

# RETIREMENT HANDBOOK

FOR ACTIVE EMPLOYEES



# POLICE Officers

## **INTRODUCTION**

The Fairfax County Police Officer Retirement System was established to help provide you with financial security at retirement.

This booklet summarizes your Retirement System (“System”) benefits. You can find more detailed information about the System in the County Code (Chapter 3, Article 7). All System benefits are subject to the provisions of the Code of Virginia and the Fairfax County Code, as well as applicable rules, regulations and resolutions of the Board of Trustees of the Retirement System. Those statutes, ordinances, rules, regulations and resolutions are controlling in the event of any conflict with this booklet. The System’s plan year ends June 30. Records are maintained on a fiscal year basis.

### **Fairfax County Retirement Systems**

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**This retirement handbook is for members of  
Fairfax County Police Officers Retirement System.**

If you should need a sign language interpreter or any type of special accommodation, auxiliary aid, or translation assistance, please call the Retirement Systems office at 703-279-8200 or the Virginia Relay Service at 1-800-828-1120 (TDD) or 1-800-828-1140 (voice).

## POLICE OFFICERS RETIREMENT SYSTEM HIGHLIGHTS

These highlights of your Retirement System show the various benefits the System has to offer.

PROVISIONS	CONDITIONS	HIGHLIGHTS	PAGE
Membership	You must be a full-time police officer in the Fairfax County Police Department.	Membership begins on the day you are sworn in.	1
Employee Contributions	Your contribution equals 8.65% of creditable compensation. (Effective July 1, 2014)	Contributions are deducted from your paycheck.	1
Normal Retirement	You are eligible for normal retirement if you are age 55 or when you have 25 years of creditable service.	Your normal retirement benefit is equal to 2.8% of your average final compensation times your years of creditable service. Plans A & B - the total benefit is then increased by 3%. Plan C does not have the 3% increase.	4
Deferred Retirement Option Program (DROP)	Only those eligible for normal retirement can enter DROP. DROP applications must be completed and received by the Retirement Systems office at least 60 days prior to DROP entry date.	DROP allows you to be treated as if you retired, for the purposes of the retirement plan, while continuing to work and receive a salary for a period of three years. Monthly benefit is credited to a DROP account and earns an annual rate of interest at the rate of 5% for 3 years.	5
Early Retirement	You are eligible for early retirement if you are under age 55, with 20 or more years of creditable service.	The formula for normal retirement determines early retirement benefits. However, your benefit is reduced based on your age and service at early retirement.	7
Service-Connected Disability Retirement	You are eligible for total or partial service-connected disability retirement if you become disabled due to an accident or injury while carrying out your official duties. The Rules and Policies Governing Disability Retirements apply.	The benefit is equal to 66⅔% of salary at time of disability, less Workers' Compensation benefits.	9
Non Service-Connected Disability Retirement	You are eligible if you become totally disabled for a reason that does not qualify as a service-connected disability. The Rules and Policies Governing Disability Retirement apply.	The normal retirement formula determines benefits for a disability that is not service-connected. The minimum benefit is 10% of average final compensation. The total benefit is then increased by 3%. Plan C - there is no 3% increase.	9
Deferred Vested Benefit	You are eligible if: • You terminate employment for reasons other than death or retirement • You have at least 5 years of creditable service; and • You leave your contributions in the System.	You may receive benefits starting at age 55. The normal retirement formula determines benefits for a deferred vested benefit. Plans A & B - this benefit is increased by 3%. Plan C - there is no 3% increase.	11
Cost-of-Living Increases (COLAs)	You must retire under the normal, early or disability retirement provisions, or receive deferred vested benefits. Applies also to the automatic benefit for spouse and children.	Each July 1, your pension may be increased by a cost-of-living adjustment. The increase would normally not exceed 4%. Increases are pro-rated for those who have been retired for less than 1 year.	11
<b>Survivor Benefit/ Automatic Death Benefit (indexed)</b>	<ul style="list-style-type: none"> <li>• Before Retirement - Refund of contributions UNLESS automatic benefits are payable to your surviving spouse or children. - Go to <a href="http://www.fairfaxcounty.gov/retirement/">www.fairfaxcounty.gov/retirement/</a> for current monthly benefit amounts.</li> <li>• After Retirement - Automatic benefit plus optional Joint and Contingent Spouse and Handicapped Child benefit of 25%, 50%, 66⅔%, 75% or 100% of retiree's <b>reduced benefit</b>. You must elect this benefit before your retirement benefits start. This option is not available in the event of disability retirement.</li> <li>• If a Police Officer is killed in the line of duty, the surviving spouse (or surviving handicapped child if there is no surviving spouse) may, instead of the automatic benefit, elect to receive a benefit of 66⅔% of the member's regular salary at the time of death. Once this election is made, it cannot be revoked. If elected, the optional benefit will be paid to the surviving spouse until his or her death.</li> </ul>		12
Withdrawal of Contributions	<ul style="list-style-type: none"> <li>• You must terminate employment.</li> <li>• You must request a return of your contributions in writing.</li> </ul>	Your contributions will be refunded. Once you have withdrawn your contributions, you are no longer eligible for any benefits under the retirement system. Money remaining in the system does not gain interest.	14

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# **Eligibility and Membership**

## **General**

You automatically become a member of the Fairfax County Police Officers Retirement System on the date you are sworn in as a full-time police officer of the Fairfax County Police Department.

You are not eligible for membership if you are a contributing member (or are eligible to become a member) of one of the following retirement systems:

- Virginia Retirement System
- Fairfax County Employees' Retirement System
- Fairfax County Uniformed Retirement System

## **Cost**

The cost of providing system benefits is paid from three sources:

1. Employee contributions;
2. County contributions; and
3. Earnings from investments made with the above funds.

## **Separate Plans: A, B AND C**

If you were sworn in as a police officer for Fairfax County on or before December 31, 2012, you were enrolled in Plan A of the Police Officers Retirement System.

If you are sworn is as a Police Officer in Fairfax County on or after January 1, 2013, you will be automatically enrolled in Retirement Plan B of the Police Officers Retirement System.

If you are sworn is as a Police Officer in Fairfax County on or after July 1, 2019, you will be automatically enrolled in Retirement Plan C of the Police Officers Retirement System.

If you were previously a member of the Fairfax County Police Officers Retirement System, and left your money in the System when you terminated your employment, you must return to the plan that you were in during your previous period of membership.

