SFERS
San Francisco Employees' Retirement System

SFERS New Member Webinar
Miscellaneous Plan Members

Working today for a secure tomorrow. Discover the benefits of SFERS!

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.

Today we will help you…

- Understand what your pension is and how it works

- Learn about member benefits

- Discover resources to help you plan for retirement

What is SFERS?

- The San Francisco Employees' Retirement System (SFERS) is the defined benefit plan ("pension") for eligible employees of the City and County of San Francisco, the San Francisco Unified School District, the Community College District, and Superior Court of California, County of San Francisco

- It is governed by a seven-member Retirement Board, which has fiduciary duties for the plan and oversees the administration of the plan

- Our mission: The San Francisco Employees' Retirement System is dedicated to securing, protecting and prudently investing the pension trust assets, administering mandated benefits programs, and providing promised benefits to the active and retired members of the City and County of San Francisco

How Does it Work?

- Members contribute to the pension fund through mandatory payroll deductions

- The City contributes to the pension fund based on a formula approved annually by the Retirement Board

- Those funds are invested and managed by the Investment Division of SFERS, for the long term

SFERS by the Numbers: FY 2023-24

- As of June 30, 2024, the pension fund was valued at $35.3 billion, returning 7.90% for the fiscal year

- SFERS annual benefit payments totaled $1.91 billion paid to more than 34,300 retirees and their beneficiaries

- SFERS enrolled 4,502 new members and added 1,210 new retirees

- SFERS administers 15 different pension plans for miscellaneous and safety members

- SFERS has more than 34,000 active members; 32,100 retirees and their beneficiaries receiving benefits; and 12,600 terminated members entitled to but not yet receiving benefits

What are the Rules?

- The provisions of the pension plan are in the San Francisco City Charter and in the Administrative Code.

- The pension plan can only be changed by a Charter Amendment, which must be approved by the voters of the City and County of San Francisco.

- The pension plan was last amended by Proposition C in November 2011, which changed the way members contribute to the pension plan and established the Retiree Healthcare Trust Fund.

Who is a Member of SFERS?

- Permanent employees in covered job classifications

- Permanent exempt full-time employees in covered job classifications

- Temporary employees who have worked more than 1040 hours in a 12-month period in covered job classifications

What does SFERS Membership Offer?

- A pension for City employees and their eligible survivor(s) provided under the San Francisco Charter
  — Your hire date determines your Charter plan and how your benefits are determined

- A pension that provides monthly income to you for your lifetime, after you retire

- The opportunity to retire voluntarily upon meeting age and service criteria

- A monthly benefit calculated based on years of credited service, age at retirement, and average final compensation

How Much Do I Have to Contribute?

- Contribution rates are set annually by the Retirement Board, as specified in the City Charter

- The base contribution rate for miscellaneous members is 7.5%

- The contribution rate may change every year, on July 1. It can be adjusted in the range of +4.0% to -4.0%, or +5.0% to -5.0% of the base contribution rate based on your hourly wage

- Contribution rates are posted on the SFERS website, mysfers.org

When Can I Retire?

Members hired on or after January 7, 2012
— **New Plan Tier III, Charter Section A8.603**

- ▪ **Qualify for service retirement**
  - ➢ On or after age 53 **and** at least 20 years credited service

    Or
  - ➢ On or after age 60 **and** at least 10 years of credited service

    Or
  - ➢ On your 65th birthday regardless of credited service (if actively employed with the City)

- ▪ **Qualify for disability retirement**
  - ➢ Minimum of 10 years of credited service, regardless of age

    And
  - ➢ Substantially disabled and unable to perform job duties

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How Much Will My Pension Be?

Service Retirement Benefit Calculation:

Credited Service

X

Age Factor (see SPP)

X

Average Monthly Final Compensation

=

Monthly Service Retirement Benefit

What is Credited Service?

- Members earn (are credited) one year of service for every 10 months worked and paid, generally 1,740 hours in a fiscal year.

