

TAB 7

**Pension Plan Study
General Employee and Police
June 15, 2009**

Problem: Commission asked staff to explore General Employee and Police pension plan changes to reduce the expected City contribution as a % of payroll for the upcoming budget year.

Background: Each year on June 1st, the City receives an actuarial report which outlines the required City contribution as a percent of payroll to keep the pension plan financially sound. At the meeting on June 1st, staff shared the results for the upcoming budget year. The commission was concerned with the large increases and asked staff to explore making plan changes to reduce the costs. Our current Actuary has provided a cost estimate of \$12,000 to complete the study for both the General Employee and Police pension plans. The study would look at plan changes and the financial impact of reducing benefits. A sample list of potential changes has been included for your review. Staff would like to receive input regarding other changes you might want to consider. If you approve of the study, staff will bring the results back to you in 3-4 weeks for discussion. The cost for the study must be paid with City funds not pension funds. Any plan changes must be approved by Commission and the Board of Trustees for each board will be responsible for implementing any changes. A copy of each summary plan is also included for your review.

List of Potential Changes:

1. Determine whether the salary increase assumptions for each pension plan should be cut back (both plans)
2. Eliminate from pensionable compensation the lump sum payment of unused leave (both plans)
3. Eliminate from pensionable compensation all overtime pay for general employees and overtime pay in excess of 300 hours per year for police (Chapter 185 requires inclusion of up to 300 hours in pensionable pay.)
4. Reduce the multiplier for future service to 2.5% for police and 2.0% for general employees (subject to police restrictions).
5. Increase the employee contribution rate (both plans subject to Police restrictions)
6. Raise the normal retirement age for general employees to 62 or to 65 (look at both options)
7. Cost to move to the FRS system

Alternatives:

1. Motion to approve and authorize the Mayor to sign the appropriate engagement letter/contract for an amount not to exceed \$12,000 with Gabriel Roeder Smith to provide a report on potential cost savings associated with pension plan changes for Police and General Employee pension plans.
2. Do not approve the pension plan study.

Recommendation:

Alternative #1 if plan changes are desired.

Budget Impact: Approximately \$12,000. This item is not budgeted but staff will have some suggestions for funding at the meeting.

CITY OF PALMETTO POLICE OFFICERS' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION

February 1, 2007

**CITY OF PALMETTO POLICE OFFICERS' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION**

INTRODUCTION

The Board of Trustees of the City of Palmetto Police Officers' Retirement System is pleased to present this booklet which briefly explains the provisions of your Police Officers' Pension Plan. As a participant in the plan, you are included in a program of benefits to help you meet your financial needs at retirement, or in the event of disability or death.

This booklet can assist you in preparing for your retirement and financial future. If you need further information on any of the topics presented in this booklet, please contact any member of the Board of Trustees. They will either answer questions you might have to help you understand your benefits or otherwise get you an answer to your questions. We urge you to read and understand this booklet in order to become familiar with the benefits of the plan and how they contribute to your financial security and how they will enrich your retirement years.

The information presented is only a summary of the pension plan ("Plan") as provided in the ordinances of the City of Palmetto. If there are any conflicts between the information in this booklet and the ordinances of the City of Palmetto, the ordinances shall govern. The provisions of this Summary Plan Description shall not constitute a contract between the Member and the Board of Trustees. The plan shall be administered in accordance with state and federal law, notwithstanding any provisions in this booklet or ordinances to the contrary. A copy of the ordinance establishing the plan can be obtained from the City Clerk's office, which is located at 516 8th Avenue West, Palmetto, Florida 34220-1209.



Chairman, Board of Trustees, City of Palmetto
Police Officers' Retirement System

1/24/07
Date

1. **BOARD OF TRUSTEES AND PLAN ADMINISTRATION**

A. **Administration.**

(1) The City of Palmetto Police Officers' Retirement System is a defined benefit pension plan administered by a Board of Trustees which acts as the administrator of the plan. The Board consists of 5 Trustees, 2 of whom shall be legal residents of the City who are appointed by the City Commission, 2 of whom are Members of the plan who are elected by a majority of the Police Officers who are Members of the plan and a fifth Trustee who is chosen by a majority of the first 4 Trustees. Each Trustee serves a two year term.

(2) DROP participants can be elected as but not vote for elected Trustees.

B. The names and addresses of the current Trustees are attached to this Summary plan Description as Exhibit "A". The Chairman of the Board is designated as agent for the service of legal process.

2. **ELIGIBILITY FOR PLAN MEMBERSHIP**

Each person employed by the City Police Department as a full-time Police Officer becomes a member of the plan as a condition of his employment. All Police Officers are therefore eligible for plan benefits as provided for in the plan document and by applicable law. The police chief may opt out of the plan within the first three months of employment.

3. **PLAN BENEFITS**

All claims for benefits under the plan shall be made in writing to the Board.

A. **Normal Retirement Eligibility.** You are eligible for retirement upon the attainment of age 55 and the completion of 10 years of credited service or upon the completion of 23 years of credited service, regardless of age.

B. **Amount of Normal Retirement Benefits.** The amount of the normal retirement benefit is based on your credited service and average final compensation:

"Credited Service" is generally your period of employment as a Police Officer in the Police Department measured in years and parts of years. Credited service will include credit for up to five years for a break in employment for military service, pursuant to conditions provided for under state or federal law, provided that you are reemployed within 1 year of discharge under honorable conditions. If you have at least 10 years of credited service, you will also receive credit for up to 4 years of active military service prior to your employment as a Police Officer. Additional credited service time may also be available (See subsection J. below).

"Average Final Compensation" is 1/12 of your average salary of the 5 best years of the last 10 years of credited service prior to your termination, retirement or death or your career average as a full-time Police Officer, whichever is greater. A year is defined as 12 consecutive months.

"Salary" is your total compensation for services rendered to the City as a Police Officer reportable on your W-2 form, including overtime, bonuses and any payment of accrued vacation or sick time, and plus all tax deferred, tax sheltered, or tax exempt items of income derived from elective employee payroll deductions or salary reductions.

