



## TABLE XIIIa - PLAN PROVISIONS

---

### 1. Membership Groups

- **Group 1 Restored Member:**
  - Members employed or who were hired on or before September 30, 2011 and eligible to retire on or before September 30, 2020 based on a normal retirement date of age 50 or 22 years of continuous service.
- **Group 2 Restored Member:**
  - Members employed or who were hired on or before September 30, 2011 and eligible to retire after September 30, 2020 based on a normal retirement date of age 50 or 22 years of continuous service.
- **Group 3 Member:**
  - Members who were hired after September 30, 2011.

### 2. Monthly Accrued Benefit

Group 1 and Group 2 Members:

- 3% of average monthly earnings multiplied by service to 20 years plus 4% multiplied by service over 20 years with a maximum of 80% of average monthly earnings. The full 80% is earned at 22 years of service (resulting in a 12% of earnings increase in benefit at the moment the member attains 22 years of service).

Group 3 Members:

- 3% of average monthly earnings multiplied by service to 21 years. The full 80% is earned at 22 years of service (resulting in a 17% of earnings increase in benefit at the moment the member attains 22 years of service).





## TABLE XIIIa - PLAN PROVISIONS

---

### 3. Average Monthly Earnings

Group 1 and Group 2 Members:

- The average of the highest three years of compensation prior to retirement or termination. Earnings include salary, overtime pay not to exceed 300 hours per year, longevity pay, assignment pay, payments for accrued holiday time (not to exceed 130 hours for Group 2 Members), payments for accrued blood time, and payments for accrued compensatory time, but shall not include payments for unused sick time or for unused vacation time.

Group 3 Members:

- The average of the highest 60 consecutive months of the last 120 months of credited service prior to retirement or termination. Earnings shall include salary, overtime pay not to exceed 115 hours per year, longevity pay, assignment pay, and payments for accrued holiday time not to exceed 130 hours per year. Earnings shall not include payments for accrued blood time, annual “cash-out” payments for accrued vacation time, payments for accrued compensatory time and payments for unused sick time which is paid upon retirement or termination.

### 4. Normal Retirement Age and Benefit

- **Eligibility:**
  - Group 1 and Group 2 Members:
    - Age 50, or
    - Any age upon attainment of 22 years of service
  - Group 3 Members:
    - Age 55 with 10 years of service, or
    - Any age upon attainment of 22 years of service
- **Amount:** Monthly Accrued Benefit
- **Form of Payment:**
  - Married Member: Life annuity with ten years certain, with a 50% survivor annuity payable to the spouse until death or remarriage
  - Unmarried Member: Life annuity with ten years certain





## TABLE XIIIa - PLAN PROVISIONS

---

### 5. Disability Retirement Age and Benefit

- **Condition**

For a service-connected disability benefit, the member must become totally and permanently disabled in the line of duty and must have applied for Social Security disability benefits as well as worker's compensation benefits, if applicable.

For a non-service connected disability benefit, the member must become totally and permanently disabled, must have at least five years of service, and must have applied for Social Security disability benefits as well as worker's compensation benefits, if applicable.

- **Amount**

For a service-connected disability benefit:

Greater of monthly accrued benefit or 50% of earnings at the time of determination of disability.

For a non-service connected disability benefit:

2½% of average monthly earnings multiplied by service, with a minimum benefit of 25% of earnings at the time of determination of disability. The benefit will be offset by any worker's compensation, Social Security, pension, or similar benefit payable to the member or to his dependents. Upon attainment of age 65, the Social Security offset will cease and, upon attainment of normal retirement age, the benefit will be recomputed as a normal retirement benefit with consideration of service granted for the period of time that the member was receiving a disability retirement benefit.

- **Form of Payment**

- Married Member: Life annuity with ten years certain, with a 50% survivor annuity payable to the spouse until death or remarriage. In the case of a member who dies prior to normal retirement age while receiving a non-service connected disability, a 100% survivor annuity is payable to the spouse until death or remarriage.
- Unmarried Member: Life annuity with ten years certain





## TABLE XIIIa - PLAN PROVISIONS

---

### 6. Withdrawal Retirement Age and Benefit

- **Age:** Any age with at least ten years of service
- **Amount:** Monthly Accrued Benefit payable at normal retirement age.
- **Form of Payment:**
  - Married Member: Life annuity with ten years certain, with a 50% survivor annuity payable to the spouse until death or remarriage if the member dies after payment has begun.
  - Unmarried Member: Life annuity with ten years certain, if the member dies after payment has begun.
  - A member may elect to receive his contributions in lieu of a withdrawal retirement benefit.

### 7. Death Benefits

- **Service-connected death benefit:** Greater of the earned benefit or 25% of earnings at the date of death payable as a monthly life and ten years certain benefit to the spouse until death or remarriage or to surviving children until the youngest child reaches age 18. For members who did not designate a beneficiary, the estate of the member is entitled, for a period of ten years, to a monthly benefit equal to the greater of the earned benefit or 25% of earnings on the date of death.
- **Non-service connected death benefit:** 25% of earnings at the date of death payable as a monthly life and ten years certain benefit to the spouse until death or remarriage or to surviving children until the youngest child reaches age 18.

### 8. Employee Contributions

9.50% of compensation. The employee contributions are 11.5% for Group 3 members beginning October, 1, 2025.

### 9. Refund of Employee Contributions

If a member's service is terminated prior to his becoming eligible for a withdrawal retirement benefit, then his contributions are returned to him without interest.





