

NEW EMPLOYEE RETIREMENT BENEFIT ORIENTATION

Plan P (1.62% at 65)

Plan J (2.7% at 55)



OCERS RETIREMENT BENEFIT FORMULAS

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

Plan P (1.62% at 65) or

Plan J (2.7% at 55)

The election of a retirement benefit formula will be made when you complete your OCERS Retirement Plan Election - New Member Affidavit

The election must be made within 45 calendar days of the date you are hired

If you fail to make an election within 45 calendar days of your hire date you will be deemed to have elected Plan P (1.62% at 65)

The election of your retirement benefit formula is

IRREVOCABLE

OCERS GENERAL INFORMATION

- OCERS administers a Defined Benefit (**DB**) Retirement Plan
- Contributions to the DB plan are **mandatory**: the contribution amount to be deducted from your salary is based on your age at entry and the plan formula that you choose
- OCERS member accounts cannot be borrowed against while you are actively employed
- Monthly retirement benefits are determined based on specific factors and the Benefit Formula elected ~ **not** on the amount of contributions paid
- Members do not control investment options, those decisions are made by qualified investment professionals and OCERS Retirement Board

CHARACTERISTICS OF DB CONTRIBUTIONS

- Employee contributions are made on a pre-tax basis
- Member accounts are credited with interest twice each year ~ June and December
- The balance in your member account does not rise or fall with the market fluctuations
- Your contribution percentage rate may adjust (up or down) each fiscal year, as determined by the OCERS Board as advised by the actuary
- Employee contributions are **retroactive** to your hire date however they will not be withheld until an election is made
- Your employer will also contribute to the OCERS retirement system on your behalf, however those funds are **not** placed in your individual member account. Employer contributions are ultimately used to fund your lifetime monthly benefit

EMPLOYEE RETIREMENT CONTRIBUTIONS

- **Plan P 1.62% at 65**

A 33 year old employee earning a salary of \$2,500 bi-weekly would contribute approximately *6.94% of pay, on a pre-tax basis = \$173.50 bi-weekly

- **Plan J 2.7% at 55**

A 33 year old employee earning a salary of \$2,500 bi-weekly would contribute approximately *10.63% of pay, on a pre-tax basis = \$265.75 bi-weekly

Note: These figures do not include additional employee contribution rates as may be negotiated between the employer and the Labor organizations.

*2010-2011 contribution rates

RETIREMENT BENEFIT FORMULAS

- Plan P (1.62% at 65) ~ 1.62% of your final average monthly salary for each year of service credit
 - For example: 10 years of service at retirement = 16.2% of your average monthly salary (starting at age 65)
- Plan J (2.7% at 55) ~ 2.7% of your final average monthly salary for each year of service credit
 - For example: 10 years of service at retirement = 27% of your average monthly salary (starting at age 55)

Note: Your final average monthly salary is an average of either 12 or 36 consecutive months of compensation.

BENEFIT ESTIMATES

- **Plan P 1.62% at 65**

A 60 year old employee retires with 20 years of service and a final average monthly salary of \$6,000.00 = approximately \$1,533.00 per month

- **Plan J 2.7% at 55**

A 60 year old employee retires with 20 years of service and a final average monthly salary of \$6,000.00 = approximately \$3,240.00 per month

RECIPROCITY (INCOMING/OUTGOING)

- Allows employees who transfer between retirement systems to enhance their total retirement benefits
- Reciprocity is automatically established when you enter OCERS covered employment within 180 days of terminating from a reciprocal system, i.e. LA County, CalPERS, etc...
- OCERS will use the age you were when you first entered into the reciprocal system to determine your contribution rate
- Ability to use highest salary figures from any of the systems to calculate Final Average Salary
- Years of service earned under the reciprocal system count toward meeting OCERS' eligibility requirements for retirement
- Your OCERS benefit will be based solely upon OCERS credited service

BENEFICIARY/SURVIVOR BENEFITS

- Complete beneficiary information on the Retirement Plan Election - New Member Affidavit form
- Notify family members of OCERS benefits
- Advise OCERS of life changing events
 - Marriage
 - Children
 - Divorce
- Update beneficiary information online via myOCERS 24 hours a day, 7 days a week at www.ocers.org

OCERS ONLINE RESOURCES

- myOCERS
 - Access to your OCERS Retirement account 24 hours a day, 7 days a week
 - Beneficiary information and updates
 - Employment history and plan type
 - Interactive Benefit Estimator
 - Balance statement
- OCERS' website has general information and a calculator of both benefit formulas

OCERS CONTACT INFORMATION

Address: 2223 East Wellington Ave.
Suite 100
Santa Ana, CA 92701

Information: (714) 558-6200

Toll Free Number: (888) 570-6277

Web Address: www.ocers.org