAKE COUNTY MANAGER AND THE DEPARTMENT OF STATE OF THE STATE OF FLORIDA; PROVIDING FOR SCRIVENER'S ERRORS, SEVERABILITY AND CONFLICTS; PROVIDING FOR AN EFFECTIVE DATE. (The first reading will be held on July 13, 2023.)

Following much discussion, Mr. Chuck Hiatt, Halff Inc., who was previously sworn, described the difference between town home and duplexes and in response to the statement from Mr. Logan J. Opsahl, Lowndes-Law attorney representing the applicant, Ms. Geraci-Carver confirmed in the affirmative and concurred with the language provided in the master development agreement, which included one single-family residential family homes or a combination of town homes, duplexes and single family-dwellings.

ACTION: 6:47:23 p.m. A motion was made by Vice Mayor DeGrave and seconded by Commissioner Mobilian that the city commission enact aforementioned Ordinance 2023-010 with the master development agreement as previously cited.

There being no one from the public and **by unanimous consent, Mayor Cheshire closed the public hearing.**

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

(k) **Second Reading and Public Hearing – Ordinance 2023-006 Petitioner: Lake Sumter Commercial LLC**

It now being the time advertised to hold a public hearing, after Ms. Geraci-Carver read into the record proposed Ordinance 2023-006, the substance of which is as follows, Mayor Cheshire called for interested parties to be heard:

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, REZONING APPROXIMATELY 6.54± ACRES OF PROPERTY LOCATED ON CR 466A, FRUITLAND PARK, FLORIDA FROM CITY OF FRUITLAND PARK R-3 ZONING TO THE CITY OF FRUITLAND PARK DESIGNATION OF PUD, PLANNED UNIT DEVELOPMENT WITHIN THE CITY LIMITS OF FRUITLAND PARK; APPROVING A MASTER DEVELOPMENT AGREEMENT FOR THE PROPERTY; DIRECTING THE CITY MANAGER TO AMEND THE ZONING MAP OF THE CITY OF FRUITLAND PARK; PROVIDING FOR SEVERABILITY; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SCRIVENER'S ERRORS AND PROVIDING FOR AN EFFECTIVE DATE. (The second reading will be held on July 13, 2023.)

Ms. Geraci-Carver confirmed in response to the affirmative to Mayor Cheshire's reference to page two, section 3 of the master development -- showing the conceptual site plan date of *November 15, 2023* which should read: *July 18, 2023* - that she would make the change.

ACTION: 6:51:40 p.m. A motion was made by Commissioner Mobilian and seconded by Vice Mayor DeGrave that the city commission enact Ordinance 2023-006, as previously cited with the aforementioned change, to become effective immediately as provided by law.

Ms. Janet Goldberg voiced concerns on the planning and zoning (P&Z) board's June 15, 2023 denial of the subject proposed project and the city commission's subsequent approval of same at its July 13, acknowledged Vice Mayor DeGrave's explanation that the P&Z Board is advisory to the commission, and addressed the implications of impending increased traffic in the subject area.

In concurring, Ms. Cynthia Matzonkai, City of Fruitland Park resident, voiced her concerns with potential increased traffic.

Mr. Rankin explained, at Mayor Cheshire's request and confirmed in the affirmative to Vice Mayor DeGrave's remarks, the downgrading of the current zoning of R-15 and less density of the proposed project, if approved, with the only access-point, determined by Lake County, to the residential and commercial proposed project.

After discussion, Ms. Brenna L White, City of Fruitland Park resident, referred to R-3 zoning designation shown on page of the June 15, 2023 P&Z Board's approved meeting minutes; Ms. Geraci-Carver pointed out the readopted (January 10, 2022) land development regulated changes from R-3 (which equals R-15) allowing up to 15 units during the zoning transition.

Mr. Alex Stringfellow, the applicant who was sworn in by Ms. Geraci-Carver, outlined the three waivers requested; namely, the cul-de-sac's length, maximum percentage for accessory dwelling units, and the PUD for less than ten acres.

After extensive discussions confirming the county's conduct and determination of a traffic study for said roadway, the city commission responded in the negative to Mayor Cheshire's announcement of receiving ex-parte communications on the subject issue to which Ms. Matzonkai pointed out her recent email to three city commissioners on the subject issue.

Following further discussion and **by unanimous consent, Mayor Cheshire closed the public hearing.**

Mayor Cheshire called for a roll call vote on the motion and declared it carried unanimously.

END OF QUASI-JUDICIAL PUBLIC HEARING

END OF PUBLIC HEARING

6. (a) City Manager

i. Economic Development Status Update

Mr. La Venia had nothing to report on economic development at this time.

ACTION: 7:07:50 p.m. No action was taken.

ii. Commercial Developments Permits Issued Status Update

At Mr. La Venia's request, Mr. Rankin described the proposed projects to be considered before the CRA and city commission and outlined the plans to address voting districts (districtwide), annexations, future land use plans, PUDs maps, land development regulations before transitioning into the comprehensive plan, and proposed building and zoning fee schedules.

After discussion, Mr. Rankin agreed, in response to Vice Mayor DeGrave's suggestion, to provide examples of other comparable Lake County municipal government fees, the amounts developers are paying and justification for the increase.

ACTION: 7:07:50 p.m. No action was taken.

iii. Lake County Dispatch

Mr. La Venia referred to the copy of the Lake County Sheriff's Office (LCSO) Agreement for Law Enforcement Dispatch Services, a copy of which is filed with the supplemental papers to the minutes of this meeting.

Mr. La Venia recognized the previous discussions held on the subject issue; recommended inviting Sheriff Peyton C. Grinnell to the August 24, 2023 regular meeting to explain the service payment ramifications to the City of Fruitland Park and unincorporated area residents together with the scheduling of submitting same to the municipalities, and agreed with Vice Mayor DeGrave's request to additionally invite District 5 Lake County Board of County Commissioner Joshua "Josh" Blake.

Ms. Geraci-Carver concurred with Mr. La Venia's explanation on the need for clarification from LCSO.

ACTION: 7:12:49 p.m. No action was taken.

iv. Deputy City Treasurer

Later in the meeting, Mr. La Venia introduced Ms. Denise Bower who was recently accepted the position of deputy city treasurer.

ACTION: 7:25:41 p.m. No action was taken.

(b) City Attorney

i. U.S. Bank National Association v. Robert Moore and City of Fruitland Park, Lake County Case No. 2022-CA-00845

Ms. Geraci-Carver stated that she has nothing to report on the U.S. Bank National Association v. Robert Moore Lake County Case No. 2022-CA-00845.

ACTION: 7:21:09 p.m. No action was taken.

ii. Wayne Goodridge and Tammy Goodridge v. City of Fruitland Park, Lake County Case No. 2022-CA-1628

Ms. Geraci-Carver had nothing to report on the Wayne Goodridge and Tammy Goodridge Lake County Case No. 2022-CA-1628.

ACTION: 7:21:09 p.m. No action was taken.

iii. Code of Ordinances – Codification

Ms. Geraci-Carver had nothing to report on the city code.

ACTION: 7:21:09 p.m. No action was taken.

iv. LDR Codification

Ms. Geraci-Carver had nothing to report on the LDR codification.

ACTION: 7:21:09 p.m. No action was taken.

v. Kaitlin Delong vs. City of Fruitland Park, Lake County Case No. 2022-CA-00463

Ms. Geraci-Carver had nothing to report on the Kaitlin Delong Lake County Case No. 2022-CA-00463 at this time.

ACTION: 7:21:09 p.m. No action was taken.

7. UNFINISHED BUSINESS

There was no unfinished business to come before the city commission at this time.

ACTION: 7:21:14 p.m. No action was taken.

8. PUBLIC COMMENTS

Mr. Joseph “Joe” Sharp, City of Fruitland Park resident, voiced his disappointment in losing “red road” (CR 468); addressed his willingness to submit a proposal to pressure wash and solid sand the sidewalks south of city hall (west of College Avenue to east of Rose Avenue including the bus stop, and featured the color swatches to the city commission.

After Mayor Cheshire, in response recognized CR 468, within the city, to be a county roadway; Mr. Dicus’ excavation of the road to be on display in the public library, and the lack of advance notice received of the county’s plans to pave same, he accepted Mr. Sharp’s proposition and suggested that he meet with Mr. La Venia.

ACTION: 7:21:38 p.m. No action was taken.

9. COMMISSIONERS’ COMMENTS

(a) Commissioner Mobilian

Commissioner Mobilian stated that he has nothing to report at this time.

ACTION: 7:24:48 p.m. No action was taken.

(b) Commissioner Bell

Commissioner Bell was absent from this evening’s meeting.

ACTION: 7:24:48 p.m. No action was taken.

(c) Commissioner Gunter

ACTION: 7:25:00 p.m. No action was taken.

July 27, 2023, regular meeting

(d) Vice Mayor DeGrave

Vice Mayor DeGrave stated that he has nothing to report at this time.

ACTION: 7:25:05 p.m. No action was taken.

10. MAYOR'S COMMENTS

Dates to Remember

Mayor Cheshire recognized the following events:

- July 29, 2023 7-Eleven Opening – US Highway 27/441, Fruitland Park, Florida 34731 at 10:00 a.m.;
- July 29, 2023, Mom and Daughter Tea Party, Community Center, 205 West Berckman Street, Fruitland Park, Florida 34731 at 11:00 a.m.;
- July 31, 2023, City Commission Workshop (FY 2023-24 Proposed Budget) at 6:00 p.m.;
- August 1, 2023, City Commission Workshop (FY 2023-24 Proposed Budget) at 6:00 p.m.;
- August 10, 2023, City Commission Regular CANCELLED.
- August 14, 2023, Lake County Parks, Recreation and Trails Advisory Board, Office of Parks and Trails, Conference Room, 2401 Woodlea Road, Tavares, Florida, 32778 at 3:30 p.m.;
- August 18, 2023, LCLC, *Washington Update*, Mount Dora Golf Course, 1100 South Highland Street, Mount Dora, Florida 32757 at 12:00 noon, and
- August 24, 2023, City Commission Regular at 6:00 p.m.

ACTION: 7:25:09 p.m. No action was taken.

10. ADJOURNMENT

The meeting adjourned at 7:26 p.m.

The minutes were approved at the August 24, 2023, regular meeting.

Signed

Esther B. Coulson, City Clerk, MMC

Signed

Chris Cheshire, Mayor

RESOLUTION 2023-044

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, ADOPTING THE CITY OF FRUITLAND PARK CAFETERIA PLAN; AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE ANY DOCUMENTS THAT MAY BE REQUIRED; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fruitland Park offers its employees many benefits available under a Cafeteria Plan, authorized under Section 125 of the IRC of 1986; and

WHEREAS, it is necessary for the City Commission to approve a plan and a plan summary; and

WHEREAS, the City Commission desires to approve The City of Fruitland Park Cafeteria Plan to be effective October 1, 2023 through September 30, 2024, as well as the Plan Summary.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The form of the Cafeteria Plan attached hereto as Exhibit A, as authorized under Section 125 of the Internal Revenue Code of 1986, is adopted and approved and the Mayor and City Manager are authorized and directed to execute and deliver to the Plan Administrator one or more copies of the Plan.

Section 2. The Plan Year shall be for a period beginning October 1, 2023 and ending September 30, 2024.

Section 3. The City of Fruitland Park shall contribute to the Plan amounts sufficient to meet its obligation under the Cafeteria Plan, in accordance with the terms of the Plan Documents and shall notify the Plan Administrator to which periods said contributions shall be applied.

Section 4. The Mayor and City Manager shall act as soon as possible to notify employees of the adoption of the Cafeteria Plan by delivering to each employee of the City of Fruitland Park a copy of the Summary Plan Description for the City of Fruitland Park's Flexible Benefits Plan attached hereto as Exhibit B which is hereby approved.

Section 5. This resolution shall take effect immediately upon its final adoption by the City Commission of the City of Fruitland Park, Florida.

PASSED AND RESOLVED this 24th day of August 2023, by the City Commission of the City of Fruitland Park, Florida.

SEAL

**CITY COMMISSION OF THE CITY OF
FRUITLAND PARK, FLORIDA**

CHRIS CHESHIRE, MAYOR

ATTEST:

ESTHER COULSON, CITY CLERK, MMC

Mayor Cheshire	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Vice Mayor DeGrave	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Commissioner Gunter	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Commissioner Bell	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Commissioner Mobilian	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)

Approved as to form:

Anita Geraci-Carver, City Attorney

EXHIBIT A

THE CITY OF FRUITLAND PARK CAFETERIA PLAN

ARTICLE I. Introductory Provisions

City of Fruitland Park ("the Employer") hereby establishes the City of Fruitland Park Cafeteria Plan ("the Plan") effective 10/1/2023 ("the Effective Date"). Capitalized terms used in this Plan that are not otherwise defined shall have the meanings set forth in Article II.

This Plan is designed to allow an Eligible Employee to pay for his or her share of Contributions under one or more Insurance Plans on a pre-tax Salary Reduction basis.

This Plan is intended to qualify as a "cafeteria plan" under Code § 125 and the regulations issued thereunder. The terms of this document shall be interpreted to accomplish that objective.

Although reprinted within this document, the different components of this Plan shall be deemed separate plans for purposes of administration and all reporting and nondiscrimination requirements imposed on such components by the Code.

ARTICLE II. Definitions

"Accident Insurance Benefits (Also includes Accidental Death & Dismemberment (AD&D))" means the Employee's Accident/Accidental Death & Dismemberment Insurance Plan coverage for purposes of this Plan.

"Accident Plan(s) (Also includes Accidental Death & Dismemberment (AD&D)Plans)" means the plan(s) that the Employer maintains for its Employees providing benefits through a group insurance policy or policies in the event of injury or accidental death and/or dismemberment. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"Benefits" means the Premium Payment Benefits.

"Benefit Package Option" means a qualified benefit under Code § 125(f) that is offered under a cafeteria plan, or an option for coverage under an underlying accident or health plan (such as an indemnity option, an HMO option, or a PPO option under an accident or health plan).

"Change in Status" has the meaning described in Section 4.6.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

"Code" means the Internal Revenue Code of 1986, as amended.

"Contributions" means the amount contributed to pay for the cost of Benefits (including self-funded Benefits as well as those that are insured), as calculated under Section 6.2 for Premium Payment Benefits.

"Committee" means the Benefits Committee (or the equivalent thereof) of City of Fruitland Park

"Compensation" means the wages or salary paid to an Employee by the Employer, determined prior to (a) any Salary Reduction election under this Plan; (b) any salary reduction election under any other cafeteria plan; and (c) any compensation reduction under any Code § 132(f)(4) plan; but determined after (d) any salary deferral elections under any Code § 401(k), 403(b), 408(k), or 457(b) plan or arrangement. Thus, "Compensation" generally means wages or salary paid to an Employee by the Employer, as reported in Box 1 of Form W-2, but adding back any wages or salary forgone by virtue of any election described in (a), (b), or (c) of the preceding sentence.

"Dental Insurance Benefits" means the Employee's Dental Insurance Plan coverage for purposes of this Plan.

"Dental Insurance Plan(s)" means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan(s)) providing dental benefits through a group insurance policy or policies. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"Dependent" means any individual who is a tax dependent of the Participant as defined in Code § 152, with the following exceptions: (a) for purposes of accident or health coverage (to the extent funded under the Premium Payment Component, and for purposes of the Health FSA Component), (1) a dependent is defined as in Code § 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof; and (2) any child to whom IRS Rev. Proc. 2008-48 applies. Furthermore, notwithstanding anything in the foregoing that may be to the contrary, a "Dependent" shall also include for purposes of any accident or health coverage provided under this plan a child of a Participant who has not attained age 27 by the end of any given taxable year.

"Disability Insurance Benefits" means the Employee's Disability Insurance Plan coverage for purposes of this Plan.

"Disability Insurance Plan(s)" means the plan(s) that the Employer maintains for its Employees providing benefits through either or both a short-term or long-term disability insurance policy or policies in the event the disability of a covered Participant. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"Earned Income" means all income derived from wages, salaries, tips, self-employment, and other Compensation (such as disability or wage continuation benefits), but only if such amounts are includible in gross income for the taxable year. Earned income does not include any other amounts excluded from earned income under Code § 32(c)(2), such as amounts received under a pension or annuity or pursuant to workers' compensation.

"Effective Date" of this Plan has the meaning described in Article 1.

"Election Form/Salary Reduction Agreement" means the form provided by the Administrator for the purpose of allowing an Eligible Employee to participate in this Plan by electing Salary Reductions to pay for Premium Payment Benefits. This form may be in either paper or electronic form at the Employer's discretion in accordance with the procedures detailed in Article IV.

"Eligible Employee" means an Employee eligible to participate in this Plan, as provided in Section 3.1.

"Employee" means an individual that the Employer classifies as a common-law employee and who is on the Employer's W-2 payroll, but does not include the following: (a) any leased employee (including but not limited to those individuals defined as leased employees in Code § 414(n)) or an individual classified by the Employer as a contract worker, independent contractor, temporary employee, or casual employee for the period during which such individual is so classified, whether or not any such individual is on the Employer's W-2 payroll or is determined by the IRS or others to be a common-law employee of the Employer; (b) any individual who performs services for the Employer but who is paid by a temporary or other employment or staffing agency for the period during which such individual is paid by such agency, whether or not such individual is determined by the IRS or others to be a common-law employee of the Employer; (c) any employee covered under a collective bargaining agreement; (d) any self-employed individual; (e) any partner in a partnership; (f) any more-than-2% shareholder in a Subchapter S corporation. The term "Employee" does include "former Employees" for the limited purpose of allowing continued eligibility for benefits under the Plan for the remainder of the Plan Year in which an Employee ceases to be employed by the Employer, but only to the extent specifically provided elsewhere under this Plan.

