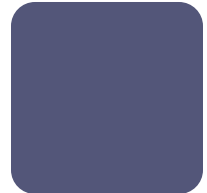




Denver Employees  
Retirement Plan

YOUR GUIDE TO

# Service Credit Purchase



*Powering Your Future, Together.*

# What is the Denver Employees Retirement Plan?

The Denver Employees Retirement Plan (DERP) was established January 1, 1963 to provide a defined benefit plan for eligible City and County of Denver employees in the Career Service, certain employees of the Denver Health and Hospital Authority, and DERP staff. As a trusted steward of the city's pension plan for over 50 years, DERP has helped thousands of eligible employees build, plan, and live a strong retirement future through prudent investment management, exceptional member service, and a commitment to deliver retirement benefits to our members.

The DERP team administers retirement, disability, and survivor benefits for eligible City and County of Denver employees in the Career Service, certain employees of the Denver Health and Hospital Authority, and DERP staff.

## Our Mission

To provide promised retirement benefits and exceptional service to our members through prudent investment and administration.

## Our Vision

To remain financially secure, to exceed evolving customer service expectations, and to be recognized as best in class among public retirement systems.

## Our Values

- Adhere to **diligent and prudent** processes
- Approach issues in a **proactive and strategic** manner
- **Communicate** effectively
- Cultivate **accountability** to each other and to all who rely on us
- Demonstrate **sound leadership** in governing and managing the Pension Benefit
- Ensure **compliance** with fiduciary standards of conduct
- Exhibit **professionalism**
- Foster **teamwork** and depth of knowledge through the **pursuit of continuous education**
- Proactively **engage all key audiences** within our operating community
- Maintain the **transparency** required and expected of a public retirement plan
- Operate with **integrity** in all our business practices
- **Respect diversity** and different points of view
- Safeguard the **security and confidentiality** of members' data and personal information
- Strive for **innovation and continuous improvement**
- Take **responsibility** for our decisions and actions

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# Section 1

## Service Credit Purchase Overview

Your monthly Denver Employees Retirement Plan (DERP) Pension Benefit at retirement, in part, is based on your years and months of service credit. A service credit purchase will enhance your DERP Pension Benefit by increasing the amount of service credit used in the calculation of your retirement benefit.

Review this guide for complete details on service credit purchase.

## Section 2

### Types of Service Credit You Can Purchase

There are five different types of service credit you can purchase. Review each type for the eligibility requirements.

#### 1. Governmental Service Credit

When you are vested with DERP, you are eligible to purchase an unlimited amount of prior governmental service credit if you have not received, or are not eligible to receive, a retirement benefit from that period of employment.

Prior governmental service includes:

- U.S. military service
- employment in a U.S. public or private K-12 school, college, or university
- employment with federal, state, or local government in the U.S. or its territories

#### 2. Non-Governmental Service Credit

When you are vested with DERP, you are eligible to purchase up to 60 months non-governmental service credit in addition to prior governmental service credit. This service credit is considered “non-qualified” or private sector service credit.

#### 3. Refund of Contributions

When you are rehired in a city eligible position after receiving a refund of your DERP Pension Benefit contributions, you are eligible to reinstate the service credit you lost by repaying the refund.

#### 4. U.S. Military Leave

When you report back to work at the city after a military leave, you are eligible to purchase the service credit for the time performed while on active duty.

#### 5. Leave Without Pay

When you return to work at the city from a leave without pay, you are eligible to purchase the service credit for the time you were away.

## Section 3

### Impact to Your DERP Pension Benefit

When you purchase service credit with DERP, you increase the amount of the DERP Pension Benefit paid to you at retirement. The benefit calculation is based on your membership tier and years and months of service credit.

<b>Membership Tier 1</b>	<b>Hired before September 1, 2004</b> Benefit calculation is 2% of your average monthly salary (highest consecutive 36 months) multiplied by your years and months of service credit
<b>Membership Tier 2</b>	<b>Hired on or after September 1, 2004</b> Benefit calculation is 1.5% of your average monthly salary (highest consecutive 36 months) multiplied by your years and months of service credit
<b>Membership Tier 3</b>	<b>Hired on or after July 1, 2011</b> Benefit calculation is 1.5% of your average monthly salary (highest consecutive 60 months) multiplied by your years and months of service credit

## Section 4

### Service Credit Purchase Cost

The service credit purchase cost depends on the type of service credit you purchase.

- **Governmental and Non-Governmental Service Credit**

The governmental and non-governmental service credit purchase cost is based upon actuarial factors including your hire date, current age, service credit, and average monthly salary.

To estimate your governmental and non-governmental service credit purchase cost, refer to the appropriate table based on your hire date in this guide. Locate your current age along the left side of the table and then find where it intersects with your current service credit. Multiply that percentage by your current monthly salary to estimate the approximate cost to purchase one month of service credit. If your current service credit is greater than 25 years, use the percentage based on your current age and 25 years of service credit.

DERP will calculate your exact governmental and non-governmental service credit purchase cost using actual salary records. The cost calculation you receive from DERP will be good until your next birthday. However, if the actuarial assumed rate of return changes prior to your birthday, the cost to purchase service credit will change and will be recalculated.

Email [Help@DERP.org](mailto:Help@DERP.org) to request an official calculation.

- **Refund of Contributions**

The cost to payback a refund of your DERP Pension Benefit contributions is based on when you make the purchase.

- Within 24 months of rehire date

If the purchase is made within 24 months of your rehire date, the cost is the amount of your refund, plus interest. Interest, at the rate of 3%, is compounded every year on June 30th.

- After 24 months of rehire date

If the purchase is made after 24 months of your rehire date, the amount is the full actuarial cost and based upon factors including your hire date, current age, service credit, and average monthly salary.

Email [Help@DERP.org](mailto:Help@DERP.org) to request an official calculation.

## Section 4 *(continued)*

- **U.S Military Leave**

The cost to purchase military leave is based on the employee contribution rate required at the time of the missed salary. The amount is the total contributions you would have paid had you been working.

The purchase must be made within a time period starting with your date of reemployment and continuing up to three times the length of your immediate past period of uniformed service, not to exceed five years.

Email [Help@DERP.org](mailto:Help@DERP.org) to request an official calculation.

- **Leave Without Pay**

The cost to purchase leave without pay is based on the total contribution percentage rate (both employee and employer portions) required at the time of the missed service credit and salary. The amount is the total contributions that you and the city would have paid had you been working.

Email [Help@DERP.org](mailto:Help@DERP.org) to request an official calculation.



