

## OCERS Retirement Seminar Slides

ORANGE COUNTY  
**OCERS**  
EMPLOYEES RETIREMENT SYSTEM


# RETIREMENT BENEFITS

FUNDAMENTALS



The information provided is subject to change.

**The purpose of this presentation is to familiarize members with their OCERS benefits. We hope to provide the tools necessary to ensure that the transition from active employment to retirement is as uncomplicated and stress-free as possible.**



The information provided is subject to change.

## Overview of Topics

- Retirement Basics
- Plan Types & Formulas
- Eligibility for Retirement
- Options & Beneficiaries
- Survivor & Disability Benefits
- Application Process
- Life as a Retiree
- OCERS Website
- Contact Information

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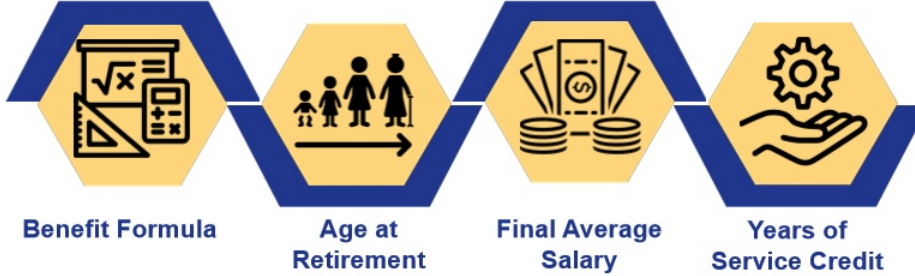
## Retirement Basics

How much is  
my monthly  
retirement  
going to be?



The information provided is subject to change.

# Retirement Benefits are Calculated Using 4 Factors



The information provided is subject to change.

## Factor 1: Benefit Formula



**Benefit Formula**

The information provided is subject to change.



## Factor 2: Age at Retirement



The information provided is subject to change.

## Factor 3: Final Average Salary



**Final Average  
Salary**



The information provided is subject to change.



## Factor 3: Final Average Salary



The information provided is subject to change.



Share your FAS with your previous retirement system



Use the highest 12 or 36-month average between the two



FAS is calculated after your retirement date

## Factor 3: Final Average Salary



### Final Average Salary

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#### Base Salary and Wages



#### PM or Shift Differential



#### Bilingual Premium Pay



#### Vacation/Annual Leave



#### Holiday Pay



## Factor 4: Years of Service Credit

- Based on actual hours a member is paid and contributions received by OCERS
- Not based on calendar years
- Can only earn 1.0 years of service credit per year



✔ Yes	✘ No
Regular work hours	Leave without pay
Vacation taken	Sold/Cashed out vacation hours
Sick leave taken	Overtime
Comp time taken	
Holidays/Floating Holidays	

The information provided is subject to change.

## Increasing Years of Service

Service Credit Purchase (buyback)



The information provided is subject to change.

# What type of Service Credit can be purchased?

## Previous Service

Previously withdrawn OCERS service

## Medical Leave of Absence/ Workers Compensation

Up to 1 year

## Public Service

Within CA, cannot be entitled to receive a pension/retirement due to service

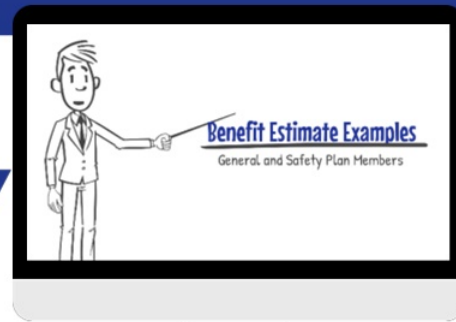
## Excluded Service/ Extra Help

Service prior to OCERS membership

The purchase must be completed prior to receiving your first benefit payment.

The information provided is subject to change.

# Plan Types and Formulas



The information provided is subject to change.

