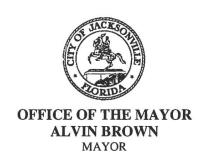
Retirement Reform Agreement Police and Fire Employees in the PFPF

Pension Benefit Changes for Current Employees



Plan Element	Current Plan	2013 Agreement	2014 Agreement
DROP Interest Rate	Guaranteed DROP interest rate of 8.4 percent	Same as Current Plan	For employees who have not yet entered DROP by the end of 2014, eliminates guaranteed rate of return. DROP interest rate will be the actual rate with floor of 5% and cap of 10%.
Final Average Compensation(FAC)	FAC based on last 24 months of service	Same as Current Plan	For employees with less than 10 years of service, the FAC will be based on the last 48 months of service.
Employee Contributions	Employee pre-tax contribution of 7 percent	Contribution would have increased to 9%, but only if the City restored the 2% pay cut implemented for fire employees in 2010 and police employees in 2012 and provided additional pay raises.	stages.