

San Luis Obispo County
Pension Trust

SLOOPT

Retirement 201

Members within about 5 years of retirement

SLO County Pension Trust

805/781-5465

1000 Mill St. San Luis Obispo, CA 93408

SLOPensionTrust.org

Retirement Income Needed

- Rule-of-thumb for needed income
 - **70% to 80% of pre-retirement income**
- Spending in retirement not steady –
 - **Early years** – higher spending due to
 - More active lifestyle
 - Healthcare costs if pre-Medicare
 - **Middle years** – lower and steadier
 - **Later years** – lower spending, but may increase due to medical costs

How Long Will I be Retired?

- Latest Mortality data on Public Sector
 - Tend to live longer than typical
 - Steady retirement income helps longer lifespan
 - Access to healthcare adds to lifespan
- **Life Expectancy at age 65 –**
 - Miscellaneous Men ~85.5, Women ~88.8
 - Public Safety Men ~85.3, Women ~87.7
- See <http://www.LongevityIllustrator.org/>

Retirement Income Needed

- But – **Everyone is different**
 - No more work paycheck = no more Pension & Social Security contributions to pay!
 - Housing costs – steady? paid-off? increasing?
 - Medical costs (!) –
 - Higher pre-65 and Medicare eligibility
 - Increase with age (e.g., assisted living)
 - Other financial obligations, dependents
 - Lifestyle choices (e.g., travel)
 - Inflation
 - Employment post-retirement

How will you pay for retirement?

- **Social Security**
- **Pension Plans**
 - Defined **Benefit** Retirement Plan(s)
 - County, State, City and/or other employers
- **Savings Plans – Tax-Deferred**
 - Defined **Contribution** Savings Plans
 - Deferred Compensation Plans (457 for governmental)
 - 401(k) or similar plans from other employers
- **Savings – non tax-deferred**
- **Other Assets – (e.g., real estate)**
- **Other income in retirement / part-time work**

Social Security - Costs

- **SLO County participates in Social Security**
 - Not all public sector employers are in SS
 - Teachers, some Public Safety, etc.
 - Beware of your past SS non-participation years
- **Social Security costs**
 - 6.2% of pay from you
 - 6.2% of pay from your employer
- **“Paying now for a better retirement later”**

Social Security - Benefits

- SS benefits a foundation – but not adequate
- **Can start at age 62, but benefits higher at full eligibility age or age 70**
- **Lifetime income – no matter how long you live**
- Social Security may replace **20% to 40%** of your pay depending on many factors (but everyone is different...)
- Possible SS offsets for other Govt. pensions
 - WEP and GPO reductions - vary depending on your case
 - Related to periods you did not pay into SS
 - Check with SSA for detailed estimate
- **Get your personal estimate at www.SSA.gov**
- **Attend class on Social Security**

What are Pensions?

- **Defined Benefit** (e.g., the SLOCPT)
 - Traditional pension
 - **Retirement benefit paid monthly for life** –
 - **No matter how long you live – age 74, age 87, age 105...**
 - Benefits going **OUT** set by a formula
 - **(years of service X pay X a retirement factor = benefit)**
 - Paid by employer & employee contributions and investments
- **Defined Contribution** (e.g., the Deferred Comp. Plan)
 - A **savings plan** – a way to accumulate assets tax deferred
 - Funds going **IN** are defined
 - Invested by participant
 - Contributed by employee, sometimes with employer “match”

What Pensions might I have?

- **SLO County DB pension plan**
 - Mandatory participation
- **Another public sector DB pension?**
 - Before or after working in SLO County
 - Could be “reciprocal” with SLOCPT if another Calif. system (more on this later)
- **Corporate DB pension?**
- **Union pension?**

Other retirement accounts?

- **SLO Deferred Compensation Plan?**
 - Voluntary participation
- **A previous job's 401(k) or 457 Plan?**
 - Can be a rollover to an IRA or the DC Plan
 - **Don't forget about 'em!!! Lost accounts happen – so keep your address current**
- **Individual Retirement Accounts?**
 - Regular IRA or Roth
 - Funded by you or inherited
- **Other investment and savings accounts**

The Pension Trust

SLOCPT is a “Trust”

- Independent entity administering the Retirement Plan

2,725 Active Members

2,868 Retired Members (retirees, survivors, beneficiaries, disabilities)

489 Deferred Members

6,082 Total Members (at 1/1/19)

Total Assets = \$1.4 billion

Active Employees (at 1/1/19)

Avg. Active Employee Age = 44.7 Avg. Age at Hire = 35.6

Avg. Service = 9.1 years

Tier 1 = 1,250 (46%) Tier 2 = 311 (11%) Tier 3 = 1,164 (43%)

Current Monthly Retiree Payroll: \$8.0 million

Avg. Retiree Benefit approx. = \$34,300/yr

Avg. Retiree Age = 68.9

Avg. Age at Retirement = 58.5 (2018 new retirees avg. 60.4)

80% of Retiree benefits paid in SLO County

Typical pension benefit ~ 1.5x spending in the area

Who sets the pension benefit levels?

- **Pension benefits, like all employee compensation, are determined by the Board of Supervisors**
 - Subject to the collective bargaining processes
- **Pension benefits can be limited by IRS rules or State regulations**
- **Pension Trust Board of Trustees**
 - Administers the Retirement Plan
 - Sets the overall contribution rates to fund the Plan
 - Governs the investment of the Plan's assets
 - 7 Trustees: 3 appointed by Board of Supervisors, 3 elected from employees at large, County Treasurer

Who Pays for the Benefits?

