



Section 7

This section describes the broad range of resources SCERS provides to help our members learn and understand their SCERS benefits.

Retirement Planning Seminar

SCERS sponsors retirement planning seminars throughout each year for members who are within 10 years of retirement. The full-day session provides in-depth information on your SCERS benefits and preparing for retirement from SCERS, 457 Deferred Compensation Plan, Social Security and financial and estate planning. The Retirement Planning Seminar is generally provided once each calendar quarter. A schedule and registration form is available at SCERS' website.

SCERS Resources

While this Member Handbook is meant to serve as a complete guide to your SCERS benefits, it is not the only source of information. For further information and assistance, consider the following additional resources:

- SCERS' website at www.scers.org.
- SCERS forms, publications and announcements.
- SCERS Board of Retirement materials including agendas and minutes.

At our website, you can access forms and use the Benefit Calculator to estimate the monthly Service Retirement allowance you may be eligible to receive. Go to SCERS' website and choose the link titled "Benefit Calculator" found on the Home page.

If you have questions regarding required forms or the retirement process in general, you can contact SCERS directly and/or request an appointment with a Retirement Benefits Specialist. Our offices are open to the public Monday through Friday from 8:00 a.m. to 5:00 p.m., excluding holidays.

Other Tools and Information

Retirement Planning Seminar

SCERS Resources

Model Documents for Domestic Relations Orders

Estimating Your Retirement Benefit Allowance

Calculating Final Compensation

Q&A



Can anyone get information about my retirement account?

No. SCERS is required to protect the confidentiality of your records and cannot provide information about your individual account unless it is necessary for administration of benefits or upon receiving your written consent or a court order. However, case law has established that a Retired Member's monthly benefit allowance from, and how it is calculated by, SCERS is subject to disclosure under a Public Records Act request.

Model Documents for Domestic Relations Orders

During or following a dissolution of marriage/registered domestic partnership, the parties often agree to divide property acquired or earned. The property can include benefits provided by qualified retirement plans, such as SCERS, but the IRS stipulates that SCERS cannot assign any portion of a member's retirement benefits to an alternate party without a Domestic Relations Order ("DRO").

To assist members and their spouses/registered domestic partners who agree to divide retirement benefits upon dissolution, SCERS provides model documents for use when preparing a DRO. The model documents and other information offered by SCERS can facilitate a quick and cost-effective division of SCERS benefits.

Estimating Your Retirement Benefit Allowance

As explained in Sections 2 and 5 of this handbook, your SCERS retirement benefit allowance is calculated based primarily on the following factors:

- Age at retirement;
- Amount of Service Credit; and
- Final Compensation.

Appendix B provides a Service Retirement Benefit Estimate Worksheet with an example that explains the information needed and steps followed to calculate your retirement benefit. You can also find a retirement Benefit Calculator on the SCERS website.

Calculating Final Compensation

Calculating your Final Compensation is the first step in estimating your retirement benefit allowance. SCERS calculates Final Compensation based on your Benefit Tier. For Tier 1 members, SCERS averages the most recent consecutive 12 months of pension-eligible compensation earned. For members in all other Benefit Tiers, SCERS averages the most recent consecutive 36 months of pension-eligible compensation earned. Most members' highest Final Compensation occurs in the last years of employment. If that is not the case in your employment history, be sure to bring that to the attention of SCERS. A written request is required to select an alternate Final Compensation Period.

Here Are Examples:

Scenario 1: Benefit Tier 1 –

One-Year Final Compensation Calculation:

Use the most recent 26 consecutive biweekly pay periods of pension-eligible compensation, divided by 12 months, to determine monthly Final Compensation.

Mr. Smith was a Tier 1 member whose biweekly pay rate for the last eight months was \$960. For the four months before that, his biweekly pay rate was \$880. His average monthly compensation is calculated by adding his monthly compensation for his last 12 months of service (26 biweekly pay periods) and dividing the sum by 12.

Biweekly Pay Rate	X	Annual Pay Periods Divided by 12 Months	=	Monthly Compensation	X	Number of Months in Final Compensation Period Pay Rate was Earned	=	Total
\$960	X	26 ÷ 12	=	\$2,080	X	8	=	\$16,640
\$880	X	26 ÷ 12	=	\$1,907	X	4	=	\$7,628
Totals:						12		\$24,268
Monthly Final Compensation: \$2,022 (\$24,268 ÷ 12)								

Scenario 2: All Other Benefit Tiers –

Three-Year Final Compensation Calculation:

Use the most recent 78 consecutive biweekly pay periods, divided by 36 months, to determine the monthly Final Compensation.

Ms. Smith was a Tier 2 member whose biweekly pay rate for the last 24 months was \$880. For the 12 months before that, her biweekly pay rate was \$840. Her average monthly compensation is calculated by adding her monthly compensation for her last 36 months of service (78 biweekly pay periods) and dividing the sum by 36.

Biweekly Pay Rate	X	Annual Pay Periods Divided by 12 Months	=	Monthly Compensation	X	Number of Months in Final Compensation Period Pay Rate was Earned	=	Total
\$880	X	26 ÷ 12	=	\$1,907	X	24	=	\$45,768
\$840	X	26 ÷ 12	=	\$1,820	X	12	=	\$21,840
Totals:						36		\$67,608
Monthly Final Compensation: \$1,878 (\$67,608 ÷ 36)								

Benefit Estimate Worksheet

A Service Retirement Benefit Estimate Worksheet is provided as Appendix B. This worksheet will help you estimate the monthly Unmodified Allowance for Service Retirement you may be eligible to receive from SCERS. The “Example” column builds on Scenario 1 above: Benefit Tier 1 – One-year Final Compensation Calculation, using Mr. Smith’s monthly Final Compensation of \$2,022. The Example column also assumes Mr. Smith is a Miscellaneous member who plans to retire at age 55 with 25 years of Service Credit.

As you review this information, first follow the example, then proceed to estimate your own benefit. Be sure to use factors from the Retirement Benefit Age Factor Tables provided as Appendices C and D that correspond with your Membership Category and Benefit Tier.

Most members’ SCERS-covered service is integrated with Social Security. As a result, the Member Contributions you pay to SCERS while an Active Member are slightly lower than they would be without integration. Correspondingly, your monthly retirement benefit is reduced slightly by the Social Security Reduction Factor multiplied by your years of SCERS-covered service that is integrated (FICA was deducted from your paycheck). The resulting amount is the total estimated retirement allowance you will receive at retirement. Refer to the Social Security Dollar Reduction Factor column included in the Retirement Benefit Age Factor tables provided as Appendix C for Miscellaneous members and Appendix D for Safety members.

You can also use the retirement Benefit Calculator on the SCERS website.