

PORS at a Glance - Class Three



Refer to the *Police Officers Retirement System Member Handbook*, found at peba.sc.gov, for full details.

Benefits

- Monthly retirement benefit is based on a formula (2.14 percent of average final compensation multiplied by years of service), not on your account balance at retirement.
- Current state law provides for an annual benefit adjustment of 1 percent of your annual benefit up to a maximum of \$500 per year.
- Monthly retirement benefit is payable until your death.
- Service purchase options.
- Disability protection.
- Accidental death protection and incidental death benefit if provided by your employer.

Membership eligibility

- To be a member of PORS, you must be employed as a police officer, firefighter or peace officer for an employer that participates in PORS. Magistrates and probate judges are also eligible to participate in PORS.
- Unless your position is exempted by state law, you must earn at least \$2,000 per year and devote at least 1,600 hours per year to this work.
- You accrue service credit in PORS as long as you are not retired and are making regular contributions to PORS from your compensation

received from your employment with a participating employer.

Contributions

- You contribute a tax-deferred 9.75 percent of gross pay.
- Your account earns 4 percent interest compounded annually until you retire or your account becomes inactive.
- An account is considered inactive when no contributions have been made to it in the preceding fiscal year and no other active, correlated system or State Optional Retirement Program (State ORP) account exists.

Service purchase

- You may be eligible to purchase various types of service credit, such as military service, public service, educational service and non-qualified service at an actuarially-based cost.
- You may also be eligible to purchase credit for previously withdrawn PORS service or service transferred from a correlated retirement system.

Accidental death benefit

- Provides a survivor monthly benefit if you die in the line of duty.
- Provides lifetime monthly benefit to spouse if you are married.
- If you have no spouse but have children under age 18, monthly benefit will be paid to them



until they turn 18.

- If you have no spouse and no children, lifetime monthly benefit will be paid to your parents.
- Check with your employer to see if it provides this coverage.

Incidental death benefit

- Beneficiaries of active members and working retirees who die in service after one year of membership receive a payment equal to one year's gross salary.
- If death is a result of a job-related injury, the one-year requirement is waived.
- A beneficiary of a non-working retiree may be eligible for a benefit of \$2,000, \$4,000 or \$6,000 based on the retiree's years of service.
- Check with your employer to see if it provides this coverage.

Leaving before retirement

If you terminate employment, you may either:

- Request a refund of your contributions and interest, subject to taxes and possible penalties if you are under age 59½ and do not roll over into an eligible plan; or
- Leave your money in PORS, where it will earn an annual 4 percent interest until your account becomes inactive. If you have the earned service necessary for a monthly retirement benefit and leave your funds on deposit, you can receive the benefit once you reach age eligibility.

Retirement eligibility

Class Three members - membership effective on or after July 1, 2012.

- You can retire after 27 years of service or at age 55 or older.
- You must have at least eight years of earned service to receive a monthly retirement benefit.

Retiree insurance eligibility

- Eligibility for retiree group insurance is not the same as eligibility for retirement.
- Only PEBA can make retiree insurance eligibility determinations. Contact PEBA before making final arrangements for retirement.
- The amount you pay in retiree insurance premiums is based on several factors, including your years of service, when you were hired and the type of employer from which you retire.
- Please refer to the *Retiree Insurance Eligibility, Funding* flyer for your employer type for more information.

Payment options

- Three options for monthly retirement benefit payments are available at retirement.
- Two of the three options provide survivor protection.
- You select the payment option that best suits your needs.

Learn more

- Contact your human resources office.
- Go to peba.sc.gov or contact PEBA by phone at 803.737.6800 or 888.260.9430.
- Visit PEBA, with or without an appointment, at 202 Arbor Lake Drive, Columbia, SC 29223.