

Payment Options: Determining Your Monthly Pension Benefit

The Cincinnati Retirement System offers a variety of retirement benefit (pension) payment options to fit your individual circumstances and retirement needs.

Regular (Whole Life) Option - A monthly pension benefit is paid to you during your lifetime only - no further payments are made to any beneficiary.

Survivor Options - The following options provide a monthly pension benefit to you during your lifetime and provide a monthly pension benefit to your spouse or designated optionee for their lifetime in the event of your death. If you are legally married, you **MUST** select 1 of the 4 options below and name your legally married spouse as your optionee, **UNLESS** your spouse completes a "***Spousal Waiver of Joint and Survivor Annuity***" that would permit you to name a different optionee (other than your legally married spouse) **OR** to choose the Regular (Whole Life) option. Each option will have a different initial benefit amount that is reduced from the Regular (Whole Life) option amount.

- ***Option 1 - 100% Joint and Survivor Payment:*** If retiree dies first, the optionee will receive the same benefit for the remainder of his or her lifetime. There is no change to the retiree's monthly pension benefit if the optionee dies first.
- ***Option 2 - 50% Joint And Survivor Payment:*** If the retiree dies first, the optionee will receive $\frac{1}{2}$ (50%) of the retiree's monthly pension benefit for the remainder of his or her lifetime. There is no change to the retiree's monthly pension benefit if the optionee dies first.
- ***Option 3 - 66 $\frac{2}{3}$ % Joint and Survivor Payment.*** The monthly pension benefit amount will be reduced by $\frac{1}{3}$ (33.3%) upon the death of **EITHER** the retiree **OR** the optionee. The retiree's monthly pension benefit will change if the optionee dies first.
- ***Option 4 - 80% Joint And Survivor Payment.*** The monthly pension benefit amount will be reduced by $\frac{1}{5}$ (20%) upon the death of **EITHER** the retiree **OR** the optionee. The retiree's monthly pension benefit will change if the optionee dies first.

To better understand this, let's look at how these payment options impact the monthly pension benefit amounts. Please remember that the payment amounts displayed below are for illustration purposes only. The impact that selecting an

option has on reducing the monthly retirement allowance can vary significantly from one member to the next. Generally, the greater the age difference between you and your spouse or your designated optionee, the greater the difference between the monthly pension benefit amount available under the Regular (Whole Life) option and the other 4 options.

Please remember that once an option is selected by a retiree, it becomes irrevocable ON or AFTER the date of retirement.

The chart below shows an approximate example of how the different payment options affect the monthly retirement benefit and the subsequent monthly pension benefits for the surviving optionee, based on a whole life (regular) monthly benefit of \$2500.00:

Option	Initial monthly retirement benefit...	If Retiree dies first, the Optionee receives...	If the Optionee dies first, the Retiree receives...
Regular (Whole Life)	\$2,500.00	\$0.00	\$2,500.00
Option 1 -100% Joint and Survivor Payment	\$1,980.75	\$1,980.75	\$1,980.75
Option 2 - 50% Joint and Survivor Payment	\$2,210.25	\$1,105.13	\$2,210.25
Option 3 - 66 2/3 Joint and Survivor Payment	\$2,214.25	\$1,476.16	\$1,476.16
Option 4 - 80% Joint and Survivor Payment	\$2,114.50	\$1,691.60	\$1,691.60
<i>Pension benefit payment amounts for each option depend upon your age and your optionee's age at the time of your retirement.</i>			