MANDATORY RETIREMENT

Retirement is mandatory at age 65* for all Police and Firemen’s Retirement System (PFRS) members. If you do not file for retirement before age 65, you are automatically retired on the first of the month following your 65th birthday. Retirement benefits, however, are not payable until the application is filed.

*Exceptions: 1) Elected officials are exempt from mandatory retirement from their elected position. 2) Current police and fire chiefs who attain age 65 before April 30, 2024, may remain active members of the PFRS until the end of the calendar year in which they turn 67 under the provisions of P.L. 2022, c. 9 (Chapter 9), provided the appointing authority approves, in writing, the retention and continued service of the member as the chief after the age of 65.

BEFORE YOU RETIRE

You should inquire about retirement at least six months before your retirement date. This will give you enough time to review the benefits that are available to you in retirement.

Members within two years of retirement can obtain an estimate of retirement benefits over the phone by calling the New Jersey Division of Pensions & Benefits (NJDPB) Automated Information System at (609) 292-7524.

SUBMITTING YOUR ONLINE APPLICATION

You must meet all of the eligibility requirements for retirement and cannot submit your application more than one year before your retirement date (members eligible for a Deferred Retirement may file more than one year in advance upon termination of employment).

Paper applications are not accepted. The application must be submitted online using MBOS. This is an easy, secure, and accurate way to apply for retirement. Be sure to carefully read the instructions and the fact sheets about retirement prior to submission, which are available on our website.

All retirements are effective the first of a month. Your application must be received by the NJDPB before your retirement date. Under no circumstances can a retirement become effective prior to the date the application is received by the NJDPB.

It is your responsibility to file for retirement. Four to six months advance filing is recommended. Processing times vary and cannot begin until we have received all the necessary information from both you and your employer. Your employer will be notified that you have filed an application for retirement.

If you have not furnished proof of age to the NJDPB, you must do so when applying for retirement. If any documents are given under a maiden name, please identify them as such. Proof of age documents include a copy of any of the following:

- Birth certificate (with visible seal);
- Passport;
- A U.S. Passport Card;
- A current digital New Jersey driver’s license or identification card (for non-drivers) issued by the N.J. Motor Vehicle Commission;
- A current digital Pennsylvania or New York driver’s license; or
- Naturalization or immigration papers.

Unacceptable documentation includes expired documentation, out-of-state drivers’ licenses (except New York and Pennsylvania), affidavits from older family members, census records, baptismal records, marriage certificates, hospital birth certificates, or military records.

You should submit your proof of age document using the Online Document Submission application available on MBOS. Or, if you are unable to submit online, you should mail photocopies of the proof of age documentation at the time you submit your online application to the New Jersey Division of Pensions & Benefits, Retirement Bureau, P.O. Box 295, Trenton, NJ 08625-0295.

If you retire with an outstanding loan balance, you must decide how you wish to repay your loan. You
may pay the loan in its entirety prior to receiving any
benefits, or repay the loan through deductions from
your retirement allowance until the balance of the
loan with interest is repaid. The monthly loan pay-
ment will be calculated to have the loan plus interest
satisfied by your five-year loan payoff date.

TYPES OF RETIREMENT
The following types of retirement benefits are calcu-
lated using your Years of Service and Final Compen-

- Years of Service means the amount of member-
ship service you have credited to your account.

- Final Compensation — For a PFRS Tier 1 mem-
er enrolled on or before May 21, 2010, Final
Compensation means the salary upon which contribu-
tions were based in the last 12 months of creditable service preceding retirement.

For a PFRS Tier 2 member enrolled after May
21, 2010, and on or before June 28, 2011, or a
PFRS Tier 3 member enrolled after June 28, 2011, Final Compensation means the average
salary upon which pension contributions were
based for any three fiscal years of membership
preceding retirement that provides the largest
possible benefit.

Final Compensation does not include extra pay
for overtime or large increases in compensation
paid primarily in anticipation of retirement.

There are several types of retirement for which you
may qualify:

Service Retirement
This type of retirement is available to members of all
tiers at age 55 with no minimum amount of service
required.

