

“*Retirement* Questions & Answers”



Questions from Bus Drivers, Attendants, and Supervisors

Q. I signed up for Retirement Plan A Retirement Plan C. Could I change to Plan B or D if I pay the additional amount needed to be in the higher contribution plan?

A. **No. It is not possible to change plans.** Plan decision is final. Prior to July 1981, there was only one Plan. Existing members were permitted to notify Retirement in writing if they chose to switch to the new plan and begin paying higher contributions henceforth. In Sept. of 1987, a Special Open Season was approved by the Board of Supervisors to allow a one-time switch from Plan A to Plan B – with the employee paying the 1¹/₃% difference in Plans, **plus** the calculated difference in the time between their hire date and the switch, plus interest. Many employees made the decision not to make that change. As of Jan. 2013, all new hires, eligible to participate in the retirement system, are automatically enrolled in Retirement Plan C. Those new hires have 30 days to choose to participate in Retirement Plan D. If new hires do not elect to switch to Plan D within their first 30 days of employment, they will remain in Retirement Plan C.

Q. Some bus drivers work 25 to 35 or even 40 scheduled hours during the school year. Garage trips and field trips often increase these totals. In the summer some bus drivers work summer school runs or summer field trips or special education recreation programs. How does all this fit in to determining retirement eligibility and calculating a retirement benefit?

A. Your retirement benefit is calculated according to the number of hours for which you make contributions into the retirement system. Overtime is not compensable as part of your retirement benefit. Any hours worked up to 40 in a week have retirement earnings deducted and therefore count towards your ultimate benefit with regards to hours worked. Regardless of the category above, once you hit 40 hours in a week, you will not pay dollars into the retirement system on earnings over that 40 hours. Thus, any of those hours over the 40 per week do not count as service when your ultimate benefit is calculated. Please contact your payroll clerk for additional information:

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Q. When am I eligible for regular retirement? If at the time of my eligibility to retire, I decide to keep on working, will my retirement benefit increase? If so, how much would it increase for every additional school year worked? What constitutes one year of service?

A. You are eligible to retire when you turn age 65 with at least 5 (five) years of FCERS contributable service OR when you meet the “Rule of 80” (*Plan A & B members*) or “Rule of 85” (*Plan C & D members*). The “Rule of 80” means you must be at least 50 years of age, and your age and service must total 80 or more. The “Rule of 85” means you must be at least 55 years of age, and your age and service must total 85 or more. Working longer will increase your retirement benefit, and the amount of the increase will depend on the hours worked. The more hours worked, the more the retirement benefit increases. One year of full time service is equivalent to 2,080 hours.

Definitions: *Eligibility Service* – Most School employees receive one year of eligibility service for each full school year (Sept – June) that is worked. No extra credit is granted for summer school employment.

Benefit Service – the time used to determine the amount of benefits received – generally based on 40 hours per week, 12 months per year (2,080 hours).

Q. How is my Average Final Compensation (AFC) calculated, and how can I find out approximately how much my retirement benefit will be?

A. If you are within one year of retirement, feel free to request a personalized estimate from the Retirement Systems Office. If you have more than one year to retirement, you can calculate your own approximate benefit by determining how many retirement-eligible hours you have worked in your career (benefit service). Multiply your benefit service times your Average Final Compensation, times either 1.8% (Plan A or C) or 2% (Plan B or D). You then increase that total by an additional 3% to determine your approximate retirement benefit. Your benefit will be based on the number of hours worked in the course of a year. If you work 2,080 hours in one year, that will be one year of benefit service. If you work 1,560 hours in a year, that will count as .75 of one year and so forth.

Definition: AFC (Average Final Compensation) – AFC is the average of your highest 78 consecutive pay periods if paid bi-weekly (36 consecutive months if you are paid monthly) – AFC does not include overtime pay.

Q. A new retirement handbook was published in January 2013.

What are the substantive changes, if any, in the Employees' Retirement System since that date?

A. The Social Security Breakpoint numbers are updated by Social Security, effective July 1 every year. The current table can be found on the Retirement Agency website under "Training for School Employees" or going directly to <http://www.fairfaxcounty.gov/retirement/pdfs/ssbp.pdf>. The Board of Trustees and staff information is updated on the website as well, as changes take place. The only PLAN change since the last handbook printing was to change the amount of the service-connected disability retirement benefit offset, based on a recipient's Social Security benefit—the percentage was reduced from 25% to 15% (pgs. 24 & 25). Handbooks are distributed to all members in each system when Handbooks are updated with substantive changes and re-printed. The current handbook can be acquired from the Retirement Systems Office by calling 703-279-8200 or by visiting the internet at <http://www.fairfaxcounty.gov/retirement/pdfs/emphandbook.pdf>.

Q. I understand that retirees may continue to receive health coverage. Does this apply to all retirees regardless of number of years of service? Is it the same coverage that employees have available? How much more will the retiree have to pay for health coverage?

A. At this time, if you have had health insurance coverage for 5 years at the time you retire, you may be eligible to continue this coverage through the Schools system. Please keep abreast of any changes through your Human Resources, Benefits Department because the rules, carriers, premiums and subsidy amounts can change yearly with Open Enrollment. The current subsidy amount is based on years of service with the County. **The more years of service a member has, the higher the health subsidy.** (See pages 4-19 of the 2016 FCPS Retiree Benefits Handbook.)

Q. If a retired driver comes back to drive as a substitute driver, would there be a limit in hours worked?

A. You may not come back to employment with the Schools for at least one year after termination. After one year, you may not come back to a contracted position without suspending your retirement benefit. Beyond these guidelines, please contact Employment Services at 571-423-3000.

*This "Q&A" was prepared by the Fairfax County Retirement Systems
for members of the Bus Drivers and Attendants Advisory Council
Please visit the Retirement Systems website at <http://www.fairfaxcounty.gov/retirement>
for more information or call the Retirement Systems office at 703-279-8200*