Advanced Career Retirement

Retirement Planning Webinar Presentation

September 10, 2026, 10:00 a.m.

Agenda

- Basics of SCERS Benefits
- Retirement Elections and Other Benefit Decisions
- Estimates and Calculation Tools
- Planning for Retirement – Thinking Ahead
- After Retirement – Considerations and Information

Basics of SCERS Benefits

- **SCERS provides a Defined Benefit**
- **Benefit is calculated using three components:**
  1. Age Factor: Percentage based on your age at retirement
  2. Service Credit: Amount of time employed and contributing
  3. Final Compensation: Highest average annual compensation earnable during a 12 or 36 consecutive month period
- **Monthly Benefit Amount** = (age factor) x (service credit) x (final compensation)

Basics of SCERS Benefits
Vesting and Eligibility

- **Vested after Earning 5 years of Service Credit**
- **Eligibility for Service Retirement**

Members Prior to 12/31/2012

- 10 years of service and age 50+

Exceptions:

- Safety: 20 years of service, regardless of age
- Miscellaneous: 30 years of service, regardless of age

Members After 1/1/2013

- Miscellaneous Tier 5: Vested and age 52+
- Safety Tier 4: Vested and age 50+

Age 70 with any years of service credit

Basics of SCERS Benefits
Age Factor

		Minimum		Maximum	
Plan	Tier	Age	Factor	Age	Factor
Safety	1 & 2	41	1.8774%	50	3.0000%
	3	41	1.4331%	55	3.0000%
	4	50	2.0000%	57	2.7000%
Miscellaneous	1, 2, & 3	50	1.474%	62	2.611%
	4	50	1.181%	65	2.432%
	5	52	1.000%	67	2.500%

Basics of SCERS Benefits
Service Credit

One year of work = one year of service credit

Basics of SCERS Benefits
Final Compensation

The highest average annual compensation earnable* during 12 or 36 consecutive months

- **Miscellaneous and Safety Tier 1**: Final compensation period is 12 consecutive months
- **All other Plans and Tiers:** Final compensation is based on the highest average annual compensation earnable during 36 consecutive months.

*Overtime pay is not included in compensation earnable.

Read the Final Compensation Review Policy at SCERS.gov

Retirement Elections and Other Benefit Decisions – Option Elections

Unmodified – Provides the largest benefit to you, the retired member. Provides 60% Continuance to spouse or domestic partner who is married or registered to member at least <u>one year prior to retirement</u>.

Option 1: Lifetime allowance that is nominally less than Unmodified payment and offers no Continuance.

Option 2: Lifetime allowance that is noticeably less than Unmodified payment and offers 100% Continuance to spouse, registered domestic partner or other eligible beneficiary.

Option 3: Lifetime allowance that is noticeably less than Unmodified payment and offers 50% Continuance to spouse, registered domestic partner or other eligible beneficiary.

Retirement Elections and Other Benefit Decisions – Service Credit Purchases

Medical Leave-of-Absence

Includes periods of State Disability

Pre-Membership

Limited to prior temporary employment with the County or another participating employer.

Public Service

Available for prior employment with federal and State agencies, as well as other public agencies within Sacramento County. (Also applies to military service prior to SCERS membership.)

Redeposit

Reserved for prior refunds from SCERS.

Retirement Elections and Other Benefit Decisions – Service Credit Purchases

Service Purchase Calculator

Easily estimate the cost of buying additional service credit! Use this tool to make informed decisions for your retirement future.

