

Plan Comparisons

The key attributes of the Hybrid Plan and VRS Plan 2 are:

<u>Attribute</u>	<u>VRS Plan 2</u>	<u>HYBRID</u>
Defined benefit multiplier	1.65%	1.0%
Defined contribution component	No	Yes
Required employee contributions	5% (hired after 7/1/2010)	5%
Optional employee contributions	None	Up to 4% of salary
Employer match to optional employee contributions	No	Yes

Note: There are significant differences between a defined benefit and a defined contribution plan. Those differences are not debated here. The retirement age is the focus.

A high level comparison of VRS Plan 1 and VRS Plan 2 follows:

	<u>VRS Plan 1</u>	<u>VRS Plan 2</u>
Retirement Eligibility	Age 50 & 30 Years of service Age 65 with 5 years of service	Rule of 90, or Social Security Age and 5 years of service
Benefit multiplier	1.7%	1.65%
Average Final Salary	36 months	60 months
Cost of Living	CPI up to 3% then ½ of CPI up to a maximum of 5%	CPI up to 2% then ½ of CPI up to a maximum of 3%
Early Retirement (reduced)	Age 50 with 10 years of service or Age 55 with 5 years of service	Age 60 with 5 years of