



Kern County Hybrid Plan Design "Tier II"

Adopted 2008, for new General Members

Defined Benefit: California Employees Retirement Law (CERL) Government Code 31676.01 - 1.62% at age 65

Defined Contribution: Voluntary, employer match up to 6% contributed into employee's deferred compensation account

Premium Pay: All members receive a 6% premium pay, as compensation, to contribute to deferred compensation or receive as additional take-home pay

Employer Normal Cost, as percentage of payroll, Tier II is **6.35% ***
Employee Contribution Rate Ranges, 4.51% - 8.60%

Participation Rate of Defined Contribution Match Program: 46.9%
Average Percentage of Matched Funds: 4.9%

Sample Benefit: Age 65, 25 years of service, \$52,000 annual salary
Monthly Defined Benefit at retirement \$1,715 monthly, \$20,580 annually

Background for comparative reference

All members enrolled prior to 2008 are eligible for defined benefit, CERL Government Code 31676.17 - 3% at age 60 "Tier I"

Employer Normal Cost, as a percentage of payroll, for Tier I is **21.31% ***
Employee Contribution Rate Ranges, 6.34% - 11.25%

Sample benefit: Age 60, 25 years of service, \$52,000 annual salary
Monthly Defined Benefit at retirement \$3,172 monthly, \$38,064 annually

*What is normal cost? The portion of the actuarial present value of pension plan benefits and expenses which is allocated to a valuation year by the actuarial cost method.