The normal retirement benefit is calculated by multiplying 3% percent of average final compensation for each year of credited service, with a maximum of 75% percent of

average final compensation if you were hired after June 7, 1982. ($3\% \times CS \times AFC =$ normal retirement benefit, with a maximum of 75% of AFC if you were hired after June 7, 1982)

Notwithstanding the foregoing, if you have accumulated more than 37-1/2 years of credited service, in no event shall such retirement benefit equal an amount less than 2% for each year of credited service multiplied by your average final compensation.

Normal and early retirement payments will commence on the first day of the month following your last day of employment. The benefit is paid to you for your life, but you or your beneficiary shall receive at least 120 monthly benefit payments in any event.

C. Early Retirement. You are eligible for early retirement upon the attainment of age 50 and the completion of 10 years of credited service.

D. Amount of Early Retirement Benefits. The amount of the early retirement benefit is calculated in the same manner as for normal retirement and is available as follows:

- (1) Beginning on the date on which you would have qualified for normal retirement; or
- (2) Beginning immediately upon retirement, but if beginning immediately, the amount of the monthly benefit is reduced by 3% for each year by which the commencement of benefits precedes the date which would have been your normal retirement date, determined based upon your actual years of credited service.

E. Other Retirement Options. At retirement, certain additional options are available as follows:

- (1) Optional Forms of Retirement. In lieu of the amount and form of retirement income payable under normal and early retirement, you may elect to receive a retirement benefit in a different form so long as the form you elect is of equal actuarial value as the normal benefit. The optional forms of benefits which are available are:
 - (a) A retirement income of a monthly amount payable to you for your lifetime only.
 - (b) A retirement income of a modified monthly amount, payable to you during your lifetime and following your death, 100%, 75%, 66 2/3% or 50% of such monthly amount payable to a joint pensioner for his lifetime.
 - (c) If you retire prior to the time at which social security benefits are payable, you may elect to receive an increased retirement benefit until such time as social security benefits shall be assumed to commence and a reduced benefit thereafter in order to provide, to as great an extent as possible, a more level retirement allowance during the entire period of retirement.
- (2) Deferred Retirement Option Plan (DROP).
 - (a) If you become eligible for normal retirement, and are still employed by the City as a Police Officer, you have the option of "retiring" from the pension plan but continuing your

employment as a Police Officer for an additional five years from the date on which you first become eligible for normal retirement. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the City not later than the maximum permissible DROP participation period provided for in the plan. Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants. You must request, in writing, to enter the DROP.

- (b) Upon entering the DROP, your retirement benefit is immediately calculated and each monthly benefit payment is deposited into your DROP account. You may elect to either have your account credited with interest at the rate of 6-1/2% per annum or credited or debited with an investment return or loss approximately equal to the other assets in the plan. One change in election is permitted.
- (c) At the time of termination of employment at the end of the DROP period, you will receive your account balance in a lump sum and you will also begin receiving your monthly retirement benefit.
- (d) Once you enter the DROP, you are no longer eligible for disability or pre-retirement death benefits, nor do you accrue any additional credited service. Your retirement benefit is fixed as of your entry date. You pay no member contributions to the plan once you enter the DROP.
- (e) Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.
- (f) Additional information about the DROP can be obtained from the Board.

F. Disability Retirement. You are considered disabled when you become totally and permanently unable to perform useful and efficient service as a Police Officer. A written application is made to the Board for a disability pension and the Board receives evidence of the disability and decides whether or not the pension is to be granted. If the pension is granted, the benefit amount shall be:

- (1) If the injury or disease is service connected, your benefit shall be 3% of your average final compensation multiplied by the total years of credited service, actuarially reduced for payment prior to your normal retirement date. In any event, however, the minimum amount paid to you shall be 62% percent of your average final compensation.
- (2) If the injury or disease is not service connected, your benefit shall be
 - (a) If you have 10 or more years of credited service, you shall receive a disability benefit equal to 3% of your average final compensation multiplied by the total years of credited service, actuarially reduced for payment prior to your normal

retirement date. In any event, however, the minimum amount paid shall be 25% of your average final compensation.

- (b) If you have 5 or more years of credited service, you shall receive a disability benefit equal to 3% of your average final compensation multiplied by the total years of credited service, actuarially reduced for payment prior to your normal retirement date. In any event, however the minimum amount paid shall be 20% of your average final compensation.
- (c) If you were hired on or after June 7, 1982, in no event shall disability benefits paid to you exceed 75% of your average final compensation. Notwithstanding the foregoing sentence, if you have accumulated more than 37-1/2 years of credited service, in no event shall such disability benefit equal an amount less than 2% for each year of your credited service multiplied by your average final compensation.

Terminated persons, either vested or non-vested, are not eligible for disability benefits, except that those terminated by the City for medical reasons may apply for a disability benefit within 30 days after termination.

Your disability benefit terminates upon the earlier of death, with 120 payments guaranteed, or recovery. You may, however, select a "life only" or "joint and survivor" optional form of benefit as described above under "Optional Forms of Retirement".

Any condition or impairment of health caused by hypertension or heart disease resulting in death or total and permanent disability is presumed to have been suffered in the line of duty unless the contrary is shown by competent evidence; provided that you have successfully passed a physical examination on entering into service and there is no evidence of the condition at that time.

For conditions diagnosed on or after January 1, 1996, if you suffer a condition or impairment of health that is caused by hepatitis, meningococcal meningitis, or tuberculosis, which results in total and permanent disability, it shall be presumed that the disability is in the line of duty, unless the contrary is shown by competent evidence as provided for in Section 112.181, Florida Statutes, provided that the statutory conditions have been met.

To receive disability benefits, you must establish to the satisfaction of the Board, that such disability was not occasioned primarily by:

- (1) Excessive or habitual use of any drugs, intoxicants or narcotics.
- (2) Injury or disease sustained while willfully and illegally participating in fights, riots or civil insurrections or while committing a crime.
- (3) Injury or disease sustained while serving in any branch of the Armed Forces.
- (4) Injury or disease sustained after your employment as a Police Officer with the City of Palmetto shall have terminated.
- (5) Injury or disease sustained while working for anyone other than the City and arising out of such employment.

