



Mid-Career Webinar



San Bernardino County Employees'
Retirement Association

Agenda

1:30 p.m. – 4:00 p.m.

1. San Bernardino County Employees' Retirement Association (SBCERA)
2. Employee Benefits and Services Division (EBSD)
3. Voya



San Bernardino County Employees'
Retirement Association

About SBCERA

\$14+ Billion Trust Fund

Multiple Employer Defined Benefit Plan

- Over 48,000 Members and Beneficiaries
- 17 Employers

Board of Retirement

1937 Act and PEPRA

Retirement Plan Differences

457b or 401k

Voluntary

You choose \$ or %

You choose investments

Invest more to get more

Risk of market loss, inadequate savings, longevity, excess withdrawal

Defined Benefit Plan

Mandatory

SBCERA Determines %

We manage investments

Benefit based on formula

Less flexibility, more stability

Tiers & Contributions

Tier 1

- Joined SBCERA prior to January 1, 2013
OR
- Established reciprocity with another California public retirement system with whom you were employed prior to 1/1/13

Tier 1 Contribution Rates FY 24/25

www.SBCERA.org/Contributions

- Your percentage depends on your entry age
- Entry age is closest age to your time of hire
- Entry age stays the same throughout your career

Tier 2 (Joined SBCERA on or after January 1, 2013)

Tier 2 Contribution Rates FY 24/25

Pre-Tax Contributions

County General:	9.08%
County Safety:	15.77%
Superior Court:	9.08%
SCAQMD:	8.23%
Other General:	9.09%

*Subject to annual cap of \$181,734 for 2024

Rates are set annually by the SBCERA Board
Benefit is NOT based on your contributions

All General Members contribute \$0.92 per pay period for Survivor Benefits

Retirement Types

Service Retirement

Lifetime monthly benefit with a continuance to your eligible beneficiary

Disability Benefit

Permanently incapable of performing usual job duties

Service-Connected or

Non-Service Connected (5 Years Service Credit)

Deferred Retirement (5 Years Service Credit)

Contributions stay on deposit until you are eligible and ready to retire



Reciprocity

How?

- Within a 6-month break in service
- Not receiving a pension from the other system/association
- Did not withdraw your contributions
- No overlapping service credit
- Elect Reciprocity

Why?

- Service credit in one counts toward vesting and eligibility in the other
- Possible Tier 1 Membership if you were a member of another California public retirement system before 1/1/13
 - General 2% @ 55
 - Safety 3% @ 50
- Final Average Compensation may count for both

