
**INTERLOCAL AGREEMENT RELATING TO PENSION MATTERS
SUPPLEMENTING ARTICLE 2.3 OF THE INTERLOCAL AGREEMENT BETWEEN
THE CITY OF BROOKSVILLE AND HERNANDO COUNTY
REGARDING CONSOLIDATION OF FIRE RESCUE SERVICES**

THIS INTERLOCAL AGREEMENT ("Pension Agreement") is entered into this 23rd day of September, 2025, by and between CITY OF BROOKSVILLE, a municipal corporation organized and existing under the laws of the State of Florida ("City"), and HERNANDO COUNTY, a political subdivision of the State of Florida ("County"), collectively referred to herein as the "Parties."

RECITALS:

WHEREAS, Article VIII, Section 1 of the Florida Constitution and Chapter 163, Part I, Florida Statutes (the "Florida Interlocal Cooperation Act of 1969") authorize local governmental units to enter into agreements to exercise jointly any power, privilege, or authority which they share in common and which each might exercise separately; and,

WHEREAS, the parties have approved that certain Interlocal Agreement Between the City of Brooksville and Hernando County Regarding Consolidation of Fire Rescue Services dated 9/23/25, 2025 (the "Fire Protection Agreement"); and,

WHEREAS, pursuant to Article 2.2 of the Fire Protection Agreement, employees of the City's Fire Department (the "Transferred Employees") will be transferred to County employment as of 8:00 a.m. on October 1, 2025; and,

WHEREAS, Article 2.3 of the Fire Protection Agreement incorporates this Pension Agreement therein by reference; and,

WHEREAS, the purpose of this Pension Agreement is to clarify the parties' responsibilities and duties relative to the pension rights of the Transferred Employees; and,

WHEREAS, pursuant to Fla. Stat. § 175.371, as it may be amended, the Transferred Employees shall be entitled to exercise any rights they may have to elect to join the Florida Retirement System (the "FRS") or to remain in the City's local retirement system (the "City's Plan"); and,

WHEREAS, the City has represented to the County that the Transferred Employees include approximately 17 employees who are members of the City of Brooksville Firefighters' Retirement Trust Fund (the "Pension Trust Fund"); and,

WHEREAS, the City established the Pension Trust Fund by ordinance and is codified at Chapter 66, Article V, Division 2 of the Brooksville City Code; and,

WHEREAS, the City shall retain ultimate responsibility for the Plans and their actuarial soundness, regardless of the County's status as the employer of the Transferred Employees as of October 1, 2025.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

ARTICLE 1. INCORPORATION OF RECITALS

1.1 The above-stated recitals are true and incorporated into this Pension Agreement as if fully set forth herein.

ARTICLE 2. EFFECTIVE DATE AND TERM

2.1 This Agreement shall become effective at 8:00 a.m. on October 1, 2025 ("Effective Date"); provided, that this Pension Agreement shall be deemed to commence upon its approval by both parties for the purpose of implementing and enforcing any provisions and obligations that by their nature accrue prior to the commencement of fire rescue services by the County on October 1, 2025. This Pension Agreement shall remain in effect until such time that the final benefit payment has been made to the last Transferred Employee participant or beneficiary under the City's Plan and the City's Plan is then terminated to accordance with the applicable laws and regulations.

2.2 This Pension Agreement may not be terminated by either party prior to its expiration, except as follows:

A. This Pension Agreement may be terminated early by the written agreement of the parties; or,

B. This Pension Agreement shall be terminated immediately if for any reason no employees of the City's Fire Department are transferred to County employment on October 1, 2025, pursuant to Article 2.2 of the Fire Protection Agreement.

ARTICLE 3. PURPOSE

3.1 The purpose of this Pension Agreement is to supplement Article 2.3 of the Fire Protection Agreement, to clarify the parties' roles and obligations relating to the City's Plan and to the Pension

Trust Fund, and to preserve and protect the pension rights of the Transferred Employees in accordance with Fla. Stat. §§ 112.0515, 121.011 and 175.371, and Rule 60S-1.0075, F.A.C.