As a disabled pensioner, you are subject to periodic medical examinations as directed by the Board to determine whether a disability continues. You may also be required to submit statements from your doctor, at your expense, confirming that your disability continues.

G. Death Before Retirement. If you die prior to retirement from the Police Department, your beneficiary shall receive the following benefit:

- (1) Prior to Vesting or Eligibility for Retirement. If you were not receiving monthly benefits or were not yet vested or eligible for early or normal retirement, your beneficiary shall receive a refund of 100% of your accumulated contributions.
- (2) Deceased Members Vested or Eligible for Retirement. If you die and, at the date of your death were vested or eligible for early or normal retirement, your beneficiary shall be entitled to a benefit as follows:
 - (a) Your beneficiary shall receive a benefit payable for life, beginning on the first day of the month following your death. The benefit shall be equal in value to your accrued benefit on the date of your death.
 - (b) Your beneficiary may, in lieu of the benefit provided for in (a) above, elect to receive a refund of your accumulated contributions.

H. Termination of Employment and Vesting. If your employment is terminated, either voluntarily or involuntarily, the following benefits are payable:

- (1) If you have less than 10 years of credited service upon termination, you shall be entitled to a refund of the money you have contributed or you may leave it deposited with the plan.
- (2) If you have 10 or more years of credited service upon termination, you shall be entitled to a monthly retirement benefit. The benefit shall be determined in the same manner as for normal or early retirement and shall be based upon your credited service, average final compensation and the benefit accrual rate as of the date of termination. The benefit shall be payable to you starting at your otherwise normal or early retirement date, determined based upon your actual years of credited service, provided you do not elect to withdraw your contributions and provided you survive to your otherwise normal or early retirement date. If you do not withdraw your accumulated contributions and do not survive to your otherwise normal or early retirement date, your designated beneficiary shall be entitled to a benefit as provided herein for a deceased member, vested or eligible for retirement under Death Before Retirement.

The Internal Revenue Code provides that certain eligible lump sum distributions from the pension plan may be directly rolled over into qualified individual retirement accounts, annuities or certain other pension plans. A 20% withholding shall be required on taxable portions of such lump sum distributions not directly transferred to a new custodian.

I. Reemployment After Retirement. If you retire under normal or early retirement and wish to be reemployed by the city, you should be aware that your ability to continue to receive your pension benefit upon reemployment may be restricted.

J. Additional Credited Service. In addition to credited service actually earned in the employment of the Police Department, you may also receive credited service as follows:

- (1) "Buy-Back" for Prior Police Service. The years or fractional parts of years that you previously served as a full-time Police Officer with the

City of Palmetto during a period of previous employment and for which period accumulated contributions were withdrawn from the plan shall be added to your years of credited service provided that within the first 90 days of your reemployment you pay into the plan the withdrawn contributions with interest.

If, after 90 days from your reemployment you have failed to purchase credited service pursuant to the previous paragraph or if you served as a full-time paid Police Officer for any other municipal, county or state law enforcement agency in the United States, you will receive credited service only if:

- (a) You contribute to the plan a sum equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the plan for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) amounts actuarially determined such that the crediting of service does not result in any cost to the plan, plus
 - (iii) payment of costs for all professional services rendered to the Board in connection with the purchase of years of credited service.
 - (b) Multiple requests to purchase credited service may be made at any time prior to retirement.
 - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
 - (d) There shall be no maximum purchase of credited service under this subsection for service other than with the City of Palmetto and such credit shall count for all purposes, except vesting and eligibility for not-in-line of duty disability benefits. There shall be no maximum purchase of credit for prior service with the City of Palmetto and such credit shall count for all purposes, including vesting.
 - (e) In no event, however, may credited service be purchased pursuant to this subsection for prior service with any other municipal, county or state law enforcement department, if such prior service forms or will form the basis of a retirement benefit or pension from a different employer's retirement system or plan.
- (2) "Buy-Back" for Military Service Prior to Employment. The years or fractional parts of years that you serve or have served on active duty in the military service of the Armed Forces of the United States, the United States Merchant Marine or the United States Coast Guard, voluntarily or involuntarily and honorably or under honorable conditions, prior to first and initial employment with the City Police

Department shall be added to your years of credited service provided that:

- (a) If you have at least 10 years of credited service, you shall receive credit for up to 4 years of prior military service at no cost to you.
 - (b) You must contribute to the plan a sum equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the plan for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) amounts actuarially determined such that the crediting of service does not result in any cost to the plan, plus
 - (iii) payment of costs for all professional services rendered to the Board in connection with the purchase of years of credited service.
 - (c) Multiple requests to purchase credited service may be made at any time prior to retirement.
 - (d) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
 - (e) There shall be no maximum purchase of credited service under this subsection and credited service purchased pursuant to this subsection shall count for all purposes except vesting and eligibility for not-in-line of duty disability benefits.
- (3) Rollovers or Transfers of Funds to Purchase Service. In the event you are eligible to purchase additional credited service as provided above, you may be eligible to rollover or transfer funds from another retirement program in which you participate (traditional IRA, deferred compensation plan maintained by a government employer 457 plan, 401k plan, profit sharing plan, defined benefit plan, money purchase plan, annuity plan or tax sheltered annuity) in order to pay all or part of the cost of purchasing such additional credited service.

K. Contributions and Funding. The City is paying the portion of the cost of the pension plan over and above your contributions and any amounts received from the state insurance rebates. You contribute 5% of your salary to the plan. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits. Your contributions are guaranteed refundable in any event.

L. Minimum Benefits. In no event will the benefits paid from this plan be any less than your contributions.

M. Maximum Benefits. In no event will the annual benefits paid from this plan exceed \$160,000 annually, subject to certain cost of living adjustments and actuarial reductions, under certain circumstances, prior to age 62 as set forth in Section 415 of the Internal Revenue Code.

If you began participation for the first time on and after January 1, 1980, you cannot receive a benefit in excess of 100% of your average final compensation.

N. Forfeiture of Pension. If you are convicted of the certain crimes listed in the plan document committed prior to retirement, or if your employment is terminated by reason of your admitted commission, aid or abetment of these crimes, you shall forfeit all rights and benefits under the plan, except for the return of your contributions as of the date of your termination.