Pursuant to P.L. 2021 c. 52 (Chapter 52), Service Re-
tirement is also available to members with 20 years
of service, regardless of age, for those enrolled in
PFRS and who are still a member of PFRS before
April 19, 2021, and who retire prior to May 1, 2023.

The benefit calculations are as follows:
- If you have less than 20 years of service credit,
you will receive two percent of your Final Com-
pen- sation for each year of service;
- If you have at least 20 but less than 25 years of
service credit, you will receive 50 percent of your
Final Compensation;
- If you are age 65 (mandatory retirement age)
and have 20 or more years of service credit, you
will receive 50 percent of your Final Compensation;
- If you have at least 30 years of service credit,
you will receive two percent per year of your av-
average Final Compensation for the first 30 years
of service, plus an additional one percent of your
average Final Compensation for each year of
service credit over 30 years.

Special Retirement
This type of retirement is available to members at
any age who have 25 years or more of service credit
in the PFRS.

For Tier 1 and Tier 2 members, the annual benefit is
equal to 65 percent of your Final Compensation, plus
one percent for each year of service over 25 years
but not to exceed 30 years. The maximum allowance
is therefore 70 percent of your Final Compensation.

For Tier 3 members, the annual benefit is equal to 60
percent of your Final Compensation plus one percent
for each year of service over 25 years but not to ex-
ceed 30 years. The maximum allowance is therefore
65 percent of your Final Compensation.

Deferred Retirement
This type of retirement is available to members who
have at least 10 years of service credit and are not
yet 55 years of age when they terminate employ-
ment. The annual benefit is equal to two percent of
your Final Compensation for each year of service.

The effective date of a Deferred Retirement is the
first of the month after you attain age 55. You must
file a retirement application to receive a Deferred
Retirement, and you should file the application when
you terminate covered employment.

If you are terminated for cause, you may not be eligi-
table to receive Deferred Retirement benefits. The Po-
lice and Firemen’s Retirement System of New Jersey
(PFRSNJ) Board of Trustees will make that determi-
nation at the time you file your application.

Your group life insurance coverage is not in effect be-
tween the time you terminate employment and when
your Deferred Retirement becomes effective. If you
die before your Deferred Retirement becomes effec-
tive, the beneficiary on your retirement application
will receive a return of your contributions, unless a
subsequent Designation of Beneficiary form is filed.

There is no other death benefit under these circum-
stances.

For information about converting your group life in-
surance to an individual policy at termination, see the
Conversion of Group Life Insurance Fact Sheet.

If you are covered by the State Health Benefits Pro-
gram (SHBP), you will not be able to continue cover-
age under the SHBP Retired Group if you apply for
a Deferred Retirement. However, you are entitled to
continue coverage in the SHBP employee group for
up to 18 months after termination of employment in
accordance with the federal Consolidated Omnibus
Budget Reconciliation Act of 1985 (COBRA) laws. If
your retirement allowance becomes due and payable
during the 18 months of extended COBRA coverage,
you will qualify for coverage in the SHBP Retired
Retirement — How To Apply

Payment of Pension to a Surviving Family Member

Upon your death as a retired member, your spouse, civil union partner or domestic partner, and/or child(ren) may be entitled to a monthly pension.

Spouse means a person to whom you are legally married. A photocopy of the Marriage Certificate is required for verification.

Civil Union Partner means a person of the same sex with whom you have entered into a civil union. A photocopy of the New Jersey Civil Union Certificate or a valid certification from another jurisdiction that recognizes same-sex civil unions is required for verification.

Domestic Partner means a same-sex domestic partner, as defined under P.L. 2003, c. 246 (Chapter 246), of any State employee, State retiree, or an eligible employee or retiree of a local public entity if the local governing body adopts a resolution to provide Chapter 246 pension benefits. A photocopy of the New Jersey Certificate of Domestic Partnership dated prior to February 19, 2007, or a valid certification from another jurisdiction that recognizes same-sex domestic partners, is required for verification.

