

SFERS Disclaimer

The San Francisco City and County Employees' Retirement System (SFERS), provides this presentation as a service to its members. It is intended for general information purposes only. The information provided is not intended to serve as legal advice. You should consult an attorney knowledgeable in retirement law matters for legal advice.

SFERS is governed by the San Francisco Charter and Administrative Code, as well as the Internal Revenue Code, and various rules and regulations, all of which are complex and subject to change. In the event of any conflict between those governing authorities and the information provided in this presentation, the governing authorities have precedence.

Your Path to Retirement Webinar

Topics We Will Cover

- Retirement Readiness
- Member Benefits
 - Benefit Programs
 - Service & Non-Service Purchases
 - Retirement Benefits
 - Survivor Benefits
 - Separation Benefits
- How to Reach Us
- The SFDCP

Welcome to SFERS!

It's never too early to plan for your retirement

After this webinar you will better understand:

- What it means to be “retirement ready”
- Your SFERS Benefits
- How to find Information at SFERS



“Retirement Ready”
= sufficient income
to support your
desired lifestyle
after retirement



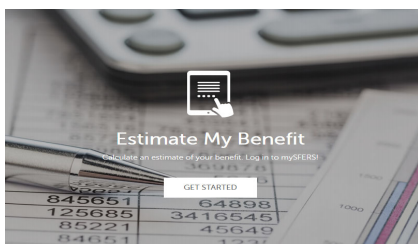
Retirement Readiness

- 80% Rule: a common guideline estimates you will need 80% of your gross pre-retirement income to maintain your current lifestyle after retirement
- For SFERS miscellaneous members, the maximum annual benefit is 75% of your average final compensation (pre-retirement income).
- Where will the additional 5% or more come from?



Retirement Readiness

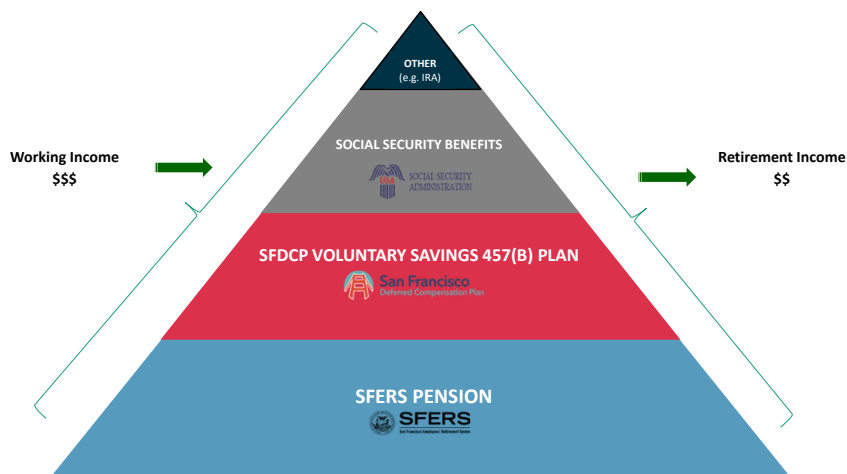
- Sources of retirement income to complement the SFERS pension:
 - San Francisco Deferred Compensation Plan (SFDCP) – (www.sfdcp.org)
 - Social Security benefits – (www.ssa.gov)
 - Personal retirement savings – individual retirement account (IRA)



- Estimate your SFERS pension income using the benefit calculator on the SFERS website
- Estimate your total retirement income using calculators on the SFDCP website