O. Conviction and Forfeiture; False, Misleading or Fraudulent Statements.

It is unlawful for you to willfully and knowingly make, or cause to be made, or to assist, conspire with, or urge another to make, or cause to be made, any false, fraudulent, or misleading oral or written statement or withhold or conceal material information to obtain any benefit from the plan.

If you violate the previous paragraph, you commit a misdemeanor of the first degree, punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

In addition to any applicable criminal penalty, upon conviction for a violation described above, you or your beneficiary may, in the discretion of the Board, be required to forfeit the right to receive any or all benefits to which you would otherwise be entitled under the plan. For purposes of this subsection, "conviction" means a determination of guilt that is the result of a plea or trial, regardless of whether adjudication is withheld.

P. Claims Procedure Before the Board. You may request, in writing, that the Board review any claim for benefits under the plan. The Board will review the case and enter a decision as it deems proper within not more than 180 days from the date of the receipt of such written request, or in the case of a disability claim, from receipt of a medical release and completed interrogatories. The time period may be extended if you agree to the extension.

The Board's decision on your claim will be contained in an order which will be in writing and will include:

- (1) The specific reasons for the Board's action;
- (2) A description of any additional information that the Board feels is necessary for you to perfect your claim;
- (3) An explanation of the review procedure next open to you which includes a formal evidentiary hearing.

4. NON-FORFEITURE OF PENSION BENEFITS

A. Liquidation of Pension Fund Assets. In the event of repeal, or if contributions to the plan are discontinued by the City, there will be a full vesting of benefits accrued to date of repeal.

B. Interest of Members in Pension Fund. At no time prior to the satisfaction of all liabilities under the plan shall any assets of the plan be used for any purpose other than for the Police Officers' exclusive benefit. In any event, your contributions to the plan are non-forfeitable.

5. **VESTING OF BENEFITS**

Your retirement benefits are vested after 10 years of credited service.

6. **APPLICABLE LAW**

The plan is governed by certain federal, state and local laws, including, but not limited to the following:

- A. Internal Revenue Code and amendments thereto.
- B. Chapter 185, Florida Statutes, "Municipal Police Officers' Retirement Trust Funds".
- C. Part VIII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".
- D. Ordinances of the City of Palmetto.
- E. Administrative rules and regulations adopted by the Board of Trustees.

7. **PLAN YEAR AND PLAN RECORDS**

The plan year begins on October 1 of each year and ends on September 30 of the following year. All records of the plan are maintained on the basis of the plan year.

8. **APPLICABLE PROVISIONS OF COLLECTIVE BARGAINING AGREEMENTS**

There is no collective bargaining agreement between the Police Officers and the City.

9. **FINANCIAL AND ACTUARIAL INFORMATION**

A report of pertinent financial and actuarial information on the solvency and actuarial soundness of the plan has been prepared by the Pension Plan's actuary, Gabriel, Roeder, Smith & Company, and is attached as Exhibit "B".

10. **DIVORCE OR DISSOLUTION OF MARRIAGE**

Federal and state law provides certain restrictions regarding the payment of your pension benefits in the event of your divorce or dissolution of marriage. Immediately upon your involvement in such a legal proceeding, you should provide a member of the Board or the Deputy City Clerk/ Administration with the name and address of your attorney or your name and address if you have no attorney. The Board's attorney will then provide you or your attorney with information concerning the legal restrictions regarding your pension benefits.

IS YOUR BENEFICIARY FORM CURRENT? IN THE EVENT YOU DIE, YOUR BENEFIT OR CONTRIBUTIONS WILL BE DISTRIBUTED TO THE PERSON OR PERSONS DESIGNATED BY NAME ON THE BENEFICIARY FORM ON FILE WITH THE PENSION PLAN. NO PROVISION IN YOUR LAST WILL AND TESTAMENT WILL CHANGE THIS SELECTION. PLEASE BE SURE THAT YOUR BENEFICIARY FORM DESIGNATES THE PERSON OR PERSONS YOU INTEND TO RECEIVE YOUR BENEFITS AND THAT YOU REVIEW THIS CHOICE IN THE EVENT OF A MAJOR LIFE CHANGE SUCH AS A DIVORCE OR THE DEATH OF YOUR BENEFICIARY.

EXHIBIT "A"

BOARD OF TRUSTEES

The names and addresses of the members of the Board of Trustees are:

Chairman: Eric Ball
City of Palmetto
Post Office Box 1209
Palmetto, Florida 34220-1209

Secretary: Scott Tyler
City of Palmetto
Post Office Box 1209
Palmetto, Florida 34220-1209

Member: Kevin Kinney
3505 105th Street E.
Palmetto, Florida 34221

Member: Gerald White
700 8th Avenue W.
Palmetto, FL 34221

Member: Rex Hannaford
City of Palmetto
Post Office Box 1209
Palmetto, Florida 34220-1209

EXHIBIT B

(1)

PERTINENT ACTUARIAL INFORMATION		
	As of October 1st	
	2005	2004
Number of Members of the Plan		
Active Employees	30	29
Those Receiving or Due to Receive Benefits	23	23
Annual Payroll of Active Members	\$ 1,451,838	\$1,388,563
Annual Rate of Benefits in Pay Status	326,048	336,780
Actuarial Accrued Liability*	6,632,436	6,274,444
Actuarial Value of Assets*	6,787,412	6,354,625
Unfunded Accrued Liability (Credit)*	(154,976)	(80,181)
Required Contribution to be Made to the Plan Over and Above Contributions by Members of the Plan	167,449	192,788
Required Contribution as % of Payroll of Active Members	11.09%	13.35%
Required Contribution to be Paid During Year Ending	9/30/2007	9/30/2006

* Per Statement No. 25 of the Government Accounting Standards Board.

