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Jax Transit Management Corp.

Amalgamated Pension-Disability Plan (004)

Summary Plan Description

PREPARED FOR:

Amalgamated Transit Union

Local No. 1197

Represented Employees

UPDATED

01/01/2020

Your Pension **Trustees**



The Jacksonville Transit Management Corp. (JTM) oversees the Amalgamated Pension/Disability plan for your Union (Amalgamated Transit Union Local No. 1197). The JTM committee is responsible for all the management and investment decisions of the JTA pension plans.

Voting **Members**

- Three JTA employees elected by the Pension Board
- Three employees of the Union elected by the President of the Union
- The Board of Control may appoint a secretary who may, but need not, be a member of the Board of Control, and may employ such agents, clerical and other services, legal counsel, accountants, and actuaries as may be required for the purpose of administering the Plan.

Plan **PARTICIPATION**

This Plan is a type of qualified retirement plan commonly referred to as a Defined Benefit Plan (DB) and is not a Defined Contribution Plan (DC). This means that your pension benefit is not determined by how much money is paid into the Plan. The type of pension plan that has been established by the Union is a dollar-times-service pension plan. You will receive a pension based on your length of service and a dollar amount assigned to each year of service. The DB plan will provide you with a retirement benefit for life unless you, and your spouse if you are married, elect otherwise.

All employees and deputies whose job classification is within the bargaining unit which is presently represented by the Amalgamated Transit Union and who perform any service for the benefit of JTA for which they are paid a salary, including elected officials are eligible to participate in the JTA ATU Pension Plan as of their date of hire.

Vesting & Service

Retirement Plan	1	2	3	4	5	6
Vest						
Save						
Prepare						
Retire						

Vesting is the process by which an employee accrues non-forfeitable rights over employer-provided stock incentives or employer contributions made to the employee's qualified retirement plan account or pension plan. Vesting gives an employee rights to employer-provided assets over time, which gives the employee an incentive to perform well and remain with the company. The vesting schedule set up by the company determines when the employee acquires full ownership of the asset (accrued benefit).



Years of Service

Requirements for Vesting

To earn a Year of Service for JTA, you must be credited with at least 1000 hours of service during any Plan Year. Service you perform for the Union as a participant will only be counted towards vesting service. If you terminate employment and have less than 501 hours of service during that plan year you may not accrue a year of service.



Service Accrual

Benefit Accrual Purpose

The Administrator will track your service and will credit you with a Year of Service for each Plan Year in which you are credited with the required Hours of Service, in accordance with the terms of the Plan. In calculating your vested percentage, all service you perform for us will generally be counted.



Service Breaks

Break in Service Rules

You will have a Break in Service if you complete less than 501 Hours of Service during the plan year used to determine whether you have a Year of Service. If you are absent from work for certain leaves of absence, you may be credited with a year of service.



Five-Year Break

Break in Service Rules

The five-year Break in Service rule applies only to 0% vested participants. If you are non-vested in your benefits and have five consecutive Breaks in Service (as defined above), all the service you earned before the 5-year period no longer counts for vesting purposes.

Vesting Schedules

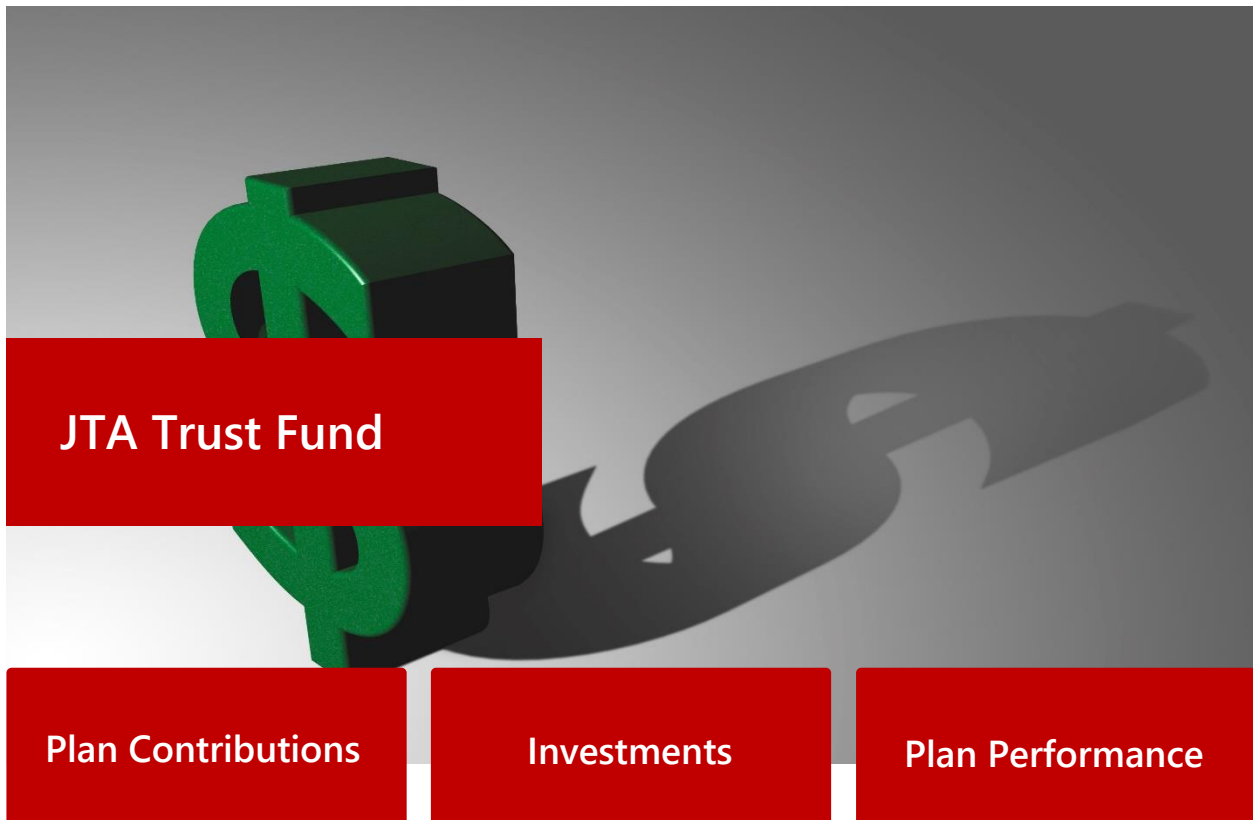
JTA adheres to two types of vesting scheduled dependent upon your date of hire. For those employees who were hired before January 31, 2017, the vesting schedule is called a cliff vesting schedule and is as follows:

