

CITY OF SAN JOSÉ
FEDERATED CITY EMPLOYEES' RETIREMENT SYSTEM
SUMMARY OF DISABILITY RETIREMENT PENSION BENEFITS

Type	Tier	Minimum Service	Minimum Pension Benefit	Additional Pension Benefit	Tax Treatment
Service Connected Disability	Tier 1 & Tier 1 Classic <i>(hired before 9/30/12)</i>	None	<ul style="list-style-type: none"> • 40% of Final Comp. • Not based on years of service. • Equivalent to 16 years of service. 	2.5% x Years of Service in Excess of 16 (max 75%).	Minimum benefit is tax-exempt. Additional benefit is taxable.
	Tier 2A <i>(hired 9/30/12-9/27/13)</i>		<ul style="list-style-type: none"> • 40% of Final Comp. • Not based on years of service. • Equivalent to 20 years of service. 	2.0% x Years of Service in Excess of 20 (max 70%).	
	Tier 2B <i>(hired after 9/27/13)</i>		<ul style="list-style-type: none"> • 40% of Final Comp. • Not based on years of service. • Equivalent to 20 years of service. 	2.0% x Years of Service in Excess of 20 (max 70%).	
Non-Service Connected Disability	Tier 1 & Tier 1 Classic <i>(hired before 9/1/98)</i>	5 Years	<ul style="list-style-type: none"> • 40% of Final Comp. • Not based on years of service. • Equivalent to 16 years of service. 	<ul style="list-style-type: none"> • 2.5% x Years of Service in Excess of 16 (max 75%). • Reduced 0.5% for each year under age 55. 	No tax exemption. Benefit is fully taxable.
	Tier 1 & Tier 1 Classic <i>(hired 9/1/98-9/30/12)</i>		<ul style="list-style-type: none"> • 20% of Final Comp. • Not based on years of service. • Equivalent to 10 years of service. 	<ul style="list-style-type: none"> • 2.0% x Years of Service for Each Year Over 6 but less than 16. • 2.5% for Each Year in Excess of 16 (max 75%). 	
	Tier 2 <i>(hired after 9/30/12)</i>		<ul style="list-style-type: none"> • 20% of Final Comp. • Not based on years of service. • Equivalent to 10 years of service. 	2.0% x Years of Service in Excess of 10 (max 70%)	