EXHIBIT B

(2)

PENSION FUND INCOME AND DISBURSEMENTS		
	Year Ending 9/30/2005	Year Ending 9/30/2004
Market Value at Beginning of Period	\$ 5,906,543	\$ 5,571,445
Income		
Member Contributions	65,972	66,584
State Contributions	108,732	103,045
Employer Contributions	122,710	115,767
Other Contributions	-	-
Investment Earnings		
Interest & Dividends	41,615	140,227
Realized & Unrealized Gain (Loss)	631,605	271,439
Total	673,220	411,666
Other Income	-	42,045
Total Income	970,634	739,107
Disbursements		
Monthly Benefit Payments	323,297	327,282
DROP Distributions	-	-
Lump Sum Distributions	-	-
Refund of Contributions	16,880	27,638
Investment Related Expenses	31,948	30,150
Other Administrative Expenses	21,945	18,939
Insurance Premiums	-	-
Other Expenses	-	-
Total Disbursements	394,070	404,009
Net Increase During Period	576,564	335,098
Market Value at End of Period	6,483,107	5,906,543
Less: DROP Account Balance	-	-
Less: State Contribution Reserve	158,274	109,102
Final Market Value	6,324,833	5,797,441

**CITY OF PALMETTO GENERAL EMPLOYEES' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION**

March 1, 2009

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**CITY OF PALMETTO GENERAL EMPLOYEES' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION**

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Chairman, Board of Trustees, City of Palmetto
General Employees' Retirement System

March 2, 2009
Date

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A. **Administration.**

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B. The names and addresses of the current Trustees are attached to this Summary Plan Description as Exhibit "A". The Chairman of the Board of Trustees is designated as agent for the service of legal process.

2. **ELIGIBILITY FOR PLAN MEMBERSHIP**

A. Each person employed by the City as a full-time General Employee becomes a member of the plan as a condition of his employment. All General Employees are therefore eligible for all plan benefits, as provided for in the plan document and by applicable law, except those who previously opted-out of the plan.

B. Notwithstanding A. above, any future city clerk, director of public works and chief of police may, in the event he has elected to participate in another pension program within the first 12 months of his employment as city clerk, director of public works and chief of police (if he is eligible to be in this plan), notify the board and the city, in writing, of his election to not be a member of the plan. In the event of any such election, the board shall refund from the plan, the full amount, without interest, withheld from the member's salary and deposited in the plan and he shall be barred from future membership in the plan.

3. **PLAN BENEFITS**

All claims for benefits under the plan shall be made in writing to the Board of Trustees.

A. **Normal Retirement Eligibility.** You are eligible for retirement upon the attainment of age 60 and the completion of 5 years of credited service if you were a member on December 31, 1994, or upon the attainment of age 60 and the completion of 10 years of credited service if you became a member on or after January 1, 1995, or upon the completion of 30 years of credited service, regardless of age.

B. **Amount of Normal Retirement Benefits.** The amount of the normal retirement benefit is based on your credited service and average final compensation:

"Credited Service" is generally your period of employment as a General Employee with the City measured in years and parts of years. Credited service will include a break in employment for military service, pursuant to conditions that are required or permitted under state or federal law, as amended from time to time, provided that you are reemployed within 1 year of discharge under honorable conditions. Additional credited service time may also be available (See subsection J. below).

In the event you have also accumulated credited service in the Police Officers' Retirement System maintained by the City, then such other credited service shall only be used in determining vesting and eligibility for early or normal retirement, not for determining benefits.

"Average Final Compensation" is 1/12 of your average salary of the 5 best years of the last 10 years of credited service prior to your termination, retirement or death, or your career average as a full-time General Employee, whichever is greater. A year is defined as 12 consecutive months.

"Salary" is your total compensation for services rendered to the City as a General Employee reportable on your W-2 form including lump sum payments of unused sick leave and vacation time, plus all tax deferred, tax sheltered or tax exempt items of income derived from elective employee payroll deductions or salary reductions.

Your normal retirement benefit is calculated by multiplying 2.5% times years of credited service times your average final compensation: $(2.5\% \times CS \times AFC = \text{normal retirement benefit})$.

Normal and early retirement payments will commence on the first day of the month following your last day of employment. Early retirees may defer the commencement of benefits. The benefit is paid to you for your life, ceasing upon death.

C. Early Retirement. You are eligible for early retirement upon the attainment of age 55 and the completion of 5 years of credited service if you were a member on December 31, 1994, or upon the attainment of age 55 and the completion of 10 years of credited service if you became a member on or after January 1, 1995.

D. Amount of Early Retirement Benefits. The amount of the early retirement benefit is calculated in the same manner as for normal retirement and is available as follows:

- (1) Beginning on the date on which you would have qualified for normal retirement; or
- (2) Beginning immediately upon retirement, but if beginning immediately, the amount of the monthly benefit is reduced by .25 percent (.25%) for each month by which the commencement of benefits precedes the date which would have been your normal retirement date had you continued employment as a General Employee.

E. Other Retirement Options. At retirement, certain additional options are available as follows:

- (1) Optional Forms of Retirement. In lieu of the amount and form of retirement income payable under normal and early retirement, you may elect to receive a retirement benefit in a different form so long as the form you elect is of equal actuarial value as the normal benefit. The optional forms of benefits which are available are:
 - (a) A retirement income of a monthly amount payable to you for your lifetime only, ceasing upon death, but with 120 payments guaranteed in any event.
 - (b) A retirement income of a modified monthly amount, payable to you during your lifetime and following your death, 100%, 75%, 66 2/3% or 50% of such monthly amount payable to a joint pensioner for his lifetime.