- **Investment earnings** on the pension assets
- **Employer** Contributions
- **Employee** Contributions – based on age at hire
 - Employee paid – pre tax payroll deduction
 - **Employee** contribution paid by employer “pick-up”
 - Depends on bargaining unit and Tier
- **County policy of splitting any increases in required pension contributions is 50/50 with employees**

Pension Costs

(2019 Actuarial Valuation – rates as of 1/1/19)

Average pension contribution rates (as % of pay)

		Tier 1	Tier 2	Tier 3	Combined
Misc.	Employee Employer Total	19% *	12% *	11%	15% <u>27%</u> 42%
Probation	Employee Employer Total	22% *	NA	13%	19% <u>26%</u> 45%
Safety	Employee Employer Total	24% *	18% *	17%	20% <u>39%</u> 59%
Combined	Employee Employer Total	20% *	13% *	12%	16% <u>29%</u> 45%

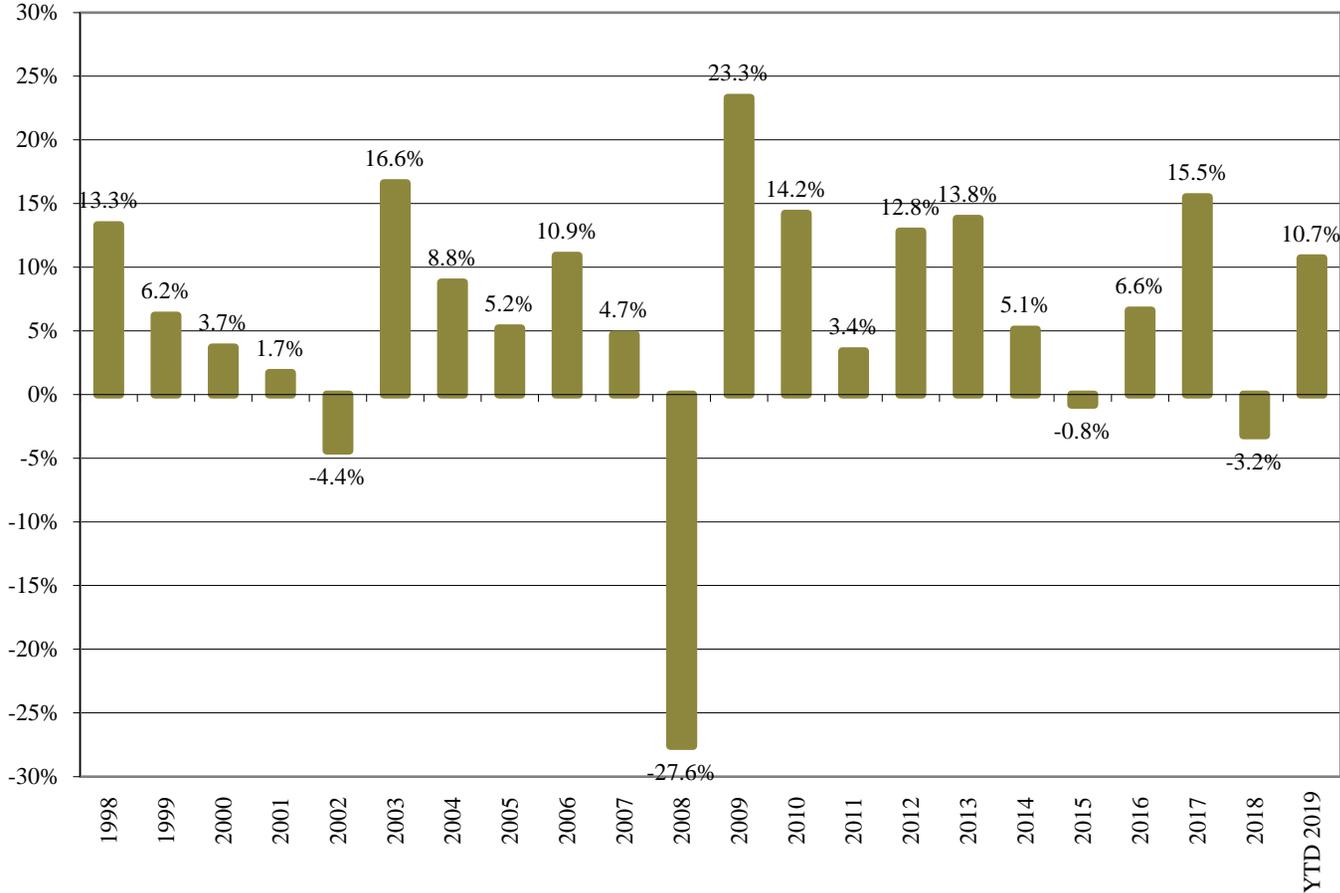
* Some bargaining units in Tiers 1 & 2 have an Employer Paid Member Contribution (the “pick-up”) for a portion of employee cost

What causes Pension cost increases?

