LYCOMING COUNTY
EMPLOYEES' RETIREMENT SYSTEM
SUMMARY PLAN DESCRIPTION

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Welcome
to Lycoming County, Pennsylvania

We have prepared this booklet to help you understand how your Pension Plan works and what your rights are as a member. We will answer the following questions:

I. Why do we have a pension plan?
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If you have questions after reading this booklet, please bring them to the attention of any member of the Retirement Board (see page 17).

I . Why do we have a pension plan?

The Lycoming County Employees' Retirement System (the Pension Plan) was established to help provide benefit security for our retired employees. The plan was designed to pay you a secure lifetime income in your retirement years. In addition, the plan was created to provide benefits if you become disabled and survivor benefits to your beneficiary or beneficiaries in the event of your death.

Pennsylvania Counties are required to provide pension benefits, and fund those benefits, under Act 96, the *County Pension Law*. The County Pension Law was enacted by the General Assembly of the Commonwealth of Pennsylvania in 1971 and has been amended several times. The law contains the provisions governing the establishment and operation of a retirement system for County employees. This booklet is a summary of the benefits provided under the County Pension Law; there are additional details in the law not described here. If there is a difference between a provision as described in this booklet and how it is described in the County Pension Law, the Retirement Board must use the County Pension Law to make decisions.

The Plan is contributory. This means that you contribute a portion of the amount necessary to provide benefits in addition to the defined benefits provided by the County.

The Plan is a defined benefit plan, which means that your benefit is secured by the pension fund and the County itself. The amount of your pension does not depend on the plan's investment results. If the Fund's investments lose money, it is the County and not you, the plan member, who must make up the difference. Your member contributions are credited with interest at a guaranteed rate, regardless of actual fund earnings.

You should also remember that in addition to the above you may be entitled to receive a monthly pension upon becoming eligible for Social Security.

Before we describe your plan benefits, it is important to understand a few basic concepts:

- Your **County Pension** is a monthly pension beginning at your retirement age, based upon your years of service and salary.
- Your **Member Pension** is a monthly pension beginning at your retirement age, based upon your contributions to the plan and interest credited to them.
- Your **Normal Retirement Age** is the age when you will be eligible for full retirement benefits under the plan.

II. What benefits are available to me under the plan?

You are eligible for plan benefits upon your Normal or Early Retirement. You may also receive plan benefits if you are disabled or if you terminate employment prior to retirement. If you die, your beneficiary or beneficiaries may receive benefits from the plan. The amount of these benefits and how they are calculated are described in the Section III of this booklet, *How do I earn plan benefits?* beginning on page 5)

1. **Normal Retirement -** You are eligible for a normal retirement pension if you are:

(a) At least 60 years of age, regardless of the length of your credited service, or,

(b) At least 55 years of age with 20 or more years of credited service.

2. Early Retirement

(a) Voluntary – you are eligible for a voluntary early retirement pension if you have 20 years of credited service and have not reached the age of 55 and your termination from County employment is voluntary.

(b) Involuntary – you are eligible for an involuntary early retirement pension if you have 8 years of credited service and your termination from County employment is not voluntary or if you are an elected official and separate from County service after 8 years of credited service when your term of office expires.

Because early retirement pensions are payable at an earlier age than normal retirement pensions (and you will therefore receive them for a longer period of time) your early retirement pension is actuarially reduced to account for the additional payments.

Special Early Retirement Provision -- If authorized by the Commissioners and approved by the Retirement Board, a special early retirement provision may be adopted for active members. If adopted, the provision must provide an election period from 60 to 120 days with a 7-day revocation period after the member's initial election to be immediately followed by the special early retirement period which may not exceed 12 months. Minimum eligibility cannot be less than attainment of 55 years of age and 10 years of credited service or 30 years of credited service with no age requirement. The provision must provide additional full years of service equal to 10% to 30% of credited service at the current designated County class basis. No more than one special early retirement provision can be authorized within a 5 year period.

3. **Cost-of-Living Increases for Retired Members -** At least once every 3 years, the Retirement Board is required to review and determine whether a cost-of-living increase can be given.

