

CITY OF ST. PETERSBURG EMPLOYEES' RETIREMENT SYSTEM SUPPLEMENTAL PLAN

SUMMARY PLAN DESCRIPTION



Plan Year 2018

DO YOU KNOW WHO YOUR BENEFICIARY IS? You may update your beneficiary information at any time prior to retirement by logging on to Oracle Self-Service and updating your record.

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INTRODUCTION TO THE EMPLOYEES' RETIREMENT SYSTEM

The City of St. Petersburg ('the City') sponsors a defined benefit pension plan, The Employees' Retirement System of the City – Supplemental Plan ('Retirement System' or 'Plan'), to reward eligible employees for long and loyal service by providing a benefit at retirement. The Benefit is based on your years of Credited Service, Average Final Compensation and age at retirement. Contributions to fund the Plan are made by members and by the City and are deposited into a separate trust fund maintained solely to provide benefits to members. The Pension Board of the Employees' Retirement System establishes the trust fund investment guidelines in accordance with Florida State Statute section 112.661, retains the services of professional consultants and money managers, and monitors the performance of the fund.

This Summary Plan Description is a brief description of the Plan provisions, your rights, obligations, and benefits under the Plan, and has been written in non-technical terms. The provisions of the Plan may only be accurately determined by reading the actual Plan document. A copy of the Plan document is on file at the City's Pension Division or can be accessed on line at www.stpete.org/council/index.php (click 'City Charter and Code of Ordinances' then click 'Chapter 22', then, 'Article IV', then 'Division 2' and 'Division 3'). Other documents pertaining to the Plan can be found at:

www.stpete.org/city_departments/human_resources/pension_division.php

This Summary Plan Description is not meant to interpret, extend, or change the provisions of the Plan in any way. If you have any questions regarding the Plan document or this Summary Plan Description contact the Plan Administrator. In the event of any discrepancy between this Summary Plan Description and the Plan document, the Plan document shall govern.

Review this Summary Plan Description and retain it for future reference.

GENERAL INFORMATION

Name of Plan

Employees' Retirement System of the City - Supplemental Retirement System

Employer

City of St. Petersburg

Plan Administrator

Pension Board of the Employees' Retirement System ('Pension Board' or 'Board')

One Fourth Street North, 4th Floor, St. Petersburg, FL 33701

Trustees of the Pension Board

Tammy Jerome, Chairman - employee elected
Anne Fritz, Vice-Chairman, Chief Financial Officer - ex-officio
Chris Guella, Mayor's designee - ex-officio
Regenia Williams - employee elected
Sean Kelly - citizen appointed by the Board

Trustee

Plan Administrator

Designated Agent for Service of Legal Process

Plan Administrator

Type of Administration

The Plan Administrator is responsible for the overall administration of the Plan. It has discretionary authority to interpret the terms of the Plan and make determinations on questions which may affect your eligibility for benefits. The Plan Administrator may also retain the services of attorneys, accountants, actuaries, investment advisors and other professionals.

The Pension Division assists the Plan Administrator by handling the day-to-day activities involved in administering the plan for employees, retirees and beneficiaries.

Plan Year

Each 12-month period beginning on October 1 and ending on September 30. The Plan's fiscal records are maintained on this basis.

Pension Division

City of St. Petersburg
Pension Division
One Fourth Street North, 4th Floor
St. Petersburg, FL 33701
Monday through Friday, 8:00 a.m. – 5:00 p.m.

You may contact the Pension Division at (727) 893-7491 or via email at Pension@stpete.org.

Relevant Provisions of Local and State Laws

The Plan is set forth in:

City Code Chapter 22, Article IV, Divisions 2 and 3.

The most recent amendment to the Plan, which is reflected in this Summary Plan Description, is set forth in Ordinance Number 219-H.

The Plan is also governed by certain provisions of Part VII, Chapter 112, Florida Statutes (F.S.) and various state and federal laws.

Relevant Provisions of Collective Bargaining Agreements

Certain employees covered by the Plan are members of the following collective bargaining units:

Florida Public Services Union (FPSU), SEIU, CtW, CLC (White Collar, Blue Collar, and Professionals)
Pinellas County Police Benevolent Association, Inc

Article 25 of the White Collar and Blue-Collar Florida Public Services Union Agreement refers to the Plan.

Designated Beneficiary

The person (or persons) chosen by the Member to receive any benefits payable upon death of the Member.

HOW IS THE PLAN FUNDED?

The Plan is funded by contributions that are paid into the trust fund and by earnings generated by the investments of the fund. Contributions to the fund are made by:

You

Your post-tax contribution is 2% of your Covered Salary (see the section ‘What Is The Normal Retirement Benefit?’ for the definition of Covered Salary).

Your contributions together with interest at a rate of 3% are referred to as ‘Accumulated Contributions’.

Your contributions will cease upon your retirement, death, employment termination, coverage under another City retirement plan, or entry into the Deferred Retirement Option Plan (DROP).

The City of St. Petersburg

The City must contribute an amount determined by the Plan’s actuary to be sufficient, along with member contributions and investment earnings, to fund benefits under the Plan. The City's contribution will vary from year to year depending on the experience of the Plan. (See the ‘Pension Income and Expense’ page of this document for the amounts paid by the City for the last two years.)

Specified Employer Contributions

If you were a member of the Plan prior to October 1, 1989, the City also makes contributions for you as a percent of your Covered Salary. These contributions are referred to as Specified Employer Contributions and are 3.5% of your Covered Salary.

WHEN DO I JOIN THE PLAN?

If you are hired as a full-time regular employee or a full-time temporary employee for more than six months and your employment is covered under a collective bargaining agreement, you will be enrolled as a member in the Plan as a condition of employment after a 90-day waiting period. (Note: Sworn Police Officers, Sworn Firefighters, and Police and Fire Cadets are not eligible to participate in the Plan.)

