

Chapter 21 – Covers employees hired before February 8, 1981

Chapter 46 – Covers employees hired on or after February 8, 1981

Contributions – Represent your contributions to the Retirement System. This does not include the amount the County contributes to fulfill its obligation to provide you a monthly benefit at retirement.

Creditable Service – Actual hours worked/paid that count toward service credit in the Retirement System. Creditable Service is used to calculate your monthly retirement benefit.

- Member statements are based on your creditable service and salary as of the statement period ending date. The benefits shown reflect the plan provisions as of that date.
- If you currently work or previously worked less than 40 hours per week, your creditable service has been pro-rated based on your total actual hours worked through the statement period ending date and if you currently are working less than 40 hours per week, your future service is projected from the statement period ending date to your eligibility date at 20 hours per week, regardless of the number of hours per week you normally work.

Deferred Retirement – If you have at least 5 years of service credit and have not reached normal retirement age, you will see a deferred retirement benefit on your Member Statement. The deferred benefit represents the monthly benefit you would be entitled to at normal retirement age if your employment were terminated as of the statement ending period.

Disability (Duty) – This benefit is also referred to as Service Connected Disability Retirement. You are eligible for a service-connected disability retirement if:

- You become disabled while a member of the system;
- And your disability is caused by a job-related accident or disease, as determined by the County Manager; and
- And the disability prevents you from performing the duties of the job classification you held at the time of the accident or illness.

You are not eligible for service-connected disability benefits if you become disabled due to a condition you had when you were hired. (If you have a specific disability when you begin work, you must waive your right to any benefits from a service-connected disability related to your pre-employment disability before you are eligible to join the retirement system.)

You will be provided with a copy of the disability procedures at the time you apply for disability retirement.

Disability (Non-Duty) – Non-Duty Disability Retirement applies if you become disabled and:

- You become disabled while a member of the System with at least two years of service;
- And the disability prevents you from performing any gainful employment;
- And the Medical Advisor certifies that you are disabled;
- And you apply for and receive Social Security disability benefits.

DROP Retirement Opt 1 - The benefit option to select in the estimator if you are interested in entering the DROP using the Option 1 benefit (see "Option 1 and 2 Benefit" below). For Chapter 46 Employees.

DROP Retirement Opt 2 - The benefit option to select in the estimator if you are interested in entering the DROP using the Option 2 benefit (see "Option 1 and 2 Benefit" below). For Chapter 46 Employees.

DROP Retirement – The single DROP Option for Chapter 21 Employees.

Earliest Reduced Retirement – If you have not reached unreduced retirement eligibility as of this statement date, you will have an earliest reduced retirement projection. This projection represents the earliest date at which retirement benefits are available with an early retirement reduction.

| <u>Chapter 21 – General</u> | <u>Chapter 21 – Uniformed</u> | <u>Chapter 46 - General</u> | | <u>Chapter 46 - Uniformed</u> | |
|-----------------------------|-------------------------------|-----------------------------|------------|-------------------------------|------------|
| Age 50* | Age 40* | <u>Age</u> | <u>YOS</u> | <u>Age</u> | <u>YOS</u> |
| | | 55 | 5 | 42 | 5 |
| | | 54 | 17 | | |
| | | 53 | 19 | | |
| | | 52 | 21 | | |
| | | 51 | 23 | | |
| | | 50 | 25 | | |

*Date of eligibility is first of the month following satisfaction of age requirement.

Earliest Retirement Opt 1 – The benefit option to select in the estimator if you are electing an “Earliest Reduced Retirement” (see above) and the Option 1 benefit (see “Option 1 and 2 Benefit” below).

Earliest Retirement Opt 2 – The benefit option to select in the estimator if you are electing an “Earliest Reduced Retirement” (see above) and the Option 2 benefit (see “Option 1 and 2 Benefit” below).

Earliest Unreduced – Earliest date at which retirement benefits are available without an early retirement reduction. If you are not eligible for unreduced benefits as of this statement ending date, your service has been projected to your earliest date of eligibility.

| <u>Chapter 21 – General</u> | <u>Chapter 21 - Uniformed</u> | <u>Chapter 46 - General</u> | <u>Chapter 46 - Uniformed</u> |
|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| Age 60 / 5 YOS* | Age 50 / 5 YOS* | Age 62 / 5 YOS | Age 52 / 5 YOS |
| Age 57 / 20 YOS | 25 YOS | Rule of 80** | 25 YOS |
| Rule of 80** | | 30 YOS | |
| 30 YOS | | | |

*Date of eligibility is first of the month following satisfaction of age requirement.

** Age plus service must be equal to or greater than 80

Employment Service (YOS) – Years of Service. This is based on calendar years (vs. hours worked) and determines your retirement eligibility.

Joint & Survivor Annuity (J&S) – You can elect a reduced monthly income during your lifetime in order to provide your beneficiary with an income following your death. You may choose to leave 50%, 66.67%, or 100% of the monthly benefit you were receiving at the time of your death. This election reduces your monthly benefit while you are alive.

Lump Sum Benefit - Chapter 46 members may elect a lump sum payment at benefit commencement equal to the lesser of \$20,000 or 10% of the value of the annuity. If the lump sum is elected, the monthly benefit amounts shown on this statement will be reduced accordingly. This option is not available to members entering the DROP.

Normal Retirement Date – Date you reach normal retirement age as defined by County Code

| <u>Chapter 21 – General</u> | <u>Chapter 21 - Uniformed</u> | <u>Chapter 46 - General</u> | <u>Chapter 46 - Uniformed</u> |
|-----------------------------|-------------------------------|-----------------------------|-------------------------------|
| Age 60* | Age 50* | Age 62 / 5 YOS | Ate 52 / 5 YOS |

*Date of eligibility is first of the month following satisfaction of age requirement.

Option 1 and 2 Benefit - Chapter 46 members have three benefit calculation options. All formulas are available on AC Source by searching for “[Chapter 46 Membership Handbook](#)”. Most employees receive a higher benefit through the Option 1.

Popup – This applies to those that choose a Joint & Survivor option and indicates that your benefit amount would increase (i.e. “popup”) to the single life benefit if your beneficiary predeceases you.

Service Retirement Opt 1 – The benefit option to select in the estimator if you are electing an “Earliest Unreduced Retirement” (see below) and the Option 1 benefit (see “Option 1 and 2 Benefit” below).

Service Retirement Opt 2 - The benefit option to select in the estimator if you are electing an “Earliest Unreduced Retirement” (see below) and the Option 2 benefit (see “Option 1 and 2 Benefit” below).

Single Life – The retirement benefit with no joint & survivor option. It provides a lifetime benefit only to the retiring employee.

Social Security Leveling – Chapter 46 members may elect a “Social Security Leveling” option. This option provides increased benefits up to age 62 or their Social Security Normal Retirement Age and decreased benefits thereafter, so as to provide a level income before and after Social Security benefits are payable. This may be an appropriate option for retiring employees who will not be receiving Social Security for a while AND do not intend to work elsewhere to bridge an income gap OR who may be facing a terminal illness and expect to pass before they receive Social Security OR for those who follow the philosophy of “more money in my pocket sooner is always good”.

Vested – You are vested if you have five years of service. You would be entitled to a retirement benefit at your normal retirement date whether or not you keep working.

In addition to a monthly retirement benefit, the County provides retirees with free basic life insurance and a monthly contribution toward their retiree medical and dental coverage. More information is available on AC Commons under Benefits.