   Any cost-of-living increase granted will be the product of your full life pension before any reduction for the form of payment (your "No Option" amount, or your Option 4(a) amount, if you choose Option 4) and a percentage of the increase in the cost-of-living index from the calendar year in which you retired.

   Cost-of-living increases may only be paid to retired members of the County. Upon the death of the member, all cost-of- living payments will stop; they may not continue to a surviving beneficiary. The surviving beneficiary's pension will be the based on the member's original pension at retirement.

4. **Disability Retirement -** You are eligible for a disability retirement pension if you become disabled before your normal retirement age while in service to the County after you have completed 5 years of credited service and you are unable to continue as a County employee as shown by medical examination. A certificate or statement from a qualified physician must accompany the application for your disability retirement pension.

5. **Death Benefits -** If you should die in active service after age 60 or after 10 years of credited service, a lump sum death benefit will be paid to your designated beneficiary or beneficiaries. Upon reaching age 60 or after completing 10 years of service, you may file with the Retirement Board choosing to have the death benefit paid as a monthly lifetime pension to your beneficiary rather than a lump sum. The monthly pension is determined by calculating what the pension would have been if you had retired at the time of death and selected an Option Two pension. (An Option Two pension is described in Section IV of this booklet)

6. **Termination of Employment -** If you leave the County's employment for any reason after having completed 5 years of County service, you are considered to be 100% vested. You will be eligible to receive a deferred normal pension, called a *vested pension* upon reaching

normal retirement age. However, you will be eligible to receive your pension only if you survive to normal retirement age and if you leave your member contributions in the plan. Your member contributions will continue to earn regular interest until your retirement. You may choose to withdraw your accumulated deductions; however, this will cause you to forfeit your vested pension (i.e., your County Pension).

If you die before your normal retirement date after having terminated employment with a vested pension, the full amount of your member contributions with interest to the date of your death will be paid to your designated beneficiary or your estate.

If you leave County employment before completing five years of service and have not reached age 60, your member contributions (including "pickup contributions") and interest will be refunded.

III. How do I earn plan benefits?

This Section of the booklet describes how benefits are calculated. There are examples of the calculations beginning on page 20 of this booklet.

The calculation of your plan benefits are based on the following information:

1. Your final salary,
2. Your credited service,
3. Your member contributions and credited interest, and
4. Your Class Basis

We will discuss how your final salary, credited service, member contributions and credited interest are calculated beginning on page 8; however, before we continue, you should understand what your **Class Basis** is.

Your **Class Basis** determines the benefit level that the County has authorized. The County of Lycoming's Benefit History since its inception is as follows:

County Class Basis	Effective Date
Plan established on 1/100 Class Basis	January 1, 1950
Board authorized move to 1/80 Class Basis	January 1, 1968
Board authorized move to 1/70 Class Basis	January 1, 1983

All new members enter the pension plan under the Class Basis in effect as authorized by the Retirement Board at the time of your entry.

The Class Basis is a percentage of your final salary:

Class Basis	Equivalent Percent
1/120	**0.833%**
1/100	**1.000%**
1/80	**1.250%**
1/70	**1.429%**
1/60	**1.667%**
1/50*	**2.000%**
1/40*	**2.500%**

The examples on pages 20-22 will show how your service in a Class Basis determines the pension you earn for that service.

1. **Normal Retirement -** Your total retirement pension is made of two parts: your Member Pension and your County Pension.

   (a) Your Member Pension is calculated as the monthly pension that can be purchased from your contributions. A factor is used to convert your member contributions and interest at retirement to a monthly pension based upon your age at retirement. These factors are shown on pages 23-27 of this booklet.

   (b) Your County Pension is calculated by multiplying a percentage of your final salary by your service. The percentage is based upon your class basis and the service used is your service in each class basis. If you participated at more than one class basis, the benefit you earned in each class will be added together.

Page 20 of this booklet contains an example of how a Normal Retirement pension is calculated.

2. **Early Retirement Pension –** Your early retirement pension is calculated similarly to the Normal Retirement Pension described above. Your Member Pension is calculated using a factor based on your early retirement age. Your County Pension is calculated by determining the Normal Retirement pension using your service and final salary at your early retirement date and multiplying it by a factor from the tables on pages 23-27 to adjust for the additional payment you would receive prior to your normal retirement age. Page 22 of this booklet contains an example of how an Early Retirement pension is calculated.

