



## ERFC Legacy Payment Types and Benefit Options

### Benefit Payment Types

- **Standard Benefit**  
You receive higher monthly payments until you reach your full Social Security age. At full Social Security age, your monthly benefit will be reduced (whether or not you begin receiving Social Security). If you retire before age 55, there may be an additional reduction at age 55.
- **Alternative Guarantee and Alternative Level Guarantee**  
These benefit payment types are variations of the Standard Formula that only apply to members who were employed with FCPS in an eligible ERFC position prior to July 1, 1988.
- **Level Lifetime Benefit**  
You receive the same monthly benefit amount for life, no matter when you begin Social Security. Your benefit does not reduce at full Social Security age (whether or not you begin receiving Social Security). This option is equivalent in total value to the Standard Benefit.

### Benefit Options

- **Basic Benefit Option**  
Pays only you throughout your retirement lifetime. There is no survivor option.
- **Small Pension Payout**  
If your Basic Benefit pension is \$100 or less per month, you will receive a onetime payout.
- **Option A – 100% Survivor Option**  
You receive a reduced benefit. Your survivor receives 100% of that reduced benefit. The reduced benefit percent will be 85 percent if you and your survivor's ages are the same on the effective retirement date. If you and your survivor's ages are different, the pension is decreased by an additional six-tenths of 1% for each year that the survivor's age is less than your age. It will be increased by six-tenths of 1%, up to a maximum of 94%, for each year that the survivor's age is greater than your age. You and your survivor's ages are calculated in whole numbers according to the ages reached on your last birthdays, prior to the retirement date.

Your survivor must be your spouse or former spouse (if you have an approved Domestic Relations Order [DRO]).

- **Option B – 50 Percent Survivor Option**  
You receive a reduced benefit and your survivor receives 50% of that reduced benefit. The reduced benefit percent will be 91% if you and your survivor's ages are the same on the effective retirement date. If you and your survivor's ages are different, the pension will be decreased by an additional three-tenths of 1% for each year that your survivor's age is less than your age. It will be increased by three-tenths of 1%, up to a maximum of 97%, for each year that your survivor's age is more than your age.

Your survivor must be your spouse, former spouse (if you have an approved DRO), someone age 40 or older who relies on you for 50% or more of your income for at least one year prior to retirement, or a dependent child who is physically or intellectually disabled.

## Benefit Options (continued)

- **Option C – 120 Payments Certain Option**

Your pension is reduced by 4%. If you pass away before receiving all 120 payments, your survivor receives the remaining payments. You may name anyone as your survivor. If you live beyond 120 payments, you continue receiving your reduced ERFC pension, but no survivor benefit will be paid after your death.

- **Option D – Single Sum Payment Option**

You receive a partial lump sum payment at retirement and a reduced monthly retirement benefit. The lump sum can be as small as \$1,000 or as large as your total accumulated contributions, minus interest and purchased service credit amounts. This payment option has no provision for payments to survivors or your estate.

## Can I change my benefit option?

- **I Selected Option A or Option B When I Retired**

You may revert to the Basic Benefit Option or you may name another person to receive survivor benefits under two conditions:

- Your survivor dies.
- Your survivor is your spouse, and you divorce.

You must notify ERFC in writing to name a new survivor or to cancel your survivor option (reduced benefit) and return to the Basic Benefit Option (unreduced benefit). This new election will go into effect the month after we receive written notification of this change.

**Please Note:** You can only change the survivor option once during your lifetime. Changing survivors may result in a reduction of your monthly benefit. In addition, if you're divorced and ERFC has an approved DRO on file, your benefit must be paid as directed by the DRO.

- **I Selected the Basic Benefit Option When I Retired**

You may only revert to Option B if you get married. You must notify ERFC within six months of the date of your wedding. The new election will go into effect the month after we've been notified.

- **I Selected Option C When I Retired**

You may nominate a new survivor for any reason. This change will go into effect once you notify ERFC.