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Fairfax County Retirement Systems

FCERS is a

Defined Benefit Plan

unlike a Defined Contribution Plan because

- **Pays for Life**
- **Benefit is calculated using a pre-determined formula**
- **Annual COLA – effective each July 1** *(1.6% as of July 2014)*



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FCERS Membership

- **County Government Employees**
- **County School Employees**
 - ✓ **Food Service** (scheduled work hours of 15 or more)
 - ✓ **Transportation (including bus drivers)**
 - ✓ **Part-time teachers and support staff**
 - ✓ **Crossing guards and clinic room aides**
 - ✓ **Custodial**
 - ✓ **Trades & Maintenance**

Please Note: Full time teachers and administrative staff are typically members of VRS (Virginia Retirement System) and ERFC (Educational Employees Supplementary Retirement System of Fairfax County)

This information is for members of FCERS Retirement Plans

Contributions & Benefits

PLANS A & C

YOUR Contribution	Benefit Calculation Multiplier
4% of your salary	1.8%

PLANS B & D

YOUR Contribution	Benefit Calculation Multiplier
5.33% of your salary	2.0%

Pre-Social Security Benefit Multiplier = 1.0% *(Same for all ERS Plans)*

- *Participation in the System is Mandatory*
- *County's contribution rate varies : As of July 2014 – 20.18%*
- *5% interest is paid annually until five years after termination*
- *You cannot change plans, borrow from, stop or withdraw contributions*



All eligible employees hired on or after Jan. 1, 2013 are members of FCERS Retirement Plan C or D

This information is for members of FCERS Retirement Plans

Retirement Eligibility

• Normal Service Retirement

Rule of 80* Age 50 or older and age + service must total 80 or more

OR

Age 65 with 5 or more years of service

**Rule of 85 for Plan C & D members (age 55 or older) with age and service of 85 or more*

• Early Service Retirement

Rule of 75

- Age 50 or older and age + service must total 75 or more
- No Pre-Social Security Benefit payable
- Benefits will be reduced based on age at retirement

• Vested Retirement

✓ Must have 5 or more years of service - Benefits begin at age 65

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Normal Retirement

Benefit may consist of two elements

- **Base Benefit**
 - ✓ Applicable to Joint and Last Survivor (J&LS) Option
 - ✓ Receives Cost-of-living adjustments (COLAs)
- **Pre-Social Security Benefit** (if applicable)
 - ✓ Is not part of J&LS calculation
 - ✓ Does not receive COLAs
 - ✓ Terminates at age 65-67 – depending upon year of birth

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Terms

- **FAS (Final Average Salary) – FAS is the average of your highest 36 consecutive months of employment**
(78 consecutive pay periods for those paid bi-weekly)
FAS does not include overtime
 - ✓ **Annualization of pay for part-time employees:**
Multiply your hourly rate of pay by 2080 and use that dollar figure as the equivalent to one year's average salary
- **Eligibility Service – School employees receive one year of eligibility service for each year they are employed**
- **Benefit Service – the time used to determine the amount of benefits received – based on 40 hours per week, 12 months per year (2,080 hours)**

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Adjusting Benefit Service

For employees who work fewer than 40 hours each week and/or fewer than 12 months of each year, BENEFIT SERVICE hours are adjusted

Any hours used in your retirement calculation MUST have been retirement system eligible This means you contributed from your earnings into the retirement system for those hours worked If you have periods of limited-term service or part-time service for which you did NOT contribute to the retirement system, those hours are NOT calculated into your benefit service or eligibility service hours.



Age for Full Social Security Benefits

Year of Birth	Year You Will Turn 62	Your Age for Full Benefits
1937 or earlier	1999 or earlier	65 years
1938	2000	65 years, 2 months
1939	2001	65 years, 4 months
1940	2002	65 years, 6 months
1941	2003	65 years, 8 months
1942	2004	65 years, 10 months
1943 - 1954	2005 - 2016	66 years
1955	2017	66 years, 2 months
1956	2018	66 years, 4 months
1957	2019	66 years, 6 months
1958	2020	66 years, 8 months
1959	2021	66 years, 10 months
1960 or later	2022 or later	67 years



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DROP (Deferred Retirement Option Program)

- **3 Year Enrollment – Must be eligible for Normal Retirement to enter DROP**
- **Member chooses from 5 options for their DROP balance**
 - ✓ Receive a lump sum distribution by check (this is taxable income)
 - ✓ Roll over entire DROP balance to an IRA or other qualified retirement plan (non-taxable income)
 - ✓ Combine Rollover and Refund
 - ✓ Apply 100% to increase your monthly annuity
 - ✓ Apply 50% to increase your annuity and receive a 50% distribution
 - 50% distribution can be a combination of rollover and refund in any percentages
- **For more information on DROP, please visit**
http://www.fairfaxcounty.gov/retirement/active_employees/drop.htm

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All Fairfax County Retirement Systems

DROP (Deferred Retirement Option Program)

- **More information on DROP can be found by visiting the Retirement Systems website -**
www.fairfaxcounty.gov/retirement/
- **“DROP Counseling” Presentation**
75-minute video of a DROP Counseling Session
View online at
http://fairfaxcounty.gov/cable/channel16/asx/fctn_drop_2015.asx

Employees who are considering DROP participation should view the DVD presentation prior to attending a counseling session.