## **Employee Contributions**

All members of the Police Officers Retirement System contribute 8.65% of their retirement eligible gross earnings to the Police Officers Retirement System.

Note: Prior to July of 2007, Police Officers contributed 12% to the Retirement System. Effective July 1, 2007 the employee contribution amount was reduced to 11%. Effective July 1, 2008 the employee contribution amount was reduced to 10%. Effective July 1, 2014 the employee contribution amount was reduced to 8.65%.

Retirement benefit calculations are not affected by the change in employee contribution amounts.

## **Tax Treatment of Employee Contributions**

Before January 1, 1985, your contributions were automatically deducted from your paycheck. Under this method, you paid taxes on your contributions before they were paid into the System.

All contributions into the FCPORS after January 1, 1985, will be deducted from your pay on a pre-tax basis.

These two methods of contributing differ only in the way your contributions are taxed.

Under the second method, the pre-tax contributions are not considered part of your taxable income and do not appear as such on your W-2. You will not pay income taxes on these contributions for the year during which they were made.

You will pay taxes at the time you terminate employment if you request a refund or upon retirement when you begin receiving monthly benefits.

## **County Employer Contributions**

Fairfax County contributes a substantial amount to the Police Officers Retirement System to fund your future retirement benefits. The Board of Supervisors determines employer contributions based on funding requirements. Employer contributions are in addition to, and generally larger than, your own contributions.

## **Investment Income**

Employer and employee contributions are invested to provide additional income to the System. Assets are invested as directed by the Board of Trustees. The financial statements of the System are audited by an independent accounting firm and are posted on the Retirement Systems website for review at [www.fairfaxcounty.gov/retirement](http://www.fairfaxcounty.gov/retirement).

## **Special Terms**

Throughout this booklet, you will come across certain words or terms that are used often. Knowing what these terms mean will help you understand your benefits. A few of the common terms are explained on the following pages.

### **Creditable Compensation**

For retirement purposes, your creditable compensation means the full compensation, including holiday hours worked, roll call pay, administrative emergency leave worked, shift differential paid and regularly scheduled hours paid, credited at the base rate of pay but excluding premium pay such as all overtime, including Fair Labor Standards Act (FLSA) overtime and excluding performance bonuses and payments made after termination of employment which represent unused leave. Effective for plan years after December 31, 1988, compensation in excess of \$200,000 (as indexed annually according to the IRS Code) will be disregarded. Notwithstanding the foregoing, effective for members hired on or after July 1, 1996, compensation in excess of the limit set forth in the IRS Code will be disregarded.

### **Final Average Salary (FAS)**

Final Average Salary (FAS) also known as Average Final Compensation (AFC) is the average of your creditable compensation for the 36 consecutive months of employment during which you earned your highest average annual compensation (78 consecutive pay periods for members who are paid bi-weekly).

Unused sick leave at the time of retirement may be substituted for an equivalent period (subject to the limitation on employees whose county employment commenced by reporting to work on or after January 1, 2013) of employment as if you had continued to work at your final salary during the period of your unused sick leave. The retirement system will use the method that results in the higher retirement benefit for you.

For sworn Police Officers whose county employment, and participation in the Police Officers Retirement System commenced by reporting to work before January 1, 2013, there is no limit on the amount of sick leave that can be used for determining retirement eligibility and for computing the member's retirement benefits and allowances.

For sworn Police Officers whose county employment commenced by reporting to work on or after January 1,

2013, the maximum amount of accrued sick leave credit that may be used for determining retirement eligibility and for computing the member's retirement benefits and allowances shall be the employee's accrued sick leave balance or 2,080 hours, which-ever is less.

Periods of employment while a member is on approved Family and Medical Leave Act status (FMLA) in a leave without pay (LWOP) status (as defined in Section 10.15 of the Fairfax County Human Resources Regulations) will not be considered breaks in service when computing FAS. FMLA/LWOP will be ignored when determining the average of your highest 36 months or 78 bi-weekly pay periods.

For a member who is called to active military duty within the member's last three years prior to retirement and if that member is unable to use paid leave during the military leave, the compensation that the member would have received will be used in the calculation of FAS.

If you are enrolled in the Deferred Retirement Option Program (DROP), your FAS is calculated at the point of DROP entry. Any changes to your salary after DROP entry have no impact on your retirement benefit amount.

## **Creditable Service**

In general, you are credited with one year of service for each year of full-time employment. In addition, you may also receive creditable service for certain periods when you are not an active employee. Periods of leave without pay (LWOP) while on approved Family and Medical Leave (as defined in Section 10.15 of the Fairfax County Personnel Regulations) are included as creditable service for eligibility purposes but are not included as service when benefits are calculated.

## **Additional Service**

In addition to the creditable service mentioned above, you may also receive service credit in the following instances:

## **Accrued Sick Leave**

- (A) If you are a sworn Fairfax County Police Officer who started working in an eligible position before January 1, 2013, (as a member in Plan A), accrued sick leave credit means the credit allowed a member for purposes of determining retirement eligibility. Credit is allowed at the rate of one (1) month for every one hundred seventy-two (172) hours of accrued unused sick leave, and pro rata credit is allowed for each fraction thereof.
- (B) If you are a sworn Fairfax County Police Officer who started working in an eligible position on or after January 1, 2013 (as a member of Plan B), accrued sick leave credit means the credit allowed a member with more than five (5) years of service for purposes of determining retirement eligibility. Credit is allowed at the rate of one (1) month for everyone hundred seventy-two (172) hours of accrued unused sick leave, and pro rata credit is allowed for each fraction thereof; however, for Police Officers whose county employment commenced by reporting to work on or after January 1, 2013, notwithstanding the amount of the employee's accrued sick leave balance, the maximum amount of accrued sick leave credit that may be used for determining retirement eligibility and for computing the member's retirement benefits and allowances shall be the employee's accrued sick leave balance or 2,080 hours, whichever is less.

## **Prior Service as a Police Officer in FCPORS**

If you return to work for Fairfax County as a Police Officer, and if you did not withdraw your accumulated member contributions, you must rejoin the Plan to which you formerly belonged.

If you were a former member of the system who removed your contributions from the system, and later become a member again, your prior period of membership may count as creditable service provided that you purchase membership service credit by paying into the System all accumulated contributions that would have been collected from you during your prior period or periods of membership, plus interest at the rate established by the Board, for the entirety of any period of prior service for which membership service credit is sought. You may not



purchase credit for only a portion of any prior period of service, but may only purchase credit for an entire prior period of service.