## 2 Biggest Questions



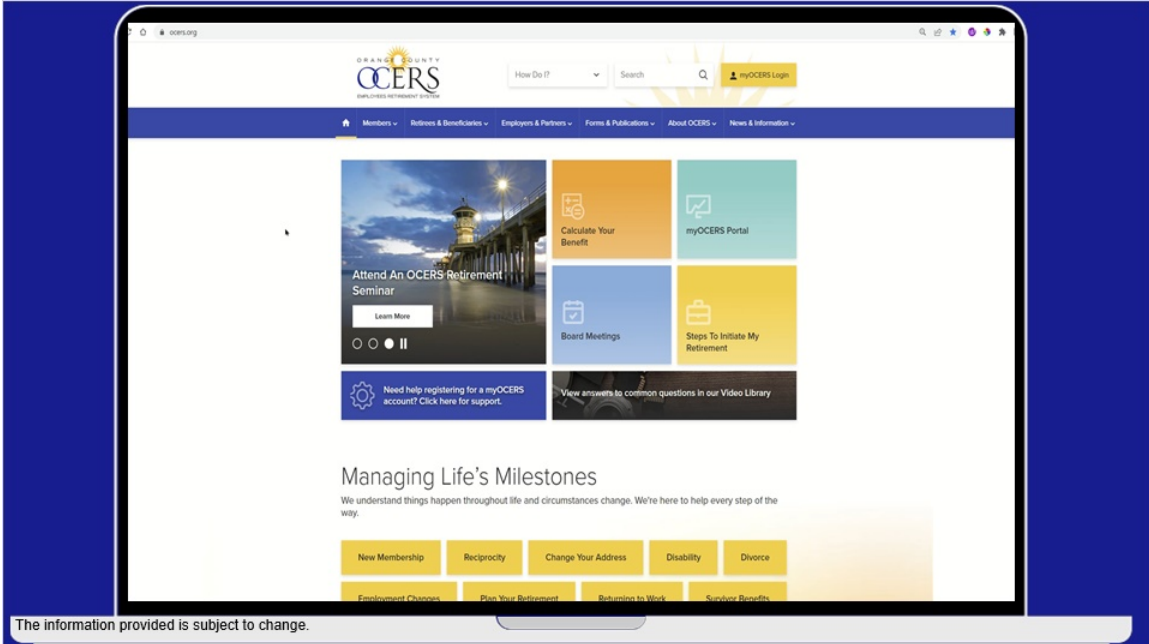
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“  
**What % of my final average salary will I get when I retire?**  
”

The information provided is subject to change.





**What % of my final average salary will I get when I retire?**

Years of Service	Age at Retirement							
	48	49	50	51	52	53	54	55 and Over
<i>General members in Plan I/J are eligible to retire at any age with 30 years of service</i>								
20			40.00%	42.20%	45.60%	48.40%	51.0%	54.00%
21			42.00%	44.44%	47.88%	50.82%	53.6%	56.70%
22			44.00%	47.88%	50.16%	53.24%	56.2%	59.40%
23			46.00%	49.22%	52.44%	55.66%	58.8%	62.10%
24			48.00%	51.6%	54.72%	58.08%	61.4%	64.80%
25			50.00%	53.50%	57.00%	60.50%	64.0%	67.50%
26			52.00%	55.64%	59.28%	62.92%	66.6%	70.20%
27			54.00%	57.78%	61.56%	65.34%	69.2%	72.90%
28			56.00%	58.8%	63.84%	67.36%	71.68%	75.60%
29			58.00%	62.06%	66.12%	70.18%	74.24%	78.30%
30	53.74%	56.77%	60.00%	64.20%	68.40%	72.60%	76.80%	81.00%
31	55.53%	58.66%	62.00%	66.34%	70.68%	75.02%	79.36%	83.70%
32	57.32%	60.55%	64.00%	68.48%	72.96%	77.44%	81.92%	86.40%
33	59.12%	62.44%	66.00%	70.62%	75.24%	79.86%	84.48%	89.10%
34	60.91%	64.33%	68.00%	72.76%	77.52%	82.28%	87.04%	91.80%
35	62.70%	66.23%	70.00%	74.90%	79.80%	84.70%	89.60%	94.50%
36	64.49%	68.12%	72.00%	77.04%	82.08%	87.12%	92.16%	97.20%

