

SECTION 8

# PLAN PROVISIONS

Fire and Police Pension Plans  
Pension Benefit Provisions  
Miscellaneous Benefit Provisions  
Health and Dental Insurance Premium Subsidy

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# FIRE AND POLICE PENSION PLANS



## FIRE AND POLICE PENSION PLANS

### Tier 1

(Formerly Article XVII)  
July 1, 1925 - January 28, 1967

### Tier 2

(Formerly Article XVIII)  
January 29, 1967 - December 7, 1980

### Tier 3

(Formerly Article XXXV, Plan 1)  
December 8, 1980 - June 30, 1997

### Tier 4

(Formerly Article XXXV, Plan 2)  
July 1, 1997 - December 31, 2001

### Tier 5

January 1, 2002 - June 30, 2011

### Tier 6

Effective July 1, 2011

### Pension Benefit Provisions

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>1. SERVICE RETIREMENT</b>					
<b>a. Eligibility</b>	20 years of service		Tier 3: Age 50 with 10 years of service Tier 4: 20 years of service	Age 50 with 20 years of service	
<b>b. Salary Base</b>	Normal Pension Base (Final monthly salary rate)		Final Average Salary (One-year average monthly salary)		Final Average Salary (Two-year average monthly salary)
<b>c. Pension As a Percentage of Salary Base</b>	40% at 20 years of service, plus 2% for each additional year up to 25 years of service, plus 1-2/3% for each additional year between 25 and 35 years of service  Maximum of 66-2/3% for 35 or more years of service	40% at 20 years of service, plus 2% for each additional year up to 25 years of service. 55% at 25 years of service, plus 3% for each additional year between 25 and 30 years of service  Maximum of 70% for 30 or more years of service	2% per year of service up to 20 years of service, plus 3% for each additional year of service up to 30 years of service  Maximum of 70% for 30 or more years of service	50% at 20 years of service, plus 3% for each additional year (except 4% at 30 years of service)  Maximum of 90% for 33 or more years of service	40% at 20 years of service, plus 3% per year for years 21 through 25, 4% per year for years 26 through 30, and 5% per year for years 31 through 33  Maximum of 90% for 33 or more years of service
<b>2. SERVICE-CONNECTED DISABILITY</b>					
<b>a. Eligibility</b>	Work related No age or service requirements				
<b>b. Salary Base</b>	Normal Pension Base (Final monthly salary rate)		Final Average Salary (One-year average monthly salary)		Final Average Salary (Two-year average monthly salary)
<b>c. Pension As a Percentage of Salary Base</b>	50% to 90% depending on severity of disability, with a minimum of member's Service Pension percentage rate		30% to 90% depending on severity of disability, with a minimum pension equal to the greater of 2% per year of service or 30%		
<b>3. NONSERVICE-CONNECTED DISABILITY</b>					
<b>a. Eligibility</b>	Not work related Five years of service				
<b>b. Salary Base</b>	Nonservice-Connected Pension Base (Highest monthly salary as of member's retirement for basic rank of Firefighter III or Police Officer III, and the highest length of service pay)		Final Average Salary (One-year average monthly salary)		Final Average Salary (Two-year average monthly salary)
<b>c. Pension As a Percentage of Salary Base</b>	40%		30% to 50% depending on severity of disability		