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Survivor Benefits (Active Employees)

- **Beneficiary decision/information is very important**
- **If you die while on the active payroll and your spouse is your designated beneficiary, your spouse may elect to receive 1/2 of your retirement benefit earned as of your date of death or receive a one-time lump sum refund/direct rollover of your contributions and interest.**
- **If your beneficiary is not your spouse, your beneficiary will receive a lump sum refund of your contributions and interest.**

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Survivor Benefits (Retirees)

- **You may elect a Joint or Last Survivor Option at retirement.**
- **You will receive a reduced retirement benefit. After your death, your surviving spouse will receive 50%, 66²/₃%, 75% or 100% of your reduced benefit for life (based on your election).**
- **If your spouse should die before you, your benefit will be increased to an amount equal to the monthly benefit you would have received if you had not elected the optional spouse's benefit.**

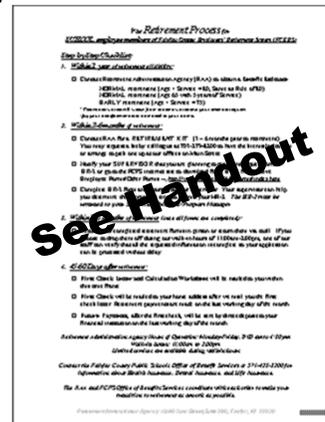
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Joint & Last Survivor Option

Age of Spouse	100%	75%	66 $\frac{2}{3}$ %	50%
10 years younger	78.0%	83.0%	85.0%	88.0%
7 years younger	80.1%	84.8%	86.5%	89.2%
5 years younger	81.5%	86.0%	87.5%	90.0%
3 years younger	82.9%	87.2%	88.5%	90.8%
1 year younger	84.3%	88.4%	89.5%	91.6%
Same Age	85.0%	89.0%	90.0%	92.0%
1 year older	85.7%	89.6%	90.5%	92.4%
3 years older	87.1%	90.8%	91.5%	93.2%
5 years older	88.5%	92.0%	92.5%	94.0%
7 years older	89.9%	93.2%	93.5%	94.8%
10 years older	92.0%	95.0%	95.0%	96.0%

The Retirement Process

- What to do within one year of retirement eligibility
- Within 3-6 months of retirement
- Within 1-3 months of retirement
- 45-60 Days after retirement



Retirement Website

Home Living Here Doing Business Visiting Departments & Agencies Search Site: Go Advanced Search

Index
Contact/Directions
Retirement Systems
Hours & Directions
Employees - Active
Employees - Retired
Police Officers - Active
Police Officers - Retired
Uniformed - Active
Uniformed - Retired
Employees' Board of Trustees
Police Officers Board of Trustees
Uniformed Board of Trustees
Meetings Calendar
Related Links
Member Area: WMS Secure Log In

Online Services
Our Government
News and Events
Maps, Facts & Stats
State & Federal

Fairfax County Retirement Systems

The Fairfax County Retirement Administration Agency manages three separate defined benefit retirement systems: **Employees**, **Police Officers** and **Uniformed**. For further information, visit the System of which you are a member.

EMPLOYEES
Membership in the Fairfax County Employees' Retirement System includes full-time merit employees, part-time merit employees working at least 20 hours per week, and school employees such as those who work in transportation or food service or as clinic room aids or crossing guards.

POLICE OFFICERS
Membership in the Police Officers Retirement System is exclusive to sworn police officers in the Fairfax County Police Department.

UNIFORMED
Membership in the Uniformed Retirement System includes uniformed or sworn employees in the following groups: Fire and Rescue and Sheriff's Departments, Public Safety Communicators, Animal Wardens, Helicopter Pilots and some former Park Police Officers.

Active Employees Retired Employees
Active Police Officers Retired Police Officers
Active Uniformed Retired Uniformed

Announcements:
• 1.6% COLA - Effective July 1, 2014 - All Retirement Systems.