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“  
**How long will I have to work to make a certain % of my final average salary?**  
 ”

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**How long will I have to work to make 80% of my final average salary?**

Years of Service	Age at Retirement							
	48	49	50	51	52	53	54	55 and Over
<i>General members in Plan I/J are eligible to retire at any age with 30 years of service</i>								
20			40.00%	42.80%	45.40%	48.40%	51.0%	54.00%
21			42.00%	44.94%	47.38%	50.82%	53.6%	56.70%
22			44.00%	47.08%	50.16%	53.24%	56.2%	59.40%
23			46.00%	49.22%	52.54%	55.66%	58.8%	62.10%
24			48.00%	51.36%	54.72%	58.08%	61.4%	64.80%
25			50.00%	53.50%	57.00%	60.50%	64.0%	67.50%
26			52.00%	55.64%	59.38%	62.92%	66.6%	70.20%
27			54.00%	57.78%	61.46%	65.34%	69.2%	72.90%
28			56.00%	59.92%	63.84%	67.76%	71.8%	75.60%
29			58.00%	62.06%	66.2%	70.18%	74.4%	78.30%
30	59.74%	56.77%	60.00%	64.20%	68.40%	72.60%	76.0%	81.00%
31	55.53%	58.66%	62.00%	66.34%	70.68%	75.02%	79.6%	83.70%
32	52.33%	60.55%	64.00%	68.48%	72.96%	77.44%	81.92%	86.40%
33	59.12%	62.44%	66.00%	70.62%	75.24%	79.86%	84.48%	89.10%
34	60.91%	64.33%	68.00%	72.76%	77.52%	82.28%	87.04%	91.80%
35	62.70%	66.23%	70.00%	74.90%	79.80%	84.70%	89.60%	94.50%
36	64.49%	68.12%	72.00%	77.04%	82.08%	87.12%	92.16%	97.20%

The information provided is subject to change.



## Eligibility for Retirement

The information provided is subject to change.

## Eligibility for General Members

Plan Examples: A, B, I, J, P and T

Age 50, with 10 years of service credit\* or more

30 years of service credit or more, regardless of age

Age 55 or older, 5 years of service credit or more AND 10 years of employment (for Part-Time only)

Age 52, with 5 years of service credit or more (PEPRA – Plan U)

Age 70 or older, regardless of years of service credit (includes all PEPRA plans)



The information provided is subject to change.

\*Reciprocal service counts towards the minimum eligibility requirements

# Eligibility for Safety Members

Plan Examples: C, D, E, F, R and PEPRA Plan V

Any part-time or full-time member age 50 or over with 10 or more years of service.

20 years of service credit or more, regardless of age

Age 55 or older, 5 years of service credit or more AND 10 years of employment (for Part-Time only)

Age 50, with 5 years of service credit or more (PEPRA – Plan V)

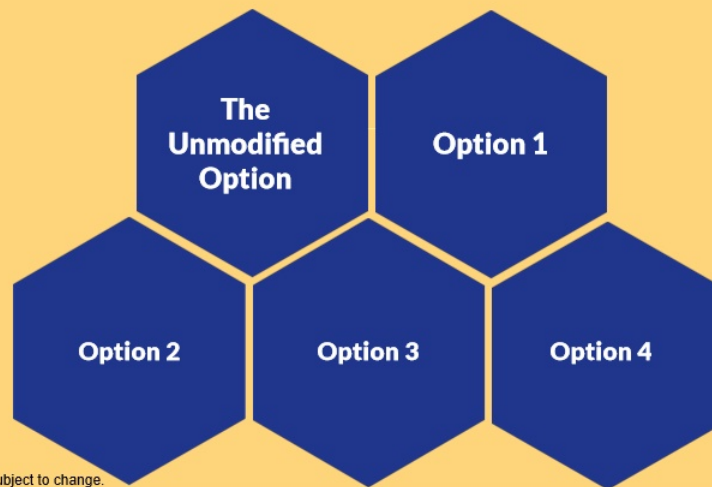
Age 70 or older, regardless of years of service credit (includes all PEPRA plans)



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## Retirement Benefit Payment Options

You Choose One



The information provided is subject to change.