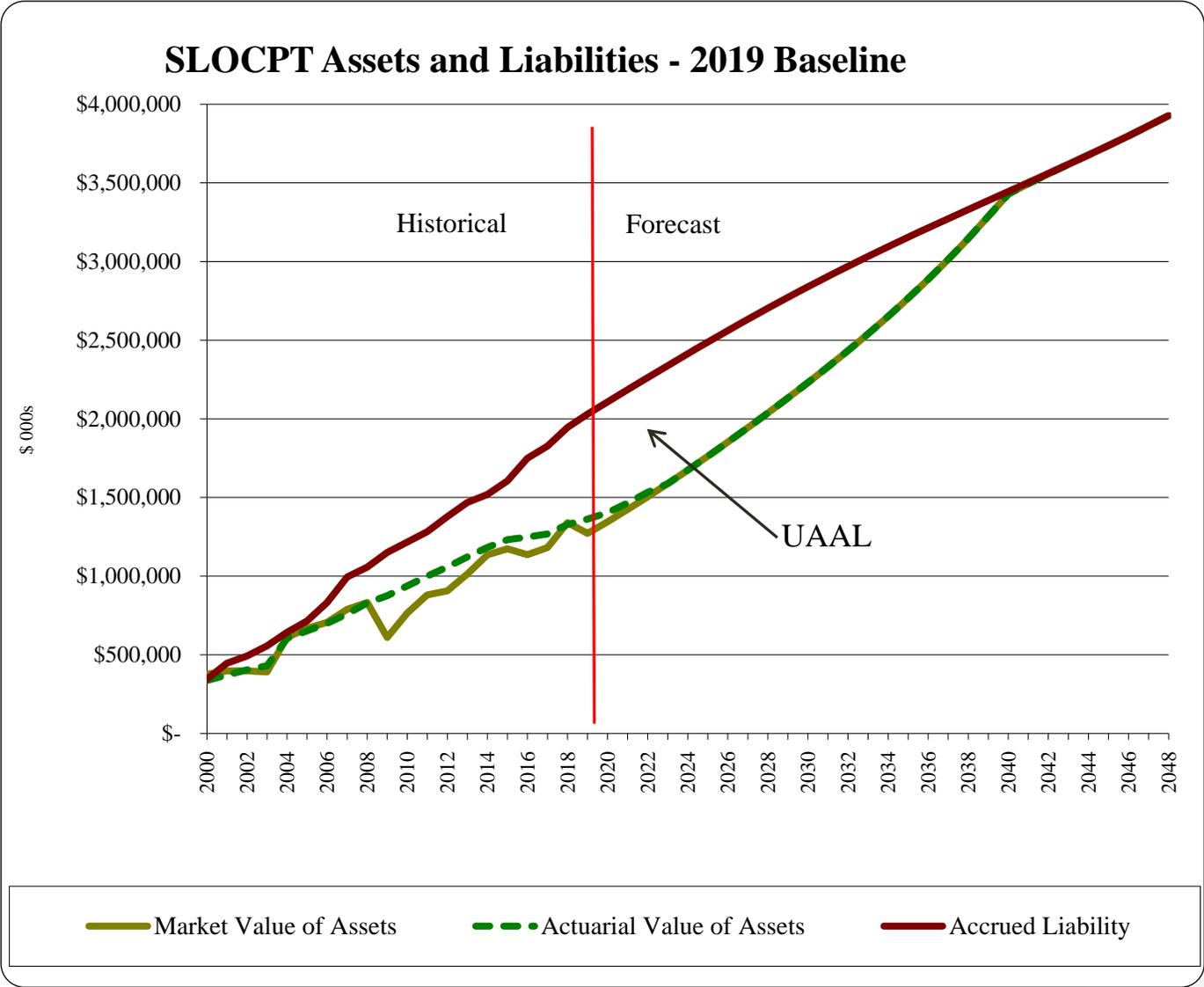
- **Benefit formula changes**
- **Demographic changes**
 - Mortality – increasing lifespan significantly increases pension costs – *good news / bad news kind of thing...*
- **Funding Assumptions**
 - Expected Investment Return – decreasing - now 7.00%
 - Paying down the projected Unfunded Liability (UAAL)
 - full funding targeted for 2040
- **Investments**
 - 2001 & 2008 market losses – factored in over time
 - SLOCPT invests in a diverse portfolio of stocks, bonds, real estate and other assets

Investment Returns

San Luis Obispo County Pension Trust
Annual Investment Returns



Pension Funding



The Pension!

Pension Benefit Formula

- Pension Benefit depends on:
 - **Class**
 - Miscellaneous, Probation, Safety (sworn and non-sworn)
 - **Tier** - When you were hired (approx. dates)
 - Tier 1: Hired before 2011
 - Tier 2: Hired 2011-2012 and some reciprocal
 - Tier 3: Hired 2013 and later (PEPRA tier)
 - **Years of Service** (Pension Trust Service Credit or PTSCs)
 - **Pensionable Compensation** (highest 1 year or 3 years)
 - **Age at retirement**
 - Some benefit caps (e.g., 90% of final pay for Tier 2)

Why 3 Classes and 3 Tiers?

- Pension Benefit – collectively bargained
- **Classes** (Miscellaneous, Probation, Safety)
 - Higher benefits for Probation and Safety – shorter careers
- **Tiers**
 - Tier 1 – Highest benefit
 - Enhanced ~2000-2004, expensive, (e.g., 2.0% @ 55 Misc.)
 - Tier 2 – SLO County Pension Reform ~2010
 - Collectively bargained, (e.g., 2.0% @ 60 Misc.)
 - Tier 3 – Statewide mandate –
 - Public Employees Pension Reform Act of 2012 (PEPRA)
 - Lower benefit, but reasonable (e.g., 2.0% @ 62 Misc.)
 - Sustainable cost

Pension Benefit Formula

Basic (Unmodified) Benefit – the highest benefit amount
(includes 50% survivor continuance)

Three components:

PTSC (years of paid work & leave)

x **Final Average Compensation**
(highest 12 mth or 36 mth avg.)

x **Retirement Factor** - depends on
Class of Member (Misc., Probation, Safety)
Tier 1, Tier 2, or Tier 3
Age at retirement (higher factors with older age)

= **Basic (Unmodified) Benefit**

May be reduced for various survivor continuance benefit options
(e.g., “Option 2” is a 100% survivor continuance)

What are the Retirement Factors?