## Section 5

### Important Considerations

You must carefully weigh your options when considering a service credit purchase. There are situations where a purchase may be advantageous and other situations where it may be cost prohibitive, depending on your individual circumstance.

One way to evaluate the benefit of a service credit purchase is to compare your estimated DERP Pension Benefit as of the projected retirement date, both with and without the additional service credit, and determine how many months you will receive a retirement benefit before recovering the cost of the service credit purchase.

To determine the number of months it will take you to recover the service credit purchase cost, divide the cost by the estimated increase to your DERP Pension benefit.

#### **Example:**

The service credit purchase cost for 60 months is \$30,000 and the estimated increase to the DERP Pension Benefit is \$600 per month.

$$\$30,000 / \$600 = 50 \text{ months}$$

Email [Help@DERP.org](mailto:Help@DERP.org) to request an estimate of your benefit at retirement with and without the additional service credit.

#### **Questions to Ask Before Purchasing Service Credit**

- Will a service credit purchase with DERP, or an alternative investment, provide more retirement income?
- What is my life expectancy (gender, family history, health)?
- Should I use tax-deferred dollars?
- When is the best time for me to make a service credit purchase, considering that the cost is based on my current age, service credit, and average monthly salary?

## Section 6

### Service Credit Purchase Terms and Conditions

The terms and conditions of a service credit purchase are:

- ✓ You must be an active employee with the city, Denver Health and Hospital Authority, or DERP working in a DERP eligible position.
- ✓ Governmental and non-governmental service credit must be purchased in increments of one month or more.
- ✓ Refund of contributions, U.S. military leave, and leave without pay must be purchased in full.
- ✓ Payment for a service credit purchase must be received by DERP prior to your separation from employment.
- ✓ You may pay for service credit directly, or rollover funds from another qualified retirement plan.
  - Payments made directly are considered an after-tax contribution.
  - Payments made by rollover must be tax-deferred funds from a qualified plan under the Internal Revenue Service.
- ✓ A service credit purchase cannot be made in installments or through payroll deduction.
- ✓ A service credit purchase is irrevocable and non-refundable.
- ✓ A governmental and non-governmental service credit purchase is used only to calculate your retirement benefit and will not be used in the calculation of the Rule-of-75, Rule-of-85, or health insurance premium reduction benefit. However, it is used in the calculation of the active member death benefit and the disability benefit.

## Section 7

### Required Forms

Each type of service credit purchase requires different forms. Review this list to ensure you submit the correct forms. Forms are available on DERP's website at DERP.org/Resources.

#### **Governmental Service Credit**

- Service Credit Purchase Application
- Service Credit Purchase Prior-Governmental Service Employment Verification
- Form DD-214 (if applicable)
- Service Credit Purchase Direct Transfer Certification (if funds are being rolled over)

#### **Non-Governmental Service Credit**

- Service Credit Purchase Application
- Service Credit Purchase Non-Governmental Affidavit
- Service Credit Purchase Direct Transfer Certification (if funds are being rolled over)

#### **Refund of Contributions**

- Service Credit Purchase Direct Transfer Certification (if funds are being rolled over)

#### **U.S. Military Leave**

- Form DD-214
- Service Credit Purchase Direct Transfer Certification (if funds are being rolled over)

#### **Leave Without Pay**

- Service Credit Purchase Direct Transfer Certification (if funds are being rolled over)

## Section 8

### Service Credit Purchase Steps

If you decide a service credit purchase is the right step, you'll need to take the following steps.

1. Email [Help@DERP.org](mailto:Help@DERP.org) to request an official service credit purchase cost calculation.
2. Navigate to [DERP.org/Resources](http://DERP.org/Resources) to download the service credit purchase form(s) for the type of service credit you want to purchase.
3. Complete and return the required form(s).
4. Submit payment to DERP by cash, check, or rollover.

