



# **RETIREMENT PLAN (PENSION)**

**For Employees of  
Georgia Ports  
Authority**

**For employees hired prior to July 1, 2011.**

## OUTLINE OF THE RETIREMENT PLAN

**1. WHO CAN JOIN THIS PLAN?**

You must have been an active employee and enrolled in the Plan prior to July 1, 2011.

**2. HOW MUCH DO I CONTRIBUTE?**

You contribute 1% of your first \$9,000 in earnings, then 1½% of your remaining salary during the plan year.

**3. WHAT INTEREST IS CREDITED TO MY CONTRIBUTIONS?**

Your contributions earn 5% interest per year.

**4. WHO CAN I NAME AS MY BENEFICIARY?**

You can name anyone you choose.

**5. CAN I WITHDRAW MY CONTRIBUTIONS?**

By completing a form provided by the Benefits Department, you may withdraw your total contributions with interest at any time. If you withdraw from the Plan, the benefit credited to you will be canceled and you can never rejoin this Plan or while an active employee, be permitted to enroll in the Defined Contribution Plan.

**6. WHAT WILL I RECEIVE IF I TERMINATE MY EMPLOYMENT?**

If you are not vested, your contribution with interest will be returned to you. If you are vested, you may select one of the following options:

Option A

You may leave your contributions and interest with the Plan and receive the accrued pension provided by these amounts on your normal (or early) retirement date.

Option B

You can have your contributions refunded with interest. Your accrued pension will be canceled.

**7. WHEN WILL I BE VESTED?**

You are 100% vested in the amount you have contributed. You will be 100% vested in GPA's contribution after completing five or more years in the Plan or upon reaching age 55.

**8. WHEN CAN I RETIRE?**

Normal retirement age is 65 but you may take early retirement beginning at age 55. If you retire early with 15 or more years of service, the retirement benefit you have accrued at the time of your early retirement will be reduced by 3% per year from ages 60 to 65 and 5% per year from ages 55 to 60. If you have less than 15 years service, your early retirement will be reduced by 9% per year from age 55 up to age 59.

**9. IS THERE A COST OF LIVING ADJUSTMENT FOR MY RETIREMENT?**

Yes. Each July, your pension benefit will be adjusted based upon the Consumer Price Index. Your pension payment will increase if the cost of living goes up. Similarly, it will decrease if the cost of living goes down (but never below your initial pension benefit). The maximum increase or decrease for any year is 4%. The cost of living adjustment accounts for 30% of the Plan cost and is a very valuable addition not included in many plans.

**10. WHAT ARE MY RETIREMENT OPTIONS?**

a) Modified Cash Refund. In this option, you will receive a pension benefit for life. If you should die before you have received your contribution with interest, your beneficiary will receive a death benefit equal to your contribution with interest less the amount you have received as a pension benefit.

b) Joint Annuity Option. You may select a Joint Annuity Option which provides for a reduced pension benefit payable to you for life with a continuance of such benefits in either 50%, 75% or 100% (as selected by you) of such amount to your joint annuitant upon your death.

c) Social Security Option. This option provides for an increased retirement benefit before your Social Security Date and decreased (or no) payments thereafter in order to provide you with a level income (as close as possible) for your lifetime from Social Security and the Retirement Plan.

d) Life Annuity with Guaranteed Number of Monthly Payments Option. In this option, you will receive a reduced pension benefit for life with guaranteed monthly payments (60 or 120). If you should die before receiving the specified number of annuity payments you selected, the balance will be payable to your beneficiary.

**11. WILL MY BENEFITS BE AFFECTED IF I BECOME DIVORCED?**

The Plan does not permit a Qualified Domestic Relations Order, which would require that your former spouse share in your vested pension benefit.

**12. CAN I KEEP MY GROUP MEDICAL COVERAGE AFTER I RETIRE?**

If you retire early from age 55 up to 65 with 15 years service, you may continue Group Medical and Dental coverage for you and your dependents at the active employee premium rate until age 65 unless you are: (1) eligible for Medicare in which case GPA's will be secondary, (2) eligible for coverage through your spouse's group plan, or (3) employed by another company and are eligible to obtain group medical coverage through them.

**13. WHAT WILL I RECEIVE IF I AM DISABLED?**

If you become totally and permanently disabled (as certified by GPA) before you retire, have completed at least ten years of active plan participation, and you are at least age 40, you will be entitled to a Disability Benefit. Disability Benefit payments are equal to your accrued pension credited to you at the time of your disability with no reduced benefit. If you elect to defer your retirement or have not met the requirement for the Disability Benefit, you may continue to pay in to the Plan based upon your contributions at the time of your disability until you retire.

