



*This document prepared on behalf of the
Pension Advisory Committee.*

General Employee Defined Benefit Retirement Plan

Dear Employee:

This booklet is designed to acquaint Non-Civil Service employees with the major provisions of the General Employee Defined Benefit (DB) Retirement Plan. The booklet does not attempt to cover in detail all of the technical information contained in the Plan document, but is intended to offer a concise description of the benefits provided under the Plan.

The most frequently asked questions and respective responses related to the DB Plan are covered in this booklet. The complete DB Plan document is available through the (1) Employee Benefits Office; (2) Pension Advisory Committee (PAC) members; and (3) City Intranet.

The DB Plan applies to certain employees on board prior to October 1, 1998. It provides a retirement replacement income equal to 2.5% per year of service, to a maximum of 75% of pensionable earnings. Also, as of October 1, 1998 the benefit includes a periodic cost-of-living adjustment (C.O.L.A.) of 2%. When combined with other retirement assets, e.g., social security, deferred compensation, personal savings, etc., you could enjoy a considerable life long income.

The City's DB Plan is among the best in the nation and is a major benefit in connection with your City employment. This is but one way of recognizing the dedicated and valuable service rendered by our City employees in maintaining the quality of life we enjoy in this community.

My sincere thanks for helping to keep "The City Beautiful".

Buddy Dyer
Mayor

Other Important Data

Employer/Plan Sponsor Name
City of Orlando General Employee
Defined Benefit Pension Plan

Plan No. -- 001

Employer Identification No. -- 59-6000396

Agent for Services of Legal Process

City Attorney
Office of Legal Affairs
City of Orlando
City Hall at One City Commons
400 South Orange Avenue, 3rd floor
Orlando, FL 32801
Phone: (407) 246-2295
Facsimile: (407) 246-2854

Plan Administrator

Rebecca W. Sutton, Chief Financial Officer
Office of Business & Financial Services
City of Orlando
City Hall at One City Commons
400 South Orange Avenue, 4th floor
Orlando, FL 32801
Phone: (407) 246-2341
Facsimile: (407) 246-2707

Inquiries

Christopher P. McCullion, Treasurer
Office of Business & Financial Services
City of Orlando
City Hall at One City Commons
400 South Orange Avenue, 7th floor
Orlando, Florida 32801
Phone: (407) 246-2346
Facsimile: (407) 246-2707

Your Rights as a Participant

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All Plan participants shall be entitled to:

- (1) examine, without charge, at the Employee Benefits office, all documents comprising the Plan, including insurance contracts.
- (2) obtain copies of such documents upon request to the Employee Benefits Manager. Employee Benefits may make a charge per page for the copies of:

\$.15 one-sided copies

\$.20 two-sided copies

If you have any questions about these rights, you should contact the Employee Benefits, Human Resources Department, City of Orlando, City Hall at One City Commons, 400 South Orange Avenue, 7th floor, Orlando, Florida 32801, telephone (407) 246-2244, facsimile (407) 246-2512.

In Conclusion

In reviewing this summary, please keep in mind this brief explanation is not intended to take the place of the Defined Benefit Retirement Plan instruments evidencing and controlling the Plan, nor does it extend to you any right or benefits not granted by the governing Plan documents; the actual provisions of those instruments will control in all instances.

Effective Date of Plan

July 1, 1952 as amended by resolution effective October 1, 1998;
May 1, 2000; August 1, 2004
June 8, 2009, and April 26, 2010 (last amended)

Plan Year

January 1 through December 31

SUMMARY PLAN DESCRIPTION

Questions & Answers

*******Introduction*******

This summary explains how **THE CITY OF ORLANDO GENERAL EMPLOYEE DEFINED BENEFIT RETIREMENT PLAN** works and the benefits it provides. Intended only as a guide, this Summary Plan Description neither modifies nor replaces the full text of the document under which the Plan operates. (See the General Employee Defined Benefit Retirement Plan, effective October 1, 1998, located at Cityoforlando.net/pensions/Generalemployees.htm (includes detailed explanations and definitions).

HOW DO I KNOW IF I AM ELIGIBLE TO PARTICIPATE IN THE GENERAL EMPLOYEE DEFINED BENEFIT (DB) RETIREMENT PLAN?

With certain exceptions, if you are an active general employee hired before October 1, 1998, you are a participant in this Retirement Plan unless you elect to transfer to The City of Orlando General Employee Defined Contribution (DC) Retirement Plan. You cannot participate if you are a sworn police officer or firefighter, a seasonal or temporary employee or an individual retained by the City who is not subject to withholding of Federal Income Tax or FICA, or if you were originally hired after September 30, 1998.

WHEN DO I BECOME ELIGIBLE FOR NORMAL RETIREMENT BENEFITS?

You may retire at any time after you have reached age 65 or older with at least 5 years of credited service or at any age if you have at least 25 years of credited service.

HOW IS THE AMOUNT OF MY NORMAL RETIREMENT PENSION COMPUTED?

