

6
3/24/2011

RETIREMENT PLANS SUMMARY FOR DEPUTY SHERIFFS, MEDICS AND FIRE MARSHALS 6

Virginia Retirement System (VRS) Employer ID 55200	
Type of Plan	Defined benefit pension plan
Eligibility	Regular, full time City employees who are not covered employees under the Firefighters & Police Officers Pension Plan are members. City Deputy Sheriffs, Medics, and Fire Marshals participate in the VRS plan for state employees, school divisions, and political subdivisions, not the VRS plan providing enhanced benefits for political subdivision employees in hazardous duty positions.
Plan 1 or Plan 2 Participant	Plan 1: If employed in VRS covered position prior to July 1, 2010 Plan 2: If become employed in VRS covered position after June 30, 2010
Contributions	Plan 1: City pays 5% of the member contribution plus 7.78% employer contributions for a total of 12.78% Plan 2: Employees pay 4% of the member contribution; City pays 1% of the member contribution plus 7.78% employer contributions for a total 8.78% paid by the City
Vesting	5 year vesting
Service Credit	Member accrues one month of service credit for each month the City makes contributions
Creditable Compensation	Base salary City reports to VRS; excludes overtime, shift differential, bonuses, special pay, etc.
Average Final Compensation	Plan 1: Average of the 36 highest consecutive months of creditable compensation Plan 2: Average of the 60 highest consecutive months of creditable compensation
Benefit Formula	1.7% multiplied by Average Final Compensation multiplied by years of service credit
Normal Retirement Age	Plan 1: age 65 Plan 2: Social Security Normal Retirement Age [66 – 67 depending on year of birth]
Retirement - Unreduced	Plan 1: At least age 65 with at least 5 years of service credit or at least age 50 with at least 30 years of service credit Plan 2: Social Security Normal Retirement Age with at least 5 years of service credit or when age and service credits equal 90
Retirement – Reduced/Early	Plan 1: At least age 55 with at least 5 years of service credit or at least age 50 with at least 10 years of service credit Plan 2: Age 60 with at least 5 years of service credit
Retirement Payment Options	Basic benefit pays you a lifetime monthly benefit; survivor benefit also provides a lifetime monthly benefit to your spouse or contingent annuitant after your death; Partial Lump-Sum Option Payment (PLOP) provides eligible employee option to receive a lump sum payment plus a monthly benefit (you must work 1, 2, or 3 full years after eligible for unreduced retirement); Advance Pension Option allows you to temporarily increase your monthly benefit prior to receiving Social Security benefits.

This is a summary of retirement benefits. The provisions of the plan document will prevail in any instances where this summary differs from the plan document. Plans are subject to change.

Revised 10/14/2010

Disability Retirement	Members who are unable to perform job because of disability that is likely to become permanent may apply to receive a disability retirement benefit. If the Member is vested, the benefit is the higher of the VRS formula amount or the minimum guaranteed benefit. Non-vested member may only apply for the minimum guarantee benefit. The minimum guaranteed benefit ranges from 33 1/3% to 66 2/3% of the Average Final Compensation depending on whether disability is service related and if the member qualifies for Social Security benefits.
Death Benefits Before Retirement	Beneficiary may receive a lump-sum payment of member's contribution account; spouse, minor child, or parent may elect to receive a monthly benefit. If death is work related both lump-sum and monthly benefit may be paid.
Termination Prior to Retirement	Terminating members may request a refund of <i>member</i> contributions and interest. <i>Vested members</i> will receive <i>member</i> contributions they paid plus <i>member</i> contributions the City paid plus interest. <i>Non-vested members</i> will receive <i>member</i> contributions they paid plus any <i>member</i> contributions the City paid <i>prior to 7/1/2010</i> plus interest. Members who take a refund of contributions forfeit future pension benefits. Vested members may elect to leave contributions and service in plan and receive a monthly pension benefit at a later date when eligible. Non-vested members may elect to leave contributions and service in plan if anticipate will work for VRS covered employer in future.
Cost of Living Adjustment (COLA)	Plan 1: First 3% increase in CPI-Urban plus ½ of the remaining increase up to a maximum COLA of 5%, when provided Plan 2: First 2% increase in CPI-Urban plus ½ of the remaining increase up to a maximum COLA of 6%, when provided
Purchase of Other Prior Governmental Service	Plan 1: Three year eligibility period to purchase at 5%; actuarial equivalent rate after 3 years Plan 2: Effective 1/1/2011 one year eligibility period to purchase at normal cost; actuarial equivalent rate after one year
VRS Contact Information	Website: www.varetire.org Customer Contact Center: 1-(888) VARETIR (827-3847) 8:30 am – 5:00 pm Mon.-Fri.