Example – Tier 1

- **Elizabeth is ready to retire, someday...**
 - **Tier 1**, Miscellaneous category, bargaining unit 01
 - **10** years of service
 - **Age 52**
 - Highest 12 month average salary = \$5,000/month or \$60,000/year
 - Married – spouse age 51, no prior divorces

	Retire at -	Age 52	Age 62
		10 years	20 years
Years of Service - PTSCs		10	20
Retirement Factor at ages 52 and 62		1.656%	2.816%
Pension as % of pay (PTSC x Factor)		16.56%	56.32%
Pensionable Compensation – monthly		\$5,000	\$5,000
Basic Pension Benefit (unmodified)		\$828	\$2,816
Surviving spouse/RDP continuance		50%	50%

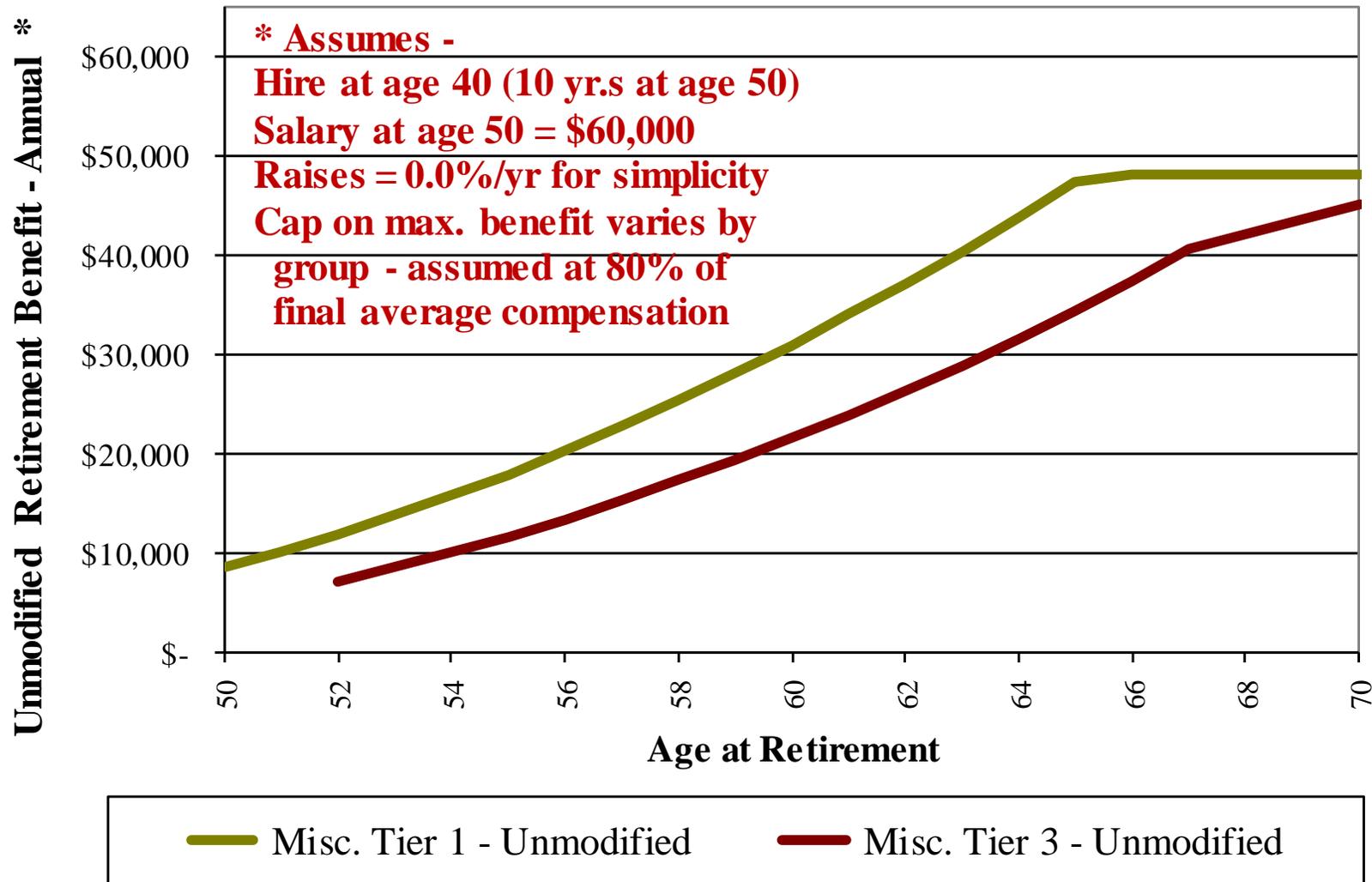
Example – Tier 3

- **Sally is ready to retire, someday...**
 - **Tier 3**, Miscellaneous category, bargaining unit 01
 - **10** years of service
 - **Age 52**
 - Highest 36 month average salary = \$5,000/month or \$60,000/year
 - Married – spouse age 53, no prior divorces

	Retire at -	Age 52	Age 62
		10 years	20 years
Years of Service - PTSCs		10	20
Retirement Factor at ages 52 and 62		1.000%	2.000%
Pension as % of pay (PTSC x Factor)		10.00%	40.00%
Pensionable Compensation – monthly		\$5,000	\$5,000
Basic Pension Benefit (unmodified)		\$500	\$2,000
Surviving spouse/RDP continuance		50%	50%

Illustration of Pension Benefit

Illustrative Retirement Benefit - Miscellaneous Emp.



Am I eligible to retire?

Eligibility

- Must be vested (accumulation of 5 PTSCs)
- Minimum retirement age of 50 (52 for Tier 3), there is no maximum retirement age

What happens if I leave County employment before I'm eligible?