# The Unmodified Option



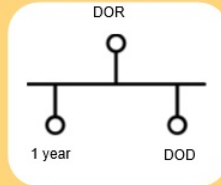
Pays highest possible benefit



60% continuance to eligible spouse/  
registered domestic partner or eligible child

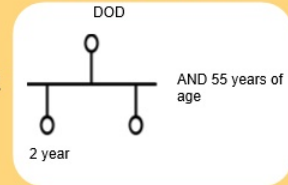


Prior to Retirement



OR

After Retirement



- Unmarried child under age 18
- OR
- Unmarried full-time student under age 22

The information provided is subject to change.

## Options 1 Through 4

### Option 1

Lump sum payment of unused contributions to a designated beneficiary

### Option 2

100% continuance to a designated beneficiary  
\*certain exceptions apply

### Option 3

50% continuance to a designated beneficiary

### Option 4

- Allows for multiple designated beneficiaries
- Must be approved by the Board of Retirement



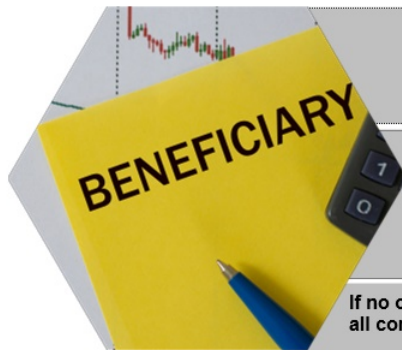
The information provided is subject to change.



# Beneficiary Designation

The information provided is subject to change.

## Survivor Benefits for Active Employees



### **If you were eligible to retire at the time of your death**

- 60% of your monthly benefit will be paid to your eligible spouse, domestic partner, or child

### **If you were eligible for a non-service disability benefit at the time of your death**

- 60% of that non-service connected disability benefit will be paid to your eligible spouse, domestic partner, or child

**If no one is eligible to receive a monthly continuance, a refund of all contributions and interests will be paid to the beneficiary**

The information provided is subject to change.

# Disability Benefits



## Non-service Connected Disability (Not job caused)

- Approximately 1/3 of FAS
- Continuance based on the option selected
- Fully taxable

## Service Connected Disability (Job caused)

- Greater of the Service Retirement allowance or the Service Connected disability benefit
- 100% continuance to eligible spouse/DP/child
- Portion of your allowance may be exempt from taxes

The information provided is subject to change.



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# Choosing a Retirement Date

SUN	MON	TUE	WED	THU	FRI	SAT
						01
02	03	04	05	06	07	08
09	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

● End of Pay Period    ★ First Day of Pay Period

## Retiree Application Process



Submit your application

• Online [www.ocers.org](http://www.ocers.org) using your myOCERS Portal

**NOTE:**  
An application can be submitted up to 60 days before your retirement



Gather required original documents

- Your birth certificate
- Your spouse or domestic partners birth certificate (or valid Passport)
- Marriage License or Domestic Partnership certificate
- \*Legal divorce documents
- Timesheets/Paystubs



Direct Deposit Form

- Must be a US financial institution
- Bank name
- Bank address/phone #
- Routing #
- Account #



Tax Withholding Election Form

**California Only**

The information provided is subject to change.



# Life as a Retiree

The information provided is subject to change.



