

Summary of CalPERS Retirement Plan Benefit Provisions

City of Tustin - Fiscal Year 2025-26

| 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 | 10.00% | | | 27.38% | 20.15% | 13.99% |
| Employer Unfunded Liability Minimum Contribution | \$2,888,939 | | | \$4,595,874 | \$24,558 | \$75,993 |
| Plan Total Normal Cost* | 17.93% | 19.44% | 15.54% | 36.37% | 29.11% | 27.74% |
| 50% of Total Normal Cost* | 8.97% | 9.72% | 7.77% | 18.19% | 14.56% | 13.87% |
| Employer Paid Member Contribution | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Employee Contribution | 7.00% | 7.00% | 7.25% | 9.00% | 9.00% | 13.75% |
| Employer Cost Sharing (Paid by Employee) | 3.00% | 3.00% | 0.00% | 3.00% | 3.00% | 0.00% |
| Total Employee Contribution | 10.00% | 10.00% | 7.25% | 12.00% | 12.00% | 13.75% |
| % of Total Normal Cost Paid By Employee | 55.77% | 51.44% | 46.65% | 32.99% | 41.22% | 49.57% |
| 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** | \$36,428,973 | | | \$53,866,697 | \$443,379 | \$1,183,324 |
| Funded Ratio** | 77.1% | | | 71.1% | 86.6% | 85.2% |
| Active Employees in Tier** | 83 | 22 | 116 | 30 | 8 | 57 |
| % of Active Employees in Plan** | 37.56% | 9.95% | 52.49% | 31.58% | 8.42% | 60.00% |

*Generally, the normal cost for a benefit group with more generous benefits will exceed the normal cost for a group with less generous benefits. However, when the number of actives is small, this may not be the case.

**As of June 30, 2023 valuation (does not reflect Additional Discretionary Payments made after this date)