- **Leave before vested:**
 - Refund of your employee contributions and accumulated interest
 - Or – may be eligible for reciprocity if you go to work for another California public agency within 6 months
- **Leave after vested but before retirement age eligibility:**
 - Refund of your employee contributions and accumulated interest
 - Or - Leave funds in Plan – retire when age eligible (may be eligible for reciprocity)

What if I came from another public agency?

- **Incoming Reciprocity**
- **You must apply to be eligible!**
- **If you worked for a CalPERS State agency or some Counties –**
 - If there is less than a 6 month gap in service with no overlap
 - If you apply with the new employer
 - If you leave your funds with the prior employer's Plan
- **There can be significant advantages to your total retirement income if you establish reciprocity**

What if I leave for another public agency?

- **Outgoing Reciprocity**
- You may be eligible for reciprocal service if you hire on with a CalPERS State agency or some Counties – **You must apply to be eligible!**
 - If there is less than a 6 month gap in service with no overlap
 - If you apply with the new employer
 - If you leave your funds with the SLOCPT Plan
- **Not guaranteed – lengthy process between plans**
- **Reciprocity may shorten your time to become vested in the new employer's plan, it may get you a lower age-at-entry contribution rate, and it may allow both retirements to be based on your final pay at the new employer**
- **ASK YOUR NEW EMPLOYER**

Other Pension Benefits

- **Disability**
 - A lifetime benefit if you are disabled and can't perform the duties of your job
 - Must apply before separating employment!
- **Death benefits**
 - **Keep your Beneficiary form up to date!**
- **Survivor Benefit after you are retired**
 - More on this later
 - Continues some % of your pension benefit to a surviving spouse or RDP or to a beneficiary you name

Disability Benefits

- **Two types of Disability**
 - **Ordinary Disability** – for any reason
 - **Industrial Disability** –only for Public Safety and Probation – higher level of benefit for Service-Connected disability. No “heart presumption” like some other systems.
- **Disability Eligibility**
 - Vested in the Plan for ordinary disability
 - Vesting not required for industrial disability
 - Permanently unable to perform your job duties
 - Burden of proof is on the Member
 - All Retirement Options are available for Disability Retirement
 - **MUST APPLY FOR DISABILITY BEFORE QUITTING OR RETIRING**

Death Benefits

- **NOT YET ELIGIBLE TO RETIRE Active member**
 - **Basic Death Benefit**
 - Return of all contributions and interest **PLUS** 1 ½ months salary for each accumulated PTSC up to 12
 - Payable to your beneficiary or your estate
- **ELIGIBLE TO RETIRE Active member**
 - **Eligible Survivor has choice of:**
 - Basic Death Benefit
 - Option 2 - Monthly Allowance
- **AFTER RETIREMENT**
 - \$1,000 Death Benefit
 - Monthly Surviving Spouse or Beneficiary Continuance Allowance based on the Option selected at retirement

Survivor Benefits (in retirement)

Eligible Survivor:

- Spouse or Registered Domestic Partner (RDP)
- Married/registered for at least 1 year at retirement
- If no Spouse or RDP, a Beneficiary can be named for all Options but the basic unmodified allowance or Option 1 continuance

Options (irrevocable choice at point of retirement):

- **Basic (Unmodified) Allowance** – provides for a 50% continuance benefit to Eligible Survivor – This is the highest benefit option

Survivor Benefits (in retirement)

Other Options:

- **Option 1** – reduced monthly allowance for your lifetime and either:
 - **Eligible Survivor:** 50% continuance of reduced benefit, + return of any contributions remaining (start with $\frac{1}{2}$ employee accrual balance at retirement, reduced with each of your monthly benefit payments). - OR -
 - **Beneficiary:** return of any contributions remaining (start with entire employee accrual balance at retirement, reduced with each of your monthly benefit payments).
- **Option 2** – reduced monthly allowance for your lifetime and continuing **100% continuance** benefit to Eligible Survivor or Beneficiary. A popular option.
- **Option 3** – reduced monthly allowance for your lifetime and a monthly allowance to your Eligible Survivor or Beneficiary of $\frac{1}{2}$ to approximately $\frac{2}{3}$ of your allowance.
- **Options to coordinate with SS** – pre-age 62

Deferred Retirement Option Program (DROP)

- Available only to **Tier 1 Members** (certain BUs excluded)
- An alternative way of taking pension benefit while still working
- Irrevocable commitment to retire
 - 6 month minimum, 5 year maximum
- **Monthly Pension Benefit** paid into a separate investment account while still working
 - You choose investments just like the **Deferred Comp Plan**
 - No access to funds accumulated until official retirement
- Payroll pension contribution deductions cease when you enter **DROP**
- Once retired, must withdraw accumulated **DROP** balance in lump sum or elect a monthly annuity for no less than 10 years

Does DROP Make sense for me?

- Must intend to retire within 5 years
- Must be in an eligible Tier 1 benefit formula
- Locks in your pension at current level – future raises don't count...
- **DROP designed for –**
 - Long-term Members nearing the maximum pension benefit – e.g., 80% of final pay
 - But who want to keep working a bit longer
- **DROP sometimes used by Members who –**
 - Are satisfied with “locking in” their pension benefit at some level less than the maximum
 - Want to accumulate a lump sum to use after they retire (e.g., pay off the house, buy that RV, etc.)