## Pension Benefit Provisions (continued)

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>4. SERVICE-CONNECTED DEATH OR DEATH AFTER SERVICE-CONNECTED DISABILITY</b>					
<b>a. Eligibility</b>	Work related No age or service requirements				
<b>b. Salary Base</b>	Normal Pension Base (Final monthly salary rate)		Final Average Salary (One-year average monthly salary)	Final Average Salary (One-year average monthly salary)	Final Average Salary (Two-year average monthly salary)
				<i>Except as noted for former Tier 2 members</i>	
<b>c. Eligible Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit As a Percentage of Member's Salary Base</b>	50% of Normal Pension Base	50% of Normal Pension Base  OR  55% of Normal Pension Base with 25 years of service	<b>SERVICE-CONNECTED DEATH</b>  75% of Final Average Salary  <b>DEATH AFTER SERVICE-CONNECTED DISABILITY</b>  75% of Final Average Salary if the death is due to service- connected cause(s) and occurs within 3 years after the effective date of the Service- Connected Disability Pension  Otherwise, 60% of the member's Service-Connected Disability Pension	<b>SERVICE-CONNECTED DEATH</b>  <b>Former Tier 2:</b> 75% of Normal Pension Base  <b>All Other Tier 5:</b> 75% of Final Average Salary  <b>DEATH AFTER SERVICE-CONNECTED DISABILITY</b>  <b>Former Tier 2:</b> Same benefit as Tier 2  <b>All Other Tier 5:</b> 75% of Final Average Salary if the death is due to service-connected cause(s) and occurs within 3 years after the effective date of the Service- Connected Disability Pension  Otherwise, 60% of the member's Service-Connected Disability Pension	<b>SERVICE-CONNECTED DEATH</b>  80% of Final Average Salary  <b>DEATH AFTER SERVICE-CONNECTED DISABILITY</b>  80% of Final Average Salary if the death is due to service- connected cause(s) and occurs within 3 years after the effective date of the Service- Connected Disability Pension  Otherwise, 80% of the member's Service-Connected Disability Pension
<b>d. Eligible Children's Benefit As a Percentage of Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit</b>	If no QSS, the eligible children will receive a monthly pension equal to the pension the QSS would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/ QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 (age 22 if in school full time) unless child is disabled before age 21		

Pension Benefit Provisions (continued)

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>4. SERVICE-CONNECTED DEATH OR DEATH AFTER SERVICE-CONNECTED DISABILITY (CONTINUED)</b>					
<b>e. Eligible Dependent Parent Benefit</b>	If no QSS or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS would have been eligible to receive	If no QSS/QSDP or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive			
<b>5. DEATH WHILE ELIGIBLE TO RECEIVE A SERVICE PENSION ON ACCOUNT OF YEARS OF SERVICE</b>					
<b>a. Eligibility</b>	20 years of service		<b>Tier 3:</b> 10 years of service <b>Tier 4:</b> 20 years of service	20 years of service	
<b>b. Salary Base</b>	Normal Pension Base (Final monthly salary rate)		Final Average Salary (One-year average monthly salary)	Final Average Salary (One-year average monthly salary)	Final Average Salary (Two-year average monthly salary)  <i>Except as noted for former Tier 2 members</i>
<b>c. Eligible Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit As a Percentage of Member's Salary Base</b>	100% of accrued service retirement the member would have received, not to exceed 50% of Normal Pension Base	100% of accrued service retirement the member would have received, not to exceed 55% of Normal Pension Base	80% of service retirement the member would have received, not to exceed 40% of Final Average Salary	<b>Former Tier 2:</b> Same benefit as Tier 2 <b>All Other Tier 5:</b> 40% of Final Average Salary	50% of Final Average Salary
<b>d. Eligible Children's Benefit As a Percentage of Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit</b>	If no QSS, the eligible children will receive a monthly pension equal to the pension the QSS would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 (age 22 if in school full time) unless child is disabled before age 21		

## Pension Benefit Provisions (continued)

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>5. DEATH WHILE ELIGIBLE TO RECEIVE A SERVICE PENSION ON ACCOUNT OF YEARS OF SERVICE (CONTINUED)</b>					
<b>e. Eligible Dependent Parent Benefit</b>	If no QSS or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS would have been eligible to receive	If no QSS/QSDP or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive			
<b>6. DEATH AFTER SERVICE RETIREMENT</b>					
<b>a. Eligibility</b>	Member was receiving a Service Pension				
<b>b. Eligible Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit</b>	Same as the member's pension percentage, not to exceed 50% of the member's Normal Pension Base	Same as the member's pension percentage, not to exceed 55% of the member's Normal Pension Base	60% of the member's pension benefit	<b>Former Tier 2:</b> Same benefit as Tier 2	70% of the member's pension benefit
				<b>All Other Tier 5:</b> 60% of the member's pension benefit	
<b>c. Eligible Children's Benefit As a Percentage of Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit</b>	If no QSS, the eligible children will receive a monthly pension equal to the pension the QSS would have been eligible to receive  Otherwise: • 25% for one child • 40% for two Children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two Children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 (age 22 if in school full time) unless child is disabled before age 21		
<b>d. Eligible Dependent Parent Benefit</b>	If no QSS or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS would have been eligible to receive	If no QSS/QSDP or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive			