## TABLE XIIIa - PLAN PROVISIONS

### 10. Police Officers' Deferred Retirement Option Plan (DROP)

All members may enter the DROP upon attainment of normal retirement age or completion of 22 years of service subject to the existing limitation of 30 years of service with the city. When a member enters the DROP, his Monthly Accrued Benefit is frozen based on his average monthly earnings and service at that time and his Monthly Accrued Benefit is paid into his DROP account. Upon termination of employment, but not more than eight years after entry into the DROP, the balance in the member's DROP account, including interest, is payable to him and he also begins to receive his frozen Monthly Accrued Benefit.

Earnings in the DROP plan account for all members hired on or before September 30, 2011 shall be one of the following options:

- 1) The variable rate of return, which for any month shall be the actual net rate of investment gain or investment loss on the Retirement System's assets for the month, determined as of the last day of the month, reduced in the event of a net investment gain or increased in the event of a net investment loss by an administrative fee determined by the Board; or
- 2) 6% per year, minus administrative costs; provided, however, if plan earnings exceed 6% per year, earnings in excess of 6% per year and not in excess of 12% per year shall offset the City's cost of maintaining the DROP plan program, and plan earnings in excess of 12% per year shall be equally divided between the DROP participant and the City.

Earnings in the DROP plan account for all members hired after September 30, 2011 shall be at the participants election either:

- 1) The actual net rate of investment gain or loss on the Retirement System's assets for the month, determined as of the last day of the month subject to a uniform administrative fee as adopted by the Board; or
- 2) A variable rate of return not greater than the actuarially assumed rate of investment return, but not less than zero, subject to a uniform administrative fee as adopted by the Board; provided however, if actual net earnings on the assets of the Retirement System exceeds the assumed rate of investment return, such excess up to a net investment return of 14% shall be used to offset the City's cost of maintaining the DROP; further provided, that if the actual net rate of return exceeds 14%, the return on assets attributable to DROP participants shall be divided equally between a reduction in City cost and the DROP participants.





## TABLE XIIIa - PLAN PROVISIONS

### 11. Reformed Planned Retirement Benefit

The Reformed Planned Retirement Benefit (RPRB) program is a benefit for Group 3 Members. In order to participate in the Reformed Planned Retirement Benefit a member must submit in writing declaring their intent to participate in the program at any time on or after reaching the member's normal retirement date electing one of the RPRB options described below.

- RPRB Option 1:
  - i. Employee contributions shall be 11.5% of earnings.
  - ii. Monthly Benefit is calculated under one of the following options:
    - 1. As if the member retired when he/she makes the election to participate.
    - 2. As if the member retired when service terminates using service and pay earned after entering the RPRB program.
  - iii. Lump Sum Benefit is calculated under one of the following options:
    - 1. Based on number of years worked after electing to participate
    - 2. No lump sum.
  - iv. Members may choose any combination of lump sum payments or a larger annuity by dividing the years worked after electing to participate in the RPRB program.
  - v. Any lump sum payment must be paid out to the member at termination and cannot be left in the plan.
  - vi. The crediting rate applicable to any lump sum payment shall be calculated in arrears equal to 100% of the first 4% of plan earnings plus 50% of plan earnings in excess of 6%, unless the System is 90% funded. If the System is at least 90% funded, the crediting rate will be based on the 100% of the first 4% of plan earnings plus 100% of plan earnings in excess of 6%. The member will not share in asset losses in those years where plan returns are negative.
- RPRB Option 2:
  - i. Employee contributions shall be 0.5% of earnings.
  - ii. Monthly Benefit is calculated as if the member retired when he/she makes the election to participate.
  - iii. Lump Sum Benefit is calculated based on number of years worked after electing to participate.
  - iv. Lump Sum Benefit can be left in the plan after service termination.
  - v. The crediting rate applicable to any lump sum payment shall be calculated in arrears equal to the actual investment rate of return of the Retirement System. The member will share in asset losses in those years where plan returns are negative and asset gains when plan returns are greater than the assumed rate of return.





## TABLE XIIIa - PLAN PROVISIONS

A member's written election to participate in the RPRB will indicate the maximum number of years they may participate in the RPRB and the latest employment termination date. The maximum RPRB period is eight years.

If a member elects to participate in the RPRB, service with the City cannot exceed 30 years. However, if electing to participate in the RPRB a member may terminate employment any time prior to reaching the earlier of 30 years of service or the maximum period of RPRB participation.

### 12. Cost-of-Living Adjustment

Group 1 and 2 Members:

- Any retiree and any beneficiary of such retiree will receive a 2% annual increase in benefit payments commencing three years after the retiree's benefit payments have begun.
- For participants who enter the DROP, cost-of-living adjustments do not occur while the member participates in the DROP. Adjustments commence the later of the date the participant leaves the DROP and three years after entry into the DROP.

Group 3 Members:

- Any retiree and any beneficiary of such retiree will receive a 2.5% annual increase in benefit payments commencing three years after the retiree's benefit payments have begun and continuing every other year thereafter.
- For participants who enter the DROP, cost-of-living adjustments do not occur while the member participates in the DROP. Adjustments commence the later of the date the participant leaves the DROP and three years after entry into the DROP and continuing every other year thereafter.

### 13. Supplemental Pension Check

Only Group 1 members employed on February 20, 2019 and participating in the DROP plan or the Reformed Planned Retirement Benefit Plan on this date:

- If the actual asset return of the trust exceeds the assumed rate of investment return for any fiscal year, the excess market value return (up to 2%) will be allocated to retirees and beneficiaries based on service at retirement.

For all other retirees, surviving spouses, and beneficiaries, no supplemental pension check will be paid.