Administrative Management employees and employees classified as ‘professional’ may waive participation in the Plan to participate in the City’s 401a Plan.

HOW DO I EARN SERVICE IN THE PLAN?

Credited service consists of your length of full-time employment with the City beginning with your date of enrollment in the Plan. Vacations and other paid leaves of absence are included as credited service. Unpaid leaves of absence of greater than one month are not included.

Credited service is used to; 1) determine whether you are eligible for certain benefits; 2) determine whether you are vested and; 3) calculate your pension benefit.

Credited service accruals cease upon your entry into the Deferred Retirement Option Plan.

WHAT IF I LEAVE EMPLOYMENT AND THEN COME BACK TO WORK?

Break in Service

If you terminate employment, or take an unpaid leave of absence, and later return to work for the City, you have had a break in service. If you are subsequently rehired, you may request that the Pension Board review your service history to determine if your prior period(s) of service may be considered when calculating your final benefit.

If you terminate employment and leave your Accumulated Contributions, if any, in the Plan and return to work in an eligible position within a five-year period, you will accrue additional Credited Service from your date of rehire. No Credited Service will be given for the period from your employment termination date to your rehire date.

Military Service

If you take a leave of absence from the City in order to enter the military, and then after your discharge from the military, return to work for the City (within the deadlines set forth in applicable Federal and State laws), your period of military leave will be included in determining your Credited Service if you contribute to the Plan the amounts you would have contributed had you not taken the military leave of absence. Contact the Pension Division with specific questions.

WHEN CAN I RETIRE?

Normal Retirement Date

The Normal Retirement Date is the earliest date when retirement benefits may be paid.

Your Normal Retirement Date is the date when you reach the earliest of:

- a) age 60 with at least 10 years of Credited Service, or
- b) age 55 with at least 25 years of Credited Service, or
- c) age 51 with at least 30 years of Credited Service.

If you remain employed beyond your Normal Retirement Date and do not enter the DROP, benefits will continue to accrue until the date you retire but may not exceed 100% of your Average Final Compensation.

WHAT IS MY NORMAL RETIREMENT BENEFIT?

The monthly benefit that you will receive if you continue in employment until your Normal Retirement Date is called your Normal Retirement Benefit.

The amount of your Normal Retirement Benefit is based on the following:

1. Your Covered Salary - This is the amount of your base compensation (hourly rate times normal basic work schedule, plus lump sum wage or salary payments paid in lieu of base compensation increases) overtime, bonuses, pay differentials, and other types of pay are excluded.
2. Your Average Final Compensation ('AFC') - This is the average of your highest five years of Covered Salary during your years of Credited Service.
3. Your years and partial years of Credited Service ('CS')

The Normal Retirement Benefit is calculated using the following formula:

- a) 1% of your AFC for each year of CS on or after January 1, 1964, but before October 1, 1972, plus
- b) 1½% of your AFC for each year of CS on or after October 1, 1972, but before March 1, 1980, plus
- c) 2% of your AFC for each year of CS on or after March 1, 1980, but before March 1, 1990, plus

- d) 1½% of your AFC for each year of CS on or after March 1, 1990, but before March 1, 2000, plus
- e) 2% of AFC for each year of CS on or after March 1, 2000.

For example: if your Average Final Compensation at your Normal Retirement Date of July 1, 2018 is equal to \$4,000 and you became a member on July 1, 1988, the calculation would be as follows:

Accrual Period	7/1/88 - 2/28/90	3/1/90- 2/29/00	On or After 3/1/00
[A] Accrual Rate	2.0%	1.5%	2.0%
[B] Credited Service	1.667	10.00	18.336
[C] Percent of Average Final Compensation [A]*[B]	2% x 1.667 = 3.33%	1.5% x 10.00= 15.00%	2% x 18.336= 36.672%
[D] Average Final Compensation	\$4,000		
[E] Sum of Percents in Row [C]	55.00%		
[F] Monthly Normal Retirement Benefit [D]*[E]	4,000 x 55.00% = \$2,200		

Benefits from this Plan are paid in addition to any benefits you may receive from Social Security.

Accrued Pension Benefit

The portion of your Normal Retirement Benefit that you have earned at any point in time is called your Accrued Pension Benefit. Your Accrued Pension Benefit is computed using the formula shown above, except your Average Final Compensation and Credited Service are determined as of the date of the calculation.

WHAT IS THE DROP AND HOW DOES IT WORK?

If you become eligible for Normal Retirement, and are still employed by the City, you have the option of “retiring” from the Plan by joining the Deferred Retirement Option Plan (DROP). Your employment with the City may continue for up to five additional years after you join the DROP, however, the total of your pre and post DROP entry service cannot exceed 35 years.

You must request, in writing, to enter the DROP. Participation in the DROP is voluntary and is not a contract for, or a guarantee of, continued employment. Nothing within the DROP should be construed to alter an employee's classification status.

Upon entering the DROP your retirement benefit is calculated as of your DROP entry date. Each month your benefit payment is deposited into your account administered by a Third-Party Administrator ('TPA'). The current TPA is ICMA-RC. You direct the investment of your DROP account choosing from various investment options. You will be solely responsible for your investment choices. Any losses, changes or expenses in your DROP account incurred as a result of the investments selected by you will not be made up by the Plan, the Pension Board or the City.

At the end of your DROP period you must separate from City employment. You may also separate from City employment any time before the end of the DROP period for any reason, whether voluntary or involuntary.

When your DROP participation ends you will begin receiving your monthly retirement benefit from the Plan and you may take distributions from your DROP account.