3. **Disability Retirement -** If you become disabled, your disability retirement pension will be 25% of your *final salary* If the total disability pension paid up to the date of your death is less than your member contributions with interest, the balance will be paid to your designated beneficiary or beneficiaries.

4. **Death Benefit -** The amount is of your death benefit is determined by calculating what the pension would have been if you had retired at the time of death. The present value of your pension is then calculated based on the actuarial conversion factors on pages 23-27 of this booklet and is paid to your beneficiary or beneficiaries in a lump sum, unless you had elected otherwise.

5. **Termination of Employment -** If you leave the County's employment and are eligible for a vested pension payable at your normal retirement date, your County Pension will be calculated like the normal retirement benefit above, but based upon your final salary and credited service you had earned at your date of termination.

The remainder of this section will describe how your final salary, credit service, member contributions and interest are determined.

Final salary - Your final salary is the average annual compensation received for your 3 highest years of service. If you became a member of the plan after December 31, 1995, the application of Internal Revenue Code (lRC) Section 401(a)(17) will limit the amount of compensation that may be taken into account under this and all other qualified plans.

Credited Service - You earn Credited Service for all of the time you are an active member of the plan. As an active member, you are also required to make contributions during periods when you are earning service. You may earn additional Credited Service under certain circumstances described below.

If you are an appointed full-time County employee, you are automatically a member of the plan when you first become an employee. An elected official, however, may become a member of the plan at a later date.

For retirement purposes, you are a part-time employee for retirement purposes if you were hired with the expectation of completing less than 1,000 hours of service during the first 12 month period after you are hired and each 12 month period thereafter.

Original Members - If you were a regular County employee on the date the pension plan was established, you are known as an *original member* and will get full credit for service prior to the date the system was established. Such service is referred to as *prior service*. Credit may also be given under certain circumstances if you were employed by the County on a per diem basis before the plan was established.

New Members **-** If you were employed after the system was established, you are known as a *new member* and will receive credit for each year, month and day of your service during membership.

Leave-of-Absence Without Pay – If you are on a *leave-of-absence without pay*, you are not required to make contributions. Consequently, you will not earn service credit during these periods. You may purchase

credits for this service by paying both the member and County contribution upon approval by the Retirement Board.

Military Service Leave of Absence

(a) Intervening Military Service – If you work for 6 months or more of accredited County service, and you are then inducted or if you enlist for military service during a period declared by the President or Congress to be a time of war, armed conflict or nationa1 emergency, you will be entitled to service credit under the plan during such military leave. The County will make the member contributions at the minimum rate based upon the salary you were receiving at the time of your entry into active military service in addition to the interest credits.

(b) Non- Intervening Military Service – If you have 3 years of County service, you may purchase and receive credit for active military service not to exceed 5 years that was served before being employed by the County. Upon making an application you must present evidence of your active service and type of discharge. You must have received a discharge, other than an undesirable, bad conduct or dishonorable discharge. In addition, you may not receive credit for military service if you are receiving, or are eligible to receive, now or in the future, retirement benefits for the same service under a retirement system of any other governmental agency. The purchase amount will include the member's share, County share and interest at 4% compounded annually to the date of purchase. The member's share and County share will each be based on the 5% of your average salary over the first 3 years of your subsequent County service for each year of service you purchase.

If you return to salaried County service after having left employment with the County and receiving a refund of your member contributions and interest, you may receive credit for your former service if you repay to the Fund the accumulated deductions that were previously refunded. This Amount may be paid in a lump sum or in installments, but the amount must be repaid before retirement. Such repayment is optional; however, you are encouraged to repay the amount as soon

possible because, if the amount is not repaid before death or retirement, you will not receive full credit for your previous service.

After you retire from the County, you may continue to receive your full retirement pension and be employed by an employer other than the County. However, if you return to the County payroll on any basis other than on a part-time basis your retirement allowance shall immediately cease. Upon subsequent retirement, your retirement allowance will be recalculated. If you serve as a juror, master or arbitrator after retirement, you are not considered re-employed and your pension will not be affected.