If your contributions were directly transferred to an IRA, they may be transferred back into the System to purchase the prior service. Other transfers from 457 or 403(b) plans may also be allowed.

### **Additional information regarding prior service “buy-backs”**

Generally, if you “buy back” service, plus interest, service is given for the applicable period (unless such purchase fails to meet the requirements of the Internal Revenue Code).

*Please Note:* All requests for a buy-back calculation must be made in writing, addressed to Retirement Systems, stating your intention to buy back previous service credit.

In addition, if you had your contributions transferred directly into an Individual Retirement Account (IRA) for a period of prior service you contributed to a Fairfax County Police Retirement System, you may transfer all or part of your balance in that IRA back into the System. Other transfers from 457 or 403(b) plans may also be allowed. (§3-7-20) (§3-7-23) (§3-7-23.1)

### **Military Service**

A period of active military service may count as membership service credit provided you return to work within 90 days of discharge (other than dishonorable) in any employment covered by the system while you have re-employment rights under the law. However, you cannot receive credit for military service in the event of a dishonorable discharge. (§3-7-23(d))

### **Service-Connected Disability**

A period of service-connected disability counts towards your membership service credit for any period during which you are taking leave without pay from County service and are receiving compensation from the County for temporary total or temporary partial disability under the Virginia Workers’ Compensation Act. (§3-7-23(b))

## **Normal Service Retirement**

### **Eligibility**

You are eligible for normal service retirement if you are a member of the System and

- On your **55th birthday** or thereafter,
- OR**
- You have at least **25 years of creditable service**.

### **Types of Service Retirement**

Once you are eligible to retire with a normal service retirement, you have several options:

- You may apply for retirement and begin receiving a retirement benefit;
- You may enter the Deferred Retirement Option Program (DROP) if available; or
- You may continue to work beyond your normal retirement eligibility, gaining additional service credit, and have any salary increases included in the calculation of your AFC.

You may continue to work as a police officer after age 55.

## Benefit Formula

The formula used to calculate your normal retirement benefit for Plans A & B is:

2.8%	X	Final Average Salary	X	Years of Benefit Service	X	1.03
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EXAMPLE: Normal Retirement Benefit – 25 Years of Service

Assume you retire with 25 years of creditable service and average final compensation of \$85,000.

2.8%	X	Final Average Salary \$85,000	X	Years of Benefit Service 25	X	1.03	<b>= \$61,285</b>
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Annual Normal Retirement Amount = \$61,285

Monthly Benefit Amount = \$5,107.08

The formula used to calculate your normal retirement benefit for Plans C is:

2.8%	X	Final Average Salary	X	Years of Benefit Service
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EXAMPLE: Normal Retirement Benefit – 25 Years of Service

Assume you retire with 25 years of creditable service and average final compensation of \$85,000.

2.8%	X	Final Average Salary \$85,000	X	Years of Benefit Service 25	<b>= \$59,500</b>
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Annual Normal Retirement Amount = \$59,500

Monthly Benefit Amount = \$4,958

### Total Retirement Benefit

Your total retirement benefit cannot exceed limits on benefits set forth in Section 415 of the Internal Revenue Code and Treasury Regulations. (§3-7-48)

To calculate your own estimated Normal Service, Early Service, Deferred Vested, or DROP benefit, please visit Web Member Services on the Retirement Systems website: [www.fairfaxcounty.gov/retirement](http://www.fairfaxcounty.gov/retirement) and click on Retirement Account. Establish an account by choosing a Username and Password. Here you can override benefit service hours and incomes to see different projections of benefits.

## Deferred Retirement Option Program (DROP)

Entering the DROP allows you to be treated as if you retired, for purposes of the retirement plan, while continuing to work and receive a salary for a maximum period of three years. Only members eligible for Normal Retirement may elect to enter the DROP. As a DROP member, you will continue to work while an amount equal to what you could have received as a retirement benefit is credited to your DROP account balance. At the point of DROP entry, you are agreeing to participate in the DROP for a maximum of three years. The monthly benefit that will be credited to your DROP account is determined by your years of service and AFC at your DROP entry date. During the DROP period, the retirement plan accumulates your accrued monthly benefit, which is payable to you at the end of the DROP period. Your account balance is credited at an annual rate of 5% interest, compounded monthly. At the end of the DROP period, you **MUST** terminate employment with the County, and you will begin to receive your monthly retirement benefit directly instead of it being credited to your DROP account balance. Upon DROP exit, you can elect to receive the balance of your DROP account in the form of a lump sum distribution, a rollover to another qualified plan (or IRA), or you may have added to your monthly retirement benefit, an increase of the actuarial equivalent of the lump sum balance in your DROP account, thereby receiving a higher lifetime monthly benefit.

You are eligible to enter the DROP when you become eligible for Normal Service Retirement:

- When you turn **age 55**;     **OR**
- **25 years of service**

At the end of three years in DROP, you should complete the DROP Exit Notification form and choose how you would like your DROP balance to be distributed. You must provide a completed DROP Exit Notification form to the Retirement Agency no less than 60 days prior to your intended DROP exit date to ensure there is no disruption to your benefit payments. If we do not receive your DROP Exit paperwork, your DROP account balance will be paid to you as a lump sum, with applicable taxes withheld.

### **Sick Leave and DROP**

**Plan A** – If you are a Plan A Fairfax County Police officer who is entering the DROP, you have the option of converting your entire sick leave balance to retirement credit or you may retain 40 hours of your total balance to have available after entering the DROP. However, any sick leave balance carried forward, and any sick leave accrued during DROP, will **NOT** be converted to service credit at the point you exit the DROP.

**Plan B & C**– If you are a Plan B Fairfax County Police Officer who is entering the DROP, you can convert up to 2,080 hours of sick leave to retirement service credit. You may retain 40 hours of your total sick leave balance or any sick leave balance in excess of 2,080 hours, if applicable, to have available after entering the DROP. However, any sick leave balance carried forward, and any sick leave accrued during DROP, will **NOT** be converted to service credit at the point you exit the DROP.

