



# VCERA Vibes

## PLAN BASICS: Calculating Your Pension

As a defined benefit plan, VCERA calculates monthly retirement benefits (“pensions”) according to formulas defined by law. Therefore, your lifetime benefit will not be based on how the stock market performs or how much you have contributed to the retirement system. Rather, it will be calculated using the following factors:

1. Age at retirement
2. Years of retirement service credit
3. Final average compensation
4. Retirement benefit tier

### A Closer Look

The first factor is your age at retirement. Every quarter year that passes, up to the following maximum ages, will increase your age factor and monthly benefit:

- Age 55 for Safety Tier 1
- Age 57 for Safety Tier 7 (PEPRA)
- Age 65 for General Tiers 1 & 2
- Age 67 for General Tiers 6 & 8 (PEPRA)

The second factor is your total years of retirement service credit. This includes service that you earned by working as well as any prior or public service that you may have purchased. If you have eligible prior or public service (see the “Service Credit Purchases” article), you can receive credit for it by paying VCERA the required contributions and accrued interest. Generally, more service credit equates to a higher benefit.<sup>1</sup>

The third factor is your final average compensation (FAC). This is your highest average 12 or 36 consecutive months of retirement earnings. The FAC period for General Tier 1 and Safety Tier 1 members is 12 months; the FAC period for all other members is 36 months. At retirement, VCERA will analyze your salary history to identify the highest applicable

period of retirement earnings and then compute your average monthly compensation. Generally, a higher FAC results in a higher benefit. The earnings includable in your FAC vary based on whether you are a Legacy member or PEPRA member.<sup>2</sup> Your base salary is always included, as are pay items deemed “pensionable” by law. To learn more about the pensionability of certain pay items, visit [vcera.org](http://vcera.org) or contact VCERA.

The fourth factor used to calculate your pension is your benefit tier. Each tier has a formula that incorporates age at retirement, total retirement service credit and FAC. If you have service credit in multiple benefit tiers, VCERA will perform a separate calculation for each tier and then combine the resultant amounts into a total benefit payable to you.



<sup>1</sup> May not apply to some disability retirement benefits. See “SCP” article.

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## WHAT'S NEW *Online*

**VCERA has been busy** creating content and resources to help you better understand the valuable benefits provided by your defined benefit pension plan. Here are some of the additions you will find at [www.vcera.org](http://www.vcera.org):

- New webpages: *Planning for Retirement, Defined Benefit Plan, Contribution Rates*
- New “Retirement Planning Workshop” video

- Expanded *Publications* webpage with new brochures and fact sheets addressing retirement contributions, reciprocity, divorce, choosing the best retirement date, retiree return-to-work, and direct deposit
- Revised Member Handbook, Retirement Application Packet, and other forms
- Other expanded website content

If you have not visited [www.vcera.org](http://www.vcera.org) lately, please drop by and check out the new resources created with *you* in mind.

*Did you know?*

**81%** of VCERA retirees live in California. The other **19%** reside throughout the U.S. (at least one in every state), except for **17** retirees who live abroad.

## Member Portal Update

More than 18,500 VCERA members have received invitation letters to register for the Member Portal, an online gateway to access your retirement account information remotely and securely.

Remember, the portal enables active and deferred members to run unlimited benefit estimates with up-to-date salary and service data. Retirees can view their monthly payment histories and update their addresses. All users can view their membership details, account balances, outgoing VCERA correspondence, and much more.

If you have ever wondered ...

- **When is the earliest I can retire?**
- **What happens to my benefit if I earn a higher salary?**
- **Will my benefit increase if I wait another year to retire?**
- **What will my beneficiary receive when I pass away?**

... then you need to register for the VCERA Member Portal.

To enroll, refer to the invitation letter mailed to you. If it was misplaced, call VCERA at (805) 339-4250 to obtain a new PIN code. Registration instructions are available on the “Member Portal” webpage at [www.vcera.org](http://www.vcera.org).

## Plan Basics

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### Estimating Your Benefit

A fast way to estimate your retirement benefit is to log in to your Member Portal account and access the Benefit Estimator. The online system will use your current salary and service data to perform the calculation. If you have not yet registered for a portal account, you can use VCERA’s pension calculators at [vcera.org](http://vcera.org). Or, VCERA can research your account and provide an official estimate upon request, although this process can take a few weeks to complete. As your career matures, please take advantage of these resources often so that you can approach your retirement with confidence.

<sup>2</sup> Legacy members joined VCERA or a reciprocal system prior to 2013. PEPR members joined in 2013 or later.

# Retiree Spotlight

## GRANT SHEPARD

Veteran  
Public Servant  
Actor  
Centenarian



A centenarian is someone who has lived 100 years, an astonishing feat by any measure. VCERA boasts two such overachievers. The oldest is a remarkable 103-year-old named Grant Shepard, who has been a VCERA retiree for 43 years!

