



Choosing Your Retirement Benefit Formula

Certain County of Orange and Superior Court employees who were active members of OCERS prior to January 1, 2013 who move to certain eligible positions with the County of Orange and Superior Court within six months if it is a new employer, or those who were employed by a reciprocal system prior to January 1, 2013, **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 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 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>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. \$1,527.00 per month.</p> <p><u>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 8.34% of pay, on a pre-tax basis (\$208.50 bi-weekly).</p> <p><u>ADDITIONAL EMPLOYEE CONTRIBUTION RATE:</u> Additional contribution rates may be negotiated between the County 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>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>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 12.70% of pay, on a pre-tax basis (\$317.50 bi-weekly).</p> <p><u>ADDITIONAL EMPLOYEE CONTRIBUTION RATE:</u> Additional contribution rates may be negotiated between the County and the labor organizations. These additional contribution rates may change under the negotiated terms of future labor contracts.</p>

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<p data-bbox="94 352 630 384"><u>NEW DEFINED CONTRIBUTION PLAN:</u></p> <p data-bbox="94 401 800 594">Voluntary participation in the County's 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 data-bbox="94 653 800 1228" style="list-style-type: none"><li data-bbox="94 653 800 724">➤ Currently the County will match employee contributions to the plan, up to 2% of base salary per pay period.<li data-bbox="94 793 800 987">➤ County contributions to this plan shall vest on behalf of the participant after five (5) years of continuous employment with the County. If a participant leaves County employment prior to the vesting period, the participant will only be entitled to the employee contributions to the plan.<li data-bbox="94 1035 800 1228">➤ 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 data-bbox="94 1276 800 1430"><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 data-bbox="824 352 1360 384"><u>NEW DEFINED CONTRIBUTION PLAN:</u></p> <p data-bbox="824 422 1284 453">Not Applicable to the “2.7% at 55” Plan</p>

RESOURCES

- For more information on the OCERS Defined Benefit plan, mandatory contribution(s) amounts, 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, and vesting requirements, contact Empower Retirement (formerly known as Great West) at: 866.457.2254 or via the Web site at: <https://countyoforangedcplan.gwrs.com/login.do>

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