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.*