

# FPPA Statewide Defined Benefit Plan

## Benefit Options

Fire  
and  
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When you retire you will choose one of the following benefit options for the payment of your pension.

### *Normal Option*

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You receive a full, unreduced pension benefit for life. Upon your death, no benefits are payable to a beneficiary. However, if you die before all member contributions have been paid out in retirement, any member contributions still remaining in the plan, plus 5 percent as interest, will be paid out to your estate

**OR**

### *Options 1 through 5* - listed on the following pages

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If you would like to provide benefits for a beneficiary with your pension benefit, you have five options to choose from. If you choose one of the following options to cover a beneficiary, your Normal pension benefit will be reduced. For the following options that allow coverage for a beneficiary, your benefits are calculated according to actuarial assumptions adopted by the FPPA Board, which take into account your life expectancy and that of your beneficiary.

The benefits are reduced to extend them over your life and that of your beneficiary. But, benefits are calculated so that, on average, you and your beneficiary will receive benefits during your combined lifetimes, which are equal to that amount you would have received had you elected the Normal Option.

**Each of the benefit options that provide survivor benefits (Options 1-5) are discussed on the following pages. The examples given are based on the following member information:**

- *A member is age 55.*
- *The designated beneficiary is age 53.*
- *The member has completed 25 years of service credit.*
- *The average highest three years' base salary is \$50,000.00 per year.*

Please note that all examples given below are presented only to illustrate how pension benefits are calculated under each option. If any of the individual variables given above were to change, so would the benefits paid under each option.

Following is an explanation of each pension option and a table to **estimate** the benefit amount payable to you and your beneficiary.

# FPPA Statewide Defined Benefit Plan

## Benefit Options *Option 1 of 5*

### Option 1 – 100% Survivor Benefits

Under **Option 1**, a reduced normal, deferred, early or vested retirement pension will be paid to you from the effective date of your retirement. Your pension continues for your life. Upon your death, the same reduced pension will be paid to your beneficiary for life.

The table below can be used to **estimate** the benefit amount you would receive if you elect **Option 1** at retirement.

### Option 1 - Factors Statewide Defined Benefit Plan

		Age of Retiree										
		55	56	57	58	59	60	61	62	63	64	65
Age of Beneficiary	45	0.801	0.787	0.773	0.759	0.744	0.728	0.712	0.696	0.680	0.663	0.646
	46	0.806	0.792	0.778	0.764	0.749	0.733	0.718	0.701	0.685	0.668	0.651
	47	0.811	0.797	0.784	0.769	0.754	0.739	0.723	0.707	0.690	0.673	0.656
	48	0.816	0.803	0.789	0.775	0.760	0.744	0.729	0.712	0.696	0.679	0.662
	49	0.822	0.808	0.795	0.780	0.766	0.750	0.735	0.718	0.702	0.685	0.668
	50	0.827	0.814	0.801	0.786	0.772	0.756	0.741	0.724	0.708	0.691	0.674
	51	0.833	0.820	0.806	0.792	0.778	0.763	0.747	0.731	0.714	0.697	0.680
	52	0.839	0.826	0.813	0.799	0.784	0.769	0.753	0.737	0.721	0.704	0.687
	53	0.844	0.832	0.819	0.805	0.791	0.776	0.760	0.744	0.728	0.711	0.694
	54	0.850	0.838	0.825	0.811	0.797	0.782	0.767	0.751	0.735	0.718	0.701
	55	0.856	0.844	0.832	0.818	0.804	0.789	0.774	0.758	0.742	0.725	0.708
56	0.862	0.851	0.838	0.825	0.811	0.796	0.781	0.766	0.750	0.733	0.716	
57	0.869	0.857	0.845	0.832	0.818	0.804	0.789	0.773	0.757	0.741	0.724	
58	0.875	0.863	0.851	0.839	0.825	0.811	0.796	0.781	0.765	0.749	0.732	
59	0.881	0.870	0.858	0.845	0.832	0.819	0.804	0.789	0.773	0.757	0.741	
60	0.887	0.876	0.865	0.852	0.840	0.826	0.812	0.797	0.782	0.766	0.749	
61	0.893	0.882	0.871	0.859	0.847	0.834	0.820	0.805	0.790	0.774	0.758	
62	0.898	0.888	0.878	0.866	0.854	0.841	0.828	0.813	0.798	0.783	0.767	
63	0.904	0.895	0.884	0.873	0.861	0.849	0.835	0.821	0.807	0.792	0.776	
64	0.910	0.901	0.891	0.880	0.868	0.856	0.843	0.830	0.815	0.800	0.785	
65	0.915	0.906	0.897	0.887	0.876	0.864	0.851	0.838	0.824	0.809	0.794	

