

# GROUP II – 25 YEAR PLAN

<b>Minimum Service Retirement Qualifications</b>	After the accumulation of 25 years of creditable service or at age 55, whichever occurs first.
<b>Creditable Service Percentage for Calculation</b>	2.5% per eligible year of service up to a maximum of 100%.
<b>Salary used for Calculation</b>	Highest consecutive 12 months out of the 5 years immediately preceding retirement.
<b>Benefit Payment Structure</b>	Benefit payments are lifetime payments and commence upon retirement or at 55 if a vesting retirement applies.
<b>ERIP Benefits</b>	Eligible to "drop" 1,2 or 3 whole years after 26, 27, 28 or more years of service and receive a lump sum payment.
<b>Vesting Benefits</b>	Calculated as a Service Retirement upon election after 10 and before 25 years of creditable service. Benefit payment commences at age 55.
<b>Disability Benefits</b>	Calculated like a Service Retirement based on the actual number of years worked. Special qualifications and Board approval apply. Vesting period for Disability is 10 years.
<b>Employee Contribution Percentage</b>	Effective 1/1/2014 employees will contribute 7% of their eligible wages to their retirement plan with the potential of a future 1% increase on or after 1/1/2015.
<b>Non-Employee Contributions</b>	The City of Montgomery contributes to the funding of the System on behalf of the participating employee an amount determined annually by the System actuary. This amount is non-refundable to the employee upon termination of employment.
<b>Refunds Due To Termination</b>	Upon termination of employment the employee is eligible for a refund of their contributions only.
<b>Transition Election</b>	A 20 Year Plan employee may elect in the 90 days following the 25th anniversary of their date of membership to transition to the 25 Year Plan.
<b>Accumulation of Contributions Balance</b>	Employee's contributions only.
<b>Prior Time Buy-Backs</b>	Prior time buy-back eligible.

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