



Plan 2: Political Subdivision Employees Eligible for Enhanced Hazardous Duty Coverage (VRS)

Average Final Compensation	Your average final compensation is the average of your 60 consecutive months of highest creditable compensation as a covered employee.
Benefit Calculation	<p>Your unreduced Basic Benefit is calculated using the following formula:</p> $\frac{\begin{array}{l} \text{Average final compensation} \\ \times \text{ Retirement multiplier} \\ \times \text{ Total years of service credit at retirement} \end{array}}{\text{Annual benefit amount}} \div 12 \text{ months}$ <p>Annual benefit amount</p> $\frac{\text{Annual benefit amount}}{\div 12 \text{ months}}$ <p>Monthly benefit amount before taxes and other deductions</p> <p>A reduction factor is applied to your monthly benefit amount if you retire with a reduced retirement benefit (see below) or a benefit payout option other than the Basic Benefit.</p>
Cost-of-Living Adjustment (COLA)	A cost-of-living adjustment (COLA) allows your retirement benefit to keep pace with inflation. The COLA is based on the Consumer Price Index for all Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics and updated each July 1. During years of no inflation or deflation, the COLA will be 0 percent.
Disability	If you are eligible to be considered for disability retirement and retire on disability, the retirement multiplier will be 1.65 percent with no eligibility for the hazardous duty supplement.
Unreduced Service Retirement Eligibility	Age 60 if you have at least five years (60 months) of service credit, or at age 50 if you have at least 25 years of service credit.
Reduced Service Retirement Eligibility	Age 50 if you have at least five years (60 months) of service credit.
Hazardous Duty Supplement	If you retire with at least 20 years of eligible hazardous duty service credit, you will receive a supplement to your retirement benefit. The supplement is a dollar amount added to your monthly payment. It begins when you retire and ends when you reach your normal Social Security retirement age. <i>(continued on next page)</i>

<p>Hazardous Duty Supplement (continued)</p>	<p>Service eligible for the hazardous duty supplement:</p> <ul style="list-style-type: none"> • Service as a member of the State Police Officers’ Retirement System (SPORS). • Service as a member of the Virginia Law Officers’ Retirement System (VaLORS) under the 1.7 percent retirement multiplier with eligibility for the hazardous duty supplement. • Service in a political subdivision position eligible for enhanced hazardous duty coverage, as elected by the employer. • Hazardous duty service if you were covered under VaLORS with the 2.0 percent retirement multiplier or with a VRS-participating political subdivision that does not provide enhanced hazardous duty coverage, provided you retire from a position eligible for the hazardous duty supplement. <p>Prior service credit eligible for the supplement, if you purchase or are granted this service:</p> <ul style="list-style-type: none"> • Refunded service earned in a hazardous duty-eligible position, if you are in a hazardous duty covered position at the time of the purchase or return to one after the purchase. • Eligible period of leave from a hazardous duty-covered position. <p>Other types of prior service you may be eligible to purchase, such as active duty military service or hazardous duty service with a non-VRS-participating employer, do not count toward eligibility for the hazardous duty supplement.</p>
<p>Mandatory Retirement Distribution</p>	<p>If you defer retirement and do not apply for retirement by April 1 following the calendar year in which you turn age 70½, VRS will pay you a retirement benefit (Basic Benefit option), as required by law. If you are not vested, you will receive a refund of your member contribution account balance, excluding any member contributions made by your employer to your account after July 1, 2010, and the interest on these contributions.</p>
<p>Normal Service Retirement Age</p>	<p>Age 60.</p>
<p>Prior Service Credit</p>	<p>If you have prior service, you may be eligible to purchase this service as credit in your plan. Eligible prior service includes federal and other public service, active duty military service, certain types of leave and VRS refunded service. Prior service credit counts toward vesting, eligibility for retirement and eligibility for the health insurance credit, if offered by your employer. Visit myVRS.varetire.org/pps to learn more.</p>
<p>Retirement Contributions</p>	<p>You contribute 5 percent of your compensation each month to your member contribution account through a pre-tax salary reduction. Your contributions are tax-deferred until you withdraw them as part of your retirement benefit or as a refund. The <i>Code of Virginia</i> prohibits members from borrowing from their member contribution accounts.</p> <p>Your employer makes a separate contribution to VRS for all covered employees. VRS invests contributions to provide for your future benefit payment.</p>

<p>Service Retirement Multiplier</p>	<p>A retirement multiplier is a factor that determines how much of your average final compensation will be used to calculate your retirement benefit.</p> <ul style="list-style-type: none"> • If you are a sheriff or a regional jail superintendent, your retirement multiplier is 1.85 percent for service retirement. • If you are a law enforcement officer, jail officer, firefighter or emergency medical technician, your retirement multiplier is 1.7 percent or 1.85 percent, depending on your employer's election. <p>Contact your human resource office for more information about your multiplier.</p> <p>You are eligible to qualify for the hazardous duty supplement in retirement (see above).</p>
<p>Creditable Service</p>	<p>Service credit has monetary value when it is used to calculate your retirement benefit or if you take a refund of your member contributions and interest. You earn service credit for each month you are reported in a covered position. Service credit can include credit for prior service you may purchase or additional service granted by your employer.</p>
<p>Vesting</p>	<p>You become vested in VRS when you have at least five years of service credit. Vesting is the minimum length of service needed to qualify for a future retirement benefit, if you meet the age and service requirements for your plan, or to receive any contributions made by your employer to your member contribution account after July 1, 2010, should you leave covered employment and request a refund.</p>