The following steps show how we calculate a service retirement benefit for a general employee or law enforcement officer retiring at age 60 with 32 years of creditable service.

Your Employee

example

Step 1

Add the salary during employee's 4 highest-paid years (48 months)

	Your Employee	example
Year 1	$	$40,209
Year 2	$	$40,709
Year 3	$	$41,709
Year 4	$	$42,209
Total	$	$164,836

Then, divide the total by 4 to get the average final compensation

divide by 4 | / 4

Average Final Compensation | $ | **$41,209**

Step 2

Multiply Step 1 by .0182 to apply the retirement formula*

	Your Employee	example
Step 1	$	$41,209
	x .0182	x .0182
Total	$	**$750.00**

Step 3

Determine creditable service

32 years

Step 4

Calculate the annual benefit* by multiplying Step 2 by Step 3

	Your Employee	example
Step 2	$	$750.00
Step 3	x	x 32
Total Annual Benefit	$	**$24,000.00**

Step 5

Calculate the monthly benefit* by dividing Step 4 by 12

	Your Employee	example
Step 4	$	$24,000.00
	divide by 12	/ 12
Total Monthly Benefit	$	**$2,000.00**

(This is an estimate of the payment you will receive each month before taxes or any other deductions.)

*Remember, if the employee retires early or chooses for payments to continue to a beneficiary after death, these numbers will change.