

RETIREMENT BENEFITS FACT SHEET FIRE TIER 1*

Contributions	
Employee	19.91% of Base Salary (Pension: 11.91%**; Retiree Healthcare: 8.00%) as of 6/27/2021
City	Pension: 33.70% (Normal Cost) + Flat dollar amount (UAL); Retiree Healthcare: flat dollar amount As of 6/27/2021
Service Required to Leave Contributions In Retirement Plan	10 years (20 years must have elapsed from date of entry into system to collect pension)
Service Retirement	
Age/Years of Service	50 with 25 years service 55 with 20 years service 30 yrs service at any age (with reciprocity, must be 50 yrs of age) Mandatory retirement at 70 years of age
Early Retirement	50-54 with 20 years of service (Discounted pension) Allowance reduced pursuant to Municipal Code Section 3.36.810
Deferred Vested Retirement	55 with 10 years service only if 20 years have elapsed from date of membership. (You can begin receiving your benefits at age 50 if you have at least 25 years of service.)
Allowance	First 20 years of Service: 50% of Final Compensation (2.5% per year) >20 years of service – all years convert to 3% for each full year x final compensation (90% max).
Disability Retirement - (Service-Connected)	
Minimum Service	NONE
Allowance	<20 years of service: 50% of final compensation >20 years of service - all years convert to 3% for each full year x final compensation, if service-connected disability retirement occurred or occurs on or after July 1, 2008 (90% max).
Disability Retirement - (Non-Service Connected)	
Minimum Service	2 years
Allowance	<20 years of service: 32% of final compensation plus 1% for each full year in excess of 2. (50% max) >20 years of service – 3% for each full year x final compensation (90% max).
Medical Benefits***	
Eligibility	Retired for disability or service directly from active service with either 15 years of San José service or receive allowance that is at least 37.5% of final comp. Also eligible if member separates from service after 7/5/92 but prior to retirement with 20 years San José service and leaves contributions in retirement plan and former member receives allowance (i.e., applies & qualifies for retirement).
Premiums	Retirement System pays 100% of lowest cost plan that is available to active City employees. If member does not choose the lowest cost plan, member pays the difference between that premium and the premium of the lowest cost plan.
Medicare Eligibility	At age 65, Members will be required to enroll in Medicare Parts A & B. If a Member does not meet this requirement within 6 months of the date Member turns 65, health care benefits will cease until such requirements are met. (SJMC 3.36.1920(M))
Dental Benefits***	
Eligibility	Retired for disability or service directly from active service with either 15 years of service or receive allowance that is at least 37.5% of final comp. Also eligible if member leaves City service after 7/5/92 but prior to retirement with 20 years San Jose service and leaves contributions in retirement plan and former member receives allowance (i.e., applies for retirement).
Premiums	Fully paid by retirement fund
Reciprocity	
Reciprocity	As of September 30, 1994, the City of San José adopted a reciprocal agreement with CalPERS. This may result in improved benefits for members who transfer between CalPERS and this retirement plan. Please call the Retirement Department or CalPERS for more information. Final eligibility for reciprocity is determined at the time of retirement.
Cost-of-Living Adjustments (COLA)	
COLA	Retirees are eligible for a 3% annual cost-of-living adjustment (COLA). Regular COLA's are compounded and paid each February. There is no proration of COLA.

*Fire Tier 1 employees are those hired before January 2, 2015.

**Fire Rehires (hired between January 2, 2015 and June 18, 2017) will have an additional contribution rate for the cost of the retroactive benefit.

***Fire Tier 1 Employees who opted-in to the VEBA are not eligible for the Defined Benefit Retiree Healthcare Plan (Medical or Dental Benefits). For more information about the VEBA, visit www.sanjoseca.gov/VEBA or email veba@sanjoseca.gov.

