

Sonoma County Employees' Retirement Association 433 Aviation Boulevard, Suite 100, Santa Rosa, CA 95403 Tel: (707) 565-8100 / Fax: (707) 565-8102 / www.scretire.org

5 years

- **Initiate** any service credit purchase contracts so that you have time to pay them off.
- Attend the Planning to Retire seminar. Check out our Retirement Planning Seminars by logging into your MYSCERA.org account.

2 years

- **Gather or order** all of the documents you will need for retirement:
 - Photocopy of your birth certificate or front page of your passport (An expired passport is acceptable.)
 - o Photocopy of birth certificate or passport of your spouse/domestic partner.
 - o Photocopy of registered marriage certificate or state domestic partnership.
 - o Photocopy of your Social Security card and for your beneficiary(ies).
- Update your beneficiary information whenever necessary.

1 year

- **Initiate** or try to complete any remaining service credit purchase contracts.
- Contact reciprocal retirement system(s) if you have reciprocity.
- **Submit** divorce documentation if applicable.
- Narrow down your prospective retirement date.
- **Update** your beneficiary information, if necessary.
- Request an audit by contacting SCERA if an audit has not already been performed.

60 days

- **Submit** application and supporting documents for Service Retirement: Your *Application for Service Retirement* can be submitted no earlier than 60 days of your retirement date.
- Contact reciprocal retirement system(s) if you have reciprocity and complete their retirement application process. You must retire from all reciprocal retirement systems on the same date.

SCERA Plan A Age Factors

General Members

3% @ 60

Age	Factor	Age	Factor	Age	Factor	Age	Factor	Age	Factor
50.00	2.000%	52.00	2.200%	54.00	2.400%	56.00	2.600%	58.00	2.800%
50.25	2.025%	52.25	2.225%	54.25	2.425%	56.25	2.625%	58.25	2.825%
50.50	2.050%	52.50	2.250%	54.50	2.450%	56.50	2.650%	58.50	2.850%
50.75	2.075%	52.75	2.275%	54.75	2.475%	56.75	2.675%	58.75	2.875%
51.00	2.100%	53.00	2.300%	55.00	2.500%	57.00	2.700%	59.00	2.900%
51.25	2.125%	53.25	2.325%	55.25	2.525%	57.25	2.725%	59.25	2.925%
51.50	2.150%	53.50	2.350%	55.50	2.550%	57.50	2.750%	59.50	2.950%
51.75	2.175%	53.75	2.375%	55.75	2.575%	57.75	2.775%	59.75	2.975%
								60.00	3.000%
								60 +	3.000%

Safety Members

3% @ 50

Age	Factor	Age	Factor	Age	Factor	Age	Factor
47.00	2.603%	48.00	2.726%	49.00	2.857%	50.00	3.000%
47.25	2.634%	48.25	2.758%	49.25	2.892%	50+	3.000%
47.50	2.665%	48.50	2.791%	49.50	2.928%		
47.75	2.695%	48.75	2.824%	49.75	2.964%		

SCERA Plan B Age Factors

General Members

2.5% @ 67

Age	Factor	Age	Factor	Age	Factor	Age	Factor
52.00	1.000%	56.00	1.400%	60.00	1.800%	64.00	2.200%
52.25	1.025%	56.25	1.425%	60.25	1.825%	64.25	2.225%
52.50	1.050%	56.50	1.450%	60.50	1.850%	64.50	2.250%
52.75	1.075%	56.75	1.475%	60.75	1.875%	64.75	2.275%
53.00	1.100%	57.00	1.500%	61.00	1.900%	65.00	2.300%
53.25	1.125%	57.25	1.525%	61.25	1.925%	65.25	2.325%
53.50	1.150%	57.50	1.550%	61.50	1.950%	65.50	2.350%
53.75	1.175%	57.75	1.575%	61.75	1.975%	65.75	2.375%
54.00	1.200%	58.00	1.600%	62.00	2.000%	66.00	2.400%
54.25	1.225%	58.25	1.625%	62.25	2.025%	66.25	2.425%
54.50	1.250%	58.50	1.650%	62.50	2.050%	66.50	2.450%
54.75	1.275%	58.75	1.675%	62.75	2.075%	66.75	2.475%
55.00	1.300%	59.00	1.700%	63.00	2.100%	67.00	2.500%
55.25	1.325%	59.25	1.725%	63.25	2.125%	67+	2.500%
55.50	1.350%	59.50	1.750%	63.50	2.150%		
55.75	1.375%	59.75	1.775%	63.75	2.175%		