# Service Credit Purchase Tables

# Purchase of Service Cost Factor

## Tier 1 - 2.0% Benefit Multiplier (Hired Before September 1, 2004)

Service at Time of Purchase																								
Age at Purchase	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25			
25	9.66%	9.37%	9.10%																					
26	10.05%	9.75%	9.47%	9.23%																				
27	10.46%	10.14%	9.85%	9.60%	9.37%																			
28	10.88%	10.55%	10.25%	9.99%	9.75%	9.54%																		
29	11.32%	10.98%	10.67%	10.39%	10.14%	9.93%	9.75%																	
30	11.78%	11.42%	11.10%	10.81%	10.56%	10.33%	10.14%	9.98%																
31	12.26%	11.88%	11.55%	11.25%	10.98%	10.75%	10.55%	10.39%	10.25%															
32	12.75%	12.36%	12.01%	11.70%	11.43%	11.18%	10.98%	10.81%	10.66%	10.52%														
33	13.27%	12.86%	12.50%	12.18%	11.89%	11.64%	11.42%	11.24%	11.09%	10.95%	10.83%													
34	13.80%	13.38%	13.01%	12.67%	12.37%	12.11%	11.89%	11.70%	11.54%	11.39%	11.27%	11.16%												
35	14.36%	13.93%	13.53%	13.18%	12.87%	12.60%	12.37%	12.17%	12.01%	11.85%	11.72%	11.61%	11.53%											
36	14.94%	14.49%	14.08%	13.72%	13.39%	13.11%	12.87%	12.66%	12.49%	12.33%	12.20%	12.08%	11.99%	11.93%										
37	15.55%	15.08%	14.65%	14.27%	13.93%	13.64%	13.39%	13.18%	13.00%	12.83%	12.69%	12.57%	12.48%	12.41%	12.36%									
38	16.17%	15.69%	15.24%	14.85%	14.50%	14.19%	13.93%	13.71%	13.53%	13.35%	13.20%	13.08%	12.98%	12.91%	12.86%	12.82%								
39	16.80%	16.31%	15.86%	15.45%	15.09%	14.76%	14.50%	14.27%	14.07%	13.89%	13.74%	13.61%	13.51%	13.43%	13.38%	13.34%	13.31%							
40	17.43%	16.94%	16.49%	16.08%	15.70%	15.36%	15.08%	14.85%	14.64%	14.46%	14.30%	14.16%	14.06%	13.98%	13.92%	13.88%	13.85%	13.82%						
41	17.25%	17.59%	17.33%	16.72%	16.33%	15.99%	15.70%	15.45%	15.24%	15.04%	14.88%	14.73%	14.63%	14.55%	14.49%	14.44%	14.41%	14.38%	14.37%					
42	17.89%	17.40%	17.19%	17.37%	16.98%	16.64%	16.33%	16.08%	15.86%	15.66%	15.48%	15.33%	15.22%	15.14%	15.08%	15.03%	14.99%	14.97%	14.96%	14.96%				
43	17.68%	18.05%	17.59%	18.03%	17.65%	17.30%	17.00%	16.73%	16.50%	16.29%	16.11%	15.96%	15.84%	15.75%	15.69%	15.64%	15.60%	15.58%	15.56%	15.56%	15.56%	15.56%		
44	18.33%	17.84%	18.25%	17.83%	18.32%	17.97%	17.68%	17.41%	17.17%	16.96%	16.77%	16.61%	16.49%	16.39%	16.33%	16.28%	16.24%	16.21%	16.20%	16.20%	16.20%	16.20%		
45	18.10%	18.49%	18.04%	18.50%	18.12%	18.66%	18.37%	18.11%	17.87%	17.65%	17.45%	17.28%	17.16%	17.06%	16.99%	16.94%	16.90%	16.87%	16.86%	16.86%	16.86%	16.86%		
46	18.73%	18.26%	18.70%	18.29%	18.80%	18.46%	18.17%	18.82%	18.59%	18.37%	18.16%	17.99%	17.86%	17.76%	17.69%	17.63%	17.59%	17.56%	17.55%	17.55%	17.55%	17.55%		
47	18.48%	18.90%	18.47%	18.96%	18.58%	19.15%	18.87%	19.54%	19.32%	19.10%	18.91%	18.73%	18.59%	18.49%	18.41%	18.35%	18.31%	18.28%	18.27%	18.27%	18.27%	18.27%		
48	19.10%	18.65%	19.12%	18.73%	19.27%	18.93%	19.58%	19.33%	20.07%	19.86%	19.67%	19.49%	19.35%	19.25%	19.17%	19.11%	19.06%	19.03%	19.02%	19.02%	19.02%	19.02%		
49	18.83%	19.27%	18.87%	19.38%	19.03%	19.63%	19.35%	20.06%	19.85%	20.62%	20.44%	20.28%	20.15%	20.04%	19.96%	19.89%	19.85%	19.81%	19.80%	19.80%	19.80%	19.80%		
50	19.42%	19.00%	19.50%	19.11%	19.70%	19.39%	20.07%	19.83%	20.60%	20.40%	21.24%	21.08%	20.97%	20.87%	20.78%	20.72%	20.67%	20.63%	20.62%	20.62%	20.62%	20.62%		
51	19.13%	19.60%	19.23%	19.77%	19.45%	20.08%	19.82%	20.57%	20.37%	21.08%	21.01%	21.91%	21.80%	21.71%	21.64%	21.57%	21.52%	21.49%	21.47%	21.47%	21.47%	21.47%		
52	19.69%	19.30%	19.83%	19.50%	20.10%	19.82%	20.53%	20.32%	21.03%	20.94%	21.81%	21.67%	22.65%	22.58%	22.53%	22.47%	22.42%	22.38%	22.36%	22.36%	22.36%	22.36%		
53	19.38%	19.88%	19.53%	20.11%	19.83%	20.49%	20.26%	21.04%	20.87%	21.73%	21.57%	22.51%	22.42%	23.47%	23.43%	23.39%	23.35%	23.32%	23.30%	23.30%	23.30%	23.30%		
54	19.92%	19.56%	20.12%	19.82%	20.45%	20.21%	20.96%	20.77%	21.62%	21.47%	22.38%	22.26%	23.28%	23.22%	24.35%	24.33%	24.31%	24.29%	24.27%	24.27%	24.27%	24.27%		
55	19.58%	20.11%	19.80%	20.41%	20.15%	20.85%	20.67%	21.49%	21.35%	22.24%	22.12%	23.10%	23.02%	24.12%	24.10%	25.29%	25.29%	25.29%	25.29%	25.29%	25.29%	25.29%		
56	20.12%	19.78%	20.36%	20.09%	20.76%	20.55%	21.33%	21.19%	22.08%	21.96%	22.92%	22.83%	23.90%	23.86%	25.04%	25.04%	25.04%	25.04%	25.04%	25.04%	25.04%	25.04%		
57	19.76%	20.32%	20.02%	20.67%	20.44%	21.17%	21.02%	21.88%	21.79%	22.72%	22.63%	23.66%	23.62%	24.77%	24.77%	24.77%	24.77%	24.77%	24.77%	24.77%	24.77%	24.77%		
58	20.26%	19.96%	20.58%	20.32%	21.03%	20.85%	21.67%	21.56%	22.49%	22.42%	23.42%	23.37%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%	24.49%		
59	19.88%	20.47%	20.22%	20.90%	20.68%	21.45%	21.34%	22.23%	22.18%	23.15%	23.12%	24.19%	24.19%	24.19%	24.19%	24.19%	24.19%	24.19%	24.19%	24.19%	24.19%	24.19%		
60	20.34%	20.09%	20.74%	20.53%	21.27%	21.10%	21.96%	21.89%	22.87%	22.83%	23.88%	23.88%	23.88%	23.88%	23.88%	23.88%	23.88%	23.88%	23.88%	23.88%	23.88%	23.88%		
61	20.76%	20.57%	20.35%	21.07%	20.90%	21.71%	21.61%	22.55%	22.53%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%	23.55%		
62	21.14%	20.99%	20.85%	20.68%	21.46%	21.34%	22.24%	22.19%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%	23.21%		
63	21.49%	21.39%	21.29%	21.19%	21.07%	21.92%	21.87%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%	22.85%		
64	21.81%	21.75%	21.70%	21.65%	21.60%	21.53%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%	22.47%		
65	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%	22.08%		
66	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%	21.68%		
67	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%		
68	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%	20.81%		
69	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%	20.36%		
70	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%	19.89%		
71	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%	19.40%		
72	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%	18.90%		
73	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%	18.38%		
74	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%	17.85%		
75	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%	17.31%		
76	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%	16.76%		
77	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%	16.19%		
78	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%		
79	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%	15.02%		
80	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%	14.42%		

### Assumptions:

# Purchase of Service Cost Factor

Tier 2 - 1.5% Benefit Multiplier (Hired on or after September 1, 2004 and before January 1, 2010)

