

CITY OF NEWPORT  
EMPLOYEES' RETIREMENT  
PLAN SUMMARY DESCRIPTION  
6 PLUS 3 DEFINED CONTRIBUTION  
RETIREMENT PROGRAM



**Employees Covered:**

Non-union Employees hired after March 5, 2012

Newport Employees' Association Employees hired after October 15, 2012

Newport Police Employees (Non PERS) hired after October 15, 2012

October 2017

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**GENERAL DESCRIPTION  
OF  
CITY OF NEWPORT  
EMPLOYEES' RETIREMENT PLAN**

The City of Newport utilizes two separate systems to provide retirement benefits to city employees. The Public Employees Retirement System of Oregon (PERS) provides retirement benefits to full-time firefighters and sworn police officers employed by the City of Newport. PERS is administered on a statewide basis by a twelve-member Board of Trustees appointed by the Governor.

The City of Newport Employees' Retirement Plan (the Plan) provides retirement benefits to all other Qualified Employees within the City of Newport. This Summary Plan Description (SPD) description is meant to describe highlights of the Plan in understandable language.

In addition to the primary retirement benefits offered by PERS and the City of Newport Employees' Retirement Plan, the City of Newport also makes available an employee funded 457(b) Deferred Compensation Plan (the 457(b) Plan) through Nationwide. Please contact Human Resources for further details regarding the 457(b) Plan.

**City of Newport Employees' Retirement Plan**

The Plan provisions are governed by the City of Newport Employees' Retirement Plan, as amended. The Plan provides the details of which employees are qualified for coverage under the Plan, the benefits provided by the Plan, vesting, and how the Plan is administered. If there is a conflict between this SPD and the Plan, the provisions of the Plan control your right to benefits. The Plan will be restated from time to time and can be amended by the City Council at any time. The City of Newport Employees' Retirement Plan 2016 Restatement can be found online at

[http://www.NewportOregon.gov/dept/adm/agreements/2225/agreement\\_2225.pdf](http://www.NewportOregon.gov/dept/adm/agreements/2225/agreement_2225.pdf)

Under the City of Newport Employees' Retirement Plan there are two separate benefit levels in place depending on the date of hire of a qualified employee to a position under the Plan. Employees covered by this plan who were hired into a qualified position on or before the following dates are provided a Defined Benefit with Money Purchase Retirement Program. Non-union employees hired into a position after March 5, 2012 and employees hired into a qualified position after October 15, 2012 by the Newport Employees' Association and Newport Police Association, other than police officers, are provided the 6 plus 3 Defined Contribution Program.

## **6 Plus 3 Defined Contribution Retirement Program**

The balance of this handbook will cover benefits for those nonunion employees who were hired after March 5, 2012 and hired after October 15, 2012.

Qualified employees hired into positions after these dates will receive a defined contribution retirement benefit. Beginning six months after the date of employment, the City of Newport will begin contributing an amount equal to 6% of base compensation to the City of Newport Employees' Retirement Plan on behalf of that employee. In addition, the City of Newport will provide matching contributions into a money purchase account for voluntary employee contributions to the 457(b) Plan, not to exceed 3% of base compensation in any allocation period. into a money purchase account. Qualified Employees will vest in the employer contributions to the Plan in accordance with the vesting schedule in section 7 of this SPD. .Vested amounts are paid out in a lump sum payment to the employee upon separation from the City of Newport. Employee contributions into a 457(b) plan belong to the employee and are not subject to vesting are not subject to vesting.

### **Retirement Plan Administrator**

The retirement Plan Administrator is the City's Finance Director. It is the Administrator's responsibility to interpret the Plan and decide any questions about the rights of participants and beneficiaries under the Plan. In addition, the administrator shall retain the enrolled actuary and appoint any independent public accountants as required for the administration of the plan. The actuary is responsible for determining city contributions to the Retirement Trust which are necessary to support future retirement obligations and for allocation of the pooled assets to employees for purposes of retirement. The Administrator's decisions shall be final and binding on all parties subject only to appeal rights as provided in the Plan. Please note that any appeal of the Plan Administrator's decisions would be heard by the City of Newport Retirement Trust.

