



RETIREMENT BENEFIT PLANS SUMMARY DEPUTY SHERIFFS, MEDICS, AND FIRE MARSHALS

(There is a separate summary for General Schedule employees.)

Administered by the Finance Department Pension Administration Division

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Walk-In Hours: Monday, Wednesday, and Friday 11:30 a.m. – 2:00 p.m. Please call for an appointment at other times or to discuss retirement.					
Web sites: 1) Intranet - AlexNet (Departments/Finance/Pension Administration Division); 2) City website - alexandriava.gov/retirement . Web sites have plan information, including plan documents, for all of the City retirement and 457 Deferred Compensation Plans. Pre-recorded retirement related information: 703.746.3906					

Virginia Retirement System (VRS) Employer ID 55200

The City participates in the VRS Retirement and the VRS Disability Retirement Plans. *The City does not participate in the other programs that VRS offers including enhanced benefit program for hazardous duty employees, the Virginia Sickness and Disability Program, optional life and health insurance, or the VRS 457 and Cash Matched Plans.*

Plan 1 members not vested on December 31, 2012 became Plan 2 members on January 1, 2013. On January 28, 2014, the City adopted a VRS change that allows Plan 2 Deputy Sheriffs, Medics, and Fire Marshals to retire with Plan 2 benefits, but to be eligible to retire using the Plan 1 age and service eligibility rules. Keep reading for details.

Deputy Sheriffs, Medics, and Fire Marshals are not eligible to participate in the Hybrid Retirement Plan that became effective January 1, 2014. However, if they were hired after January 1, 2014, and they change to a General Schedule position with the City, they will become a Hybrid member on the date of change. Contact Pension Administration Division if you believe this applies to you.

Visit the VRS web site, www.varetire.org, for additional information. Be sure to view the correct section regarding your member type: a) Plan 1 member vested on January 1, 2013 or b) Plan 2 member (includes Plan 1 members not vested on January 1, 2013), or employee who changed status and became a Hybrid member.

1	Type of Plan	Defined benefit pension plan
2	Eligibility	Regular, full time City employees who are Deputy Sheriffs, Medics, or Fire Marshals. Part-time employees are not covered under VRS.
3	VRS Membership Date	<p>The first of the month hired as a full-time employee if begin work on the first business day (Monday – Friday) of the month. The first of the following month if begin work as a full-time employee <u>after</u> the first business day of the month hired.</p> <p>The VRS membership date will be different than the above for employees who have an earlier VRS membership date due to prior VRS service and who have not taken a refund of their <u>Plan 1 or Plan 2 member contributions</u> (whether paid by the employee or a previous employer). Employees who received refunds of prior contributions also forfeited the service credit.</p>

4	Plan 1 or Plan 2 Member or Hybrid Plan Member	<p><u>Plan 2 (includes Plan 1 not vested on 1/1/2013)</u> Plan 2 members include: a) members newly hired after June 30, 2010; b) members hired prior to July 1, 2010 as Plan 1 members who were not vested on January 1, 2013; c) and members hired after June 30, 2010 who took a refund of their member contribution account for prior VRS service.</p> <p><u>Plan 1</u> Plan 1 members include: a) members hired prior to July 1, 2010 who were vested on January 1, 2013; and b) members who were hired into a VRS covered position after June 30, 2010 who had prior Plan 1 service and were vested on December 31, 2012. <i>Plan 1 members not vested on January 1, 2013 became Plan 2 members on January 1, 2013.</i></p> <p><i>A Deputy Sheriff, Medic, or Fire Marshal, hired on or after January 1, 2014, without prior VRS service is exempted from being a member in the VRS Hybrid Retirement Plan. However, if such an employee transfers into a position covered under the General Schedule pay scale at a later date, he or she will automatically become a member of the VRS Hybrid Retirement Plan and no longer a member of VRS Plan 2.</i></p>
5	Normal Retirement Age	<p><u>Plan 1 and Plan 2</u> Age 65 with at least five years of service.</p>
6	Retirement – Unreduced	<p><u>Plan 1 and Plan 2</u> At least age 65 with at least 5 years of service credit or at least age 50 with at least 30 years of service credit.</p>
7	Retirement – Reduced/Early	<p><u>Plan 1 and Plan 2</u> At least age 55 with at least 5 years of service credit or at least age 50 with at least 10 years of service credit.</p>
8	Employee (Member) Contributions	Contribute 5% to VRS.
9	Employer Contributions	The City also makes an employer contribution to VRS for covered employees. The employer contribution for FY 2018 is 7.97%.