Service at Time of Purchase																								
Age at Purchase	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25			
25	7.25%	7.03%	6.83%																					
26	7.54%	7.31%	7.10%	6.92%																				
27	7.85%	7.61%	7.39%	7.20%	7.03%																			
28	8.16%	7.91%	7.69%	7.49%	7.31%	7.16%																		
29	8.49%	8.24%	8.00%	7.79%	7.61%	7.45%	7.31%																	
30	8.84%	8.57%	8.33%	8.11%	7.92%	7.75%	7.61%	7.49%																
31	9.20%	8.91%	8.66%	8.44%	8.24%	8.06%	7.91%	7.79%	7.69%															
32	9.56%	9.27%	9.01%	8.78%	8.57%	8.39%	8.24%	8.11%	8.00%	7.89%														
33	9.95%	9.65%	9.38%	9.14%	8.92%	8.73%	8.57%	8.43%	8.32%	8.21%	8.12%													
34	10.35%	10.04%	9.76%	9.50%	9.28%	9.08%	8.92%	8.78%	8.66%	8.54%	8.45%	8.37%												
35	10.77%	10.45%	10.15%	9.89%	9.65%	9.45%	9.28%	9.13%	9.01%	8.89%	8.79%	8.71%	8.65%											
36	11.21%	10.87%	10.56%	10.29%	10.04%	9.83%	9.65%	9.50%	9.37%	9.25%	9.15%	9.06%	8.99%	8.95%										
37	11.66%	11.31%	10.99%	10.70%	10.45%	10.23%	10.04%	9.89%	9.75%	9.62%	9.52%	9.43%	9.36%	9.31%	9.27%									
38	12.13%	11.77%	11.43%	11.14%	10.88%	10.64%	10.45%	10.28%	10.15%	10.01%	9.90%	9.81%	9.74%	9.68%	9.65%	9.62%								
39	12.60%	12.23%	11.90%	11.59%	11.32%	11.07%	10.88%	10.70%	10.55%	10.42%	10.31%	10.21%	10.13%	10.07%	10.04%	10.01%	9.98%							
40	13.07%	12.71%	12.37%	12.06%	11.78%	11.52%	11.31%	11.14%	10.98%	10.85%	10.73%	10.62%	10.55%	10.49%	10.44%	10.41%	10.39%	10.37%						
41	12.94%	13.19%	12.85%	12.54%	12.25%	11.99%	11.78%	11.59%	11.43%	11.28%	11.16%	11.05%	10.97%	10.91%	10.87%	10.83%	10.81%	10.79%	11.22%	10.78%				
42	13.42%	13.05%	13.34%	13.03%	12.74%	12.48%	12.25%	12.06%	11.90%	11.75%	11.61%	11.50%	11.42%	11.36%	11.31%	11.27%	11.24%	11.23%	11.22%	11.22%	11.22%			
43	13.26%	13.54%	13.19%	13.52%	13.24%	12.98%	12.75%	12.55%	12.38%	12.22%	12.08%	11.97%	11.88%	11.81%	11.77%	11.73%	11.70%	11.69%	11.67%	11.67%	11.67%	11.67%		
44	13.75%	13.38%	13.69%	13.37%	13.74%	13.48%	13.26%	13.06%	12.88%	12.72%	12.58%	12.46%	12.37%	12.29%	12.25%	12.21%	12.18%	12.16%	12.15%	12.15%	12.15%	12.15%		
45	13.58%	13.87%	13.53%	13.88%	13.59%	14.00%	13.78%	13.58%	13.40%	13.24%	13.09%	12.96%	12.87%	12.80%	12.74%	12.71%	12.68%	12.65%	12.65%	12.65%	12.65%	12.65%		
46	14.05%	13.70%	14.03%	13.72%	14.10%	13.85%	14.30%	14.12%	13.94%	13.78%	13.62%	13.49%	13.40%	13.32%	13.27%	13.22%	13.19%	13.17%	13.16%	13.16%	13.16%	13.16%		
47	13.86%	14.18%	13.85%	14.22%	13.94%	14.36%	14.15%	14.66%	14.49%	14.33%	14.18%	14.05%	13.94%	13.87%	13.81%	13.76%	13.73%	13.71%	13.70%	13.70%	13.70%	13.70%		
48	14.33%	13.99%	14.34%	14.05%	14.45%	14.20%	14.69%	14.50%	15.05%	14.90%	14.75%	14.62%	14.51%	14.44%	14.38%	14.33%	14.30%	14.27%	14.27%	14.27%	14.27%	14.27%		
49	14.12%	14.45%	14.15%	14.54%	14.27%	14.72%	14.51%	15.05%	14.89%	14.73%	15.33%	15.21%	15.11%	15.03%	14.97%	14.92%	14.89%	14.86%	14.85%	14.85%	14.85%	14.85%		
50	14.57%	14.25%	14.63%	14.35%	14.78%	14.54%	15.05%	14.87%	15.45%	15.30%	15.93%	15.81%	15.73%	15.65%	15.59%	15.54%	15.50%	15.47%	15.47%	15.47%	15.47%	15.47%		
51	14.35%	14.70%	14.42%	14.83%	14.59%	15.06%	14.87%	15.43%	15.28%	15.89%	15.76%	16.43%	16.35%	16.28%	16.23%	16.18%	16.14%	16.12%	16.10%	16.10%	16.10%	16.10%		
52	14.77%	14.48%	14.87%	14.63%	15.08%	14.87%	15.40%	15.24%	15.85%	15.71%	16.36%	16.25%	16.99%	16.94%	16.90%	16.85%	16.82%	16.79%	16.77%	16.77%	16.77%	16.77%		
53	14.54%	14.91%	14.65%	15.08%	14.87%	15.37%	15.20%	15.78%	15.65%	16.30%	16.18%	16.88%	16.82%	17.60%	17.57%	17.54%	17.51%	17.49%	17.48%	17.48%	17.48%	17.48%		
54	14.94%	14.67%	15.09%	14.87%	15.34%	15.16%	15.72%	15.58%	16.22%	16.10%	16.79%	16.70%	17.46%	17.42%	18.26%	18.25%	18.23%	18.22%	18.20%	18.20%	18.20%	18.20%		
55	14.69%	15.08%	14.85%	15.31%	15.11%	15.64%	15.50%	16.12%	16.01%	16.68%	16.59%	17.33%	17.27%	18.09%	18.08%	18.97%	18.97%	18.97%	18.97%	18.97%	18.97%	18.97%		
56	15.09%	14.84%	15.27%	15.07%	15.57%	15.41%	16.00%	15.89%	16.56%	16.47%	17.19%	17.12%	17.93%	17.90%	18.78%	18.78%	18.78%	18.78%	18.78%	18.78%	18.78%	18.78%		
57	14.82%	15.24%	15.02%	15.50%	15.33%	15.88%	15.77%	16.41%	16.34%	17.04%	16.97%	17.75%	17.72%	18.58%	18.58%	18.58%	18.58%	18.58%	18.58%	18.58%	18.58%	18.58%		
58	15.20%	14.97%	15.44%	15.24%	15.77%	15.64%	16.25%	16.17%	16.87%	16.82%	17.57%	17.53%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%	18.37%		
59	14.91%	15.35%	15.17%	15.68%	15.51%	16.09%	16.01%	16.67%	16.64%	17.36%	17.34%	18.14%	18.14%	18.14%	18.14%	18.14%	18.14%	18.14%	18.14%	18.14%	18.14%	18.14%		
60	15.26%	15.07%	15.56%	15.40%	15.95%	15.83%	16.47%	16.42%	17.15%	17.12%	17.91%	17.91%	17.91%	17.91%	17.91%	17.91%	17.91%	17.91%	17.91%	17.91%	17.91%	17.91%		
61	15.57%	15.43%	15.26%	15.80%	15.68%	16.28%	16.21%	16.91%	16.90%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%	17.66%		
62	15.86%	15.74%	15.64%	15.51%	16.10%	16.01%	16.68%	16.64%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%	17.41%		
63	16.12%	16.04%	15.97%	15.89%	15.80%	16.44%	16.40%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%	17.14%		
64	16.36%	16.31%	16.28%	16.24%	16.20%	16.15%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%	16.85%		
65	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%	16.56%		
66	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%	16.26%		
67	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%	15.94%		
68	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%	15.61%		
69	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%	15.27%		
70	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%	14.92%		
71	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%	14.55%		
72	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%	14.18%		
73	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%	13.79%		
74	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%	13.39%		
75	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%	12.98%		
76	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%	12.57%		
77	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%	12.14%		
78	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%	11.71%		
79	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%	11.27%		
80	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%	10.82%		