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SURVIVORSHIP BENEFITS

Death Before Retirement	
Non-Service Connected Death with less than 2 years of service	Return of contributions, plus interest, to surviving spouse/domestic partner, surviving children, or estate or \$1,000, whichever is greater [SJMC 3.36.1250 (C-E)]
Non-Service Connected Death with more than 2 years of Service, but <u>not</u> eligible for a service retirement	<p><u>To surviving spouse/domestic partner:</u> 24% + .75% for each year in excess of 2 x Final Compensation (45% maximum) [SJMC 3.36.1270(E), 1280 (B) (D)]</p> <p><u>and</u> to surviving children: 1 Child: Final Comp x 25% [SJMC 3.36.1210 (G), 1300 (B)] 2 Children: Final Comp x 37.5% [SJMC 3.36.1210(G), 1300 (D1)] 3 Children: Final Comp x 50% [SJMC 3.36.1210(G), 1300 (F1)]</p> <p>If no surviving spouse/domestic partner nor surviving children: Return of contributions, plus interest, to estate or \$1,000, whichever is greater [SJMC 3.36.1200 (E), 1200(I)]</p>
Non-Service Connected Death before retirement, but while eligible for service retirement	<p><u>To surviving spouse/domestic partner:</u> 37.5% to 45% of member's Final Compensation depending on the years of service [SJMC 3.36.1200(A),(F),1270(D)]</p> <p>For example: Member's benefit = 81% Survivorship benefit = 40.5% of Final Compensation Member's benefit = 84% Survivorship benefit = 42% of Final Compensation Member's benefit = 87% Survivorship benefit = 43.5% of Final Compensation Member's benefit = 90% Survivorship benefit = 45% of Final Compensation</p> <p><u>and</u> to surviving children: 1 Child: Final Comp x 25% [SJMC 3.36.1200 (G), 1300(B)] 2 Children: Final Comp x 37.5% [SJMC 3.36.1200(G), 1300(D1)] 3 Children: Final Comp x 50% [SJMC 3.36.1200(G), 1300(F1)]</p> <p>If no surviving spouse/domestic partner nor surviving children: Return of contributions, plus interest, to estate or \$1,000, whichever is greater [SJMC 3.36.1200 (E), 1200(I)]</p>
Service Connected Death regardless of years of service	<p><u>To surviving spouse/domestic partner</u> 37.5% to 45% of member's Final Compensation depending on the years of service [SJMC3.36.1200(F),1270(B)]</p> <p><u>and</u> to surviving children :</p> <p>1 Child: Final Comp x 25% [SJMC 3.36.1200 (G), 1300 (B)] 2 Children: Final Comp x 50% [SJMC 3.36.1200 (G) , 1300 (D2)] 3 Children: Final Comp x 75% [SJMC 3.36.1200 (G) , 1300 (F2)]</p> <p>If no surviving spouse/domestic partner nor surviving children: Return of contributions, plus interest, to estate or \$1,000, whichever is greater [SJMC 3.36.1200 (E), 1200(I)]</p>

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Death After Retirement	
Service Retirees and Service Connected Disability Retirees	<p><u>To surviving spouse/domestic partner (unmodified):</u> 37.5% to 45% of member's Final Compensation depending on the years of service and date of retirement [SJMC 3.36.1230, 1270(B-E)]</p> <p>and to surviving children:</p> <p>1 Child: Final Comp x 25% [SJMC 3.36.1230(D), 1300(B)] 2 Children: Final Comp x 37.5% [SJMC 3.36.1230(D), 1300 (D1)] 3 Children: Final Comp x 50% [SJMC 3.36.1230 (D),1300(F1)]</p> <p>If no surviving spouse/domestic partner nor surviving children: \$1,000 death benefit to estate [SJMC 3.36.1230(E)]</p>
Non-Service Connected Disability Retirees	<p><u>To surviving spouse/domestic partner (unmodified):</u> 24% to 45% of member's Final Comp depending on years of service and date of retirement. [SJMC 3.36.1240(C),1280(B,C,D)]</p> <p>and to surviving children:</p> <p>1 Child: Final Comp x 25% [SJMC 3.36.1240(D), 1300(B)] 2 Children: Final Comp x 37.5% [SJMC 3.36.1240(D), 1300(D1)] 3 Children: Final Comp x 50% [SJMC 3.36.1240(D), 1300(F1)]</p> <p>If no surviving spouse/domestic partner nor surviving children: \$1,000 death benefit to estate [SJMC 3.36.1240(E)]</p>
Optional Settlements	
Optional Settlements	Retiree may choose an optional settlement at retirement that reduces their allowance to provide a higher survivorship allowance to their spouse/domestic partner.
Post-Retirement Marriage	
Post-Retirement Marriage	If a retiree marries after retirement, the retiree can elect to take a reduction on their pension benefit in order to allow for a survivorship benefit to the surviving spouse/domestic partner. This election must be made within 30 days of marriage or establishment of domestic partnership. [3.36.1468(B3)]

Note: The maximum total combined benefit payable to a surviving spouse/domestic partner and surviving children is 75% of final compensation. If necessary, the children's survivorship allowance will be reduced so that the total benefit does not exceed 75% of final compensation.

The information contained on this Fact Sheet is a summary for the Fire Tier 1 members of the Police and Fire Department Retirement Plan. Please consult the Municipal Code for complete information.

For more information, please contact the Office of Retirement Services at
(408) 794-1000 or 1 (800) 732-6477. Or, go online at www.sjretirement.com.

For questions regarding the VEBA, visit www.sanjoseca.gov/VEBA or contact veba@sanjoseca.gov.