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Revised 7/14/2017

10	Vesting	Vesting is the minimum length of service needed to qualify for a retirement benefit, if you meet the age and service requirements for your plan. Employees who have accrued five years of service in VRS are vested. Purchase service counts toward vesting. Members accrue one month of vesting service for each month contributions are paid to VRS.
11	Service Credit	Member accrues one month of service credit for each month contributions are paid to VRS.
12	Benefit Formula	<p><u>Plan 2 and Plan 1 not vested on 12/31/2012:</u> 1.65% multiplied by Average Final Compensation multiplied by years of service accrued after 2012 1.7% multiplied by Average Final Compensation multiplied by years of service credit accrued through 12/31/2012</p> <p><u>Plan 1 vested on 1/01/2013</u> 1.7% multiplied by Average Final Compensation multiplied by years of service credits <i>Plan 1 members not vested on December 31, 2012 became Plan 2 members on January 1, 2013.</i></p>
13	Creditable Compensation	Monthly base salary City reports to VRS; excludes overtime, shift differential, bonuses, special pay, etc. Monthly base compensation equals annualized salary divided by 12 months.
14	Average Final Compensation	<p><u>Plan 2 (includes Plan 1 not vested on 12/31/2012)</u> Average of the highest 60 <u>consecutive</u> months of creditable compensation</p> <p><u>Plan 1 vested on 1/01/2013:</u> Average of the highest 36 <u>consecutive</u> months of creditable compensation <i>Plan 1 members not vested on December 31, 2012 became Plan 2 members on January 1, 2013.</i></p>
15	Retirement Payment Options	Basic benefit pays you a lifetime monthly benefit; survivor benefit also provides a lifetime monthly benefit to your spouse or contingent annuitant after your death; Partial Lump-Sum Option Payment (PLOP) provides eligible employee (you must work 1, 2, or 3 full years after eligible for unreduced retirement) option to receive a lump sum payment plus a monthly benefit; Advance Pension Option allows you to temporarily increase your monthly benefit until receiving Social Security benefits.
16	Disability Retirement	Members who are unable to perform job because of disability that is likely to become permanent may apply to receive a disability retirement benefit. If the Member is vested, the benefit is the higher of the VRS formula amount or the minimum guaranteed benefit. Non-vested member may only apply for the minimum guarantee benefit. The minimum guaranteed benefit ranges from 33 1/3% to 66 2/3% of the Average Final Compensation depending on whether disability is service related and if the member qualifies for Social Security benefits.

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17	Death Benefits Before Retirement	Beneficiary may receive a lump-sum payment of member's contribution account; spouse, minor child, or parent may elect to receive a monthly benefit. If death is work related both lump-sum and monthly benefit may be paid.
18	Termination Prior to Retirement	Terminating members may request a refund of <i>member</i> contributions and interest. <i>Vested members</i> will receive <i>member</i> contributions they paid plus <i>member</i> contributions the City paid plus interest. <i>Non-vested members</i> will receive <i>member</i> contributions they paid plus any <i>member</i> contributions the City paid <i>prior to 7/1/2010</i> plus interest. Members who take a refund of contributions forfeit service credits and future pension benefits. Vested members may elect to leave contributions and service in plan and receive a monthly pension benefit at a later date when eligible. Non-vested members may elect to leave contributions and service in plan if anticipate will work for VRS covered employer in future.
19	Cost of Living Adjustment (COLA)	Refer to the VRS web site, www.varetire.org . May be delayed for employees who have less than 20 years of VRS service at time retire and who are applying for an early, reduced retirement. Be sure to view the correct information for your type of member (Plan 1 or Plan 2). <i>Plan 1 member not vested on December 31, 2012, became a Plan 2 member on January 1, 2013.</i>
20	Purchase of Refunded and Other Prior Governmental Service	Refer to the VRS web site, www.vartire.org . Be sure to view the correct information for your type of member (Plan 1 or Plan 2). There is a short period to purchase, or begin purchasing, at a <u>lower rate</u>.
21	VRS Contact Information	Website: www.varetire.org Customer Contact Center: 1-(888) VARETIR (827-3847) 8:30 am – 5:00 pm Monday to Friday.

