

General Employees'

Pre-Retirement Survivor's Annuity & Beneficiary Designation
Sections 14-2.310, 14-2.312

- (a) Except as provided in subsections (c) and (d) below, upon the death of any part C participant the legal spouse and legally dependent children, if any, for the estate of the participant shall be compensated as follows:
- (1) At any time after the commencement of the participant's employment, a lump sum one-time payment equal to the higher of (i) 50 percent of said participant's annual base salary at the time of his death; (ii) \$50,000.00 or (iii) the amount of the participant's accumulated contributions and earnings shall be disbursed to his legal spouse. In the event there is no legal spouse, such amount shall be equally divided by the number of legally dependent children and so disbursed. In the event there is no legal spouse or legally dependent children, such amount shall be disbursed to the beneficiary of the participant.

Sections 14-2.310(a)(2) through (a)(5) will apply if the death of a participant is as a result of a job-related occurrence at any time after the commencement of his employment, or as a result of any occurrence on or after the fifth anniversary of the commencement of his employment.

- (2) A monthly annuity of 25 percent of said participant's monthly base salary shall be disbursed to his legal spouse.
- (3) A monthly annuity of the following percentages of said participant's monthly base salary shall be disbursed to the spouse on behalf of each of his legally dependent children:
 - a. If there are one to five legally dependent children, ten percent.
 - b. If there are six or more legally dependent children, 50 percent divided by the total number of legally dependent children.
- (4) In the event there is no legal spouse, a monthly annuity of the following percentages of said participant's monthly base salary shall be disbursed to the legal guardian of each of his legally dependent children on their behalf:
 - a. If there is one legally dependent child, 35 percent.
 - b. If there are two legally dependent children, 22.5 percent.
 - c. If there are three legally dependent children, 18.33 percent.
 - d. If there are four legally dependent children, 16.25 percent.
 - e. If there are five legally dependent children, 15 percent.
 - f. If there are six or more legally dependent children, 75 percent divided by the total number of legally dependent children.

In the event there is no legal spouse and a trust was established and listed as the sole primary beneficiary prior to the participant's death, the annuity for each legally dependent child as outlined in subsections (a)(4)a. through f. above will be paid pursuant to instructions within the trust.

- (5) In the event there is an unborn dependent child, the benefits will begin the first day of the month following the birth of the child.
- (b) In the event there is a legal spouse and legally dependent children at the time of the participant's death, should there be the subsequent death of the spouse while there are still legally dependent children, the annuity of the spouse shall be equally divided among the surviving legally dependent children and so disbursed to their legal guardian on their behalf.
- (c) If a deceased participant had retirement eligibility as provided by section 14-2.313 at the time of his death, his spouse may elect the benefit defined in subsection (a) above, or may elect the participant's accrued retirement benefit under the joint and contingent monthly life income--full benefit option as determined by section 14-2.316.
- (d) Any part B participant transferring to part C shall indicate in writing to the pension administrator his preference for the pre-retirement survivor annuity benefit described in subsections (a) and (b) above, or the lump sum death benefit provided by section 14-2.210, frozen at the level attained at September 30, 1990. All such participants shall have the right to change their election of such benefit at any time and as many times as they so desire. Upon the death of the participant, the last election made by the participant on file with the pension administrator shall prevail.
- (e) The determination of legal relationship of legal spouse or legally dependent child shall be made as of the date of the participant's death. All annuity benefits provided by this section shall annually be increased by three percent as provided by section 14-2.317(c).
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All participants shall file with the Pension Administrator, on forms provided by the Pension Administrator, designation of beneficiary or co-beneficiaries for all amounts owed to the participant by the City and not otherwise designated. The beneficiary designation form shall be effective only upon filing in the Office of the Pension Administrator and shall be the only way of designating or changing the designation of a beneficiary.

DEFINITIONS:

Legal Spouse - A husband or wife of the participant (as determined by reference to Florida Law) at the time of the occurrence of the event requiring the use of the definition.

Legally Dependent Child - The natural or adoptive child or unborn child of the participant who is less than 22 years of age. Additionally, the stepchild or grandchild of a participant will be considered a legally dependent child if such child is financially dependent upon the participant for greater than 50 percent of their support and such dependency is verified by the filing with the city of a certified copy of the participant's federal income tax return for the year preceding his death indicating such child as a dependent. In order to qualify as a legally dependent child, the child must be less than 22 years of age.

EXAMPLES OF DISBURSEMENT OF PRE-RETIREMENT SURVIVOR'S ANNUITY

EXAMPLE A

Employee/Family Data:

Name: John Doe
Age: 30
Employment: 1 year of service with City
Current Plan: C

John Doe dies as a result of domestic violence. Since he has less than five years of service, no continuing annuity will be paid. However, his primary beneficiary would receive a one-time lump sum pre-retirement survivor benefit of \$50,000.

EXAMPLE B

Employee/Family Data:

Name: John Doe, age 30
Employment: 8 years of service with City
Current Base Salary: \$1,000 per month
Current Plan: C
Marital Status: Married to Jane, age 28
Children: (2) Johnny and Janie, ages 6 and 4

John Doe is killed in an automobile accident not related to work. His family would receive the following pre-retirement survivor's annuity:

- A. \$50,000 lump sum payment
- B. A monthly annuity equal to 45% (i.e., 25% for lifetime of spouse; 10% for each child until reaching age 22) of current base salary:

\$1,000 (base salary) X 45% = \$450*
*Each October 1st, increased by 3%

EXAMPLE C

Employee/Family Data:

Name: Mary City, age 30
Employment: 6 years of service with City
Current Base Salary: \$1,000 per month
Current Plan: C
Marital Status: Divorced
Children: (1) Diane, age 10

Mary City drowns in a swimming accident. Her child would receive the following pre-retirement survivor's annuity:

- A. \$50,000 lump sum payment
- B. A monthly annuity equal to 35% (until child reaches age 22) of current base salary:

\$1,000 (base salary) X 35% = \$350*
*Each October 1st, increased by 3%

NOTE: Because Diane is a minor, the above benefits would be paid to a trust once the Courts establish legal guardianship.