Retirement Readiness

Accumulating Retirement Income

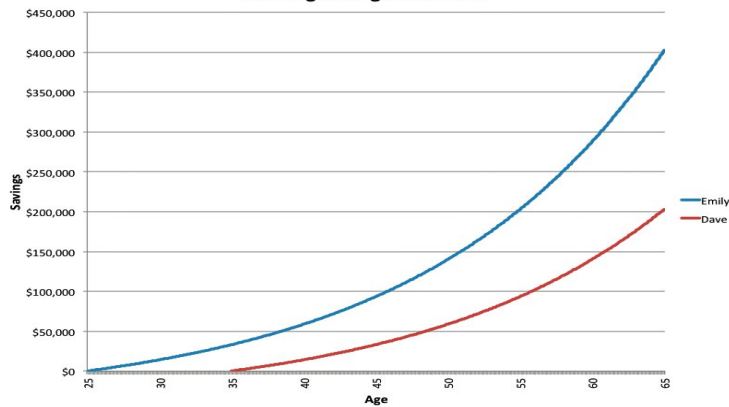


Retirement Readiness

Tips to saving for retirement

- 1) Start early and invest longer = more potential income in retirement

Starting Saving at 25 vs. 35



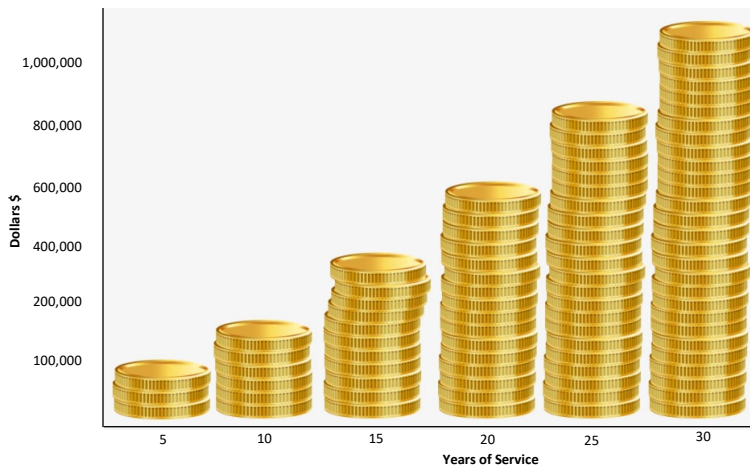
Your Path to Retirement Webinar

This example is for illustrative purposes only and not indicative of any investment

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Retirement Readiness

- 2) Work longer = more time to save and higher age factor



Your Path to Retirement Webinar

This example is for illustrative purposes only and not indicative of any investment

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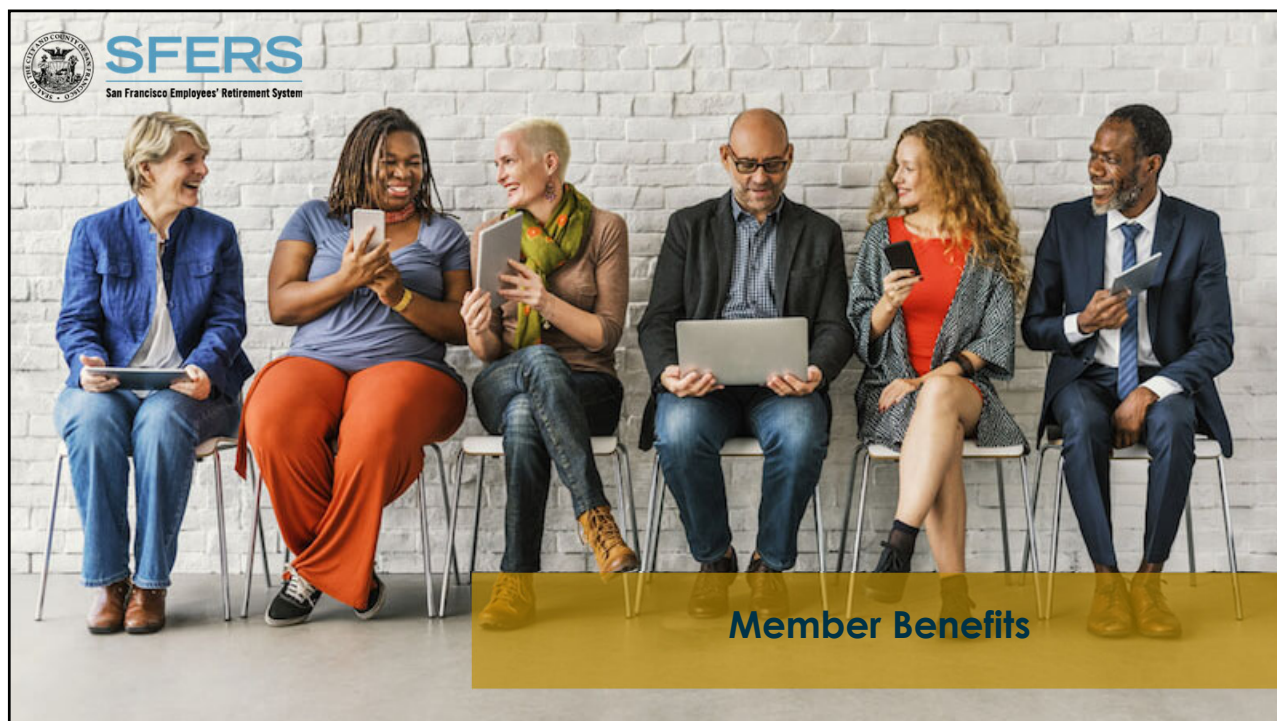
Retirement Readiness