ARTICLE 4. ELECTIONS UNDER FLA. STAT. § 121.011

4.1 The Transferred Employees will be entitled to exercise any rights they may have to elect to continue to participate as members in the City's Plan or to become members of FRS, as of 8:00 a.m. on October 1, 2025. The City and the County shall work cooperatively to facilitate the exercise of any such rights.

4.2 Although the pension elections are required by Fla. Stat. §§ 112.0515, 121.011 and 175.371, and Rule 60S-1.0075, F.A.C., neither this Pension Agreement nor the Fire Protection Agreement shall constitute or otherwise implicate a transfer or divestment of any powers or functions in the context of Article VIII, Section 4, of the Florida Constitution. Rather, this Pension Agreement and the Fire Protection Agreement are interlocal agreements relating to the provision of fire rescue services as authorized by Fla. Stat. Chapter 163.

ARTICLE 5. LIMITED EMPLOYMENT OF CERTAIN TRANSFERRED EMPLOYEES

5.1 For those Transferred Employees who are in the City Plan's deferred retirement option plan (the "City's DROP") as of October 1, 2025, and for those Transferred Employees who elect to remain in the City's Plan upon transfer to County employment on October 1, 2025, employment with the County shall be terminated upon the conclusion of their respective DROP period, or at the time of their retirement from the City's Plan if the City's DROP is not entered. The City shall notify the County when an employee has reached the end of his or her DROP period or has retired from the City's Trust Fund without entering the City's DROP. The provisions of this paragraph shall survive the expiration or earlier termination of this Pension Agreement and the Fire Protection Agreement.

ARTICLE 6. THE CITY'S RESPONSIBILITY FOR THE CITY'S PLAN

6.1 The parties acknowledge that notwithstanding the County's role as the employer of the Transferred Employees as of October 1, 2025, the City's Plan shall remain a municipal employee pension plan under Fla. Stat. Chapters 112 and 175. The City shall remain the government that is responsible for the City's Plan in accordance with Fla. Stat. Chapter 112, and all other applicable laws and regulation. The City shall continue to retain, assume, and fulfill the powers, duties, and obligations of the city/municipality, employer, and plan sponsor under the City's Plan and all applicable laws and regulations. For those Transferred Employees who remain in the City's Plan and do not join FRS, creditable service accrued and compensation earned while employed by the County shall be treated as if accrued and earned under City employment for the purpose of administering the City's Plan. In no event shall any service with the County be the basis for a benefit under both the City's Plan and FRS in accordance with Fla. Stat. § 112.65(2).

6.2 The City represents that it has fulfilled, and will continue to fulfill, all of its obligations under the City's Plan. The City further represents and agrees that all sums due and owing to the City's Plan, including but not limited to employee and employer contributions for service credit accrued prior to 8:00 a.m. on October 1, 2025, have been, and will be, deposited timely into the Pension Trust Fund. Despite the County's status as employer of the Transferred Employees as of 8:00 a.m. on October 1, 2025, the City shall continue to timely contribute and deposit into the Pension Trust Fund all contributions required of the city/municipality, employer, and/or plan sponsor under the City's Plan and all applicable laws and regulations. The City shall be responsible for any and all obligations to fund all costs and actuarial deficiencies of the City's Plan, and to provide for the actuarial soundness of the City's Plan, to the extent required by the City's Plan and all applicable laws and regulations, including, but not limited to, Fla. Stat. § 175.091.

ARTICLE 7. THE COUNTY'S LIMITED ROLE

7.1 For each Transferred Employee who does not join FRS, the County shall pay to the City the following amounts: for these employees who are in the City's DROP, the amount that the County would pay into FRS if said employee was in the FRS' DROP; and for those employees who are not in the City's DROP, the amount that the County would pay into FRS if said employee was in FRS. The City shall utilize this money towards its funding obligations under the City's Plan. Notwithstanding anything herein that might be construed to the contrary, the County does not assume any obligation whatsoever to make any employer, plan sponsor, or city/municipality contributions to the City's Plan, which contributions shall continue to be exclusively the responsibility of the City.

