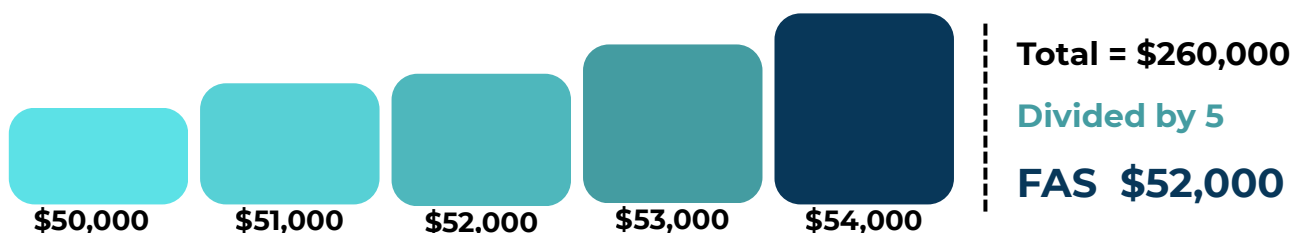


Understanding your Final Average Salary

Your FAS is the salary average ATRS uses as part of the formula that calculates your retirement benefit. Here is how it works.

1 Your 5 highest salary years

As of July 1, 2018, ATRS uses your **5 highest annual salaries** from any point in your career. They do not have to be consecutive or be your last 5 years.



Fiscal Year = July 1 through June 30. All salary reported to ATRS during the fiscal year is used.

2 How the salary limits work

Salaries used in your FAS are ranked from lowest to highest. The next salary is limited to the **greater of these two amounts.**

110% of the previous highest salary
That means a 10% increase

Previous highest salary + \$5,000
Use whichever amount is higher

Example: If the previous highest salary is \$40,000, compare \$44,000 (110%) with \$45,000 (+ \$5,000). The higher limit is \$45,000. A reported \$47,000 would generally be limited to **\$45,000** for FAS. Special rules may apply.

3-year Benchmark

If you were active and eligible as of **June 30, 2018**, ATRS compares your benchmark 3-year FAS with your 5-year FAS and uses the **greater amount**. The benchmark uses salaries through fiscal year 2018.

Reciprocal Service

If you have established reciprocal service credit with a state-supported reciprocal system, ATRS will use the reciprocal FAS if it is greater than your ATRS FAS and if **at least 2 years of reciprocal service credit** are established.