- Members cannot earn credit for more than one year of service in a fiscal year, regardless of hours worked and paid.

- Hours worked and paid include regular hours worked, vacation, sick leave, and floating holidays.

- Overtime and unpaid time do not count towards hours worked and paid.

What is Average Final Compensation?

Highest average monthly compensation earned in:

- Any three consecutive fiscal years

or

- The 36 consecutive months immediately prior to retirement

What if I Leave City Employment Before Retiring?

Separation Benefits

- **Vesting** – if you have at least 5 years of credited service, you can leave your contributions with SFERS and receive a monthly vesting allowance beginning at age 53

- **Reciprocity** – if you join another California public agency plan with a reciprocal agreement within 6 months after leaving the City and leave your contributions with SFERS, you can link service with SFERS and the new plan. You must meet eligibility requirements and retire from both agencies concurrently

- **Refund/Rollover** – you can withdraw your contributions from SFERS or rollover your account balance to another qualified retirement account

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How Can I Save More for Retirement?

San Francisco
Deferred Compensation Plan

The San Francisco Deferred Compensation Plan (SFDCP)

- A voluntary retirement savings 457(b) plan administered by Voya

- Pre-tax and post-tax contribution options up to the IRS limits

- A diverse selection of 13 core investment funds, including target date funds, and a self-directed brokerage option

- Visit www.sfdcp.org for more information

When to Contact SFERS

- Hired by the City

- Leave City employment before you are qualified to retire for service

- Ready to retire

- Circumstances in your life change

Want to Learn More?

SFERS Offers Retirement Planning Webinars:

— Path to Retirement

— Ready to Retire: 5 Years from Retirement

— Ready to Retire: 1 Year from Retirement

— Ready to Retire: The Retirement Application

— Ready to Retire: After Retirement

— Ready to Retire: The San Francisco Deferred Compensation Plan

— Ready to Retire: Reciprocity

— Ready to Retire: Service Purchase

The webinars are offered noon – 1:00 p.m. 2 times per year. Register at mysfers.org/resources/retirement-webinars.

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Visit our Website at mysfers.org!

Log in to mySFERS secure member portal:

- Benefits estimate calculator
- Annual Statement
- Beneficiary Dashboard
- Account balance verification
- Online appointment scheduler

Other useful resources:

- Webinar schedules and registration
- Summary Plan Provisions
- Announcements, News, and Updates
- Forms and frequently asked questions
- Annual reports on fund performance

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How to Reach Us
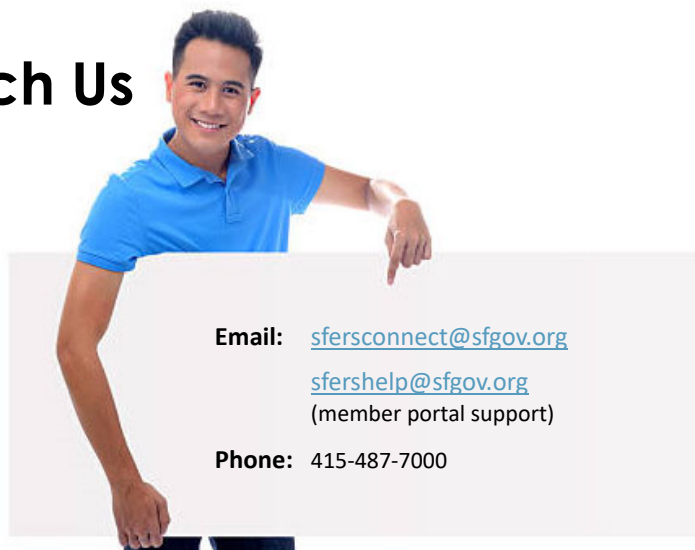
Email: sfersconnect@sfgov.org

sfershelp@sfgov.org
(member portal support)

Phone: 415-487-7000

Questions?