7.2 For those Transferred Employees who elect to remain in the City's Plan, to the extent that the City's Plan provides for the city/employer to "pick-up" the employee/member's contribution in accordance with Section 414(h)(2) of the Internal Revenue Code (Title 26 USC Section 414(h)(2)), the County shall to the extent permitted by law, pick up said employee/member contribution by directly paying to the Pension Trust Fund in lieu of the employee/member contribution, the percentage of each employee's salary/compensation as set out in the City's Plan; provided, that said pick-up may legally be made through a deduction from salary.

7.3 Except as specifically provided for herein, the County shall have no obligation or responsibility whatsoever for the City's Plan, including but not limited to the administration, funding, or actuarial soundness of the City's Plan, or for any other obligations of the city/municipality, employer, or plan sponsor under the City's Plan or any applicable laws and regulations, which obligations shall continue to be exclusively the responsibility of the City.

ARTICLE 8. RECEIPT OF CHAPTER 175 PREMIUM TAX MONIES

8.1 The City represents to the County that it has enacted an ordinance, codified as Brooksville City Code § 78-51, that assesses the tax authorized under Fla. Stat. § 175.101, the proceeds from which the City may use only to fund its Pension Trust Fund. The City shall not repeal, invalidate, or amend such ordinance during the term of this Pension Agreement. The City acknowledges that

the continued receipt of the tax's proceeds is an important and necessary revenue source to preserve the pension rights of the Transferred Employees.

8.2 The parties also acknowledge that the City Plan's receiving Fla. Stat. Chapter 175 tax proceeds must retain their status as municipal employee pension benefit plans to continue to receive said tax proceeds. Accordingly, the City agrees that it shall not take any action to impair or threaten the municipal status of the City's Plan or the City's continued receipt of Chapter 175 tax revenues without the prior written consent of the County.

ARTICLE 9. NOTICE OF CLAIMS

9.1 The City agrees to immediately forward to the County Administrator any notice of any claim, suit, investigation, or the like, it receives from the State of Florida, any former or current employee, City's Plan participant or beneficiary, or any other person or entity relating in any fashion to the City's Plan. To the extent permitted by law, the parties agree to provide each other with copies of documents in their possession that are needed by the other party to defend any such claim, suit or investigation.

ARTICLE 10. COOPERATION

10.1 To the extent permitted by law, the County shall provide the City and the Pension Trust Fund's board of trustees with requested County information, data, reports and documentation required to implement and/or administer the City's Plan for the Transferred Employees; provided, that the County's obligation shall be conditioned upon a Transferred Employee's written authorization to release medical records where required.

10.2 The City shall forward to the County all actuarial valuations, statements of actuarial impact reports, financial statements and the like, received from the board of trustees, plan administrators, the State, or any other person relating to the City's Plan. To the extent permitted by law, the City shall provide the County with requested information, data, reports and documentation relating to the implementation or administration of the City's Plan for the Transferred Employees; provided, that the City's obligation shall be conditioned upon a Transferred Employee's written authorization to release medical records where required.

10.3 Consistent with the provisions of Fla. Stat. Chapters 112 and 175, the assets and liabilities of the City's Plan shall remain under the ultimate control of the City. Notwithstanding this retention of control, the City shall not initiate, fail to act, or undertake any action which shall be detrimental in any fashion whatsoever to the interests of the County under this Pension Agreement and the Fire Protection Agreement, or which shall affect or threaten the actuarial soundness and the continuation of the City's Plan without the prior written consent of the County.

10.4 Should it be determined that an amendment to the City's Plan is required in order to comply with this Pension Agreement or with any applicable law or regulation, then the City shall promptly

process the necessary plan amendment, upon the written consent of the County, subject to the approval of IAFF, Local 3760, if required.

ARTICLE 11. INDEMNIFICATION

11.1 To the extent permitted by law, the City shall indemnify, defend and hold harmless the County against any and all actions, claims, or damages arising directly or indirectly from, or relating in any way to, any pension rights or benefits of the Transferred Employees arising from their former employment by the City; any pension rights or benefits of those Transferred Employees who remain in the City's Plan upon employment by the County; and any violation of this Pension Agreement by the City. This indemnification provision shall survive the expiration or earlier termination of this Pension Agreement and the Fire Protection Agreement.

