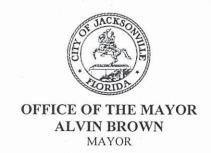
Mayor Alvin Brown Retirement Reform Agreement



General Employees Retirement Plan AFSCME and JSA Employees

Plan Element	<u>Current</u> Employees Plan	Future Employees Plan
Cap on Benefits	Caps annual benefits at \$99,999.99 (indexed to inflation with a cap of 1.5%)	Caps annual benefits at \$99,999.99 (indexed to inflation with a cap of 1.5%)
Vesting	5 years	10 years
COLA	Provides COLA at 3 percent beginning the fifth January following benefit commencement	COLA capped at 1.5 percent beginning the eighth January following employment termination
Employee Contrib.	8% (after recovering Oct.2010 2% wage decrease, employee contribution will increase to ≤ 10% based upon applying ½ of wage increases)	12%
Normal Retirement/ Pension Start Date	Retire with 30 years of service and collect full benefits immediately Retire with 20 years of service at age 55 and receive a 50% benefit	Retire with 30 years of service and collect full benefits starting at age 62 or end of service, whichever is later. Retire at or after Social Security Full Retirement Age (Currently 67) following at least 10 years of service
Accrual Rate	2.5 percent per year (capped at 80% of FAC)	2 percent per year (capped at 70% of FAC)
Final Average Pay	Based on best 36 months of last 10 years	Average of final 60 months (130 pay periods)
Back Drop/PLOP	Provides Back Drop and PLOP options	Eliminates Back Drop option but preserves PLOP option
Pensionable wages	Earnable Compensation of base pay and service raises	Earnable Compensation of base pay and service raises
Minimum Retirement Benefit	\$25 per service years up to 30 compounded annually at a 4% rate	Eliminates MRB
Early Retirement	25 to 30 years of service at any age, with a reduced accrual rate of 2% 20 years of service, at least 50 years of age, with a 2.5% multiplier as normal but reduced by .5% per	Early Retirement Eliminated in favor of new Vest and Terminate proposal
Vest and Terminate	month prior to age 55 Terminate at any time after vesting but before normal retirement age and collect at age 65	Any departure between vesting and 30 years of service is subject to a reduced accrual rate of 1.6% and benefits are not payable until age 65.