Post Retirement Cost of Living Adjustments

- **Depends on the Tier from which you retired**
 - **Tier 1**
 - **COLA based on CPI inflation with 3% max and a carryover if inflation is over 3%**
 - **Tiers 2 & 3**
 - **COLA based on CPI inflation with 2% max, no carryover**
 - **Pension COLAs based on 2 year avg. of SF and LA Consumer Price Index (CPI) annual average change**
- **COLA effective April 1st if retired on or before January 1st of current year**

Marriage and Divorce

- Community Property
 - **Retirement Benefits and Contribution Balances are Community Property in California**
 - Contact the SLOOPT if you get married to update your beneficiary designation (you need verified spousal consent to name someone other than your spouse)
 - If you are contemplating or going through a divorce you MUST address the disposition of any retirement benefits which were accrued while you were married
 - **DON'T WAIT UNTIL THE WEEK BEFORE YOU RETIRE TO ADDRESS THIS MATTER...it WILL delay your retirement**

How do I Retire?

- **Make an appointment with SLOCPT**
 - 3+ years in advance
 - Anytime you want a check-up
- If divorced – DRO must address pension
- **Plan your retirement!**
 - When to retire?
 - How much pension will I get? Enough?
 - DC Plan and other savings? Enough?
- **Plan Survivor Options**
 - How much surviving spouse pension benefit is needed? 50%? 100%?
- **Tell your Department!**

What do I Need to Retire?

- **Confer** – Make an appointment with SLOCPT 6+ months prior to planned date
- **Apply** 1-3 months prior to planned date
 - But, if urgent – as soon as possible
- **Healthcare** – if electing employer health plan
 - Must enroll within 120 days after retirement
- **DC Plan** – coordinate “last paycheck“ ?
 - Accrued leave payout – 1x bump to DC Plan

What do I Need to Retire?

- **Documents needed**

- Birth certificates – for you, your spouse, or beneficiary
- Marriage certificate / Domestic Partnership
- Name changed from birth certificate – marriage certificate or other proof of name change
- Widowed – death certificate
- Divorce – Complete copy of Final Judgment with settlement agreement / Domestic Relations Order
- Social Security – printout of SS est. with age 62 benefit
- Blank, voided check for direct deposit
- Age 65 – Copy of Medicare card with Parts A & B

SLO County Retired Employees Associations - SLOCREA

- Retiree Association – membership encouraged
- Newsletter, events, keep in touch
- Contact –
 - www.SLOCREA.org
 - slocra@slocra.org

Post Retirement Health Benefits

- **Retirees are eligible to participate in employer sponsored medical, dental & vision plans**
 - Note: must not have more than 120 days between termination date and retirement date to participate in medical coverage
- **Actual premiums paid depend on the plan chosen and Medicare eligibility**
- **Employer covered costs:**
 - \$139/month paid towards your medical premium for Management members (2019 rate)
 - \$136/month paid towards your medical premium for represented members (2019 rate)
- **Watch for Human Resources class on retirement health**

So, what else can I do to improve my retirement?

- Strong social connections
- Family relations
- Having a purpose
- Volunteering
- Staying fit and active
- Good healthcare

- **Save more money now**

Deferred Compensation Plan

- **Voluntary**
- **Tax-Deferred savings**
 - “457 Plan” - similar to a 401(k)
- **Defined Contribution plan**
 - Participant chooses investment funds
- **IRS limits on annual contributions**
- **Withdrawals available post-employment**
 - Taxable at that point
- **No employer “match” generally**
 - July 2019 – small match for unrepresented employees

Deferred Compensation Plan

- SLO County Deferred Compensation Plan also open to Courts, APCD, LAFCO
- **Nationwide**
 - Administers the DC Plan
 - Provides investment funds
 - Representatives on-site 100 days/year
 - www.sanluisobispo457.com
 - 877/677-3678

Deferred Compensation Resources

- **Nationwide representatives**
 - On site 2nd and 4th weeks of the month
 - Call at any time
 - Rochelle Davis davir19@nationwide.com 323/823-4282
 - Loren Farfan farfana@nationwide.com 818/642-8191
- www.sanluisobispo457.com **Tools & Calculators**
 - Interactive Financial Planner
 - Health Care Estimator
 - Investment Planning
 - Paycheck Impact Calculator
 - Payout Illustrator

Deferred Compensation Plan

- **Post-Employment you can –**
 - Leave your DC account with Nationwide
 - Rollover your DC account to –
 - Another 457 Plan at a future employer
 - A Rollover IRA - institution of your choice
- **Account Distributions**
 - Taxable income (but no 10% penalty)
 - Or Rollover to an IRA or other plan
 - “Don’t blow it all at once” is good advice

Maximizing your DC Plan

- **Annual Contribution Limits (IRS)**
 - Under age 50 \$19,500/year
 - Over age 50 \$19,500 + \$6,500 = \$26,000
- **Special Catch-up**
 - In last 3 years prior to retirement
 - Higher limit of up to \$39,000/year
 - Limited by the amount you did not contribute up to the maximums in prior years at this job
 - See Nationwide representative to coordinate

Maximizing your DC Plan

- “Last paycheck maximized deferral”
 - If you are not contributing to the DC Plan up to the maximum already
 - If you have an accrued leave lump sum payout expected on your last paycheck
 - You can increase your DC Plan deferral on that last paycheck – sometimes by a lot!
 - Tax deferred status on a large payout saves you \$
 - **Must set up month prior to last paycheck – timing is critical!**
 - See Nationwide representative and Payroll Coordinator

Questions



Reference Items

Information on Your Pension Account

- **General Information**
 - www.SLOPensionTrust.org
 - *2020 - new Member Portal online – watch for your PIN letter to set up your access*
 - Email at SLOCPT@co.slo.ca.us
 - 805/781-5465
 - Call to request a retirement estimate and counseling
 - Call to request new beneficiary forms, etc.
 - Change of address – please change in payroll (ESS for the County) system
- **Keep your beneficiaries up to date!**

Can I work for SLO County as a Retiree?