Supplemental Retirement Plan “City Plan” Contract 16741 Recordkeeping Administration by Prudential (Division 003 Deputy Sheriffs, Medics, and Fire Marshals)		
1	Type of Plan	Defined benefit pension plan – designed to provide a monthly benefit at retirement
2	Eligibility	Deputy Sheriffs, Medics, and Fire Marshals are participants in the plan as a requirement of employment For regular, full-time employees this benefit is in addition to the benefit provided by VRS.
3	Unreduced Retirement	At least age 65 with at least 5 years of Credited Service or at least age 50 with at least 25 years of Credited Service as a Deputy Sheriff, Medic, or a Fire Marshall (different formula for civilian service)
4	Reduced Retirement	At least age 55 with at least 5 years of Credited Service
5	Contributions	Deputy Sheriffs, Medics, and Fire Marshals do not make employee contributions to this plan City contributes 10.46% of base salary in FY2018 Prior to 7/1/2009 the City designated 2% of the City-paid contributions as employee contributions
6	Vesting	Vesting is the minimum length of service needed to qualify for a retirement benefit, if you meet the age and service requirements for your plan. The plan requires five years to be vested. However, regular, full-time employees 60 years of age or older are vested regardless of service. Employees accrue one month of vesting service for each full month worked
7	Credited Service	Full time employees receive Credited Service for each month the City and/or employee makes a contribution. Part-time employees accrue Credited Service on a pro-rata basis determined by scheduled work hours.
8	Benefit Formula	The sum of: 0.6% x Average Earnings x Credited Service (years 1-5) plus 0.9% x Average Earnings x Credited Service (years 6-15) plus 1.0% x Average Earnings x Credited Service (years 16 and later)
9	Average Earnings	Highest average monthly earnings (excluding overtime, shift differential, bonuses, etc.) over any 36 consecutive full calendar months of Credited Service during the 180 full calendar months preceding retirement or termination
10	Retirement Payout Options	At retirement, employees choose their payment option. Options include various life annuity, and survivor/contingent annuitant options, lump-sum option

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11	Termination Prior to Retirement	Terminating employee may receive a lump-sum distribution of any employee contributions plus interest and this results in a forfeiture of service credits. Vested employees may leave contributions in account and receive a monthly pension when eligible for retirement. Employees hired after June 30, 2009 will have no contributions to be refunded.
12	Cost of Living Adjustment (COLA)	Plan does not have a COLA provision
13	Death Benefits	Beneficiary receives a lump-sum payment of the employee contributions plus applicable interest
14	Prior Service Buy-back	Not permitted
15	Disability Retirement	An active vested employee who is eligible for Social Security disability may be eligible to receive a benefit five months after disability onset. The amount of the benefit is the same as the unreduced retirement benefit computed using the formula on the date of the member's disability.
16	Prudential Contact information	Website: prudential.com/online/retirement Toll Free Access 1-(877) PRU-2100 (778-2100) Interactive Voice Response service available 24 hours; retirement representatives available 8 am-9 pm ET Mon.-Fri.

Supplemental Retirement Board

The Pension Board manages the investments of the Plan assets and may also recommend benefit changes to the City Manager. The Board is comprised of representatives of City Management and non-Management employees. The Employee Representatives are from the following employee groups: Deputy Sheriffs, Medics and Fire Marshals: and General Schedule employees.

Visit the Pension Administration Division web page to view for a list of the Board members.

City of Alexandria Retirement Income Plan for Deputy Sheriffs, Medics, and Fire Marshals

This plan was closed on May 10, 2011. Prior to that time the City made contributions into this plan subject to the budget. The City will deposit any future potential contributions, subject to the budget, into employee's 457 Deferred Compensation Plan accounts. Eligible employees who do not have a 457 account at that time will be required to open an account.