**When will I get paid?**

**EXAMPLE**

**Paid monthly and in arrears**

**January 1st benefit covers the period of 12/1-12/31**

**OCERS**  
Orange County Employees Retirement System  
P.O. Box 1225, Santa Ana, CA 92716-1225  
www.ocers.com

**DIRECT DEPOSIT AUTHORIZATION**

Please make sure all the following steps are completed to start your direct deposit:

- Mark the box that indicates whether you would like your funds deposited into your checking or savings account. You must be the owner/member of the account, with your name listed on it.
- Fill in member's name. This must be the owner/member of the account, with your name listed on it.
- Confirm your name, name of your financial institution, account number, and routing number.
- Please provide your email address and phone number.
- Sign and date below, and return to OCERS at this address:  
Orange County Employees Retirement System  
PO Box 1225  
Santa Ana, CA 92705

**Member Authorization**

I authorize OCERS and the financial institution listed below to deposit my funds automatically to my:

Checking Account  Savings Account

Each month and, if necessary, to adjust or reverse a deposit for any entry made to my account in error. I authorize OCERS to verify my ownership of and to initiate direct deposits to the account. The authorization will remain in effect until I have cancelled it in writing or until I change my direct deposit instructions in the myOCERS portal.

Member Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Member Information**

9. Member/Print Name (Print) \_\_\_\_\_  
10. Phone Number \_\_\_\_\_

11. Last Four Digits of SSN \_\_\_\_\_

12. Home/Mailing Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

13. Original Member Name (If other than above) \_\_\_\_\_

14. Email Address \_\_\_\_\_

15. Phone Number \_\_\_\_\_

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# COLA



The information provided is subject to change.

reduce the impact of inflation



maximum annual COLA adjustment



OCERS Board of Retirement sets the COLA for the year based on the prior years Consumer Price Index



Any COLA adjustment is effective April 1 and paid in May




## Burial Benefit

**important** Let your family members know to call OCERS if something happens to you.

Retired	one-time payment of \$1,000.00
Active/Deferred	10+ years of service one-time payment of \$750.00

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**1099's**



Form 1099  
Use this form

Form 1040 (2020)  
Tax and Credits

Form 1099  
Label  
(See instructions)

Department of the Treasury  
U.S. Internal Revenue Service  
For the year Jan 1 to Dec 31, 2020

Detailed information on your income from previous year

Mailed out last Friday of January of each year


Access form on myOCERS Portal

Form needed to file taxes

The information provided is subject to change.

**Returning to work**

**Outside OCERS-Covered Employer**



- **No effect on OCERS monthly retirement allowance.**
- **Receive full retirement benefit + new employer paycheck.**

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## Returning to work

### OCERS-Covered Employer (Part-Time/Extra Help)



The information provided is subject to change.

- **Can continue to receive OCERS retirement benefit + part-time earnings.**
- **180-day waiting period after retirement date.**
- **Maximum of 960 hours per fiscal year.**

## Returning to work

### Reemployment in Permanent Position with OCERS-Covered Employer



The information provided is subject to change.

- **Need reinstatement into active OCERS membership.**
- **Approval required by Board of Retirement.**
- **Contact OCERS to initiate the process.**

## Returning to work

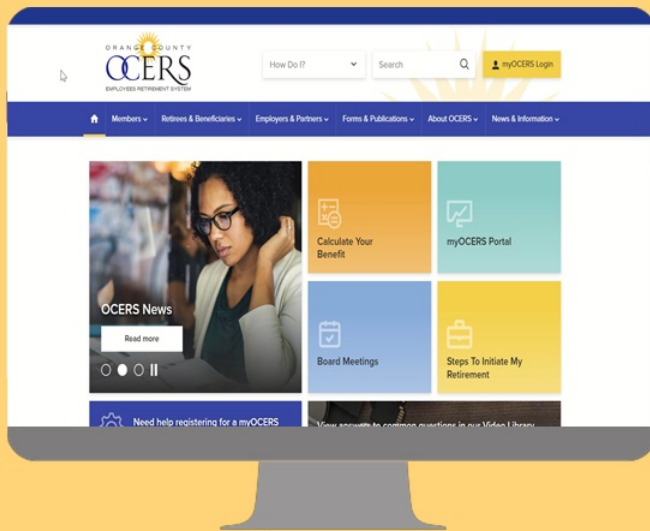
## Reemployment in Permanent Position with OCERS-Covered Employer







The information provided is subject to change.

