



**CITY OF COCOA  
DEFERRED RETIREMENT OPTION PLAN  
ELECTION FORM**

Name: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

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

Social Security: \_\_\_\_\_ Date of Hire: \_\_\_\_\_

**IMPORTANT INFORMATION**

**PLEASE READ CAREFULLY**

This form is to be completed by persons eligible for and wishing to participate in the deferred retirement option plan (DROP), which has been established for eligible employees pursuant to City Ordinance, effective July 9, 2002. Any eligible employee who has attained normal retirement age may elect to participate in this DROP program. The terms of the program are specific, and you should read the following information carefully to better understand the program. In addition, you should consult the City Human Resources Department about any questions you have concerning the DROP plan. Participation requires specific notice to the City and obligates you to agree to terminate your employment at the end of the maximum period of participation in the deferred retirement option plan.

**THE DECISION TO PARTICIPATE IN THE DEFERRED RETIREMENT OPTION PLAN IS VERY IMPORTANT AND WILL HAVE AN IMPACT ON EACH EMPLOYEE'S RETIREMENT BENEFITS AND QUALITY OF LIFE. EACH EMPLOYEE SHOULD CONSULT LEGAL AND FINANCIAL ADVISERS, WEIGH THEIR OPTIONS CAREFULLY, AND MAKE A DECISION THAT BEST SUITS THEIR PERSONAL NEEDS.**

**YOUR ELECTION TO PARTICIPATE IN THE DROP IS IRREVOCABLE.**

**TERMS AND CONDITIONS OF THE DEFERRED RETIREMENT OPTION PLAN  
("DROP")**

I understand that my participation in the deferred retirement option plan (DROP) is subject to the following terms and conditions:

1. The maximum period of time I may participate in the DROP is sixty (60) months. I may elect to terminate participation in the DROP sooner by giving thirty (30) days advance written notice to the City. I understand that my City employment will terminate on the same date that my participation in the DROP ends.
2. Before I enter the DROP, I will submit an irrevocable letter of resignation stating that I will terminate my City employment on the same date that my participation in the DROP ends.
3. I understand that on the date I enter the DROP, I will be considered to have retired for the purposes of the pension plan. My monthly retirement benefit, determined in accordance with the pension plan based on years of creditable service and average final compensation at the time I enter the DROP, will be

paid into my DROP account every month I participate in the DROP. I understand that I will not accrue any additional creditable service or any additional benefits under the pension plan after entering the DROP, except for any applicable cost of living adjustment.

4. My monthly retirement benefit paid into the DROP will not be available to me during the period of my participation in the DROP. My DROP account will gain or lose value at the same rate as the net rate of investment return on the actuarial value of pension fund assets, or as determined by the pension board. I understand that the investment earnings credited or debited to my DROP account may go up or down during my participation in the DROP, and there is no guarantee that the value of the benefits paid into the DROP account will increase.
5. During the time I participate in the DROP, I will make no contributions to the pension plan.
6. I understand that once I have begun participating in the DROP, I will not be eligible for disability benefits or pre-retirement death benefits under the pension plan.
7. As soon as the investment returns are available following the end of the calendar quarter following the termination of my City employment, whether by death, the end of the DROP period, or early termination of my participation in the DROP, I

understand that my entire DROP account balance, including interest, will be distributed in accordance with paragraph 8 below.

8. Upon termination of my City employment, my entire DROP account balance will be distributed to me (or if termination is because of my death, to my beneficiary or to my estate if I have not designated a beneficiary) in a cash lump sum, unless I elect to have all or a portion of any eligible rollover distribution paid directly to an eligible retirement plan specified by me in a direct rollover, which must be accomplished in accordance with the pension plan and rules established by the pension board. I understand that I must elect a rollover within the time specified by the pension board and prior to the distribution of the DROP account, and that if I do not do so, a lump sum payment will be made directly to me, and I will pay whatever taxes and penalties are required by law.
9. I understand that the DROP is intended to comply with the Internal Revenue Code, and the City and Pension Board will take no action that may jeopardize the qualification of the pension plan or the DROP. I understand that changes may need to be made to the DROP plan to comply with applicable provisions of the Internal Revenue Code in order to maintain the qualified status of the pension plan, and I agree to any such changes.
10. I understand that participation in the DROP program is not a guarantee of employment, and that I will be subject to the same employment standards and policies that are applicable to employees who are not DROP participants.

11. I understand upon my election to participate in the DROP, I may elect to receive payment for my accrued sick and annual leave, in accordance with City policy, as either in a lump sum prior to my entry into the DROP or in a lump sum upon my termination of employment.

### ELECTION AND SIGNATURE

I, \_\_\_\_\_ [print name], have carefully reviewed the above terms and conditions of the deferred retirement option plan, and I voluntarily elect to participate in the DROP in accordance with the above terms and conditions. I wish to begin participating in the DROP on \_\_\_\_\_. Furthermore, I also elect to (MUST CHECK ONE OPTION):

\_\_\_\_\_ receive a lump sum payment for my accrued sick and annual leave **prior to my DROP entry date, OR**

\_\_\_\_\_ receive a lump sum payment for my accrued sick and annual leave **upon termination of my employment.**

I understand that this is an important decision that affects my pension rights and benefits, and I have been advised to consult with an attorney and a financial planning expert concerning my rights under this program and the effect of this election on my retirement benefits. I have also had an opportunity to ask questions concerning this DROP election form, and my questions have been answered to my satisfaction.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Witness Name (please print)