



Defined Benefit Pension Plan

Summary of Plan Provisions

As an employee of this jurisdiction, you may have the opportunity to be covered by the Association County Commissioners of Georgia Defined Benefit Pension Plan offered through your employer. Please read the following information carefully to better understand the benefits of this retirement plan.

What is a Defined Benefit Plan?

A Defined Benefit Plan is the most popular type of primary plan offered by local governments in Georgia. It is considered the most traditional type of retirement plan, and may be used alone or in conjunction with other types of plans and Social Security to provide income for participants at retirement.

This type of plan is called a "Defined Benefit" Plan because the retirement benefits you will receive during retirement are set, or "defined" by the terms of the plan. Typically, the benefit amount is based on a formula that takes into account your salary and years of service in the organization. The plan provides a fixed monthly benefit payment for life, or you may choose from several other payment options that will determine the amount of your monthly benefit. Based on the payment options offered and selected, payments may also extend to your beneficiary after your death. Depending on the provisions of the Defined Benefit Plan under which you are covered, you may receive retirement benefits equal to 25% to 60% of your final, pre-retirement earnings.

In conjunction with a Defined Benefit Plan, your employer may also provide a secondary or supplemental retirement savings plan. Commonly referred to as a Deferred Compensation Plan, or 457(b) Plan, employees may contribute a portion of their pay, before taxes are deducted, into an individual investment account controlled by the employee. It is designed to provide another retirement savings avenue. If you take advantage of your Deferred Compensation Plan, you can often increase your retirement income by an amount equal to 5% to 25% of your final pre-retirement earnings.

Of course, with these opportunities to save for your retirement also comes responsibility. You are strongly encouraged to take full advantage of available retirement plans provided by your employer. It may mean the difference between a comfortable retirement and a meager one for you and your family.

Defined Benefit Plan Highlights

- Benefits in addition to Social Security
- Lifetime monthly benefits
- Optional types of benefit payments for more effective retirement planning
- Can be used in conjunction with retirement savings plans
- Death benefits may be available



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When can I become a participant in the Plan?

Eligible Employees with a date of hire on or after February 1, 2011, are eligible for the following Plan benefits. You become a Participant in the Plan on January 1st following 3 years of Service.

When am I vested – and when can I retire with full benefits?

If you have completed 5 years of Vesting Service when you terminate employment from the County, you are entitled to your full benefit from the Plan payable at Normal Retirement – you are 100% vested.

Your Normal Retirement Date is the date on which you are eligible to retire and receive your full benefit as provided by the Plan. This is the later of age 65 or 5 years of Vesting Service.

How much will I receive if I retire on or after my normal retirement date?

The following benefit formula is used to calculate the monthly benefit payable at your Normal Retirement Date:

1.0% of Final Average Compensation	
The total is multiplied by years of Credited Service	
Example: \$25,000 Final Average Compensation and 15 years of Credited Service	
.01 multiplied by Final Average Compensation	\$ 250
Multiplied by 15 years of Credited Service	$\$250 \times 15 = \$3,750$ annual benefit or \$312.50 per month

Final Average Compensation – The average of your compensation received during the sixty (60) highest paid consecutive months out of the last one hundred twenty (120) months prior to termination of employment with the County.

Years of Service – Calendar years and complete months of service, as determined by the County, used to calculate your benefit

Is there an early retirement option?

Reduced:

You are eligible to retire on a reduced basis as early as age 60, provided you have at least 5 years of Vesting Service at the time of termination of employment from the County. This benefit will be actuarially reduced because you will receive the benefit over a longer period of time. The reduction factors range from approximately 10% for 1 year early retirement to approximately 40% for 5 years early retirement.

Example: Monthly benefit of \$312.50 payable at normal retirement	
1 year early – the benefit is approximately \$281 per month (10% reduction)	
3 years early – the benefit is approximately \$229 per month (26.7% reduction)	
5 years early – the benefit is approximately \$188 per month (40% reduction)	

If I become disabled, are there any disability benefits from the Plan?

Prior to applying for disability from the Plan, you must receive the Social Security Disability Award Letter ("Award Letter"), which declares you totally and permanently disabled. You may be eligible to receive a disability benefit from the Plan if, on the date specified in the "Award Letter," you are an active employee and have at least 10 years of Vesting Service with the County. The Plan Administrator may require you to submit evidence of continued eligibility for disability pension at any time.

