

Summary of CalPERS Retirement Plan Benefit Provisions

City of Tustin * Fiscal Year 2018-19

BENEFIT PROVISION	CALPERS RETIREMENT PLAN					
	MISCELLANEOUS			SAFETY		
	2% @ 55 (Tier 1)	2% @ 60 (Tier 2)	2% @ 62 (Tier 3)	3% @ 50 (Tier 1)	2% @ 50 (Tier 2)	2.7% @ 57 (Tier 3)
Normal Retirement Age	55	60	62	50	50	57
Minimum Retirement Age	50	50	52	50	50	50
Minimum Benefit Factor (at Age)	1.426% (at 50)	1.092% (at 50)	1.000% (at 52)	3.000% (at 50)	2.000% (at 50)	2.000% (at 50)
Maximum Benefit Factor (at Age)	2.418% (at 63)	2.418% (at 63)	2.5% (at 67)	3.000% (at 50)	2.700% (at 55)	2.700% (at 57)
Employer Normal Cost Rate	7.791%			20.556%	15.719%	12.141%
Employer Payment of Unfunded Liability	\$1,515,156			\$1,935,157	\$2,747	\$1,767
Employer Contribution Rate*	17.725%	17.725%	17.725%	42.758%	16.070%	12.278%
Employer Cost Sharing (Paid by Employee)	3.000%	3.000%	0.000%	3.000%	3.000%	0.000%
Effective Employer Contribution**	14.725%	14.725%	17.725%	39.758%	13.070%	12.278%
Total Normal Cost	14.626%	14.626%	11.883%	29.545%	24.655%	24.141%
50% of Total Normal Cost	7.313%	7.313%	5.942%	14.773%	12.328%	12.071%
Employer Paid Member Contribution	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
Employee Contribution	7.000%	7.000%	5.750%	9.000%	9.000%	12.000%
Employer Cost Sharing (Paid by Employee)	3.000%	3.000%	0.000%	3.000%	3.000%	0.000%
Total Employee Contribution	10.000%	10.000%	5.750%	12.000%	12.000%	12.000%
% of Total Normal Cost Paid By Employee	68.37%	68.37%	48.39%	40.62%	48.67%	49.71%
Final Compensation Period	1 year	3 years	3 years	1 year	3 years	3 years
Cost of Living Allowance (COLA) Increase	2%	2%	2%	2%	2%	2%
1959 Survivor Benefits	Level 3	Level 3	Level 3	Level 4	Level 4	Level 4
Pre-Retirement Option 2W Death Benefit	No	No	No	Yes	Yes	Yes
Post-Retirement Death Benefit	\$500	\$500	\$500	\$500	\$500	\$500
Military Service Credit as Public Service	Yes	Yes	Yes	Yes	Yes	Yes
Service Credit for Peace Corps / AmeriCorps	No	No	No	Yes	Yes	Yes
Service Credit for Periods of Layoff	No	No	No	Yes	Yes	Yes
Unfunded Accrued Liability	\$25,900,296			\$35,198,183	\$20,897	\$47,905
Funded Ratio	75.2%			72.5%	94.8%	90.6%

Notes

*Includes unfunded liability payment expressed as a percentage of payroll, as was CalPERS' practice in prior years

**Employer Contribution Rate minus employer cost-sharing paid by employees