"Employer" means City of Fruitland Park, and any Related Employer that adopts this Plan with the approval of City of Fruitland Park. Related Employers that have adopted this Plan, if any, are listed in Appendix A of this Plan. However, for purposes of Articles XI and XIV and Section 15.3, "Employer" means only City of Fruitland Park.

"Employment Commencement Date" means the first regularly scheduled working day on which the Employee first performs an hour of service for the Employer for Compensation.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended. City of Fruitland Park is not subject to ERISA nor does City of Fruitland Park adopt ERISA. Any references to ERISA herein are for reference purposes only

"FMLA" means the Family and Medical Leave Act of 1993, as amended.

"Health Insurance Benefits" means any insurance benefits providing medical or other health insurance coverage through a group insurance policy or policies.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as amended.

"HMO" means the health maintenance organization Benefit Package Option under the Medical Insurance Plan.

"Hospital Indemnity Benefits" means the Employee's Hospital Indemnity Plan coverage for purposes of this Plan.

"Hospital Indemnity Plan(s)" means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan(s)) providing certain indemnity benefits in the event of hospitalization or other similar medical event through a group insurance policy or policies. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"HRA" means a health reimbursement arrangement as defined in IRS Notice 2002-45.

"Insurance Benefits" means benefits offered through the Insurance Plans.

"Insurance Plan(s)" means a plan or plans offering benefits through a group insurance policy or policies.

"Life Insurance Benefits" means the Employee's Life Insurance Plan coverage for purposes of this Plan.

"Life Insurance Plan(s)" means the plan(s) that the Employer maintains for its Employees providing benefits through a group term life insurance policy or policies in the event of the death of a covered Participant. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"Medical Insurance Benefits" means the Employee's Medical Insurance Plan coverage for purposes of this Plan.

"Medical Insurance Plan(s)" means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan), providing major medical type benefits through a group insurance policy or policies (with HMO and PPO options). The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"Open Enrollment Period" with respect to a Plan Year means any period before the beginning of the Plan Year that may be prescribed by the Administrator as the period of time in which Employees who will be Eligible Employees at the beginning of the Plan Year may elect benefits.

"Participant" means a person who is an Eligible Employee and who is participating in this Plan in accordance with the provisions of Article III. Participants include (a) those who elect one or more of the Medical Insurance Benefits and (b) those who elect instead to receive their full salary in cash and to pay for their share of their Contributions under the Medical Insurance Plan.

"Period of Coverage" means the Plan Year, with the following exceptions: (a) for Employees who first become eligible to participate, it shall mean the portion of the Plan Year following the date on which participation commences, as described in Section 3.1; and (b) for Employees who terminate participation, it shall mean the portion of the Plan Year prior to the date on which participation terminates, as described in Section 3.2.

"Plan" means the City of Fruitland Park Cafeteria Plan as set forth herein and as amended from time to time.

"Plan Administrator" means the City of Fruitland Park Human Resources Manager or the equivalent thereof for City of Fruitland Park, who has the full authority to act on behalf of the Plan Administrator, except with respect to appeals, for which the Committee has the full authority to act on behalf of the Plan Administrator, as described in Section 13.1.

"Plan Year" means the 12-month period commencing 10/1/2023 and ending on 9/30/2024, except in the case of a short plan year representing the initial Plan Year or where the Plan Year is being changed, in which case the Plan Year shall be the entire short plan year.

"PPO" means the preferred provider organization Benefit Package Option under the Medical Insurance Plan.

"Premium Payment Benefits" means the Premium Payment Benefits that are paid for on a pre-tax Salary Reduction basis as described in Section 6.1.

"Premium Payment Component" means the Component of this Plan described in Article VI.

"QMCSO" means a qualified medical child support order, as defined in ERISA § 609(a).

"Related Employer" means any employer affiliated with City of Fruitland Park that, under Code § 414(b), § 414(c), or § 414(m), is treated as a single employer with City of Fruitland Park for purposes of Code § 125(g)(4).

"Salary Reduction" means the amount by which the Participant's Compensation is reduced and applied by the Employer under this Plan to pay for one or more of the Benefits, as permitted for the applicable Component, before any applicable state and/or federal taxes have been deducted from the Participant's Compensation (i.e., on a pre-tax basis).

"Specified Disease or Illness Insurance Benefits" means the Employee's Specified Disease or Illness Insurance Plan coverage for purposes of this Plan.

"Specified Disease or Illness Insurance Plan(s)" means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan(s)) providing certain benefits with regard to a particular critical illness or illnesses (e.g., a "cancer policy" or the like) through a group insurance policy or policies. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

"Spouse" means an individual who is legally married to a Participant as determined under applicable state law (and who is treated as a spouse under the Code).

"Vision Insurance Benefits" means the Employee's Vision Insurance Plan coverage for purposes of this Plan.

"Vision Insurance Plan(s)" means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan(s)) providing vision benefits through a group insurance policy or policies. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

ARTICLE III. Eligibility and Participation

3.1 Eligibility to Participate

An individual is eligible to participate in this Plan if the individual: (a) is an Employee; (b) is working 30 hours or more per week; and (c) has been employed by the Employer for a consecutive period of 2 months, counting his or her Employment Commencement Date as the first such day. Eligibility for Premium Payment Benefits may also be subject to the additional requirements, if any, specified in the Medical Insurance Plan. Once an Employee has met the Plan's eligibility requirements, the Employee may elect coverage effective the first day of the next calendar month, in accordance with the procedures described in Article IV.

3.2 Termination of Participation

A Participant will cease to be a Participant in this Plan upon the earlier of:

- the termination of this Plan; or
- the date on which the Employee ceases (because of retirement, termination of employment, layoff, reduction of hours, or any other reason) to be an Eligible Employee. Notwithstanding the foregoing, for purposes of pre-taxing COBRA coverage certain Employees may continue eligibility for certain periods on the terms and subject to the restrictions described in Section 6.4 for Insurance Benefits.

Termination of participation in this Plan will automatically revoke the Participant's elections. The Medical Insurance Benefits will terminate as of the date specified in the Medical Insurance Plan.

3.3 Participation Following Termination of Employment or Loss of Eligibility

If a Participant terminates his or her employment for any reason, including (but not limited to) disability, retirement, layoff, or voluntary resignation, and then is rehired within 30 days or less after the date of a termination of employment, then the Employee will be reinstated with the same elections that such individual had before termination. If a former Participant is rehired more than 30 days following termination of employment and is otherwise eligible to participate in the Plan, then the individual may make new elections as a new hire as described in Section 3.1. Notwithstanding the above, an election to participate in the Premium Payment Component will be reinstated only to the extent that coverage under the Medical Insurance Plan (here, major medical insurance) is reinstated. If an Employee (whether or not a Participant) ceases to be an Eligible Employee for any reason (other than for termination of employment), including (but not limited to) a reduction of hours, and then becomes an Eligible Employee again, the Employee must complete the waiting period described in Section 3.1 before again becoming eligible to participate in the Plan.

3.4 FMLA Leaves of Absence

(a) Health Benefits. Notwithstanding any provision to the contrary in this Plan, if a Participant goes on a qualifying leave under the FMLA, then to the extent required by the FMLA, the Employer will continue to maintain the Participant's Health Insurance Benefits on the same terms and conditions as if the Participant were still an active Employee. That is, if the Participant elects to continue his or her coverage while on leave, the Employer will continue to pay its share of the Contributions.

An Employer may require participants to continue all Health Insurance Benefits coverage for Participants while they are on paid leave (provided that Participants on non-FMLA paid leave are required to continue coverage). If so, the Participant's share of the Contributions shall be paid by the method normally used during any paid leave (for instance, on a pre-tax Salary Reduction basis).

In the event of unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued), a Participant may elect to continue his or her Health Insurance Benefits during the leave. If the Participant elects to continue coverage while on FMLA leave, then the Participant may pay his or her share of the Contributions in one of the following ways:

- with after-tax dollars, by sending monthly payments to the Employer by the due date established by the Employer;
- with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation (if any), including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax Salary Reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year); or
- under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator

may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If the Employer requires all Participants to continue Health Insurance Benefits during an unpaid FMLA leave, then the Participant may elect to discontinue payment of the Participant's required Contributions until the Participant returns from leave. Upon returning from leave, the Participant will be required to repay the Contributions not paid by the Participant during the leave. Payment shall be withheld from the Participant's Compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and the Participant.

If a Participant's Health Insurance Benefits coverage ceases while on FMLA leave (e.g., for non-payment of required contributions), then the Participant is permitted to re-enter the Medical Insurance Benefits upon return from such leave on the same basis as when the Participant was participating in the Plan prior to the leave, or as otherwise required by the FMLA. In addition, the Plan may require Participants whose Health Insurance Benefits coverage terminated during the leave to be reinstated in such coverage upon return from a period of unpaid leave, provided that Participants who return from a period of unpaid, non-FMLA leave are required to be reinstated in such coverage.

(b) Non-Health Benefits. If a Participant goes on a qualifying leave under the FMLA, then entitlement to non-health benefits is to be determined by the Employer's policy for providing such Benefits when the Participant is on non-FMLA leave, as described in Section 3.5. If such policy permits a Participant to discontinue contributions while on leave, then the Participant will, upon returning from leave, be required to repay the Contributions not paid by the Participant during the leave. Payment shall be withheld from the Participant's Compensation either on a pre-tax or after-tax basis, as may be agreed upon by the Plan Administrator and the Participant or as the Plan Administrator otherwise deems appropriate.

3.5 Non-FMLA Leaves of Absence If a Participant goes on an unpaid leave of absence that does not affect eligibility, then the Participant will continue to participate and the Contributions due for the Participant will be paid by pre-payment before going on leave, by after-tax contributions while on leave, or with catch-up contributions after the leave ends, as may be determined by the Plan Administrator. If a Participant goes on an unpaid leave that affects eligibility, then the election change rules detailed in Article IV will apply.

ARTICLE IV. Method and Timing of Elections; Irrevocability of Elections

4.1 Elections When First Eligible

An Employee who first becomes eligible to participate in the Plan mid-year may elect to commence participation in one or more Benefits on the first day of the month after the eligibility requirements have been satisfied, provided that an Election Form/Salary Reduction Agreement is submitted to the Plan Administrator before the first day of the month in which participation will commence. An Employee who does not elect benefits when first eligible may not enroll until the next Open Enrollment Period unless an event occurs that would justify a mid-year election change, as described in Article IV.

The Employer reserves the right, within its discretion, to allow or require any or all of the election procedures detailed in this Article 4.1 to be performed electronically.

Benefits shall be subject to the additional requirements, if any, specified in the Medical Insurance Plan. The provisions of this Plan are not intended to override any exclusions, eligibility requirements, or waiting periods specified in any Insurance Plans.

4.2 Rolling Elections

During each Open Enrollment Period for a following Plan Year, Participants shall be deemed to have elected the same benefits at the same levels as in the Plan Year in which the Open Enrollment Period occurs, unless a Participant informs the Employer of a different intention in writing (or in an electronic form accepted by Employer).

4.3 *RESERVED*****

4.4 Irrevocability of Elections

Unless an exception applies (as described in this Article IV), a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates.

Unless otherwise noted in this section, a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates. In other words, unless an exception applies, the Participant may not change any elections for the duration of the Period of Coverage regarding:

- Participation in this Plan;
- Salary Reduction amounts; or
- election of particular Benefit Package Options.

4.5 Procedure for Making New Election If Exception to Irrevocability Applies

(a) Timeframe for Making New Election. A Participant (or an Eligible Employee who, when first eligible under Section 3.1 or during the Open Enrollment Period, declined to be a Participant) may make a new election within 30 days of the occurrence of an event described in Section 4.6 or 4.7, as applicable, but only if the election under the new Election Form/Salary Reduction Agreement is made on account of and is consistent with the event and if the election is made within any specified time period (e.g., for Sections 4.7(d) through 4.7(j), within 30 days after the events described in such Sections unless otherwise required by law). Notwithstanding the foregoing, a Change in Status (e.g., a divorce or a dependent's losing dependent status) that results in a beneficiary becoming ineligible for coverage under the Medical Insurance Plan shall automatically result in a corresponding election change, whether or not requested by the Participant within the normal 30-day period.

(b) Effective Date of New Election. Elections made pursuant to this Section 4.5 shall be effective for the balance of the Period of Coverage following the change of election unless a subsequent event allows for a further election change. Except as provided in Section 4.7(e) for HIPAA special enrollment rights in the event of birth, adoption, or placement for adoption, all election changes shall be effective on a prospective basis only (i.e., election changes will become effective no earlier than the first day of the next calendar month following the date that the election change was filed, but, as determined by the Plan Administrator, election changes may become effective later to the extent that the coverage in the applicable Benefit Package Option commences later).

4.6 Change in Status Defined

Participant may make a new election upon the occurrence of certain events as described in Section 4.7, including a Change in Status, for the applicable Component. "Change in Status" means any of the events described below, as well as any other events included under subsequent changes to Code § 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan:

(a) Legal Marital Status. A change in a Participant's legal marital status, including marriage, death of a Spouse, divorce, legal separation, or annulment;

(b) Number of Dependents. Events that change a Participant's number of Dependents, including birth, death, adoption, and placement for adoption;

(c) Employment Status. Any of the following events that change the employment status of the Participant or his or her Spouse or Dependents: (1) a termination or commencement of employment; (2) a strike or lockout; (3) a commencement of or return from an unpaid leave of absence; (4) a change in worksite; and (5) if the eligibility conditions of this Plan or other employee benefits plan of the Participant or his or her Spouse or Dependents depend on the employment status of that individual and there is a change in that individual's status with the consequence that the individual becomes (or ceases to be) eligible under this Plan or other employee benefits plan, such as if a plan only applies to salaried employees and an employee switches from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa), with the consequence that the employee ceases to be eligible for the Plan;

(d) Dependent Eligibility Requirements. An event that causes a Dependent to satisfy or cease to satisfy the Dependent eligibility requirements for a particular benefit, such as attaining a specified age, or any similar circumstance; and

(e) Change in Residence. A change in the place of residence of the Participant or his or her Spouse or Dependents.

4.7 Events Permitting Exception to Irrevocability Rule

A Participant may change an election as described below upon the occurrence of the stated events for the applicable Component of this Plan:

(a) Open Enrollment Period. A Participant may change an election during the Open Enrollment Period.

(b) Termination of Employment. A Participant's election will terminate under the Plan upon termination of employment in accordance with Sections 3.2 and 3.3, as applicable.

(c) Leaves of Absence. A Participant may change an election under the Plan upon FMLA leave in accordance with Section 3.4 and upon non-FMLA leave in accordance with Section 3.5.

(d) Change in Status. A Participant may change his or her actual or deemed election under the Plan upon the occurrence of a Change in Status (as defined in Section 4.6), but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

(1) Loss of Spouse or Dependent Eligibility; Special COBRA Rules. For a Change in Status involving a Participant's divorce,

annulment or legal separation from a Spouse, the death of a Spouse or a Dependent, or a Dependent's ceasing to satisfy the eligibility requirements for coverage, a Participant may only elect to cancel accident or health insurance coverage for (a) the Spouse involved in the divorce, annulment, or legal separation; (b) the deceased Spouse or Dependent; or (c) the Dependent that ceased to satisfy the eligibility requirements. Canceling coverage for any other individual under these circumstances would fail to correspond with that Change in Status. Notwithstanding the foregoing, if the Participant or his or her Spouse or Dependent becomes eligible for COBRA (or similar health plan continuation coverage under state law) under the Employer's plan (and the Participant remains a Participant under this Plan in accordance with Section 3.2), then the Participant may increase his or her election to pay for such coverage (this rule does not apply to a Participant's Spouse who becomes eligible for COBRA or similar coverage as a result of divorce, annulment, or legal separation).

(2) Gain of Coverage Eligibility Under Another Employer's Plan. For a Change in Status in which a Participant or his or her Spouse or Dependent gains eligibility for coverage under a cafeteria plan or qualified benefit plan of the employer of the Participant's Spouse or Dependent as a result of a change in marital status or a change in employment status, a Participant may elect to cease or decrease coverage for that individual only if coverage for that individual becomes effective or is increased under the Spouse's or Dependent's employer's plan. The Plan Administrator may rely on a Participant's certification that the Participant has obtained or will obtain coverage under the Spouse's or Dependent's employer's plan, unless the Plan Administrator has reason to believe that the Participant's certification is incorrect.

(e) HIPAA Special Enrollment Rights. If a Participant or his or her Spouse or Dependent is entitled to special enrollment rights under a group health plan (other than an excepted benefit), as required by HIPAA under Code § 9801(f), then a Participant may revoke a prior election for group health plan coverage and make a new election (including, when required by HIPAA, an election to enroll in another benefit package under a group health plan), provided that the election change corresponds with such HIPAA special enrollment right. As required by HIPAA, a special enrollment right will arise in the following circumstances:

- a Participant or his or her Spouse or Dependent declined to enroll in group health plan coverage because he or she had coverage, and eligibility for such coverage is subsequently lost because: (1) the coverage was provided under COBRA and the COBRA coverage was exhausted; or (2) the coverage was non-COBRA coverage and the coverage terminated due to loss of eligibility for coverage or the employer contributions for the coverage were terminated; or
- a new Dependent is acquired as a result of marriage, birth, adoption, or placement for adoption.