Please contact Human Resources for any questions, changes in address, beneficiary, voluntary retirement contribution, and other matters relating to your City of Newport Retirement Benefits. Human Resources will initiate any of these changes for implementation by the Finance Department.

### **Retirement Trust**

The City of Newport has established a Retirement Trust which is maintained for the exclusive benefit of qualified employees and is intended to comply with Section 501 and related provisions of the Internal Revenue Code in order to maintain its current tax status. The Retirement Trust is responsible for funds deposited into the retirement program. The Retirement Trust is charged with pooling funds received from the City of Newport and individual employees for retirement obligations and investing those funds to provide a return to the trust fund to meet future retirement obligations and to provide a return to retirees included in the defined contribution program. The Trust has general responsibility for administering the trust, appointing

investment managers, and directing investments in accordance with the standards outlined in the Trust. The Trust is governed by five trustees appointed by the Mayor subject to confirmation by the City Council to four year terms in accordance with the Municipal Code Section 2.05.002. One of the trustees must be a non-department head employee qualified for benefits under the City of Newport Employees' Retirement Plan as provided for in Section 2.05.020(A) of the Municipal Code. The City of Newport Retirement Trust 1993 Restatement dated October 1, 1993 can be found online at [http://www.NewportOregon.gov/dept/adm/agreements/513/agreement\\_513.pdf](http://www.NewportOregon.gov/dept/adm/agreements/513/agreement_513.pdf).

## **Plan Restatement**

The IRS requires retirement plans to be restated from time to time. The City of Newport Employees' Retirement Plan was last restated January, 2016.

**The Internal Revenue Service has issued a favorable determination letter dated November 23, 2016 indicating that the Plan is compliant with the Internal Revenue Code.**

## **6 PLUS 3 DEFINED CONTRIBUTION RETIREMENT PROGRAM**

The following summary describes briefly the principal provisions of the Plan as currently in effect. It is prepared as a convenience to you.

### **1. PARTICIPATION**

#### **1.1 Participation**

Participation begins in the Plan on the first day of the month on or next after satisfying all of the following requirements:

- You are age 18.
- You are a Qualified Employee.
- You have been employed into a qualified position by the City of Newport for six continuous months.

#### **1.2 Definition of Qualified Employee**

Any employee of the City of Newport is a Qualified Employee except the following:

- An employee covered by a collective bargaining agreement that does not provide for participation in this Plan

- A police officer or a fire fighter.
- A part-time employee regularly scheduled to work fewer than 30 hours a week.
- A temporary employee hired for a specified period of time or an unspecified period of limited duration.
- A leased employee on the payroll of an outside firm

Employees who move from a non-qualified position (part time or PERS position, etc.) to a qualified position are treated as new employees under the terms of the Newport Employees' Retirement Plan and will be eligible for the 6 Plus 3 Defined Contribution Program. Once participation requirements are met for the new position, vesting requirements will start as for all new employees covered by the retirement plan.

## **2. SERVICE**

### **2.1 Years of Service**

The term "Year of Service means a 12-consecutive month period during which you are employed by the Employer as a Qualified Employee.

### **2.2 Leave of Absence**

If you are on a paid or unpaid leave of absence you will not be treated as having terminated employment for purposes of this Plan unless you fail to meet the conditions of the leave or fail to return to work when required, in which case your employment shall terminate

Leave of absence means the following:

- Leave authorized by the City of Newport if you return to work or retire within the time prescribed by the City of Newport, and otherwise fulfills all conditions imposed by the city.
- Leave of absence because of illness or accident if you promptly return to work after recovery.
- Periods of military service if you return to work with employment rights protected by law.

With the exception of unpaid military leave, unpaid leave time will not be included in determining service time for purposes of vesting for employees.