Safety Members

2.7% @ 57

Age	Factor	Age	Factor	Age	Factor	Age	Factor
50.00	2.000%	52.00	2.200%	54.00	2.400%	56.00	2.600%
50.25	2.025%	52.25	2.225%	54.25	2.425%	56.25	2.625%
50.50	2.050%	52.50	2.250%	54.50	2.450%	56.50	2.650%
50.75	2.075%	52.75	2.275%	54.75	2.475%	56.75	2.675%
51.00	2.100%	53.00	2.300%	55.00	2.500%	57.00	2.700%
51.25	2.125%	53.25	2.325%	55.25	2.525%	57+	2.700%
51.50	2.150%	53.50	2.350%	55.50	2.550%		
51.75	2.175%	53.75	2.375%	55.75	2.575%		



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At the time you retire, you will make an irrevocable election of one of the following benefit payment options. The various options determine the amount of your benefit during your lifetime and whether any benefits will be payable to your beneficiary upon your death. You may not change your option choice after retirement, even if your life situation changes.

Option	Member Eligible Survivor Benefit ¹		Beneficiary Changes Allowed?	
		Eligible spouse or state registered domestic partner ²	60% continuance of member's benefit for life	No
Unmodified	Highest benefit available	Minor child(ren) ³	60% continuance of member's benefit until child reaches majority	No
		Any named beneficiary(ies)	Lump-sum payout of remaining contributions and interest, if any contributions remain	Yes
Option 1	Reduced benefit	Any named beneficiary(ies)	Lump-sum payout of remaining contributions and interest, if any contributions remain	Yes
Option 2	Most reduced benefit Any named beneficiary ⁴		100% continuance of the member's reduced benefit for lifetime of beneficiary	No
Option 3	Reduced Any named benefit beneficiary		50% continuance of the member's reduced benefit for lifetime of beneficiary	No
Option 4 Reduced benefit Any named beneficiary(ies)			May designate a specific percentage of lifetime continuance to be paid to each of your beneficiary(ies). Costs associated with calculating the benefit will be borne by the member.	No

¹A continuance terminates upon the death of the eligible surviving spouse, state registered domestic partner, or named beneficiary. Surviving minor children are eligible for a continuance only when there is no surviving spouse or state registered domestic partner, and continue until the child is no longer eligible. Lump sum payments are only in the amount of the member's remaining contributions and interest at the time of the member's death.

²Married or state registered domestic partners for at least one year prior to your retirement date.

³Under the age of 18, or under the age of 22 if unmarried and in school full time.

⁴The Internal Revenue Code (IRC) limits the percent of continuance that can be paid to a non-spouse beneficiary under Option 2. The percent allowed depends on your age at retirement, and the adjusted age difference between you and your beneficiary. The difference between the IRC limit and 100% is converted to a present value lump sum at the time of your death and is paid in a lump sum to your sole beneficiary.



Agenda

- Eligibility to Retire
- Calculating your Benefit
- Sick leave conversion
- Purchasing service credit
- Limit to your benefit (cap)
- Benefit Payment Options
- Estimates
- Application process
- Reciprocity
- Your 1st pension check
- Returning to work?



Understanding Your Plan

- •SCERA is a defined benefit pension plan under County Employees Retirement Law of 1937.
- •Over \$3 billion in assets from:
 - Investment earnings.
 - Employee and employer contributions.
- Assets held in trust for members and beneficiaries.
- •There are General and Safety plans, and Plan A and Plan B.
- Your benefit is paid every month for the rest of your life!



Plan A Eligibility to Retire

All Plan A Members:

- Age 50 & 10 years of service
- Age 70 regardless of service

General members:

30 years of service at any age

Safety members:

20 years of service at any age



Plan B Eligibility to Retire

All Plan B Members:

 Age 70 regardless of service

General members:

Age 52 & 5 years of service

Safety members:

Age 50 & 5 years of service

How much will 1 get?

Calculating Your Benefit

- Formula based on your retirement
 plan (example: 3% at 60 or 2.5% at 67)
- Multiply (1)x(2)x(3) = Benefit
 - 1 Age (%)
 - Highest average salary
 - Service credit





- Your benefit is calculated using a % based on your age at retirement, and your plan membership.
- •The % increases every quarter year of age until it reaches the maximum.

General Members



Plan A:

 Age factors begin at 2% (age 50) and max at 3% (age 60).

Plan B:

• Age factors begin at 1% (age 52) and max at 2.5% (age 67).



Safety Members

Plan A:

At age 50, age factor is maxed at 3%

Plan B:

Age factors begin at 2% (age 50),
 max at 2.7% (age 57)





- Plan A Highest consecutive one year salary
- Plan B Highest consecutive three year salary
- One year = 2087 hours
- From any period in your career
- Compensation earnable includes:
 - Cash allowance (county employees only)
 - Most premium pays
- Compensation earnable does not include:
 - Overtime pay
 - Standby, call back pay (after 1/1/2013)





Service credit is earned each pay period of employment during membership, to a max of 80 hours per pay period.