If you are re-employed after retirement on a part-time basis (i.e., with the expectation of working less than 1,000 hours for each 12 month period from your date of hire), your monthly pension would not be reduced or affected. However, if, you are reemp1oyed after retirement on a part-time basis and you work more than 1,000 hours, your monthly pension will then be reduced by each dollar received for service worked in excess of 1,000 hours. The maximum reduction each month is limited to the retirement allowance determined at retirement. The reduction will not be applied to any cost-of-living increases nor would any reduction be carried forward to the following month.

If you are re-employed on a part-time basis after retirement, you will not receive additional service credit for retirement purposes, even if you subsequently return to active service after having worked on a part-time basis for a period in which you worked more than 1,000 hours per year.

Member Contributions - The system is a contributory system; that is, as a member of the retirement system you contribute to the fund. You are required to contribute 8% of your salary by automatic deductions from your paycheck. Your required contributions are called "pickup contributions," as discussed below on page 15. The member contribution rate is determined by the class basis in which you are designated and as authorized by the Retirement Board.

You may also voluntarily elect to contribute up to an additional 10% more than the percentage shown above. If you elect to voluntarily contribute more than the minimum, there is no corresponding increase in the contribution made by the County.

Member contributions and/or "pick-up contributions" plus interest are credited to your individual member reserve account. Because the balance in this account determines the amount of your Member Pension, the more you contribute, the greater your retirement benefit will be.

Interest Credit - Your member contributions and/or "pickup contributions" receive interest for the entire time your money is in the fund up to your date of retirement, death, disability or withdrawal. The Retirement Board determines before January 31 each year the rate of interest to be credited to your member account for that year. The rate of interest may not be less than 4% and it may not be more than 5½%.

You may receive a refund of your accumulated deductions only when you leave County service. There are no provisions in the law that would allow you to receive a partial refund or a loan.

IV. How are plan benefits paid?

Benefit Payment Options - When you become eligible to retire, you may choose to have your Member Pension paid to you as part of your monthly pension, along with your County Pension, or you may choose to receive your Member Pension in a lump sum. If you choose to receive your Member Pension in a lump sum, your County Pension will still be paid to you monthly.

The "No Option" pension is the basic form of pension, equal to your Member Pension plus your County Pension. All of the other optional forms of payment are *actuarially reduced* to account for the additional payments to your beneficiary or beneficiaries after you die.

All monthly retirement pensions are payable at the end of each month. Your pension begins with the first day of retirement, so if your

retirement date is other than the first day of the month, the pension for the first partial month will be a pro-rata share of the full monthly pension.

Under the first set of options described below, you would receive your Member Pension as part of your monthly pension:

- "No Option" - Under this option, you will receive a full monthly pension for as long as you live. If the total pension payments you receive during your lifetime are less than your member contributions with interest at the time of your retirement, the balance will be payable to your designated beneficiary or beneficiaries upon your death. Under this option, you may name as many beneficiaries as you want and you may change the beneficiaries as often as you want.

- Option One - Under this option, you will receive a smaller monthly amount than the full "No Option" pension. If the pension payments you receive during your lifetime are less than Present Value of your pension (i.e., Member and County Pension) at the time of your retirement, the balance will be payable to your designated beneficiary or beneficiaries upon your death. Under this option, you may name as many beneficiaries as you want and you may change the beneficiaries as often as you want.

- Option Two - This is a 100% joint-life pension, the amount of which is reduced from the full “No Option” pension amount based upon your age and the age of your primary beneficiary and is payable as long as either of you lives. If your primary beneficiary survives you, the original monthly pension paid to you at your retirement will continue to your primary beneficiary for the rest of his or her life. If your primary beneficiary dies before you, you will continue to receive your monthly pension until your death, at which time all monthly payments stop. If the pension payments you and your primary beneficiary receive during your lifetimes are less than your member contributions with interest at the time of your retirement, the balance will be payable to your contingent beneficiary or beneficiaries in a lump sum.