### **3. DEFINED CONTRIBUTION Accounts**

#### **3.1 Money Purchase Accounts**

Each year the City of Newport makes a Money Purchase contribution to the Plan equal to 6 percent of your Compensation earned as a Qualified Employee. Compensation for this purpose means pay reportable on IRS Form W-2, while a Qualified Employee, adjusted as follows:

- Elective contributions to a deferred compensation plan under Section 457 of the Internal Revenue Code are included.
- Elective contribution to a cafeteria plan under Section 125 of the Internal Revenue Code are included.
- Reimbursements or other expenses, allowances, fringe benefits, moving expenses, severance or disability pay and other deferred compensation and welfare benefits are excluded.
- Overtime, on-call pay, deferential, comp time, and other pay in addition to base pay are excluded.
- Contribution limits as established by applicable federal regulations cannot be exceeded.

#### **3.2 Additional Employer Matching Contribution**

The City of Newport will make an additional matching contribution to the City of Newport Money Purchase account of up to 3% of your Compensation to match your own pre-tax deferrals to the City of Newport 457(b) Deferred Compensation Program provided by Nationwide. This option will maximize the City's contribution into your retirement while you build additional retirement assets by placing pre-tax compensation into a 457(b) Plan.

#### **3.3 Accounts, Valuations and Allocation**

The Plan Administrator will establish a pooled account for all contributions to the Plan. The assets of the Plan are invested per the investment policy between the Trustee and the Investment Advisors which are chosen by the Trustee.

The Trustee values the Trust each year and your accounts are adjusted to reflect any gains or losses. More frequent valuations may occur if the Trustee decides that they are necessary. Each year you will receive a statement from the Plan Administrator showing contributions to your accounts, your vesting level, and your account balances.

### 3.4 Taxation of Defined Contribution Accounts

**Defined Contribution.** Amounts are not taxable to you when credited to your account and you do not report them as income on your tax return. However, these contributions and the earnings on them are taxable to you when they are paid to you. Also, these amounts are generally subject to a 10 percent early withdrawal penalty tax (in addition to regular income taxes) if you withdraw them before (i) you reach age 59 ½ or (ii) you have separated from service and reached age 55. Please consult your tax advisor for more information.

## 4. PAYMENT

### 4.1 Termination of Employment

Upon termination of employment with City of Newport, you will receive a lump sum Distribution of your Vested interest in your Defined Contribution accounts. This payment will be made in two separate payments as outlined in Sections 4.3 and 4.4 of this plan.

### 4.2 Application for Benefits

You will receive a distribution of your account balance within an administratively reasonable time following your termination of employment.

### 4.3 Notices

At the time of your distribution, the Plan Administrator will provide you with an explanation of the following:

- A current estimate of your vested Money Purchase account balance
- The applicability of 20 percent mandatory withholding for federal tax to “eligible rollover distributions” and your right to elect a direct transfer to an eligible rollover distribution to another qualified retirement plan or to an Individual Retirement Arrangement.

### 4.4 Basis for Calculation Retirement Benefits

Resolution No. 3764, A Resolution Adopting a Policy Regarding Retirement Benefit Calculations established the basis for retirement benefit calculations as follows:

- **Lump-Sum Cash Payout.** Employees will receive any eligible Money Purchase retirement payouts in two separate checks. This is due to fluctuations in market conditions for the invested Money Purchase accounts. The first check will be based on 85% of the most recent valuation for the employee’s accounts) and paid as soon as possible following the employee’s retirement. Any residual amounts from the time of the last valuation, up to the date of retirement, will be paid out in a second check based on the

valuation that will typically be completed for the year ending June 30, following the employee's retirement date. This calculation will also include any gains or losses on the residual amount through the June 30 valuation on the employee's account as well. This check will be paid out, on or around November 1, after the first valuation following your retirement. If the valuation of the Money Purchase Account and Voluntary Employee Contributions indicate a loss of value greater than the residual amount, the pension fund will absorb this loss with no additional payment being made to the retired employee.

- Notification to the Plan Administrator.** Upon notification to the Plan Administrator by the employee of an intent to retire, the Administrator may direct, at the request of the employee, the investment manager to transfer estimated funds based on fund performance since the last actuarial report, into a stable account to reduce potential volatility of the market on that individual's retirement funds.

