



# Retirement Matters

## TOWN HALL MEETING

Thursday, October 24, 2024



# Mission, Vision, and Values

## **Mission Statement**

We provide secure retirement and disability benefits with the highest standards of excellence.

## **Vision Statement**

To be a trusted partner providing premier pension administration, distinguished by consistent, quality member experience and prudent financial stewardship

## **Values**

Open and Transparent  
Commitment to Superior Service  
Engaged and Dedicated Workforce  
Reliable and Accurate  
Secure and Sustainable

# In 2025 OCERS is Celebrating 80 Years of Service



# Who We Serve

- City Of San Juan Capistrano
- County Of Orange
- Orange County Cemetery District
- Orange County Children & Families Commission
- Orange County Department Of Education  
(Closed To New Members)
- Orange County Employees Retirement System
- Orange County Fire Authority
- Orange County In-home Supportive Services  
Public Authority
- Orange County Local Agency Formation Commission
- Orange County Public Law Library
- Orange County Sanitation District
- Orange County Transportation Authority
- Superior Court Of California, County Of Orange
- Transportation Corridor Agencies
- UCI Medical Center And Campus  
(Closed To New Members)



\*The information provided is subject to change.

# About OCERS Members



# Quick Facts

<b>Members &amp; Employers</b>	<b>31,361</b> active & inactive members		<b>21,283</b> retirees, beneficiaries & survivors		<b>20</b> Participating Employers	<b>52,644</b> total membership
	<b>\$4,093</b> monthly allowance for all General members and payees		<b>\$7,277</b> monthly allowance for all Safety members and payees		<b>23</b> average years of service for General members who retired in 2023	<b>22</b> average years of service for Safety members who retired in 2023
<b>Pension Averages</b>	<b>61 years old</b> average age at retirement for General members who retired in 2023		<b>54 years old</b> average age at retirement for Safety members who retired in 2023			



# OCERS Board of Retirement



**Adele Lopez Tagaloa, Chair**  
General Board Member



**Charles E. Packard, Vice Chair**  
Public Board Member



**Shari L. Freidenrich, CPA**  
Ex-Officio Member



**Arthur Hidalgo**  
Public Board Member



**Roger Hilton**  
Retiree Board Member



**Wayne Lindholm**  
Public Board Member



**Richard Oates**  
Safety Board Member



**Shawn Dewane**  
Public Board Member



**Chris Prevatt**  
General Board Member



**Jeremy Vallone**  
Alternate Safety Member



# Legacy and PEPRA Members

**Count and Percentage of PEPRA to Legacy Members**  
As of December 31, 2023

	2016	2017	2018	2019	2020	2021	2022	2023
Legacy Active and Deferred Members	21,944	21,006	19,911	18,921	18,442	17,828	16,819	16,060
PEPRA Active and Deferred Members	5,220	6,570	8,044	9,856	9,935	11,421	13,136	15,301
Total	27,164	27,576	27,955	28,777	28,377	29,249	29,955	31,361
<b>Percentage of PEPRA to Legacy Members</b>	<b>19%</b>	<b>24%</b>	<b>29%</b>	<b>34%</b>	<b>35%</b>	<b>39%</b>	<b>44%</b>	<b>49%</b>





# Legacy Plan vs PEPRA Plan

## Legacy Members = **Compensation Earnable**

- Highest 12 or 36 consecutive months of pay
- Base salary/wages
- Premium pay – special skills (bilingual) and shifts (night shift)
- Holiday pay – worked or regular day off
- Accrued leave – annual leave, vacation and/or sick
  - To the extent earned and cashable in a 12 month period
- Higher Compensation Limit

## PEPRA Members = **Pensionable Compensation**

- Highest 36 consecutive months of pay
- Base salary/wages
- Premium pay – special skills (bilingual) and shifts (night shift)
- Membership after 1/1/2013



# Plan Formulas

## Legacy Plan Formulas

- Plan A — 2% at 57
- Plan B — 1.667% at 57.5
- Plan I/J — 2.7% at 55
- Plan O/P — 1.62% at 65
- Plan F (Safety) – 3% at 50