### Assumptions:

- 7.25

# Purchase of Service Cost Factor

Tier 2 - 1.5% Benefit Multiplier (Hired on or after January 1, 2010 and before July 1, 2011)

		Service at Time of Purchase																			
Age at Purchase	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
25	6.90%	7.03%	6.83%																		
26	7.18%	6.96%	6.76%	6.59%																	
27	7.47%	7.24%	7.04%	6.86%	6.69%																
28	7.77%	7.54%	7.32%	7.14%	6.96%	6.81%															
29	8.09%	7.84%	7.62%	7.42%	7.24%	7.09%	6.96%														
30	8.41%	8.16%	7.93%	7.72%	7.54%	7.38%	7.24%	7.13%													
31	8.76%	8.49%	8.25%	8.04%	7.84%	7.68%	7.54%	7.42%	7.32%												
32	9.11%	8.83%	8.58%	8.36%	8.16%	7.99%	7.84%	7.72%	7.61%	7.51%											
33	9.48%	9.19%	8.93%	8.70%	8.49%	8.31%	8.16%	8.03%	7.92%	7.82%	7.74%										
34	9.86%	9.56%	9.29%	9.05%	8.84%	8.65%	8.49%	8.36%	8.24%	8.14%	8.05%	7.97%									
35	10.26%	9.95%	9.66%	9.41%	9.19%	9.00%	8.84%	8.69%	8.58%	8.46%	8.37%	8.29%	8.24%								
36	10.67%	10.35%	10.06%	9.80%	9.56%	9.36%	9.19%	9.04%	8.92%	8.81%	8.71%	8.63%	8.56%	8.52%							
37	11.11%	10.77%	10.46%	10.19%	9.95%	9.74%	9.56%	9.41%	9.29%	9.16%	9.06%	8.98%	8.91%	8.86%	8.83%						
38	11.55%	11.21%	10.89%	10.61%	10.36%	10.14%	9.95%	9.79%	9.66%	9.54%	9.43%	9.34%	9.27%	9.22%	9.19%	9.16%					
39	12.00%	11.65%	11.33%	11.04%	10.78%	10.54%	10.36%	10.19%	10.05%	9.92%	9.81%	9.72%	9.65%	9.59%	9.56%	9.53%	9.51%				
40	12.45%	12.10%	11.78%	11.49%	11.21%	10.97%	10.77%	10.61%	10.46%	10.33%	10.21%	10.11%	10.04%	9.99%	9.94%	9.91%	9.89%	9.87%			
41	12.32%	12.56%	12.24%	11.94%	11.66%	11.42%	11.21%	11.04%	10.89%	10.74%	10.63%	10.52%	10.45%	10.39%	10.35%	10.31%	10.29%	10.27%	10.26%		
42	12.78%	12.43%	12.71%	12.41%	12.13%	11.89%	11.66%	11.49%	11.33%	11.19%	11.06%	10.95%	10.87%	10.81%	10.77%	10.74%	10.71%	10.69%	10.69%	10.69%	
43	12.63%	12.89%	12.56%	12.88%	12.61%	12.36%	12.14%	11.95%	11.79%	11.64%	11.51%	11.40%	11.31%	11.25%	11.21%	11.17%	11.14%	11.13%	11.11%	11.11%	11.11%
44	13.09%	12.74%	13.04%	12.74%	13.09%	12.84%	12.63%	12.44%	12.26%	12.11%	11.98%	11.86%	11.78%	11.71%	11.66%	11.63%	11.60%	11.58%	11.57%	11.57%	11.57%
45	12.93%	13.21%	12.89%	13.21%	12.94%	13.33%	13.12%	12.94%	12.76%	12.61%	12.46%	12.34%	12.26%	12.19%	12.14%	12.10%	12.07%	12.05%	12.04%	12.04%	12.04%
46	13.38%	13.04%	13.36%	13.06%	13.43%	13.19%	13.62%	13.44%	13.28%	13.12%	12.97%	12.85%	12.76%	12.69%	12.64%	12.59%	12.56%	12.54%	12.54%	12.54%	12.54%
47	13.20%	13.50%	13.19%	13.54%	13.27%	13.68%	13.48%	13.96%	13.80%	13.64%	13.51%	13.38%	13.28%	13.21%	13.15%	13.11%	13.08%	13.06%	13.05%	13.05%	13.05%
48	13.64%	13.32%	13.66%	13.38%	13.76%	13.52%	13.99%	13.81%	14.34%	14.19%	14.05%	13.92%	13.82%	13.75%	13.69%	13.65%	13.61%	13.59%	13.59%	13.59%	13.59%
49	13.45%	13.76%	13.48%	13.84%	13.59%	14.02%	13.82%	14.33%	14.18%	14.73%	14.60%	14.49%	14.39%	14.31%	14.26%	14.21%	14.18%	14.15%	14.14%	14.14%	14.14%
50	13.87%	13.57%	13.93%	13.66%	14.07%	13.85%	14.34%	14.16%	14.71%	14.57%	15.17%	15.06%	14.98%	14.91%	14.84%	14.80%	14.76%	14.74%	14.73%	14.73%	14.73%
51	13.66%	14.00%	13.74%	14.12%	13.89%	14.34%	14.16%	14.69%	14.55%	15.13%	15.01%	15.65%	15.57%	15.51%	15.46%	15.41%	15.37%	15.35%	15.34%	15.34%	15.34%
52	14.06%	13.79%	14.16%	13.93%	14.36%	14.16%	14.66%	14.51%	15.09%	14.96%	15.58%	15.48%	16.18%	16.13%	16.09%	16.05%	16.01%	15.99%	15.97%	15.97%	15.97%
53	13.84%	14.20%	13.95%	14.36%	14.16%	14.64%	14.47%	15.03%	14.91%	15.52%	15.41%	16.08%	16.01%	16.76%	16.74%	16.71%	16.68%	16.66%	16.64%	16.64%	16.64%
54	14.23%	13.97%	14.37%	14.16%	14.61%	14.44%	14.97%	14.84%	15.44%	15.34%	15.99%	15.90%	16.63%	16.59%	17.39%	17.38%	17.36%	17.35%	17.34%	17.34%	17.34%
55	13.99%	14.36%	14.14%	14.58%	14.39%	14.89%	14.76%	15.35%	15.25%	15.89%	15.80%	16.50%	16.44%	17.23%	17.21%	18.06%	18.06%	18.06%	18.06%	18.06%	18.06%
56	14.37%	14.13%	14.54%	14.35%	14.83%	14.68%	15.24%	15.14%	15.77%	15.69%	16.37%	16.31%	17.07%	17.04%	17.89%	17.89%	17.89%	17.89%	17.89%	17.89%	17.89%
57	14.11%	14.51%	14.30%	14.76%	14.60%	15.12%	15.01%	15.63%	15.56%	16.23%	16.16%	16.90%	16.87%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%	17.69%
58	14.47%	14.26%	14.70%	14.51%	15.02%	14.89%	15.48%	15.40%	16.06%	16.01%	16.73%	16.69%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%	17.49%
59	14.20%	14.62%	14.44%	14.93%	14.77%	15.32%	15.24%	15.88%	15.84%	16.54%	16.51%	17.28%	17.28%	17.28%	17.28%	17.28%	17.28%	17.28%	17.28%	17.28%	17.28%
60	14.53%	14.35%	14.81%	14.66%	15.19%	15.07%	15.69%	15.64%	16.34%	16.31%	17.06%	17.06%	17.06%	17.06%	17.06%	17.06%	17.06%	17.06%	17.06%	17.06%	17.06%
61	14.83%	14.69%	14.54%	15.05%	14.93%	15.51%	15.44%	16.11%	16.09%	16.82%	16.82%	16.82%	16.82%	16.82%	16.82%	16.82%	16.82%	16.82%	16.82%	16.82%	16.82%
62	15.10%	14.99%	14.89%	14.77%	15.33%	15.24%	15.89%	15.85%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%	16.58%
63	15.35%	15.28%	15.21%	15.14%	15.05%	15.66%	15.62%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%	16.32%
64	15.58%	15.54%	15.50%	15.46%	15.43%	15.38%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%	16.05%
65	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%	15.77%
66	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%	15.49%
67	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%	15.18%
68	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%	14.86%
69	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%	14.54%
70	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%	14.21%
71	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%	13.86%
72	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%	13.50%
73	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%	13.13%
74	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%	12.75%
75	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%	12.36%
76	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%	11.97%
77	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%	11.56%
78	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%	11.15%
79	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%	10.73%
80	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%	10.30%

