Example of Impact of Anti-Spiking Provision

Employee #1 (consistent non-base pay)					Employee #2 (spiked non-base pay)				Employee #3 (Teacher type)			
Last 10 years Salary History												
В	Base Pay No	on-base FT	otal Pay		Base Pay No	on-base FT	otal Pay					
Last Year	40,000	8,000	48,000		38,000	10,000	48,000		40,000	1,200	41,200	
Year - 1	39,000	7,800	46,800		37,000	9,800	46,800		39,000	1,200	40,200	
Year - 2	38,000	7,600	45,600		36,000	9,600	45,600		38,000	1,200	39,200	
Year - 3	37,000	7,400	44,400		35,000	1,750	36,750		37,000	0	37,000	
Year - 4	36,000	7,200	43,200		34,000	1,700	35,700		36,000	0	36,000	
Year - 5	35,000	7,000	42,000		33,000	1,650	34,650		35,000	0	35,000	
Year - 6	34,000	6,800	40,800		32,000	1,600	33,600		34,000	0	34,000	
Year - 7	33,000	6,600	39,600		31,000	1,550	32,550		33,000	0	33,000	
Year - 8	32,000	6,400	38,400		30,000	1,500	31,500		32,000	0	32,000	
Year - 9	31,000	6,200	37,200		29,000	1,450	30,450		31,000	0	31,000	
Average Fina	al Compensat	ion Period										
High 3	40,000	8,000	48,000		38,000	10,000	48,000		40,000	1,200	41,200	
	39,000	7,800	46,800		37,000	9,800	46,800		39,000	1,200	40,200	
	38,000	7,600	45,600		36,000	9,600	45,600		38,000	1,200	39,200	
Average	39,000	7,800	46,800		37,000	9,800	46,800		39,000	1,200	40,200	
	,	,	-,			,				,	-,	
Average Duri	ing Comparis	on Period										
	37,000	7,400	44,400		35,000	1,750	36,750		37,000	0	37,000	
	36,000	7,200	43,200		34,000	1,700	35,700		36,000	0	36,000	
	35,000	7,000	42,000		33,000	1,650	34,650		35,000	0	35,000	
	34,000	6,800	40,800		32,000	1,600	33,600		34,000	0	34,000	
	33,000	6,600	-			-			33,000	0	33,000	
		-	39,600		31,000	1,550	32,550					
	32,000	6,400	38,400		30,000	1,500	31,500		32,000	0	32,000	
	31,000	6,200	37,200		29,000	1,450	30,450		31,000	0	31,000	
Average	34,000	6,800	40,800		32,000	1,600	33,600		34,000	0	34,000	
Task #1 A	Non bo	D Dii	ممم المما	Day (AEC Daylad)								
	•	se Pay Divi	ded by Base	Pay (AFC Period)	1							
Greater than	, ,	20.000	200/	F-11	0.000 /	27.000	260/	F-11			20/	D
		39,000 =	20%	Fail	9,800 /	37,000 =	26%	Fail			3%	Pass
Average Fina				(AFCNBPR)	0.000 /	27.000	252/				20/	
	7,800 /	-	20%	/	9,800 /	37,000 =	26%				3%	
Average Com	•			(ACPNBPR)	4 500 /	22 222	==/				22/	
	6,800 /	34,000 =	20%		1,600 /	32,000 =	5%				0%	
Test #2 - AFC		d by ACPN	BPR									
Less than 12												
	20%	/ 20% =	100%									
If aithar Tact				Pass	26	% / 5% =	520%	Fail			Infinite	Fail
ii citiici Test	#1 or Test #	2 is Pass th	en no impac		26	% / 5% =		Fail				Fail
ii eitilei Test	: #1 or Test #	2 is Pass th			26	% / 5% =	520% Fail	Fail			Infinite Pass	Fail
	: #1 or Test #	2 is Pass th	en no impac		26	% / 5% =		Fail				Fail
Limited AFC			en no impac Pass		26	% / 5% =		Fail				Fail
Limited AFC If "Pass" ther	n use AFC otl	nerwise use	en no impac Pass e formula	t	26	% / 5% =		Fail				Fail
Limited AFC	n use AFC otl	nerwise use	en no impac Pass e formula	t	26	% / 5% =		Fail				Fail