Pension Benefit Provisions (continued)

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>7. NONSERVICE-CONNECTED DEATH OR DEATH AFTER NONSERVICE-CONNECTED DISABILITY</b>					
<b>a. Eligibility</b>	Five years of service				
<b>b. Salary Base</b>	Nonservice-Connected Pension Base (Highest monthly salary as of member's death or retirement for basic rank of Firefighter III or Police Officer III, and the highest length of service pay)		Final Average Salary (One-year average monthly salary)	Final Average Salary (One-year average monthly salary)  <i>Except as noted for former Tier 2 members</i>	Final Average Salary (Two-year average monthly salary)
<b>c. Eligible Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit As a Percentage of Member's Salary Base</b>	40% of the member's Nonservice-Connected Pension Base		<b>NONSERVICE-CONNECTED DEATH</b>  30% of Final Average Salary or, if eligible to retire based on years of service, 80% of the pension the member would have received not to exceed 40% of Final Average Salary  <b>DEATH AFTER NONSERVICE-CONNECTED DISABILITY</b>  60% of the member's pension benefit	<b>NONSERVICE-CONNECTED DEATH</b>  <b>Former Tier 2:</b> Same benefit as Tier 2  <b>All Other Tier 5:</b> 30% of Final Average Salary or, if eligible to retire based on years of service, 40% of Final Average Salary  <b>DEATH AFTER NONSERVICE-CONNECTED DISABILITY</b>  <b>Former Tier 2:</b> Same benefit as Tier 2  <b>All Other Tier 5:</b> 60% of the member's pension benefit	<b>NONSERVICE-CONNECTED DEATH</b>  50% of Final Average Salary  <b>Note:</b> If the member's death occurs while on military leave and is a result of his/her military duties, 50% of Final Average Salary  <b>DEATH AFTER NONSERVICE-CONNECTED DISABILITY</b>  70% of the member's pension benefit
<b>d. Eligible Children's Benefit As a Percentage of Qualified Surviving Spouse's (QSS) or Qualified Surviving Domestic Partner's (QSDP) Benefit</b>	If no QSS, the eligible children will receive a monthly pension equal to the pension the QSS would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two Children • 50% for three or more children  Pension not payable after child reaches age 18 unless child is disabled before age 21	If no QSS/QSDP, the eligible children will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive  Otherwise: • 25% for one child • 40% for two children • 50% for three or more children  Pension not payable after child reaches age 18 (age 22 if in school full time) unless child is disabled before age 21		

## Pension Benefit Provisions (continued)

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>7. NONSERVICE-CONNECTED DEATH OR DEATH AFTER NONSERVICE-CONNECTED DISABILITY (CONTINUED)</b>					
<b>e. Eligible Dependent Parent Benefit</b>	If no QSS or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS would have been eligible to receive	If no QSS/QSDP or eligible children, the eligible dependent parent will receive a monthly pension equal to the pension the QSS/QSDP would have been eligible to receive			
<b>8. COST OF LIVING ADJUSTMENTS (COLA)</b>					
<b>a. Generally Applicable Provisions</b>	Full annual COLA increase or decrease  COLAs compound and are based upon the Consumer Price Index for local urban Consumers  Survivors' pension includes the percentage of COLAs applied to the member's pension prior to death		Annual COLA increase or decrease up to 3%  COLAs compound and are based upon the Consumer Price Index for local urban consumers  Pro rata adjustment in the first year of retirement  City Council may grant discretionary COLA increases once every three years  Survivor's pension includes the percentage of COLAs applied to the member's pension prior to death	Annual COLA increase or decrease not to exceed 3%  Amounts above 3% are banked to be credited during years when the Consumer Price Index is below 3%  COLAs compound and are based upon the Consumer Price Index for local urban consumers  Pro rata adjustment in the first year of retirement  City Council may grant discretionary COLA increases once every three years - member's COLA Bank is reduced  Survivor's pension includes the percentage of COLAs applied to the member's pension prior to death	
<b>b. Effective Date of COLA:</b>	Annual adjustments commence on the July 1 following the later of the effective date or the date the member would have been age 55	Annual adjustments commence on the July 1 following the later of the effective date or the date the member would have completed 25 years of service	Annual adjustments commence on the July 1 following the effective date		
<b>i. Service Retirement</b>					
<b>ii. Service-Connected Disability, Service-Connected Death</b>	Annual adjustments commence on the July 1 following the effective date				