### Assumptions:

- 7.25% discount rate
- 2018 salary increase assumptions based on service
- Form of benefit is a life annuity
- 1.5% benefit multiplier
- Factor applied to current annual Highest Average Salary (HAS)

### Mortality

50/50 blend of the RP-2014 Combined Mortality Table for males with a multiplier of 110% projected with the Ultimate rates from MP-2018, fully generational from 2014, based on attained age in 2022 and the RP-2014 Combined Mortality Table for females with a multiplier of 105% projected with the Ultimate rates from MP-2018, fully generational from 2014, based on attained age in 2022



# Purchase of Service Cost Factor

## Tier 3 - 1.5% Benefit Multiplier (Hired on or after July 1, 2011)

Service at Time of Purchase																					
Age at Purchase	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
23	516%																				
24	537%	515%																			
25	559%	536%	518%																		
26	581%	558%	539%	524%																	
27	604%	580%	561%	545%	531%																
28	629%	603%	583%	567%	552%	540%															
29	654%	628%	607%	590%	575%	561%	550%														
30	680%	653%	631%	613%	598%	584%	572%	561%													
31	707%	679%	656%	638%	622%	607%	595%	584%	574%												
32	736%	706%	683%	664%	647%	631%	618%	607%	597%	589%											
33	765%	734%	710%	690%	673%	657%	643%	631%	621%	612%	605%										
34	796%	764%	739%	718%	699%	683%	669%	657%	646%	637%	629%	622%									
35	828%	795%	768%	747%	728%	710%	696%	683%	672%	663%	654%	647%	641%								
36	861%	826%	799%	777%	757%	739%	724%	711%	699%	689%	681%	673%	667%	662%							
37	896%	860%	831%	808%	787%	769%	753%	739%	727%	717%	708%	700%	694%	689%	685%						
38	931%	894%	865%	840%	819%	800%	783%	769%	756%	746%	736%	728%	722%	716%	712%	709%					
39	969%	930%	899%	874%	852%	832%	815%	800%	787%	776%	766%	758%	751%	745%	741%	738%	735%				
40	1008%	967%	935%	909%	886%	865%	847%	832%	818%	807%	797%	788%	781%	775%	771%	767%	765%	763%			
41	993%	1006%	973%	946%	921%	900%	881%	865%	851%	839%	829%	820%	812%	806%	802%	798%	796%	794%	793%		
42	1032%	991%	1012%	984%	959%	936%	917%	900%	886%	873%	862%	853%	845%	839%	834%	830%	828%	826%	825%	824%	
43	1016%	1031%	997%	1024%	997%	974%	954%	936%	921%	908%	897%	887%	879%	873%	868%	864%	861%	859%	858%	857%	857%
44	1056%	1014%	1037%	1008%	1037%	1013%	992%	974%	958%	945%	933%	923%	915%	908%	903%	899%	896%	894%	892%	892%	891%
45	1038%	1054%	1020%	1048%	1022%	1054%	1032%	1013%	997%	983%	971%	960%	952%	944%	939%	935%	932%	930%	928%	928%	927%
46	1078%	1036%	1060%	1032%	1063%	1038%	1074%	1054%	1038%	1023%	1010%	999%	990%	983%	977%	973%	970%	967%	966%	965%	965%
47	1058%	1076%	1042%	1072%	1046%	1080%	1058%	1097%	1080%	1064%	1051%	1040%	1030%	1023%	1017%	1012%	1009%	1007%	1005%	1004%	1004%
48	1098%	1057%	1083%	1054%	1087%	1062%	1100%	1081%	1124%	1108%	1094%	1082%	1072%	1064%	1058%	1054%	1050%	1048%	1046%	1045%	1045%
49	1077%	1097%	1063%	1095%	1068%	1105%	1083%	1124%	1107%	1153%	1138%	1126%	1116%	1108%	1101%	1097%	1093%	1090%	1089%	1088%	1087%
50	1116%	1075%	1103%	1075%	1100%	1086%	1126%	1106%	1151%	1136%	1185%	1172%	1162%	1153%	1146%	1141%	1138%	1135%	1133%	1132%	1132%
51	1157%	1115%	1142%	1116%	1090%	1128%	1107%	1150%	1133%	1181%	1167%	1220%	1209%	1200%	1193%	1188%	1184%	1181%	1180%	1179%	1178%
52	1197%	1155%	1182%	1156%	1129%	1168%	1147%	1190%	1173%	1221%	1215%	1202%	1259%	1250%	1242%	1237%	1233%	1230%	1228%	1227%	1227%
53	1236%	1196%	1163%	1135%	1110%	1150%	1129%	1176%	1158%	1209%	1196%	1251%	1240%	1301%	1294%	1288%	1284%	1281%	1279%	1278%	1277%
54	1275%	1235%	1204%	1177%	1151%	1128%	1173%	1154%	1204%	1189%	1244%	1231%	1291%	1282%	1348%	1342%	1337%	1334%	1332%	1331%	1330%
55	1313%	1275%	1244%	1218%	1193%	1170%	1150%	1199%	1183%	1236%	1223%	1281%	1271%	1335%	1328%	1398%	1393%	1390%	1388%	1387%	1386%
56	1351%	1313%	1283%	1259%	1236%	1214%	1194%	1176%	1229%	1214%	1272%	1260%	1323%	1314%	1383%	1377%	1451%	1448%	1446%	1445%	1444%
57	1387%	1350%	1322%	1299%	1277%	1257%	1238%	1220%	1205%	1262%	1249%	1311%	1301%	1368%	1361%	1435%	1430%	1509%	1507%	1505%	1505%
58	1422%	1387%	1360%	1339%	1319%	1299%	1282%	1266%	1251%	1277%	1298%	1287%	1353%	1345%	1417%	1413%	1490%	1487%	1571%	1569%	1568%