#### 4.5 Payment

Employees will be paid in two separate installments in accordance with Section 4.4 of this plan summary. Please note that the majority of these funds will be paid out as soon as possible following retirement. Former employees will normally receive a second payment on or around November 1, following the end of the plan year in which you ended your employment. This check will reflect any changes (gains or losses) in retirement investments that are credited to you. If losses incurred exceed the amount of any residual funds, a second check would not be issued. The pension fund will absorb the losses in excess of the amount of the second check.

For example: you retire on December 31, and you are 100% vested, the estimates of your payout will use the last available valuation of your pension, which will be based on data through June 30 of the plan year when you retire. Your Lump-Sum cash payment would be normally paid out in two installments. The payment, if rolled into a tax qualified retirement plan would be calculated as follows:

	First Lump-Sum Payment		
	July 1 Valuation		1 <sup>st</sup> Payment
Money Purchase	\$150,000	85%	\$127,500
Voluntary	<u>\$ 15,000</u>	85%	<u>\$ 12,750</u>
	\$165,000		\$140,250

Second Lump-Sum Payment (15% + or -)  
(Assumes annual gains of the Plan Year of about 6%)

	July 1 Valuation	Gain Thru Dec. 31	Jan 1 Payment	Due Thru Dec. 31
Money Purchase	\$150,000	\$4,500	(\$127,500)	\$27,000
Voluntary	\$ 15,000	\$ 450	(\$ 12,750)	\$ 2,700
Additional City Contributions	\$ 2,000	\$ 60	(\$0)	<u>\$ 2,060</u>
			Total Due through December 31	\$31,760
Earnings on residual (6 month January-June) based on 3%				<u>\$ 953</u>
Payment on or before November 1, following close of the Plan Year				\$ 32,713

Second Lump-Sum Payment (15% + or -)  
(Assumes annual losses of the Plan Year of about 6%)

	July 1 Valuation	Losses Thru Dec. 31	Paid Thru Jan. 1	Due
Money Purchase	\$150,000	(\$4,500)	(\$127,500)	\$18,000
Voluntary	\$ 15,000	(\$ 450)	(\$ 12,750)	\$ 1,800
Additional City Contributions	\$ 2,000	(\$ 60)	(0)	\$ 1,940
			Total Due through December 31	\$21,740
Loss on residual (6 month June –January) based on 3%				<u>(\$ 652)</u>
Second Payment on or before November 1, following close of the Plan Year				\$ 21,088

#### 4.6 Payment Options

No later than 45 days before benefits are paid out, the Plan Administrator will provide an explanation of the following:

- The value of your vested Money Purchase account balance based on the most recent valuation.
- The applicability of 20 percent mandatory withholding for federal tax to “eligible rollover distributions”, and your right to elect a direct transfer of an eligible rollover distribution to another qualified retirement plan or to an Individual Retirement Arrangement.

- Please note that you may be able to transfer your pay out to a tax-qualified retirement plan of another employer by means of a regular or direct rollover or a plan-to-plan transfer. You may also be able to transfer your account to an IRA by means of a regular or direct rollover and, if the IRA or other tax deferred plan holds only amount rolled over from other plans, you may be able to subsequently transfer it to the retirement plan of another employer.

**The rules governing rollovers and plan-to-plan transfer are complex. If you are interested in making a rollover or transfer, please contact the City of Newport Human Resources Department.**

#### **4.7 Mandatory Benefit Starting Date**

Your benefit payments must begin by the mandatory benefit starting date, which is the April 1 following the calendar year in which you reach age 70 ½

- You reach age 70 ½
- You retire

#### **4.8 Reemployment after Retirement**

The City of Newport will initiate contributions into the retirement plan upon reemployment. Previous years of service will count towards vesting requirements, however, any forfeited unvested remain forfeited.