Once you enter the DROP you are no longer eligible for disability or pre-retirement death benefits under this Plan, nor do you accrue any additional Credited Service. Your Normal Retirement Benefit is fixed as of your DROP entry date and you pay no further member contributions to the Plan.

If you die while you have a balance in your DROP account, your designated DROP beneficiary will be able to choose from the available payout options. If you die while receiving payments from your DROP account payments will be made to your beneficiary in accordance with the payout option you selected.

WHAT IF I BECOME DISABLED?

If you become totally and permanently disabled, you may be eligible for a disability benefit as described below. A Disability Retirement Application must be filed with the Pension Office while you are actively employed. The Pension Board determines if you are eligible for a disability benefit in accordance with the terms of the Plan and the Board's procedures. Disability Claim Procedures are set forth in the Resolution contained in Addendum A of this document.

Service Connected Disability

If you are found to be disabled by the Pension Board due to a service connected event or events, the amount of your benefit is calculated like your Normal Retirement Benefit, but using Credited Service projected to when you will be age 65 and your Average Final Compensation as of the date of disability. This benefit plus your initial Social Security benefits (if any) may not exceed your Covered Salary as of the date of your disability. Furthermore, the benefit just described plus initial Social Security benefits may not be less than 65% of your Average Final

Compensation. The benefit will be reduced by amounts payable under Worker's Compensation to the extent allowed by State law and in accordance with the Pension Board's procedures (see Addendum B).

Non-Service Connected Disability

If you have at least 7 years of Credited Service and are found to be disabled by the Pension Board due to a non-service connected event or events, the amount of your benefit will be the greater of; 1) 100% of your Accrued Pension Benefit based on your Credited Service and Average Final Compensation as of your disability date; or 2) 30% of your Average Final Compensation.

Survivor Benefit

Disability benefits are payable until you recover from your disability or until you die. If you should die prior to receiving benefits equal to your total Accumulated Contributions, the difference between your Accumulated Contributions and the benefits already paid to you will be payable to your Designated Beneficiary or your estate if no designation has been made. No further survivor benefits are payable.

Benefit Adjustments

If upon any medical re-examination required by the Pension Board, it is found that you may be gainfully employed in an occupation paying more than the difference between your Disability Benefit and your Average Final Compensation as of your date of disability, your benefit will be reduced to an amount so that your earnable monthly salary plus your adjusted Disability Benefit does not exceed your Average Final Compensation. Your benefit may be further increased or decreased, as just described, if your earnings capacity changes.

HOW DOES THE PLAN PROVIDE FOR MY BENEFICIARY?

Employee Death Before Retirement – Service Connected

If you lose your life in the performance of, or as a direct result of your duties and you are married, your spouse will receive a monthly benefit payable until death or remarriage.

Your spouse's benefit will be 40% of your Covered Salary at the time of death for the first 10 years after your death and 30% of your Covered Salary at the time of death after the first 10 years.

Employee Death Before Retirement – Non-Service Connected

If you should die before you retire, your Designated Beneficiary may receive a death benefit as follows:

1. If you were employed and eligible to retire on the date of death - The benefit will be calculated as if you had retired on your date of death. Your beneficiary will select an actuarially adjusted optional form of benefit and will receive the survivor portion of that form of benefit (see the ‘How Is My Benefit Paid?’ section).
2. If you were employed and had at least 20 years of Credited Service but were not retirement eligible - Your Designated Beneficiary may choose to receive a refund of your Accumulated Contributions. If your Designated Beneficiary does not choose a refund of your Accumulated Contributions, your beneficiary will select an actuarially adjusted optional form of benefit and will receive the survivor portion of that form of benefit beginning on what would have been your normal retirement date (see the ‘How Is My Benefit Paid?’ section).
3. If you were employed and die after completing 19 years and 274 days of Credited Service - The Pension Board may approve up to 90 days of service, in certain circumstances, for the purposes of determining beneficiary benefits.
4. If you were employed, die and do not have 20 years of Credited Service on the date of death and became a member of the Plan after September 30, 1989 - Your Designated Beneficiary may receive the amount of your Accumulated Contributions, if any, plus 1% of your Accumulated Contributions for each year of Credited Service
5. If you die after you have quit working and were not eligible to retire when you terminated employment and did not take a refund of your accumulated contributions, your beneficiary will receive a refund of your Accumulated Contributions. If you had 5 or more years of continuous Credited Service before you quit working and were a member on or before September 30, 1989, your Designated Beneficiary will also receive your Specified Employer Contributions.

After Retirement

If you chose a form of retirement payment which provides for a survivor’s benefit to be paid after your death, your Designated Beneficiary will receive payments following your death. See the section ‘How is my Benefit Paid?’

WHAT IF I LEAVE BEFORE RETIREMENT?

If you voluntarily terminate or are discharged from employment for reasons other than retirement, disability or death, you will be entitled to receive a refund of your Accumulated Contributions, if any. If you were a member of the Plan on or before September 30, 1989 and you had at least 5 years of Credited Service, you are also entitled to a refund of the Specified Employer Contributions.

If you terminate employment and do not take a refund, you may be entitled to a Vested Retirement Benefit payable beginning when you are age 60. This benefit is equal to your Accrued Pension Benefit as of your termination date multiplied by your vested interest. The following chart shows your vested interest in your Accrued Pension Benefit.

VESTING SCHEDULE	
Completed Years of Credited Service	Vested Interest
Less than 5	0%
5	4
6	12
7	20
8	28
9	36
10	44
11	52
12	60
13	68
14	76
15	84
16	92
17 or more	100

Vested Benefits are payable for your lifetime. You may choose a form of payment that provides payments to a Designated Beneficiary upon your death (see the section 'How Is My Benefit Paid?'). If you should die before age 60 your beneficiary will receive the balance of your Accumulated Contributions, if any.