**Option 1 Example Note:** The table above shows some of the factors used to calculate the option. The factors shown are rounded off. When implementing the calculation, the retirement age is rounded up or down to the nearest whole age. Tables may be revised periodically. Your benefit will be determined by the exact tables in effect at the time you elect your payment option.

The following example is based on these assumptions:

- A member is age 55.
- The designated beneficiary is age 53.
- The member has completed 25 years of service credit.
- The average highest three years' base salary is \$50,000.00 per year.

**Example of Option 1:**

- $\$50,000.00 \times 57.5\% = \$28,750.00$  annually;
- $\$28,750.00 \times .844 = \$24,265.00$  or  $\$2,022.08$  monthly

# FPPA Statewide Defined Benefit Plan

## Benefit Options *Option 2 of 5*

### Option 2 – 50% Survivor Benefits

Under **Option 2**, a reduced normal, deferred, early or vested retirement pension will be paid to you from the effective date of your retirement until you die. Upon your death, one-half of the same reduced pension will be paid to your beneficiary for life.

The table below can be used to **estimate** the benefit amount you would receive if you elect **Option 2** at retirement.

### Option 2 - Factors Statewide Defined Benefit Plan

		Age of Retiree										
		55	56	57	58	59	60	61	62	63	64	65
Age of Beneficiary	45	0.889	0.881	0.872	0.863	0.853	0.843	0.832	0.821	0.809	0.797	0.785
	46	0.892	0.884	0.875	0.866	0.856	0.846	0.836	0.824	0.813	0.801	0.789
	47	0.896	0.887	0.879	0.869	0.860	0.850	0.839	0.828	0.817	0.805	0.793
	48	0.899	0.891	0.882	0.873	0.864	0.854	0.843	0.832	0.821	0.809	0.797
	49	0.902	0.894	0.886	0.877	0.867	0.857	0.847	0.836	0.825	0.813	0.801
	50	0.905	0.898	0.889	0.880	0.871	0.861	0.851	0.840	0.829	0.817	0.805
	51	0.909	0.901	0.893	0.884	0.875	0.865	0.855	0.844	0.833	0.822	0.810
	52	0.912	0.905	0.897	0.888	0.879	0.869	0.859	0.849	0.838	0.826	0.814
	53	0.916	0.908	0.900	0.892	0.883	0.874	0.864	0.853	0.842	0.831	0.819
	54	0.919	0.912	0.904	0.896	0.887	0.878	0.868	0.858	0.847	0.836	0.824
	55	0.923	0.916	0.908	0.900	0.891	0.882	0.873	0.863	0.852	0.841	0.829
56	0.926	0.919	0.912	0.904	0.896	0.887	0.877	0.867	0.857	0.846	0.835	
57	0.930	0.923	0.916	0.908	0.900	0.891	0.882	0.872	0.862	0.851	0.840	
58	0.933	0.927	0.920	0.912	0.904	0.896	0.887	0.877	0.867	0.856	0.845	
59	0.937	0.930	0.924	0.916	0.909	0.900	0.891	0.882	0.872	0.862	0.851	
60	0.940	0.934	0.927	0.920	0.913	0.905	0.896	0.887	0.877	0.867	0.857	
61	0.943	0.937	0.931	0.924	0.917	0.909	0.901	0.892	0.883	0.873	0.862	
62	0.946	0.941	0.935	0.928	0.921	0.914	0.906	0.897	0.888	0.878	0.868	
63	0.950	0.944	0.939	0.932	0.925	0.918	0.910	0.902	0.893	0.884	0.874	
64	0.953	0.948	0.942	0.936	0.930	0.923	0.915	0.907	0.898	0.889	0.879	
65	0.956	0.951	0.946	0.940	0.934	0.927	0.920	0.912	0.903	0.895	0.885	

**Option 2 Example Note:** The table above shows some of the factors used to calculate the option. The factors shown are rounded off. When implementing the calculation, the retirement age is rounded up or down to the nearest whole age. Tables may be revised periodically. Your benefit will be determined by the exact tables in effect at the time you elect your payment option.