The amount of normal retirement annual pension is 2.5% for each year of credited service times your Final Average Earnings. The maximum retirement benefit is 75% of your Final Average Earnings.

Final Average Earnings is the average of your pensionable income during the period of 36 consecutive months of credited service which produces the highest average during your last 10 years of employment.

For example, if your Final Average Earnings are \$30,000 and you retire with 25 years of credited service, the annual pension would be \$18,750 (25 x 2.5% x \$30,000).

WHO ADMINISTERS THE DB PLAN?

The City Council is designated as the Pension Board. The Pension Board is the trustee of the Plan and designates a Plan Administrator to administer its provisions; currently, the Chief Financial Officer is the Plan Administrator.

CAN I TRANSFER TO THE GENERAL EMPLOYEE DC RETIREMENT PLAN?

If you were a participant of the DB Plan on or after October 1, 1998, you may elect to transfer to the DC Plan. If you had at least 10 years of credited service on October 1, 1998, you may elect to transfer at any time up to 30 days following the date of termination of employment

If you transfer to the DC Plan, the present value of your accrued DB Plan pension benefit will be transferred to the DC Plan. The calculation of the transfer value of your benefit and transfer of the assets requires 3 to 4 weeks from your employment termination date or your submission of a completed transfer request package. Upon electing to transfer, you will not be eligible to participate again in the Defined Benefit Plan.

In the event of the death of a Participant in this DB Retirement Plan who had completed ten (10) years of Credited Service as of October 1, 1998, the present value of his or her accrued benefit in this DB Retirement Plan may be transferred to this Plan by the Participant's designated Refund Beneficiary, as defined in the DB Retirement Plan.

WHAT ARE MY MEDICAL BENEFITS UNDER THE DB RETIREMENT PLAN?

Medical benefits established by City policy are not part of or included in the DB Retirement Plan (see current City policy for specific information).

NOTE: Please remember to contact Employee Benefits at least 60 days prior to your actual retirement date so all your options can be fully explained.

WHAT HAPPENS IF I DIE BEFORE I TERMINATE CITY EMPLOYMENT BUT AFTER I AM ELIGIBLE FOR NORMAL RETIREMENT?

Your designated survivor beneficiary would be paid a pension calculated as if you had retired the day before your death and elected form of payment Option SPB 100%. If married at the time of your death, your spouse will be assumed your designated beneficiary unless another designee's name is on file with the Plan Administrator.

The pension will be payable for the lifetime of the survivor pension beneficiary.

WHAT IF MY PENSION BENEFIT VALUE IS VERY SMALL?

If the present value of your DB benefit is less than \$5,000, you will be paid the value automatically after termination of employment. (This amount may be adjusted upward from time to time based upon I.R.S. guidelines.)

WHAT HAPPENS IF I AM DISABLED?

If you are paid benefits from the City's Long-Term Disability program, you will accrue 50% of the credited service you would have earned had you been actively employed in the position with the City. No further credited service would be granted after you reach eligibility for normal retirement except for those employees who become disabled after age 61.

WHO PAYS FOR RETIREMENT PLAN BENEFITS?

Both you and the City of Orlando contribute toward the cost of Retirement Plan benefits. Your current contribution is 4.88% of your pensionable salary; this amount includes the 1.83% increase effective 10/1/98 to fund the C.O.L.A.

The City of Orlando contributes actuarially determined amounts required to maintain the Retirement Plan in sound condition as required by state law. These contributions are significantly higher than the amounts contributed by members.

CAN I EVER LOSE THE CONTRIBUTIONS I MADE TO THE PLAN?

No. Either you, your designated beneficiary, or your estate will get a payment from the Plan equal to your contributions plus interest.

WHAT HAPPENS TO THE PENSION CONTRIBUTIONS?

All of the pension contributions are placed with professional investment management companies under the supervision of the Pension Advisory Committee. In addition, an actuarial valuation of the Plan is conducted annually. Funds are committed to a variety of investment options, with the objective of providing security and growth of money invested.

WHEN YOU CALCULATE MY PENSION, WHAT IS INCLUDED IN MY EARNINGS?

Earnings means the base salary paid to you for personal services rendered to the City. Earnings include regular pay and amounts paid for shift differential, longevity pay, sick, vacation, personal leave, holiday pay, compensatory time, management leave, working out of classification pay, payment (lump sum) for "over max" in classification, and the annual deferred compensation (contributed by City).

CAN I RETIRE BEFORE I AM ELIGIBLE FOR NORMAL RETIREMENT BENEFITS?

You can retire with an early retirement pension if you reach age 55 or older and have at least 10 years of credited service.

HOW IS MY EARLY RETIREMENT PENSION COMPUTED?

An early retirement pension is computed the same way as a normal retirement pension; based on your Final Average Earnings and credited service at the time of retirement. However, the amount is reduced 1/6th of 1% for each month (2% for each year) that the date of your early retirement precedes the month of your 65th birthday. The maximum reduction is 20% of your earned benefit.