If you receive a refund of your Accumulated Contributions in lieu of a Vested Retirement Benefit no future benefits will be payable under the Plan.

HOW IS MY BENEFIT PAID?

All benefits are paid once each month on the last business day of the month.

In lieu of the Normal Form, you may choose among the optional forms described below. You may revoke any such election and make a new election at any time before you actually retire. You must make such an election by written request to the Plan Administrator and such election shall be subject to the approval of the Plan Administrator. This also applies to terminated Participants who are eligible for payment of deferred Vested Retirement Benefits. Note: In some cases, due to Internal Revenue Service regulations, not all the optional forms shown below may be available. Contact the Pension Division for more information.

Normal Form (Regular Retirement)

Unless you elect otherwise before retirement, your pension is payable as a **Ten Year Certain and Life Thereafter Annuity**. This is a series of monthly payments for your life. If you die before receiving 120 payments, the payments will continue until the remaining number of guaranteed payments have been made to your Designated Beneficiary. If you live longer than ten years, payments are continued for the rest of your life, ceasing upon your death.

Optional Forms

If you choose any one of the following payment options your monthly benefit will be actuarially adjusted to be equivalent to the Normal Form of payment. Actuarial adjustments are based on your age and your designated beneficiary's age (if applicable) as of your date of retirement and may reduce the benefit you receive. Contact the Pension Division for more information.

Option 1: Twenty Year Certain and Life Thereafter Annuity

You may elect to receive an adjusted retirement benefit with 240 monthly payments (20 years) guaranteed. If you die before receiving 240 payments, the payments will continue until the remaining number of guaranteed payments have been made to your Designated Beneficiary. If you live longer than twenty years, payments are continued for the rest of your life, ceasing upon your death.

Option 2: 100% Joint and Survivor

You may elect to receive an adjusted monthly retirement benefit during your lifetime and have 100% of such adjusted retirement benefit continued after your death to your Designated Beneficiary for the duration of their lifetime.

Option 3: 50% Joint and Survivor

You may elect to receive an adjusted monthly retirement benefit during your

lifetime and have 50% of such adjusted retirement benefit continued after your death to your Designated Beneficiary for the duration of their lifetime.

Option 4: Life Annuity

You may elect to receive an adjusted monthly retirement benefit during your lifetime, with no further benefits payable after your death.

Option 5: 75% Joint and Survivor

You may elect to receive an adjusted monthly retirement benefit during your lifetime and have 75% of such adjusted retirement benefit continued after your death to your Designated Beneficiary for the duration of their lifetime.

In no event may the total of benefit payments to you and your Designated Beneficiary, if applicable, be less than your own Accumulated Contributions.

CAN I CHANGE MY BENEFICIARY DESIGNATION AFTER I RETIRE?

If you choose the Normal form of retirement or Option 1, you may change your beneficiary at any time after you retire and as many times as you want until you have received 120 payments (or 240 payments if you chose Option 1). Once the r certain period is over, no payments will be made to any beneficiary upon your death.

If you choose Option 2, Option 3, or Option 5, you may change your beneficiary up to two times after retirement. Changing your beneficiary will require your benefit to be recalculated and may result in a different monthly amount payable to you. Certain forms and fees are required. Contact the Pension Division for more details. If you choose Option 4, you may not designate a beneficiary after retirement.

CAN I CHANGE MY FORM OF PAYMENT AFTER I RETIRE?

No, you may not change your form of payment after your payments begin.

DOES THE PLAN PROVIDE A COST OF LIVING ADJUSTMENT?

Each year the Pension Board reviews an adjustment factor recommended by the Plan Actuary to be applied to the current benefit of all eligible pensioners. If approved, the Pension Board submits the recommendation to City Council for approval. The adjustment shall not be greater than 1½% of the monthly amount being received.

IMPORTANT NOTICE

There are certain circumstances which may result in the disqualification, ineligibility, denial, loss, forfeiture, suspension, deferral, or adjustment of your benefits in this Plan. The following is a list of these circumstances:

1. If you separate employment before reaching your Normal Retirement Date and you do not have enough Credited Service to have earned a Vested Retirement Benefit, no future monthly benefit will be payable. You will receive a refund of your Accumulated Contributions and Specified Employer Contributions (if applicable).
2. No Credited Service is allowed for benefit accrual purposes for any period in which you are eligible for membership in the Police Officer's Retirement System or Firefighter's Retirement System or in which you participate in the City's 401a Plan. Also, no credit will be allowed for periods in which you were not employed, and/or you did not make required contributions.
3. Your benefit will not be payable until you terminate employment, even if you continue to work beyond the Normal Retirement Date.
4. In the event that this Plan terminates and the available Plan assets are less than the value of all Accrued Pension Benefits, your Accrued Pension Benefit may be reduced.
5. Your Accrued Pension Benefit may be forfeited if you are convicted of certain felonies as provided by State law (F.S. 112.3173).
6. Your benefit may be subject to an Income Deduction Order relating to child support or alimony made pursuant to a state domestic relations law.
7. Amount of benefits are limited as specified by State Law (F.S. 112.65)
8. Should any change or error in the records, calculations, or interpretations of the Plan provisions be discovered which results in a member or beneficiary receiving from the Retirement System more or less than such member would have been entitled to receive had the records, calculation or interpretation been correct, the Board shall have the power to correct the error and, as far as possible, to adjust the payments in such a manner that the actuarial equivalent of the benefit to which the member or beneficiary was correctly entitled shall be paid.

WHAT DO I NEED TO DO?

