

Educational Event Agenda

~ Service Purchases ~

Police Officers Retirement System (PORS)	
Date	May 7, 2024
Time	10:00am – 12:00pm
Location	Public Safety HQ (rooms 2105 & 2107) 12099 Government Center Pkwy, Fairfax, VA 22035
Virtual Option	Call-in: 1 (571) 429-5982 Conference ID: 96800717#

Background

Throughout 2023, representatives from the Police Benevolent Association (PBA) and Fairfax County negotiated an initial collective bargaining agreement (CBA). The CBA contained a provision allowing active members of the Police Officers Retirement System (PORS) to purchase law enforcement or active-duty military service.

Prior to formal approval of the CBA by the Fairfax County Board of Supervisors (December 5, 2023), the Fairfax County Retirement Systems (FCRS) contacted Cheiron (FCRS’s actuary) to determine the actuarial cost to members looking to purchase the applicable service credit. According to the CBA, “Regardless of the method of payment, the member shall be responsible for paying the full costs of the service credits, including any increase in cost due to the timing of payments.”

An actuarial tool (i.e., Service Purchase Calculator) was created and thoroughly tested to ensure accurate calculation of the cost for purchasing service credit. Subsequently, tables reflecting **Service Purchase Cost Estimates** (see page 3) were compiled by FCRS and shared via memorandum to PORS representatives (e.g., Board of Trustee member(s)) for distribution to employees of the retirement system.

Agenda Outline

10:00am – 10:10am

Welcome and Opening Statement

Brad Baker, Deputy Director (FCRS)

10:10am – 10:40am

Calculating the Cost of a Service Purchase

Coralie Taylor, Consulting Actuary (Cheiron)

Fiona Liston, Consulting Actuary (Cheiron)

10:40am – 11:10am

1st Q&A Session

11:10am – 11:20am

Requesting a Service Purchase Statement

Larry Little, Senior Retirement Analyst (FCRS)

11:20am – 11:30am

Processing a Service Purchase

Stephanie Davis, Retirement Analyst (FCRS)

11:30am – 12:00pm

2nd Q&A Session

12:00pm – End of Educational Event

Service Purchase Cost Estimates

The tables below provide estimated costs to purchase a maximum of four (4) years of service, based primarily on a member’s salary, age, years of current service, and other assumptions, effective July 1, 2024.

PORS - Plans A & B						
(cost to purchase 4 years of service for a member who joined at age 25)						
2024 Salary	Years of Service Already Earned					
	0	5	10	15	20	25
\$75,000	\$ 75,600	\$ 93,900	\$ 116,800	\$ 145,400	\$ 181,000	\$ 142,700
\$100,000	\$ 100,800	\$ 125,200	\$ 155,800	\$ 193,900	\$ 241,400	\$ 190,300
\$125,000	\$ 125,900	\$ 156,500	\$ 194,700	\$ 242,300	\$ 301,700	\$ 237,800
\$150,000	\$ 151,100	\$ 187,800	\$ 233,600	\$ 290,800	\$ 362,000	\$ 285,400
\$175,000	\$ 176,300	\$ 219,100	\$ 272,500	\$ 339,200	\$ 422,300	\$ 332,900
\$200,000	\$ 201,500	\$ 250,400	\$ 311,500	\$ 387,700	\$ 482,700	\$ 380,500

PORS - Plan C						
(cost to purchase 4 years of service for a member who joined at age 25)						
2024 Salary	Years of Service Already Earned					
	0	5	10	15	20	25
\$75,000	\$ 73,400	\$ 91,200	\$ 113,400	\$ 141,200	\$ 175,800	\$ 138,500
\$100,000	\$ 97,800	\$ 121,600	\$ 151,200	\$ 188,200	\$ 234,300	\$ 184,700
\$125,000	\$ 122,300	\$ 152,000	\$ 189,000	\$ 235,300	\$ 292,900	\$ 230,900
\$150,000	\$ 146,700	\$ 182,300	\$ 226,800	\$ 282,300	\$ 351,500	\$ 277,000
\$175,000	\$ 171,100	\$ 212,700	\$ 264,600	\$ 329,300	\$ 410,000	\$ 323,200
\$200,000	\$ 195,600	\$ 243,100	\$ 302,400	\$ 376,400	\$ 468,600	\$ 369,400