#### The following example is based on these assumptions:

- A member is age 55.
- The designated beneficiary is age 53.
- The member has completed 25 years of service credit.
- The average highest three years' base salary is \$50,000.00 per year.

#### Example of Option 2:

- $\$50,000.00 \times 57.5\% = \$28,750.00$  annually;
- $\$28,750.00 \times .916 = \$26,335.00$  or  $\$2,194.58$  monthly

# FPPA Statewide Defined Benefit Plan

## Benefit Options *Option 3 of 5*

### Option 3 – 50% Last Survivor Benefits

Under **Option 3**, a reduced normal, deferred, early or vested retirement pension will be shared by you and your beneficiary. Upon your death or the death of your beneficiary, one-half of the same reduced pension will be paid to the survivor for life.

The table below can be used to **estimate** the benefit amount you would receive if you elect **Option 3** at retirement.

### Option 3 - Factors Statewide Defined Benefit Plan

		Age of Retiree										
		55	56	57	58	59	60	61	62	63	64	65
Age of Beneficiary	45	0.902	0.893	0.883	0.873	0.862	0.851	0.840	0.828	0.816	0.804	0.791
	46	0.907	0.898	0.888	0.878	0.867	0.856	0.845	0.833	0.821	0.808	0.795
	47	0.912	0.902	0.893	0.882	0.872	0.861	0.849	0.837	0.825	0.813	0.800
	48	0.917	0.908	0.898	0.887	0.877	0.866	0.854	0.842	0.830	0.818	0.805
	49	0.922	0.913	0.903	0.893	0.882	0.871	0.860	0.848	0.835	0.823	0.810
	50	0.928	0.919	0.909	0.898	0.888	0.877	0.865	0.853	0.841	0.828	0.815
	51	0.934	0.924	0.915	0.904	0.894	0.883	0.871	0.859	0.847	0.834	0.821
	52	0.940	0.931	0.921	0.911	0.900	0.889	0.877	0.865	0.853	0.840	0.827
	53	0.947	0.937	0.928	0.917	0.907	0.895	0.884	0.872	0.860	0.847	0.834
	54	0.954	0.944	0.934	0.924	0.914	0.902	0.891	0.879	0.866	0.854	0.841
	55	0.961	0.952	0.942	0.932	0.921	0.910	0.898	0.886	0.874	0.861	0.848
56	0.969	0.959	0.950	0.939	0.929	0.917	0.906	0.894	0.881	0.869	0.855	
57	0.977	0.968	0.958	0.947	0.937	0.926	0.914	0.902	0.889	0.877	0.863	
58	0.986	0.976	0.966	0.956	0.945	0.934	0.922	0.910	0.898	0.885	0.872	
59	0.995	0.985	0.975	0.965	0.954	0.943	0.931	0.919	0.907	0.894	0.881	
60	1.004	0.994	0.985	0.974	0.963	0.952	0.941	0.929	0.916	0.903	0.890	
61	1.014	1.004	0.994	0.984	0.973	0.962	0.950	0.938	0.926	0.913	0.899	
62	1.024	1.014	1.004	0.994	0.983	0.972	0.960	0.948	0.936	0.923	0.909	
63	1.034	1.025	1.015	1.005	0.994	0.983	0.971	0.959	0.946	0.933	0.920	
64	1.045	1.036	1.026	1.016	1.005	0.994	0.982	0.970	0.957	0.944	0.931	
65	1.057	1.047	1.037	1.027	1.016	1.005	0.993	0.981	0.969	0.956	0.942	

**Option 3 Example Note:** The table above shows some of the factors used to calculate the option. The factors shown are rounded off. When implementing the calculation, the retirement age is rounded up or down to the nearest whole age. Tables may be revised periodically. Your benefit will be determined by the exact tables in effect at the time you elect your payment option.

