

A Comparison of Benefits For Police and Fire Retirement System Members *Who Joined July 1, 2009 – January 8, 2010*

Service Retirement

<p>Tier 3 Article 11</p>	<p>20-Year Plans (384-d / 384-e) Members who joined July 1, 2009 – January 8, 2010 and elected a 20-Year Plan are covered under Article 14 benefits.</p>	<p>25-Year Plans (384 / 384(f)) Members can retire with 25 years of service, regardless of age.</p> <p>384 Benefit = 50% of the Final Average Salary.</p> <p>384(f) Benefit = 50% of the Final Average Salary + an additional 1.66% for <i>completed</i> years of service beyond 25.</p> <p>Maximum benefit = 61.67% of Final Average Salary (32 years of service credit).</p> <p>Please note: If an employer adopts the one-year FAS, Tier 3 members who elect a 25-year plan will have Article 14 benefits.</p>	<p>Regular Plans</p> <p>Most employers offer the retirement plan provided by Section 375-i. Check with your employer to confirm the plans offered.</p> <p>With 20 Years of Service Benefit = 2% of the Final Average Salary times years of service.</p> <p>Maximum benefit = 75% of FAS.</p> <p>With Less Than 20 Years of Service Benefit = 1.66% of the Final Average Salary times years of service.</p> <p>Reduction for Early Retirement Members retiring before age 62 receive reduced benefits.</p>
<p>Tier 3 Article 14</p>	<p>Normal Retirement Members can retire with 22 years of service, regardless of age.</p> <p>Benefit = 50% of the Final Average Salary.</p> <p>Early Retirement Members can retire with 20 years of service, regardless of age.</p> <p>Benefit = 42% of the Final Average Salary + an additional 4% for service beyond 20 years. Prorated monthly to a maximum of 22 years.</p>		<p>N/A</p>
<p>Tier 5 Article 22</p>	<p>20-Year Plans (384-d / 384-e) Members can retire with 20 years of service, regardless of age.</p> <p>384-d Benefit = 50% of the Final Average Salary.</p> <p>384-e Benefit = 50% of the Final Average Salary + an additional 1.66% for service beyond 20 years.</p> <p>Maximum benefit = 70% of Final Average Salary (32 years of service credit).</p>	<p>25-Year Plans (384 / 384(f))</p> <p>Benefits are the same as Article 11.</p>	<p>Regular Plans</p> <p>Benefits are the same as Article 11.</p>

Escalation

The annual increase or decrease, to a maximum of 3%, each April based on the cost-of-living index.

Tier 3 Article 11	None
Tier 3 Article 14	If a member retires with 25 years of service, the benefit is eligible for full escalation. If a member retires with 22 years, 1 month of service, the benefit is eligible for partial escalation.
Tier 5 Article 22	None

Social Security Offset

Tier 3 Article 11	None
Tier 3 Article 14	The benefit is reduced by 50% of the primary Social Security benefit at age 62.
Tier 5 Article 22	None

Contributions

Tier 3 Article 11	None, if employer offers a non-contributory plan.
Tier 3 Article 14	3% for 25 years or until retirement, whichever is earlier. Contributions are not tax-deferred.
Tier 5 Article 22	3% until retirement unless the member's plan limits the amount of service credit that can be accrued. Contributions are not required after the maximum service credit is accrued. Contributions are not tax-deferred. (Certain PFRS members covered by union-negotiated contracts that require their employer to offer a special plan may not be required to contribute. Check with your employer regarding any contract you may be covered under.)

Loans

Tier 3 Article 11	Members who meet eligibility requirements can be granted a loan.
Tier 3 Article 14	Members who meet eligibility requirements can be granted a loan against their 3% contributions.
Tier 5 Article 22	Members who meet eligibility requirements can be granted a loan against their 3% contributions.

Final Average Salary

Tier 3 Article 11	<p>One-Year Final Average Salary</p> <p>Yes, if adopted by the employer for the member's group, i.e., police officers, firefighters or both.</p> <p>Please note: If an employer adopts the one-year FAS, Tier 3 members who elect a 20- or 25-year plan will have Article 14 benefits. Only Tier 3 members in Article 11 age 55 plans can retire with a one-year FAS.</p>	<p>FAS Limitation</p> <p>20% above the average of the previous 2 years.</p>	<p>Overtime Included in FAS</p> <p>Not limited.</p>	<p>Lump Sum Vacation included in FAS</p> <p>No</p>
Tier 3 Article 14	<p>One-Year Final Average Salary</p> <p>No</p>	<p>FAS Limitation</p> <p>10% above the average of the previous 2 years.</p>	<p>Overtime Included in FAS</p> <p>Not limited.</p>	<p>Lump Sum Vacation included in FAS</p> <p>Yes</p>
Tier 5 Article 22	<p>One-Year Final Average Salary</p> <p>Yes, if adopted by the employer for the member's group, i.e., police officers, firefighters or both.</p>	<p>FAS Limitation</p> <p>20% above the average of the previous 2 years.</p>	<p>Overtime Included in FAS</p> <p>Limited to 15% of salary.</p>	<p>Lump Sum Vacation included in FAS</p> <p>No</p>

Vesting

Service needed for vested benefit and service retirement benefit eligibility.

