CORRECTIONS OFFICER RETIREMENT PLAN

Matrix of Plan Provisions (updated 06/2025)

	Tier 1	Tier 2	Tier 3
Hire Date	Before January 1, 2012	On or after January 1, 2012	On or after July 1, 2018
Plan Type	Defined Benefit (DB) Plan	Defined Benefit (DB) Plan	Defined Contribution (DC) Plan for Correction and Detention. AOC Probation/ Surveillance will elect either the DB or DC Plan
Determination	Automatic		Correction and Detention hired on/after 9/1/2019 will pay into the DC Plan after 90 days. AOC Probation/Surveillance have 90 days to make Plan election; default to DB Plan
Employee Contribution Rate	Members: 7.65% - 8.41%* Dispatchers: 7.96%	Members: 7.65% - 8.41%*	**DB**: 66.7% of normal cost plus 50% of Tier 3 unfunded amortization cost **DC**: 7% default, but can elect a rate as low as 5% and as high as the IRS limit plus disability cost.
	*Dependent on employer funding level		
Employer Contribution Rate	Based on individual actuarial valuation	Based on individual actuarial valuation	**DB**: 33.3% of normal cost plus 50% of Tier 3 unfunded amtz. cost (plus Tier 1,2 legacy cost) **DC**: 5% and disability cost (plus Tier 1,2 legacy cost)
Pensionable Salary Cap	As set by Internal Revenue Code		$83,435 (adjusted by custom index every three fiscal years)
Inter-System Transfers	Total liability stays with previous employer (as of May 2017)		
Average Salary	High 3 in past 10 years	High 5 in past 10 years	DB Plan members High 5 in past 10 years
Normal Retirement (age and service)	20 years of service (25 for dispatchers); 80 points; 10 years of service; age 62	10 years of service; age 62 25 years of service; age 52.5 (need not be mutually attained)	DB Plan members 10 years of service; age 55 (need not be mutually attained; actuarially reduced at 52.5)
Disability and Survivor Benefits	Three types of disability (Accidental, Ordinary and Total & Permanent) and survivor benefits are available. Surviving spouses receive 40% of the member's average monthly salary wages (active members) or 80% of gross pension (retired members). If the member is killed in the line of duty, the spouse receives 100% of the member's average monthly pensionable wages.		**DB**: Same as Tiers 1 & 2 **DC**: No Ordinary disability. Accidental and Total & Perm disability benefits are calculated in conjunction with their DC fund. Survivor benefits are available for line of duty deaths.
Multipliers	50% plus 2% for years >20 and <25; 2.5% for years >25 or 80 points (hired on or after 8/9/01) 2.5% for years <20 plus 2% for years >20 or 2.5% for years >25 (max 80%) or 80 points (hired prior to 8/9/01) 2.5% (max 75%); or Age 62: 2.5% (max 80%)	2.5% per year of service (max of 80%)	DB Plan members Age 55: 10 to <15 years: 1.25% 15 to <20 years: 1.50% 20 to <22 years: 1.75% 22 to <25 years: 2.00% 25+ years: 2.25% (max of 80%)
Deferred Annuity	Age 62 and at least 10 years	Not Available	
Benefit Increases Cost of living adjustment based on U.S. Bureau of Labor Statistics metro Phoenix-Mesa data.	Up to 2%. No funding requirement. No waiting period; prorated in first year of retirement.		DB Plan members up to 2%. Payable after 7 years or age 60 70% to <80% funded: 1.0% cap 80% to <90% funded: 1.5% cap 90% or more funded: 2.0% cap
Smoothing Period	Determined by Board (currently 7 years)		Not more than 5 years
Amortization Period	Closed. Not more than 20 years, although employers have one-time option to extend amortization period up to 30 years		Layered. Not more than 10 years
Unfunded Liability (Legacy Cost)	Applied to Tiers 1, 2 and 3 (DB and DC) payrolls		Applied to Tier 3 DB payroll only
Reverse DROP	Must have 24 years of service (25 for dispatchers)		**DB:** Same as Tiers 1 & 2 **DC:** Not available