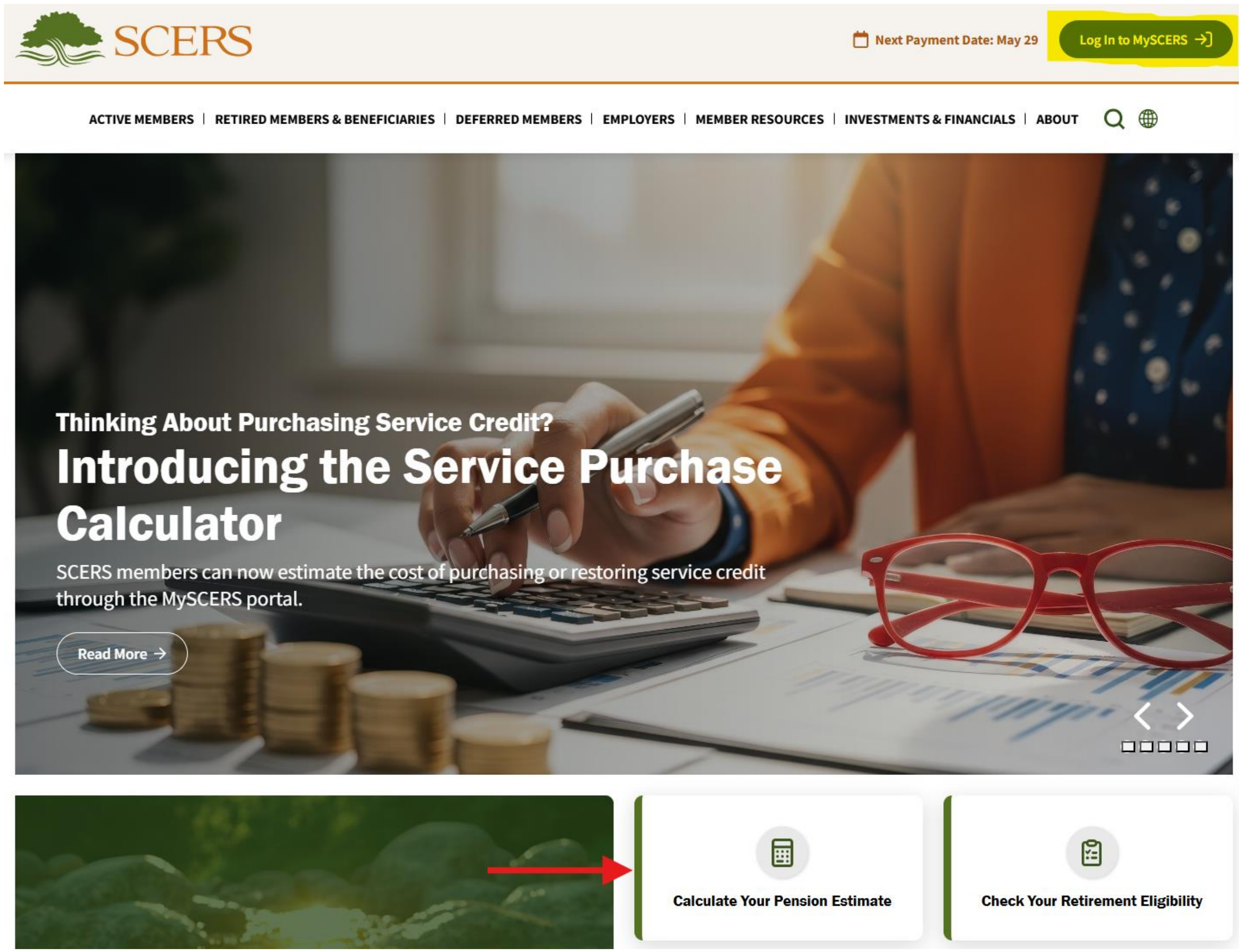
Generate Your Preliminary Estimate

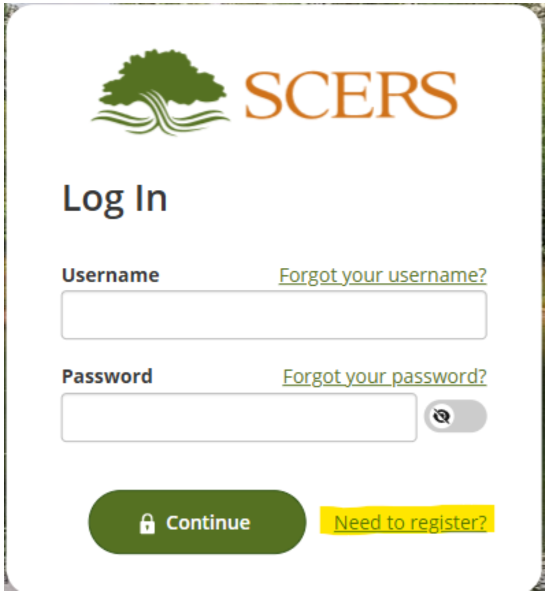
Retirement Elections and Other Benefit Decisions – Planning to Purchase Service Credit?