Born in Los Angeles in 1916, Grant has experienced history that most people only read about. Surviving the Great Depression and overseas assignments during World War II shaped his character, but it was his boyhood involvement in church productions that sparked within him a passion that would last a century.

After returning from war, Grant taught drama and English in L.A. and later television production in Florida. He returned to California and began working for L.A. County's Social Services Department, which administered welfare benefits to needy citizens. A decade of hard work resulted in his oversight of 50 social workers in the Metro North District in Pasadena. He enjoyed managing people and giving "fantastic" speeches, but the unexpected dangers of his job and the air quality of the city provided ample motivation in 1970 to relocate with his wife and children to a more family-friendly setting in Ventura.

Grant worked as the district director in the Ventura County Welfare Department before becoming its income administrator. Six years later, he decided to retire and has drawn a VCERA benefit ever since. Soon after retirement, though, a restless boredom set in.

A concerned family member suggested that Grant audition for a romantic comedy play at a nearby dinner theatre. He accepted the challenge, earned the lead role and never looked back. In the decade that followed, the new retiree devoted countless hours to the stage, acting in and directing dozens of plays.

"He never met a stage he didn't like," commented June, his wife of 60 years.

It was his love of theatre and several actor friends from Ventura who had moved north that attracted Grant and June to Oregon. Despite his advancing age and the new locale, he could not resist acting. He worked on at least three plays per year for 22 years (including starring roles in "On Golden Pond" and "Best Man") until he finally retired from the stage at age 100.

"It was hard to remember all my lines," he recalled.

Although Grant's County career was not as dramatic as his retirement, it helped make those later activities possible. As June aptly concluded: "It was a good career, he helped people, and the pension was good. It's been a grand adventure."

## TRUSTEE Comings & Goings

In March 2019, veteran VCERA trustee **Chris Johnston** (Fire Department) retired after a 16-year career with the County of Ventura. He was first elected as the Board of Retirement's Safety member representative in July 2002 and continued as a diligent VCERA fiduciary until his recent retirement.

Taking his place is **Robert Ashby**, who began working in the Auditor-Controller's Office in 1993 and

transitioned in 2007 to a public safety career in the Fire Department. He now serves as a Fire Captain.

VCERA thanks **Dan Shapiro** (Health Care Agency) for his time on the Board as its General member representative. His vacated seat was recently filled in a special election by **Jordan Roberts**, who works as a Fire Dispatch Supervisor in the Fire Department.

To learn more about the Board of Retirement and its members, visit [www.vcera.org/board-members](http://www.vcera.org/board-members).



**VCERA**  
VENTURA COUNTY EMPLOYEES'  
RETIREMENT ASSOCIATION

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## How Service Credit Purchases Work

Retirement service credit is one of four factors used to calculate your lifetime VCERA benefit. As a member, you can accrue service credit through eligible employment and service credit purchases.

Generally, service credit accrues as you pay the legally required retirement contributions for a certain period of eligible service. (Learn more at [www.vcera.org/contributions](http://www.vcera.org/contributions).) Active and deferred-vested members also can make the legally required contributions to purchase service credit for eligible prior County/District service and prior public service.<sup>1</sup> When those funds are received, VCERA awards additional retirement service credit to the member, which can increase future VCERA benefits.<sup>2</sup> Eligible service credit purchase types include:

- Extra-help and part-time service (prior to 1992)
- Pre-membership period (6/30/1979 to 7/10/1999)
- Unpaid, personal medical leave during membership
- Redeposit of previously refunded contributions
- Public service: Federal and California agencies, active military, California cities and counties, public agencies situated within Ventura County, and LAFCO.

In addition to paying the required retirement contributions, members will owe interest that has accrued and compounded since the period of prior service. (Interest rates are the same as those posted semiannually to member accounts.) *Therefore, service credit purchases are less costly when completed sooner rather than later.* VCERA offers several installment and lump-sum payment options, including rollovers from other tax-qualified plans.<sup>3</sup> Purchases must be paid off prior to retirement.

To request a cost estimate, please complete and return a Service Credit Purchase Request Form, available at [www.vcera.org](http://www.vcera.org) and in the VCERA office.

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<sup>1</sup> For prior County/District service, members pay the contributions that *would* have been due if the prior service had been eligible, plus interest. For prior public service, members pay twice the contributions due, plus interest.

<sup>2</sup> May not be true for retirees whose disability retirement benefits exceed their service retirement benefits.

<sup>3</sup> Redeposits must be paid in full before service credit is awarded. For installment payments, VCERA awards service credit biweekly until the balance is paid off. View all payment options at [www.vcera.org/payment-options](http://www.vcera.org/payment-options).