- (c) If you retire prior to the time at which social security benefits are payable, you may elect to receive an increased retirement benefit until such time as social security benefits shall be assumed to commence and a reduced benefit thereafter in order to provide, to as great an extent as possible, a more level retirement allowance during your entire period of Retirement.
 - (d) **If you do not participate in the DROP, you may also elect to receive an initial lump sum payment equal to 10%, 15%, 20% or 25% of your accrued benefit with the remaining 90% 85%, 80% or 75%, respectively, payable in a form selected by you and provided for in (a), (b) or (c) above or in the normal form (10 years certain and life).**
- (2) Deferred Retirement Option Plan (DROP).
- (a) If you become eligible for normal retirement, and are still employed by the City as a General Employee, you have the option of "retiring" from the pension plan but continuing your employment as a General Employee for an additional 5 years from the date you first become eligible for normal retirement. An election to participate in the DROP constitutes an irrevocable election to resign from the service of the City not later than 5 years from the date you first became eligible for normal retirement. You must request, in writing, to enter the DROP.
 - (b) Upon entering the DROP, your retirement benefit is immediately calculated and each monthly benefit payment is deposited into your DROP account. You may elect to either have your account credited with interest at the rate of 6-1/2% per annum or credited or debited with an investment return or loss equal to the net investment return realized by the system for that quarter. One change in election is permitted.
 - (c) At the time of termination of employment at the end of the DROP period, you will receive your account balance in a lump sum and you will also begin receiving your monthly retirement benefit.
 - (d) Once you enter the DROP, you are no longer eligible for disability or pre-retirement death benefits, nor do you accrue any additional credited service. Your retirement benefit is fixed as of your entry date. You pay no member contributions to the plan once you enter the DROP.
 - (e) Participation in the DROP is not a guarantee of employment and DROP participants shall be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.
 - (f) Additional information about the DROP can be obtained from the Board.

F. Disability Retirement. You are considered disabled when you become totally and permanently disabled to the extent that you are unable, by reason of a medically determinable physical or mental impairment to perform the duties you were assigned at the time of the impairment and unable to perform the duties of another position or job which the City makes available to you in a similar classification and rank and unable to perform other gainful employment with another employer for which you are qualified by reason of your training, education or experience.

You are eligible to apply for this benefit if you were a member on December 31, 1994 and have 5 or more years of credited service, or if you became a member on or after January 1, 1995 and have 10 or more years of credited service. Terminated persons, either vested or non-vested, are not eligible for disability benefits, except that those terminated by the City for medical reasons may apply for a disability benefit within 30 days after termination.

A written application is made to the Board of Trustees for a disability pension and the Board of Trustees receives evidence of the disability and decides whether or not the pension is to be granted. If the pension is granted, the benefit amount shall be 2.5% of your average final compensation multiplied by your total years of credited service, payable for life.

Your disability benefit terminates upon the earlier of death or recovery. You may, however, select a "ten year certain and life" or "joint and survivor" optional form of benefit as described above under "Optional Forms of Retirement"

Your benefit will be reduced if you receive worker's compensation benefits and your combined benefit exceeds 100% of your final salary. The pension benefit will be reduced so that the total does not exceed 100%.

To receive disability benefits, you must establish to the satisfaction of the Board, that such disability was not occasioned primarily by:

- (1) Excessive or habitual use of any drugs, intoxicants or alcohol.
- (2) Injury or disease sustained while willfully and illegally participating in fights, riots or civil insurrections.
- (3) Injury or disease sustained while committing a crime.
- (4) Injury or disease sustained while serving in any branch of the Armed Forces.
- (5) Injury or disease sustained after your employment as a General Employee with the City of Palmetto shall have terminated.
- (6) Willful, wanton or intentional misconduct or gross negligence.
- (7) Injury or disease sustained while working for anyone other than the City and arising out of such employment.
- (8) A condition pre-existing your membership in the plan.

As a disabled pensioner, you are subject to periodic medical examinations as directed by the Board to determine whether a disability continues. You may also be required to submit statements from your doctor, at your expense, confirming that your disability continues.

G. Death Before Retirement. If you die prior to retirement from the City, your beneficiary shall receive the following benefit:

- (1) Prior to Vesting or Eligibility for Retirement. If you die, and you were not receiving monthly benefits or were not yet vested or eligible for early or normal retirement, your beneficiary shall receive a refund of 100% of your accumulated contributions, with interest as applicable.
- (2) Deceased Members Vested or Eligible for Retirement with Spouse as Beneficiary. If you die, and at the date of your death were vested or eligible for early or normal retirement, your spouse beneficiary shall be entitled to a benefit as follows:
 - (a) If you were vested, but not eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, beginning on the date that you would have been eligible for early or normal retirement, at the option of your spouse beneficiary. The benefit shall be calculated as for normal retirement based on your credited service and average final compensation as of the date of your death and reduced as for early retirement, if applicable. Your spouse beneficiary may also elect to receive an immediate benefit, payable for 10 years, which is actuarially reduced to reflect the commencement of benefits prior to your early retirement date.
 - (b) If you were eligible for normal or early retirement, your spouse beneficiary shall receive a benefit payable for 10 years, beginning on the first day of the month following your death or at your otherwise normal or early retirement date, at the option of your spouse beneficiary. The benefit shall be calculated as for normal retirement based on your credited service and average final compensation as of the date of your death and reduced as for early retirement, if applicable.
 - (c) Your spouse beneficiary may not elect an optional form of benefit, however, the Board may elect to make a lump sum payment.
 - (d) If you became a member after October 1, 1996, your spouse beneficiary may, in lieu of any benefit provided for in (a) or (b) above, elect to receive a refund of your accumulated contributions.
 - (e) If you became a member on or before October 1, 1996, your spouse beneficiary may, in lieu of any benefit provided for in (a) or (b) above, elect to receive a lump sum benefit calculated as set forth in paragraph H., subparagraph (2), below.
 - (f) If your spouse beneficiary commences receiving a benefit under (a) or (b) above, but dies before all payments are made, the remaining benefit shall be paid to the estate of the spouse beneficiary.

- (3) Deceased Members Vested or Eligible for Retirement with Non-Spouse Beneficiary. If your beneficiary is not your spouse, the benefits payable to your non-spouse beneficiary are the same as those to a spouse beneficiary, however, the date of commencement of those benefits may be required to be earlier, with the resulting reduction in the amount.