- Set a target retirement date
 - This is the first day you are no longer on City payroll
 - Use the SFERS benefit calculator to estimate your SFERS pension income
(log into mySFERS member portal)

- Join the SFDCP and track your total retirement income
 - Calculators can help you evaluate your potential total retirement income
 - Take advantage of maximizing contribution limits




Retirement Readiness Recap

- Aim to accumulate 80% of your gross pre-retirement income to maintain your current lifestyle after retirement
- Retirement income sources may include SFERS pension, SFDCP, Social Security and individual retirement savings (e.g. IRA)
- Start investing early and/or work longer to potentially increase retirement income
- Use the SFERS and SFDCP calculators to estimate your benefits and track potential retirement income
- Watch the Retirement Readiness video on the SFERS website (select “Resources”, then “Videos”)



Member Benefits

Members have access to three benefit programs:

- **Defined Benefit Pension Plan (SFERS) Internal Revenue Code § 401(a)** 
 - Mandatory contributions by payroll deduction
 - Vesting eligibility with 5 years of credited service
- **Voluntary Deferred Compensation Plan (SFDCP) Internal Revenue Code § 457(b)** 
 - Voluntary pre- or after-tax contributions
 - Complement pension income
- **Social Security (miscellaneous members contribute to social security and may qualify for an additional monthly benefit at retirement)** 

Member Benefits

■ Credited Service

- You begin earning service on your membership date
- Maximum one year of credited service **per fiscal year** (not calculated annually on your anniversary date)
- You earn one year of service for every 1740 hours worked and paid in a fiscal year (approximately 10 months)
- Service is prorated if less than 1740 hours worked and paid in a fiscal year
- No credited service for periods of leave without pay
- Used to calculate your monthly service retirement benefit