RAA Web Member Services

PensionGold Web Member Services - Microsoft Internet Explorer
Address: https://retirementservices.fairfaxcounty.gov/pgwebmember.aspx

Fairfax County Retirement Administration Agency

Welcome to Fairfax County Retirement Administration Agency's Web Member Services

This service has been designed for the Members and Payees of the Fairfax County Retirement Administration Agency to assist you in the planning and management of your retirement benefit. It offers you access to some interactive services that can help you become more involved and better informed about your benefit.

Active Members can access the following information:

- Account Summary
- Demographic Information
- Benefit Estimator
- Beneficiary Information

Benefit recipients can also view the following information:

- Benefit Payroll History
- Year-To-Date Totals
- 1099-R Information
- Federal Tax Withholding
- State Tax Withholding
- Deductions
- Insurance Deduction
- Direct Deposit
- Federal Tax Reporting Documents
- Beneficiary Information

First time users can click on the "Need an Account?" link on the left hand side of this page. This will guide you through the process of setting up your user name and password to access your information.

Forgot your Password?
Enter your Username and select the link above.
Need an Account?
Retirement Agency Home

RAA Web Member Services

Address: <https://retirementservices.fairfaxcounty.gov/pgwebmember.exe>

Fairfax County Retirement Administration Agency

Member Verification (all fields required)

Last 4 digits of SSN:

Last Name:

Birth Date: (EX: 01/15/1950)

Verification Question: What is your home address zip code? (1st 5 digits)

Verification Answer:

New Account Information (all fields required)

Username: (Min 5 alpha-numeric only. Not case sensitive)

Password: (Min 5 alpha-numeric only. Not case sensitive)

Confirm Password:

Secret Question:

Secret Answer:

Email:

Confirm Email:

Login

[Forgot your Password?](#)
Enter your Username and select the link above.

[Need an Account?](#)
[Retirement Agency Home](#)

For More Information

on the following topics

- **Examples of benefit calculations**
- **Social Security Breakpoint** (*relevant for higher income employees*)
- **Joint and Survivor Benefits**
- **Tip Sheets regarding sick leave, timing of retirement, Rule of 80/85, and a variety of other topics**
- **Forms**
- **FCERS Retirement Handbook**

Please visit the Retirement Systems website
at www.fairfaxcounty.gov/retirement/

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Other Benefits After Retirement

Health, Dental & Life Insurance

For information on other benefits for retirees from Fairfax County Public Schools, please call 571-423-3200 or visit the FCPS website at:



<http://www.fcps.edu/hr/benefits/retireebenefits.shtml>

or

<http://www.fcps.edu/hr/index.shtml>

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How Can We Help?



QUESTIONS

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Stephanie Davis -- 703-279-8214

Carol Patterson -- 703-279-8227

John Prather -- 703-279-8211

Human Resources-Benefits Office - 571-423-3200

Full-Time Example #1 - Plan A

AGE	BORN	FAS	BREAKPOINT	SERVICE
64	1950	\$36,000	\$75,084n/a	24

8 Hours a Day ♦ 12 months a year ♦ Benefit Service = 24 years

$$1.8\% \quad \times \quad \text{Final Average Salary} \quad \$36,000 \quad \times \quad \text{Benefit Service} \quad 24 \quad = \quad \$15,552$$

$$\$15,552 \times 1.03 = \underline{\$16,019} \text{ Annual Base Benefit}$$

\$1,335 monthly benefit

Full-Time Example #2 - Plan B

AGE	BORN	FAS	BREAKPOINT	SERVICE
64	1950	\$36,000	\$75,084n/a	24

8 Hours a Day ♦ 12 months a year ♦ Benefit Service = 24 years

$$2.0\% \quad \times \quad \text{Final Average Salary} \quad \$36,000 \quad \times \quad \text{Benefit Service} \quad 24 \quad = \quad \$17,280$$

$$\$17,280 \times 1.03 = \underline{\$17,798} \text{ Annual Base Benefit}$$

\$1,483 monthly benefit

Part-Time Example #1 - Plan A

AGE	BORN	FAS	BREAKPOINT	SERVICE
64	1950	\$36,000*	\$75,084n/a	24

*FAS is Annualized

4 Hours a Day (half time) ♦ 12 months a year ♦ Benefit Service = 12 years

$$1.8\% \quad \times \quad \text{Final Average Salary} \quad \$30,000 \quad \times \quad \text{Benefit Service} \quad 12 \quad = \quad \$6,480$$

$$\$6,480 \times 1.03 = \underline{\$6,674} \text{ Annual Base Benefit}$$

\$556.16 monthly benefit

Part-Time Example #2 - Plan A

AGE	BORN	FAS	BREAKPOINT	SERVICE
64	1950	\$30,000*	\$75,084n/a	24

*FAS is Annualized

6 Hours a Day ♦ 12 months a year ♦ Benefit Service = 18 years

$$1.8\% \quad \times \quad \text{Final Average Salary} \quad \$30,000 \quad \times \quad \text{Benefit Service} \quad 18 \quad = \quad \$9,720$$

$$\$9,720 \times 1.03 = \underline{\$10,012} \text{ Annual Base Benefit}$$

\$834.33 monthly benefit

- For a 10-month employee or a part-time employee you need to
- determine accurate benefit service numbers