- Option Three - This is a 50% joint-life pension, the amount of which is reduced from the full “No Option” pension amount based upon your age and the age of your primary beneficiary and is payable as long as either of you lives. Option Three gives you a larger pension than does Option Two but gives your surviving beneficiary a lesser monthly amount. If your primary beneficiary survives you, one-half of the original monthly pension paid to you at your retirement will continue to your primary beneficiary for the rest of his or her life. If your primary beneficiary dies before you, you will continue to receive your monthly pension until your death, at which time all monthly payments stop. If the pension payments you and your primary beneficiary receive during your lifetimes are less than your member contributions with interest at the time of your retirement, the balance will be payable to your contingent beneficiary or beneficiaries in a lump sum.

Under the remaining options described below, you would receive your Member Pension in a lump sum payment at your retirement and your County Pension would be paid in one of the following forms:

- Option Four(a) - Under this option, you will receive your full County Pension as a monthly pension for as long as you live. No benefit will be payable after your death.

- Option Four(b) - Under this option, you will receive a smaller monthly amount than the Option Four(a) pension. If the pension payments you receive during your lifetime are less than Present Value of your County Pension at the time of your retirement, the balance will be payable to your designated beneficiary or beneficiaries upon your death. Under this option, you may name as many beneficiaries as you want and you may change the beneficiaries as often as you want.

- Option Four(c) - This is a 100% joint-life pension, the amount of which is reduced from the Option Four(a) pension amount based upon your age and the age of your primary beneficiary and is payable as long as either of you lives. If your primary beneficiary survives you, the original monthly pension paid to you at your retirement will continue to your primary beneficiary for the rest of his or her life. If your primary beneficiary dies before you, you will continue to receive your monthly pension until your death, at which time all payments stop.

- Option Four(d) - This is a 50% joint-life pension, the amount of which is reduced from the full Option Four(a) pension amount based upon your age and the age of your primary beneficiary and is payable as long as either of you lives. Option Four(d) gives you a larger pension than does Option Four(c) but gives your surviving beneficiary a lesser monthly amount. If your primary beneficiary survives you, one-half of the original monthly pension paid to you at your retirement will continue to your primary beneficiary for the balance of his or her life. If your primary beneficiary predeceases you, you will continue to receive your monthly pension until your death, at which time all payments stop.

You may designate one or more persons as your beneficiary or beneficiaries so that they may receive a refund of your accumulated deductions or other death benefit from the plan. It is important that the person or persons that you choose have an insurable interest in your life. Your estate may also be named as beneficiary. The secretary of the fund will explain the beneficiary regulations.

It is important that you review your beneficiary designation periodically, especially if there is a change in your family status or a death of a previously designated beneficiary.

V. How does the plan affect my taxes?
This is the most difficult section of the booklet. Because of the changing and complex nature of the tax laws, you are encouraged to

seek assistance from the I.R.S. or a competent tax advisor for proper tax treatment and advice.

Taxation of Contributions

Your required member contributions, or "pickup contributions" are made on a pre-tax basis. This means that you do not pay taxes on your required member contributions until you receive them as part of your pension benefit.

This tax deferral of your contributions was allowable after January 1, 1983 under the "pickup contribution" provisions of I.R.C. Sec. 414(h)(2). Your pickup contributions will not be taxed until such time when they will be distributed upon termination or retirement from County service. Any voluntary member contributions in excess of the required "pickup contributions" are taxed when the contributions are made.

Tax credit - Effective January 1, 2002, County employees will be eligible for a tax credit of up to $1,000 (up to $2,000 if filing jointly) if they make voluntary after-tax employee contributions to the Plan in accordance with I.R.C. Sec 25B. Eligibility for this tax credit is based upon your adjusted gross income and tax filing status. The eligibility income limits are adjusted annually with inflation.

Taxation of Benefits

Your retirement pension is not subject to Pennsy1vania Income Tax, but is subject to Federal Income Tax; however, some of your pension may not be subject to Federal Income Tax if you have made any after-tax contributions (i.e., contributions that are not "pickup contributions") to the plan.

The tax law provides that your *investment in the contract* or your *cost* (member contributions that have not been designated as "pickup contributions" for which you have already paid taxes) will be recovered as a tax-free return of your cost over your expected lifetime, taking into consideration any beneficiaries eligible for a lifetime pension after your death.