Member Benefits

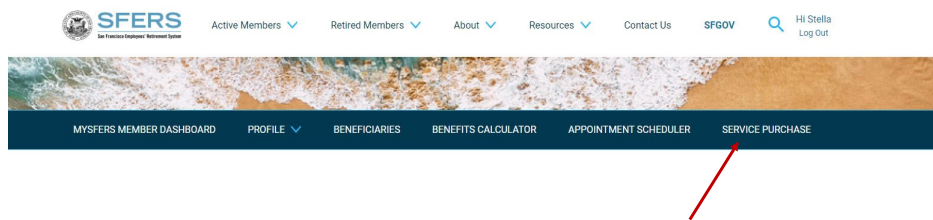
■ Service Purchases

- | | |
|---|---|
| <ul style="list-style-type: none"> — Prior Service <ul style="list-style-type: none"> ➢ eligible San Francisco City service in a temporary/provisional position before your SFERS membership date | <ul style="list-style-type: none"> — Public Service <ul style="list-style-type: none"> ➢ service as a member of a California public defined benefit plan ➢ service as a member of a Federal defined benefit plan, civilian and military |
| <ul style="list-style-type: none"> — Redeposit of previously withdrawn SFERS contributions | <ul style="list-style-type: none"> — Union Representative Service |
| <ul style="list-style-type: none"> — Unpaid Parental Leave Prior to July 1, 2003 | <ul style="list-style-type: none"> — Military Service <ul style="list-style-type: none"> ➢ while a member of the retirement plan or, ➢ while you are on a San Francisco Civil Service list and reached for certification for a permanent appointment |

- Additional service towards qualifying for retirement
- Purchase service any time prior to retirement

Member Benefits

- Debt to the Plan
 - **Gilmore Debt:** community property payments to ex-spouse
- Forms **to purchase additional qualifying service** are available on the SFERS website
 - Log in to mySFERS member portal and select the “Service Purchase” tab



Member Benefits

The SFERS Pension Plan provides three main categories of benefits:

- **Retirement** (service or disability)
 - Monthly allowance payable throughout your lifetime
- **Survivor** (pre-retirement)
 - Monthly allowance to qualified survivor

AND/OR

 - Lump sum benefit to designated beneficiary
- **Separation** (vesting, reciprocity, or refund/rollover)

Retirement Benefits

- You are eligible to apply to retire voluntarily upon meeting age and service criteria
- After you retire, SFERS will provide monthly income to you for your lifetime
- Your monthly benefit amount is calculated based on years of credited service, age at retirement and final annual compensation
- SFERS offers retirement benefits under four plan tiers based on your membership date

Retirement Benefits

Member before January 7, 2012 (New Plan Tier I A8.587 & New Plan Tier II A8.600):

- Qualify for Service Retirement
 - On or after age 50 **and** at least 20 years of credited service
 - On or after age 60 **and** at least 10 years of credited service
 - Age 65 regardless of credited service (if actively employed with the City)
- Qualify for Disability Retirement
 - Minimum 10 years credited service, regardless of age
 - Substantially disabled to perform job duties

Retirement Benefits

Member on or after January 7, 2012 (New Plan Tier III A8.603):

- Qualify for Service Retirement
 - On or after age 53 **and** at least 20 years of credited service
 - OR
 - On or after age 60 **and** at least 10 years of credited service
 - Age 65 regardless of credited service (if actively employed with the City)
- Qualify for Disability Retirement
 - Minimum 10 years credited service, regardless of age
 - Substantially disabled to perform job duties

Survivor Benefits

(Qualified Survivor before Retirement)

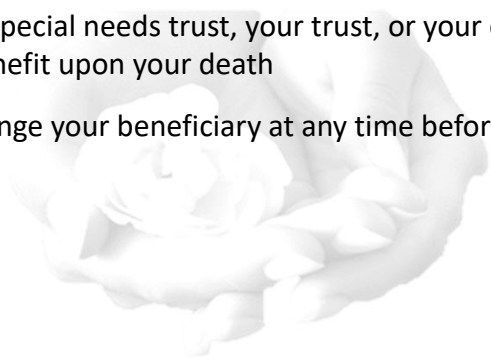
Your Qualified Survivor (QS) If You Die Before Retirement

- **Spouse or Eligible Domestic Partner** - if spouse/domestic partner on your date of death and married/registered domestic partnership at least one full year immediately prior to your date of death **and** your spouse/domestic partner was your **sole primary designated beneficiary**
- If no spouse/eligible domestic partner, then your **Unmarried Child** (or children) under age 18

Survivor Benefits

(Qualified Survivor before Retirement)