Benefit Service Example 1

**10 month employee (Plan B) who works
40 hours a week for 20 years**

$10/12$ of the year = .8333 (annual equivalent to a full year of service)

20 years of service X .8333 gives accurate benefit service: 16.666 years

Suppose this person's average hourly rate of pay is: **\$17.00**

Annualized salary used in the calculation ($\$17 \times 2080$) will be: **\$35,360**

**$2\% \times 16.666 \times \$35,360 \times 1.03 =$
\$12,139.78 each year, increased by COLAs (**\$1011.65** monthly)**

- For a 10-month employee or a part-time employee you need to
- determine accurate benefit service numbers

Benefit Service Example 2

**10 month employee (Plan B) who works
35 hours a week for 20 years**

$10/12$ of the year = .8333 (annual equivalent to a full year of service)

$35/40$ of the week = .875 ($7/8$ of a year)

20 years of service x .8333 x .875 gives accurate benefit service: 14.58 years

Suppose this person's average hourly rate of pay is: **\$17.00**

Annualized salary used in the calculation ($\$17 \times 2080$) will be: **\$35,360**

**$2\% \times 14.58 \times \$35,360 \times 1.03 =$
\$10,620.31 each year, increased by COLAs (**\$885.03** monthly)**

- For a 10-month employee or a part-time employee you need to determine accurate benefit service numbers

Benefit Service Example 3

**10 month employee (Plan B) who works
30 hours a week for 20 years**

$10/12$ of the year = **.8333** (annual equivalent to a full year of service)

$30/40$ of the week = **.75** ($\frac{3}{4}$ of a year)

20 years of service x .8333 x .75 gives accurate benefit service: **12.5** years

Suppose this person's average hourly rate of pay is: **\$17.00**

Annualized salary used in the calculation will be: **\$35,360**

$2\% \times 12.5 \times \$35,360 \times 1.03 =$
\$9,105.20 each year, increased by COLAs (\$758.77 monthly)

- Calculated the same for both Plan A and Plan B

Pre-Social Security Benefit

AGE	BORN	FAS	BREAKPOINT	SERVICE
64	1950	\$30,000	\$75,084 n/a	24 <small>full time</small>

1.0% x **FAS** up to SS Breakpoint x **Benefit Service**

Final Average Salary **Benefit Service**
1.0% x **\$30,000** x **24** = **\$7,200**

\$7,200 x 1.03 = \$7,416 Annual Base Benefit

\$618 monthly benefit (until age 66)

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Total Benefit Picture

Based on previous Plan B, FULL-TIME example

Base Benefit	\$14,832
Pre-Social Security Benefit*	\$ 7,416
Total Annual Benefit to age 66	\$22,248

\$1,854 each month to age 63-66

\$1,236 each month plus COLAs thereafter



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Appendix A

*Member of Employees' Retirement System
(higher income example)*

Plan A Example

AGE	BORN	FAS	BREAKPOINT	SERVICE
64	1950	\$79,000	\$75,084	30

**Numbers in these examples are rounded*

		Final Average Salary (FAS) up to Social Security Breakpoint		Benefit Service		
1.8%	x	\$75,084	x	30	=	\$40,545
PLUS						
		Final Average Salary (FAS) in Excess of Social Security Breakpoint (\$79,000 - \$75,084)		Benefit Service		
2.0%	x	\$3,916	x	30	=	\$ 2,350
						\$42,895

\$42,895 x 1.03 = \$44,182 Annual Base Benefit

\$3,682 monthly benefit

Taxable Wage Base for 2015 = \$118,500

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Disability Retirement

- If a member becomes disabled, the Board of Trustees determines whether the member meets requirements for disability retirement and if so, whether situation is service-connected or ordinary
- If member is disabled but cause is not job-related, benefits payable are the same as normal retirement, based on years of service at time of disability – There is no Pre-Social Security benefit payable and the multiplier used is 2%
- If disability is due to a job-related illness or injury
 - ✓ Member must apply for Workers' Compensation (WC) and Social Security (SS) benefits
 - ✓ FCERS benefit totals 66²/₃% of FAS and benefits are tax-free, less any workers compensation or SS benefits

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