H. Termination of Employment and Vesting. If your employment is terminated, either voluntarily or involuntarily, the following benefits are payable:

- (1) If you have less than 5 years of credited service upon termination, if you were a member on December 31, 1994, or less than 10 years of credited service upon termination, if you became a member on or after January 1, 1995, you shall be entitled to a refund of your accumulated contributions, with interest as applicable, or you may leave it deposited with the plan.
- (2) IF YOU BECAME A MEMBER ON OR BEFORE OCTOBER 1, 1996: If you were a member on December 31, 1994 and you have 5 years of Credited Service upon termination, or if you became a member on or after January 1, 1995 and you have 10 or more years of credited service upon termination, you shall be entitled to either:
 - (a) A monthly retirement benefit, determined in the same manner as for normal or early retirement and based upon your credited service, average final compensation and the benefit accrual rate as of the date of termination, payable to you commencing at your otherwise normal or early retirement date, provided you do not elect to withdraw your accumulated contributions and provided you survive to your otherwise normal or early retirement date. If you do not withdraw your accumulated contributions and do not survive to your otherwise normal or early retirement date, your designated beneficiary shall be entitled to a benefit as provided herein for a deceased Member, vested or eligible for Retirement under Death Before Retirement; or
 - (b) A lump sum benefit equal to the greater of (i) or (ii), where,
 - (i) Is 5 times your accrued annual benefit determined as of your termination date, and
 - (ii) Is the actuarially equivalent lump sum value of your accrued benefit at your termination date.
- (3) IF YOU BECAME A MEMBER AFTER OCTOBER 1, 1996: If you have 10 or more years of credited service upon termination, you shall be entitled to a monthly retirement benefit, determined in the same manner as for normal or early retirement and based upon your credited service, average final compensation and the benefit accrual rate as of the date of termination, payable to you commencing at your otherwise normal or early retirement date, determined as if you had remained employed, provided you do not elect to withdraw your accumulated contributions and provided you survive to your otherwise normal or early retirement date. If you do not withdraw

your accumulated contributions and do not survive to your otherwise normal or early retirement date, your designated beneficiary shall be entitled to a benefit as provided herein for a deceased Member, vested or eligible for Retirement under Death Before Retirement.

- (4) If you are a vested terminated person entitled to a benefit under subsections (1), (2) or (3) above, and are subsequently reemployed by the City prior to receipt of such benefit, such benefit shall not be payable and you shall thereafter be entitled to benefits determined under the applicable provisions of the plan, based on credited service earned both before and after your date of re-employment. (See Section 27 of the pension plan)
- (5) If you are a terminated person and you receive a payment pursuant to subsections (1), (2) or (3) above and are subsequently reemployed by the City, your prior credited service shall be reinstated only if you repay to the plan the amount of your entire prior distribution, with interest at 5% per annum, compounded annually from date of distribution to date of repayment.

The Internal Revenue Code provides that certain eligible lump sum distributions from the pension plan may be directly rolled over into qualified individual retirement accounts, annuities or certain other pension plans. A 20% withholding shall be required on taxable portions of such lump sum distributions not directly transferred to a new custodian.

I. Reemployment After Retirement. If you retire under normal or early retirement and wish to be reemployed by the city, you should be aware that your ability to continue to receive your pension benefit upon reemployment may be restricted.

J. Additional Credited Service. In addition to credited service actually earned in the employment of the City, you may also receive credited service as follows:

- (1) "Buy-Back" for Family and Medical Leave Act. If you are absent on unpaid leave under the Family & Medical Leave Act, you may purchase lost credited service by making an actuarially determined contribution to the plan, such that there is no cost to the plan in allowing such credited service, within strict time periods provided for in the plan document.
- (2) "Buy-Back" for Military Service Prior to Employment. The time that you serve or have served on active duty in the active military service of the Armed Forces of the United States, the United States Coast Guard or the United States Merchant Marine, voluntarily or involuntarily, honorably or under honorable conditions, prior to first and initial employment with the City shall be added to your years of Credited Service provided that:
 - (a) You contribute to the plan a sum of money equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the plan for the years or fractional parts of years for which you are requesting credit, plus

- (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the plan in giving you the additional years of credited service, plus
 - (iii) the amount charged by the actuary for determining the amount you must contribute.
 - (b) Multiple requests to purchase credited service may be made at any time prior to retirement.
 - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.
 - (d) The maximum credit under this subsection shall be 2 years.
 - (e) Credited service purchased pursuant to this subsection shall not count toward vesting or eligibility for disability benefits.
- (3) "Buy-Back" for Prior Government Service. The years or fractional parts of years that you were previously a member but terminated employment and were not otherwise entitled to credited service for such previous period of employment as a general employee (See also paragraph H.5. above) or if you previously served as an employee for any governmental agency in the United States, including but not limited to federal, state or local government service and for which you do not otherwise qualify for and receive credit under this plan, shall be added to your years of credited service provided that:
- (a) You contribute to the plan a sum equal to:
 - (i) the amount that you would have contributed to the plan, based on your salary and the member contribution rate in effect at the time that the credited service is requested, had you been a member of the plan for the years or fractional parts of years for which you are requesting credit, plus
 - (ii) an additional amount to be determined by the Board's actuary so that there is no cost to the plan in giving you the additional years of credited service, plus
 - (iii) the amount charged by the actuary for determining the amount you must contribute.
 - (b) Multiple requests to purchase credited service may be made at any time prior to retirement.
 - (c) Payment of the required amount shall be made within 6 months of your request for credit, but not later than your retirement date, and shall be made in one lump sum payment upon receipt of which credited service shall be given.

- (d) There shall be no maximum purchase of credited service pursuant to this subsection and credited service purchased shall count for all purposes including vesting, except that credited service purchased for prior government service other than with the City of Palmetto shall not count toward vesting or eligibility for disability benefits.
 - (e) In no event, however, may credited service be purchased pursuant to this subsection for prior service with any other governmental agency, if such prior service forms or will form the basis of a retirement benefit or pension from a different employer's retirement system or plan.
- (4) Rollovers or Transfers of Funds to Purchase Service. In the event you are eligible to purchase additional credited service as provided above, you may be eligible to rollover or transfer funds from another retirement program in which you participate (traditional IRA, deferred compensation plan maintained by a government employer (457 plan), 401k plan, profit sharing plan, defined benefit plan, money purchase plan, annuity plan or tax sheltered annuity) in order to pay all or part of the cost of purchasing such additional credited service.

K. Contributions and Funding. The City is paying the portion of the cost of the pension plan over and above your contributions. You contribute 5% of your salary to the plan. Your contribution will be excluded from your gross income for withholding purposes so you will realize income tax benefits.

L. Maximum Benefits. In no event will the annual benefits paid from this plan exceed \$185,000.00 annually, subject to certain cost of living adjustments and actuarial reductions for retirement prior to age 62 as set forth in Section 415 of the Internal Revenue Code.