### Impact on Payments

- Payments stop on reemployment date.
- Enter active OCERS membership.
- Resume retirement benefit upon subsequent retirement.



## OCERS Website

-  Easier Navigation
-  Enhanced Search Functionality
-  Categorized FAQs
-  Clickable Content for Exploring

[www.ocers.org](http://www.ocers.org)

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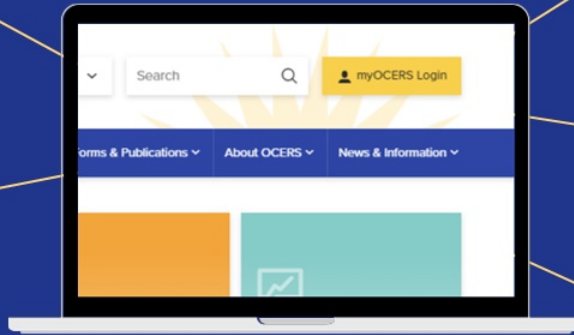
# myOCERS Member Self Service Portal



Available 24/7



Beneficiary Information and Changes



Employment History and Benefit Plan Formula



Personalized Benefit Estimator



Balance Statements

Enroll at [www.ocers.org](http://www.ocers.org)

The information provided is subject to change.

## Benefit Estimator



[www.ocers.org](http://www.ocers.org)

The information provided is subject to change.

**Shortcuts**

- Request to Purchase Service
- Credit
- Change Beneficiary
- Initiate Retirement

**Menu**

- Home
- Personal Information
- Address
- Participant Account
- Benefit Estimator**
- Member Statements
- Forms
- FAQ

### Benefit Estimator

The Estimated Unmodified Monthly Benefit Amount displayed below is as of the indicated retirement date. To create an estimate based on a different date or other values, enter or edit the information as indicated and click on RE-CALCULATE.

**Member Information**

Name:		Age At Effective Date:	56
Birth Date:	04/11/2008	Earliest Retirement Date:	03/29/2035
OCERS Entry Date:	04/11/2008	OCERS Classification:	General
Status:	Active		
Years of Benefit Service - Plan J:	26.9614		
Total:	26.9614		

**Benefit Estimator**

Retirement Effective Date:

Monthly Final Average Salary at Retirement Effective Date:

Years of Service at Retirement Effective Date:

Service Purchase (Not yet completed):

Total Service:

Estimated Unmodified Monthly Benefit Amount:

**Change the date and<sup>h</sup> recalculate for future dates**

This is your earliest retirement date. You may also enter a future date in this field and your age at effective date above will automatically update. If you are an Active member the system will project your service up to the date entered based on 80 hours per pay period. If you are a Deferred member no service will be projected.

This is your current FAS based on payroll data printed in our system as of today's date. You may also enter another value in this field and your benefits will be calculated based on that amount.

If you have a purchase service that is planned or in progress, enter the years of service you are purchasing here. Do not enter a value for any previously paid in full service purchase contracts or Public Service purchases that are in process, as those amounts are reflected in the total above. The years of service entered here will be calculated based on your current or most recent plan formula. If you are purchasing service that will not be credited to your current or most recent plan formula, please contact OCERS.

Total the YOS at retirement effective date and Service Purchase (not yet completed).

Click RE-CALCULATE after entering or updating your information.

## What We Covered

- ▶ Retirement Basics
- ▶ Plan Types & Formulas
- ▶ Eligibility for Retirement
- ▶ Options & Beneficiaries
- ▶ Disability & Survivor Benefits
- ▶ Application Process
- ▶ Life as a Retiree
- ▶ OCERS Website
- ▶ Contact Information

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Santa Ana, CA 92701



PO BOX 1229  
Santa Ana, CA 92701



(714) 558-6200



<https://www.ocers.org>



Member Services Directory:  
<https://www.ocers.org/member-services-directory>

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