Pension Benefit Provisions (continued)

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>8. COST OF LIVING ADJUSTMENTS (COLA) (CONTINUED)</b>					
<b>iii. Nonservice-Connected Disability, Death After Nonservice-Connected Disability</b>	Annual adjustments commence on the July 1 following the date the member would have been age 55 or 5 years after the effective date of the pension, if earlier	Annual adjustments commence on the July 1 following the date the member would have completed 25 years of service or 5 years after the effective date of the member's pension, if earlier		Annual adjustments commence on the July 1 following the effective date	
<b>iv. Nonservice-Connected Death</b>	Annual adjustments commence on the July 1 following the date the member would have been age 55 or 5 years after the effective date of the pension, if earlier	While Eligible for Service Retirement - Annual adjustments commence on the July 1 following the later of the effective date or the date the member would have completed 25 years of service  While Not Eligible for Service Retirement - Annual adjustments commence on the July 1 following the date the member would have completed 26 years of service or 5 years after the effective date of the survivor's pension, if earlier		Annual adjustments commence on the July 1 following the effective date	
<b>v. Death After Service-Connected Disability</b>	Annual adjustments commence on the July 1 following the date the member would have been age 55 or 5 years after the effective date of the pension, if earlier			Annual adjustments commence on the July 1 following the effective date	
<b>9. MEMBER CONTRIBUTIONS AS A PERCENTAGE OF PAY</b>					
	6%	6% plus 1/2 cost of cost-of-living benefit up to 1%	8%	9%	11%
	No member contributions required after 30 years of service	No member contributions required after 30 years of service	No member contributions required after 30 years of service	City pays 1% of the 9% if the Plan is at least 100% actuarially funded for pension benefits  No member contributions required after 33 years of service	2% of the 11% supports the funding of the retiree health subsidy benefits. This portion will cease once the member attains 25 years of service  No member contributions required after 33 years of service

## Pension Benefit Provisions (continued)

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>10. QUALIFIED SURVIVORS</b>					
<b>a. Qualified Surviving Spouse (QSS) or Qualified Surviving Domestic Partner (QSDP) Eligibility Requirements:</b>					
<b>i. Nonservice-Connected Death</b>	Married to spouse at least one year prior to the date of the nonservice-connected death and as of the date of death	Married to spouse or declared/registered domestic partner at least one year prior to the date of the nonservice-connected death and as of the date of death			
<b>ii. Service-Connected Death</b>	Married to spouse as of the date of the service-connected death	Married to spouse or declared/registered domestic partner as of the date of the service-connected death			
<b>iii. Death After Service Retirement</b>	Married to spouse at least one year prior to the effective date of the Service Pension and as of the date of death	Married to spouse or declared/registered domestic partner at least one year prior to the effective date of the Service Pension/DROP entry and as of the date of death			
<b>iv. Death After Nonservice-Connected Disability</b>	Married to spouse at least one year prior to the effective date of the Nonservice-Connected Disability Pension and as of the date of death	Married to spouse or declared/registered domestic partner at least one year prior to the effective date of the Nonservice-Connected Disability Pension and as of the date of death			
<b>v. Death After Service-Connected Disability</b>	Dependent upon the member's retirement status and cause of death	Married to spouse or declared/registered domestic partner as of the effective date of the Service-Connected Disability Pension and as of the date of death			
<b>b. Minor Child Eligibility Requirements</b>	Legitimate or adopted child of the deceased member, until age 18 or marries, whichever occurs first	Child or adopted child of the deceased member, until age 18 (22 if in school full time) or marries, whichever occurs first			
<b>c. Dependent Child Eligibility Requirements</b>	Legitimate or adopted child of the deceased member who, prior to turning age 21, became mentally or physically disabled and cannot earn a livelihood	Child of the deceased member who, prior to turning age 21, became mentally or physically disabled and cannot earn a livelihood			
<b>d. Dependent Parent Eligibility Requirements</b>	Natural parent of the deceased member who had at least one-half of his/her necessary living expenses provided by the member for at least one year prior to the member's death and is unable to pay his/her necessary living expenses without the pension	Parent of the deceased member who had at least one-half of his/her necessary living expenses provided by the member for at least one year prior to the member's death and is unable to pay his/her necessary living expenses without the pension			