- **Temporary employment post retirement**
 - 180 day waiting period except for Public Safety
 - Maximum of 960 hours/year
- **Permanent employee post retirement**
 - Reinstatement to be approved by the Board of Trustees
 - Cancels pension
 - New pension contribution rate will be higher due to new, reinstated age-at-entry
 - Tier 3 pension benefits in most cases for reinstated service
 - Subsequent re-retirement would be a blend of prior service (e.g., Tier 1) and reinstated service (e.g., Tier 3)

Can I work for another public sector employer as a Retiree?

- Yes
- Will not be eligible for reciprocity if already retired
- Will not change your SLO pension
- May start accruing another pension benefit with the new employer.

What are the Benefit Formulas?

Miscellaneous Employees

Tier 1: 2.0% at 55 (age 50 = 1.426%, age 65 = 3.165%)

Retirement Factor x earned PTSCs
x highest consecutive 12 month average monthly compensation
80%, 90%, or 100% of final compensation cap depending on BU

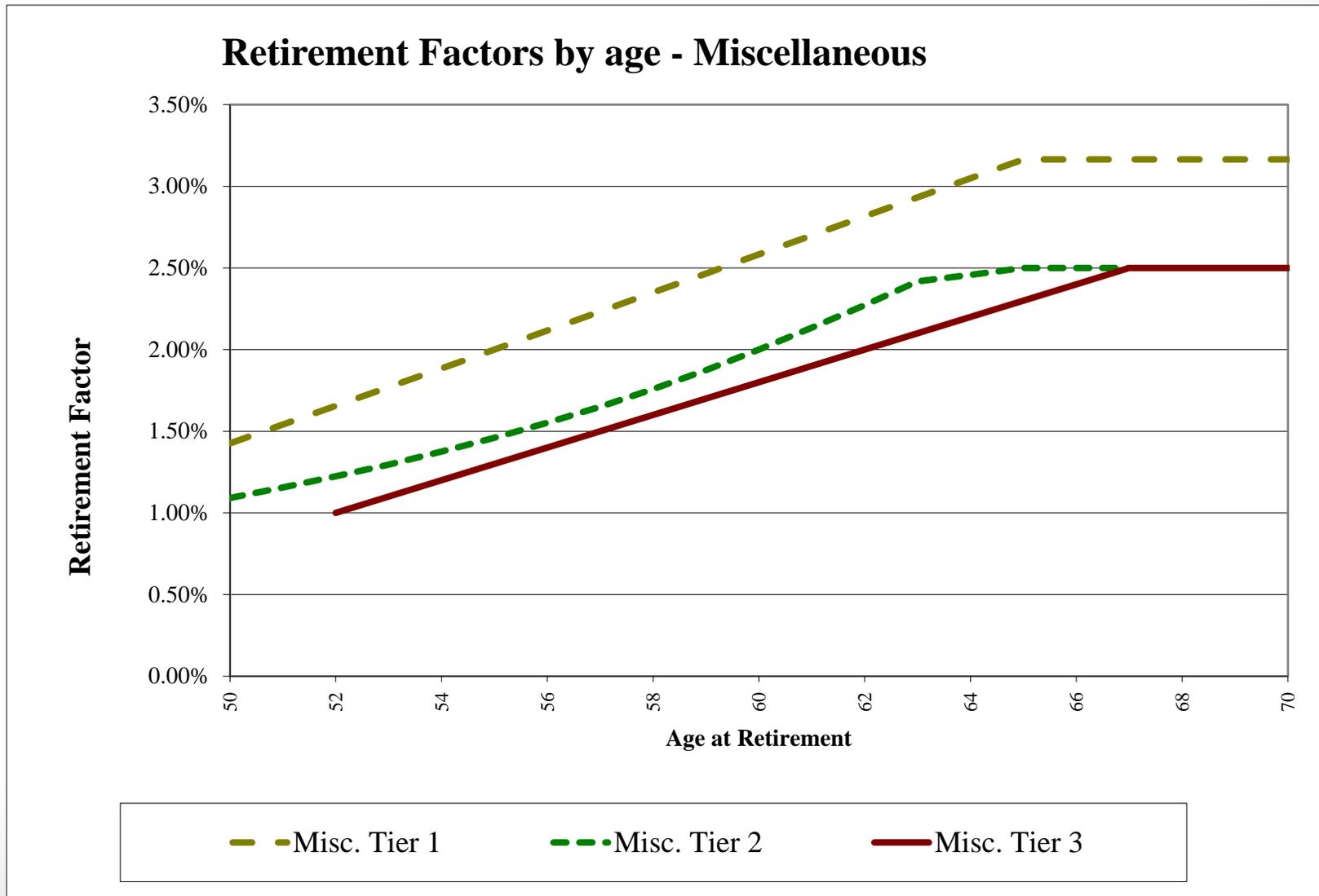
Tier 2: 2.0% at 60 (age 50 = 1.092%, age 65 = 2.500%)

Retirement Factor x earned PTSCs
x highest consecutive 36 month average monthly compensation
90% of final compensation cap

Tier 3: 2.0% at 62 (age 52 = 1.000%, age 67 = 2.500%)

Retirement Factor x earned PTSCs
x highest consecutive 36 month average monthly compensation
up to maximum state mandated compensation limit (about \$117k for 2015)

Retirement Factors- Miscellaneous



What are the Benefit Formulas?