The following example is based on these assumptions:

- A member is age 55.
- The designated beneficiary is age 53.
- The member has completed 25 years of service credit.
- The average highest three years' base salary is \$50,000.00 per year.

**Example of Option 3:**

- $\$50,000.00 \times 57.5\% = \$28,750.00$  annually;
- $\$28,750.00 \times .947 = \$27,226.25$  or  $\$2,268.85$  monthly

# FPPA Statewide Defined Benefit Plan

## Benefit Options *Option 4 of 5*

### Option 4 – 100% Survivor Benefits with the “Pop-Up” Provision

Under **Option 4**, a reduced normal, deferred, early or vested retirement pension will be paid to you from the effective date of your retirement. Your pension continues for your life. Upon your death, the same reduced pension will be paid to your beneficiary for life. However, if your beneficiary predeceases you, the reduced pension benefit “pops-up” or reverts to the Normal Option effective with the first day of the month following the date of the death of your beneficiary.

The table below can be used to **estimate** the benefit amount you would receive if you elect **Option 4** at retirement.

### Option 4 - Factors Statewide Defined Benefit Plan

		Age of Retiree										
		55	56	57	58	59	60	61	62	63	64	65
Age of Beneficiary	45	0.795	0.782	0.768	0.753	0.738	0.723	0.707	0.691	0.675	0.659	0.642
	46	0.800	0.786	0.773	0.758	0.743	0.728	0.712	0.696	0.680	0.663	0.647
	47	0.805	0.791	0.777	0.763	0.748	0.733	0.717	0.701	0.685	0.668	0.651
	48	0.809	0.796	0.782	0.768	0.753	0.738	0.722	0.706	0.690	0.673	0.656
	49	0.814	0.801	0.787	0.773	0.758	0.743	0.728	0.711	0.695	0.679	0.662
	50	0.819	0.806	0.792	0.778	0.764	0.749	0.733	0.717	0.701	0.684	0.667
	51	0.824	0.811	0.798	0.784	0.769	0.754	0.739	0.723	0.706	0.690	0.673
	52	0.829	0.817	0.803	0.789	0.775	0.760	0.744	0.728	0.712	0.695	0.679
	53	0.834	0.822	0.809	0.795	0.780	0.765	0.750	0.734	0.718	0.701	0.685
	54	0.840	0.827	0.814	0.800	0.786	0.771	0.756	0.740	0.724	0.708	0.691
	55	0.845	0.833	0.820	0.806	0.792	0.777	0.762	0.747	0.730	0.714	0.697
56	0.850	0.838	0.825	0.812	0.798	0.783	0.768	0.753	0.737	0.720	0.704	
57	0.855	0.844	0.831	0.818	0.804	0.790	0.775	0.759	0.743	0.727	0.710	
58	0.861	0.849	0.837	0.824	0.810	0.796	0.781	0.766	0.750	0.734	0.717	
59	0.866	0.854	0.842	0.830	0.816	0.802	0.788	0.773	0.757	0.741	0.724	
60	0.871	0.860	0.848	0.836	0.822	0.809	0.794	0.779	0.764	0.748	0.732	
61	0.876	0.865	0.854	0.841	0.829	0.815	0.801	0.786	0.771	0.755	0.739	
62	0.881	0.871	0.859	0.847	0.835	0.821	0.808	0.793	0.778	0.762	0.746	
63	0.886	0.876	0.865	0.853	0.841	0.828	0.814	0.800	0.785	0.770	0.754	
64	0.891	0.881	0.871	0.859	0.847	0.834	0.821	0.807	0.792	0.777	0.761	
65	0.896	0.887	0.876	0.865	0.853	0.841	0.828	0.814	0.799	0.784	0.769	

**Option 4 Example Note:** The table above shows some of the factors used to calculate the option. The factors shown are rounded off. When implementing the calculation, the retirement age is rounded up or down to the nearest whole age. Tables may be revised periodically. Your benefit will be determined by the exact tables in effect at the time you elect your payment option.

The following example is based on these assumptions:

- A member is age 55.
- The designated beneficiary is age 53.
- The member has completed 25 years of service credit.
- The average highest three years' base salary is \$50,000.00 per year.