An election to add previously eligible Dependents as a result of the acquisition of a new Spouse or Dependent child shall be considered to be consistent with the special enrollment right. An election change on account of a HIPAA special enrollment attributable to the birth, adoption, or placement for adoption of a new Dependent child may, subject to the provisions of the underlying group health plan, be effective retroactively (up to 30 days).

For purposes of this Section 4.7(e), the term "loss of eligibility" includes (but is not limited to) loss of eligibility due to legal separation, divorce, cessation of dependent status, death of an employee, termination of employment, reduction of hours, or any loss of eligibility for coverage that is measured with reference to any of the foregoing; loss of coverage offered through an HMO that does not provide benefits to individuals who do not reside, live, or work in the service area because an individual no longer resides, lives, or works in the service area (whether or not within the choice of the individual), and in the case of HMO coverage in the group market, no other benefit package is available to the individual; a situation in which an individual incurs a claim that would meet or exceed a lifetime limit on all benefits; and a situation in which a plan no longer offers any benefits to the class of similarly situated individuals that includes the individual.

(f) Certain Judgments, Decrees and Orders. If a judgment, decree, or order (collectively, an "Order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a QMCSO) requires accident or health coverage (including an election for Health FSA Benefits) for a Participant's child (including a foster child who is a Dependent of the Participant), then a Participant may (1) change his or her election to provide coverage for the child (provided that the Order requires the Participant to provide coverage); or (2) change his or her election to revoke coverage for the child if the Order requires that another individual (including the Participant's Spouse or former Spouse) provide coverage under that individual's plan and such coverage is actually provided.

(g) Medicare and Medicaid. If a Participant or his or her Spouse or Dependent who is enrolled in a health or accident plan under this Plan becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid (other than coverage consisting solely of benefits under Section 1928 of the Social Security Act providing for pediatric vaccines), then the Participant may prospectively reduce or cancel the health or accident coverage of the person becoming entitled to Medicare or Medicaid. Furthermore, if a Participant or his or her Spouse or Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then the Participant may prospectively elect to commence or increase the accident or health coverage of the individual who loses Medicare or Medicaid eligibility.

(h) Change in Cost. For purposes of this Section 4.7(h), "similar coverage" means coverage for the same category of benefits for the same individuals (e.g., family to family or single to single). For example, two plans that provide major medical coverage are considered to be similar coverage.

(1) Increase or Decrease for Insignificant Cost Changes. Participants are required to increase their elective contributions (by increasing Salary Reductions) to reflect insignificant increases in their required contribution for their Benefit Package

Option(s), and to decrease their elective contributions to reflect insignificant decreases in their required contribution. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will determine whether an increase or decrease is insignificant based upon all the surrounding facts and circumstances, including but not limited to the dollar amount or percentage of the cost change. The Plan Administrator, on a reasonable and consistent basis, will automatically effectuate this increase or decrease in affected employees' elective contributions on a prospective basis.

(2) Significant Cost Increases. If the Plan Administrator determines that the cost charged to an Employee of a Participant's Benefit Package Option(s) significantly increases during a Period of Coverage, then the Participant may (a) make a corresponding prospective increase in his or her elective contributions (by increasing Salary Reductions); (b) revoke his or her election for that coverage, and in lieu thereof, receive on a prospective basis coverage under another Benefit Package Option that provides similar coverage; or (c) drop coverage prospectively if there is no other Benefit Package Option available that provides similar coverage. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a cost increase is significant in accordance with prevailing IRS guidance.

(3) Significant Cost Decreases. If the Plan Administrator determines that the cost of any Benefit Package Option significantly decreases during a Period of Coverage, then the Plan Administrator may permit the following election changes: (a) Participants enrolled in that Benefit Package Option may make a corresponding prospective decrease in their elective contributions (by decreasing Salary Reductions); (b) Participants who are enrolled in another Benefit Package Option may change their election on a prospective basis to elect the Benefit Package Option that has decreased in cost Medical Insurance Plan); or (c) Employees who are otherwise eligible under Section 3.1 may elect the Benefit Package Option that has decreased in cost on a prospective basis, subject to the terms and limitations of the Benefit Package Option. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a cost decrease is significant in accordance with prevailing IRS guidance.

(i) Change in Coverage. The definition of "similar coverage" under Section 12.4(h) applies also to this Section 12.4(i).

(1) Significant Curtailment. If coverage is "significantly curtailed" (as defined below), Participants may elect coverage under another Benefit Package Option that provides similar coverage. In addition, as set forth below, if the coverage curtailment results in a "Loss of Coverage" (as defined below), then Participants may drop coverage if no similar coverage is offered by the Employer. The Plan Administrator in its sole discretion, on a uniform and consistent basis, will decide, in accordance with prevailing IRS guidance, whether a curtailment is "significant," and whether a Loss of Coverage has occurred.

(a) Significant Curtailment Without Loss of Coverage. If the Plan Administrator determines that a Participant's coverage under a Benefit Package Option under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed without a Loss of Coverage (for example, when there is a significant increase in the deductible, the co-pay, or the out-of-pocket cost-sharing limit under an accident or health plan during a Period of Coverage, the Participant may revoke his or her election for the affected coverage, and in lieu thereof, prospectively elect coverage under another Benefit Package Option that provides similar coverage. Coverage under a plan is deemed to be "significantly curtailed" only if there is an overall reduction in coverage provided under the plan so as to constitute reduced coverage generally.

(b) Significant Curtailment With a Loss of Coverage. If the Plan Administrator determines that a Participant's Benefit Package Option coverage under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed, and if such curtailment results in a Loss of Coverage during a Period of Coverage, then the Participant may revoke his or her election for the affected coverage and may either prospectively elect coverage under another Benefit Package Option that provides similar coverage or drop coverage if no other Benefit Package Option providing similar coverage is offered by the Employer.

(c) Definition of Loss of Coverage. For purposes of this Section 4.7(i)(1), a "Loss of Coverage" means a complete loss of coverage (including the elimination of a Benefit Package Option, an HMO ceasing to be available where the Participant or his or her Spouse or Dependent resides, or a Participant or his or her Spouse or Dependent losing all coverage under the Benefit Package Option by reason of an overall lifetime or annual limitation). In addition, the Plan Administrator, in its sole discretion, on a uniform and consistent basis, may treat the following as a Loss of Coverage:

- a substantial decrease in the medical care providers available under the Benefit Package Option (such as a major hospital ceasing to be a member of a preferred provider network or a substantial decrease in the number of physicians participating in the PPO for the Medical Insurance Plan or in an HMO);
- a reduction in benefits for a specific type of medical condition or treatment with respect to which the Participant or his or her Spouse or Dependent is currently in a course of treatment; or
- any other similar fundamental loss of coverage.

(2) Addition or Significant Improvement of a Benefit Package Option. If during a Period of Coverage the Plan adds a new Benefit Package Option or significantly improves an existing Benefit Package Option, the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option other than the newly added or significantly improved Benefit Package Option may change their elections on a prospective basis to elect the newly added or significantly improved Benefit Package Option; and (b) Employees who are otherwise eligible under Section 3.1 may elect the

newly added or significantly improved Benefit Package Option on a prospective basis, subject to the terms and limitations of the Benefit Package Option. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether there has been an addition of, or a significant improvement in, a Benefit Package Option in accordance with prevailing IRS guidance.

(3) Loss of Coverage Under Other Group Health Coverage. A Participant may prospectively change his or her election to add group health coverage for the Participant or his or her Spouse or Dependent, if such individual(s) loses coverage under any group health coverage sponsored by a governmental or educational institution, including (but not limited to) the following: a state children's health insurance program (SCHIP) under Title XXI of the Social Security Act; a medical care program of an Indian Tribal government (as defined in Code § 7701(a)(40)), the Indian Health Service, or a tribal organization; a state health benefits risk pool; or a foreign government group health plan, subject to the terms and limitations of the applicable Benefit Package Option(s).

(4) Change in Coverage Under Another Employer Plan. A Participant may make a prospective election change that is on account of and corresponds with a change made under an employer plan (including a plan of the Employer or a plan of the Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change that would be permitted under applicable IRS regulations; or (b) the Plan permits Participants to make an election for a Period of Coverage that is different from the plan year under the other cafeteria plan or qualified benefits plan. For example, if an election is made by the Participant's Spouse during his or her employer's open enrollment to drop coverage, the Participant may add coverage to replace the dropped coverage. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a requested change is on account of and corresponds with a change made under the other employer plan, in accordance with prevailing IRS guidance. A Participant entitled to change an election as described in this Section 4.7 must do so in accordance with the procedures described in Section 4.5.

(j) Revocation Due to Reduction in Hours

A Participant may revoke his or her Major Medical coverage, along with that of any related individuals, if the Participant experiences a reduction of hours such that he or she will be reasonably expected to work fewer than 30 hours a week on a regular basis and the Participant intends to enroll, along with any such related individuals, in another plan no later than the first day of the second full month following the revocation.

(k) Exchange Enrollment

A Participant who is eligible to enroll for coverage in a government-sponsored Exchange (Marketplace) during an Exchange special or annual open enrollment period may prospectively revoke his or her election for Medical Insurance Plan coverage, provided that the Participant certifies that he or she and any related individuals whose coverage is being revoked have enrolled or intend to enroll in new Exchange coverage that is effective no later than the day immediately following the last day of the Medical Insurance Plan coverage. If one or more of a Participant's related individuals are eligible to enroll for coverage in a government-sponsored Exchange (Marketplace) during an Exchange special or annual open enrollment period, the Participant may prospectively revoke an election for Medical Insurance Plan coverage for the individual or individuals (and switch to self-only coverage or family coverage including one or more other related individuals), provided that the Participant certifies that the individuals whose coverage is being revoked have enrolled or intend to enroll in new Exchange coverage that is effective no later than the day immediately following the last day of their Medical Insurance Plan coverage.

(l) CHIP Special Enrollment Rights

Notwithstanding anything else in this document to the contrary, special enrollment rights shall be made available as a result of a loss of eligibility for Medicaid or for coverage under a state children's health insurance program (SCHIP) or as a result of eligibility for a state premium assistance subsidy under the plan from Medicaid or SCHIP.

4.8 *Reserved*****

4.9 Election Modifications Required by Plan Administrator

The Plan Administrator may, at any time, require any Participant or class of Participants to amend the amount of their Salary Reductions for a Period of Coverage if the Plan Administrator determines that such action is necessary or advisable in order to (a) satisfy any of the Code's nondiscrimination requirements applicable to this Plan or other cafeteria plan; (b) prevent any Employee or class of Employees from having to recognize more income for federal income tax purposes from the receipt of benefits hereunder than would otherwise be recognized; (c) maintain the qualified status of benefits received under this Plan; or (d) satisfy Code nondiscrimination requirements or other limitations applicable to the Employer's qualified plans. In the event that contributions need to be reduced for a class of Participants, the Plan Administrator will reduce the Salary Reduction amounts for each affected Participant, beginning with the Participant in the class who had elected the highest Salary Reduction amount and continuing with the Participant in the class who had elected the next-highest Salary Reduction amount, and so forth, until the defect is corrected.

ARTICLE V. Benefits Offered and Method of Funding

5.1 Benefits Offered

When first eligible or during the Open Enrollment Period as described under Article IV, Participants will be given the opportunity to elect Premium Payment Benefits, as described in Article VI.

5.2 Employer and Participant Contributions

(a) Employer Contributions. For Participants who elect Insurance Benefits described in Article VI, the Employer may contribute a portion of the Contributions as provided in the open enrollment materials furnished to Employees and/or on the Election Form/Salary Reduction Agreement.

(b) Participant Contributions. Participants who elect any of the Medical Insurance Benefits described in Article VI may pay for the cost of that coverage on a pre-tax Salary Reduction basis, or with after-tax deductions, by completing an Election Form/Salary Reduction Agreement.

5.3 Using Salary Reductions to Make Contributions

(a) Salary Reductions per Pay Period. The Salary Reduction for a pay period for a Participant is, for the Benefits elected, (1) an amount equal to the annual Contributions for such Benefits (as described in Section 6.2 for Premium Payment Benefits; (2) an amount otherwise agreed upon between the Employer and the Participant; or (3) an amount deemed appropriate by the Plan Administrator (i.e., in the event of shortage in reducible Compensation, amounts withheld and the Benefits to which Salary Reductions are applied may fluctuate).

(b) Considered Employer Contributions for Certain Purposes. Salary Reductions are applied by the Employer to pay for the Participant's share of the Contributions for the Premium Payment Benefits are considered to be Employer contributions.

(c) Salary Reduction Balance Upon Termination of Coverage. If, as of the date that any elected coverage under this Plan terminates, a Participant's year-to-date Salary Reductions exceed or are less than the Participant's required Contributions for the coverage, then the Employer will, as applicable, either return the excess to the Participant as additional taxable wages or recoup the due Salary Reduction amounts from any remaining Compensation.

(d) After-Tax Contributions for Premium Payment Benefits. For those Participants who elect to pay their share of the Contributions for any of the Medical Insurance Benefits with after-tax deductions, both the Employee and Employer portions of such Contributions will be paid outside of this Plan.

5.4 Funding This Plan

All of the amounts payable under this Plan shall be paid from the general assets of the Employer, but Premium Payment Benefits are paid as provided in the applicable insurance policy. Nothing herein will be construed to require the Employer or the Plan Administrator to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which Benefits are paid. While the Employer has complete responsibility for the payment of Benefits out of its general assets (except for Premium Payment Benefits paid as provided in the applicable insurance policy), it may hire an unrelated third-party paying agent to make Benefit payments on its behalf. The maximum contribution that may be made under this Plan for a Participant is the total of the maximums that may be elected as Employer and Participant Contributions for Premium Payment Benefits, as described in Section 6.2.

ARTICLE VI. Premium Payment Component

6.1 Benefits

The only Insurance Benefits that are offered under the Premium Payment Component are benefits under the Medical, Dental, Vision, Accident, Accidental Death & Dismemberment, Bridge, Disability, Group Term Life, Hospital Indemnity, Specific Disease or Condition, Other - supplemental life insurance Insurance Plan(s). Notwithstanding any other provision in these Plan(s), these benefits are subject to the terms and conditions of the Insurance Plan(s), and no changes can be made with respect to such Insurance Benefits under this Plan (such as mid-year changes in election) if such changes are not permitted under the applicable Insurance Plan. An Eligible Employee can (a) elect benefits under the Premium Payment Component by electing to pay for his or her share of the Contributions for Medical Insurance Benefits on a pretax Salary Reduction basis (Premium Payment Benefits); or (b) elect no benefits under the Premium Payment Component and to pay for his or her share of the Contributions, if any, for Medical Insurance Benefits with after-tax deductions outside of this Plan. Unless an exception applies (as described in Article IV), such election is irrevocable for the duration of the Period of Coverage to which it relates.

The Employer may at its discretion offer cash in lieu of benefits for Participants who do not choose Insurance Benefits.

6.2 Contributions for Cost of Coverage

The annual Contribution for a Participant's Premium Payment Benefits is equal to the amount as set by the Employer, which may or may not be the same amount charged by the insurance carrier.

6.3 Insurance Benefits Provided Under Insurance Plans

Insurance Benefits will be provided by the Insurance Plans, not this Plan. The types and amounts of Insurance Benefits, the requirements for participating in the Insurance Plans, and the other terms and conditions of coverage and benefits of the Insurance Plans are set forth in the Insurance Plans. All claims to receive benefits under the Insurance Plans shall be subject to and governed by the terms and conditions of the Insurance Plans and the rules, regulations, policies, and procedures adopted in accordance therewith, as may be amended from time to time.

6.4 Health Insurance Benefits; COBRA

Notwithstanding any provision to the contrary in this Plan, to the extent required by COBRA, a Participant and his or her Spouse and Dependents, as applicable, whose coverage terminates under the Health Insurance Benefits because of a COBRA qualifying event (and who is a qualified beneficiary as defined under COBRA), shall be given the opportunity to continue on a self-pay basis the same coverage that he or she had under the Health Insurance Plan(s) the day before the qualifying event for the periods prescribed by COBRA.

Such continuation coverage shall be subject to all conditions and limitations under COBRA. Contributions for COBRA coverage for Health Insurance Benefits may be paid on a pre-tax basis for current Employees receiving taxable compensation (as may be permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year) where COBRA coverage arises either (a) because the Employee ceases to be eligible because of a reduction in hours; or (b) because the Employee's Dependent ceases to satisfy the eligibility requirements for coverage. For all other individuals (e.g., Employees who cease to be eligible because of retirement, termination of employment, or layoff), Contributions for COBRA coverage for Health Insurance Benefits shall be paid on an after-tax basis (unless may be otherwise permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year).

ARTICLES VII. - XII. *RESERVED*****

ARTICLE XIII. Appeals Procedure

13.1 Procedure If Benefits Are Denied Under This Plan

If a claim for reimbursement under this Plan is wholly or partially denied, then claims shall be administered in accordance with the claims procedure set forth in the summary plan description for this Plan. The Committee acts on behalf of the Plan Administrator with respect to appeals.

13.2 Claims Procedures for Insurance Benefits

Claims and reimbursement for Insurance Benefits shall be administered in accordance with the claims procedures for the Insurance Benefits, as set forth in the plan documents and/or summary plan description(s) for the Insurance Plan(s).

