

Class A Employee FAQs

Who are Class A employees?

Members of the Fire and Police Departments not including clerical employees.

How is my average final compensation calculated?

For Police non-union employees, Police employees hired after January 10, 2011, Fire employees hired after October 7, 2011 or any employees hired on or after January 1, 2018, Average Final Compensation (AFC) is the average of the five highest years of base earnings. For all others, AFC is the average of the three highest years of base earnings.

What is the amount of my normal retirement benefit?

For Fire employees hired before January 1, 2007 and Police employees hired before July 1, 2006, 2.75% of AFC times creditable service not in excess of 25 years plus 0.50% of AFC times creditable service between 25 and 35 years. For Police employees hired after January 10, 2011, 2.50% of AFC times creditable service not in excess of 20 years plus 5.00% of AFC times creditable service between 20 and 25 years. For Fire employees hired after January 10, 2011, 3.00% of AFC times creditable service not in excess of 25 years plus 0.50% of AFC times creditable service between 25 and 35 years. For all others, 2.65% of AFC times creditable service not in excess of 25 years plus 0.50% of AFC times creditable service between 25 and 35 years.

Service for calculation of benefits shall be further adjusted such that any Fire employee shall be granted 1.07 years of credit for each year in which the employee worked prior to July 1, 1996, and 1.17 years thereafter, in a position regularly assigned a workweek consisting on average of fifty-three or more hours of work per week.

Any Fire employee hired after October 5, 2015 cannot receive a pension that exceeds 90% of the employee's average final compensation.

How is my benefit protected from the effects of inflation?

Benefits increase annually by changes in the Consumer Price Index of more than 1%. The System provides for Cost of Living Adjustments (COLAs) matching the Consumer Price Index up to 2.75% (5% for certain current retirees). The benefit described in the section above is provided with a full COLA payable. At the time of retirement you have three COLA choices. However, a Fire employee hired on or after January 1, 2007 or a Police employee hired on or after July 1, 2006 may only select a full COLA benefit.

At the time of retirement, instead of the benefit with full COLA described in the section above, if you are an eligible employee, you may choose either (i) an accrual rate of 3.25% for the first 25 years of creditable service, plus an accrual of 0.50% for creditable service between 25 and 35 years, and a COLA equal to one half of the COLA detailed above, or (ii) an accrual rate of 3.80% for all years of service prior to June 30, 2006 for the first 25 years, an accrual rate of 3.60% for all years of service commencing July 1, 2006 for the first 25 years, plus an accrual rate of 0.50% for creditable service between 25 and 35 years, and no COLA.

How much do I contribute?

If you have less than 35 years of Creditable Service, you are required to contribute to the pension plan. The contribution rate for the year ending June 30, 2020 is 11.0% of base pay on a before-tax basis.

When am I eligible to retire?

For Police employees hired after January 10, 2011, you can retire at age 40 with 20 years of creditable service. For Police employees hired before July 1, 2006, you can retire at age 42 with 5 years of creditable service. For all other Police Union employees, you can retire at age 45 with 5 years of creditable service. For Fire employees hired after January 10, 2011, you can retire at age 45 with 20 years of creditable service. For Fire Union employees hired on or before January 10, 2011, you can retire at age 45 with 5 years of creditable service. For all other employees, you can retire at age 42 with 5 years of creditable service. There is compulsory retirement at age 60.

How much is my benefit reduced for early retirement?

For Police employees hired after January 10, 2011, the normal retirement benefit for those participants with 20 or more years of creditable service is reduced actuarially for the period of time by which retirement precedes age 50. If retirement occurs at age 50 with 20 years of creditable service, the benefit is unreduced. Police employees hired after January 10, 2011 with less than 20 years of creditable service may not retire prior to age 55.

For Police employees hired on or before January 10, 2011, prior to age 55, the normal retirement benefit is reduced actuarially for the period of time by which retirement precedes the earlier of 25 years of creditable service and age 55. For employees who terminate with 20 to 25 years of creditable service the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years.

For Fire employees hired on or after January 10, 2011 who are at least age 45 with 20 years of creditable service, the normal retirement benefit is reduced actuarially for the period of time by which retirement precedes age 50. For employees who terminate with 20 to 25 years of creditable service who retire at age 50 or later, the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years. Employees that retire at age 50 with at least 25 years of creditable service receive an unreduced benefit.

For Fire employees hired on or after January 1, 2007 but before January 10, 2011, the normal retirement benefit is reduced actuarially for the period of time by which retirement precedes age 55. For employees who terminate with 20 to 25 years of creditable service and have attained age 48, the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years. Employees that retire at age 50 with at least 20 years of creditable service or at age 45 with at least 25 years of creditable service receive an unreduced benefit.

For Fire employees hired before January 1, 2007, the normal retirement benefit is reduced actuarially for the period of time by which retirement precedes the earlier of age 55 or 25 years of creditable service. For employees who terminate with 20 to 25 years of creditable service, the above benefit based on AFC and creditable service at retirement is reduced by 1.82% for each year that creditable service is less than 25 years. Employees that retire at age 45 with at least 25 years of creditable service receive an unreduced benefit.

What does vested mean?

The amount you are vested is the percentage of your earned benefit that you are entitled to. Employees that are currently active will become 100% vested after five years of creditable service.

What will I receive if I am not entitled to a vested benefit?

If you separate from service with no vested benefits under the plan, you are entitled to a refund of your accumulated contributions with interest. Interest accrues on the contributions at a rate of 5.5% until December 31, 2017 and 2.0% thereafter.

You may elect to receive this return of your accumulated contributions with interest as a direct rollover into an IRA or qualified plan, or as a lump sum payment made to you (less any mandated tax withholding).

What happens if I die while a City employee?

If you have a legal spouse at the time of your death, a survivor's benefit in the amount of 30% of your basic monthly earnings will be paid until the earlier of your spouse's death or second anniversary of remarriage. The amount of this benefit will be increased by 5% for one eligible child and 10% for two or more eligible children. This children's benefit is payable until the earliest of the child's death, marriage or attainment of age 21.

What if I become disabled?

If you meet the definition of disability, you may be eligible for the disability benefit which is wage continuation at 66 2/3% for Fire employees hired after October 7, 2011. The wage continuation is 75% for all others. The benefit may begin 90 days after the onset of disability, which is defined as the first day you did not work. If applicable, the benefit is offset by workers' compensation. The time that you are totally disabled is counted as service credit toward an eventual service retirement.

How will my benefit be paid?

If you retire and are entitled to a vested benefit, your normal form of benefit is a 5 year certain & life annuity (if not married) or a 50% joint and survivor annuity (if married). You will have the option to receive your benefit as a straight life annuity, 5 year certain & life annuity, 100% joint and survivor annuity, 50% joint and survivor annuity, 100% joint and survivor pop-up annuity, 50% joint and survivor pop-up annuity. There will be an actuarial adjustment reflected if the benefit is not payable as a 5 year certain & life annuity.