**Example of Option 4:**

- $\$50,000.00 \times 57.5\% = \$28,750.00$  annually;
- $\$28,750.00 \times .834 = \$23,977.50$  or  $\$1,998.13$  monthly

# FPPA Statewide Defined Benefit Plan

## Benefit Options *Option 5 of 5*

### Option 5 – 50% Survivor Benefits with the “Pop-Up” Provision

Under **Option 5**, a reduced normal, deferred, early or vested retirement pension will be paid to you from the effective date of your retirement until you die. Upon your death, one-half of the same reduced pension benefit will be paid to your beneficiary for life. However, if your beneficiary pre-deceases you, the reduced pension benefit “pops-up” or reverts to the Normal Option effective with the first day of the month following the date of the death of your beneficiary.

The table below can be used to **estimate** the benefit amount you would receive if you elect **Option 5** at retirement.

### Option 5 - Factors Statewide Defined Benefit Plan

		Age of Retiree										
		55	56	57	58	59	60	61	62	63	64	65
Age of Beneficiary	45	0.886	0.878	0.869	0.859	0.850	0.839	0.829	0.818	0.806	0.794	0.782
	46	0.889	0.880	0.872	0.862	0.853	0.843	0.832	0.821	0.809	0.798	0.785
	47	0.892	0.883	0.875	0.866	0.856	0.846	0.835	0.824	0.813	0.801	0.789
	48	0.895	0.886	0.878	0.869	0.859	0.849	0.839	0.828	0.816	0.805	0.793
	49	0.898	0.890	0.881	0.872	0.863	0.853	0.842	0.831	0.820	0.808	0.796
	50	0.901	0.893	0.884	0.875	0.866	0.856	0.846	0.835	0.824	0.812	0.800
	51	0.904	0.896	0.887	0.879	0.869	0.860	0.850	0.839	0.828	0.816	0.804
	52	0.907	0.899	0.891	0.882	0.873	0.863	0.853	0.843	0.832	0.820	0.809
	53	0.910	0.902	0.894	0.886	0.877	0.867	0.857	0.847	0.836	0.825	0.813
	54	0.913	0.905	0.898	0.889	0.880	0.871	0.861	0.851	0.840	0.829	0.817
	55	0.916	0.909	0.901	0.893	0.884	0.875	0.865	0.855	0.844	0.833	0.822
	56	0.919	0.912	0.904	0.896	0.888	0.879	0.869	0.859	0.848	0.838	0.826
57	0.922	0.915	0.908	0.900	0.891	0.882	0.873	0.863	0.853	0.842	0.831	
58	0.925	0.918	0.911	0.903	0.895	0.886	0.877	0.867	0.857	0.847	0.835	
59	0.928	0.922	0.914	0.907	0.899	0.890	0.881	0.872	0.862	0.851	0.840	
60	0.931	0.925	0.918	0.910	0.903	0.894	0.885	0.876	0.866	0.856	0.845	
61	0.934	0.928	0.921	0.914	0.906	0.898	0.889	0.880	0.871	0.860	0.850	
62	0.937	0.931	0.924	0.917	0.910	0.902	0.894	0.885	0.875	0.865	0.855	
63	0.940	0.934	0.928	0.921	0.914	0.906	0.898	0.889	0.880	0.870	0.860	
64	0.943	0.937	0.931	0.924	0.917	0.910	0.902	0.893	0.884	0.875	0.865	
65	0.945	0.940	0.934	0.928	0.921	0.913	0.906	0.897	0.889	0.879	0.869	

**Option 5 Example Note:** The table above shows some of the factors used to calculate the option. The factors shown are rounded off. When implementing the calculation, the retirement age is rounded up or down to the nearest whole age. Tables may be revised periodically. Your benefit will be determined by the exact tables in effect at the time you elect your payment option.

The following example is based on these assumptions:

- A member is age 55.
- The designated beneficiary is age 53.
- The member has completed 25 years of service credit.
- The average highest three years' base salary is \$50,000.00 per year.

**Example of Option 5:**

- $\$50,000.00 \times 57.5\% = \$28,750.00$  annually;
- $\$28,750.00 \times .910 = \$26,162.50$  or  $\$2,180.21$  monthly





**Fire and Police Pension Association of Colorado**

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