ARTICLE XIV. Recordkeeping and Administration

14.1 Plan Administrator

The administration of this Plan shall be under the supervision of the Plan Administrator. It is the principal duty of the Plan Administrator to see that this Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in this Plan without discrimination among them.

14.2 Powers of the Plan Administrator

The Plan Administrator shall have such duties and powers as it considers necessary or appropriate to discharge its duties. It shall have the exclusive right to interpret the Plan and to decide all matters thereunder, and all determinations of the Plan Administrator with respect to any matter hereunder shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Plan Administrator shall have the following discretionary authority:

- (a) to construe and interpret this Plan, including all possible ambiguities, inconsistencies, and omissions in the Plan and related documents, and to decide all questions of fact, questions relating to eligibility and participation, and questions of benefits under this Plan (provided that, notwithstanding the first paragraph in this Section 14.2, the Committee shall exercise such exclusive power with respect to an appeal of a claim under Section 13.1);
- (b) to prescribe procedures to be followed and the forms to be used by Employees and Participants to make elections pursuant to this Plan;
- (c) to prepare and distribute information explaining this Plan and the benefits under this Plan in such manner as the Plan Administrator determines to be appropriate;

(d) to request and receive from all Employees and Participants such information as the Plan Administrator shall from time to time determine to be necessary for the proper administration of this Plan;

(e) to furnish each Employee and Participant with such reports with respect to the administration of this Plan as the Plan Administrator determines to be reasonable and appropriate, including appropriate statements setting forth the amounts by which a Participant's Compensation has been reduced in order to provide benefits under this Plan;

(f) to receive, review, and keep on file such reports and information regarding the benefits covered by this Plan as the Plan Administrator determines from time to time to be necessary and proper;

(g) to appoint and employ such individuals or entities to assist in the administration of this Plan as it determines to be necessary or advisable, including legal counsel and benefit consultants;

(h) to sign documents for the purposes of administering this Plan, or to designate an individual or individuals to sign documents for the purposes of administering this Plan;

(i) to secure independent medical or other advice and require such evidence as it deems necessary to decide any claim or appeal; and

(j) to maintain the books of accounts, records, and other data in the manner necessary for proper administration of this Plan and to meet any applicable disclosure and reporting requirements.

14.3 Reliance on Participant, Tables, etc.

The Plan Administrator may rely upon the direction, information, or election of a Participant as being proper under the Plan and shall not be responsible for any act or failure to act because of a direction or lack of direction by a Participant. The Plan Administrator will also be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions, and reports that are furnished by accountants, attorneys, or other experts employed or engaged by the Plan Administrator.

14.4 *Reserved*****

14.5 Fiduciary Liability

To the extent permitted by law, the Plan Administrator shall not incur any liability for any acts or for failure to act except for their own willful misconduct or willful breach of this Plan.

14.6 Compensation of Plan Administrator

Unless otherwise determined by the Employer and permitted by law, any Plan Administrator that is also an Employee of the Employer shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of their duties shall be paid by the Employer.

14.7 Bonding

The Plan Administrator shall be bonded to the extent required by ERISA.

14.8 Insurance Contracts

The Employer shall have the right (a) to enter into a contract with one or more insurance companies for the purposes of providing any benefits under the Plan; and (b) to replace any of such insurance companies or contracts at its discretion. Any dividends, retroactive rate adjustments, or other refunds of any type that may become payable under any such insurance contract shall not be assets of the Plan but shall be the property of and be retained by the Employer, to the extent that such amounts are less than aggregate Employer contributions toward such insurance.

14.9 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited following a reasonable time after the date any such payment first became due.

14.10 Effect of Mistake

In the event of a mistake as to the eligibility or participation of an Employee, the allocations made to the account of any Participant, or the amount of benefits paid or to be paid to a Participant or other person, the Plan Administrator shall, to the extent that it deems administratively possible and otherwise permissible under Code § 125 or the regulations issued thereunder, cause to be allocated or cause to be withheld or accelerated, or otherwise make adjustment of, such amounts as

it will in its judgment accord to such Participant or other person the credits to the account or distributions to which he or she is properly entitled under the Plan. Such action by the Plan Administrator may include withholding of any amounts due to the Plan or the Employer from Compensation paid by the Employer.

ARTICLE XV. General Provisions

15.1 *Reserved*****

15.2 No Contract of Employment

Nothing herein contained is intended to be or shall be construed as constituting a contract or other arrangement between any Employee and the Employer to the effect that such Employee will be employed for any specific period of time. All Employees are considered to be employed at the will of the Employer.

15.3 Amendment and Termination

This Plan has been established with the intent of being maintained for an indefinite period of time. Nonetheless, the Employer may amend or terminate all or any part of this Plan at any time for any reason and any such amendment or termination will automatically apply to the Related Employers that are participating in this Plan.

15.4 Governing Law

This Plan shall be construed, administered, and enforced according to the laws of FL, to the extent not superseded by the Code, ERISA, or any other federal law.

15.5 Code and ERISA Compliance

It is intended that this Plan meet all applicable requirements of the Code , ERISA (if ERISA is applicable) and of all regulations issued thereunder. This Plan shall be construed, operated, and administered accordingly, and in the event of any conflict between any part, clause, or provision of this Plan and the Code and/or ERISA (if ERISA is applicable), the provisions of the Code and ERISA (if ERISA is applicable) shall be deemed controlling, and any conflicting part, clause, or provision of this Plan shall be deemed superseded to the extent of the conflict.

15.6 No Guarantee of Tax Consequences

Neither the Plan Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Plan will be excludable from the Participant's gross income for federal, state, or local income tax purposes. It shall be the obligation of each Participant to determine whether each payment under this Plan is excludable from the Participant's gross income for federal, state, and local income tax purposes and to notify the Plan Administrator if the Participant has any reason to believe that such payment is not so excludable.

15.7 Indemnification of Employer

If any Participant receives one or more payments or reimbursements under this Plan on a tax-free basis and if such payments do not qualify for such treatment under the Code, then such Participant shall indemnify and reimburse the Employer for any liability that it may incur for failure to withhold federal income taxes, Social Security taxes, or other taxes from such payments or reimbursements.

15.8 Non-Assignability of Rights

The right of any Participant to receive any reimbursement under this Plan shall not be alienable by the Participant by assignment or any other method and shall not be subject to claims by the Participant's creditors by any process whatsoever. Any attempt to cause such right to be so subjected will not be recognized, except to the extent required by law.

15.9 Headings

The headings of the various Articles and Sections are inserted for convenience of reference and are not to be regarded as part of this Plan or as indicating or controlling the meaning or construction of any provision.

15.10 Plan Provisions Controlling

In the event that the terms or provisions of any summary or description of this Plan are in any construction interpreted as being in conflict with the provisions of this Plan as set forth in this document, the provisions of this Plan shall be controlling.

15.11 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder of the Plan shall be given effect to the maximum extent possible.

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing instrument comprising the City of Fruitland Park Salary Reduction Plan, City of Fruitland Park has caused this Plan to be executed in its name and on its behalf, on this ____ day of _____, 20____.

City of Fruitland Park

By: _____
Its: _____

Amendment to the City of Fruitland Park Cafeteria Plan with Regard to Health Savings Accounts
Effective 10/01/2018, the City of Fruitland Park Cafeteria Plan is amended as follows:

ARTICLE II is amended by adding the following:

"Benefits" can mean, according to the context used, either Premium Payment Benefits or HSA Benefits (in the form of Contributions to an HSA).

"Contributions" can mean, according to the context used, either 1) the amount contributed to pay for the cost of Benefits (including self-funded Benefits as well as those that are insured), as calculated under Section 6.2 for Premium Payment Benefits or 2) contributions to a health savings account.

"Health Savings Account (HSA)" has the meaning provided in § 223 of the Code.

"High-Deductible Health Plan (HDHP)" has the meaning given in § 223 of the Code.

"Participant" means a person who is an Eligible Employee and who is participating in this Plan in accordance with the provisions of Article III. Participants include (a) those who elect one or more of the Medical Insurance Benefits and/or elect to make HSA Contributions under this Plan, or (b) those who elect instead to receive their full salary in cash and to pay for their share of their Contributions under the Medical Insurance Plan.

ARTICLE IX is not "Reserved" but instead reads as follows:

ARTICLE IX. HSA Component

9.1 HSA Benefits

An Eligible Employee can elect to participate in the HSA Component by electing to pay the Contributions on a pre-tax Salary Reduction basis to the Employee's HSA established and maintained outside the Plan by a trustee/custodian to which the Employer can forward contributions to be deposited (this funding feature constitutes the HSA Benefits offered under this Plan). Any language in the document to the contrary notwithstanding, such election can be increased, decreased or revoked prospectively at any time during the Plan Year, effective no later than the first day of the next calendar month following the date that the election change was filed.

9.2 Contributions for Cost of Coverage for HSA; Maximum Limits

The annual Contribution for a Participant's HSA Benefits is equal to the annual benefit amount elected by the Participant. In no event shall the amount elected exceed the statutory maximum amount for HSA contributions applicable to the Participant's High Deductible Health Plan coverage option (i.e., single or family) for the calendar year in which the Contribution is made.

An additional catch-up Contribution may be made for Participants who are age 55 or older.

In addition, the maximum annual Contribution shall be:

(a) reduced by any matching (or other) Employer Contribution, if any, made on the Participant's behalf made under the Plan; and

(b) prorated for the number of months in which the Participant is an HSA-Eligible Individual.

9.3 *Reserved*****

9.4 Recording Contributions for HSA

As described in Section 9.6, the HSA is not an employer-sponsored employee benefit plan - it is an individual trust or custodial account separately established and maintained by a trustee/custodian outside the Plan. Consequently, the HSA trustee/custodian, not the Employer, will establish and maintain the HSA. The HSA trustee/custodian will be chosen by the Participant, not by the Employer. The Employer may, however, limit the number of HSA providers to whom it will forward contributions that the Employee makes via pre-tax Salary Reductions - such a list is not an endorsement of any particular HSA provider. The Plan Administrator will maintain records to keep track of HSA Contributions an Employee makes via pre-tax Salary Reductions, but it will not create a separate fund or otherwise segregate assets for this purpose. The Employer has no authority or control over the funds deposited in an HSA.

9.5 Tax Treatment of HSA Contributions and Distributions

The tax treatment of the HSA (including contributions and distributions) is governed by Code § 223.

9.6 Trust/Custodial Agreement; HSA Not Intended to Be an ERISA Plan

HSA Benefits under this Plan consist solely of the ability to make Contributions to the HSA on a pre-tax Salary Reduction basis. Terms and conditions of coverage and benefits (e.g., eligible medical expenses, claims procedures, etc.) will be provided by and are set forth in the HSA, not this Plan. The terms and conditions of each Participant's HSA trust or custodial account are described in the HSA trust or custodial agreement provided by the applicable trustee/custodian to each electing Participant and are not a part of this Plan.

The HSA is not an employer-sponsored employee benefits plan. It is a savings account that is established and maintained by an HSA trustee/custodian outside this Plan to be used primarily for reimbursement of "qualified eligible medical expenses" as set forth in Code § 223(d)(2). The Employer has no authority or control over the funds deposited in a HSA. Even though this Plan may allow pre-tax Salary Reduction contributions to an HSA, the HSA is not intended to be an ERISA benefit plan sponsored or maintained by the Employer.

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing instrument comprising an amendment to the City of Fruitland Park Cafeteria Plan, City of Fruitland Park has caused this amendment to be executed in its name and on its behalf, on this 8th day of August 2023.

City of Fruitland Park

By: _____

Its: _____

EXHIBIT B

THE CITY OF FRUITLAND PARK CAFETERIA PLAN

SUMMARY PLAN DESCRIPTION

Introduction

City of Fruitland Park sponsors the City of Fruitland Park Cafeteria Plan (the "Cafeteria Plan") that allows eligible Employees to choose from a menu of different benefits paid for with pre-tax dollars. (Such plans are also commonly known as "salary reduction plans" or "Section 125 plans").

This Summary Plan Description ("SPD") describes the basic features of the Cafeteria Plan, how it generally operates and how Employees can gain the maximum advantage from it.

PLEASE NOTE: This SPD is for general informational purposes only. It does not describe every detail of the Cafeteria Plan. If there is a conflict between the Cafeteria Plan documents and this SPD, then the Cafeteria Plan documents will control.

Cafeteria Plan

CAF Q-1. How do I pay for City of Fruitland Park benefits on a pre-tax basis?

When you first become eligible for the Plan, you may elect to pay for benefits on a pre-tax basis by entering an election with the Employer. At the Employer's option, this may be done with a traditional "paper" salary reduction agreement or it may be done in electronic form. Whatever medium is used, it shall be referred to as a Salary Reduction Agreement for purposes of this SPD.

BE ADVISED: Your Employer uses a rolling or "evergreen" election procedure for this Plan. This means you will automatically maintain the same benefits at the same level from Plan Year to Plan Year unless you indicate that you wish to do something differently during the Open Enrollment Period. Please be sure to review your benefits during the Open Enrollment Period to ensure that they meet your anticipated needs.

When you pay for benefits on a pre-tax basis, you reduce your salary to pay for your share of the cost of coverage with pretax funds instead of receiving a corresponding amount of your regular pay that would otherwise be subject to taxes.");

Example CAF Q-1(a): Sally is paid an annual salary of \$30,000. Sally elects to pay for \$2,000 worth of benefits for the Plan Year on a pre-tax basis. By doing so, she is electing to reduce her salary, and therefore also her taxable income, by \$2,000 for the year to \$28,000.

From then on, you must pay contributions for such coverage by having that portion deducted from each paycheck on a pre-tax basis (generally an equal portion from each paycheck, or an amount otherwise agreed to or as deemed appropriate by the Plan Administrator).

Example CAF Q-1(b): Using the same facts from Example Q-1(a), suppose Sally is paid 26 times a year (bi-weekly). Because she has elected \$2,000 in benefits, she will have \$76.92 deducted from each paycheck for the year (\$2,000 divided by 26 paychecks equals \$76.92).

CAF Q-2. What benefits may be elected under the Cafeteria Plan?

The Cafeteria Plan includes the following benefit plans:

The Premium Payment Component permits an Employee to pay for his or her share of contributions for insurance plans with pretax dollars. Under the City of Fruitland Park Cafeteria Plan, these benefits may include:

- * Accident
- * Accidental Death & Dismemberment
- * Bridge
- * Dental
- * HSA
- * Disability
- * Group Term Life
- * Hospital Indemnity
- * Specific Disease or Condition
- * Medical
- * Vision
- * Other - supplemental life insurance

If you select any or all of these benefits, you will likely pay all or some of the contributions; the Employer may contribute some or no portion of them. The applicable amounts will be described in documents furnished separately to you as necessary from time to time.

The Employer may at its own discretion offer cash in lieu of benefits for participants who do not choose benefits. If the Employer does choose this option, participants will be informed through other communications.

CAF Q-3. Who can participate in the Cafeteria Plan?

Employees who are working 30 hours per week or more are eligible to participate in the Cafeteria Plan following 2 months of employment with the Employer, provided that the election procedures in CAF Q-5 are followed.

An "Employee" is any individual who the Employer classifies as a common-law employee and who is on the Employer's W-2 payroll.

Please note: "Employee" does not include the following:

(a) any leased employee (including but not limited to those individuals defined as leased employees in Code § 414(n)) or an individual classified by the Employer as a contract worker, independent contractor, temporary employee, or casual employee for the period during which such individual is so classified, whether or not any such individual is on the Employer's W-2 payroll or is determined by the IRS or others to be a common-law employee of the Employer;

(b) any individual who performs services for the Employer but who is paid by a temporary or other employment or staffing agency for the period during which such individual is paid by such agency, whether or not such individual is determined by the IRS or others to be a common-law employee of the Employer;

(c) ***RESERVED***;

(d) any individual considered "self-employed" by the IRS because of an ownership interest in City of Fruitland Park;

CAF Q-4. What tax savings are possible under the Cafeteria Plan?

You may save both federal income tax and FICA (Social Security/Medicare) taxes by participating in the City of Fruitland Park Cafeteria Plan.

Example CAF Q4(a): Suppose Sally pays 15% in federal income taxes for the year. With an annual salary of \$30,000, that could mean as much as \$4,500 in federal income taxes, plus \$2,295 in FICA taxes (calculated at 7.65% of income). But by electing \$2,000 of cafeteria plan benefits for the year, Sally lowers her income by \$2,000, meaning she is only taxed on \$28,000. This comes out to \$4,200 in income tax plus \$2,142 in FICA tax. That's a \$453 tax savings for the year.

(Caution: This example is intended to illustrate the general effect of "pre-taxing" benefits through a cafeteria plan. It does not take into account the effects of filing status, tax exemptions, tax deductions and other factors affecting tax liability. Furthermore, the amount of the contributions used in this example is not meant to reflect your actual contributions. It is also not intended to reflect specifically upon your particular tax situation. You are encouraged to consult with your accountant or other professional tax advisor with regard to your particular tax situation, especially with regard to state and local taxes.)

CAF Q-5. When does participation begin and end in the Cafeteria Plan?

After you satisfy the eligibility requirements, you can become a Participant on the first day of the next calendar month by electing benefits in a manner such as described in CAF Q-1. An eligible Employee who does not elect benefits will not be able to elect any benefits under the Cafeteria Plan until the next Open Enrollment Period (unless a "Change in Election Event" occurs, as explained in CAF Q-7).