## PEPRA Plan Formulas (membership after 1/1/2013)

- Plan T — 1.62% at 65
- Plan U — 2.5% at 67
- Plan V (Safety) – 2.7% at 57



# Final Average Salary (FAS)

Legacy  
Members =  
Compensation  
Earnable

- Highest 12 or 36 consecutive months of pay
- Base salary/wages
- Premium pay — special skills (bilingual) and shifts (night shift)
- Holiday pay — worked or regular day off
- Accrued leave — annual leave, vacation and/or sick time
  - to the extent earned and cashable in a 12-month period



# Final Average Salary (FAS)

**PEPRA  
Members =  
Pensionable  
Compensation**

- Highest 36 consecutive months of pay
- Base salary/wages
- Premium pay — special skills (bilingual) and shifts (night shift)

**PEPRA membership after 1/1/2013**



# Plan Formulas - Legacy

## Example:

- Plan J: 2.7% at 55
- Years of Service (YoS) Credit with OCERS-covered Employer: 20 years
- Final Average Salary: \$50,800 (\$50,000 in base salary and \$800 in earnable annual leave)

## Formula:

Percentage (x) YoS Credit (=) Percentage of Final Average Salary

2.7% (x) 20 years (=) 54%

Percentage of Salary (x) Final Average Salary (=) Retirement Benefit

54% (x) \$50,800 (=) \$27,432



# Plan Formulas - PEPRA

## Example:

- Plan U: 2.5% at 67
- Years of Service (YoS) Credit with OCERS-covered Employer: 20 years
- Final Average Salary: \$50,000 (\$50,000 in base salary)

## Formula:

Percentage (x) YoS Credit (=) Percentage of Final Average Salary

2.5% (x) 20 years (=) 50%

Percentage of Salary (x) Final Average Salary (=) Retirement Benefit

50% (x) \$50,000 (=) \$25,000



# Retirement Eligibility

## Legacy Member (and Plan T)

- Age 50 with 10 years of service credit
- Age 70 regardless of years of service credit
- Safety members = 20 years of service credit

## PEPRA Members

- Age 52 with 5 years of service credit
- Age 70 regardless of years of service credit



# Service Credits (Years of Service Credit)

Based on hours paid — regular pay, annual leave, workers' compensation pay, etc.

2080 hours paid = 1 year of service credit

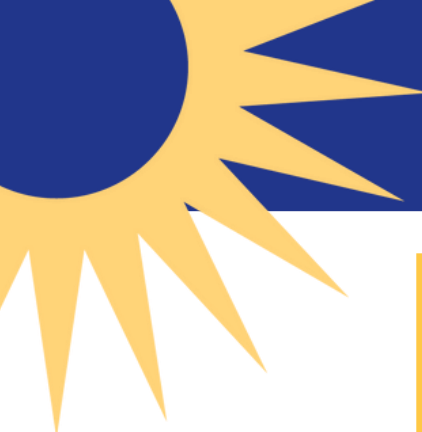
Not based on calendar years

Purchases of service credit

- Medical leave of absence
- Excluded service (Extra Help)
- Prior withdrawn OCERS membership
- Prior public service (PERS, LACERA, etc.)







# RETIREMENT

## APPLICATION CHECKLIST

### 1. CHOOSE A RETIREMENT DATE

OCERS recommends that you select the first day of a pay period. This would be the day following your last day of employment.



### 2. SUBMIT YOUR APPLICATION

Submit your application through the myOCERS portal. Application can be submitted up to 60 days in advance and no sooner.



### 3. IF YOU HAVE RECIPROCITY

If reciprocity is applied, you will need to apply with all reciprocal systems separately and use the same retirement date.



### 4. ACKNOWLEDGEMENT

You will receive an acknowledgement email or letter that we received your application.



### 5. GATHER REQUIRED DOCUMENTS

In order for OCERS to process your retirement, we will need the following:



- Original or true certified copy of your birth certificate
- Original or true certified copy of your spouse's or domestic partner's birth certificate
- Original or true certified copy of your marriage certificate or original domestic partnership registration certificate
- Valid passport if no original birth certificate
- Divorce documents, if applicable
- Copies of timesheets and paystubs, if needed
- Direct deposit form
- Tax Withholding Election form(s)

### 6. SCHEDULE A MEETING WITH A RETIREMENT PROGRAM SPECIALIST

The OCERS Retirement Program Specialist will review your documents and advise you on the timeframe of your application.