- •2087 hours = one year
- Includes completed service purchases
- Does not include:
 - Leave without pay
 - Overtime hours

Plan A Sample Benefit Calculation

General Member

Factor for age 56 (2.6%)	0.026
Highest average salary	X \$5,050
Years of service	X 20
Monthly retirement bene	efit \$2,565

Sick Leave Conversion at Retirement



Accrued sick leave hours are added at the time you retire.

Does not change your retirement date or age. All hours are added to your service credit total.

*This does NOT apply if you retire from a deferred status or have reached 100% of your max retirement benefit.

Sick leave conversion example

0.026

X \$5,050

X 20.2489

\$2,597

Factor for age 56 (2.6%)

Highest average salary X \$5,050

Highest average salary X 20

Years of service

Monthly retirement benefit \$2,565

Monthly retirement benefit



Can I increase my benefit?

Increase Your Benefit By...

- Getting older
- Earning a higher salary
- Working longer

What about other service



Service Credit

Purchase SCERA-covered employer time:

- Service prior to membership
- Medical leave without pay Related to YOUR illness or injury
- Adds to your benefit
- Counts toward retirement eligibility
- Purchase any or all service



Redeposit your previously withdrawn contributions

- Adds to your benefit
- Counts toward retirement eligibility
- Must redeposit all or nothing

Public Service:

Public Service

- Time worked for another public agency in California, or federal agency (including military)
- Adds to your benefit
- Does not count toward eligibility (vesting or retirement)
- Costs more because you pay the employer share
- You cannot purchase this time if you will receive a benefit from the other agency.

Service Purchase Payments

- Must be completed prior to retirement
- Interest applied to purchase cost every 6 months
- Buy early, pay less!



Rollover from qualified plan

(After-tax rollovers are not allowed i.e. Roth IRA)

- Personal check
- Payroll deductions
- Combination

There's a Limit to Your Benefit...

 Benefit capped at 100% of Highest Average Monthly Salary

 $3\% \times 35$ years of service = 105%. Capped at 100%

Plan B members:

- Salary is capped at PEPRA's limit each year (based on the Consumer Price Index).
 - *For the current year limit visit scretire.org

What will my beneficiary get?

At retirement, you make an irrevocable choice

Benefit payment options

- Unmodified
- Option 1
- Option 2*Possible IRS limitation
- Option 3
- Option 4

Unmodified Allowance



Highest allowance possible for life.



- Eligible spouse or state registered domestic partner receives 60% of your benefit amount for life.
- If no eligible spouse/partner, minor child receives 60% of what you were receiving until age 18 (or 22 if full-time student) and unmarried.



• If no spouse/partner or minor child, beneficiary receives lump sum of remaining balance of your contributions (no continuance).



Is my spouse/partner eligible?

Your spouse/partner is eligible for the Unmodified continuance if you have been married/partnered for at least one year prior to retirement and at the time of the member's death.

What if my spouse/partner dies before me?

No one, other than eligible children, are entitled to receive the 60% continuance.

Option 1: Contribution Refund



Slightly reduced monthly allowance compared to Unmodified.



- Beneficiary receives lump sum of remaining balance of your contributions, if any.
- There is no continuance.

Option 2: 100% Continuance



You may reduce your benefit to provide the same amount to your beneficiary.



One beneficiary receives 100% of the amount you were receiving for life. If your beneficiary pre-deceases you, you remain at a reduced benefit and cannot name another beneficiary.

There is no lump sum.



Your benefit reduction is age-based and may be sharply reduced if your beneficiary is much younger than you are.



- IRS limits the percent of continuance that can be paid to a non-spouse/partner beneficiary.
- Some of the benefit may be paid in a lumpsum.

Option 3: 50% Continuance



You may reduce your benefit to provide a continuance to your beneficiary.



One beneficiary receives 50% of the amount you were receiving for life. If your beneficiary pre-deceases you, you remain at a reduced benefit and cannot name another beneficiary.

There is no lump sum.



Your benefit reduction is age-based and may be sharply reduced if your beneficiary is much younger than you are.

Option 4: Multiple Beneficiaries or Alternate % Continuance

For you:

You may reduce your benefit to provide a continuance to more than one beneficiary or set a different percentage.



Beneficiaries receive specified percentages of the amount you were receiving for life.

• There is no lump sum.



- Your benefit reduction is age-based and may be sharply reduced if your beneficiaries are much younger than you are.
- Must be calculated by SCERA's actuary and member incurs the cost of this calculation.

y

Will I have enough money?