An Employee continues to participate in the Cafeteria Plan until (a) termination of the Cafeteria Plan; or (b) the date on which the Participant ceases to be an eligible Employee (because of retirement, termination of employment, layoff, reduction of hours, or any other reason). However, for purposes of pre-taxing COBRA coverage for Health Insurance Benefits, certain Employees may be able to continue eligibility in the Cafeteria Plan for certain periods. See CAF Q-8 and CAF Q-12 for more information about this as information about how termination of participation affects your Benefits.

CAF Q-6. What is meant by "Open Enrollment Period" and "Plan Year"?

The "Open Enrollment Period" is the period during which you have an opportunity to participate under the Cafeteria Plan by electing to do so. (See Q-5.) You will be notified of the timing and duration of the Open Enrollment Period, which for any new Plan Year generally will occur during the quarter preceding the new Plan Year.

The Plan Year for the City of Fruitland Park Cafeteria Plan is the period beginning on 10/1/2023 and ending on 9/30/2024.

CAF Q-7. Can I change my elections under the Cafeteria Plan during the Plan Year?

Except in the case of HSA elections, you generally cannot change your election to participate in the Cafeteria Plan or vary the salary reduction amounts that you have selected during the Plan Year (this is known as the "irrevocability rule"). Of course, you can change your elections for benefits and salary reductions during the Open Enrollment Period, but those election changes will apply only for the following Plan Year.

However, there are several important exceptions to the irrevocability rule, many of which have to do with events in your

personal or professional life that may occur during the Plan Year.

Here are the exceptions to the irrevocability rule:

1. Leaves of Absence

You may change an election under the Cafeteria Plan upon FMLA and non-FMLA leave only as described in CAF Q-14.

2. Change in Status.

If one or more of the following Changes in Status occur, you may revoke your old election and make a new election, provided that both the revocation and new election are on account of and correspond with the Change in Status (as described in item 3 below). Those occurrences that qualify as a Change in Status include the events described below, as well as any other events that the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations:

- a change in your legal marital status (such as marriage, death of a Spouse, divorce, legal separation, or annulment);
- a change in the number of your Dependents (such as the birth of a child, adoption or placement for adoption of a Dependent, or death of a Dependent);
- any of the following events that change the employment status of you, your Spouse, or your Dependent and that affect benefits eligibility under a cafeteria plan (including this Cafeteria Plan) or other employee benefit plan of you, your Spouse, or your Dependents. Such events include any of the following changes in employment status: termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in worksite; switching from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa); incurring a reduction or increase in hours of employment; or any other similar change that makes the individual become (or cease to be) eligible for a particular employee benefit;
- an event that causes your Dependent to satisfy or cease to satisfy an eligibility requirement for a particular benefit (such as an employee's child covered as a dependent by an accident or health plan who turns 27 during the taxable year); or
- a change in your, your Spouse's, or your Dependent's place of residence.

3. Change in Status - Other Requirements.

If you wish to change your election based on a Change in Status, you must establish that the revocation is on account of and corresponds with the Change in Status. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, shall determine whether a requested change is on account of and corresponds with a Change in Status. As a general rule, a desired election change will be found to be consistent with a Change in Status event if the event affects coverage eligibility.

In addition, you must satisfy the following specific requirements in order to alter your election based on that Change in Status:

- *Loss of Spouse or Dependent Eligibility; Special COBRA Rules.* For Health Insurance Benefits, a special rule governs which type of election changes are consistent with the Change in Status. For a Change in Status involving your divorce, annulment, or legal separation from your Spouse, the death of your Spouse or your Dependent, or your Dependent's ceasing to satisfy the eligibility requirements for coverage, you may elect only to cancel the accident or health benefits for the affected Spouse or Dependent. A change in election for any individual other than your Spouse involved in the divorce, annulment, or legal separation, your deceased Spouse or Dependent, or your Dependent that ceased to satisfy the eligibility requirements would fail to correspond with that Change in Status.

However, if you, your Spouse, or your Dependent elects COBRA continuation coverage under the Employer's plan because you ceased to be eligible because of a reduction of hours or because your Dependent ceases to satisfy eligibility requirements for coverage, and if you remain a Participant under the terms of this Cafeteria Plan, then you may in certain circumstances be able to increase your contributions to pay for such coverage. See CAF Q-12.

- *Gain of Coverage Eligibility Under Another Employer's Plan.* For a Change in Status in which you, your Spouse, or your Dependent gains eligibility for coverage under another Employer's cafeteria plan (or qualified benefit plan) as a result of a change in your marital status or a change in your, your Spouse's, or your Dependent's employment status, your election to cease or decrease coverage for that individual under the Cafeteria Plan would correspond with that Change

in Status only if coverage for that individual becomes effective or is increased under the other Employer's plan.

4. Special Enrollment Rights. In certain circumstances, enrollment for Health Insurance Benefits may occur outside the Open Enrollment Period, as explained in materials provided to you separately describing the Health Insurance Benefits. When a special enrollment right explained in those separate documents applies to your Medical Insurance Benefits, you may change your election under the Cafeteria Plan to correspond with the special enrollment right. Special enrollments may also be available as a result of a loss of eligibility for Medicaid or for coverage under a state children's health insurance program (SCHIP) or as a result of eligibility for a state premium assistance subsidy under the plan from Medicaid or SCHIP.

5. Certain Judgments, Decrees, and Orders. If a judgment, decree, or order from a divorce, separation, annulment, or custody change requires your child (including a foster child who is your Dependent) to be covered under the Health Insurance Benefits, you may change your election to provide coverage for the child. If the order requires that another individual (such as your former Spouse) cover the child, then you may change your election to revoke coverage for the child, provided that such coverage is, in fact, provided for the child.

6. Medicare or Medicaid. If you, your Spouse, or your Dependent becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid, then you may reduce or cancel that person's accident or health coverage under the Medical Insurance Plan. Similarly, if you, your Spouse, or your Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then you may elect to commence or increase that person's accident or health coverage.

7. Change in Cost. If the cost charged to you for your Health Insurance Benefits significantly increases during the Plan Year, then you may choose to do any of the following: (a) make a corresponding increase in your contributions; (b) revoke your election and receive coverage under another benefit package option (if any) that provides similar coverage, or elect similar coverage under the plan of your Spouse's employer; or (c) drop your coverage, but only if no other benefit package option provides similar coverage. Coverage under another employer plan, such as the plan of a Spouse's or Dependent's employer, may be treated as similar coverage if it otherwise meets the requirements of similar coverage.) If the cost of Health Insurance Benefits significantly decreases during the Plan Year, then the Plan Administrator may permit the following election changes: (a) if you are enrolled in the benefit package option that has decreased in cost, you may make a corresponding decrease in your contributions; (b) if you are enrolled in another benefit package option (such as the HMO option under the Medical Insurance Plan), you may change your election on a prospective basis to elect the benefit package option that has decreased in cost (such as the PPO option under the Medical Insurance Plan); or (c) if you are otherwise eligible, you may elect the benefit package option that has decreased in cost on a prospective basis, subject to the terms and limitations of the benefit package option.

For insignificant increases or decreases in the cost of benefits, however, the Plan Administrator will automatically adjust your election contributions to reflect the minor change in cost.

The Plan Administrator generally will notify you of increases or decreases in the cost of Health Insurance benefits.

8. Change in Coverage. You may also change your election if one of the following events occurs:

- **Significant Curtailment of Coverage.** If your Health Insurance Benefits coverage is significantly curtailed without a loss of coverage (for example, when there is an increase in the deductible under the Medical Insurance Benefits), then you may revoke your election for that coverage and elect coverage under another benefit package option that provides similar coverage. (Coverage under a plan is significantly curtailed only if there is an overall reduction of coverage under the plan generally loss of one particular physician in a network does not constitute significant curtailment.) If your Health Insurance Benefits coverage is significantly curtailed with a loss of coverage (for example, if you lose all coverage under the option by reason of an overall lifetime or annual limitation), then you may either revoke your election and elect coverage under another benefit package option that provides similar coverage, elect similar coverage under the plan of your Spouse's employer, or drop coverage, but only if there is no option available under the plan that provides similar coverage. (The Plan Administrator generally will notify you of significant curtailments in Medical Insurance Benefits coverage.)
- **Addition or Significant Improvement of Cafeteria Plan Option.** If the Cafeteria Plan adds a new option or significantly improves an existing option, then the Plan Administrator may permit Participants who are enrolled in an option other than the new or improved option to elect the new or improved option. Also, the Plan Administrator may permit eligible Employees to elect the new or improved option on a prospective basis, subject to limitations imposed by the applicable option.
- **Loss of Other Group Health Coverage.** You may change your election to add group health coverage for you, your Spouse, or your Dependent, if any of you loses coverage under any group health coverage sponsored by a governmental or educational institution (for example, a state children's health insurance program or certain Indian tribal programs).

- **Change in Election Under Another Employer Plan.** You may make an election change that is on account of and corresponds with a change made under another employer plan (including a plan of the Employer or a plan of your Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change permitted under the IRS regulations; or (b) the Cafeteria Plan permits you to make an election for a period of coverage (for example, the Plan Year) that is different from the period of coverage under the other cafeteria plan or qualified benefits plan, which it does.

For example, if an election to drop coverage is made by your Spouse during his or her Employer's open enrollment, you may add coverage under the Cafeteria Plan to replace the dropped coverage.

9. Exchange Enrollment

If you are eligible to enroll for coverage in a government-sponsored Exchange (Marketplace) during a special or annual open enrollment period, you may prospectively revoke your election for Medical Insurance Plan coverage, provided that you certify that you and any related individuals whose coverage is being revoked have enrolled or intend to enroll for new Exchange coverage that is effective beginning no later than the day immediately following the last day of the Medical Insurance Plan coverage. If one or more of your related individuals are eligible to enroll for coverage in a government-sponsored Exchange (Marketplace) during a special or annual open enrollment period, you may prospectively revoke an election for Medical Insurance Plan coverage for the individual or individuals (and switch to self-only coverage or family coverage including one or more other related individuals), provided that you certify that the individuals whose coverage is being revoked have enrolled or intend to enroll for new Exchange coverage that is effective beginning no later than the day immediately following the last day of the Medical Insurance Plan coverage.

CAF Q-8. What happens if my employment ends during the Plan Year or I lose eligibility for other reasons?

If your employment with the Employer is terminated during the Plan Year, then your active participation in the Cafeteria Plan will cease and you will not be able to make any more contributions to the Cafeteria Plan for Insurance Benefits.

See CAF Q-12 for information on your right to continued or converted group health coverage after termination of your employment.

For purposes of pre-taxing COBRA coverage for Health Insurance Benefits, certain Employees may be able to continue eligibility in the Cafeteria Plan for certain periods. See CAF Q-12.

If you are rehired within the same Plan Year and are eligible for the Cafeteria Plan, then you may make new elections, provided that you are rehired more than 30 days after you terminated employment. If you are rehired within 30 days or less during the same Plan Year, then your prior elections will be reinstated.

If you cease to be an eligible Employee for reasons other than termination of employment, such as a reduction of hours, then you must complete the waiting period described in CAF Q-3 before again becoming eligible to participate in the Plan.

CAF Q-9. ***RESERVED***

CAF Q-10. How long will the Cafeteria Plan remain in effect?

Although the Employer expects to maintain the Cafeteria Plan indefinitely, it has the right to amend or terminate all or any part of the Cafeteria Plan at any time for any reason. It is also possible that future changes in state or federal tax laws may require that the Cafeteria Plan be amended accordingly.

CAF Q-11. What happens if my claim for benefits is denied?

Insurance Benefits

The applicable insurance company will decide your claim in accordance with its claims procedures. If your claim is denied, you may appeal to the insurance company for a review of the denied claim. If you don't appeal on time, you will lose your right to file suit in a state or federal court, as you will not have exhausted your internal administrative appeal rights (which generally is a prerequisite to bringing a suit in state or federal court). For more information about how to file a claim and for details regarding the medical insurance company's claims procedures, consult the claims procedure applicable under that plan or policy, as described in the plan document or summary plan description for the Insurance Plan.

Appeals.

If your claim is denied in whole or part, then you (or your authorized representative) may request review upon written application to the "Committee" (the Benefits Committee that acts on behalf of the Plan Administrator with respect to appeals). Your appeal must be made in writing within 180 days after your receipt of the notice that the claim was denied. If you do not appeal on time, you will lose the right to appeal the denial and the right to file suit in court. Your written appeal should state

the reasons that you feel your claim should not have been denied. It should include any additional facts and/or documents that you feel support your claim. You will have the opportunity to ask additional questions and make written comments, and you may review (upon request and at no charge) documents and other information relevant to your appeal.

Decision on Review.

Your appeal will be reviewed and decided by the Committee or other entity designated in the Plan in a reasonable time not later than 60 days after the Committee receives your request for review. The Committee may, in its discretion, hold a hearing on the denied claim. Any medical expert consulted in connection with your appeal will be different from and not subordinate to any expert consulted in connection with the initial claim denial. The identity of a medical expert consulted in connection with your appeal will be provided. If the decision on review affirms the initial denial of your claim, you will be furnished with a notice of adverse benefit determination on review setting forth:

- the specific reason(s) for the decision on review;
- the specific Plan provision(s) on which the decision is based;
- a statement of your right to review (upon request and at no charge) relevant documents and other information;
- if an internal rule, guideline, protocol, or other similar criterion is relied on in making the decision on review, then a description of the specific rule, guideline, protocol, or other similar criterion or a statement that such a rule, guideline, protocol, or other similar criterion was relied on and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge to you upon request; and
- a statement of your right to bring suit under ERISA § 502(a) (where applicable).

CAF Q-12. What is "Continuation Coverage" and how does it work?

COBRA

If you have elected Health Insurance Benefits under this Plan, you may have certain rights to the continuation of such benefits after a "Qualifying Event" (e.g., a termination of employment). See Appendix B of this SPD for a detailed description of your rights to "continuation coverage" under COBRA.

USERRA

Continuation and reinstatement rights may also be available if you are absent from employment due to service in the uniformed services pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). More information about coverage under USERRA is available from the Plan Administrator.

CAF Q-13. How will participating in the Cafeteria Plan affect my Social Security and other benefits?

Participating in the Cafeteria Plan will reduce the amount of your taxable income, which may result in a decrease in your Social Security benefits and/or other benefits which are based on taxable income. However, the tax savings that you realize through Cafeteria Plan participation will often more than offset any reduction in other benefits. If you are still unsure, you are encouraged to consult with your accountant or other tax advisor.

CAF Q-14. How do leaves of absence (such as under FMLA) affect my benefits?

FMLA Leaves of Absence.

If the Employer is subject to the federal Family and Medical Leave Act of 1993 and you go on a qualifying leave under the FMLA, then to the extent required by the FMLA your Employer will continue to maintain your Health Insurance Benefits on the same terms and conditions as if you were still active (that is, your Employer will continue to pay its share of the contributions to the extent that you opt to continue coverage). Your Employer may require you to continue all Medical Insurance Benefits coverage while you are on paid leave (so long as Participants on non-FMLA paid leave are required to continue coverage). If so, you will pay your share of the contributions by the method normally used during any paid leave (for example, on a pre-tax salary-reduction basis).

If you are going on unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued) and you opt to continue your Insurance Benefits, then you may pay your share of the contributions in one of three ways: (a) with after-tax dollars while on leave; (b) with pretax dollars to the extent that you receive compensation during the leave, or by pre-paying all or a portion of your share of the contributions for the expected duration of the leave on a pre-tax salary reduction basis out of your pre-leave compensation, including unused sick days and vacation days (to pre-pay in advance, you must make a special election before such compensation normally would be available to you (but note that prepayments with pre-tax dollars may not be used to pay for coverage during the next Plan Year); or (c) by other arrangements agreed upon by you and the Plan Administrator (for example, the Plan Administrator may pay for coverage during the leave and withhold amounts from your compensation upon your return from leave).

If your Employer requires all Participants to continue Insurance Benefits during the unpaid FMLA leave, then you may discontinue paying your share of the required contributions until you return from leave. Upon returning from leave, you must pay your share of any required contributions that you did not pay during the leave. Payment for your share will be withheld from your compensation either on a pre-tax or after-tax basis, depending on what you and the Plan Administrator agree to.

If your Health Insurance coverage ceases while you are on FMLA leave (e.g., for non-payment of required contributions), you will be permitted to re-enter such Benefits, as applicable, upon return from such leave on the same basis as when you were participating in the Plan before the leave or as otherwise required by the FMLA. You may be required to have coverage for such Benefits reinstated so long as coverage for Employees on non-FMLA leave is required to be reinstated upon return from leave.

If you are commencing or returning from FMLA leave, then your election for non-health benefits provided under this Plan, if any, will be treated in the same way as under your Employer's policy for providing such Benefits for Participants on a non-FMLA leave (see below). If that policy permits you to discontinue contributions while on leave, then upon returning from leave you will be required to repay the contributions not paid by you during leave. Payment will be withheld from your compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and you or as the Plan Administrator otherwise deems appropriate.

Non-FMLA Leaves of Absence.

If you go on an unpaid leave of absence that does not affect eligibility, then you will continue to participate and the contribution due from you (if not otherwise paid by your regular salary reductions) will be paid by pre-payment before going on leave, with after-tax contributions while on leave, or with catch-up contributions after the leave ends, as determined by the Plan Administrator. If you go on an unpaid leave that does affect eligibility, then the Change in Status rules will apply.

Premium Payment Benefits

PREM Q-1. What are "Premium Payment Benefits"?