## Miscellaneous Benefit Provisions

### 11. BASIC DEATH BENEFIT

#### Applicable to Tiers 3 - 6

Beneficiary receives a refund of contributions with interest. In addition, if the member had at least one year of service, the Qualified Survivor receives a limited pension payable in monthly installments as follows: for each year of service completed by the member, the Qualified Survivor receives two payments equal to one-half of the member's Final Average Salary, not to exceed 12 monthly payments for six or more years of service.

### 12. DEFERRED PENSION OPTION

#### Applicable to Tiers 3, 5, and 6

Tier 3: Upon termination, the member can elect the Deferred Pension option if he/she has at least 10 years of service and leaves his/her contributions in the Fund. At age 50, the member is entitled to receive a Service Pension.

Tiers 5 and 6: Upon termination, the member can elect the Deferred Pension option if he/she has at least 20 years of service and leaves his/her contributions in the Fund. At age 50, the member is entitled to receive a Service Pension using the Tier 3 Service Pension percentages.

### 13. DEFERRED RETIREMENT OPTION PLAN (DROP)

#### Not applicable to Tier 1

Tiers 2 and 4: At least 25 years of service

Tiers 3, 5 and 6: At least 25 years of service and at least age 50

The member must be on an active duty/working status at the time of DROP entry.

While in DROP, the member's monthly pension, including any applicable cost of living adjustments, is posted to a nominal account that is credited with a guaranteed annual interest rate of 5%.

The member may participate for a maximum of five years, after which he/she is required to terminate sworn employment and exit DROP.

#### Death of a DROP Member

For the purpose of survivor benefits, DROP members are considered retired. Qualified survivors receive the benefits outlined in *Section 6 - Death After Service Retirement*, while the proceeds in the member's DROP account are paid to the named DROP beneficiary.

In the event of a service-connected death, the Qualified Surviving Spouse/Domestic Partner has the option to forfeit the member's DROP account and collect a monthly benefit as outlined in *Section 4 - Service-Connected Death*.

### 14. OPTIONAL FORM OF BENEFIT FOR QUALIFIED SURVIVING SPOUSE (QSS) / QUALIFIED SURVIVING DOMESTIC PARTNER (QSDP)

#### Applicable to Tiers 3 - 6

At any time prior to the first payment of a Service or Disability Pension, or entering DROP, the member may elect a higher QSS/QSDP benefit with a corresponding actuarial reduction in his/her retirement benefit.

### 15. PUBLIC SERVICE PURCHASE (PSP) PROGRAM

#### Not applicable to Tier 1

Members may purchase service credit for time served in the military or with other public agencies, subject to requirements and limitations established by the City Council.

Purchased service must be for a minimum of six months, but no more than four years of full time, uninterrupted service.

Purchased service will only count toward increasing the member's monthly pension allowance and any survivorship benefits.

Purchases must be initiated and finalized prior to entering DROP or retiring, whichever occurs first.

### 16. RETURN OF CONTRIBUTIONS WITH INTEREST

Tiers 1 and 2: On termination or death if no other benefits are payable.

Tiers 3, 5, and 6: On termination or death if no other benefits are payable (except Basic Death Benefit).

Tier 4: Upon death if no other benefits payable (except Basic Death Benefit). No refund upon termination.

### 17. SURVIVOR BENEFIT PURCHASE PROGRAM

A retired member may make a one-time, irrevocable election to purchase a survivor benefit for a spouse married in retirement or a domestic partner declared/registered in retirement by taking an actuarial reduction in his/her retirement benefit.

### 18. OPT-IN CONTRIBUTION

#### Applicable to Tiers 2 - 5

Members in Tiers 2 - 5 who: (1) enter DROP or retire on or after July 15, 2011 and (2) elected to make the additional 2% opt-in contribution will receive a non-frozen health subsidy benefit in retirement. The additional pension contribution supports the funding of the retiree health benefits and will cease once the member has contributed for 25 years or retires.