### **5. DEATH BENEFIT**

#### **5.1 Amount of Death Benefit**

If you die before you take a distribution of your account balance, your beneficiary will receive a death benefit in a lump sum equal to the balance of your Defined Contribution accounts. Death Benefits are not subject to vesting requirements. Death Benefits will be paid as soon as administratively possible.

#### **5.2 Designation of Beneficiary**

At the time of, your participation in the Plan you are asked to name your beneficiary, who will receive the death benefit in 5.1, by filing a designation of beneficiary with the Plan Administrator through the Human Resources Department. You may change your beneficiary designation as you choose. If you do not name a death beneficiary, or if no named beneficiary is living at the time you die, your death benefit will be paid to the following, in order of priority:

- To your surviving spouse.
- To your surviving children in equal shares.

- To your surviving parents in equal shares.
- To your estate.

## 6. DISABILITY BENEFIT

If your employment terminates due to disability, you will be paid a lump sum benefit equal to the balance of your Defined Contribution account. Disability Benefits are not subject to vesting requirements.

A “**disabled participant**” is one who as a result of illness or injury suffers from a condition of mind or body that permanently prevents full-time employment by the City of Newport. The Plan Administrator will determine the existence of disability, and may rely on the advice of a medical examiner of its choosing in making the determination.

Disability benefits will be paid as soon as practicable after the determination is made by the Plan Administrator that the employee is eligible for those benefits.

## 7. VESTING

A participant who terminates employment for any reason other than retirement, death or disability shall be governed by the following vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 3	0%
3	50%
4	62%
5	75%
6	87.5%
7 or more	100%

If an employee reaches a normal retirement age (62) and has satisfied the participation and service requirements outlined in the plan prior to termination, that employee shall have 100% vested interest in their plan.

Furthermore, an employee who becomes disabled after meeting participation requirements in a qualified position shall be 100% vested in the retirement.

## 8. ASSIGNMENT OF BENEFITS; QUALIFIED DOMESTIC RELATIONS ORDER

The Plan is for your exclusive benefit. Your interest under the Plan generally may not be assigned, seized, transferred or claimed by creditors. However, your benefits can be assigned to someone else by means of a

qualified domestic relations order.

A domestic relations order is any court order relating to child support, alimony or marital property. To be qualified, an order must meet standards imposed by federal law. The Plan Administrator has procedures for determining if a domestic relations order is qualified. You will be notified if the Plan Administrator receives an order relating to your account and also when it determines whether the order is qualified. Until the plan administrator makes this determination, none of your account affected by the order may be distributed.

## **9. CLAIMS PROCEDURE**

Any questions about the Plan should be directed to the Human Resources Department. Most claims and questions will be resolved informally. If you wish to present a formal claim, put it in writing to the Plan Administrator through the Human Resources Department. The Plan Administrator will respond as soon as practicable. If your claim is denied, the Plan Administrator will give you the reasons, refer you to the relevant Plan provisions, will describe any additional information that is needed and will explain how to have the claim reviewed.

If you make a claim and it is denied or you do not get an answer within 60 days, you may ask for review by written notice to the Plan Trustees through the Human Resources Department. The Plan Trustees will review the matter and may grant you a hearing, but is not required to. You may be represented in connection with the review, examine pertinent documents and submit issues and comments in writing. The decision on review will be made within 60 days in most cases. If there is a hearing or other special reason for delay, you will be so notified and the time limit will be 120 days. The Plan Trustees decision will be final.

## **10. CIRCUMSTANCES CAUSING INELIGIBILITY OR LOSS OF BENEFITS**

Your right to participate in the Plan or receive benefits will be affected if any of the following applies to you:

- You are not a qualified employee (see section 1.2)
- You have fewer than 3 Years of Service upon a termination of employment and are rehired (see section 2.1)
- Your benefits are less than 100% vested (see section 7)
- You are subject to a qualified domestic relations order (see section 8)

**11. PLAN NOT INSURED BY PENSION BENEFIT  
GUARANTY CORPORATION**

Benefits under this Plan are not insured by the Pension Benefit Guaranty Corporation if the Plan terminates.