As described in CAF Q-1, if you elect Premium Payment Benefits you will be able to pay for your share of contributions for Insurance Benefits with pre-tax dollars by electing to do so. Because the share of the contributions that you pay will be with pre-tax funds, you may save both federal income taxes and FICA (Social Security) taxes. See Q-4.

PREM Q-2. How are my Premium Payment Benefits paid?

As described in CAF Q-1 and in PREM Q-1, if you select an Insurance Plan described in CAF Q-2, then you may be required to pay a portion of the contributions. When you complete the Election Form/Salary Reduction Agreement, if you elect to pay for benefits on a pre-tax basis you agree to a salary reduction to pay for your share of the cost of coverage (also known as contributions) with pre-tax funds instead of receiving a corresponding amount of your regular pay that would otherwise be subject to taxes. From then on, you must pay a contribution for such coverage by having that portion deducted from each paycheck on a pre-tax basis (generally an equal portion from each paycheck, or an amount otherwise agreed to or as deemed appropriate by the Plan Administrator).

The Employer may contribute all, some, or no portion of the Premium Payment Benefits that you have selected, as described in documents furnished separately to you from time to time.

Miscellaneous

MISC Q-1

COBRA and HIPAA Rights. You have a right to continue your Health Insurance Plan coverage for yourself if there is a loss of coverage under the plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review this SPD and the documents governing the plan on the rules governing your COBRA continuation coverage rights.

HIPAA Privacy Rights. Under another provision of HIPAA, group health plans are required to take steps to ensure that certain "protected health information" (PHI) is kept confidential. You may receive a separate notice from the Employer (or medical insurers) that outlines its health privacy policies.

Right to Review. If your claim for a benefit is denied or ignored in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time

schedules.

MISC Q-2. What other general information should I know?

This MISC Q-2 contains certain general information that you may need to know about the Plan.

Plan Information

Official Name of the Plan: City of Fruitland Park Cafeteria Plan

Plan Number: 501

Effective Date: 10/1/2023.

Plan Year: 10/1/2023 to 9/30/2024. Your Plan's records are maintained on this period of time

Type of Plan: Welfare plan providing various insurance benefits

Employer/Plan Sponsor Information

Name and Address:

City of Fruitland Park

506 West Berckman Street

Fruitland Park, FL 34731

Federal employee tax identification number (EIN): 596031169

Plan Administrator Information

Name, Address, and business telephone number:

City of Fruitland Park

506 West Berckman Street

Fruitland Park, FL 34731

Attention: Human Resources Manager

Telephone: 3523606727

Agent for Service of Legal Process

The name and address of the Plan's agent for service of legal process is:

City of Fruitland Park

506 West Berckman Street

Fruitland Park, FL 34731

Attention: Benefits Committee

Qualified Medical Child Support Order

The Health Insurance Plans will provide benefits as required by any qualified medical child support order (QMCSO), as defined in ERISA § 609(a). The Plan has detailed procedures for determining whether an order qualifies as a QMCSO. Participants and beneficiaries can obtain, without charge, a copy of such procedures from the Plan Administrator.

Newborns' and Mothers' Health Protection Act of 1996

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery or to less than 96 hours following a cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours, as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Appendix A

*****Affiliated Employers*****

Appendix B

COBRA CONTINUATION COVERAGE RIGHTS under the City of Fruitland Park Cafeteria Plan (the "Plan")

The following paragraphs generally explain COBRA coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it. PLEASE READ THE FOLLOWING CAREFULLY.

The City of Fruitland Park Cafeteria Plan has group health insurance components and you may be enrolled in one or more of these components. COBRA (and the description of COBRA coverage contained in this SPD) applies only to the group health plan benefits offered under the Plan and not to any other benefits offered under the Plan or by City of Fruitland Park. The Plan provides no greater COBRA rights than what COBRA requires - nothing in this SPD is intended to expand your rights beyond COBRA's requirements.

What Is COBRA Coverage?

COBRA coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed below in the section entitled "Who Is Entitled to Elect COBRA?"

COBRA coverage may become available to "qualified beneficiaries"

After a qualifying event occurs and any required notice of that event is properly provided to City of Fruitland Park, COBRA coverage must be offered to each person losing Plan coverage who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries and would be entitled to elect COBRA if coverage under the Plan is lost because of the qualifying event. (Certain newborns, newly adopted children, and alternate recipients under QMCSOs may also be qualified beneficiaries. This is discussed in more detail in separate paragraphs below.)

Who Is Entitled to Elect COBRA?

We use the pronoun "you" in the following paragraphs regarding COBRA to refer to each person covered under the Plan who is or may become a qualified beneficiary.

Qualifying events for the covered employee

If you are an employee, you will be entitled to elect COBRA if you lose your group health coverage under the Plan because either one of the following qualifying events happens:

- your hours of employment are reduced; or
- your employment ends for any reason other than your gross misconduct.

Qualifying events for the covered spouse

If you are the spouse of an employee, you will be entitled to elect COBRA if you lose your group health coverage under the Plan because any of the following qualifying events happens:

- your spouse dies;
- your spouse's hours of employment are reduced;
- your spouse's employment ends for any reason other than his or her gross misconduct;
- you become divorced or legally separated from your spouse. Also, if your spouse (the employee) reduces or eliminates your group health coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a qualifying event for you even though your coverage was reduced or eliminated before the divorce or separation.

Qualifying events for dependent children

If you are the dependent child of an employee, you will be entitled to elect COBRA if you lose your group health coverage under the Plan because any of the following qualifying events happens:

- your parent-employee dies;
- your parent-employee's hours of employment are reduced;
- your parent-employee's employment ends for any reason other than his or her gross misconduct;

- you stop being eligible for coverage under the Plan as a "dependent child."

Electing COBRA after leave under the Family and Medical Leave Act (FMLA)

Under special rules that apply if an employee does not return to work at the end of an FMLA leave, some individuals may be entitled to elect COBRA even if they were not covered under the Plan during the leave. Contact City of Fruitland Park for more information about these special rules.

Special second election period for certain eligible employees who did not elect COBRA

Certain employees and former employees who are eligible for federal trade adjustment assistance (TAA) or alternative trade adjustment assistance (ATAA) are entitled to a second opportunity to elect COBRA for themselves and certain family members (if they did not already elect COBRA) during a special second election period of 60 days or less (but only if the election is made within six months after Plan coverage is lost).

When Is COBRA Coverage Available?

When the qualifying event is the end of employment, reduction of hours of employment, or death of the employee, the Plan will offer COBRA coverage to qualified beneficiaries. You need not notify City of Fruitland Park of any of these qualifying events.

Caution:

You stop being eligible for coverage as dependent child whenever you fail to satisfy any part of the plan's definition of dependent child.

You must notify the plan administrator of certain qualifying events by this deadline

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), a COBRA election will be available to you only if you notify City of Fruitland Park in writing within 60 days after the later of (1) the date of the qualifying event; or (2) the date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the qualifying event.

No COBRA election will be available unless you follow the Plan's notice procedures and meet the notice deadline

In providing this notice, you must use the Plan's form entitled "Notice of Qualifying Event Form" and you must follow the notice procedures specified in the section below entitled "Notice Procedures." If these procedures are not followed or if the notice is not provided to City of Fruitland Park during the 60-day notice period, YOU WILL LOSE YOUR RIGHT TO ELECT COBRA.

How to elect COBRA

To elect COBRA, you must complete the Election Form that is part of the Plan's COBRA election notice and mail or hand-deliver it to City of Fruitland Park. An election notice will be provided to qualified beneficiaries at the time of a qualifying event. You may also obtain a copy of the Election Form from City of Fruitland Park.

Deadline for COBRA election

If mailed, your election must be postmarked (or if hand-delivered, your election must be received by the individual at the address specified on the Election Form) no later than 60 days after the date of the COBRA election notice provided to you at the time of your qualifying event (or, if later, 60 days after the date that Plan coverage is lost). IF YOU DO NOT SUBMIT A COMPLETED ELECTION FORM BY THIS DUE DATE, YOU WILL LOSE YOUR RIGHT TO ELECT COBRA.

Independent election rights

Each qualified beneficiary will have an independent right to elect COBRA.

Any qualified beneficiary for whom COBRA is not elected within the 60-day election period specified in the Plan's COBRA election notice WILL LOSE HIS OR HER RIGHT TO ELECT COBRA COVERAGE.

Special Considerations in Deciding Whether to Elect COBRA

In considering whether to elect COBRA, you should take into account that a failure to elect COBRA will affect your future rights under federal law. You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage under the Plan ends because of one of the qualifying events listed above. You will also have the same special enrollment

right at the end of COBRA coverage if you get COBRA coverage for the maximum time available to you.

Length of COBRA Coverage

COBRA coverage is a temporary continuation of coverage. The COBRA coverage periods described below are maximum coverage periods.

COBRA coverage can end before the end of the maximum coverage period for several reasons, which are described in the section below entitled "Termination of COBRA Coverage Before the End of the Maximum Coverage Period."

Death, divorce, legal separation, or child's loss of dependent status

When Plan coverage is lost due to the death of the employee, the covered employee's divorce or legal separation, or a dependent child's losing eligibility as a dependent child, COBRA coverage under the Plan's Medical and Dental components can last for up to a total of 36 months.

If the covered employee becomes entitled to Medicare within 18 months before his or her termination of employment or reduction of hours.

When Plan coverage is lost due to the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA coverage under the Plan's Medical and Dental components for qualified beneficiaries (other than the employee) who lose coverage as a result of the qualifying event can last until up to 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare eight months before the date on which his employment terminates, COBRA coverage for his spouse and children who lost coverage as a result of his termination can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus eight months). This COBRA coverage period is available only if the covered employee becomes entitled to Medicare within 18 months BEFORE the termination or reduction of hours.

Termination of employment or reduction of hours

Otherwise, when Plan coverage is lost due to the end of employment or reduction of the employee's hours of employment, COBRA coverage under the Plan's Medical and Dental components generally can last for only up to a total of 18 months.

Extension of Maximum Coverage Period

If the qualifying event that resulted in your COBRA election was the covered employee's termination of employment or reduction of hours, an extension of the maximum period of coverage may be available if a qualified beneficiary is disabled or a second qualifying event occurs. You must notify City of Fruitland Park of a disability or a second qualifying event in order to extend the period of COBRA coverage. Failure to provide notice of a disability or second qualifying event will eliminate the right to extend the period of COBRA coverage.

Disability extension of COBRA coverage

If a qualified beneficiary is determined by the Social Security Administration to be disabled and you notify City of Fruitland Park in a timely fashion, all of the qualified beneficiaries in your family may be entitled to receive up to an additional 11 months of COBRA coverage, for a total maximum of 29 months. This extension is available only for qualified beneficiaries who are receiving COBRA coverage because of a qualifying event that was the covered employee's termination of employment or reduction of hours. The disability must have started at some time before the 61st day after the covered employee's termination of employment or reduction of hours and must last at least until the end of the period of COBRA coverage that would be available without the disability extension (generally 18 months, as described above). Each qualified beneficiary will be entitled to the disability extension if one of them qualifies.

You must notify City of Fruitland Park of a qualified beneficiary's disability by this deadline

The disability extension is available only if you notify City of Fruitland Park in writing of the Social Security Administration's determination of disability within 60 days after the latest of:

- the date of the Social Security Administration's disability determination;
- the date of the covered employee's termination of employment or reduction of hours; and
- the date on which the qualified beneficiary loses (or would lose) coverage under the terms of the Plan as a result of the covered employee's termination of employment or reduction of hours.

You must also provide this notice within 18 months after the covered employee's termination of employment or reduction of hours in order to be entitled to a disability extension.

No disability extension will be available unless you follow the Plan's notice procedures and meet the notice deadline

In providing this notice, you must use the Plan's form entitled "Notice of Disability Form" and you must follow the notice procedures specified in the section below entitled "Notice Procedures."

If these procedures are not followed or if the notice is not provided to City of Fruitland Park during the 60-day notice period and within 18 months after the covered employee's termination of employment or reduction of hours, then there will be no disability extension of COBRA coverage.

Second qualifying event extension of COBRA coverage

An extension of coverage will be available to spouses and dependent children who are receiving COBRA coverage if a second qualifying event occurs during the 18 months (or, in the case of a disability extension, the 29 months) following the covered employee's termination of employment or reduction of hours. The maximum amount of COBRA coverage available when a second qualifying event occurs is 36 months. Such second qualifying events may include the death of a covered employee, divorce or legal separation from the covered employee, or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. (This extension is not available under the Plan when a covered employee becomes entitled to Medicare after his or her termination of employment or reduction of hours.)

You must notify City of Fruitland Park of a second qualifying event by this deadline

This extension due to a second qualifying event is available only if you notify City of Fruitland Park in writing of the second qualifying event within 60 days after the date of the second qualifying event.

No extension will be available unless you follow the Plan's notice procedures and meet the notice deadline

In providing this notice, you must use the Plan's form entitled "Notice of Second Qualifying Event Form" (you may obtain a copy of this form from City of Fruitland Park at no charge), and you must follow the notice procedures specified in the section below entitled "Notice Procedures." If these procedures are not followed or if the notice is not provided to City of Fruitland Park during the 60-day notice period, then there will be no extension of COBRA coverage due to a second qualifying event.

Termination of COBRA Coverage Before the End of the Maximum Coverage Period

COBRA coverage will automatically terminate before the end of the maximum period if:

- any required premium is not paid in full on time;
- a qualified beneficiary becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing COBRA;
- the employer ceases to provide any group health plan for its employees; or
- during a disability extension period, the disabled qualified beneficiary is determined by the Social Security Administration to be no longer disabled (COBRA coverage for all qualified beneficiaries, not just the disabled qualified beneficiary, will terminate).

COBRA coverage may also be terminated for any reason the Plan would terminate coverage of a participant or beneficiary not receiving COBRA coverage (such as fraud).

You must notify City of Fruitland Park if a qualified beneficiary becomes entitled to Medicare or obtains other group health plan coverage

You must notify City of Fruitland Park in writing within 30 days if, after electing COBRA, a qualified beneficiary becomes entitled to Medicare (Part A, Part B, or both) or becomes covered under other group health plan coverage. In addition, if you were already entitled to Medicare before electing COBRA, notify Employer of the date of your Medicare entitlement at the address shown in the section below entitled "Notice Procedures."

You must notify City of Fruitland Park if a qualified beneficiary ceases to be disabled

If a disabled qualified beneficiary is determined by the Social Security Administration to no longer be disabled, you must notify City of Fruitland Park of that fact within 30 days after the Social Security Administration's determination.

Cost of COBRA Coverage

Each qualified beneficiary is required to pay the entire cost of COBRA coverage. The amount a qualified beneficiary may be required to pay may not exceed 102% (or, in the case of an extension of COBRA coverage due to a disability, 150%) of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan

participant or beneficiary who is not receiving COBRA coverage. The amount of your COBRA premiums may change from time to time during your period of COBRA coverage and will most likely increase over time. You will be notified of COBRA premium changes.

Payment for COBRA Coverage

How premium payments must be made

All COBRA premiums must be paid by check. Your first payment and all monthly payments for COBRA coverage must be mailed or hand-delivered to the individual at the payment address specified in the election notice provided to you at the time of your qualifying event. However, if the Plan notifies you of a new address for payment, you must mail or hand-deliver all payments for COBRA coverage to the individual at the address specified in that notice of a new address.

When premium payments are considered to be made

If mailed, your payment is considered to have been made on the date that it is postmarked. If hand-delivered, your payment is considered to have been made when it is received by the individual at the address specified above. You will not be considered to have made any payment by mailing or hand-delivering a check if your check is returned due to insufficient funds or otherwise.

First payment for COBRA coverage

If you elect COBRA, you do not have to send any payment with the Election Form. However, you must make your first payment for COBRA coverage not later than 45 days after the date of your election. (This is the date your Election Form is postmarked, if mailed, or the date your Election Form is received by the individual at the address specified for delivery of the Election Form, if hand-delivered.) See the section above entitled "Electing COBRA Coverage."

Your first payment must cover the cost of COBRA coverage from the time your coverage under the Plan would have otherwise terminated up through the end of the month before the month in which you make your first payment. (For example, Sue's employment terminates on September 30, and she loses coverage on September 30. Sue elects COBRA on November 15. Her initial premium payment equals the premiums for October and November and is due on or before December 30, the 45th day after the date of her COBRA election.)

You are responsible for making sure that the amount of your first payment is correct. You may contact City of Fruitland Park using the contact information provided below to confirm the correct amount of your first payment. Claims for reimbursement will not be processed and paid until you have elected COBRA and made the first payment for it.

If you do not make your first payment for COBRA coverage in full within 45 days after the date of your election, you will lose all COBRA rights under the Plan.

Monthly payments for COBRA coverage

After you make your first payment for COBRA coverage, you will be required to make monthly payments for each subsequent month of COBRA coverage. The amount due for each month for each qualified beneficiary will be disclosed in the election notice provided to you at the time of your qualifying event. Under the Plan, each of these monthly payments for COBRA coverage is due on the first day of the month for that month's COBRA coverage. If you make a monthly payment on or before the first day of the month to which it applies, your COBRA coverage under the Plan will continue for that month without any break. City of Fruitland Park will not send periodic notices of payments due for these coverage periods (that is, we will not send a bill to you for your COBRA coverage - it is your responsibility to pay your COBRA premiums on time).