## Health and Dental Insurance Premium Subsidy

19. HEALTH SUBSIDY	MEMBER	QUALIFIED SURVIVING SPOUSE (QSS)/ QUALIFIED SURVIVING DOMESTIC PARTNER (QSDP)
<b>a. Age</b>	<p>If the retirement date is:</p> <ol style="list-style-type: none"> <li>1. On or after 7/1/1998 – at least age 55</li> <li>2. Prior to 7/1/1998 – at least age 60</li> </ol>	<p>Member (retired sworn officer) must be at least age 55, if he/she was still alive</p> <p>If the member died in the line of duty, medical benefits are provided by the Personnel Department</p>
<b>b. Years of Service</b>	At least 10 years of service (YOS), except for a Tier 6 member who retires on a Service-Connected Disability Pension	Member (retired sworn officer) must have had at least 10 years of service (YOS)
<b>c. Pension Type</b>	Service or Disability Pension	QSS/QSDP Pension
<b>d. Eligible Plans</b>	<p>Health subsidies may be applied to one of the following:</p> <ol style="list-style-type: none"> <li>1. A Board-approved association plan: <ul style="list-style-type: none"> <li>– United Firefighters of Los Angeles City</li> <li>– Los Angeles Firemen’s Relief Association</li> <li>– Los Angeles Police Relief Association</li> <li>– LACERS plans offered to a closed group of retirees</li> </ul> </li> <li>2. Any state-regulated medical insurance plan with proof of payment approved through the Health Insurance Premium Reimbursement Program</li> </ol>	<p>Health subsidies may be applied to one of the following:</p> <ol style="list-style-type: none"> <li>1. A Board-approved association plan: <ul style="list-style-type: none"> <li>– United Firefighters of Los Angeles City</li> <li>– Los Angeles Firemen’s Relief Association</li> <li>– Los Angeles Police Relief Association</li> <li>– LACERS plans offered to a closed group of retirees</li> </ul> </li> <li>2. Any state-regulated medical insurance plan with proof of payment approved through the Health Insurance Premium Reimbursement Program</li> </ol>
<b>e. Medicare Requirements</b>	<p>Most retirees and their covered dependents qualify for Medicare at age 65</p> <p>May qualify for Medicare prior to age 65 due to disability</p> <p>Enrollment in:</p> <ul style="list-style-type: none"> <li>– Medicare Part A: Required only if the retiree or covered dependent is eligible for Part A free of charge</li> <li>– Medicare Part B: Required</li> </ul>	<p>Most QSS/QSDPs qualify for Medicare at age 65</p> <p>May qualify for Medicare prior to age 65 due to disability</p> <p>Enrollment in:</p> <ul style="list-style-type: none"> <li>– Medicare Part A: Required only if the QSS/QSDP is eligible for Part A free of charge</li> <li>– Medicare Part B: Required</li> </ul>
<b>f. Non-Medicare, Medicare Part B Only Subsidy Formula</b>	<p>4% per YOS, up to a maximum of 25 YOS</p> <p>Subsidy may not exceed the health insurance plan premium</p> <p><b>Note:</b> Members in Tiers 2-5 who (1) enter DROP or retire after July 14, 2011 and (2) chose not to opt-in during the designated period, are subject to the maximum subsidy in effect on July 1, 2011</p>	<p>4% per YOS, up to a maximum of 25 YOS</p> <p>Subsidy may not exceed the single-party health insurance plan premium</p> <p><b>Note:</b> QSS/QSDPs of members in Tiers 2-5 who (1) enter DROP or retire after July 14, 2011 and (2) chose not to opt-in during the designated period, are subject to the maximum subsidy in effect on July 1, 2011</p>

Health and Dental Insurance Premium Subsidy (continued)