**12. PLAN ADMINISTRATION**

The Finance Director is designated as the Plan Administrator and is responsible for all aspects of the Plan except holding and investing the trust assets from which benefits are paid. The Plan Administrator keeps the accounts and provides information for you when required by law or upon your request. If you have any questions about the Plan or your interest under it, you should contact the Finance Director through the Human Resources Department.

**13. INTERNAL REVENUE SERVICE APPROVAL**

The Plan and Trust are submitted to the Internal Revenue Service for review to assure that the Plan qualifies under the Internal Revenue Code and the Trust is tax-exempt. From time to time the IRS may require that the plan be amended to maintain tax exempt status for the plan.

## **14. PLAN INFORMATION**

### **Plan Name and Type**

City of Newport Employees' Retirement Plan  
Plan Year end: June 30

### **Plan Sponsor and Adopting Employer**

City of Newport  
169 SW Coast Highway  
Newport, OR 97365  
Employer ID No. 93-6002222

### **Plan Administrator and Agent for Service of Process**

Finance Director  
City of Newport Employees' Retirement Plan  
169 SW Coast Highway  
Newport, OR 97365  
Telephone: 541 574-061

### **Retirement Trust (As of October 2017)**

Chair	Rebecca Cohen (12/31/17)
Trustee	Braulio Escobar (12/31/19)
Trustee	John Baker (12/31/18)
Trustee	David Heater(12/31/20)
Trustee	Rick Wright (12/31/18)

### **Trust Manager**

Columbia Trust Company, Inc.  
1000 SW Broadway, Suite 1100  
Portland, OR 97205

### **Actuarial Services for Defined Retirement Benefits**

Silverstone Group  
11516 Miracle Hills Drive, Suite 100  
Omaha, NE 68154

### **Legal Counsel**

Saalfeld Griggs P.C.  
Park Place Suite 200  
250 Church Street SE  
Salem, OR 97301

## **15. ATTACHMENTS**

### **15.1 The City of Newport Beneficiary Designation**

This form is used to identify your beneficiary.

### **15.2 Annual Illustration of Benefits**

This report is provided to employees on or around November 1 of year providing the value of benefits through June 30, end of the plan year.

### **15.3 Intent to Retire/Terminate Employment form**

This form is submitted to Human Resources when an employee anticipates retirement or plans 120 days prior to that date.

### **15.4 Participant Termination Election form**

This form will be forwarded to the employee with the benefit sheet 45 days prior to retirement/termination.

## CITY OF NEWPORT BENEFICIARY DESIGNATION

169 SW Coast Hwy, Newport, Oregon 97365

541-574-0604

**Important:** Please read instructions carefully before completing this form. Return form to **City of Newport, Attention: Human Resources, 169 SW Coast Hwy, Newport, OR 97365**

### Employee/Retiree Information

Name (Last, First, Middle)		Social Security Number	
Mailing Address		City	State      Zip Code
Daytime Phone Number	E-Mail Address		

**Beneficiary Designation\*** -- You must designate at least one primary beneficiary, do not designate yourself. If you make a mistake, initial next to your actual designation.

Designation	Beneficiary Information		Relationship	Mailing Address
<b>Must check one</b>  <input type="checkbox"/> Primary  <input type="checkbox"/> Contingent	Full Name of Person, Estate, or Trust		Percentage	Mailing Address
	Social Security Number	Date of Birth		City      State      Zip Code
<b>Must check one</b>  <input type="checkbox"/> Primary  <input type="checkbox"/> Contingent	Full Name of Person, Estate, or Trust		Percentage	Mailing Address
	Social Security Number	Date of Birth		City      State      Zip Code
<b>Must check one</b>  <input type="checkbox"/> Primary  <input type="checkbox"/> Contingent	Full Name of Person, Estate, or Trust		Percentage	Mailing Address
	Social Security Number	Date of Birth		City      State      Zip Code