Lifetime benefit



Social Security

Personal Savings

Deferred Compensation, IRA, 401, 457

Do Your Own Estimates

- Use MySCERA for estimates based on your live data
- Requires an enrollment code to create an account, please contact (707) 565-8100 if you no longer have enrollment letter.

Get a Account Audit

Submit a request for an Account Audit within one year of your anticipated retirement date.

- Ask questions!
- If you had an audit done within a year prior to your retirement date a new audit is not necessary



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CHARMING, PRINCE

Current Status: Active
Date of Birth: 7/4/1976
Final Average Salary: \$3,841.23

First Eligible Retirement Date: 7/4/2028

CURRENT YEARS OF SERVICE

Туре	Benefit Service	Eligibility Service
Earned:	5.78783	5.78783
Service Purchased:	0.00000	0.00000
Reciprocal Service:	NA	2.00000
Public Service Purchased:	0.00000	NA
Total:	5.78783	7.78783

MEMBER CONTRIBUTIONS

Pre-Tax Contributions: \$43,835.03
Post-Tax Contributions: \$0.00

Interest: \$8,693.30

Total Account Balance: \$52,528.33

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ESTIMATE A BENEFIT		
Projected Date of Separation:	8/8/2041	Active employees - enter the date you plan
Projected Retirement Date:	8/9/2041	on terminating from employment in the Projected Date of Separation, your Projected Retirement Date will default to the next day.
Beneficiary Name*:		
Beneficiary Relationship:		the next day
Beneficiary Date of Birth:		
Beneficiary Gender:	•	
<u>Generate</u>		

*A beneficiary is not required to run this estimate; however if you choose to enter beneficiary information, please note that the information is used only for this estimate and is not considered an official beneficiary designation. To designate beneficiaries, please contact SCERA at (707) 5658100.

When should I request a formal estimate from SCERA?

- Within one year of your projected retirement date.
- If you plan to leave employment before you are eligible to retire.
- If you have transferred to a reciprocal system.
- If you have a split benefit domestic relations order on file.

Click here if you would like to download a Retirement Estimate Request form.



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BENEFICIARIES

Name:

Date of Birth:

Designation: Primary

Relationship: Mother

Distribution Percent: 100.00%

Name:

Date of Birth:

Designation: Alternate

Relationship: Sister

Distribution Percent: 100.00%

To change or add beneficiary designations, please complete the appropriate Beneficiary Designation form located under Online Forms or on www.scretire.org on the Forms and Publications page located on the Resource Center tab.

How do 1 apply?



Pick a Date



Yes, it's a hard decision

- On or after a birthday or quarter age
- First day of a new pay period

What if you change your mind?

2

Submit Completed Application

Make an appointment to submit 60-day rule

Copies of required documents (can be submitted prior to retirement)

- Age verification (you, spouse/partner, minor children)
- Social Security cards (you & beneficiaries)
- Marriage, domestic partner certification
- Dissolution, MSA submit early
- Tax withholding forms, direct deposit submit with application

B Reciprocity?

If reciprocity is established

- Must retire with same retirement date
- Combined service credit for eligibility
- Highest compensation is shared
- Each system uses their formula
- Multiple systems = multiple payments



- Your payroll is closed
- The final figures are ready
- Choose your irrevocable Benefit Payment Option
- Complete any final paperwork



Your 1st Payment

 Payment is retroactive to your retirement date.

 Typically 6 to 8 weeks after retirement. We can help you minimize the delay!



Payment of Your Monthly Allowance

You are paid on the last business day of the month for the rest of your life

Deductions

- Taxes
- Optional Health care, dental, vision, life insurance premiums

Vision



- VSP coverage through SCERA
- At retiree cost
- For you and any eligible dependents
- Plus! Hearing aid discount plan



Health, Dental, Life Insurance

Your employer administers health care benefits Coverage is subject to change

County of Sonoma

Human Resources' Benefits Unit 707-565-2900 or benefits@sonoma-county.org

Superior Court

Human Resources humanresources @sonomacourt.org

Sonoma Valley Fire District

Maci Jerry 707-996-2102 ext 300 or MaciJ@svfra.org

Can go back to Work?



Working after retirement

For any SCERA employer:

- Maximum 960 hours per fiscal year
- Depending on your plan, age, and reason for return different rules apply
- Cannot have a pre-arranged agreement in place

Any other employer:

Can work with no restrictions

* Detailed Handout available



Great Resources

www.scretire.org www.myscera.org

Who ya gonna call?



SCERA 707-565-8100

Yeci Gonzalez: 707-565-8117
Benefit Estimates, Account Audits, Purchase Estimates, Beneficiary Changes

Lisa Hogan: 707-565-8115 Service Retirement, Reciprocity

Jackie Purter: 707-565-8114

Divorce, Disability Retirement