Vesting Schedule	
Years of Service	Vested Percentage
Less than 5	0%
5 Years or more	100%

Employees who were hired after January 31, 2017, the vesting schedule is called a graduated vesting schedule and is as follows:

Vesting Schedule	
Years of Service	Vested Percentage
Less than 3	0%
3	20%
4	40%
5	60%
6	80%
7	100%

Plan Funding & Investments



The investment of the pension fund is channeled through three types of managers, each with a specific assigned task, which assures proper handling of the pension fund. The Pension Board Trustees develop investment policies for the managers to adhere to and set risk tolerance measures to protect and grow the plan assets.

Plan Contributions

The contributions to the Plan are determined annually by JTA and the Amalgamated Transit Union and are funded on a quarterly basis. Employees are not required to contribute to the Plan at this time, however, if a mandatory contribution is required it will be deducted from your pay. JTA's funding policy requires a contribution of \$2.66 per hour worked by its employees which is projected to be a contribution greater than the required amount. Periodically, the Pension Committee may change the contribution rate, and that decision is based on funding requirements, subject to state law, actuarial projections, and prudent business decisions.

- **First**, the pension contributions are forwarded to a Custodial Manager (a bank), which distributes the contributions to the appropriate Money Manager and is custodian of the stocks, bonds, and alternative investments.
- **Second**, the Money Managers invest the contributions. Each Money Manager transacts the investment to maximize the growth of the pension fund. Typically, several Money Managers are hired with differing investment strategies so as to achieve maximum return with minimum risk.
- **Third**, the Performance Manager monitors the Money Managers' investments. This manager follows the performance of each Money Manager versus the overall market.

Determine Your **Benefit**



When you meet a certain age and service or disability requirement, you will be able to retire with a pension. The following types of pensions are available:

NORMAL RETIREMENT

Age 65 with 5 Years of Service or 30 Years of service regardless of age.

The amount of your Normal Retirement benefit is based on obtaining 30 years of accredited vesting service or, the later of attainment of age 65 with 5 years of plan participation. Effective March 1, 2019, the dollar multiplier assigned to calculate the accrued benefit is \$62.00 per year. The current maximum accrued benefit you are eligible to receive is \$1,860.00 per month with 30 years of accrued service.

EARLY RETIREMENT

Age 62 with 20 Years of service if hired before January 1, 2010.

Age 62 with 25 years of service if hired after December 31, 2009.

The amount of your Early Retirement benefit is determined by using the same formula used to calculate a Normal Retirement benefit based on your years of service after obtaining 20 or 25 years of accredited vesting service at the age of 62 depending on when you were hired.

LATE RETIREMENT

Retirement after age 65.

If you are eligible to start a Normal Retirement Benefit but decide to continue your employment with JTA, this is considered a delayed (or Late) retirement. In such event, no retirement benefit will be paid to you until you actually retire, subject to any required minimum distribution after age 70 ½.

DISABILITY RETIREMENT

Retirement due to permanent disability after 10 years of service.

If you become totally and permanently disabled after completing 10 years of service under the Plan, you may be eligible for a monthly pension benefit. The 10 years of service shall not be required if disability incurs while acting within the scope of your employment through (1) violent, external, and accidental means not as a result of your misconduct or provocation, or (2) through an act of God.