1. Retain this Summary Plan Description with your other important papers.
2. **Upon completing eligibility requirements, designate a beneficiary using Oracle Self Service and keep it current.**

3. Arrange an appointment to meet with a Pension Division representative 30-60 days prior to the date you intend to retire from employment or enter the DROP to complete the necessary forms to begin your Pension Benefit.
4. If you separate employment, check to see if you are entitled to a benefit and the date payments would begin.
5. Maintain a current mailing address with the Pension Division

CLAIMS AND PROCEDURES

Claims for benefits under the Plan must be filed in writing with the Plan Administrator. If you are eligible for any benefits from this Plan, you will be provided with a notification form showing the amount of your benefit and options, if any, and the earliest date on which such benefit is payable.

Your request for Plan benefits shall be considered a claim for Plan benefits, and it will be subject to a full and fair review. If your claim is wholly or partially denied, the Plan Administrator shall furnish you with a written notice of this denial. This written notice must be provided to you within a reasonable period of time after the receipt of your claim by the Plan Administrator. The written notice must contain the following information:

- 1) The specific reason or reasons for the denial;
- 2) Specific reference to those Plan provisions on which the denial is based;
- 3) A description of any additional information or material necessary to correct your claim and an explanation of why such material or information is necessary; and
- 4) Appropriate information as to the steps to be taken if you or your Beneficiary wishes to submit your claim for review.

If notice of the denial of a claim is not furnished to you in accordance with the above within a reasonable period of time, your claim shall be deemed denied. You will then be permitted to proceed to the review stage described in the following paragraphs.

If your claim has been denied, and you wish to submit your claim for review, you must follow the Claims Review Procedure.

Claims Review Procedure

- 1) Upon the denial of your claim for benefits, you may file your claim for review, in writing, with the Plan Administrator.
- 2) You must file the claim for review no later than 60 days after you have received written notification of the denial of your claim for benefits.

- 3) You may review all pertinent documents relating to the denial of your claim and submit any issues and comments, in writing, to the Plan Administrator.
- 4) Your claim for review must be given a full and fair review. The Plan Administrator must provide you with written notice of their decision within 60 days after the receipt of your written claim for review. There may be times when this 60-day period may be extended. This extension may only be made, however, where there are special circumstances which are communicated to you in writing within the 60-day period. If there is an extension, a decision shall be made as soon as possible, but not later than 120 days after receipt by the Plan Administrator of your claim.
- 5) The Plan Administrator's decision shall be communicated to you in writing and shall include specific references to the pertinent Plan provisions on which the decision was based. If a written decision is not furnished to you within the time limitations described above, your claim shall be deemed denied.
- 6) For claim procedures related to disabilities, refer to Addendum A, Policy and Procedures for Disability Retirement Applications and Hearings.

ACTUARIAL INFORMATION
PRIOR AND SUPPLEMENTAL PLANS

	As of October 1st	
	2016	2017
Number of Members of the Plan		
Active Employees	1,540	1,566
Those Receiving or Due to Receive Benefits	1,500	1,524
Annual Payroll of Active Members	\$77,392,386	\$81,346,925
Annual Rate of Benefits in Pay Status	\$21,116,401	\$22,382,747
Actuarial Present Value of		
Total Projected Benefits	\$505,266,305	\$524,044,794
Accrued Liability	\$430,370,322	\$446,925,229
Net Assets Available for Benefits (Market Value)	\$387,352,419	\$421,272,747
Required Contribution to be Made to the Plan	\$12,731,020	\$12,871,389
Estimated Employee Contributions	\$1,765,099	\$1,836,836
Estimated City Contributions	\$10,965,921	\$11,034,553
Required Contribution as % of Annual Valuation Payroll	14.2%	13.6%
Required Contribution to be Paid During Year Ending	9/30/2018	9/30/2019

**PENSION FUND INCOME AND EXPENSE
PRIOR AND SUPPLEMENTAL PLANS**

	Year Ending 9/30/16	Year Ending 9/30/17
Market Value at Beginning of Period	\$369,690,519	\$387,352,419
Adjustment due to audit	\$ 0	\$ 0
Income		
Member Contributions	\$1,465,224	\$1,524,795
Employer Contributions	\$11,198,451	\$10,310,841
Investment Earnings (net of expenses)	\$26,142,508	\$44,485,453
Other Income	0	0
	-----	-----
Total Income	\$38,806,183	\$56,321,089
<u>Expenses</u>		
Benefit Payments & Refunds	\$21,116,401	\$22,382,747
Other Administrative Expenses	\$27,882	\$18,014
	-----	-----
Total Expenses	\$21,144,283	\$22,400,761
Net Increase During Period	\$17,661,900	\$33,920,328
Market Value at End of Period	\$387,352,419	\$421,272,747

ADDENDUM A – Disability Claim Procedures

A RESOLUTION BY THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF ST. PETERSBURG, FLORIDA ESTABLISHING POLICY AND PROCEDURES FOR DISABILITY RETIREMENT APPLICATIONS AND HEARINGS

WHEREAS, the Board of Trustees ('Board') of the Employees' Retirement System ('Plan') is charged with the duty of hearing, considering and acting upon applications for disability-related retirement; and

WHEREAS, The Board is desirous of establishing procedures to govern all interested parties in the making, processing, and consideration of such applications;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF ST. PETERSBURG, FLORIDA:

That the following procedures are adopted and shall govern the making, processing and consideration of all applications hereinafter made for disability-related retirements by members of the Plan:

I. DISABILITY RETIREMENT APPLICATION

- A. An application for disability retirement benefits shall be made by a member in service in writing on forms provided by the Board of Trustees ('Board') in the Pension Office or a form otherwise acceptable to the Board ('Application') and signed by the member ('applicant') or, in the event of incapacity to sign, by a legal guardian or duly authorized representative or by the head of the Applicant's department. Completed Applications will be filed with the Board at the Pension Office.
- B. The Applicant shall execute the following deemed necessary for the Board to obtain a complete file of relevant documentation:
 - 1) Application for Disability and Statement of Disability & Questionnaire,
 - 2) Release, and
 - 3) Personal Physician Reports from two (2) physicians, at least one (1) being a specialist recognized in the field upon which the disability is based (to be returned to the Pension Office directly from the physician).