Supplemental Retirement Plan “City Plan” Contract 16741 Administered by Prudential (Division 003 Deputy Sheriffs, Medics, and Fire Marshals)	
Type of Plan	Defined benefit pension plan
Eligibility	Deputy Sheriffs, Medics, and Fire Marshals For regular, full-time employees this benefit is in addition to the benefit provided by VRS.
Contributions	City pays 9.74% contributions Prior to 7/1/2009 the City designated 2% of the City-paid contributions as employee contributions
Vesting	5 year vesting, however, a regular, full-time employee 60 years of age or older is vested regardless of service
Average Earnings	Highest average monthly earnings (excluding overtime, shift differential, bonuses, etc.) over any 36 consecutive full calendar months of Credited Service during the 180 full calendar months preceding retirement or termination
Credited Service	Full time employees are credited for each month the City and/or employee makes a contribution. Contributions are made monthly when the participant works 16 days or more.

This is a summary of retirement benefits. The provisions of the plan document will prevail in any instances where this summary differs from the plan document. Plans are subject to change.

Revised 10/14/2010

Benefit Formula	0.6% x Average Earnings x Credited Service (1-5) plus 0.9% x Average Earnings x Credited Service (6-15) plus 1.0% x Average Earnings x Credited Service (16+ years)
Retirement-Unreduced	At least age 65 with at least 5 years of Credited Service or at least age 50 with at least 25 years of Credited Service as a Deputy Sheriff, Emergency Medical Technician or a Fire Marshall
Retirement - Reduced	At least age 55 with at least 5 years of Credited Service
Retirement Payout Options	Life annuity, various life annuity and survivor/contingent annuitant options, lump-sum option
Termination Prior to Retirement	Terminating employee may receive a lump-sum distribution of the employee contributions plus interest resulting in a forfeiture of service credits. Vested employees may leave contributions in account and receive a monthly pension when eligible for retirement.
Cost of Living Adjustment (COLA)	Plan does not have a COLA provision
Death Benefits	Beneficiary receives a lump-sum payment of the employee contributions plus applicable interest
Prior Service Buy-back	Not permitted
Disability Retirement	An active vested employee who is eligible for Social Security disability may be eligible to receive a benefit five months after disability onset. The amount of the benefit is the same as the unreduced retirement benefit computed using the formula on the date of the member's disability.
Prudential Contact information	Website: prudential.com/online/retirement Toll Free Access 1-(877) PRU-2100 (778-2100) Interactive Voice Response service available 24 hours; retirement representatives available 8 am-9 pm ET Mon.-Fri.

City of Alexandria Retirement Income Plan for Deputy Sheriffs, Medics, and Fire Marshals

Contract 719118 Administered by Prudential

Type of Plan	Defined contribution retirement plan
Eligibility	Permanent, full time Deputy Sheriffs, Medics, and Fire Marshals are eligible
Contributions	The City contributes a percentage of employees' pay to the Plan as approved during the budget process each year. The contribution rate for FY11 is zero percent. The budget practice is for the City to determine the total annual contributions required for VRS and the Supplemental Plan. If the total percentage of the two plans is less than 22.35%, the City contributes the difference to this plan.

This is a summary of retirement benefits. The provisions of the plan document will prevail in any instances where this summary differs from the plan document. Plans are subject to change.

Revised 10/14/2010

Vesting	5 years of City employment for vesting; cash value at retirement or termination of employment
Normal Retirement	Age 60
Termination Prior to Retire	If vested, entire amount may be distributed and is eligible for rollover to a qualified plan
Disability/Death/Survivor Benefits	Participant or beneficiary will receive account balance subject to plan provisions
Prudential Contact Information	Website: www.prudential.com/online/retirement Toll Free Access 1-(877) PRU-2100 (778-2100) Interactive Voice Response service available 24 hours; retirement representatives available 8 am-9 pm ET Mon.-Fri.

This is a summary of retirement benefits. The provisions of the plan document will prevail in any instances where this summary differs from the plan document. Plans are subject to change.

Revised 10/14/2010