FORFEITURE OF RIGHT TO RETIREMENT BENEFITS

Employees terminated because of dishonesty, malfeasance, or misfeasance in office forfeit and cease to have any right to a retirement benefit under the Virginia Retirement System and the City of Alexandria Supplemental Retirement Plan.

457 Deferred Compensation Plan		Employer Plan Number 300832	Administered by ICMA-RC
1	Type of Plan	Deferred compensation plan	
2	Eligibility	Permanent, full employees and permanent part-time employees scheduled to work at least 50% time	
3	Contributions	Voluntary plan; employees make pre-tax, payroll-deducted contributions; \$10 minimum up to the maximum deferral limit set by the IRS. The Age-50 Catch-up provision allows increased contributions beginning with the year turning 50. The Pre-Retirement Catch-up provision allows eligible participants to contribute even greater amounts within three years of their full retirement date under a City sponsored <i>primary</i> pension plan (VRS and the Fire and Police pension plans). The City does not contribute to this plan.	
4	Vesting	100% immediate vesting [See In-service Distributions.]	
5	Distributions	After separation from service employee has a variety of withdrawal options. Required minimum distributions must begin the later of April 1 following the year employee turns 70 ½ years old or after the employee leaves City employment. All withdrawals are subject to federal and state taxes.	
6	In-service Distributions	Loans with some restrictions; withdrawals for unforeseeable emergencies subject to IRS rules	
7	Death Benefits	Beneficiary has option of receiving installment payments, deferred payments, or lump sum payment; surviving spouses may roll over to an IRA or an employer's retirement plan	
8	To Request an Enrollment Kit	Call the Pension Division at 703.746.3886 or email retirement@alexandriava.gov . Be sure to provide your department name and City mailbox so a packet can be sent to you via City mail.	
9	ICMA-RC Contact Information	Website: http://icmarc.org Investors Services: 1.800.669.7400 8:30 a.m.-9:00 p.m. ET Mon.-Fri. For an appointment to discuss your investments and payment options on leaving the City, call Kevin Parker at (866) 328 4666 or email kparker@icmarc.org	

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Payroll Deduction Roth IRA with ICMA-RC		Plan Number 705691	Administered by ICMA-RC
1	Type Plan	Individual retirement savings plan with ICMA-RC that the City allows employees to make contributions through payroll deductions; not a City sponsored retirement plan.	
2	Eligibility	Regular, full-time and regular part-time employees scheduled to work at least 50% time Employee enrolls in the Payroll Deduction Roth IRA with ICMA-RC and also submits a payroll deduction form to the Pension Division	
3	Contributions	Voluntary employee after-tax, payroll deducted contributions, no minimum contribution amount. The City does not contribute to this plan.	
4	Maximum Contribution Limit	In general, the maximum contribution limit is \$5,000 per calendar year (\$6,000 if 50 or older); however, each person has a maximum contribution limit that is determined by their modified adjusted gross income, annual limit, and age; also may be limited by amount contribute to a Traditional IRA during the calendar year	
5	Withdrawals	After-tax contributions may be withdrawn at any time. Earnings withdrawn before you are 59 ½ years old and prior to being held in the account at least five years may be subject to a 10% early distribution penalty tax. Contact ICMA-RC or see the Vantagepoint Payroll Deduction IRA Enrollment Package for more details on withdrawals and penalty-free withdrawals.	
6	To Request an Enrollment Kit	Call the Pension Division at 703.746.3886 or email retirement@alexandriava.gov . Be sure to provide your department name and City mailbox so a packet can be sent to you via City mail.	
7	ICMA-RC Contact Information	Website: http://icmarc.org Investors Services: 1.800.669.7400 from 8:30 a.m. to 9:00 p.m ET Mon.-Fri. For an appointment to discuss enrollment, registering, or your investments call Kevin Parker at 1.866.328.4666 or email kparker@icmarc.org .	

Other City Benefits Administered by the Human Resources Department Benefits Division

The Human Resources Department administers all other benefits provided by the City. Visit the Human Resources web site at <http://alexandriava.gov/HR> to learn more about these benefits which include: health, life and dental insurance; annual, sick, and holiday leave; long term disability; long term care insurance; employee assistance; flexible spending accounts; and saving bonds. You may also speak to a member of the Human Resources Benefits section by calling 703.746.3777.