Designation	Beneficiary Information		Relationship	
<b>Must check one</b> <input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Full Name of Person, Estate, or Trust			Mailing Address
	Social Security Number	Date of Birth		
<b>Must check one</b> <input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Social Security Number	Date of Birth	Percentage	City State Zip Code
	Full Name of Person, Estate, or Trust			Mailing Address
<input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Social Security Number	Date of Birth		
	<b>Must check one</b> <input type="checkbox"/> Primary <input type="checkbox"/> Contingent	Full Name of Person, Estate, or Trust		
Social Security Number		Date of Birth	Percentage	

**\* If you are naming more than beneficiaries please attach a separate sheet that is signed.**

**Signature Required – MUST complete in full.**

I, \_\_\_\_\_ (print name) direct that any monies related to my account, unless otherwise specified or required by law, will be paid in equal shares to any primary beneficiaries named on this form who survive me, but if none survive, such monies will be paid in equal shares to any contingent beneficiaries named on this form who survive me. I hereby certify that I have read and understand the instructions to this form and that all of the information I have entered on this form is true and complete. Submission of this document revokes any prior designations that I have made.

Signature	Date
-----------	------

**Witness Required – MUST be completed by a person, other than a beneficiary, who witnesses the employee's/retiree's signature.**

I, \_\_\_\_\_ (print witness name – **cannot be a beneficiary**) witness that the above named employee/retiree signed this document.

Signature	Date
Mailing Address	City State Zip Code

## INSTRUCTIONS AND GENERAL INFORMATION FOR EMPLOYEE/RETIREE BENEFICIARY DESIGNATION

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Use this form to designate or change the person, estate, trust or organization to receive any money due from your retirement account at the time of your death.

Please print in dark ink, make a copy of the completed form for your records, and return it to **City of Newport, Attn: Human Resources, 169 SW Coast Highway, Newport, OR 97394.**

**Before you complete this form, please note:** This is one of the most important documents associated with your retirement account. Read and complete all sections carefully.

**When filling out your beneficiary designations(s):** If you name a person, always show that individual's legal given name. For example: MARY K DOE, not Mrs. Robert Doe.

**Signing the form:** Another person (other than your beneficiary) must witness your signature on this document and complete the witness section.

An attorney-in-fact cannot sign for you unless the Power of Attorney documents specifically grant the power to designate a beneficiary.

**Submitting the form:** Your beneficiary designation is not valid until it is fully complete, signed and received by the City of Newport.

If you are the Power of Attorney submitting this form you will also need to send the following:

- A photocopy of the Power of Attorney document that grants you the power to designate a beneficiary.
- Affidavit of Attorney-in-Fact completed and notarized.

**CITY OF NEWPORT EMPLOYEES' RETIREMENT PLAN****ILLUSTRATION OF BENEFITS FOR 7/01/2015 TO 6/30/2016****Doe, Jane**

Social Security Number: xxx-xx-1111

Date of Birth: July 30, 1952

Date of Hire: February 1, 2009

Normal Retirement Date: August 1, 2014

	<u>Beginning Balance</u>	<u>Contributions</u>	<u>Gains / Losses</u>	<u>Distributions</u>	<u>Ending Balance</u>	<u>Vested Balance</u>
<b>Employee Contribution Accounts:</b>						
Employee Voluntary	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mandatory	\$0.00	n/a	\$0.00	\$0.00	\$0.00	\$0.00
Rollover	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Employee Contribution Accounts</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Employer Contribution Accounts:</b>						
Money Purchase	\$12,378.28	\$2,016.12	\$-86.12	\$0.00	\$14,308.28	\$14,308.28
Employer Match	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Employer Contribution Accounts</b>	\$12,378.28	\$2,016.12	\$-86.12	\$0.00	\$14,308.28	\$14,308.28
<b>Total Account Balances</b>	\$24,756.56	\$4,032.24	\$-172.24	\$0.00	\$28,616.56	\$14,308.28

Employee Contribution Accounts: these accounts consist of contributions you have made, rollovers from another plan the City of Newport Retirement Plan has accepted on your behalf, and any investment gains or losses on those amounts. Balances in these accounts are 100% vested at all times.