Optional Pension **Payouts**

You may elect in writing any one of the optional retirement benefit payouts:

Straight Life **Annuity**

This is an increased benefit which shall be payable during your lifetime with all payments ceasing at your death. This payment option is considered the 'Normal Form of Annuity' and all other benefit payment options must be actuarially equivalent to the Straight Life Annuity.

Joint & Survivor **Annuities**

This is a decreased retirement benefit which shall be payable during the joint lifetime of you and your eligible beneficiary. The Plan provides the following two joint and survivor options:

66 2/3% J&S **Annuity**

A 66 2/3% joint and survivor annuity is a level monthly payment for your life and, if your spouse survives you, a level monthly payment for your spouse equal to 66 2/3% of the monthly amount payable while you were both alive.

75% J&S **Annuity**

A 75% joint and survivor annuity is a level monthly payment for your life and, if your spouse survives you, a level monthly payment for your spouse equal to 75% of the monthly amount payable while you were both alive.

10 Year Certain & Continuous **Annuity**

As an alternative to the Straight Life Annuity Benefit, you may choose payment in the form of a Straight Life Annuity with a 10-year certain, which is straight life annuity with 10-year guarantee period on the payments. Under this option, benefits are paid to you for your life and, if you die before receiving payments covering 10 years, then payments are continued to your designated beneficiary in the same amount that was being paid to you until the plan has paid out payments covering the 10-year guarantee period. Because of the guarantee period, this annuity amount will be lower than the Straight Life Annuity.

Death **Benefit**

If you are actively employed with less than five years of service, your beneficiary shall receive a lump sum benefit equal to the Employee Contribution Benefit. If you pass with five years of service or more, your beneficiary shall receive the greater of either;

- a) A lump sum death benefit equal to 66 2/3% of the present value of your accrued benefit determined as of the Anniversary Date subsequent to or coinciding with the date of death;
- b) A lump sum benefit equal to the Employee Contribution Benefit

For participants who were hired on or after February 1, 2017, the service provisions above have been reduced to three years.

Customer Care



JTA is here for you to answer all your needs and it is our goal to ensure you are well informed about your retirement benefits. Our Customer Care Representatives are readily available to assist you in preparing for retirement.



APPLYING FOR BENEFITS

After satisfying the eligibility requirements for pension benefits, you may request an estimate or apply for your monthly pension using the following methods:

- Email @ JTAsupport@capitalbenefitconsultants.com
- Customer Care @ 888-620-9825



CUSTOMER CALL CENTER

You may call the Customer Care Center Monday through Friday between 8:00 AM to 5:00 PM eastern standard time to request an estimate or apply for your pension benefit. When you decide to retire, you should notify the Pension Administrator approximately three months before your retirement date.



CLOUD COMPUTING

Process your estimates or apply for retirement at www.mypensionbenefit.com/default.aspx?co=jta. Our web portal services allow you to process benefit estimates or commence your retirement online. You will also have access to all pension plan documents and the ability to make pertinent changes to your personal information. Please note that the anticipated date for these services to be available is April 1, 2018.



PURCHASING PREVIOUS SERVICE

If you, as a previous participant of the pension plan, return to work as an employee of JTA who is represented by the union, you shall be entitled to credit of your prior service if you repay to the pension plan the vested accrued benefit you received, including interest for the period you were previously employed. Contact Customer Care for application procedures.

Other Retirement **Benefits**

It is important to understand all the sources available for your retirement to ensure your retirement readiness. In addition to the JTA Pension Plan, you have available Social Security and an optional Deferred Compensation plan. Here are some examples of employees who retired:

Unmarried Employee @ Age 65

21 Years and 2 months of Service 100% Vested

Average Monthly Income \$4,080

Retirement Income

JTA Pension Benefit **\$1,270**

Social Security at Age 65 **1,612**

Deferred Compensation Benefit **630**

Total Retirement Income \$3,512

Income Replacement **86%**

Maximum Pension Benefit Example:

Married Employee @ Age 62

30 Years of Service 100% Vested

Average Monthly Income \$3,750

Retirement Income

JTA Pension Benefit **\$1,800**

Social Security at Age 65 **1,240**

Deferred Compensation Benefit **450**

Total Retirement Income \$3,490

Income Replacement **93%**

THIS INFORMATION IS INTENDED ONLY AS AN AID IN HIGHLIGHTING THE MAJOR POINTS OF THE AMALGAMATED PENSION-DISABILITY PLAN. THE ACTUAL PENSION CODE AND ERISA LAWS SHALL GOVERN IN THE EVENT OF ANY DISCREPANCIES. JTA RESERVES THE RIGHT TO AMEND THE PLAN WITH THE APPROVAL OF THE PENSION COMMITTEE.

Jacksonville Transportation Authority

Your Ride. Your Way. Everyday