Tier 3 Article 11	5 years of service credit.
Tier 3 Article 14	5 years of service credit.
Tier 5 Article 22	10 years of service credit.

Disability Retirement

Tier 3 Article 11	<p>Ordinary Disability Retirement</p> <p>Members must have 10 or more years of service credit.</p> <p>Benefit =</p> <ul style="list-style-type: none"> • 1.66% of FAS for each year of credited service; or • 1.66 % of FAS for each year of credited service + 1.66% of FAS for each year of service member might have earned before age 60, but not more than 1/3 of FAS. 	<p>Accidental Disability Retirement</p> <p>No minimum service credit requirement.</p> <p>Benefit = 75% of FAS</p> <p>Benefit reduced by: 100% of any Workers' Compensation benefit.</p>	<p>Performance of Duty Disability Retirement</p> <p>No minimum service credit requirement.</p> <p>Benefit = 50% of FAS</p> <p>Benefit is not reduced by any Workers' Compensation benefit payable.</p>
Tier 3 Article 14	<p>Ordinary Disability Retirement</p> <p>Members must have 5 years of service credit and be eligible for Social Security disability benefits.</p> <p>Benefit =</p> <ul style="list-style-type: none"> • 1/3 of FAS; or • 2% of FAS for each year of service credit up to 25 years. <p>Benefit is reduced by: 50% of the primary Social Security benefit and 100% of any Workers' Compensation benefit.</p> <p>Benefit is eligible for escalation.</p>	<p>Accidental Disability Retirement</p> <p>No minimum service credit requirement.</p> <p>Benefit = 50% of FAS</p> <p>Benefit is reduced by: 50% of the primary Social Security benefit and 100% of any Workers' Compensation benefit. If member is receiving Social Security disability benefits, Social Security reduction begins immediately; if not, reduction begins at age 62.</p> <p>Benefit is eligible for escalation.</p>	<p>Performance of Duty Disability Retirement</p> <p>None</p>
Tier 5 Article 22	<p>Ordinary Disability Retirement</p> <p>Benefit is the same as Article 11.</p>	<p>Accidental Disability Retirement</p> <p>Benefit is the same as Article 11.</p>	<p>Performance of Duty Disability Retirement</p> <p>Benefit is the same as Article 11.</p>

Death Benefits

<p>Tier 3 Article 11</p>	<p>Ordinary Death Benefit</p> <p>Members in 20- or 25-year plans are eligible after 90 days of service.</p> <p>Benefit = 3 times salary raised to the next highest multiple of \$1,000.</p> <p>Members in regular plans are eligible after 1 year of service.</p> <p>Benefit = member's salary multiplied by years of service, not to exceed 3 years of salary. The salary is limited by Section 130 of the Civil Service Law.</p>	<p>Alternative Death Benefit</p> <p>Members who die in service after becoming eligible to retire may be eligible for an alternative death benefit that would be substantially greater than the ordinary death benefit.</p>	<p>Accidental Death Benefit</p> <p>Benefit = pension equal to 50% of FAS and is paid to certain beneficiaries as specified in the law.</p> <p>Benefit reduced by: 100% of any Workers' Compensation benefit.</p>	<p>Special Accidental Death Benefit</p> <p>Benefit = pension equal to member's salary reduced by the accidental death benefit without reductions and the Social Security benefit payable.</p>
<p>Tier 3 Article 14</p>	<p>Ordinary Death Benefit</p> <p>Members are eligible after 90 days of service.</p> <p>Benefit = 3 times salary raised to the next highest multiple of \$1,000.</p>	<p>Alternative Death Benefit</p> <p>None</p>	<p>Accidental Death Benefit</p> <p>Benefit = pension equal to 50% of FAS and is paid to certain beneficiaries as specified in the law.</p> <p>Benefit is eligible for escalation.</p>	<p>Special Accidental Death Benefit</p> <p>None</p>
<p>Tier 5 Article 22</p>	<p>Ordinary Death Benefit</p> <p>Benefit is the same as Article 11.</p>	<p>Alternative Death Benefit</p> <p>Benefit is the same as Article 11.</p>	<p>Accidental Death Benefit</p> <p>Benefit is the same as Article 11.</p>	<p>Special Accidental Death Benefit</p> <p>Benefit is the same as Article 11.</p>