Documents must be returned to the Pension Office at the address specified

in Section V, Paragraph L below.

- C. The Applicant shall provide a Personal Physician Report form as provided by the Board to at least two (2) physicians of his or her choice. The Applicant may request that more than two (2) physicians complete a Personal Physician Report form (to be returned to the Pension Office directly from the physician).
- D. Upon receipt of the properly completed forms, medical release authorization, and Personal Physician Report Forms, including the medical records provided by the physician, the Pension Office staff may request medical records from all other relevant treating physicians; personnel records from employers(s), copies of relevant workers' compensation records, and copies of other records or additional evidence which may include an independent medical examination ('IME') deemed relevant to the Application by the Pension staff, the Board's attorney or Trustee(s).
- E. Upon receipt of the records and reports outlined in paragraphs B, C and D above, the Pension staff will prepare a disability pension file ('File'). The File will be provided to the Board and the Applicant (or Applicant's legal counsel or representative) and an initial hearing will be scheduled.
- F. It shall be the function of the Pension staff, including the Board's attorney, throughout the application procedure, to assist the Board in the discovery and presentation of evidence in order to assure that the Board receives all relevant information prior to the Board's decision.
- G. The Applicant shall have the right to be represented by counsel at any or all times through the application process. If represented, all communications and correspondence will be through the Applicant's legal counsel or representative.
- H. The Board shall review the Application at an initial hearing within one hundred twenty (120) calendar days from the date of receipt of the completed Application including all required releases, Statement of Disability and Questionnaire, and Personal Physician Report forms, including the medical records from the physicians. The Board's attorney and the Applicant may stipulate to further extensions of time not to exceed sixty (60) calendar days. Other extensions will require Board approval.
- I. Should the records and reports required to be provided by the Applicant outlined in paragraphs A through C above not be received within six (6) months of receipt of an application for disability benefits, the application with whatever supporting evidence has been received may be brought forward to the Board for action at the next scheduled meeting following the six (6) month time period.

II. INITIAL HEARING OF THE APPLICATION

- A. At the initial hearing, the Board shall consider only the documentary evidence

contained in the File, including but not limited to, correspondence, medical records, reports of treating physicians and/or examining physicians and evidence received pursuant to paragraph B below. The Board may also hear live testimony from the treating physician(s) to clarify medical records and/or the personal physician report. The request for live testimony by the treating physician(s) may be made by the Board at the initial hearing at which time the initial hearing will be continued and rescheduled at a time mutually convenient to the physician(s) and the Board.

- B. Other than answers to questions from the Board Trustees or from the Board's attorney, the Board will take no additional evidence at the initial hearing, although the Applicant or the Applicant's legal counsel or representative may make a presentation not to exceed fifteen (15) minutes in length, limited to comments and/or arguments as to the evidence or information already contained in the File, including physician report(s) and any live testimony from the treating physician(s) given at the initial hearing.
- C. Upon completion of the review of the Application at the initial hearing, the Board shall enter an Order setting forth its findings and conclusions on the Application. The written Order shall be provided to the Applicant. The Order shall include:
 - 1) The specific findings and conclusions of the Board, including specific references to pertinent provisions of the Plan on which such conclusions are based; and
 - 2) If denied, an explanation of the right to a full hearing on the Application and the time limit in which a full hearing must be requested in writing.
- D. The decision of the Board at the initial hearing shall not be final as outlined below (unless the Application is approved as requested) until after the time has expired to request a full hearing.

III. FULL HEARING

- A. Any Applicant denied may request a full hearing on the issues presented to the Board at an initial hearing and upon which the Board has entered an Order as provided in subsection II. C. above.
- B. A full hearing must be requested in writing by the Applicant and postmarked within thirty (30) calendar days of the receipt of the Board's Order denying the Application. The Order will be deemed received three (3) business days following the date it is mailed to the Applicant at the address provided to the Board by the Applicant.
- C. Following receipt of the written request for a full hearing and considering the amount of discovery which might be conducted, the Board shall establish a date for the full hearing and cause notice to be given to the Applicant. The full hearing

shall be held within one hundred twenty (120) calendar days from the receipt of the request from the Applicant. The full hearing may be postponed for good cause, if necessary to permit full discovery of the facts or to accommodate the schedules of the Trustees or medical providers. At least forty-five (45) calendar days prior to the full hearing, the Applicant or the Applicant's legal counsel or representative must:

- 1) Provide the Pension staff with copies of all medical reports, exhibits, or other relevant documentary evidence in the Applicant's possession or of which the Applicant has knowledge, and
- 2) Provide the Pension staff with a list of names, addresses and telephone numbers of each and every witness the Applicant will have testify, and
- 3) Provide the Pension staff with a short statement or summary of the testimony of each and every witness.

If the time frames enumerated in subsection III. C. are not sufficient, the Pension Office staff or the Board's attorney will advise the Board that the full hearing should be postponed to a later date. If the Applicant or the Applicant's legal counsel or representative does not comply with subsection III. C., the Applicant may be precluded from offering testimony or evidence at the full hearing.