Grace periods for monthly COBRA premium payments

Although monthly payments are due on the first day of each month of COBRA coverage, you will be given a grace period of 30 days after the first day of the month to make each monthly payment. Your COBRA coverage will be provided for each month as long as payment for that month is made before the end of the grace period for that payment. However, if you pay a monthly payment later than the first day of the month to which it applies, but before the end of the grace period for the month, your coverage under the Plan will be suspended as of the first day of the month and then retroactively reinstated (going back to the first day of the month) when the monthly payment is received. This means that any claim you submit for benefits while your coverage is suspended may be denied and may have to be resubmitted once your coverage is reinstated.

If you fail to make a monthly payment before the end of the grace period for that month, you will lose all rights to COBRA coverage under the Plan.

More Information About Individuals Who May Be Qualified Beneficiaries

Children born to or placed for adoption with the covered employee during a period of COBRA coverage

A child born to, adopted by, or placed for adoption with a covered employee during a period of COBRA coverage is

considered to be a qualified beneficiary provided that, if the covered employee is a qualified beneficiary, the covered employee has elected COBRA coverage for himself or herself. The child's COBRA coverage begins when the child is enrolled in the Plan, whether through special enrollment or open enrollment, and it lasts for as long as COBRA coverage lasts for other family members of the employee. To be enrolled in the Plan, the child must satisfy the otherwise applicable Plan eligibility requirements (for example, regarding age).

Alternate recipients under QMCSOs

A child of the covered employee who is receiving benefits under the Plan pursuant to a qualified medical child support order (QMCSO) received by City of Fruitland Park during the covered employee's period of employment with City of Fruitland Park is entitled to the same rights to elect COBRA as an eligible dependent child of the covered employee.

NOTICE PROCEDURES City of Fruitland Park Welfare Benefits Plan (the Plan)

WARNING: If your notice is late or if you do not follow these notice procedures, you and all related qualified beneficiaries will lose the right to elect COBRA (or will lose the right to an extension of COBRA coverage, as applicable).

Notices Must Be Written and Submitted on Plan Forms

Any notice that you provide must be in writing and must be submitted on the Plan's required form (the Plan's required forms are described above in this SPD, and you may obtain copies from City of Fruitland Park without charge). Oral notice, including notice by telephone, is not acceptable. Electronic (including e-mailed or faxed) notices are not acceptable.

How, When, and Where to Send Notices

You must mail or hand-deliver your notice to:

Human Resources Manager

City of Fruitland Park
506 West Berckman Street
Fruitland Park FL 34731

However, if a different address for notices to the Plan appears in the Plan's most recent summary plan description, you must mail or hand-deliver your notice to that address (if you do not have a copy of the Plan's most recent summary plan description, you may request one from City of Fruitland Park).

If mailed, your notice must be postmarked no later than the last day of the applicable notice period. If hand-delivered, your notice must be received by the individual at the address specified above no later than the last day of the applicable notice period. (The applicable notice periods are described in the paragraphs above entitled "You must notify the plan administrator of certain qualifying events by this deadline," "You must notify City of Fruitland Park of a qualified beneficiary's disability by this deadline", and "You must notify City of Fruitland Park of a second qualifying event by this deadline.")

Information Required for All Notices

Any notice you provide must include (1) the name of the Plan (City of Fruitland Park Welfare Benefits Plan); (2) the name and address of the employee who is (or was) covered under the Plan; (3) the name(s) and address(es) of all qualified beneficiary(ies) who lost coverage as a result of the qualifying event; (4) the qualifying event and the date it happened; and (5) the certification, signature, name, address, and telephone number of the person providing the notice.

Additional Information Required for Notice of Qualifying Event

If the qualifying event is a divorce or legal separation, your notice must include a copy of the decree of divorce or legal separation. If your coverage is reduced or eliminated and later a divorce or legal separation occurs, and if you are notifying City of Fruitland Park that your Plan coverage was reduced or eliminated in anticipation of the divorce or legal separation, your notice must include evidence satisfactory to City of Fruitland Park that your coverage was reduced or eliminated in anticipation of the divorce or legal separation.

Additional Information Required for Notice of Disability

Any notice of disability that you provide must include (1) the name and address of the disabled qualified beneficiary; (2) the date that the qualified beneficiary became disabled; (3) the names and addresses of all qualified beneficiaries who are still receiving COBRA coverage; (4) the date that the Social Security Administration made its determination; (5) a copy of the Social Security Administration's determination; and (6) a statement whether the Social Security Administration has subsequently determined that the disabled qualified beneficiary is no longer disabled.

Additional Information Required for Notice of Second Qualifying Event

Any notice of a second qualifying event that you provide must include (1) the names and addresses of all qualified beneficiaries who are still receiving COBRA coverage; (2) the second qualifying event and the date that it happened; and (3) if the second qualifying event is a divorce or legal separation, a copy of the decree of divorce or legal separation.

Who May Provide Notices

The covered employee, a qualified beneficiary who lost coverage due to the qualifying event described in the notice, or a representative acting on behalf of either may provide notices. A notice provided by any of these individuals will satisfy any responsibility to provide notice on behalf of all qualified beneficiaries who lost coverage due to the qualifying event described in the notice.

THIS CONCLUDES THE SUMMARY OF YOUR CONTINUATION COVERAGE RIGHTS UNDER COBRA. PLEASE CONTACT THE HUMAN RESOURCES OFFICE (OR THE EQUIVALENT THEREOF) OF CITY OF FRUITLAND PARK IF YOU HAVE ANY QUESTIONS OR NEED MORE INFORMATION.

City of Fruitland Park Cafeteria Plan Summary Plan Description

Addendum with Regard to Health Savings Accounts

HSA Q-1. What are "HSA Benefits"?

As described in HSA Q-2, an HSA permits Employees to make pre-tax contributions to an HSA established and maintained outside the Plan with the Employee's HSA trustee/custodian. For purposes of this Cafeteria Plan, HSA Benefits consist solely of the ability to make such pre-tax contributions under this Cafeteria Plan.

If you elect HSA Benefits, then you will be able to provide a source of pre-tax contributions by entering into a Salary Reduction Agreement with your Employer. Because the share of the contributions that you pay will be with pre-tax funds, you may save both federal income taxes and FICA taxes.

To participate in the HSA Benefits, you must be an "HSA-Eligible Individual." This means that you are eligible to contribute to an HSA under the requirements of Code § 223 and that you have elected qualifying High Deductible Health Plan coverage offered by the Employer and have not elected any disqualifying non- High Deductible Health Plan coverage offered by the Employer. ("High Deductible Health Plan" means the high deductible health plan offered by your Employer that is intended to qualify as a high deductible health plan under Code § 223(c)(2), as described in materials that will be provided separately to you by the Employer.) If you elect HSA Benefits, you will be required to certify that you meet all of the requirements under Code § 223 to be eligible to contribute to an HSA. These requirements include such things as not having any disqualifying coverage and you should be aware that coverage under a Spouse's plan could make you ineligible to contribute to an HSA.

In order to elect HSA Benefits under the Plan, you must establish and maintain an HSA outside of the Plan with an HSA trustee/custodian and you must provide sufficient identifying information about your HSA to facilitate the forwarding of your pre-tax Salary Reductions through the Employer's payroll system to your designated HSA trustee/custodian.

HSA Q-2. What is my "HSA"?

The HSA is not an employer-sponsored employee benefit plan it is an individual trust or custodial account that you open with an HSA trustee/custodian to be used primarily for reimbursement of "eligible medical expenses" as set forth in Code § 223. Your HSA is administered by your HSA trustee/custodian. Consequently, an HSA trustee/custodian, not the Employer, will establish and maintain your HSA. Your Employer's role is limited to allowing you to contribute to your HSA on a pre-tax Salary-Reduction basis. The HSA trustee/custodian will be chosen by you, as the Participant, and not by the Employer. Your Employer may, however, limit the number of HSA providers to whom it will forward pretax Salary Reductions, a list of whom will be provided upon request. Any such list of HSA trustees/custodians, however, shall be maintained for administrative simplification and shall not be an endorsement of any particular HSA trustee/custodian. Your Employer has no authority or control over the funds deposited in your HSA.

The Plan Administrator will maintain records to keep track of HSA contributions that you make via pre-tax Salary Reductions, but it will not create a separate fund or otherwise segregate assets for this purpose.

HSA Q-3. What are the maximum HSA Benefits that I may elect under the Cafeteria Plan?

Your annual contribution for HSA Benefits is equal to the annual benefit amount that you elect (for example, if a \$2,000 annual benefit amount is elected for 2010, then the annual contribution amount is also \$2,000). The amount you elect must not exceed the statutory maximum amount for HSA contributions applicable to your High Deductible Health Plan coverage option (i.e., single or family) for the calendar year in which the contribution is made. (Note: The statutory limits for 2021 are \$3,600 for single and \$7,200 for family. The 2022 limits have been updated to \$3,650 for single and \$7,300 for family and the 2023 limits are \$3,850 for single and \$7,750 for family.) An additional catch-up contribution of up to \$1,000 may be made if you are age 55 or older.

In addition, the maximum annual contribution shall be: (a) reduced by any matching (or other) Employer contribution made on your behalf with Pre-Tax salary reductions made under the Plan; and (b) pro-rated for the number of months in which you are an HSA-Eligible Individual.

Note that if you are an HSA-Eligible Individual for only part of the year but you meet all of the requirements under Code § 223 to be eligible to contribute to an HSA on December 1, you may be able to contribute up to the full statutory maximum amount for HSA contributions applicable to your coverage option (i.e., single or family). However, any contributions in excess of your annual contribution under the Plan for HSA benefits (as described above), but not in excess of the applicable full statutory maximum amount, must be made outside the Plan. In addition, if you do not remain eligible to contribute to an HSA under the requirements of Code § 223 during the following year, the portion of HSA contributions attributable to months that you were not actually eligible to contribute to an HSA will be includible in your gross income and subject to a 10% penalty (exceptions apply in the event of death or disability).

HSA Q-4. How are my HSA Benefits paid for under the Cafeteria Plan?

When you complete the Salary Reduction Agreement, you specify the amount of HSA Benefits that you wish to pay for with your salary reduction. From then on, you make a contribution for such coverage by having that portion deducted from each paycheck on a pre-tax basis (generally an equal portion from each paycheck or an amount otherwise agreed to or as deemed appropriate by the Plan Administrator).

For example, suppose that you have elected to contribute up to \$2,000 per year for HSA Benefits and that you have chosen no other benefits under the Cafeteria Plan. If you pay all of your contributions, then our records would reflect that you have contributed a total of \$2,000 during the Plan Year. If you are paid biweekly, then our records would reflect that you have paid \$76.92 (\$2,000 divided by 26) each pay period in contributions for the HSA Benefits that you have elected. Such contributions will be forwarded to the HSA trustee/custodian (or its designee) within a reasonable time after being withheld.

The Employer may make contributions to your HSA, however, your Employer has no authority or control over the funds deposited in your HSA.

HSA Q-5. Will I be taxed on the HSA Benefits that I receive?

You may save both federal income taxes and FICA taxes by participating in the Cafeteria Plan. However, very different rules apply with respect to taxability of HSA Benefits than for other Benefits offered under this Plan. For more information regarding the tax ramifications of participating in an HSA as well as the terms and conditions of your HSA you may want to refer to the communications materials provided by your HSA trustee/custodian as well as IRS Publication 969 ("Health Savings Accounts and Other Tax-Favored Health Plans").

The Employer cannot guarantee that specific tax consequences will flow from your participation in the Cafeteria Plan. Ultimately, it is your responsibility to determine the tax treatment of HSA Benefits. Remember that the Plan Administrator is not providing legal advice. If you need an answer upon which you can rely, you may wish to consult a tax advisor.

HSA Q-6. Who can contribute to an HSA under the Cafeteria Plan?

Only Employees who are HSA-Eligible Individuals can participate in the HSA Benefits. An HSA-Eligible Individual means an individual who meets the eligibility requirements of Code § 223 and who has elected qualifying High Deductible Health Plan coverage offered by the Employer and who has not elected any disqualifying non-High Deductible Health Plan coverage. The terms of the High Deductible Health Plan that has been selected by your Employer will be further described in materials that will be provided separately to you by the Employer.

HSA Q-7. Can I change my HSA Contribution under the Cafeteria Plan?

Unlike the other benefits offered under the Cafeteria Plan, you may increase, decrease, or revoke your HSA contribution election at any time during the plan year for any reason by submitting an election change form to the Plan Administrator (or to its designee). Your election change will be prospectively effective on the first day of the month following the month in which you properly submitted your election change. Your ability to make pre-tax contributions under this Plan to the HSA identified above ends on the date that you cease to meet the eligibility requirements.

HSA Q-8. Where can I get more information on my HSA and its related tax consequences?

For details regarding your rights and responsibilities with respect to your HSA (including information regarding the terms of eligibility, what constitutes a qualifying High Deductible Health Plan, contributions to the HSA, and distributions from the HSA), please refer to your HSA trust or custodial agreement and other documentation associated with your HSA and provided to you by your HSA trustee/custodian. You may also want to review IRS Publication 969 ("Health Savings Accounts and Other Tax-Favored Health Plans").

EXHIBIT C

City of Fruitland Park

Employer Contribution and Payroll Deductions

Effective 10/1/2023

	Medical Florida Blue			Dental Principal		Vision Principal
Monthly Rates	Blue Care 122/123	Blue Care 47	Blue Options 5467	Low Dental	High Dental	Vision
Employee Only	\$589.69	\$686.15	\$976.39	\$20.04	\$24.14	\$6.14
Employee & Spouse	\$1,197.65	\$1,564.42	\$2,226.17	\$47.63	\$57.35	\$11.66
Employee & Child(ren)	\$1,050.57	\$1,372.30	\$1,952.78	\$46.16	\$55.58	\$12.28
Employee & Family	\$1,680.91	\$2,195.67	\$3,124.45	\$75.82	\$91.31	\$18.05
Description of the Employer Contribution Method	100% of Employee Only Premium plus 40% of dependent premium	100% of Employee Only Premium plus 40% of dependent premium	100% of the Blue Care Plan 47 Employee Only Premium plus 40% of Blue Care 47 dependent premium	100% of Employee Only Premium	100% of Low Plan Employee Only Premium	none, Voluntary
Monthly Employer Contribution per Employee						
Employee Only	\$589.69	\$686.15	\$686.15	\$20.04	\$20.04	\$0.00
Employee & Spouse	\$832.87	\$1,037.46	\$1,037.46	\$20.04	\$20.04	\$0.00
Employee & Child(ren)	\$774.04	\$960.61	\$960.61	\$20.04	\$20.04	\$0.00
Employee & Family	\$1,026.18	\$1,289.96	\$1,289.96	\$20.04	\$20.04	\$0.00
# of Deductions per year	24	24	24	24	24	24
Employee Payroll Deductions	Blue Care 122/123	Blue Care 47	Blue Options 5467	Low Dental	High Dental	Vision
Employee Only	\$0.00	\$0.00	\$145.12	\$0.00	\$2.05	\$3.07
Employee & Spouse	\$182.39	\$263.48	\$594.36	\$13.80	\$18.66	\$5.83
Employee & Child(ren)	\$138.26	\$205.85	\$496.09	\$13.06	\$17.77	\$6.14
Employee & Family	\$327.37	\$452.86	\$917.25	\$27.89	\$35.64	\$9.03

	Monthly	Annually
2022-2023 City Contributions (includes HSA)	\$33,326.92	\$399,923.09
2023-2024 City Contributions (includes HSA)	\$35,248.95	\$422,987.35
Increase	\$1,922.02	\$23,064.26

City of Fruitland Park

Employer Contribution and Payroll Deductions

Effective 10/1/2022

	Medical Florida Blue			Dental Principal		Vision Principal
Monthly Rates	Blue Care 122/123	Blue Care 47	Blue Options 5467	Low Dental	High Dental	Vision
Employee Only	\$562.61	\$652.36	\$947.15	\$19.55	\$23.55	\$6.14
Employee & Spouse	\$1,139.57	\$1,487.37	\$2,159.50	\$46.47	\$55.95	\$11.66
Employee & Child(ren)	\$999.62	\$1,304.71	\$1,894.30	\$45.03	\$54.22	\$12.28
Employee & Family	\$1,599.39	\$2,087.54	\$3,030.87	\$73.97	\$89.08	\$18.05
Description of the Employer Contribution Method	100% of Employee Only Premium plus 30% of dependent premium	100% of Employee Only Premium plus 30% of dependent premium	100% of the Blue Care Plan 47 Employee Only Premium plus 0% of Blue Care 47 dependent premium	100% of Employee Only Premium	100% of Low Plan Employee Only Premium	none, Voluntary
Monthly Employer Contribution per Employee						
Employee Only	\$562.61	\$652.36	\$652.36	\$19.55	\$19.55	\$0.00
Employee & Spouse	\$735.70	\$902.86	\$902.86	\$19.55	\$19.55	\$0.00
Employee & Child(ren)	\$693.71	\$848.07	\$848.07	\$19.55	\$19.55	\$0.00
Employee & Family	\$873.64	\$1,082.91	\$1,082.91	\$19.55	\$19.55	\$0.00
# of Deductions per year	24	24	24	24	24	24
Employee Payroll Deductions	Blue Care 122/123	Blue Care 47	Blue Options 5467	Low Dental	High Dental	Vision
Employee Only	\$0.00	\$0.00	\$147.40	\$0.00	\$2.00	\$3.07
Employee & Spouse	\$201.94	\$292.25	\$628.32	\$13.46	\$18.20	\$5.83
Employee & Child(ren)	\$152.95	\$228.32	\$523.12	\$12.74	\$17.34	\$6.14
Employee & Family	\$362.87	\$502.31	\$973.98	\$27.21	\$34.77	\$9.03