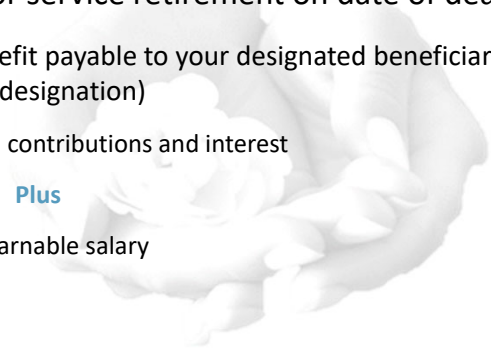
- A Beneficiary is:
 - A person, a special needs trust, your trust, or your estate named to receive a benefit upon your death
 - You may change your beneficiary at any time before retirement



Survivor Benefits

(Qualified Survivor before Retirement)

- If you die before terminating City employment or retirement, and do not qualify for service retirement on date of death:
 - Lump sum benefit payable to your designated beneficiary(ies) (or estate if no beneficiary designation)
 - Accumulated contributions and interest
 - **Plus**
 - Six months earnable salary



Survivor Benefits

(Qualified Survivor before Retirement)

- If you die before terminating City employment or retirement and are qualified for service retirement on date of death:
 - 50% monthly continuation benefit payable to your qualified survivor (QS) if your QS was your sole primary designated beneficiary
 - Or
 - Lump sum benefit payable to your designated beneficiary(ies) or estate if no continuation benefit payable:
 - Accumulated contributions and interest
 - Plus
 - Six months earnable salary

Separation Benefits

- Your SFERS membership ends upon complete separation of City employment
- Log in to mySFERS within 90 days after your termination to access the Termination Options Form to make an election
 - **Vesting Election**, if at least 5 years of credited service regardless of age
 - **Reciprocity**, if you become a member of a California Public Pension Plan that is reciprocal with SFERS within 6 months after your termination date from SFERS (regardless of age and credited service at termination)
 - Terminate SFERS membership before becoming a member in a new plan
 - Concurrent membership in two plans is not allowed
 - **Refund or Rollover** of your account balance (if 5 or more years of credited service, contact SFERS before electing a refund)



Member Resources

Visit our Website mysfers.org!

Log in to the mySFERS Portal:

Benefit Estimate Calculator – estimate your SFERS pension

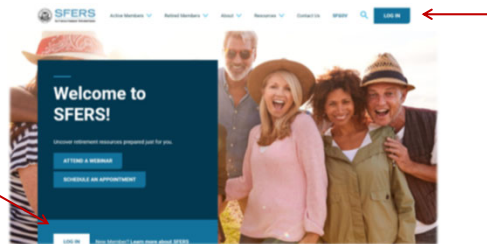
Annual Statement – record of your accumulated account balance

Beneficiary Dashboard – view and/or update your SFERS beneficiaries

Online Appointment Scheduler - apply for retirement or initiate process to purchase service (payroll deduction or rollover)

Service Purchase – view the cost and download form(s) to initiate a service purchase

Refund Request – download the Termination Options Form to initiate a refund or rollover



Other useful information and documents on the SFERS website:

- SFERS Resource Center
- Summary Plan Provisions (SPP)
 - Includes Service Retirement Formula and Age Factor Table
- Beneficiary Designation and Other Forms
- Announcements (news updates)
- Webinar Schedules and Registration Forms

How to Reach Us

Email: sfersconnect@sfgov.org
sfershelp@sfgov.org (member portal assistance)

Main Phone: 415-487-7000

The SFDCP www.sfdcp.org

Plan to reach your retirement financial goals!

- An opportunity to acquire additional retirement savings with voluntary contributions.
- Visit the website and click the “enroll online” link to join the plan. It takes 5 – 10 minutes to complete enrollment.
- Take advantage of available resources and tools to estimate and track potential retirement income.
- Need additional assistance? Contact the [SFDCP Counselor](#) assigned to your department.
- Register for SFERS Webinar Session VI – The SFDCP