If you qualify for disability, your first check is payable the later of age 50, or the effective date of the first Social Security Disability monthly benefit.

Your disability benefit is calculated the same way as your retirement benefit. When you reach your Normal Retirement Date, your disability benefit from the Plan will terminate, and you will start receiving your retirement benefit.

When I die, are there any benefits for my beneficiaries?

Yes, most, but not all, Plan participants will be able to provide some level of benefits for their beneficiaries.

It is very important to keep your beneficiary designation up-to-date. Please contact the County when you need to change your beneficiary.

For Retirees

1. When you apply for your retirement, you may elect a form of benefit payment that will provide a monthly benefit to your beneficiary after your death.
2. If you start receiving your retirement benefit immediately after terminating employment, you may qualify for the lump sum death benefit that is payable to your beneficiary after your death. This is not a life insurance policy and may be taxable to your beneficiary. The amount of death benefit is equal to a multiple of 50 of your monthly pension benefit. Maximum benefit is \$15,000.

For Active Participants

If you die while still employed by the County, in most cases there is a death benefit equal to 50 times your monthly pension benefit projected to your Normal Retirement Date.

For Terminated Participants

If you completed at least five (5) years of Vesting Service when you terminate employment from the County, and die prior to receiving your retirement benefit from the Plan, your beneficiary will receive a lump sum benefit equal to 50 times your monthly pension benefit projected to Normal Retirement Date. Maximum benefit is \$50,000.

For Disabled Participants

If you are receiving a disability benefit from the Plan, and die prior to your Normal Retirement Date, your beneficiary will receive a lump sum payment equal to 50 times your monthly disability benefit. Maximum benefit is \$50,000.

Who do I contact to apply for a benefit?

Retirement

Approximately two months prior to your retirement, contact your Human Resources Department and complete the proper paperwork. The Jurisdiction will forward the completed forms to GEBCorp for processing.

Death Benefit

Your Human Resources Department should be notified of the death of any active or former employee. If there is a death claim, the Jurisdiction will assist the beneficiary in completing the forms, which will be sent to GEBCorp for processing.

When I retire, what payment options are available?

Selecting a payment option is key to your retirement planning. When you begin to seriously consider retirement, ask your Human Resources Department to contact GEBCorp to request an estimate of what you may receive as of the date you are considering for retirement. You will be asked at that time to provide the date of birth of your beneficiary, if applicable. This is required to calculate all the various options available. These calculations will help you choose the option that best suits your needs at retirement.

Option #1: Life Only

Paid for your lifetime only. There is no provision for paying monthly benefits to a beneficiary after your death.

Option #2: Five or Ten Year Certain and Life

Paid for your lifetime, but also guaranteed for at least five or ten years. If you die before the end of the certain period, the remainder of the payments for the certain period will be paid to your beneficiary.

Option #3: Joint and Survivor

You will receive a monthly benefit paid to you for your lifetime. Upon your death, your beneficiary will receive an amount in accordance with the option you chose at retirement. However, if your beneficiary dies before you, there will be no additional monthly payments after your death.

- **100% Joint and Survivor–**

The beneficiary will receive the same amount you had been receiving

- **75% Joint and Survivor–**

The beneficiary will receive three-quarters of the amount you had been receiving

- **66% Joint and Survivor–**

The beneficiary will receive two-thirds the amount you had been receiving

- **50% Joint and Survivor–**

The beneficiary will receive one-half the amount you had been receiving

Option #4: Joint and Survivor with POP-UP

The same as Option #3, except: If your beneficiary dies before you, your monthly benefit will increase to the Option #1, Life Only, which is also called the "normal form." This level of benefit payment will be paid for the remainder of your lifetime.

How do I obtain additional information?

If you have any questions, please call GEBCorp at (770) 952-5225 or (800) 736-7166, or e-mail clientservices@gebcorp.com.

The information in this summary is intended only as a general outline of the Plan and not a complete description. For an exact statement of your rights, you must refer to the ACCG Defined Benefit Plan Master Trust Agreement on which your plan is based, a copy of which is on file in the offices of the Association County Commissioners of Georgia (ACCG). All issues arising in the administration of the Plan will be addressed by the plan trustees consistent with the Plan and Trust Agreement. Benefits under the Plan are not insured by the PBGC.



www.gebcorp.com
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