Under this rule, your Cost is divided by the number of expected monthly payments (set forth in the following table) and the resulting dollar amount is excluded from each monthly payment.

Age of Retiree	Number of Payments
55 and under	360
56 - 60	310
61 – 65	260
66 – 70	210
7 1 and over	160

If your benefit is payable over the lives of you and a beneficiary, your Cost is divided by the number of expected monthly payments based on the ages of both you and your primary beneficiary at the annuity starting date.

Sum of Ages of Retiree and Primary Beneficiary	Number of Payments
110 and under	410
111 – 120	360
121 – 130	310
131 – 140	260
14 1 and over	210

If you retire at age 75 or older, you may be eligible to have the calculation performed under the prior (pre-1996 rules). Please contact the Retirement Board for more information if this may apply to you.

Cost-of-Living Payments are taxable in their entirety since you did not contribute to their cost.

Distributions Eligible for Rollover – There are special rules regarding the taxation of benefits that are not paid as monthly pension payments.

The following distributions are covered by these rules:

1. Refunds of accumulated deductions.
2. Withdrawal of member contributions and interest at retirement under Option Four.
3. Death Benefits payable to a spouse.

All rollover eligible distributions paid from the Fund must be directly transferred to another qualified plan or an individual retirement account (IRA) as authorized by the recipient or paid out in cash. If you are not age 59½ (55 if you are retiring) and do not rollover the taxable portion of the amount withdrawn to an IRA or other "qualified plan," the I.R.S. imposes a 10% penalty tax on the taxable portion. Under I.R.S. rules, the Retirement Board is required to withhold 20% of the taxable portion of any rollover eligible distribution that is not rolled over for federal income tax purposes.

Tax Credit for Disability Benefits - A tax credit may be available under I.R.C. Section 22(b) applicable to disability benefits. Due to Internal Revenue Code (I.R.C.) requirements, your disability must be total and permanent in order for you to be eligible for a disability tax credit. Total and permanent means that you are unable to engage in any substantial gainful activity by reason of medically determinable physical or mental impairment which (a) can be expected to last for a continuous period of 12 months or more and/or (b) can be expected to result in death.

VI. How is the plan administered?

Your retirement system is administered by a Retirement Board. The Retirement Board members are:

- Scott Metzger, Commissioner/Chair
- Tony R. Mussare, Commissioner
- Richard Mirabito, Commissioner
- Krista B. Rogers, Controller/Secretary
- Cindy S. Newcomer, Treasurer

Each member of the board is a trustee of the Fund (i.e., a fiduciary). Each is required to administer the affairs of the board in accordance with the provisions of the County Pension Law. Three members constitute a quorum.

Under the County Pension Law, the Retirement Board consists of five members: the three County Commissioners, the County controller and the County treasurer. The Retirement Board is required to keep a record of all the proceedings of the board that is open to inspection by the public.

County Contributions - In addition to the contributions you make to the Retirement Fund, the County contributes to the Fund amounts that are actuarially determined to be sufficient to build up and maintain the necessary reserves for the payment of all benefits. The plan's actuaries are Municipal Finance Partners, Inc. The plan's accountant/auditor is Baker Tilly Virchow Krause, LLP.

Investments - By law, the Retirement Board members are the trustees of the retirement fund and are responsible for investing the funds subject to the limitations imposed by law upon fiduciaries. This law requires the trustees to exercise good judgment in the selection of securities, or in the selection of a deposit administrator to administer the funds.

The Fund's deposit administrator is M&T Investment Group.

The fund's investment consultants are Dahab Associates.

Loss, Disqualification or Forfeiture of Benefits - Your Member Pension, County Pension and return of contributions are exempt from state and municipal taxes and from levy, sale, garnishment, attachment or any other process and may not be assigned, except for indebtedness due the County resulting from embezzlement or fraudulent conversion. In addition, if you are convicted or plead guilty or no defense to any crime related to public office or employment you will not be entitled in accordance with the Public Employee Pension Forfeiture Act to receive any retirement or other benefit except for a return of your member contributions without interest.

An employee's pension is, however, considered marital property subject to equitable distribution in accordance with a domestic relations order.