- D. The Applicant or the Board's attorney may obtain discovery by deposition and/or interrogatories prior to the full hearing. Written notice of any depositions and/or interrogatories shall be given to the Board's attorney and the Applicant or Applicant's legal counsel or representative.
- E. All costs of discovery, initiated by the Applicant or Applicant's legal counsel or representative, including the compensation of professional and lay witnesses, shall be borne by the Applicant.
- F. The Applicant shall be responsible for obtaining the attendance of the Applicant's witnesses at the full hearing. Upon timely written request by the Applicant, or Applicant's legal counsel or representative, the Board shall issue subpoenas for the attendance of witnesses at depositions and at the full hearing. The Board may charge a reasonable fee for issuance of subpoenas to the extent permitted by law. Testimony at the full hearing may be submitted in the form of a deposition. If provided in accordance with these procedures, transcripts of depositions shall be made part of the disability pension file. Although such transcripts will not necessarily be read into the record, any portions thereof may be read into the record by any party and may be referred to in argument. In all cases, the Applicant shall bear the burden of proof to show entitlement to the benefits sought.
- G. Irrelevant and unduly repetitious evidence may be excluded.

- H. Any person who knowingly gives false testimony is guilty of a misdemeanor of the first degree, punishable as provided in Section 775.082 or 775.083, Florida Statutes.
- I. Decisions of the Board after a full hearing shall be final and binding, subject to judicial review.
- J. The Board shall decide the merits of the Application by motion duly adopted and shall subsequently furnish a copy thereof to the Applicant. Service by the Board will be deemed to have been made on the date of mailing by the Board to the Applicant.
- K. Judicial review of decisions of the Board shall be in the manner prescribed by law.

IV. EFFECTIVE DATE FOR APPROVED DISABILITY RETIREMENT APPLICATIONS

- A. The date of retirement for disability Applications approved by the Board shall be determined as follows:
 - 1) In no case shall the effective date of retirement be earlier than the date upon which the complete Application for disability retirement was received by the Pension Office, and
 - 2) The effective date shall be the date upon which approval of the disability retirement Application is granted by the Pension Board (separation date shall be close of business on that date), or the date upon which the Applicant's accrued extended illness and annual leave is exhausted, whichever is earliest.
- B. In the case of a retroactive effective date in which an employee received intermittent pay including, but not limited to accrued extended illness leave, accrued annual leave, etc., those payments will be offset to the extent allowed by law.

V. MISCELLANEOUS

- A. The Applicant may need to ensure that a verbatim record of a Board proceeding is made, which record includes the testimony and evidence upon an appeal may be based. The Applicant will be responsible for obtaining a court reporter or otherwise making a record of the proceedings before the Board.
- B. Initial hearings and full hearings will be held during regular Board meetings as a part of the regular agenda. The Board, on an exception basis, may authorize the Pension staff to schedule a special meeting. No Applicant has the right to demand or receive a special appearance before the Board.

- C. Applications will generally be heard in the order filed. However, in some cases a later-filed Application will be ready for hearing before an earlier-filed Application. In such a case, the Application first ready to be heard will be heard first. The Board may limit the number of full hearings heard on any single agenda.
- D. The Florida Rules of Evidence may not apply to these proceedings. Testimony of all witnesses shall be under oath or affirmation.
- E. All time periods and procedures may be modified by the Board or a continuance of the hearing may be granted by the Board. Any modification or continuance shall be based upon good cause being shown.
- F. The File shall be included as part of the record before the Board at the initial or full hearing.
- G. All proceedings of the board shall be conducted in compliance with Florida's Sunshine Laws.
- H. At the initial hearing and the full hearing, if the Board determines that an Applicant is not eligible for service-connected disability, the Board may review the application for eligibility as a non-service connected disability, as follows:
 - 1. If at the initial hearing the Board determines that an Applicant who is pursuing a service-connected disability is not eligible for a service-connected disability but is eligible for a non-service connected disability, the Board may approve the application as a non-service connected disability and the Applicant may request a full hearing on the denial of the service-connected disability.
 - 2. If at the full hearing, the Board determines that an Applicant who is pursuing a service-connected disability is not eligible for a service-connected disability but is eligible for a non-service connected disability, the board may approve the application as a non-service connected disability and the Applicant shall retain the right to seek judicial review of that determination in the manner prescribed by law.
 - 3. If an Applicant who is pursuing a service-connected disability is approved for non-service connected disability at a full hearing and seeks judicial review of that determination in the manner prescribed by law, the Applicant may receive pension disability benefits as a non-service connected disability while the judicial review is pending.
- I. Three concurring votes shall be necessary for a decision by the Board and three Trustees shall constitute a quorum.
- J. Disability benefits will be subject to workers' compensation, social security or other offset to the fullest extent allowed by law. The Board will seek to recover

any monies payable in any third party claim(s) related to the Application for disability. In the case of an Applicant/retiree receiving a third party recovery, the recovery will be offset to the extent allowed by law.

- K. Applicants who decide to withdraw from the disability application process must notify the Pension Office in writing. Any future applications for disability benefits will be treated as a new application.
- L. Applications, correspondence, evidence, all hearing requests and other related material must be submitted to the Board at the following address:

Pension Office
City of St. Petersburg
P. O. Box 2842
St. Petersburg, FL 33731

Adopted by the Board of Trustees of the Employees Retirement System in a meeting of the Board held the 11th day of April 2007.

ADDENDUM B – Workers' Compensation Offset

A RESOLUTION BY THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF ST. PETERSBURG, FLORIDA RELATED TO WORKER'S COMPENSATION OFFSET PROVIDED IN THE EMPLOYEES RETIREMENT SYSTEM, SECTION 22-132(h)(1).