59	1454%	1422%	1397%	1378%	1359%	1342%	1326%	1312%	1298%	1285%	1274%	1338%	1329%	1394%	1471%	1468%	1550%	1548%	1636%	1635%	1635%
60	1485%	1455%	1433%	1416%	1399%	1384%	1370%	1357%	1346%	1334%	1323%	1313%	1383%	1375%	1451%	1447%	1529%	1527%	1614%	1613%	1613%
61	1512%	1486%	1467%	1453%	1438%	1425%	1413%	1402%	1392%	1383%	1374%	1365%	1357%	1431%	1426%	1507%	1504%	1591%	1590%	1682%	1682%
62	1536%	1514%	1499%	1487%	1476%	1465%	1456%	1447%	1439%	1432%	1425%	1417%	1411%	1405%	1484%	1482%	1567%	1566%	1658%	1658%	1658%
63	1558%	1539%	1527%	1520%	1512%	1504%	1497%	1491%	1486%	1481%	1476%	1471%	1466%	1461%	1457%	1543%	1541%	1632%	1632%	1632%	1632%
64	1573%	1562%	1554%	1550%	1546%	1542%	1538%	1535%	1532%	1529%	1527%	1524%	1522%	1519%	1517%	1515%	1605%	1605%	1605%	1605%	1605%
65	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%	1577%
66	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%	1548%
67	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%	1518%
68	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%	1487%
69	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%	1454%
70	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%	1421%
71	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%	1386%
72	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%	1350%
73	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%	1313%
74	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%	1275%
75	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%	1237%
76	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%	1197%
77	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%	1156%
78	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%	1115%
79	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%	1073%
80	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%	1030%

### Assumptions:

- 7.25% discount rate
- 2018 salary increase assumptions based on service
- Form of benefit is a life annuity
- 1.5% benefit multiplier
- Factor applied to current annual Highest Average Salary (HAS)

### Mortality

50/50 blend of the RP-2014 Combined Mortality Table for males with a multiplier of 110% projected with the Ultimate rates from MP-2018, fully generational from 2014, based on attained age in 2022 and the RP-2014 Combined Mortality Table for females with a multiplier of 105% projected with the Ultimate rates from MP-2018, fully generational from 2014, based on attained age in 2022

# Service Credit Purchase Forms

Forms in this section are for reference only.  
Visit [DERP.org/Resources](https://DERP.org/Resources) to download.

Visit [DERP.org/Resources](http://DERP.org/Resources) to download the  
Service Credit Purchase Application.



### SERVICE CREDIT PURCHASE APPLICATION

Name: \_\_\_\_\_ DERP ID: \_\_\_\_\_  
*First, Middle Initial, Last*

Address: \_\_\_\_\_ SSN: \_\_\_\_\_  
*Street, City, State, Zip Last 4 Digits*

Primary Phone Number: \_\_\_\_\_ DOB: \_\_\_\_\_

Email Address: \_\_\_\_\_ Gender: M / F

I am a vested member of the Denver Employees Retirement Plan (DERP) and an active employee of the City and County of Denver, DHHA, or other covered employer and elect to purchase service credit as provided in Section 18-415 of the Revised Municipal Code of the City and County of Denver. DERP has provided me the cost to purchase service and I have read the Purchase of Service brochure. By signing this application, I understand:

- Purchasing service is voluntary.
- My request to purchase service must be completed while I am an active employee of the City, DHHA, or other covered employer.
- If my request to purchase service is not completed by my birthday, the cost to purchase service will change and DERP staff will notify me of the new cost.
- DERP will credit my account with the applicable service once full payment and all required documents have been received by DERP.
- Purchasing service is irrevocable and non-refundable.
- The purchased service will be used in the calculation of my monthly retirement.
- The service I purchase cannot be used to meet the Rule-of-75 or Rule-of-85 sooner.
- The service I purchase will not be used in the calculation of the Insurance Premium Reduction benefit.

