



Orange County Superior Court Benefit Formula Comparison Sheet: Choosing Your Retirement Benefit Formula



All eligible new employees hired on or after May 7, 2010, are required to elect their retirement benefit formula. You have 45 days from your hire date to make a one-time election of your retirement benefit formula. Once you have made your election, your choice of retirement benefit formula is **irrevocable**. If you fail to make an election within 45 days of your hire date you will be deemed to have irrevocably elected Plan O/P, (1.62% at 65), and the applicable employee and any additional contributions for that plan will be deducted from your paycheck and deposited into your OCERS member account. **Please note that employee contributions for either of the plans are mandatory and will be applied retroactively and deducted from your paycheck as a single lump sum payment in a pay period after you have submitted your Retirement Plan Election – Member Affidavit form.**

PLAN O/P – “1.62% at 65”	PLAN I/J – “2.7% at 55”
<p><u>TYPE OF PLAN:</u> Defined Benefit Plan administered by OCERS, with a new voluntary Defined Contribution plan and an employer match contribution (see reverse page)</p> <p><u>DEFINED BENEFIT PLAN FORMULA:</u> 1.62% x final average salary (FAS) x years of service credit</p> <p><u>HOW MUCH YOU PAY (Employee Contribution Rate):</u> Based on your age of entry to OCERS, your plan formula and other factors. Contributions to the plan are mandatory and rates are adjusted annually.</p> <p>Example: A 33 year old employee making \$2,500 bi-weekly would contribute approximately 6.94% of pay, on a pre-tax basis (\$173.50 bi-weekly).</p> <p><u>RETIREMENT AGE:</u> Full retirement benefit formula applied at age 65. Eligible to retire with a <i>reduced benefit</i> at age 50 if you have 10 or more years of eligible service.</p> <p>Example: 60 year old employee retires with 20 years of service and a final average salary of \$6,000 per month = approx. \$1,533.32 per month.</p> <p><u>ADDITIONAL EMPLOYEE CONTRIBUTION RATE:</u> Additional contribution rates may be negotiated between the Court and the labor organizations. These additional contribution rates may change under the negotiated terms of future labor contracts.</p>	<p><u>TYPE OF PLAN:</u> Defined Benefit Plan administered by OCERS</p> <p><u>DEFINED BENEFIT PLAN FORMULA:</u> 2.7% x final average salary (FAS) x years of service credit</p> <p><u>HOW MUCH YOU PAY (Employee Contribution Rate):</u> Based on your age of entry to OCERS, your plan formula and other factors. Contributions to the plan are mandatory and rates are adjusted annually.</p> <p>Example: A 33 year old employee making \$2,500 bi-weekly would contribute approximately 13.63%¹ of pay, on a pre-tax basis (\$340.75 bi-weekly).</p> <p><u>RETIREMENT AGE:</u> Full retirement benefit formula applied at age 55. Eligible to retire with a <i>reduced benefit</i> at age 50 if you have 10 or more years of eligible service.</p> <p>Example: 60 year old employee retires with 20 years of service and a final average salary of \$6,000 per month = approx. \$3,240.00 per month.</p> <p><u>ADDITIONAL EMPLOYEE CONTRIBUTION RATE:</u> Additional contribution rates may be negotiated between the Court and the labor organizations. These additional contribution rates may change under the negotiated terms of future labor contracts.</p> <p>¹ This contribution includes the 3% additional employee contribution, commonly referred to as the “reverse pick up”. When reviewing the <i>Orange County Superior Court Rates</i> posted on the OCERS website, add 3% to the Plan J rates to calculate your approximate contribution for this plan only.</p>

PLAN O/P – “1.62% at 65”	PLAN I/J – “2.7% at 55”
<p><u>NEW DEFINED CONTRIBUTION PLAN:</u></p> <p>Voluntary participation in the County’s new Defined Contribution plan (non-OCERS). Employer match of contributions as described below. Contributing to the Defined Contribution Retirement Plan is strictly voluntary and is designed to supplement the “1.62% at 65” pension benefit.</p> <ul style="list-style-type: none"> ➤ At this time the Court will match the employee contributions to the plan, up to 2% of base salary per pay period. (Employer match contribution maximum is 2% of the employee’s base salary per pay period). ➤ The Court’s match contribution listed above is subject to change. ➤ Court contributions to this plan shall vest on behalf of the participant after five (5) years of continuous employment with the Court. If a participant leaves Court employment prior to the vesting period, the participant will only be entitled to the employee contributions to the plan. ➤ By contributing a little extra each pay period, you can take advantage of the employer matching contributions, lower your current taxable income and enhance your monthly retirement benefit (balance and monthly benefits will depend on contribution amounts and rate of return). <p><i>The information contained in this section has been compiled from various sources and OCERS has not contributed to its content. OCERS is not responsible for the accuracy or integrity of the information in this section.</i></p>	<p><u>NEW DEFINED CONTRIBUTION PLAN:</u></p> <p>Not Applicable to the “2.7% at 55” Plan</p>

RESOURCES

- For more information on the OCERS Defined Benefit plan, mandatory contribution(s) amounts, pre-employment seminars, and retirement benefit calculators, contact OCERS Member Services Department at: 714.558.6200 or via the web site at: www.ocers.org
- For more information on the Defined Contribution plan, investment options, vesting requirements contact TIAA-CREF at: 800.842-2776 or via the web site at: www.tiaa-cref.org/oc162dcplan

You may also wish to contact your personal financial consultant if you have additional questions.