

401(a) Defined Contribution Summary Plan Description for the City of Greenacres

This summary explains how the the City of Greenacres 401(a) Defined Contribution Retirement Plan works and the benefits it provides. Intended only as a guide, this Summary Plan Description neither modifies nor replaces the full text of the document under which the Plan operates. (See the Retirement Plan and Trust for the City of Greenacres effective September 25, 2001)

What is a 401(a) Defined Contribution Plan?

A 401(a) plan is a retirement plan governed by Section 401(a) of the United States Internal Revenue Code.

Who administers the 401(a) Defined Contribution Retirement Plan?

The City Council is designated as the Pension Board. The Pension Board is the trustee of the Plan and designates a Plan Administrator to administer its provisions. The Florida Municipal Pension Trust Fund (FMPTF) is the Plan Administrator.

Who is eligible to participate in the 401(a) Defined Contribution Retirement Plan?

All employees are eligible, except: employees who are members of the FRS; those who are members of the PSO/Firefighter plan; part-time/seasonal except City Council/Mayor; non-sworn who became employees of PBSO, unless rehired after 2/1/2016

When does participation in the 401(a) Defined Contribution Retirement Plan start?

Participation in the DC plan starts according to the service condition and vesting schedule listed below:

<u>Service Condition</u>	<u>Vesting Schedule</u>
6 months of eligibility service	1 yr 0%, 2 yr 20%, 3 yr 40%, 4 yr 60%, 5 yr 80%, 6 yr 100%

What contributions are made?

Your employer contributes 7.5% of your salary, and will match up to 2.5% of employee contributions to the 457(b) plan. Additionally, Greenacres has set up a 457(b) Deferred Compensation Plan, which allows you to contribute as much of your income as allowed by the IRS.

How can my account balances be invested?

Contributions will be in a self-directed account that will allow you to pick investments. The investment options include equity, fixed income and other fund choices. If you do not make an investment election, the default investment is a Target Retirement Fund that is invested according to your date of birth on record and estimated retirement at age 62. You are responsible for the investments in your Retirement Plan regardless of vesting.

What happens when I terminate my employment with the City of Greenacres?

If employment is terminated for any reason, your retirement benefit payment is based on your years of service with your Employer.

If you have at least 2 years of service, you will be paid 20% of your account balance associated with employer contributions.

Employees with 6 or more years of service will receive 100% of their account balances. Employees with more than 2 years, and less than 6 years of service will receive a percentage of their total account balance based on the associated vesting schedule. Employees with less than 2 year of service at the time of separation forfeit all employer contributions.

Employees convicted of a felony may forfeit their retirement benefits in accordance with Florida Statutes Section 112.3173. If you were denied a retirement benefit you believe you are entitled to, appeal to your employer and Plan Administrator in writing. The Plan Document governs. You can remain part of the FMPTF Retirement program upon separation of service, unless specifically disallowed by your Employer.

If you wish to receive a distribution, you may elect to be paid in a single lump sum or in monthly, quarterly or annual installments within IRS guidelines. You may also roll over your retirement funds to a qualified Individual Retirement Account (IRA) as allowed by the IRS.

Visit www.FLCretirement.com or call 1 (888) 945-7401 to get distribution forms provided free of charge, as a separate document.

Which payment option should I select?

Circumstances are unique to each individual's need. Extreme care should be exercised in evaluating and choosing how and when to receive payments. Some choices have costly tax issues related to them. Consult your tax professional before making a decision.

What if I decide to leave my account balances with the FMPTF after I terminate employment?

You may leave your account balances in the Plan and continue to direct the investments. No further employee or employer contributions will be made. Accounts with balances of \$5,000 or less may be distributed to terminated employees at the option of the Plan Sponsor.

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What happens if my employer discontinues contributions?

Your Plan Account will continue to enjoy tax-deferred earnings.

May I split contributions among the different investment options?

Yes. You may allocate contributions in whole percentages among the various Plan investment options.

Once I am enrolled in the Plan, how may I transfer or reallocate amounts from one investment option to another?

A transfer or allocation change can be requested through the Plan's website, www.FLCretirement.com. You may also use the Automated Voice Response System. The number is 1 (888) 401-5629, to transfer or reallocate account balances among the fund options.

When do I receive my Plan money?

Because your Plan is designed to provide retirement income, you can't withdraw from your Plan until after you permanently terminate your employment. Rare exceptions may exist for hardships as defined by the IRS, though strict guidelines apply.

What is separation from service?

Separation from service occurs due to your voluntary termination, involuntary termination or death. A leave of absence or suspension from employment is not a separation of service. If you are on unpaid leave for six consecutive months, you will be considered separated from service.

What fees do I pay to participate in the Plan?

An annual administrative fee of 40 basis points (0.40%) will apply to the assets in your account and will be deducted on a quarterly basis (0.075% per quarter). An annual active participant fee of \$0.00 will also apply to your account and will be deducted on a quarterly basis (\$0.00 per quarter). When you separate service with your employer, the annual participant fee increases to \$50.00 annually and will be deducted on a quarterly basis (\$12.50 per quarter). Mutual fund companies charge varying additional expenses. Please read each mutual fund prospectus carefully. When you begin receiving regular distributions from the Plan, there is a one-time \$75.00 distribution charge that is taken from your account. Additional fees may apply depending on certain circumstances. View the full fee disclosure at www.FLCretirement.com

Plan Administrator

Florida Municipal Pension Trust Fund
c/o Jeremy Button, Senior Analyst
PO Box 1757
Tallahassee, FL 32302-1757
(800) 616-1513

In conclusion, this summary of questions and answers is intended only to help you understand the 401(a) Defined Contribution Retirement Plan as stated in the 401(a) Plan Document. It is not intended to take the place of the Plan Documents, nor does it extend to you any rights that are not granted by the governing Plan Document. If this summary disagrees with the Plan Document in any way, the Plan Document will govern. The Florida League of Cities and Florida Municipal Pension Trust Fund do not provide investment advice.

Plan Trustee

Greenacres City Council
5800 Melaleuca Lane
Greenacres, FL 33463

Plan Sponsor

Greenacres
5800 Melaleuca Lane
Greenacres, FL 33463

Plan Year

October 1 - September 30
Records are kept on a fiscal year basis

EIN:

Division

GRNACR

Loans Available?

No

Fee Group

C

Method

Ordinance 2001-19
Ordinance 2007-11

Date Changed

September 25, 2001
June 18, 2007

Changes Made

Plan Creation
Service condition 6 months, plan excludes non-certified PSO/Fire