Some additional notes about the DROP:

- You may participate in the DROP only once
- DROP enrollments are effective on the first day of a payroll period.
- If you would like to participate in DROP, you must file an application with the Retirement Systems office not less than 60 days prior to your DROP entry date.
- Your election to participate in the DROP is irrevocable, (the one exception being that if you revoke your election prior to the commencement of your DROP period; you must wait at least 12 months from the date of revocation to re-apply).
- If you choose to provide a spousal benefit for your spouse, you must make that election in writing on your DROP Application. **You cannot add or remove a spouse at a later date.**
- If you do not choose to enter the DROP when first eligible, you may choose to enter DROP at the beginning of any pay period following your initial eligibility.

## Applying for DROP

DROP applications are available from Retirement Systems and must be completed and received at the Retirement Systems office at least 60 days prior to the DROP entry date requested. DROP counseling is available for those who are within 6 months of planned retirement or DROP entry.

Once your DROP application has been received at the Retirement Systems office, a Retirement Counselor will verify your DROP eligibility. If you choose to provide an optional Joint and Contingent Spouse and Handicapped Child Option, you must also provide proof of birth for your spouse and/or handicapped child, as well as a copy of your marriage license. Once your eligibility date has been verified, you should notify your supervisor of your intent to enter the DROP.

To calculate your own estimated Normal Service, Early Service, Deferred Vested, or DROP benefit, please visit Web Member Services on the Retirement Systems website: [www.fairfaxcounty.gov/retirement](http://www.fairfaxcounty.gov/retirement) and click on Retirement Account. Establish an account by choosing a Username and Password. Here you can override benefit service hours and incomes to see different projections of benefits.

## Early Service Retirement

### Eligibility

You are eligible to retire early once you have 20 years of creditable service.

To estimate your early retirement benefit you would first determine the benefit using the formula for normal retirement. You then reduce that total by an early retirement factor. This factor is based on your age and service at retirement according to the table on the following page.

### EXAMPLE: Early Retirement Benefit

Assume you retire at age 50 with 23 years of creditable service and average final compensation of \$70,000. First calculate your benefit using the normal retirement benefit formula:

2.8%	X	Final Average Salary \$70,000	X	Years of Benefit Service 23	X	1.03	= <b>\$46,432</b>
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If you were eligible for normal retirement you would receive \$46,432 a year. But since you are retiring early, you apply the early retirement factor for age 50 and 23 years of creditable service (86.83% -- see table on next page).

Normal Base Benefit Amount \$46,432	X	Early Retirement Percentage Age 50 with 23 years of service 86.83%	<b>Yearly Benefit = \$40,316.91</b>
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Annual Early Retirement Amount = \$40,316.91

Monthly Early Retirement Amount = \$3,359.74

Plan C does not have the 1.03 multiplier.

## Early Service Retirement Reduction Table

Exact Age* at Retirement	Years of Creditable Service				
	20	21	22	23	24
38	74.50	79.17	84.06	89.18	94.48
39	74.18	78.89	83.83	89.01	94.39
40	73.84	78.61	83.60	88.84	94.30
41	73.49	78.32	83.37	88.67	94.21
42	73.11	78.01	83.13	88.50	94.12
43	72.72	77.68	82.88	88.33	94.03
44	72.32	77.34	82.61	88.14	93.93
45	71.89	76.98	82.34	87.95	93.83
46	71.74	76.61	82.04	87.75	93.73
47	70.97	76.22	81.74	87.53	93.62
48	70.48	75.81	81.41	87.31	93.50
49	69.96	75.38	81.08	87.07	93.38
50	69.42	74.92	80.72	86.83	93.25
51	74.45	74.45	80.35	86.57	93.11
52	79.95	79.95	79.95	86.29	92.97
53	86.00	86.00	86.00	86.00	92.82
54	92.66	92.66	92.66	92.66	92.66

*NOTE:* The table of Early Retirement Factors on this page contains just a partial list of early retirement percentages. These percentages vary based on your age in completed years and months. For simplicity's sake, use your age as of your birthday that is on or prior to your retirement date. Also, use completed years of creditable service and disregard partial years. For example, if you are 50 years and 8 months old with 22 years and 4 months of creditable service, your early retirement factor would be 80.72% -- the factor for age 50 with 22 years of creditable service.

To calculate your own estimated Normal Service, Early Service, Deferred Vested, or DROP benefit, please visit Web Member Services on the Retirement Systems website: [www.fairfaxcounty.gov/retirement](http://www.fairfaxcounty.gov/retirement) and click on Retirement Account. Establish an account by choosing a Username and Password. Here you can override benefit service hours and incomes to see different projections of benefits.

### Applying for Service Retirement

You must apply for retirement while you are an active employee. This is in addition to any notice you may give to the Chief of Police. Your retirement application must indicate the date on which you plan to retire.

Proof of your birth is required with your retirement application. Acceptable documents include a birth certificate or passport. You must also provide proof of birth for your spouse as well as a copy of your marriage license. Lastly, proof of birth is required for any children you may have that are under 18 years of age.

Note: Your spouse is the person to whom you are legally married on the date of your death, if that marriage is recognized by the Commonwealth of Virginia.

The Application Process for Retirement from Fairfax County involves completion of a "Retirement Packet". If you are within 3 months of your requested retirement date or DROP entry date, please call the Retirement Systems office at 703-279-8200 to request a complete packet of retirement application forms.

## **Disability Retirement**

### ***Service-Connected Total or Partial Disability Retirement***

If you become unable to perform the duties of a police officer due to a job-related injury or illness, regardless of your length of service, you may apply for a service-connected disability retirement. You or your agency may initiate the application process.

### ***Service-Connected Disability Definitions***

The Fairfax County Ordinance defines total disability as "the inability of the member to reasonably perform his or her duties as a police officer." The ordinance defines partial disability as "the inability of the member to perform some part of the duties of a police officer, such as in administrative or desk assignments." (Fairfax County Ordinance (§3-7-29))

You must apply for Workers' Compensation to be eligible for service-connected disability retirement benefits. The Board of Trustees of the Police Officers Retirement System will rule, based upon medical evidence, whether you are totally or partially disabled and whether the injury or illness was job-related. (Fairfax County Ordinances §3-7-28, §3-7-30, §3-7-35, §3-7-36)

### ***Service-Connected Disability Benefits***

**Total Disability** - Your benefit with a total service-connected disability retirement is 66⅔% of your salary on the date of accident or personal injury. This benefit is reduced by payments you receive from Workers' Compensation. In addition, your retirement benefit may be reduced if you have outside earnings.