- The cost of purchasing Service Credit increases the longer you wait.
- Service Credit purchases and redeposits must be completed before retirement.
    - Redeposits cannot be prorated
- For Service Credit purchase agreements, members can complete the agreement with a lump sum payment or via payroll deduction.

Estimates and Calculation Tools

Where to Find the Benefit Calculator





Estimates and Calculation Tools
Estimating Your Benefit

Age Factor x Service Credit x Final Compensation = Monthly Benefit Amount

Example:

- Miscellaneous Tier 3
- Age = 55.5
- Service Credit = 15 years
- Final Compensation = $6,000 monthly average
- Calculation: **.02 x 15 x $6,000 = $1,800**

Estimates and Calculation Tools
Sample Estimate

	Estimated Monthly Retirement Allowance	Continuance to Beneficiary
Unmodified:	$1,768.68	$1,061.21
Option 1:	$1,767.52	
Option 2:	$1,618.71	$1,618.71
Option 3:	$1,690.38	$845.19

Planning for Retirement – Thinking Ahead
What You Should Know

Estimates

- Have you used SCERS' online Retirement Benefit Calculator?

Reciprocity

- You must retire on the same date with all reciprocal retirement systems

Divorce

- Retiring during a divorce can result in significant delays or the cancelation of your retirement application.
- Your spouse has a vested interested in your retirement account as a community property asset.

Planning for Retirement – Thinking Ahead
What You Should Know

Obtain Verification Documents to Avoid Retirement Processing Delays

- Eligibility for retirement benefits must be validated by certain documents, such as:
  - Birth certificate
  - Marriage/RDP certificate
- Failure to locate and/or produce required documents in a timely manner can delay retirement plans
  - See Service Retirement Package for listing of required items.

Submitting Your Application

- You may submit your retirement application up to 60 calendar days before your retirement date.
  - This is our recommendation!

- No retroactive retirement dates
  - You may not back-date your application.

After Retirement – Considerations and Information

Planning Monthly Benefit

- Deductions

Updating SCERS Information on File

- Address Changes
  - SCERS does not automatically update tax withholding preferences for out-of-state address changes.
- Deductions
- Tax Withholdings
- Burial Allowance
  - Beneficiaries

After Retirement – Considerations and Information

Cost of Living Adjustment (COLA) increases annually in April. The amount is variable and based on the Consumer Price Index (CPI).

- **Safety**
  - All Safety tiers receive an annual COLA
  - Tier 1: up to 4%
  - All other tiers: up to 2%
- **Miscellaneous**
  - All Misc. tiers (excluding M2) receive an annual COLA
  - Tier 1: up to 4%
  - All other tiers: up to 2%

After Retirement – Considerations and Information

Working While Retired*

- Private Sector or Outside Public Employment
  - Does not affect retirement allowance
- "Retired Annuitant" Work for County or Participating Employer
  - Must allow 180 days after termination date before returning to work (Excludes Safety)
  - Limited to 960 hours per year
  - Limited duration of 36 months with possible 2 1-year extensions
  - Violations of these provisions may result in: repayment of pension paid during unlawful employment; suspension of pension; and reinstatement to active service

*Source: Post-Retirement Employment Policy at SCERS.gov

After Retirement – Considerations and Information

Returning to Permanent Active Employment

- A return to active status, terminating retirement benefits to return to full-time County employment
  - Increase your retirement benefit for when you re-retire
  - Add additional Service Credit
  - May increase your Final Compensation
  - May result in a higher Age Factor

Thank you for attending!

Still have questions? Contact us or make an appointment:

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