

San Luis Obispo County

Pension Trust

*SLOCPT*



# PENSION BASICS

## New Employees

**805-781-5465**

**1000 Mill St, San Luis Obispo, CA 93408**

**[SLOCPT.org](http://SLOCPT.org)**

**[slocounty.ca.gov/Departments/Pension-Trust](http://slocounty.ca.gov/Departments/Pension-Trust)**

# Two Types of Retirement Plans

## ▶ **Defined Benefit Pension Plan**

- ▶ Receives employee and employer contributions
- ▶ Pays retirees with a set benefit for life (includes COLAs)
- ▶ Plan takes investment risk and longevity risk
- ▶ Mandatory participation

## ▶ **Defined Contribution Plan**

- ▶ Includes 401(k), 457, IRA, etc.
- ▶ The County Deferred Compensation Plan is considered a defined contribution plan
- ▶ Employee takes investment and longevity risk
- ▶ For more info, contact Nationwide
- ▶ Voluntary participation



# SLO County Employees Retirement Plan

## ▶ **Defined Benefit Pension Plan**

- ▶ Retirement benefit based on a formula
- ▶ Retirement eligibility:
  - ▶ Vested after accumulating 5 service credit
    - ▶ 1 service credit earned for 1 year of full-time service
  - ▶ Age 50 or 52, depending on Tier placement and Class

## ▶ **Independent Plan, not CalPERS**

## ▶ **Members also participate in Social Security**

# 3 Classes and 3 Tiers

## Classes

### Probation

- E.g., Probation Officers

### Safety

- E.g., Deputy Sheriff,  
Correctional Deputies

### Miscellaneous

- Everyone else!

## Tiers

Tier 1: Highest benefit tier

Tier 2: SLO County Pension  
Reform in 2010

Tier 3: Statewide Pension  
Reform in 2013  
Known as PEPR (Public  
Employees Pension Reform Act)

# Pension Benefit Formula



▶ BASIC PENSION BENEFIT:

**PTSC**

(eligible paid hours)

**X RETIREMENT FACTOR**

(% based on age, Tier, and Class)

**X FINAL AVERAGE SALARY**

(highest 1-year or 3-year average)

**= BASIC (UNMODIFIED) BENEFIT**

# Calculation Examples

Tier 3 Miscellaneous Member  
10 PTSCs  
Age 52  
Highest 3-year salary = \$5,000/mo  
Married



	Age 52 10 Years	Age 62 20 Years
PTSCs	10	20
Retirement Factor at age 52 and 62	1.00%	2.00%
Final Average Salary/mo	\$5,000	\$5,000
<b>BASIC PENSION BENEFIT/MO</b>	<b>\$500</b>	<b>\$2,000</b>
Pension as a % of pay (PTSC x Factor)	10%	40%
Surviving spouse/RDP would receive 50% continuance		

# Marriage and Divorce

## ▶ Community Property

### ▶ Retirement Benefits and Contribution Balances are Community Property

#### ▶ Contact SLOCPT 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 processing your retirement**

# Information on Your Pension

## Your Account

- Member Portal online
  - <https://members.slocpt.org>
- View accrued contributions and run retirement estimates

## Contact Information

- SLOCPT.org
- 805-781-5465
- Call to request a retirement estimate
- Call to request new beneficiary forms, etc.
- Change of address - make changes with employer
- **Keep your beneficiaries up to date!**
- **If you leave County employment, call SLOCPT - we owe you money!**







Questions?