City of Fruitland Park

Employer Contribution and Payroll Deductions

Effective 10/1/2021

	Medical Florida Blue			Dental Principal		Vision Principal
Monthly Rates	Blue Care 122/123	Blue Care 47	Blue Options 5467	Low Dental	High Dental	Vision
Employee Only	\$520.98	\$631.72	\$806.00	\$18.64	\$22.45	\$6.14
Employee & Spouse	\$1,057.77	\$1,503.50	\$1,918.28	\$44.30	\$53.34	\$11.66
Employee & Child(ren)	\$835.55	\$1,187.63	\$1,515.28	\$42.93	\$51.69	\$12.28
Employee & Family	\$1,411.10	\$2,005.71	\$2,559.05	\$70.52	\$84.92	\$18.05
Description of the Employer Contribution Method	100% of Employee Only Premium	100% of Employee Only Premium	100% of the Blue Care Plan 47 Employee Only Premium	100% of Employee Only Premium	100% of Low Plan Employee Only Premium	none, Voluntary
Monthly Employer Contribution per Employee						
Employee Only	\$520.98	\$631.72	\$631.72	\$18.64	\$18.64	\$0.00
Employee & Spouse	\$520.98	\$631.72	\$631.72	\$18.64	\$18.64	\$0.00
Employee & Child(ren)	\$520.98	\$631.72	\$631.72	\$18.64	\$18.64	\$0.00
Employee & Family	\$520.98	\$631.72	\$631.72	\$18.64	\$18.64	\$0.00
# of Deductions per year	24	24	24	24	24	24
Employee Payroll Deductions	Blue Care 122/123	Blue Care 47	Blue Options 5467	Low Dental	High Dental	Vision
Employee Only	\$0.00	\$0.00	\$87.14	\$0.00	\$1.91	\$3.07
Employee & Spouse	\$268.40	\$435.89	\$643.28	\$12.83	\$17.35	\$5.83
Employee & Child(ren)	\$157.29	\$277.96	\$441.78	\$12.15	\$16.53	\$6.14
Employee & Family	\$445.06	\$687.00	\$963.67	\$25.94	\$33.14	\$9.03

CITY OF FRUITLAND PARK
AGENDA ITEM SUMMARY SHEET
Item Number: 5a

ITEM TITLE: Urick Street Force Main Extension Project - Discussion

MEETING DATE: Thursday, August 24, 2023

DATE SUBMITTED: Tuesday, August 15, 2023

SUBMITTED BY: City Attorney/City Manager

BRIEF NARRATIVE: Urick Street Force Main Extension Project Mitigation and Arbitration Discussion

FUNDS BUDGETED: None

ATTACHMENTS:

RECOMMENDATION:

ACTION: None

CITY OF FRUITLAND PARK
AGENDA ITEM SUMMARY SHEET
Item Number: 5b

ITEM TITLE: Second Reading and Public Hearing –
Ordinance 2023-011 SRF Loan Agreement
Amendment 1

MEETING DATE: Thursday, August 24, 2023

DATE SUBMITTED: July 13, 2023

SUBMITTED BY: City Attorney/City Manager/Public Works Director

BRIEF NARRATIVE: Ordinance 2023-011 authorizing a State Revolving Fund loan for Project No. WW350821 for \$2,767,953 of which \$908,229 is pursuant to the grant agreement for project designated as SG350822. (The loan agreement was approved on September 8, 2022 and the first reading was held on July 27, 2023.)

FUNDS BUDGETED: (20-year zero interest loan of \$1,859,724 (40535) and Florida Department of Environmental Protection (FDEP) grant \$908,229)

ATTACHMENTS: Approved ordinance and loan agreement amendment.

RECOMMENDATION: Approval

ACTION: Enact Ordinance 2023-011 to become effective immediately as provided by law.

ORDINANCE 2023-011

AN ORDINANCE OF CITY OF FRUITLAND PARK, FLORIDA, APPROVING STATE REVOLVING FUND AMENDMENT 1 TO LOAN AGREEMENT WW350821 AND GRANT AGREEMENT SG350822 BETWEEN THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION AND THE CITY OF FRUITLAND PARK, FLORIDA TO RESCHEDULE LOAN REPAYMENT ACTIVITIES TO ALLOW THE CITY ADDITIONAL TIME TO COMPLETE CONSTRUCTION; PROVIDING FOR CONFLICTS, SEVERABILITY, AND EFFECTIVE DATE.

WHEREAS, the City of Fruitland Park, Florida entered into a loan agreement authorizing a State Revolving Fund loan for Project No. WW350821 in the amount of \$2,767,953 of which \$908,229 is pursuant to the grant agreement for project designated as SG350822; and

WHEREAS, the City needs additional time to complete construction activities and therefore it is necessary to further amend the loan agreement to account for a revised schedule; and

WHEREAS; the City of Fruitland Park, Florida, desires to enter into the State Revolving Fund Amendment 1 to Loan Agreement WW350821 & Grant Agreement SG350822 with the Department of Environmental Protection for project financing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, AS FOLLOWS:

SECTION I. The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION II. The State Revolving Fund Amendment 1 to Loan Agreement WW350821 & Grant Agreement SG350822 with the Department of Environmental Protection City of Fruitland Park, attached hereto, is approved.

SECTION III. The mayor is hereby designated as the authorized representative to execute Amendment No 1. which will become a binding obligation in accordance with its terms when signed by both parties.

SECTION IV. All ordinances or parts of ordinances, all resolutions or part of resolutions in conflict with any of the provisions of this Ordinance are hereby repealed.

SECTION V. If any section or portion of a section of this Ordinance proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Ordinance.

SECTION VI. This Ordinance shall become effective immediately upon its passage and adoption.

PASSED AND ORDAINED in regular session of the City Commission of the City of Fruitland Park, Lake County, Florida, this _____ day of _____, 2023.

Chris Cheshire, Mayor
City of Fruitland Park, Florida

ATTEST:

Approved as to Form:

Esther Coulson, MMC, City Clerk
(SEAL)

Anita Geraci-Carver, City Attorney

Mayor Cheshire	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Vice Mayor DeGrave	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Commissioner Bell	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Commissioner Gunter	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent)
Commissioner Mobilian	_____	(Yes),	_____	(No),	_____	(Abstained),	_____	(Absent))

Passed First Reading July 27, 2023

Passed Second Reading _____

**STATE REVOLVING FUND
AMENDMENT 1 TO LOAN AGREEMENT WW350821
& GRANT AGREEMENT SG350822
CITY OF FRUITLAND PARK**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF FRUITLAND PARK, FLORIDA, (Local Government) existing as a local governmental entity under the laws of the State of Florida. Collectively, the Department and the Local Government shall be referred to as “Parties” or individually as “Party”.

The Department and the Local Government entered into a State Revolving Fund Loan Agreement, Number WW350821 & Grant Agreement SG350822; and

Loan repayment activities need rescheduling to give the Local Government additional time to complete construction.

Certain provisions of the Agreement need revision and provisions need to be added to the Agreement.

The Parties hereto agree as follows:

1. Section 8.15 is added to the Agreement as follows:

8.15. CIVIL RIGHTS.

The Local Government shall comply with all Title VI requirements of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Equal Employment Opportunity requirements (Executive Order 11246, as amended) which prohibit activities that are intentionally discriminatory and/or have a discriminatory effect based on race, color, national origin (including limited English proficiency), age, disability, or sex.

2. Unless repayment is further deferred by amendment of the Agreement, Semiannual Loan Payments as set forth in Section 10.05 shall be received by the Department beginning on August 15, 2024, and semiannually thereafter on February 15 and August 15 of each year until all amounts due under the Agreement have been fully paid.

3. The items scheduled under Section 10.07 of the Agreement are rescheduled as follows:

- (2) Completion of Project construction is scheduled for February 15, 2024.

- (3) Establish the Loan Debt Service Account and begin Monthly Loan Deposits no later than February 15, 2024.

(4) The first Semiannual Loan Payment in the amount of \$47,877 shall be due August 15, 2024.

4. All other terms and provisions of the Loan Agreement shall remain in effect.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

This Amendment 1 to Loan Agreement WW350821 & Grant Agreement SG350822 may be executed in two or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this amendment to the Loan Agreement to be executed on its behalf by the Secretary or Designee and the Local Government has caused this amendment to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this amendment shall be as set forth below by the Department.

for
CITY OF FRUITLAND PARK

Mayor

Attest:

Approved as to form and legal sufficiency:

City Clerk

City Attorney

SEAL

for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Secretary or Designee

Date

The Villages[®] DAILY SUN

Published Daily
Lady Lake, Florida
State of Florida
County Of Lake

Before the undersigned authority personally appeared **Amber Sevison**, who on oath says that she is Legal Ad Coordinator of the DAILY SUN, a daily newspaper published at Lady Lake in Lake County, Florida with circulation in Lake, Sumter and Marion Counties; that the attached copy of advertisement, being a Legal # **01140801** in the matter of

ORDINANCE 2023-011

was published in said newspaper in the issues of

August 2, 2023

Affiant further says that the said Daily Sun is a newspaper published at Lady Lake in said Lake County, Florida, and that the said newspaper has heretofore been continuously published in said Lake County, Florida each week and has been entered as second-class mail matter at the post office in Lady Lake, in said Lake County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisements; and affiant further says that he has neither paid nor promised any person, firm, or Corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for Publication in the said newspaper.

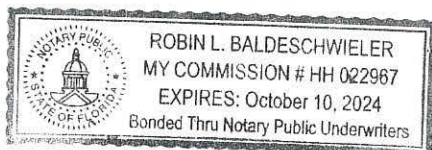


(Signature Of Affiant)

Sworn to and subscribed before me this 3
day of August 2023


Robin L. Baldeschwieler, Notary

Personally Known X or
Production Identification _____
Type of Identification Produced _____



ORDINANCE 2023-011

AN ORDINANCE OF CITY OF
FRUITLAND PARK, FLORIDA,
APPROVING STATE
REVOLVING FUND
AMENDMENT 1 TO LOAN
AGREEMENT WW350821
AND GRANT AGREEMENT
SG350822 BETWEEN THE
STATE OF FLORIDA
DEPARTMENT OF
ENVIRONMENTAL
PROTECTION AND THE CITY
OF FRUITLAND PARK,
FLORIDA TO RESCHEDULE
LOAN REPAYMENT
ACTIVITIES TO ALLOW THE
CITY ADDITIONAL TIME TO
COMPLETE CONSTRUCTION,
PROVIDING FOR
CONFLICTS, SEVERABILITY,
AND EFFECTIVE DATE.
(The first reading was
held on July 27, 2023.)

This meeting is open to the public and this ordinance will be presented for public hearing by the City of Fruitland Park City Commission at its regular meeting to be held on Thursday, August 24, 2023 at 6:00 p.m. in the commission chambers of city hall, 506 West Berckman Street, Fruitland

Park, Florida 34731. This meeting is open to the public and hearings may be continued as determined by the commission from time to time to a time certain. The proposed ordinance may be reviewed and inspected by the public during normal working hours at city hall. For further information, please call (352) 360 6790. Interested parties may appear at the meetings and will be heard with respect to the proposed ordinance.

Anyone requiring special accommodations at this meeting because of disability or physical impairment should contact the city clerk's office at city hall (352) 360-6727 at least at least forty-eight (48) hours prior to the hearing. (Florida Statutes 286.26). Interested parties may appear at the meeting and be heard with respect to the proposed ordinance.

If a person decides to appeal any decision made by the city commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings. For such purposes, any such person 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. The city does not provide verbatim records. (Florida Statutes 286.0105)
#01140801 August 2, 2023

**CITY OF FRUITLAND PARK
AGENDA ITEM SUMMARY SHEET
Item Number: 6a**

ITEM TITLE: CITY MANAGER’S REPORT

MEETING DATE: Thursday, August 24, 2023

DATE SUBMITTED: Tuesday August 15, 2023

SUBMITTED BY: City Manager

BRIEF NARRATIVE: City Manager’s Report

- i. Economic Development Status Update
- ii. Commercial Developments Permits Issued Status Report
- iii. CR 466A Phase 3B Utility Adjustment Plans Status Update Report
- iv. Mirror Lake Village MDA PUD - Roadway Improvements Status Report
- v. 2024-25 Appropriations Discussion

FUNDS BUDGETED: None

ATTACHMENTS: None

RECOMMENDATION:

ACTION: None

CITY OF FRUITLAND PARK

AGENDA ITEM SUMMARY SHEET

Item Number: 6b

ITEM TITLE: CITY ATTORNEY REPORT
MEETING DATE: Thursday, August 24, 2023
DATE SUBMITTED: August 18, 2023
SUBMITTED BY: City Attorney
BRIEF NARRATIVE: City Attorney Report

U.S. Bank National Association v. Robert Moore and City of Fruitland Park, Lake County Case No. 2022-CA-00845 (Judge Baxley): A Final Judgment of Foreclosure was entered March 24, 2023 in the amount of \$52,811.09. The sale was held May 23, 2023 at 11 am. A Certificate of Title was issued to JLH Properties, LLC on June 5, 2023. The winning bid was \$80,100. Since the property sold for more than the judgment amount, the surplus proceeds will be held pending further Order of the Court. Attorney McCulloch will be seeking a portion of the excess proceeds to satisfy the City's lien. On June 29, 2023 a third party Rapid Surplus Refund LLC intervened and filed a motion seeking the excess proceeds on behalf of the purported sole heir to Robert Moore's estate. Attorney McCulloch filed an Amended Motion to Disburse Excess Funds. A hearing will be held September 8, 2023 on both the City's motion as well as the third party's motions. As of July 10, 2023 (863 Days) the City's fines and costs total \$43,209.16.

Wayne Goodridge and Tammy Goodridge v. City of Fruitland Park, Lake County Case No. 2022-CA-1628: The City was served with a lawsuit on September 8, 2022. A copy has been provided to the Commission. Plaintiffs file a two-count Verified Complaint. Count I – Inverse Condemnation and Count II – Trespass. Plaintiffs allege the City's construction of the library has caused storm water to flood across Rose Avenue onto their property located at 100 Rose Ave., Fruitland Park and have converted their property into a storm water retention system. Public Risk Management (PRM) retained attorney Donovan A. Roper and Mark K. McCulloch of Roper & Roper, P.A. to defend the City. An answer and affirmative defenses were filed on behalf of the City. On October 27, 2022 Plaintiff filed a reply to the City's affirmative defenses. A Civil Case Management Order Requiring Disclosures was entered by Judge Takac. The Order requires a non-jury trial to occur no later than 18 months from filing the original Complaint, if not sooner resolved. The trial must be held by March 2, 2024. On February 2, 2023 the City served Interrogatories and a Request to Produce on Plaintiffs. Plaintiffs filed responses March 6, 2023. On July 28, 2023 the Plaintiff served the City with a Request for Production of documents as well as Interrogatories. The City is in the process of responding.

Kaitlin Delong vs. City of Fruitland Park, Lake County Case No. 2022-CA-00463: Plaintiff filed a lawsuit against the City alleging damages resulting from a motor vehicle crash between a vehicle Plaintiff was operating and a marked Fruitland Park Police Department vehicle. Insurance assigned Roper & Roper to defend the City. An Answer and Affirmative Defenses were filed on July 22, 2022. Discovery has been ongoing. Trial is scheduled on the trial docket beginning February 19, 2024. The City took the deposition of the Records Custodian from Adventhealth Waltermann on April 4, 2023. Prior to the deposition it was determined that outstanding medical costs are \$35,222.85. Pre-trial conference has been ordered to occur on October 2, 2023 and for

trial to commence during the three-week trial term beginning October 9, 2023. On June 8, 2023 the City served Plaintiff a Proposal for Settlement/Offer of Judgment. Plaintiff noticed the deposition of former City employee Creech to take place on August 21, 2023. The City is seeking records of the Plaintiff from Caliber – Altamonte Springs. Plaintiff filed an objection to the City's subpoena for the records.

Code of Ordinances Codification: As of February 16, 2023 CivicPlus is in receipt of the City's comments. They are working to prepare proofs for the City's further review.

LDR Codification: CivicPlus was provided the adopted LDRs on September 22, 2022. On April 7, 2023 CivicPlus posted Ordinance 2022-001 which amended and restated the City's LDRs online under Code of Ordinances, "Adopted Ordinances Not Yet Codified."

FUNDS BUDGETED: None

ATTACHMENTS:

RECOMMENDATION:

ACTION: None

CITY OF FRUITLAND PARK
AGENDA ITEM SUMMARY SHEET
Item Number: 8

ITEM TITLE: Public Comments

MEETING DATE: Thursday, August 24, 2023

DATE SUBMITTED: Monday, August 14, 2023

SUBMITTED BY: City Clerk

BRIEF NARRATIVE: **Item Description:** This section is reserved for members of the public to bring up matters of concern or opportunities for praise. Action may not be taken by the city commission at this meeting; however, questions may be answered by staff or issues may be referred for appropriate staff action.

Note: Pursuant to F.S. 286.0114 and the City of Fruitland Park's Public Participation Policy adopted by Resolution 2013-023, members of the public shall be given a reasonable opportunity to be heard on propositions before the city commission. Accordingly, comments, questions, and concerns regarding items listed on this agenda shall be received at the time the City Commission addresses such items during this meeting. Pursuant to Resolution 2013-023, public comments are limited to three minutes.

FUNDS REQUIRED: None

ATTACHMENTS:

RECOMMENDATION: None

ACTION: None