**14. WHAT HAPPENS IF I SHOULD DIE BEFORE I RETIRE?**

If you should die while an active employee or you are a terminated employee and have deferred your retirement and you are: at least age 45; have completed at least 10 years of Plan participation; and have been married for at least one year; your spouse will receive 50% of your pension benefit less ½% for each year that your spouse is 5 years younger than you. If you have not met the above requirements on your date of death, your contribution with interest will be payable in a single sum to your beneficiary.

**15. HOW IS THE PLAN PAID FOR?**

You and Georgia Ports Authority pay the cost of the Plan. Both your contribution and GPA's are deposited under a Pension Trust Fund. To help assure that enough money will be available for all employees' accrued pensions, Georgia Ports Authority hires actuaries to determine the amount required to fund the Plan.

**16. DOES SOCIAL SECURITY AFFECT RETIREMENT?**

The benefits under the Plan are additional to those you are entitled to under the Federal Social Security program.

**17. HOW CAN I GET MORE INFORMATION ABOUT THE RETIREMENT PLAN?**

Contact the Benefits Department.

**EXAMPLE OF MEMBER'S CONTRIBUTIONS AND PENSION BENEFIT**

An employee becomes a member of the Plan at age 40. With a projected 3% annual increase in income, the member would have the following contributions, accrued benefits, and annual pension benefit under the normal form of retirement (see Modified Cash Refund Option) at ages 55, 60, 62, and 65.

<u>Age</u>	<u>Annual Income</u>	<u>(a) Employee Contribution</u>	<u>(b) Accrued Benefit</u>	<u>Less Penalty</u>	<u>Annual Pension</u>
41	\$40,000.00	\$555.00	\$1,210.00		
42	\$41,200.00	\$573.00	\$1,249.00		
43	\$42,436.00	\$591.54	\$1,289.17		
44	\$43,709.08	\$610.64	\$1,330.55		
45	\$45,020.35	\$630.31	\$1,373.16		
46	\$46,370.96	\$650.56	\$1,417.06		
47	\$47,762.09	\$671.43	\$1,462.27		
48	\$49,194.95	\$692.92	\$1,508.84		
49	\$50,670.80	\$715.06	\$1,556.80		
50	\$52,190.93	\$737.86	\$1,606.21		
51	\$53,756.66	\$761.35	\$1,657.09		
52	\$55,369.35	\$785.54	\$1,709.50		
53	\$57,030.44	\$810.46	\$1,763.49		
54	\$58,741.35	\$836.12	\$1,819.09		
<b>55</b>	\$60,503.59	<u>\$862.55</u>	<u>\$1,876.37</u>		
		<b>\$10,484.35</b>	<b>\$22,828.59</b>	- 40%	<b>\$13,697.15</b>
56	\$62,318.70	\$889.78	\$1,935.36		
57	\$64,188.26	\$917.82	\$1,996.12		
58	\$66,113.91	\$946.71	\$2,058.70		
59	\$68,097.32	\$976.46	\$2,123.16		
<b>60</b>	\$70,140.24	<u>\$1,007.10</u>	<u>\$2,189.56</u>		
		<b>\$15,222.22</b>	<b>\$33,131.49</b>	- 15%	<b>\$28,161.76</b>
61	\$72,244.45	\$1,038.67	\$2,257.94		
<b>62</b>	\$74,411.78	<u>\$1,071.18</u>	<u>\$2,328.38</u>		
		<b>\$17,332.07</b>	<b>\$37,717.81</b>	- 9%	<b>\$34,323.21</b>
63	\$76,644.14	\$1,104.66	\$2,400.93		
64	\$78,943.46	\$1,139.15	\$2,475.66		
<b>65</b>	\$81,311.76	<u>\$1,174.68</u>	<u>\$2,552.63</u>		
		<b>\$20,750.56</b>	<b>\$45,147.04</b>	0%	<b>\$45,147.04</b>

- (a) The employee contribution is 1% of the first \$9,000 in basic earnings during the plan year, and 1½% of such earnings in excess.
- (b) The accrued benefit for retirement purposes is based upon 2¼% of the first \$9,000 in basic earnings during the plan year, and 3¼% of such earnings in excess.