**Partial Disability** - If you are awarded a retirement benefit for a partial disability, the benefit for a partial service-connected disability retirement is 66⅔% of your salary as of the date of accident or personal injury. This benefit is reduced by payments you receive from Workers' Compensation. In addition, your retirement benefit may be reduced if you have outside earnings.

You will continue to accrue service credit, until the total membership service credit period equals 25 years, whereafter said allowance shall be reduced to 60 percent of the salary that would have been received had no injury occurred and the performance of duty continued.

### ***Non Service-Connected Disability Retirement***

You may be retired on a non-service-connected disability retirement if you become totally disabled but it is not due to a job-related accident or illness or if it is due to your own negligence. No disability benefits are provided for partial non-service-connected disabilities. (Fairfax County Ordinances §3-7-31, §3-7-36)

Benefits for non-service-connected disability retirement are calculated as 2.8% times average final compensation (AFC) times your years of service (the minimum benefit is 10% of AFC). The total is then increased by 3%. No 3% increase for Plan C. Unused sick leave may be credited as service at the rate of 172 hours of sick leave per month of service. Benefits are taxable. To continue to receive benefits, non-service-connected disability retirees must satisfy medical examinations annually for the first five years after retirement then every three years thereafter as required by the County Code. Your level of benefits may also be reduced following completion of a rehabilitation or training program, a periodic medical re-evaluation, or based on other factors which significantly affect your ability to gain other employment and compensation equivalent to your prior position as a police officer. Also, benefits cease if you return to work with Fairfax County in a retirement eligible position under the Police Officers Retirement System before your normal retirement date. You will not receive service credit while on non-service-connected disability retirement and no automatic surviving spouse and children's benefit is payable. (Fairfax County Ordinances §3-7-31, §3-7-32, §3-7-33)

## ***Disability During DROP***

Should you become disabled during the DROP period other than as the result of a service-connected disability, your employment would terminate. In this situation, the monthly benefit which would otherwise be payable to your DROP account, will be paid to you and you will also be eligible to receive the balance of the DROP account as of the effective date of your disability.

Should you become disabled during the DROP period as the result of a service-connected disability, you have a choice of either taking the DROP account balance plus the normal service retirement benefits or forfeiting the DROP account balance and taking a service-connected disability benefit as though DROP participation had not occurred.

## **Applying for Disability Retirement**

You must apply for a disability retirement through application to the Police Officers Board of Trustees. You are required to undergo a medical exam by your doctor to confirm that you are disabled. You may be required to undergo an independent medical examination at the Board's discretion. A second doctor, chosen by the Board, may also examine you. If the doctors disagree, they will select a third doctor to examine you. The Board will consider the findings of all doctors involved, when making its decision.

Once a year during the first five years of a disability retirement (and once every three years after that), you will be asked to provide proof of your continuing disability. The same process described in the paragraph above will be followed.

## ***Disability Due to Hypertension, Heart Disease or Negligence***

Your disability will be considered to be service-connected if you become disabled due to hypertension or heart disease, unless there is competent evidence to prove otherwise. Before granting a benefit in either instance, the Board may require that you undergo a physical exam to prove that you do, in fact, have cardiovascular disease. The Board may ask you to take an exam from any doctor it chooses. You may have your own doctor present at this exam at your expense.

Your disability will be considered one that is not service-connected if disability is the result of:

- Your gross and willful negligence,
- Wanton neglect of duties and responsibilities,
- Drunkenness, or
- Illicit use of narcotics

## **If You Return to Work**

If you start working while you are receiving a disability retirement benefit, and begin to earn more than the difference between your disability benefit and the current salary of the position from which you retired, your disability benefit will be reduced. Your reduced benefit will be combined with the amount you are earning to equal the current salary of the position from which you retired, but not taking into account roll call pay or holiday pay. Example: Limits on Service-Connected Disability Benefit If You Return to Work

If the current monthly salary of your former position is \$6,000 and you are a receiving service-connected disability benefit of \$4,000 a month ( $\$6,000 \times .6666$ ) You may earn up to \$2,000 a month with no change in your benefit ( $\$6,000 - \$2,000 = \$4,000$ ).

If you were to begin to earn \$2,500 a month, however, your disability benefit would be reduced to \$500. This would keep your total income at the level of the current salary of your former position ( $\$3,500$  retirement +  $\$2,500$  earnings =  $\$6,000$  total).

## Tax Returns

Retirees receiving service-connected disability benefits must submit copies of their federal income tax returns and W-2 forms (wage statements) to the Fairfax County Retirement Systems office by May 30 of each year.

If you do not submit copies of your tax returns and W-2 forms, your disability benefit will be suspended. Your full benefit will be restored when you submit the returns and forms, as long as your outside earnings are not exceeding the allowable amount. If you do not submit your tax returns and W-2 forms within one year after they're due, you will lose all rights to further service-connected disability benefits.

## Deferred Vested Benefit

### **Eligibility**

You are eligible for a deferred vested benefit if:

- You terminate employment before you retire; and
- You have at least five years of creditable service; and
- You leave your contributions in the System.

If you choose to apply for a Deferred Vested Benefit, you should notify the Retirement Systems office in writing of this fact when you terminate employment. Your Deferred Vested Benefit will begin at age 55. The formula for normal retirement determines your Deferred Vested Benefit. In lieu of a Deferred Vested Benefit, you have the option to request a refund of your contributions at any time prior to reaching age 55 or receiving retirement benefits.

## Cost-of-Living Adjustments (COLA)

Each July 1 your pension may be increased to reflect increases in the cost-of-living. Cost-of-living increases apply to normal, early and disability retirements, and to deferred vested benefits once benefits start. However, they do not apply to the additional Pre-Social Security Benefit that is payable for normal retirement. For Service-Connected Disability retirees, cost-of-living increases are calculated on the net amount of the benefit after all offsets for Social Security and/or Worker's Compensation have been applied. When Workers' Compensation benefits cease, the benefit is recalculated back to the date of retirement applying all applicable cost-of-living increases to the base benefit without including an offset for Workers' Compensation.

The standard annual COLA is the lesser of 4% or the percentage increase in the Consumer Price Index (CPI-U) for the period ending in March of each year.