I am purchasing \_\_\_\_\_ month(s) of service.

- I elect to purchase service in a cash payment.
- I elect to purchase service via a direct transfer from a qualified retirement plan.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

TEL (303) 839-5418 FAX (303) 839-9525 777 Pearl St. Denver, CO 80203 DERP.org MyDERP.org

Visit [DERP.org/Resources](http://DERP.org/Resources) to download the  
Service Credit Purchase Direct Transfer Certification.



**SERVICE CREDIT PURCHASE  
DIRECT TRANSFER CERTIFICATION**

**MEMBER SECTION:**

Name: \_\_\_\_\_ DERP ID: \_\_\_\_\_  
*First, Middle Initial, Last*

Address: \_\_\_\_\_ SSN: \_\_\_\_\_  
*Street, City, State, Zip Last 4 Digits*

Primary Phone Number: \_\_\_\_\_ DOB: \_\_\_\_\_

Email Address: \_\_\_\_\_ Gender: M / F

Name of Qualified Retirement Plan: \_\_\_\_\_ Amount: \_\_\_\_\_

**DERP CERTIFICATION:**

The member listed above is eligible to purchase service with the Denver Employees Retirement Plan (DERP). The member has requested to purchase \_\_\_\_\_ months of service at a total cost of \$ \_\_\_\_\_. This cost is good through \_\_\_\_\_. DERP will accept a direct transfer of funds from \_\_\_\_\_ provided the monies are coming from a qualified retirement account as per the Internal Revenue Service.

DERP Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**CERTIFICATION OF CURRENT CUSTODIAN:**

The member listed above is requesting that DERP, a governmental defined benefit plan governed under Section 401(a) of the Internal Revenue Code, accept a direct transfer from your plan. In order to accept the direct transfer funds, DERP requires verification that your plan is a qualified retirement plan under the Internal Revenue Code. Please complete the section below and return the form directly to DERP.

Qualified under IRC Section: \_\_\_\_\_ Name of Plan: \_\_\_\_\_

I certify that I am the plan administrator, trustee, custodian, or issuer of the contract with respect to the qualified plan or individual retirement account named above.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

DERP is not able to accept and deposit transferred funds until this completed form is received. The member is advised to seek professional tax advice prior to requesting a direct transfer.



Visit [DERP.org/Resources](http://DERP.org/Resources) to download the  
Service Credit Purchase Prior-Governmental Employment Verification.



**SERVICE CREDIT PURCHASE  
PRIOR-GOVERNMENTAL EMPLOYMENT VERIFICATION**

Name: \_\_\_\_\_ First, Middle Initial, Last      DERP ID: \_\_\_\_\_  
Address: \_\_\_\_\_ Street, City, State, Zip      SSN: \_\_\_\_\_ Last 4 Digits  
Primary Phone Number: \_\_\_\_\_      DOB: \_\_\_\_\_  
Email Address: \_\_\_\_\_      Gender: M / F

**Employment History (To be completed by the former employer)**

The member listed above is interested in purchasing prior-governmental service with Denver Employees Retirement Plan (DERP) based on his/her former employment with your organization. To verify employment, please complete the information below and return the form to the address listed above. If a retirement program existed for this employment, please have the form completed by the appropriate retirement organization.

Employer Name: \_\_\_\_\_

Employer Address: \_\_\_\_\_

Former Employee was employed from \_\_\_\_\_ to \_\_\_\_\_  
(MM/DD/YYYY) (MM/DD/YYYY)

Was a retirement program (other than Social Security) in effect for this employee?  Yes  No

If yes, provide the name of the retirement program:

\_\_\_\_\_

Is the former employee vested or eligible to receive any retirement benefits from this program?

Yes  No

I certify that the above statements are correct according to our records.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

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FAX (303) 839-9525      Denver, CO 80203      DERP.org      MyDERP.org

Visit [DERP.org/Resources](http://DERP.org/Resources) to download the  
Service Credit Purchase Non-Governmental Affidavit.



**SERVICE CREDIT PURCHASE  
NON-GOVERNMENTAL AFFIDAVIT**

Name: \_\_\_\_\_ First, Middle Initial, Last      DERP ID: \_\_\_\_\_  
Address: \_\_\_\_\_ Street, City, State, Zip      SSN: \_\_\_\_\_ Last 4 Digits  
Primary Phone Number: \_\_\_\_\_      DOB: \_\_\_\_\_  
Email Address: \_\_\_\_\_      Gender:    M / F

I am a vested member of the Denver Employees Retirement Plan (DERP) and an active employee of the City and County of Denver, DHHA, or other covered employer. It is my intention to purchase \_\_\_\_\_ months of non-governmental service. I understand the maximum amount of non-governmental service I am allowed to purchase is sixty (60) months. By signing this affidavit, I hereby swear and affirm that the non-governmental service I am purchasing is for service for which I am not and will not be entitled to a pension or retirement benefit from any other employer or pension plan.

I declare under penalty of perjury of the laws of the United States of America and the State of Colorado that the foregoing is true and correct.

Signature: \_\_\_\_\_      Date: \_\_\_\_\_

**Disclaimer**

Your Guide to Service Credit Purchase is intended primarily for the members of the Denver Employees Retirement Plan (DERP) to provide a general overview. It is for informational and educational purposes only. Although efforts are made to ensure the accuracy and timeliness of the information, it is for general information only. If you have questions, you are encouraged to contact a DERP for specific information regarding your DERP Pension Benefit.

DERP and its administration of the DERP Pension Benefit is governed by the Revised Municipal Code of the City and County of Denver, as well as the Internal Revenue Code and its rules and regulations, which are complex and subject to change. Though the information contained in this guide is based on the pertinent laws in effect as of this date, it cannot be relied upon as legal authority, and any conflict or inconsistencies between it and the governing laws are resolved and controlled by those governing laws. DERP makes no guarantees pertaining to the information contained within it.

DERP suggests you consult with an attorney and/or a tax advisor if you have any specific legal or tax question concerning the information provided in this handbook. In all cases, the provisions of the governing laws, rules, and regulations will prevail.



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**DERP.org**  
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