If you began participation for the first time on and after January 1, 1980, you cannot receive a benefit in excess of 100% of your average final compensation.

M. Forfeiture of Pension. If you are convicted of the certain crimes listed in the plan committed prior to retirement, or if your employment is terminated by reason of your admitted commission, aid or abetment of these crimes, you shall forfeit all rights and benefits under the plan, except for the return of your contributions as of the date of your termination.

N. Claims Procedure Before the Board. You may request, in writing, that the Board review any claim for benefits under the plan. The Board will review the case and enter a decision as it deems proper within not more than 180 days from the date of the receipt of such written request, or in the case of a disability claim, from receipt of a medical release and completed interrogatories. The time period may be extended if you agree to the extension.

The Board's decision on your claim will be contained in an order which will be in writing and will include:

- (1) The specific reasons for the Board's action;
- (2) A description of any additional information that the Board feels is necessary for you to perfect your claim;
- (3) An explanation of the review procedure next open to you which includes a formal evidentiary hearing.

O. Dissolution of Marriage (Divorce). Federal and state law provides certain restrictions regarding the payment of your pension benefits in the event of your divorce or dissolution of marriage. If you are involved in a Dissolution of Marriage or Divorce action, you should contact the Deputy City Clerk/ Administration and provide her with the name, address and telephone number of your attorney so that the Board can provide your attorney with specific information regarding the Court's authority to enter Orders regarding your interest in the pension plan.

4. **NON-FORFEITURE OF PENSION BENEFITS**

A. Liquidation of Pension Fund Assets. In the event of repeal, or if contributions to the plan are discontinued by the City, there will be a full vesting of benefits accrued to date of repeal.

B. Interest of Members in Pension Fund. At no time prior to the satisfaction of all liabilities under the plan shall any assets of the plan be used for any purpose other than for the General Employees' exclusive benefit. In any event, your contributions to the plan are non-forfeitable.

5. **VESTING OF BENEFITS**

Your retirement benefits are fully vested after 5 years of credited service if you were a member on December 31, 1994. Your retirement benefits are fully vested after 10 years of credited service if you became a member on or after January 1, 1995.

6. **APPLICABLE LAW**

The plan is governed by certain federal, state and local laws, including, but not limited to the following:

- A. Internal Revenue Code and amendments thereto.
- B. Part VIII, Chapter 112, Florida Statutes, "Actuarial Soundness of Retirement Systems".
- C. Ordinances of the City of Palmetto.
- D. Administrative rules and regulations adopted by the Board of Trustees.

7. **PLAN YEAR AND PLAN RECORDS**

The plan year begins on October 1 of each year and ends on September 30 of the following year. All records of the plan are maintained on the basis of the plan year.

8. **APPLICABLE PROVISIONS OF COLLECTIVE BARGAINING AGREEMENTS**

There is no collective bargaining agreement between the General Employees and the City.

9. **FINANCIAL AND ACTUARIAL INFORMATION**

A report of pertinent financial and actuarial information on the solvency and actuarial soundness of the plan has been prepared by the Pension Plan's actuary, Gabriel, Roeder, Smith & Company, and is attached as Exhibit "B".

EXHIBIT "A"

BOARD OF TRUSTEES

The names and addresses of the members of the Board of Trustees are:

Chairman: Ray Dielman
516 8th Avenue West
Palmetto, Florida 34221

Vice-
Chairman: Jim Freeman
516 8th Avenue West
Palmetto, Florida 34221

Secretary: Tanya Lukowiak
516 8th Avenue West
Palmetto, Florida 34221

Member: James Terry
516 8th Avenue West
Palmetto, Florida 34221

Member: Ellen Leonard
516 8th Avenue West
Palmetto, Florida 34221

Member: Allen Tusing
516 8th Avenue West
Palmetto, Florida 34221

Member: Gracie Johnson
516 8th Avenue West
Palmetto, Florida 34221

EXHIBIT B
GENERAL EMPLOYEES' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION
MARCH 1, 2009

PENSION FUND INCOME AND DISBURSEMENTS		
	Year Ending 9/30/2007	Year Ending 9/30/2006
Market Value at Beginning of Period	\$ 7,267,224	\$ 6,726,336
Income		
Member Contributions	181,965	161,167
Employer Contributions	397,559	397,805
Other Contributions	-	-
Investment Earnings		
Interest & Dividends	205,783	177,301
Realized & Unrealized Gain (Loss)	726,667	306,574
Total	932,450	483,875
Other Income	-	-
Total Income	<u>1,511,974</u>	<u>1,042,847</u>
Disbursements		
Monthly Benefit Payments	396,551	380,217
DROP Distributions	66,672	-
Lump Sum Payments	-	-
Refund of Contributions	67,560	30,687
Investment Related Expenses	70,720	62,340
Other Administrative Expenses	36,131	28,715
Insurance Premiums	-	-
Other Expenses	-	-
Total Disbursements	<u>637,634</u>	<u>501,959</u>
Net Increase During Period	874,340	540,888
Market Value at End of Period	8,141,564	7,267,224
Less: DROP Account Balance	86,303	61,882
Final Market Value	8,055,261	7,205,342

EXHIBIT B
GENERAL EMPLOYEES' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION
MARCH 1, 2009

PERTINENT ACTUARIAL INFORMATION		
	As of October 1st	
	2007	2006
Number of Members of the Plan		
Active Employees	93	86
Those Receiving or Due to Receive Benefits	43	43
Annual Payroll of Active Members	\$ 3,707,079	\$ 3,161,376
Annual Rate of Benefits in Pay Status	490,898	493,479
Actuarial Accrued Liability	11,176,288	8,894,866
Net Assets Available for Benefits (Actuarial Value)	8,107,177	7,545,546
Unfunded Actuarial Accrued Liability	3,069,111	1,349,320
Required Contribution to be Made to the Plan Over and Above Contributions by Members of the Plan	639,605	495,147
Required Contribution as % of Payroll of Active Members	16.59%	15.06%
Required Contribution to be Paid During Year Ending	9/30/09	9/30/08