

CARP Calculator for UAL employees.

Explanation of the INPUT variable fields.

PARTICIPANT FIELDS

Age 2016 – YOUR age in 2016

FAE 2016 – Your pay, all in for 2016

2016 Pay top of scale – Your pay, all in for one year under the terms of the TA

Age at Retirement - YOUR desired retirement age. NORMAL full retirement eligibility is age 65, don't enter ages below 50

CARP Fields

Pay increases - Known or expected average lifetime wage increases till retirement – try using 2% as a first step.

Future SSWB increases - expected or average future increases to the social security wage base. Leave set at 2% in most cases.

Annuity Interest Rate – this is used to convert the annuity payments into a lump sum. The value used will be known only close to retirement. The rates are currently around 3%, but have been over 6% in the past. Affects payment of lump amounts only not monthly payments. Try out different rates to see the potential range of lump sums.

DC PLAN fields

Co Cont - Company contribution. This is the amount that you receive or received from UAL into your 401K. In most cases it is at or near 5%. But figure that although you lose the company contribution, there is a match to offset this loss. The company will pay a match of 3% for a mechanic at 15 YOS or greater, if the mechanic invests 6%.

Earnings Assumed - This is the rate you earned or expect to earn from your 401(k) year over year for your career. Set between 5-8 percent to have a realistic rate set.

OUTPUT CALCULATED FIELDS

Final Average Earnings is the projected figure at retirement

Covered Compensation is the projected figure at retirement

These are used to determine how much pension per year of service you will receive

Service – difference between age now and age at retirement

CARP accrued benefit – if you retire before age 65, this is the annual amount payable if you delay retirement to age 65

Factor for early retirement – an actuarial reduction if benefits start before 65

Retirement Benefit – annual and monthly benefit for benefits starting at retirement

Lump Sum CARP – an estimate of the amount available as a lump sum in exchange for giving up the monthly pension.

Accumulation of company contributions given up in exchange for CARP – an estimate of the account value based on the inputs in DC Plan. Compare to the Lump Sum CARP.