ARTICLE 12. MODIFICATION AND AMENDMENT OF PENSION AGREEMENT

12.1 No modification, amendment or alteration in the terms or conditions contained in this Pension Agreement shall be effective unless contained in a written document executed with the same formality and equality of dignity herewith.

ARTICLE 13. MISCELLANEOUS PROVISIONS

13.1 Indemnification: To the extent permitted by law, each Party shall be responsible for its own acts or omissions and those of its officers, employees, and agents.

13.2 Amendments: This Agreement may be amended only in writing, duly executed by both Parties.

13.3 Governing Law and Venue: This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any dispute shall be in the Circuit Court in and for Hernando County, Florida.

13.4 Entire Agreement: This document, along with any contemporaneously executed Lease Agreement, constitutes the entire agreement between the Parties concerning the subject matter herein.

13.5 Severability: If any provision of this Agreement is found invalid or unenforceable, the remaining provisions shall continue in full force and effect.

13.6 Notices: All notices required hereunder shall be by hand-delivery or first-class mail, return receipt requested. Any notice hereunder shall be addressed to the party intended to receive same at the following addresses:

For the City:

City of Brooksville
c/o Office of the City Manager
201 Howell Avenue
Brooksville, Florida 34601

With a copy to:

Gretchen R. H. ("Becky") Vose, Esq.
Vose Law Firm LLP
324 W. Morse Boulevard
Winter Park, Florida 32789

For the County:

Hernando County
c/o County Administrator's Office
15470 Flight Path Dr.
Brooksville, Florida 34604

With a copy to:

Office of the County Attorney
20 North Main Street, Suite 462
Brooksville, Florida 34601

13.7 Dispute Resolution: Adjudication of any disputes arising out of the interpretation or enforcement of this Agreement shall occur in a court of competent jurisdiction located in Hernando County, Florida. Prior to seeking judicial resolution, the parties shall attempt to resolve the dispute through the governmental conflict resolution procedures specified in the "Florida Governmental Conflict Resolution Act," Fla. Stat. §§ 164.101-164.1061, as it may be amended. Each party shall bear its own costs for any mediation or litigation, including attorney's fees.

13.8. Preservation of Rights and Immunities: Nothing in this Agreement shall be construed as waiving or diminishing any constitutional or statutory right or immunity possessed by either party.

13.9 Preservation of City's Right to Close or Terminate Plan: Notwithstanding any provision herein to the contrary, the City, in its sole discretion, may choose to close the City's Plan as described herein or it may choose to terminate the City's Plan. Such closure or termination may be made effective at any time before or after the effective date of this Pension Agreement or the Interlocal Agreement for Consolidation of Fire Rescue Services. The City may choose to close the City's Plan as described herein and then, at some later time, choose to terminate the City's Plan.

13.10 No Waiver: The decision by either party not to seek enforcement of any term or provision of this Agreement shall not be considered a waiver of the right to enforce such term or provision in the future.

13.11 Certified Copy to Be Filed: A certified copy of this Agreement shall be filed with the Clerk of the Circuit Court of Hernando County, Florida, as required by the Florida Interlocal Cooperation Act of 1969.

13.12 Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together, shall constitute one (1) and the same instrument.

(SIGNATURES TO FOLLOW ON NEXT PAGE)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on their behalf by their duly authorized representatives.



BOARD OF COUNTY COMMISSIONERS
HERNANDO COUNTY, FLORIDA

Attest:

Heidi Phares
DOUG CHORVAT, JR.
Clerk

By:

Brian Hawkins
BRIAN HAWKINS
Chairman

Approved for Form and Legal Sufficiency

[Signature]
County Attorney's Office

CITY OF BROOKSVILLE

Attest:

Jennifer J. Battista
JENNIFER J. BATTISTA, CMC
Clerk

By:

Christa M. Tanner
CHRISTA TANNER
Mayor

Approved for Form and Legal Sufficiency

Jon Jouben
City Attorney

Approved by HC BOCC
9/23/25

Approved by City Council
9/24/25