19. HEALTH SUBSIDY	MEMBER	QUALIFIED SURVIVING SPOUSE (QSS)/QUALIFIED SURVIVING DOMESTIC PARTNER (QSDP)
<b>g. Medicare Subsidy Formula</b>	10-14 YOS – 75% of maximum subsidy 15-19 YOS – 90% of maximum subsidy 20+ YOS – 100% of maximum subsidy  Subsidy may not exceed the health insurance plan premium  Dependent subsidy may apply  Must be enrolled in Medicare Parts A and B; and LAFPP will reimburse the standard Medicare Part B premium  <b>Note:</b> Members in Tiers 2-5 who (1) enter DROP or retire after July 14, 2011 and (2) chose not to opt-in during the designated period, are subject to the maximum subsidy in effect on July 1, 2011	10-14 YOS – 75% of maximum subsidy 15-19 YOS – 90% of maximum subsidy 20+ YOS – 100% of maximum subsidy  Subsidy may not exceed the single party health insurance plan premium  Must be enrolled in Medicare Parts A and B; and LAFPP will reimburse the standard Medicare Part B premium  <b>Note:</b> QSS/QSDPs of members in Tiers 2-5 who (1) enter DROP or retire after July 14, 2011 and (2) chose not to opt-in during the designated period, are subject to the maximum subsidy in effect on July 1, 2011
<b>h. Dependent Coverage</b>	The member subsidy may be used to cover spouses, domestic partners and children  Children may be covered until age 26	The QSS/QSDP may cover eligible dependents on his/her health plan. However, the subsidy may not exceed the single party health insurance plan premium

20. DENTAL SUBSIDY	MEMBER	QUALIFIED SURVIVING SPOUSE (QSS)/QUALIFIED SURVIVING DOMESTIC PARTNER (QSDP)
<b>a. Age</b>	At least age 55	QSS/QSDPs are not eligible to receive a dental subsidy
<b>b. Years of Service</b>	At least 10 years of service (YOS)	N/A
<b>c. Pension Type</b>	Service or Disability	N/A
<b>d. Eligible Plans</b>	Dental subsidies may only be applied to one of the following Board-approved plans: – United Firefighters of Los Angeles City – Los Angeles Police Protective League – Los Angeles Police Relief Association – LACERS plans offered to a closed group of retirees	Not eligible for a subsidy. However, QSS/QSDP may enroll in plans provided by one of the following Board-approved dental plan sponsors: – United Firefighters of Los Angeles City – Los Angeles Police Protective League – Los Angeles Police Relief Association – LACERS plans offered to a closed group of Retirees
<b>e. Dental Subsidy Formula</b>	4% per YOS up to a maximum of 25 YOS  Subsidy may not exceed the single-party dental insurance plan premium	N/A

**21. RECIPROCITY**

There are no reciprocity agreements between outside agencies and the Fire and Police Pension Plan.

RECIPROCITY is:

- an agreement between public retirement systems to allow members to move from one public employer to another
- within a specific time limit
- without losing some valuable retirement and benefit rights

## Excess Benefit Plan

	Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
<b>22. EXCESS BENEFIT PLAN (PAID BY THE CITY'S GENERAL FUND)</b>					
<b>Plan to supplement the benefits of certain highly compensated pensioners to the extent such benefits are reduced by the limitations on benefits imposed by Section 415 of the Internal Revenue Code</b>	Yes	Yes	Yes	Yes	No

The Internal Revenue Code (IRC) Section 415(b) contains the provisions of federal law which limit the amount of annual retirement benefits payable directly from a plan sponsor for qualified defined benefit pension plans, such as the Los Angeles Fire and Police Pension Plan (LAFPP). The excess benefit limit typically only impacts highly compensated employees who have accrued significant retirement benefits. Under certain circumstances, any benefits in excess of this limit may be paid through an Excess Benefit Plan.

The IRC Section 415(b) limits the distribution amount paid to an individual from all of the plan sponsor's qualified defined benefit plans. The City created an Excess Benefit Plan (EBP) to allow members of Tiers 1 through 5 to receive a full formula-based retirement allowance, despite the LAFPP benefit exceeding the maximum IRC limit. The total monthly retirement benefit will not change. The affected members will receive one payment from LAFPP and the EBP payment directly from the Controller's Office.

Members of Tier 6 are not included in the City's Excess Benefit Plan, which is authorized for Tiers 1-5 of the LAFPP by Division 4, Chapter 23 of the Los Angeles Administrative Code. Los Angeles City Charter Section 1720 restricts benefits payable to Tier 6 members to the IRC Section 415 limitations.

### DISCLAIMER

The "Summary of Plan Provisions" describes in informal language, the provisions of Tiers 1 - 6. The intent is to summarize legal texts in a clear and concise manner. If there is a difference between this guide and the legal text outlined in the Los Angeles City Charter, the Los Angeles Administrative Code, the Internal Revenue Code, or other laws, the legal text prevails.