WHEREAS, the Board of Trustees of the Employees' Retirement System (Pension Board) recognizes its responsibility to administer the Employees' Retirement System (Plan), and

WHEREAS, the Pension Board sees the need to adopt rules and procedures to assist in the administration of the Plan,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM:

PROCEDURES APPLICATION OF WORKER'S COMPENSATION (WC) OFFSET

1. Upon confirmation of a worker's compensation benefit payable or settlement paid, the Pension Office staff in cooperation with the Worker's Compensation staff will determine if the benefits payable (monthly or lump sum) are on account of the same service-connected disability.
 - A. If the worker's compensation benefits payable are not on account of the same service-connected disability, the Pension Staff will document the retiree's file with a memo and no further action is required.
2. Worker's Compensation Offset calculation when the retiree is receiving a regular worker's compensation benefit payment:
 - A. Obtain the following data:
 1. The date worker's compensation indemnity benefits began or will begin
 2. The worker's compensation average weekly wage
 3. The weekly worker's compensation indemnity benefit payable
 - B. Calculate the monthly offset amount using the following formula:
 1. WC benefit amount at time of retirement or date when WC benefits begin
 2. Plus pension benefit amount on date of retirement or date WC benefits begin
 3. Equals Total Worker's Compensation and Pension Benefit
 4. Less Worker's Compensation Average Wage
 5. Equals Total Offset Amount
 - C. This Total Offset Amount will be deducted from the retiree's monthly pension

benefit payable for the duration of the receipt of WC indemnity payments, until the death of the retiree or the benefit ceases. The offset is computed at the time of retirement or at time of initial worker's compensation payment and is not recalculated due to changes to the retiree's pension benefit (e.g. COLAs) or changes to the worker's compensation benefit (e.g. Supplemental Pay increases).

3. Worker's Compensation Offset calculation when the retiree is receiving a lump sum settlement amount from worker's compensation:

A. Obtain the following data:

1. The date the WC Judge signs the WC settlement (Date of Settlement)
2. The amount of the settlement (Settlement Amount)
 - a. Deduct from the settlement any amounts related to medical payments and attorney fees
3. The worker's compensation average weekly wage
4. The weekly worker's compensation indemnity benefits payable
5. Retiree's date of birth
6. Years for life expectancy obtained by actuary and based on retiree's age on the date of the settlement.

B. Calculate the monthly offset amount using the following formula:

10-Year Offset (Not to Exceed Life Expectancy)

1. Settlement Amount
2. Divided by 10 Years not to exceed Life Expectancy.
3. Divided by 12 months (to convert to monthly amount)
4. Equals monthly value of settlement amount at the time of retirement or at the date of settlement.
5. To that add the monthly pension benefit amount at the time of retirement or at the Date of Settlement.
6. Equals the total monthly settlement amount and the monthly pension benefit
7. Less the worker's compensation average monthly wage.
8. Equals the total monthly offset amount.

Using the 10-Year Offset Provision, the Total Offset Amount will be deducted from the retiree's monthly pension benefit payable until the Settlement Amount is recovered, until the death of the retiree or the benefit ceases. The offset is computed at the time of retirement or at the time of initial worker's compensation payment and is not recalculated due to changes to the retiree's pension benefit (e.g. COLAs) or changes to the worker's compensation benefit (e.g. Supplemental Pay increases).

4. The Board authorizes the Pension staff to calculate the offsets as authorized in this resolution and apply to the pension benefit payment as soon as reasonably possible. Any issues not addressed by this resolution shall be presented to the Board of Trustees for consideration.
5. The Pension staff shall notify the retiree in writing of any offset amount that will be applied to the pension benefit, the effective date of the offset and the estimated number of months to recover the offset, if applicable. The Pension staff shall maintain a record of retirees who are receiving a worker's compensation offset, the amount, the beginning date and the estimated number of months to recover the offset, if applicable.
6. The same procedures above will apply to a beneficiary account provided that the beneficiary receives either a benefit payment from worker's compensation or a settlement amount in which the beneficiary pension benefit payment and the worker's compensation payment are on account of the retiree's same service-connected disability.
7. This resolution shall apply retroactively to May 8, 2002.

Adopted by the Board of Trustees of the Employees' Retirement System on the 12th day of August 2009.

IMPORTANT NOTICE ABOUT BENEFICIARIES

FORMER SPOUSES AS BENEFICIARIES

Florida law section 732.703, as amended July 2012 may affect your City Pension, Group Life, AD&D and Deferred Compensation accounts *if* you were divorced after you made your last beneficiary designation.

(Note: The law also applies to such accounts as privately held life insurance policies, IRAs, and payable on death bank accounts.)

If you are still married to the same spouse as when you completed your beneficiary designations, no need to read further – the new law has no impact on you.

However, the law has an immediate impact on you if ALL the following are true:

- You were divorced *after* you completed your last beneficiary designation; and
- You named your ex-spouse as your beneficiary (i.e. the person who will get your benefits after you die); and
- You did not re-designate your beneficiary (or re-designate your ex-spouse) after you divorced; and
- There is not a court order requiring you to keep your ex-spouse as your beneficiary.

IF you can check all 4 of the boxes above, then *your designation of your ex-spouse as your joint annuitant or beneficiary is no longer valid!*

What this means:

The new law *invalidated* your pre-divorce designation of your ex-spouse. If you die while still employed, benefits cannot and will not be paid to your ex-spouse.

What to do:

If there's a court order from your divorce case requiring you to keep your ex-spouse as your beneficiary, send a certified copy of that order (you can get a certified copy from the clerk of the court that granted your divorce) to the City of St. Petersburg Benefits Division. You will need to do nothing more than that.

If the above four conditions apply to you, and you wish your ex-spouse to remain as your beneficiary, you must re-designate your ex-spouse as the beneficiary.

Check your beneficiary designations by logging on to Oracle Self-Service. If you need to change or make a designation, do so in Oracle Self-Service. You can find instructions on how to change your designations in the 'Oracle Employee Self-Service' guide on the City's Intranet (Intranet/Benefits/Benefits Forms). As always, please seek independent legal and tax counsel.

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