The cost-of-living increase will be pro-rated if you have received retirement benefits for less than a year, as follows:

If you retire	Percentage of increase
April 1 to June 30	0%
January 1 to March 31	25%
October 1 to December 31	50%
July 1 to September 30	75%

## Death Benefits

### **Death Benefits Before AND After Retirement**

#### ***Return of Contributions***

In the event of your death before retirement, your contributions will be paid to your beneficiary unless an automatic benefit is payable to your surviving spouse or children. Note: Your spouse is the person to whom you are legally married on the date of your death, if that marriage is recognized by the Commonwealth of Virginia.



## **Automatic Benefit for Surviving Spouse and Children**

An automatic death benefit will be paid to your eligible surviving spouse and children in the event of your death before retirement, after a service retirement, or retirement for a service-connected total disability. It is not payable if your death occurs while you are receiving a non-service connected or a deferred vested benefit.

Your eligible surviving spouse (or eligible surviving handicapped child if there is no spouse) will receive a monthly death benefit of \$2,460.37 Each eligible surviving child will receive a benefit of \$984.14 a month. However, \$4,920.76 is the maximum monthly benefit payable to all surviving family members combined. (Automatic benefit amounts quoted above are effective as of July 1, 2021).

Eligible surviving children include all unmarried children under 18 who are not supporting themselves. Unmarried children under age 23 may qualify if they are full-time students in an accredited college or secondary school. An eligible handicapped child is a member's natural or legally adopted child who, in the Board's judgment, is permanently mentally incompetent or permanently physically handicapped.

The benefit will continue to your surviving spouse until their death. The benefit will continue to a surviving child until that child marries, becomes self-supporting or reaches the age limit, whichever happens first. A handicapped child will receive the surviving child's benefit unless there is no surviving spouse. In that case the handicapped child will receive the spouse's benefit until the handicapped child is determined to be no longer permanently mentally incompetent or permanently physically handicapped. Each July 1 these benefits will be increased to reflect increases in the Consumer Price Index.

## **Optional Benefit for Family If Death Occurs in the Line of Duty**

If you are killed in the line of duty, your surviving spouse (or surviving handicapped child if there is no surviving spouse) may, instead of the automatic benefit, elect to receive a benefit of 66⅔% of your regular salary at the time of death. Once this election is made, it cannot be revoked.

If elected, the optional benefit will be paid to your surviving spouse (or, if there was no spouse, to the surviving handicapped child as long as that child is determined to be permanently mentally incompetent or permanently physically handicapped).

EXAMPLE: Plans A & B Death Before Retirement -- Optional Family Benefit

Assume you are killed in the line of duty and your surviving spouse elects the optional family benefit. If your monthly salary at the time of death is \$5,000, your spouse is entitled to:

$$66\frac{2}{3}\% \times \$5,000 \times 1.03 = \$3,433.33$$

In this case, your spouse would receive \$3,433.33 a month.

## **Death During DROP**

In the event of your death during the DROP period, the benefits for your spouse will depend on whether your death was in the line of duty and what Joint and Contingent Spouse and Handicapped Child option you elected when you entered the DROP.

If your death is not service-connected, your spouse will be eligible to receive your accumulated DROP balance. If, at the time you entered DROP, you elected a Joint and Contingent Spouse and Handicapped Child option, your spouse would also be entitled to receive the benefits that would be payable under that election.

If your death occurs in the line of duty, your spouse will have the option of receiving benefits as though you had never entered the DROP, or the option of receiving the DROP balance plus benefits based on the Joint and Contingent Spouse and Handicapped Child option you selected when entering the DROP.

Your choice regarding a Joint and Contingent Spouse and Handicapped Child option or single life annuity is made at the time of DROP entry. You may not defer a Joint and Contingent Spouse decision. Regardless of whether your death is service-connected or not, the automatic death benefit is payable.

## Joint and Contingent Spouse and Handicapped Child Option

At retirement, you may elect a Joint and Contingent Spouse and Handicapped Child Option that will provide a benefit for those survivors in the event of your death. Once you make this election you cannot revoke it. If you make this election, you will receive a reduced retirement benefit. After your death, your surviving spouse (or eligible handicapped child) will receive 100%, 75%, 66 $\frac{2}{3}$ %, 50% or 25% of the benefit you were receiving just before your death, depending on the option you chose. This would be in addition to the automatic monthly benefit payable to your surviving spouse.

The amount of reduction to your benefit depends on the difference between your age and your spouse's (or handicapped child's) age and on the percentage of your benefit that your spouse will receive. Retirement Systems can give you additional information about how the Joint and Contingent Spouse and Handicapped Child Option affects the amount of your benefit.

**The 25% and 75% Options are available starting September 1, 2019.**

Age of spouse:

<b>JOINT AND CONTINGENT OPTION REDUCTION FACTORS</b>					
<b>Younger</b>	<b>100%</b>	<b>75%</b>	<b>66<math>\frac{2}{3}</math>%</b>	<b>50%</b>	<b>25%</b>
-12	84.80%	88.40%	89.20%	92.10%	96.00%
-11	85.20%	88.70%	89.50%	92.30%	96.10%
-10	85.60%	89.00%	89.80%	92.50%	96.20%
-9	86.00%	89.30%	90.10%	92.70%	96.30%
-8	86.40%	89.60%	90.40%	92.90%	96.40%
-7	86.80%	89.90%	90.70%	93.10%	96.50%
-6	87.20%	90.20%	91.00%	93.30%	96.60%
-5	87.60%	90.50%	91.30%	93.50%	96.70%
-4	88.00%	90.80%	91.60%	93.70%	96.80%
-3	88.40%	91.10%	91.90%	93.90%	96.90%
-2	88.80%	91.40%	92.20%	94.10%	97.00%
-1	89.20%	91.70%	92.50%	94.30%	97.10%
<b>SAME AGE</b>	<b>89.60%</b>	<b>92.00%</b>	<b>92.80%</b>	<b>94.50%</b>	<b>97.20%</b>
<b>Older</b>	<b>100%</b>	<b>75%</b>	<b>66<math>\frac{2}{3}</math>%</b>	<b>50%</b>	<b>25%</b>
+1	90.00%	92.30%	93.10%	94.70%	97.30%
+2	90.40%	92.60%	93.40%	94.90%	97.40%
+3	90.80%	92.90%	93.70%	95.10%	97.50%
+4	91.20%	93.20%	94.00%	95.30%	97.60%
+5	91.60%	93.50%	94.30%	95.50%	97.70%
+6	92.00%	93.80%	94.60%	95.70%	97.80%
+7	92.40%	94.10%	94.90%	95.90%	97.90%
+8	92.80%	94.40%	95.20%	96.10%	98.00%
+9	93.20%	94.70%	95.50%	96.30%	98.10%
+10	93.60%	95.00%	95.80%	96.50%	98.20%
+11	94.00%	95.30%	96.10%	96.70%	98.30%
+12	94.40%	95.60%	96.40%	96.90%	98.40%

Remember that the Joint and Contingent Spouse and Handicapped Child Option is payable in addition to the automatic benefit and it is payable for life.