Child means your unmarried child:

• Under the age of 18; or
• 18 years of age or older and enrolled in high school; or
• Any age who, at the time of your death, is disabled because of mental or physical incapacity and is incapable of substantial gainful employment because of the impairment. This incapacity must last, or be expected to last, for a continuous period of not less than 12 months as determined by the PFRS Medical Review Board.

Retired Member Death Benefit

Upon your death as a retired member, your surviving spouse or partner is eligible to receive a pension benefit equal to 50 percent of your Final Compensation, plus 15 percent of your Final Compensation for one child or 25 percent of your Final Compensation for two or more children. This benefit is payable for the lifetime of the spouse/partner, or until the spouse/partner remarries or enters into a new civil union or domestic partnership.

If there is no eligible surviving spouse or partner, or your spouse/partner dies, remarries, or enters into a new partnership, the following benefit is payable to the eligible children:

• 50 percent of Final Compensation to three or more eligible children;
• 35 percent of Final Compensation to two eligible children; or
• 20 percent of Final Compensation to one eligible child.

Group Life Insurance

Most members of the retirement system are covered by group life insurance.

When you retire, the amount of your group life insurance will be equal to 50 percent of your Compensation.

Compensation means the last 12 months immediately preceding your death or retirement.

If a retiree was enrolled as a member of the PFRS on or after July 1, 1971, life insurance is payable only if the member retired with 10 or more years of pension membership credit or retired on a Disability Retirement.

Conversion

For most members, group life insurance is reduced at retirement. You have 31 days after termination of employment to convert the amount of insurance that was reduced to private individual insurance coverage. If you wish to supplement this coverage with either a conversion policy from the Prudential Life Insurance Company, or a policy from another insurance carrier, it is best to begin exploring your options at least four to six months prior to your retirement. However, you cannot file to convert your life insurance any earlier than six months prior to your retirement date, and the conversion policy cannot become effective until 31 days after you terminate employment.

To estimate the cost of conversion to a private policy with Prudential, contact a Prudential agent or use the conversion calculator on the NJDPB website.

For additional information, see the Conversion of Group Life Insurance Fact Sheet.

Health Benefits

Employees who are covered by the SHBP through their employer will be offered SHBP coverage when they retire. In addition, some employers have agreed to pay for the cost of coverage for retirees with 25 or more years of service credit (and in some cases retirees on Disability Retirements).
If eligible, you will receive a letter approximately three months before your retirement date offering you enrollment in the SHBP.

The Health Benefits Coverage - Enrolling as a Retiree Fact Sheet provides additional information about health benefits coverage in retirement.

If you are not covered by the SHBP, contact your employer about your options for continuing your health benefits coverage.

**Chapter 330**

P.L. 1997, c. 330 (Chapter 330), provides health benefits under the SHBP to local (non-State employee) police officers and firefighters who retire after 25 years of service, or on a Disability Retirement, and who do not receive any payment towards retiree health coverage from their employers.

If eligible, the State will pay 80 percent of the cost of the least expensive SHBP plan offered and the retiree then pays the remainder for the plan selected. A qualified retiree may enroll at the time of retirement or when becoming eligible for Medicare.

The eligibility of retired police officers and firefighters for benefits under Chapter 330 depends on the health benefits provided by the employer for retired police officers and firefighters as of the effective date of the law, July 1, 1998. These employer benefits are indicated in labor and other employment contracts, ordinances, and resolutions of the employers.

Additional information about Chapter 330 is available in the Health Benefits Retired Coverage Under Chapter 330 Fact Sheet.

**CHANGING OR CANCELING YOUR RETIREMENT DATE**

The following are some important points to remember if you consider changing your retirement to a later date or canceling your retirement:

- You may change or cancel your retirement up until 30 days immediately following your retirement date, or 30 days after the approval of your retirement by the Board of Trustees, whichever is later.

**Note:** You cannot change or cancel the date for a Disability Retirement once it has been approved by the Board of Trustees.

- If you change or cancel your retirement date, it is your responsibility to notify your employer to ensure that any active health benefits are not canceled and your employment remains uninterrupted.
- Changing or canceling your retirement date does not guarantee continued employment with your employer.

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This fact sheet has been produced and distributed by:

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