

Summary of CalPERS Retirement Plan Benefit Provisions

City of Tustin - Fiscal Year 2019-20

| BENEFIT PROVISION | CALPERS RETIREMENT PLAN | | | | | |
|---|-------------------------|---------------------|-----------------------------|---------------------|---------------------|-------------------------------|
| | MISCELLANEOUS | | | SAFETY | | |
| | 2% @ 55 (Tier 1) | 2% @ 60 (Tier 2) | 2% @ 62 (Tier 3 - PEPRA) | 3% @ 50 (Tier 1) | 2% @ 50 (Tier 2) | 2.7% @ 57 (Tier 3 - PEPRA) |
| 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) | 2.500% (at 67) | 3.000% (at 50) | 2.700% (at 55) | 2.700% (at 57) |
| Employer Normal Cost Rate | 8.674% | | | 21.927% | 16.636% | 13.034% |
| Employer Payment of Unfunded Liability | \$1,901,068 | | | \$2,406,038 | \$3,247 | \$3,820 |
| Employer Contribution Rate* | 20.301% | 20.301% | 20.301% | 52.333% | 16.980% | 13.227% |
| Employer Cost Sharing (Paid by Employee) | 3.000% | 3.000% | 0.000% | 3.000% | 3.000% | 0.000% |
| Effective Employer Contribution** | 17.301% | 17.301% | 20.301% | 49.333% | 13.980% | 13.227% |
| Total Normal Cost | 15.908% | 15.517% | 12.647% | 30.916% | 25.575% | 25.034% |
| 50% of Total Normal Cost*** | 7.954% | 7.759% | 6.324% | 15.458% | 12.788% | 12.517% |
| Employer Paid Member Contribution | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| Employee Contribution | 7.000% | 7.000% | 6.250% | 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% | 6.250% | 12.000% | 12.000% | 12.000% |
| % of Total Normal Cost Paid By Employee | 62.86% | 64.45% | 49.42% | 38.81% | 46.92% | 47.93% |
| 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 | \$26,806,151 | | | \$35,814,364 | \$19,856 | \$50,653 |
| Funded Ratio | 76.2% | | | 73.9% | 96.9% | 94.1% |

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

***For Tier 3, calculated using all active Miscellaneous members until the number of PEPRA members is 50% of the active population or 25% of the active population & 100 or more PEPRA members