Limited AFC If "Pass" ther	n use AFC otl	nerwise use	en no impac Pass e formula pensation Ba	t		% / 5% = Fail - so u <u>se</u>	Fail	Fail		Pass - <u>so</u>		Fail
Limited AFC If "Pass" ther	n use AFC otl	nerwise use Final Comp	en no impac Pass e formula pensation Ba	t		Fail - so u <u>se</u>	Fail	Fail		Pass - so	Pass	Fail
Limited AFC If "Pass" ther	n use AFC otl	nerwise use Final Comp	en no impac Pass e formula pensation Bas use AFC	t		Fail - so u <u>se</u>	Fail	Fail		Pass - so	Pass use AFC	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF	n use AFC otl R) * Average	nerwise use Final Comp Pass - so	en no impac Pass e formula pensation Ba: use AFC 46,800	t	(1+0.05)*	Fail - so u <u>se</u>	Fail	Fail		Pass - so	Pass use AFC	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF	n use AFC otl R) * Average olice and Fire	nerwise use Final Comp Pass - so	en no impac Pass e formula pensation Ba: use AFC 46,800 age 55 with	t se Pay	(1+0.05)*	Fail - so u <u>se</u>	Fail	Fail		Pass - so	Pass use AFC	Fail
Limited AFC If "Pass" thei (1+ ACPNBPF	n use AFC otl R) * Average olice and Fire nnuity = 2.5%	nerwise use Final Comp Pass - so Pass - so employee 6 x 30 x AFG	en no impac Pass e formula pensation Ba: use AFC 46,800 age 55 with	t se Pay	(1+0.05)*	Fail - so u <u>se</u>	Fail	Fail		Pass - sc	Pass use AFC	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF) Impact on Po Maximum Ar Maximum Ar	n use AFC otl R) * Average olice and Fire nnuity = 2.5%	nerwise use Final Comp Pass - so employee 6 x 30 x AFC AFC	en no impac Pass e formula pensation Ba: use AFC 46,800 age 55 with	t se Pay	(1+0.05)*	Fail - so use 37,000 =	Fail	Fail	2.5% x 30 x \$4		Pass use AFC	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF) Impact on Po Maximum Ar Maximum Ar	n use AFC otl R) * Average Dlice and Fire nnuity = 2.5% nnuity using . .5% x 30 x \$4	nerwise use Final Comp Pass - so employee 6 x 30 x AFC AFC 16,800 =	en no impac Pass e formula bensation Basuse AFC 46,800 age 55 with	t se Pay	(1 + 0.05) * ce	Fail - so use 37,000 =	Fail e formula 38,850	Fail	2.5% x 30 x \$4		Pass use AFC 40,200	Fail
Limited AFC If "Pass" thei (1+ ACPNBPF) Impact on Po Maximum Ar Maximum Ar Maximum Ar	n use AFC otl R) * Average Dlice and Fire nnuity = 2.5% nnuity using . .5% x 30 x \$4	rerwise use Final Comp Pass - so employee 6 x 30 x AFC AFC 16,800 =	en no impac Pass e formula bensation Basuse AFC 46,800 age 55 with	t se Pay	(1 + 0.05) * ce	Fail - so use 37,000 = 46,800 =	Fail e formula 38,850	Fail	2.5% x 30 x \$4 2.5% x 30 x \$4	10,200 =	Pass use AFC 40,200	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF) Impact on Po Maximum Ar Maximum Ar Maximum Ar 2 Maximum Ar 2	n use AFC otl R) * Average olice and Fire nnuity = 2.5% nnuity using .5% x 30 x \$4 nnuity using .5% x 30 x \$4	Pass - so employee 6 x 30 x AFC AFC 16,800 = limited AFC 16,800 =	en no