While this summary attempts to be as accurate and informative as possible, the County Pension Law, Act 96 of 1971 as amended, governs in all cases. Copies are available for your review in the office of the Retirement Board's secretary.

The remainder of this booklet contains examples of retirement calculations and the tables used to determine actuarial adjustments to benefits under the plan.

Examples
Calculation of Normal Retirement Pension

Sample Facts:

Member's Age at Retirement	60	
Beneficiary's Age at Retirement	58	
Accumulated Deductions	$100,000	
"Final Salary"	$45,000	
Credited Service	Years	Months
Class 1/80	13	2
Class 1/70	9	10
Total	23	0

Member Pension:

Accumulated Deductions X Mo. Life Factor X 12 = Member Annual Pension

$100,000 X 0.086539 X 12 = $8,653.88

County Pension:

Class Basis	X	Final Salary	X	Service in Class =	County Annual Pension
1/80	X	$45,000		13.1667	$7,406.25
1/70	X	$45,000		9.8333	6,321.43
Total County Annual Pension					$13,727.68

Total Annual Pension (Member Pension + County Pension) $22,381.56

Monthly Pension Under "No Option"
(Total Annual Pension / 12) $1,865.13

Optional Forms	Conversion Factor	Monthly Pension
Option One	0.9701	$1,809.41
Option Two	0.8937	$1,666.88
Continuing Monthly Pension to Surviving Beneficiary:		$1,666.88
Option Three	0.9460	$1,764.46
Continuing Monthly Pension to Surviving Beneficiary:		$882.23

Examples
Calculation of Normal Retirement Pension where member has selection Option Four

Sample Facts:

Member's Age at Retirement	60	
Beneficiary's Age at Retirement	58	
Accumulated Deductions	$100,000	
"Final Salary"	$45,000	
Credited Service	Years	Months
Class 1/80	13	2
Class 1/70	9	10
Total	23	0

Member Pension:

Member withdraws in one payment his Accumulated Deductions of $10,000 in lieu of monthly pension.

County Pension:

Class Basis	X	Final Salary	X	Service in Class =	County Annual Pension
1/80	X	$45,000		13.1667	$7,406.25
1/70	X	$45,000		9.8333	6,321.43
Total County Annual Pension					$13,727.68

Total Annual Pension (Member Pension + County Pension) $13,727.68

Monthly Pension Under Option Four(A)
(Total Annual Pension / 12) $1,143.97

Optional Forms	Conversion Factor	Monthly Pension
Option Four(B)	0.9651	$1,104.03
Option Four(C)	0.8895	$1,017.55
Continuing Monthly Pension to Surviving Beneficiary:		$1,017.55
Option Four(D)	0.9415	$1,077.06
Continuing Monthly Pension to Surviving Beneficiary:		$538.53

Examples
Calculation of Early Retirement Pension

Sample Facts:

Member's Age at Retirement	50	
Beneficiary's Age at Retirement	48	
Accumulated Deductions	$100,000	
"Final Salary"	$45,000	
Credited Service	Years	Months
Class 1/80	13	2
Class 1/70	9	10
Total	23	0

Member Pension:

Accumulated Deductions X Mo. Life Factor X 12 = Member Annual Pension
$100,000 X 0.078214 X 12 = $7,821.36

County Pension:

Class Basis	X	Final Salary	X	Service in Class =	County Annual Pension
1/80	X	$45,000		13.1667	$7,406.25
1/70	X	$45,000		9.8333	6,321.43
Total County Annual Pension Payable at Normal Retirement					$13,727.68
Actuarial Equivalent Reduction Factor				X	0.6669
Total County Annual Pension Payable at Early Retirement					$9,154.80
Total Annual Pension (Member Pension + County Pension)					$16,976.16
Monthly Pension Under "No Option" (Total Annual Pension / 12)					$1,414.68

Optional Forms	Conversion Factor	Monthly Pension
Option One	0.9824	$1,389.72
Option Two	0.9499	$1,343.79
Continuing Monthly Pension to Surviving Beneficiary:		$1,343.79
Option Three	0.9766	$1,381.63
Continuing Monthly Pension to Surviving Beneficiary:		$690.82