# PRE-RETIREMENT SEMINARS



**NOVEMBER 13, 2024 @ 8AM - 12PM**

**NOVEMBER 27, 2024 @ 8AM - 12PM**

**DECEMBER 11, 2024 @ 8AM - 12PM**



**REGISTER ONLINE: [WWW.OCERS.ORG/RETIREMENT-SEMINARS](http://WWW.OCERS.ORG/RETIREMENT-SEMINARS)**



\*The information provided is subject to change.

# Help Us Help YOU

Attend a Pre-Retirement Seminar

Contact your Retiree Medical Benefits office

Contact Social Security

Provide OCERS with documents

- Birth Certificate or Valid Passport of member
- Birth Certificate or Valid Passport of spouse or beneficiary
- Marriage License

Enroll in myOCERS and run a benefit estimate!

Update beneficiary designations!






# Employee Benefits

 714-834-6282

 [askemployeebenefits@ocgov.com](mailto:askemployeebenefits@ocgov.com)

 [hrs.ocgov.com/retiree.benefits](https://hrs.ocgov.com/retiree.benefits)

 714-834-7088

 400 W. Civic Center, Santa Ana, CA 92701



# Frequently Asked Questions

**Q**

**How do I enroll in myOCERS?**

**A**

The portal is available on [ocers.org](https://ocers.org). You will need a PIN number to register for the first time.

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**Q**

**How soon can I file my retirement application?**

**A**

Up to 60 days in advance of your retirement date.



# Frequently Asked Questions

**Q**

**How long before I receive my first check?**

**A**

The first payment is typically issued 45-60 days after retirement.

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**Q**

**When is the COLA paid?**

**A**

COLA is effective April 1st and paid on May 1st.



# Frequently Asked Questions

**Q**

**Can I retire in the middle of a pay period?**

**A**

Yes, but it is easier for OCERS and your payroll department if you retire at the end of a pay period.

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**Q**

**How do I schedule an appointment for 1:1 counseling?**

**A**

One-on-one counseling is done over the phone so that calculations can be done and estimates prepared. An appointment will only be needed if you intend on filing your application in person.



# Frequently Asked Questions

**Q**

**How much is medical insurance?**

**A**

OCERS doesn't administer medical benefits, so you should contact your employee benefits department for information.





# Questions?



# OCERS BENEFITS ADVICE COLUMN

## AT YOUR SERVICE NEWSLETTER



AskBenny@ocers.org

NEW



**D**ear Benny:

*I'm a new County of Orange government employee, and previously worked in the private sector, where I contributed to both Social Security and a 401(k) plan. I've heard about the pension plan offered here. Could you explain what a pension plan is and how it differs from a defined contribution plan such as a 401(k)?*

*Sincerely,  
New to OCERS*

Introducing Ben E. Fits, aka Benny, our latest advice column dedicated to retirement benefits! This feature is designed to be an invaluable resource for our members, offering guidance on pension-related queries, retirement benefits, beneficiaries, and retirement planning. If you have any questions, feel free to email us at [communications@ocers.org](mailto:communications@ocers.org).

**Dear New to OCERS:**

First of all, welcome to the world of public service in Orange County! It's fantastic that you're taking an interest in your retirement plans. Let's demystify the jargon and break down the difference between a Defined Benefit Plan (DB or pension) and a Defined Contribution Plan (DC) in the simplest way.

**Defined Benefit Plan (DB or pension):** A defined benefit plan through OCERS, like most public sector plans, is based on a set of factors: benefit formula, age, final average salary and years of service. This means that when you retire, you will receive a lifetime fixed monthly payment.

**Defined Contribution Plan (DC):** A defined contribution plan like a 401(k), on the other hand, does not promise a specific amount of benefits at retirement. In these plans, the

employee (and/or with the employer) contribute to the employee's plan. The final retirement payout depends on your contributions and your investments returns (gains or losses).

In short, a Defined Benefit Plan (DB) guarantees a specified monthly amount upon retirement, while a Defined Contribution Plan (DC) is like putting your money into your own savings to withdraw later, with some investment risks.

Congratulations on your new role, and here's to a secure financial future!


Sincerely,  
Benny


Read more online  
(<http://bit.ly/Intro2OCERS>),  
or scan the QR code





# Thank You!



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