## **Naming a Beneficiary**

When you join the System, you will be asked to name one or more beneficiaries to receive your contribution balance and interest earnings in the event of your death. You may name anyone you wish, and as many beneficiaries as you wish. If you name more than one person, each person will share equally in the total amount payable unless you designate percentages or fixed amounts for each beneficiary unless the auto benefit is payable.

You may change your beneficiary designation at any time by giving written notice to the Retirement Systems office. Forms for naming or changing beneficiaries are available on Retirement Systems website. If you do not name a beneficiary, payment will be made to your estate.

## **Withdrawal of Contributions**

The County Code does not permit loans from your retirement account, partial withdrawals of employee contributions, or withdrawals of County contributions. Withdrawal of contributions may only be made upon termination of employment. Any member who elects to withdraw his or her contributions is no longer eligible for any benefits from the Retirement System.

## **If You Are Not Eligible For Benefits**

If you are not eligible for a retirement benefit or a deferred vested benefit when you terminate employment, it is recommended that you withdraw your contributions. Payment is not automatic and the account does not earn interest.

A withdrawal of contributions must be requested in writing within two years of separation of service. Payment will be made within 90 days of your last check as an active employee. Payments may be made by check to you or can be transferred directly to an Individual Retirement Account (IRA) or to another qualified retirement plan.

## **If You Are Eligible For Benefits**

If you are eligible for a retirement benefit or a deferred vested benefit when you terminate employment, you have two choices:

- You may withdraw your contributions (either as a refund or a direct transfer to an IRA or other qualified retirement plan), in which case you will not be entitled to any future benefits from the system, or
- You may leave your contributions in the system and receive monthly retirement benefits immediately, or monthly deferred vested benefits starting at age 55.

You must make any request to withdraw contributions in writing, and send it to the Board of Trustees. You may not withdraw your contributions after you begin to receive monthly benefits from the system.

## **Taxation of Withdrawals**

Currently, any part of your account that consists of pre-tax contributions will be taxed as ordinary income the year you receive it, and may also be subject to an additional 10% penalty. Taxes will be based on the federal and state tax laws in effect at the time of distribution. Refunds not transferred directly to an Individual Retirement Account (IRA) or other qualified retirement plan will have 20% withheld for federal taxes and, unless certain conditions are met, another 4% for Virginia state taxes.

If you are contemplating withdrawing your accumulated member contributions, you should consult a tax professional for current information on the tax treatment of withdrawn funds.

### **Assignment of Benefits**

Your benefits under the plan cannot be assigned and are not subject to garnishment or attachment, except to

the extent permitted by law for child and/or spousal support, and for the division of marital property (Qualified Domestic Relations Orders – QDROs).

## **Fraud**

It is a misdemeanor to attempt to defraud the System by making false statements or by falsifying (or allowing others to falsify) records of the System. Anyone found guilty of trying to defraud the System will forfeit all rights to the benefit or allowance obtained by the misrepresentation and is subject to dismissal from Fairfax County employment.

## **Social Security Benefits**

Social Security taxes are not withheld from your Fairfax County salary as a police officer. You may still be eligible to receive benefits from Social Security if you had any other employment during which you did pay into the Social Security System.

Social Security benefits are based on the amount of your lifetime earnings that are subject to Social Security taxes.

For additional information contact Social Security directly:

**Social Security Administration**  
Wilkes-Barre Data Operations Center  
Box 20  
Wilkes-Barre, PA 18703

Alternatively, Call 1-800-772-1213  
Alternatively, via the internet: [www.socialsecurity.gov](http://www.socialsecurity.gov)

## **Medicare**

You may also be entitled to Medicare benefits when you reach age 65. Medicare pays a significant portion of physician and hospital fees.

## **Additional Retirement System Information**

Your Home Address and Direct Deposit Information It is important that you keep Retirement Systems informed of any change in your address or your Direct Deposit information so that you will receive your benefits check and any information about the System that is sent to you. In addition, if your current home address is not on file after you terminate employment, it is possible that a refund of your contributions sent to your old address will be returned and Retirement Systems will not be able to locate you.

## **Retirement System Administration**

The Fairfax County Police Officers Retirement System is administered by a Board of seven Trustees.

Members of the Board of Trustees may be contacted in writing through the Retirement System office. Since members of the Board change from time to time, their names will be published on the Retirement Systems website as changes occur.

Duties of the Board include administering the retirement system, disability and death benefits for the active and retired members of the System, as well as directing the investment of System funds. The Board meets monthly, normally on the second Wednesday of each month. Board meetings are open to all employees and members of the public.

The Board employs consultants and appoints an Executive Director who serves at the discretion of the Board

and is responsible for Retirement System's administrative staff. The Executive Director is also the System's agent for service of legal process. The County Attorney serves as the legal advisor for the Board.

## **Frequently Asked Questions About The System**

### **When Should I Begin Planning For Retirement?**

You should begin planning for retirement early in your career, considering the sources of your retirement.

### **How Far in Advance Should I Apply for Retirement?**

You should apply at least one month before the day you want to retire, but you must apply while in service. At that time, you should send a letter of retirement to the Chief of Police. We encourage you to contact the Retirement Systems office to arrange an appointment.

During your appointment, a representative of Retirement Systems will review your retirement options with you and answer your questions.

### **Can I Retire After My Normal Service Retirement Date?**

Yes. There is no mandatory retirement age.

### **Is Benefits Counseling Available?**

Yes, we feel that an educated member will be able to make decisions confidently.

As your retirement date nears, you will be faced with decisions you may find difficult to make. Even though the various retirement options are described in this handbook, a counseling session with one of the Retirement Systems' staff offers a chance to discuss your options and provide you with a benefit estimate that may help you select the retirement option that is best for you. Counseling sessions are currently offered for members who are within 6 months of normal service retirement eligibility or planned retirement or DROP entry. With regards to estimate requests, the current procedure requires members to make written requests for benefit estimates. You may request an Estimate Request Form be mailed to your home or you can print a form by visiting Retirement Systems website. Please limit estimate requests to no more than one per year, but members can run their own estimates on the Retirement Systems website.