For example, if retiring at age 56 and 12 years service with Final Average Earnings of \$29,000, your pension would be reduced 18% (2% x 9 years).

Unreduced benefit	=	(12 x 2.5%) x \$31,000 or \$9,300
Early retirement % reduction	=	9 x 2% or 18%
Amount of reduction	=	\$9,300 x 18% or \$1,674
Annual pension benefit	=	\$9,300 - \$1,674 or \$7,626
Monthly pension benefit	=	\$635.50

HOW LONG ARE PENSION PAYMENTS MADE?

Upon your retirement, pension benefits will be paid monthly only for as long as you live unless another option is selected. This form of payment is called Option SL (Straight Life).

CAN I PROVIDE FOR PAYMENTS TO CONTINUE TO A BENEFICIARY UPON MY DEATH?

Yes. Instead of Option SL, you can provide protection for a survivor pension beneficiary by electing one of the following optional forms of payment. These optional forms of payment are computed to be the actuarial equivalent of the Option SL pension. This means all of the optional forms of payment have the same cost to the Retirement Plan at the time you retire. They are made available as a convenience to you in planning your personal retirement program.

Option SPB 100%. Under this option, a reduced pension would be paid for as long as you live. Upon your death, the beneficiary named by you at the time you elected this option would start to be paid 100% of your reduced pension for the remainder of the beneficiary's life.

Option SPB 66 2/3%. Under this option, a reduced pension would be paid for as long as you live. Upon your death, the beneficiary named by you at the time you elected this option would start to be paid 66 2/3% of your reduced pension for the remainder of the beneficiary's life.

Option SPB 50%. Under this option, a reduced pension would be paid for as long as you live. Upon your death, the beneficiary named by you at the time you elected this option would start to be paid 50% of your reduced pension for the remainder of the beneficiary's life.

Option GP 120. Under this option, a pension would be paid for as long as you live. If you die before receiving 120 pension payments, your beneficiary would receive your pension payments for the remainder of the 120-month period.

The above options generally will result in different degrees of reduced pension benefit payment to the retiree. The reduction amount will depend upon several factors but primarily is affected by the option chosen, age of retiree and age of beneficiary.

Once pension payments commence, you cannot change the optional form of payment or your survivor pension beneficiary (except for the beneficiary in Option GP-120).

CAN I COORDINATE MY PENSION BENEFIT WITH MY SOCIAL SECURITY BENEFITS?

Yes. You can elect Option Accelerated Payment (AP) instead of Option SL. Under this optional form of payment, you would be paid an increased pension until reaching Social Security normal retirement age and a reduced pension thereafter. The value of this Option is computed to be the actuarial equivalent of Option SL, which means it has the same cost to the Retirement Plan at the time you retire as Option SL.

DOES MY PENSION INCREASE AFTER RETIREMENT?

If you were an active participant in the DB Plan on October 1, 1998 and remain in the DB Plan, your pension increases 2% per year after you reach age 64 with 1 year of retirement or at any age after you have completed at least 4 years of retirement.

The increases occur on the anniversary month of your retirement date. The pension increases are compounded.

WHAT HAPPENS IF I LEAVE CITY EMPLOYMENT BEFORE I CAN RETIRE?

If you terminate City employment (other than by death or disability) after you have completed 5 or more years of credited service and you leave your accumulated contributions in the Plan, you will be eligible for a deferred pension. Your pension would be based on your final average earnings, credited service and benefit provisions in effect at the time you leave City employment. In order to begin receiving a pension, you must submit a written application to the Plan Administrator upon reaching your early or normal retirement date.

If you elect a refund of accumulated member contributions (including interest) after termination of employment or if your assets are transferred to the DC Plan, you will forfeit your right to any pension from this DB Plan.

WHAT IF I LEAVE CITY EMPLOYMENT BEFORE I HAVE THE 5 YEARS OF CREDITED SERVICE REQUIRED FOR A DEFERRED PENSION?

You will be refunded the total amount of your contributions together with credited interest.

I WAS A PARTICIPANT IN THE CITY'S DB PENSION PLAN AND LEFT CITY EMPLOYMENT; LATER, I WAS REHIRED. DO I GET CREDIT FOR THIS PRIOR SERVICE?

If you left City employment after November 1, 1989, and were gone less than 5 years, you may purchase your prior credited service by repaying any employee contributions that were refunded to you, plus interest, as determined by the City Council sitting as the Retirement Board. You must make this repayment within 6 months of your reemployment.

ARE BENEFITS PAID IF I DIE BEFORE I RETIRE?

If at date of death you were at least age 40 with 10 or more years of credited service, your surviving spouse may be eligible for a pension. In order to be eligible, the surviving spouse must have been married to you throughout the year preceding your death and (assuming the surviving spouse is the designated beneficiary for pension purposes) you must not have elected to transfer to the DC Plan.

The amount of pension would be 50% of your accrued Option SL pension at the time of your death. The pension would be payable for the life of your surviving spouse.