impac Pass e formula bensation Bar use AFC 46,800 age 55 with	t se Pay 30 years of servi	(1 + 0.05) * ce 2.5% x 30 x \$4 2.5% x 30 x \$4	Fail - so use 37,000 = 46,800 = 38,850 =	Fail e formula 38,850 \$35,100	Fail		10,200 =	Pass use AFC 40,200 \$30,150	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF) Impact on Po Maximum Ar Maximum Ar Maximum Ar 2 Maximum Ar 2	n use AFC otl R) * Average olice and Fire nnuity = 2.5% nnuity using .5% x 30 x \$4 nnuity using .5% x 30 x \$4	rerwise use Final Comp Pass - so employee 6 x 30 x AFC AFC 16,800 = limited AFC 16,800 = bunt of Ber	en no impac Pass e formula bensation Bar use AFC 46,800 age 55 with \$35,100 sefit funded	t se Pay 30 years of servi	(1 + 0.05) * ce 2.5% x 30 x \$4	Fail - so use 37,000 = 46,800 = 38,850 = ons	Fail e formula 38,850 \$35,100	Fail		10,200 =	Pass use AFC 40,200 \$30,150	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF) Impact on Po Maximum Ar Maximum Ar Maximum Ar 2 Maximum Ar 2	n use AFC otl R) * Average blice and Fire nnuity = 2.5% nnuity using .5% x 30 x \$4 nnuity using .5% x 30 x \$4 uction or Amo	rerwise use Final Comp Pass - so employee 6 x 30 x AFC AFC 16,800 = limited AFC 16,800 = bunt of Ber	en no impac Pass e formula bensation Bar use AFC 46,800 age 55 with	t se Pay 30 years of servi	(1 + 0.05) * ce 2.5% x 30 x \$4 2.5% x 30 x \$5 ployer contribution	Fail - so use 37,000 = 46,800 = 38,850 = ons	Fail 2 formula 38,850 \$35,100 \$29,138	Fail	2.5% x 30 x \$4	10,200 =	Pass use AFC 40,200 \$30,150 \$30,150	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF) Impact on Po Maximum Ar Maximum Ar Maximum Ar 2 Maximum Ar 2	n use AFC otl R) * Average blice and Fire nnuity = 2.5% nnuity using .5% x 30 x \$4 nnuity using .5% x 30 x \$4 uction or Ama \$35,100 - \$:	Pass - so Pass - so employee 6 x 30 x AFC AFC 16,800 = limited AFC 16,800 = bunt of Ber 35,100 =	en no impac Pass e formula bensation Bar use AFC 46,800 age 55 with \$35,100 sefit funded	t se Pay 30 years of servi	(1 + 0.05) * ce 2.5% x 30 x \$4 2.5% x 30 x \$5 ployer contribution	Fail - so use 37,000 = 46,800 = 38,850 = ons	Fail 2 formula 38,850 \$35,100 \$29,138	Fail	2.5% x 30 x \$4	10,200 =	Pass use AFC 40,200 \$30,150 \$30,150	Fail
Limited AFC If "Pass" ther (1+ ACPNBPF Impact on Po Maximum Ar Maximum Ar 2 Maximum Ar 2 Benefit Redu	n use AFC otl R) * Average blice and Fire nnuity = 2.5% nnuity using .5% x 30 x \$4 nnuity using .5% x 30 x \$4 uction or Ama \$35,100 - \$:	Pass - so Pass - so employee 6 x 30 x AFC AFC 16,800 = limited AFC 16,800 = bunt of Ber 35,100 =	en no impac Pass e formula bensation Bar use AFC 46,800 age 55 with \$35,100 sefit funded	t se Pay 30 years of servi	(1 + 0.05) * ce 2.5% x 30 x \$4 2.5% x 30 x \$5 ployer contribution	Fail - so use 37,000 = 46,800 = 38,850 = ons	Fail 2 formula 38,850 \$35,100 \$29,138	Fail	2.5% x 30 x \$4	10,200 =	Pass use AFC 40,200 \$30,150 \$30,150	Fail