In addition to one-on-one counseling, Retirement Systems offers several different workshops for members of the System to help employees understand their County retirement benefits. The workshops are open to all general County employees and are offered several times a year. For more information, please visit the Retirement System's website for workshop descriptions and a current schedule.

### **Does It Make Any Difference When I Retire During the Year?**

You might want to consider several things in deciding when you want to retire during the year.

**Cost-of-Living:** If your retirement were effective on or before July 1 of a particular year, you would be entitled to a full cost-of-living adjustment to your retirement benefit on July 1 of the following year.

**Timing of Receiving Certain Payments:** If you are thinking about retiring toward the end of the year, you should keep in mind that you will receive pay for annual leave, holiday pay and comp time on the payday following your last payday as an active employee. Depending on your situation, you may want to delay your retirement so this payoff is made in the following tax year as opposed to getting it in the same tax year as the effective date of your retirement. Call the Payroll Division in the Department of Human Resources for additional information.

**Salary Increases:** Active payroll salary increases would have some impact on your FAS, depending on how much sick leave you have and how long you work at that new hourly rate of pay. Sick leave hours are converted

at the rate of pay at time of retirement. A large sick leave balance would have more of an impact on FAS than a small balance.

### **How Do I Apply For Retirement Benefits?**

You must apply for retirement benefits; they are not automatic. You should submit your application form within 60 days prior to your planned retirement date. You may obtain an application package by calling the Retirement Systems office.

### **Once I Retire, How Long Before I Receive My First Retirement Payment?**

It depends on the time of month you turn in your retirement paperwork. Typically, if your last day is before the 12th, you will receive your first retirement payment the last working day of the following month.

### **Can I Have My Benefit Amount/Check Deposited Directly With A Financial Institution?**

Yes. Direct deposit is required for new retirees. You should arrange to have your benefit check deposited directly to a financial institution of your choice. All you have to do is complete and return a "Direct Deposit Authorization" form to the Retirement Systems office. Benefit pay advices are currently mailed two days before the last business day of the month. Retirement payments are posted to your direct deposit account on the last business day of each month.

### **Will There Be Any Deductions from My Retirement Pay?**

Yes. You may request deductions for health, dental, group life, and Police Association dues from your benefit check, as well as contributions (if any) to the Fairfax County Federal Credit Union. In addition, federal and Virginia income tax will be withheld from your check, unless you choose otherwise. Virginia's tax can only be withheld if you reside in the Commonwealth of Virginia. You can change your income tax deductions at any time.

### **How Are Benefits I Receive From The System Taxed?**

Contributions made to the retirement system prior to January 1, 1985 have already been taxed. You will owe no taxes on these contributions when they are returned to you, whether in monthly benefit payments or in a lump sum when you leave employment. All contributions made to the system on or after January 1, 1985 have been made, or will be made, on a pre-tax basis. You will not owe taxes on any contributions made on a pre-tax basis until such time as you start receiving your retirement benefit.

The portion of your benefit that represents employee pre-tax contributions, employer contributions, and investment earnings (anything in excess of contributions made prior to 1/1/85 except post-tax contributions, which paid for prior service purchases) is subject to federal tax when it is paid to you.

In addition, your tax liability depends on whether you receive your benefits in monthly payments or a lump sum withdrawal of contributions.

**Monthly Payments** – Each monthly payment is made up of pre-tax employee contributions and employer contributions. If you contributed before January 1, 1985, each monthly payment will also contain a portion of your after-tax contributions. This means most of your benefit will be subject to federal, and possibly state, tax starting with your first benefit check.

**Withdrawal of Contributions** – If you withdraw your contributions before age 50 and request payment directly to you, the payment will be subject to regular income tax plus an additional 10% penalty imposed by the IRS. This additional penalty will not apply if the money is distributed due to retirement, termination, disability or death. It also does not apply to any contributions you made before January 1, 1985.

You may postpone paying taxes on a withdrawal of contributions by directly transferring/rolling over the taxable portion of the payment into an Individual Retirement Account (IRA) or another tax-qualified plan. You can postpone paying taxes on refunds that were not directly transferred but were paid to you if you roll over the entire amount you receive (plus an additional amount to equal the mandatory 20% which was withheld for federal taxes) into an IRA or into another tax-qualified plan within 60 days of receiving payment. If refunds are transferred or

rolled over, you will be required to pay taxes only when you receive the money from your IRA or other tax-qualified plan.

Because tax laws are complicated and change frequently, you may want to talk to a professional tax advisor before receiving a payment from the System.

State Taxes – Retirement benefits are subject to Virginia State income tax for residents of the state. If you live outside of Virginia, contact the state and local tax agencies where you live to determine if your retirement benefits are taxable.

### **Can I Work For Fairfax County Government After Retiring?**

Maybe, but your retirement benefits may be affected. There is a “Guide to Returning to Fairfax County Employment” available at <http://fairfaxnet.fairfaxcounty.gov/Dept/DHR/Pages/Reemployment.aspx>.

### **Can I Continue My Health Insurance Coverage After I Retire?**

At this time, yes; however, keep in mind there is no guarantee that Fairfax County will continue offering health care benefits in retirement.

Please note the following: Fairfax County Government (FCG) provides information on their website and during Open Enrollment for Benefits each year. Current employees, especially those contemplating retirement, should review the Fairfax County Government Benefits Handbook for the current calendar year. FCG reserves the right to modify and/or discontinue any of the plans offered in the aforementioned handbooks. In addition, enrollment rules and rules regarding eligibility for coverage could change in the future.

If you retire from a general County position, you can continue the health insurance coverage you had before you retired, but you will be responsible for paying the entire premium, including the part the County has been paying. Normal service retirees receive a monthly subsidy toward their County health insurance, beginning when they turn age 55. The monthly amount of this subsidy is based upon years of service at retirement. Current premiums and subsidy amounts can be found on the Retirement Agency website or on FairfaxNet under Benefits. Those retiring on service-connected or non service-connected disability will receive the subsidy when they retire, regardless of their age. If you ever drop your County health or dental insurance, you will never be able to enroll again unless:

- Your spouse is an active employee and you enroll through his/her eligibility for coverage; or
- You are reemployed by the County and can enroll again as an active employee. This coverage may then be maintained when you retire again.