Employer Contribution Accounts: these accounts consist of contributions made by the city on your behalf and any investment gains or losses on those amounts. Balances in these accounts are vested fully after seven years of service. As of June 30, 2016 you have accrued **7** complete years of vesting service and are **100.0%** vested.

## Attachment 15.2

**Please note:** These are estimated benefits only. All rights to retirement plan benefits are governed by the terms and conditions of the Plan, including the right to change or discontinue the plan at any time. City of Newport reserves the right to make adjustments consistent with those terms and conditions in case of error in this statement. If you feel the information on this page is inaccurate, or if you have questions or need additional information, please contact the City of Newport Employees' Retirement Plan administrator, Michael Murzynsky, at 541-574-0610.



CITY OF NEWPORT Attachment 15.3

INTENT TO RETIRE / TERMINATE

Present Employee

Past Employee

Employee's Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Telephone No: \_\_\_\_\_

Soc Sec No.: \_\_\_\_\_

Hire Date \_\_\_\_\_

Date Terminated: \_\_\_\_\_

Retirement Date: \_\_\_\_\_

Birth date: \_\_\_\_\_

Married

Not Married

Spouse's Name: \_\_\_\_\_

Spouse's SS No.: \_\_\_\_\_

Spouse's Birth Date: \_\_\_\_\_

Please determine the amount of benefit due to me under the terms of the City of Newport Retirement Plan.

X \_\_\_\_\_  
Signature of Employee

\_\_\_\_\_  
Date

Mail to: City of Newport  
Attn: Human Resources  
169 SW Coast Hwy  
Newport, OR 97365



CITY OF NEWPORT
EMPLOYEE'S RETIREMENT PLAN
PARTICIPANT TERMINATION ELECTION FORM
6 PLUS 3 DEFINED CONTRIBUTION

ATTACHMENT 15.4

{Non-represented employees hired after March 5, 2012. Newport Employees Association (NEA) and Newport Police Association (NPA) non- PERS employees hired after October 15, 2012}

- 1. [ ] I worked less than three (3) years for the City and do not meet the vesting requirements of the Plan (Sign and date form below).
2. [ ] I worked three or more three (3) years for the City and am vested, either partially or fully, in the City Retirement Plan (Please continue completing form).

I, \_\_\_\_\_ acknowledge that I have received the Federal Withholding Certificate for Pension and Annuity Payments explaining the tax withholding and rollover options available for my distribution. I further acknowledge as a plan participant, that I may elect within 180 days after termination to withdraw the vested portion of the Money Purchase contribution account. If the election is made, the vested portion of the account shall be paid in a lump-sum as described in 4.4 of the Defined Contribution Summary Description

If the election is not made within 180 days after termination, all vested Money Purchase contributions, less mandatory withholdings, will automatically payout after the 180 days has expired. [see section 4.1, 4.3 and 4.4 of the Retirement Plan Handbook].

I will receive payouts in two separate checks, with the first check being 85% of the most recent valuation for my account. The second payment will be on or around November 1st, following the end of the plan year in which you ended your employment. This is due to fluctuations in market conditions for the invested Money Purchase accounts (Mandatory 20% federal tax will be withheld).

I elect the following form of benefit:

- 3. [ ] A lump-sum cash payout paid directly to me of the vested portion of my money purchase contribution account. (Mandatory 20% Federal Tax will be withheld).
3a. [ ] I do not wish to have State Income Taxes withheld
3b. [ ] I wish to have 8% State Income Taxes withheld
4. [ ] A direct rollover of the vested portion of my money purchase contribution account.
4a. [ ] IRA recipient of direct rollover: Name and address of IRA custodian or trustee (bank or other financial institution):

\_\_\_\_\_
\_\_\_\_\_

4b. [ ] Qualified retirement plan recipient of direct rollover:

Name of Plan \_\_\_\_\_

Name, address and telephone number of plan administrator: \_\_\_\_\_

Please complete, sign and date this form and return it to Human Resources, City of Newport, 169 SW Coast Hwy, Newport, Oregon 97365.

Participant's signature

Date Signed