

Attachment F – Actuarial Cost of Maintaining Current Normal Retirement Age Beyond June 30, 2022

Use the Charts below to calculate the cost (beginning July 1, 2013) of maintaining the current normal retirement age beyond 6/30/2022. This is a one-time decision that must be made before July 1, 2013. Extra contributions will not be returned to employees who leave before 2022 (except those employees who left without vesting under current plan rules). Employees who work until the new retirement age will have their excess contributions, without interest, returned upon reaching that new normal age.

<i>If you would have 25 years of Service Before You Turn 62</i>				
As of June 1, 2022, how many months until you have 25 years of service and at least age 60				
Months before 60	Fill in your months	Multiply by	Added Contribution to Maintain Retirement Age	
36 or more	36	.02%	0.72%	of pensionable earnings
35 or fewer		.02%		of pensionable earnings
<i>If you would NOT have 25 years of Service Before You Turn 62</i>				
As of June 1, 2022, how many months until your 62nd birthday?				
Months before 62	Fill in your months	Multiply by	Added Contribution to Maintain Retirement Age	
36 or more	36	.02%	0.72%	of pensionable earnings
35 or fewer		.02%		of pensionable earnings

Example 1: I am currently 47 years old with 20 years of service. I will therefore reach 25 years of service before I turn 62. I use the top chart:

Step 1: Let's say as of June 1, 2022, I will be 58 years and 3 months old. That means it is 21 months until I reach age 60. I will already have 25 years of service at that point, so that means I missed my current normal retirement age by 21 months.

Step 2: I multiply 21 months by .02% which gives me .42% (.0042). That means if I want to avoid the increase in normal retirement age, I would pay an additional .42% starting on July 1, 2013 until I retire. (if I'm Tier II, that's all I pay, if I'm Tier IIA, I'd pay 2.42% total).

Example 2: I am currently 50 years old with 2 years of service. I will therefore NOT reach 25 years of service before I turn 62. I use the bottom chart:

Step 1: Let's say as of June 1, 2022, I will be 61 years and 3 months old. That means it is 9 months until I reach age 62. I missed my current normal retirement age by 9 months.

Step 2: I multiply 9 months by .02% which gives me .18% (.0018). That means if I want to avoid the increase in normal retirement age, I would pay an additional .18% starting on July 1, 2013 until I retire. (if I'm Tier II, that's all I pay, if I'm Tier IIA, I'd pay 2.18% total)

Example 3: I am currently 25 years old with 2 years of service. I will therefore reach 25 years of service before I turn 62. I use the top chart:

Step 1: Let's say as of June 1, 2022, I will be 36 years and 3 months old. That means it more than 36 months until I reach age 60. I will need to buy the full 36 months.

Step 2: I multiply the maximum of months by .02% which gives me .72% (.0072). That means if I want to avoid the increase in normal retirement age, I would pay an additional .72% starting on July 1, 2013 until I retire. (if I'm Tier II, that's all I pay, if I'm Tier IIA, I'd pay 2.72% total)

Example 4: I am currently 48 years old with 12 years of service. I will therefore reach 25 years of service before I turn 62. I use the top chart:

Step 1: Let's say as of June 1, 2022, I will be 60 years and 3 months old. But I will not reach 25 years of service until August of 2023. I will need to buy the full 13 months because I missed my normal retirement age by 13 month.

Step 2: I multiply the 13 months by .02% which gives me .26% (.0026). That means if I want to avoid the increase in normal retirement age, I would pay an additional .26% starting on July 1, 2013 until I retire. (if I'm Tier II, that's all I pay, if I'm Tier IIA, I'd pay 2.26% total)