Probation Employees

Tier 1: 2.3% at 50 (age 50 = 2.300%, age 55 = 3.000%)

Retirement Factor x earned PTSCs

x highest consecutive 12 month average monthly compensation

90% of final compensation cap

Tier 2: Not Implemented

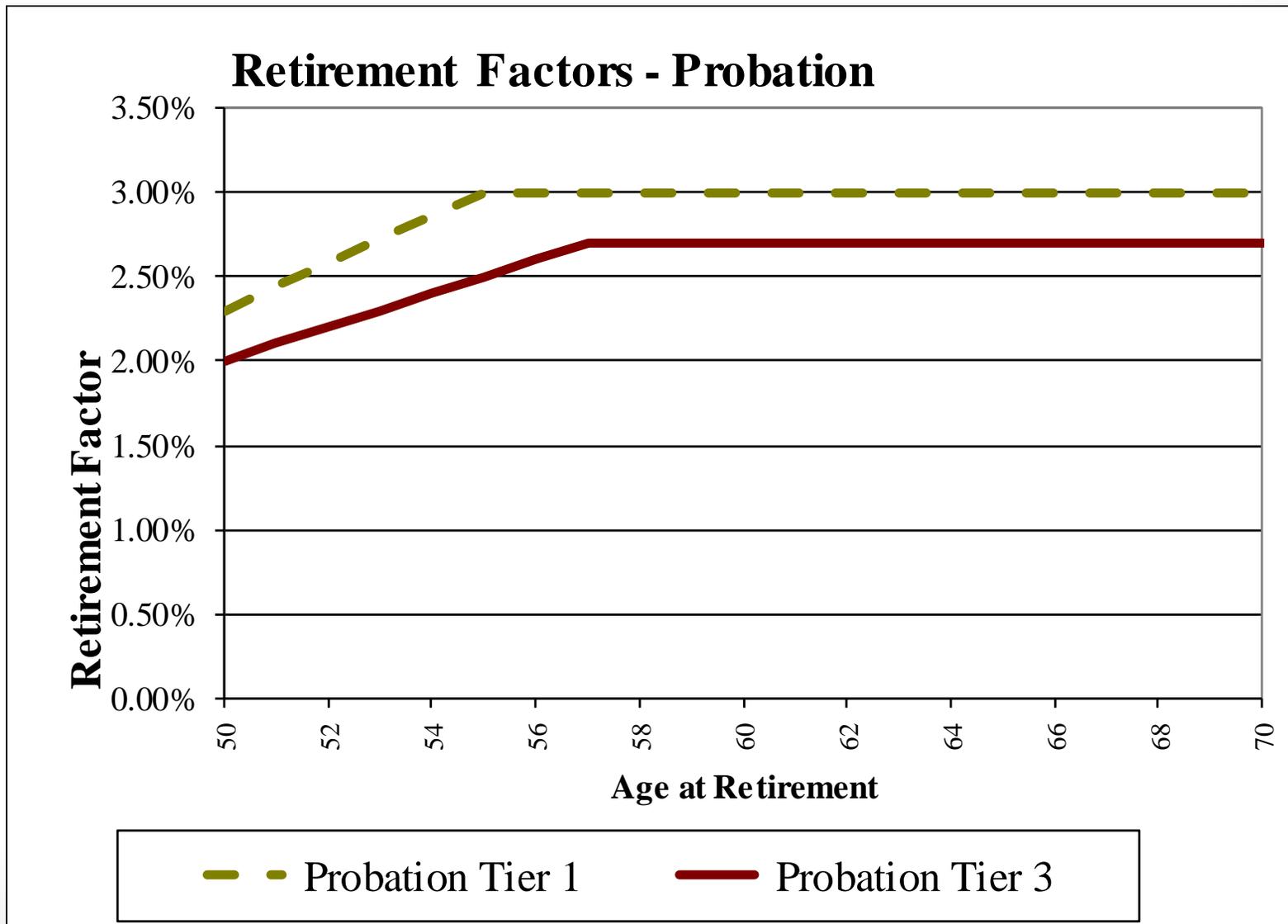
Tier 3: 2.0% at 50 (age 55 = 2.500%, age 57 = 2.700%)

Retirement Factor x earned PTSCs

x highest consecutive 36 month average monthly compensation

up to maximum state mandated compensation limit (about \$117k for 2015)

Retirement Factors- Probation



What are the Benefit Formulas?

Safety Employees (Sworn officers)

Tier 1: 3.0% at 50 (all ages = 3.000%)

Retirement Factor x earned PTSCs
x highest consecutive 12 month average monthly compensation
90% of final compensation cap

Tier 2: 2.3% at 50 (age 50 = 2.300%, age 55 = 3.000%)

Retirement Factor x earned PTSCs
x highest consecutive 36 month average monthly compensation
90% of final compensation cap

Tier 3: 2.0% at 50 (age 55 = 2.500%, age 57 = 2.700%)

Retirement Factor x earned PTSCs
x highest consecutive 36 month average monthly compensation
up to maximum state mandated compensation limit (about \$117k for 2015)

Retirement Factors-Safety (Sworn)



What are the Benefit Formulas?

Safety Employees (Non-Sworn)

Tier 1: 2.3% at 50 (age 50 = 2.300%, age 55 = 3.00%)

Retirement Factor x earned PTSCs
x highest consecutive 12 month average monthly compensation
90% of final compensation cap

Tier 2: 2.0% at 50 (age 50 = 2.000%, age 55 = 2.700%)

Retirement Factor x earned PTSCs
x highest consecutive 36 month average monthly compensation
90% of final compensation cap

Tier 3: 2.0% at 50 (age 55 = 2.500%, age 57 = 2.700%)

Retirement Factor x earned PTSCs
x highest consecutive 36 month average monthly compensation
up to maximum state mandated compensation limit (about \$117k for 2015)

Retirement Factors- Safety (Non-Sworn)