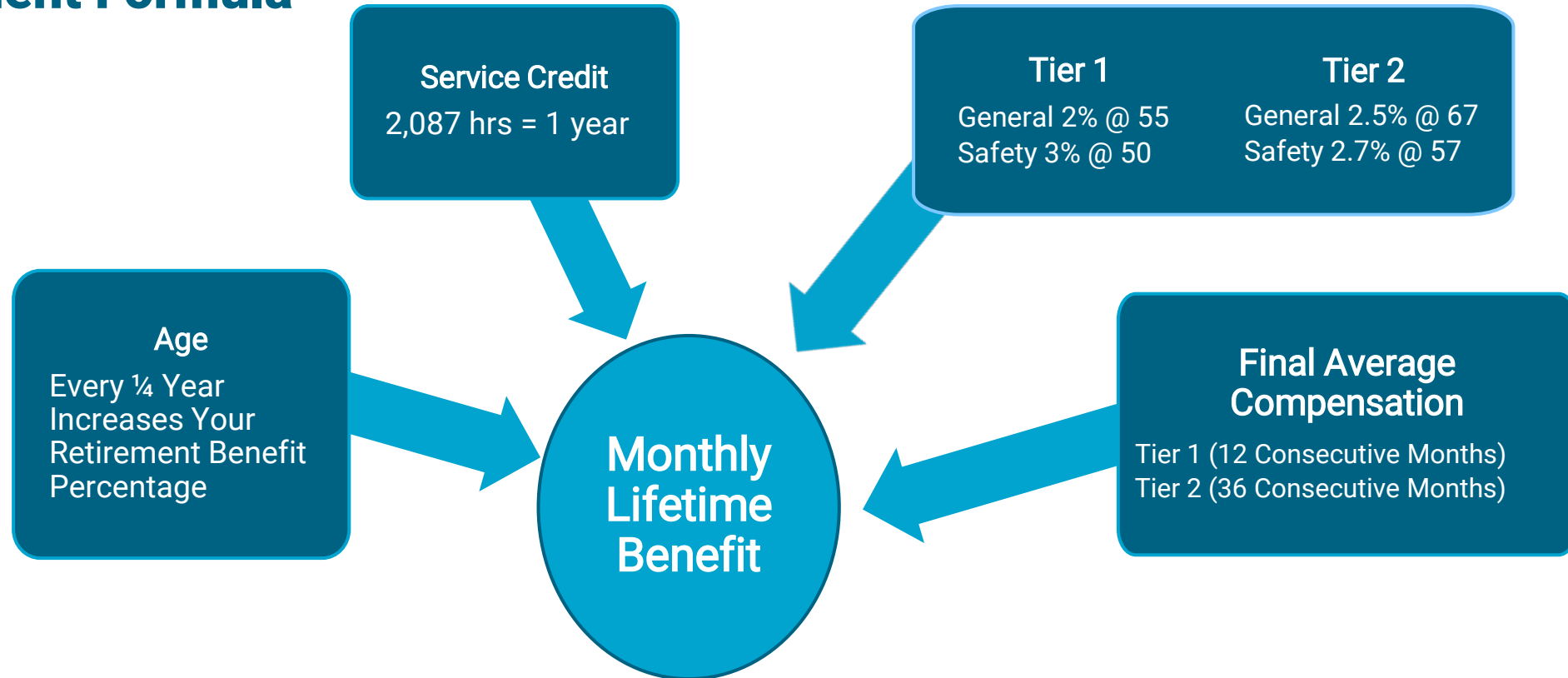
You must file an application for retirement with each system in advance and indicate the same retirement effective date.

Retirement Eligibility

General	
Tier 1	Tier 2
<ul style="list-style-type: none">Any age with 30+ years of service creditAge 50+ with 10+ years of service creditActive part-time members age 55+ with 10+ years of membership and 5+ years of service credit	<ul style="list-style-type: none">Age 52+ with 5+ years of service credit
Safety	
Tier 1	Tier 2
<ul style="list-style-type: none">Any age with 20+ years of service creditAge 50+ with 10+ years of service creditActive part-time members age 55+ with 10+ years of membership and 5+ years of service credit	<ul style="list-style-type: none">Age 50+ with 5+ years of service credit
Active Members age 70+ with any amount of service credit	

Calculating Benefits

Retirement Formula



Final Average Compensation

Tier 1: Highest compensation earnable over any 12 consecutive months

Base salary, plus other pay components determined to be earnable compensation.

- Bilingual pay
- Shift differential

Tier 2: Highest pensionable compensation over any 36 consecutive months

Excludes overtime hours.

See your employer/MOU for details.

Estimate Your Benefit

Age & Credit	55	56	57	58	59	60	61	62	63	64	65 and older
15	30.00%	31.34%	33.14%	35.06%	37.01%	39.28%	40.82%	42.37%	43.91%	45.46%	47.00%
16	32.00%	33.43%	35.35%	37.40%	39.57%	41.90%	43.55%	45.19%	46.84%	48.49%	50.14%
17	34.00%	35.52%	37.56%	39.73%	42.04%	44.52%	46.27%	48.02%	49.77%	51.52%	53.27%
18	36.00%	37.61%	39.77%	42.07%	44.51%	47.13%	48.99%	50.84%	52.70%	54.55%	56.40%
19	38.00%	39.70%	41.98%	44.41%	46.99%	49.75%	51.71%	53.67%	55.62%	57.58%	59.54%
20	40.00%	41.79%	44.19%	46.74%	49.46%	52.37%	54.43%	56.49%	58.55%	60.61%	62.67%
21	42.00%	43.88%	46.40%	49.08%	51.93%	54.99%	57.15%	59.32%	61.48%	63.64%	65.81%
22	44.00%	45.97%	48.61%	51.42%	54.41%	57.61%	59.88%	62.14%	64.41%	66.67%	68.94%
23	46.00%	48.06%	50.82%	53.76%	56.88%	60.23%	62.60%	64.97%	67.33%	69.70%	72.07%
24	48.00%	50.15%	53.03%	56.09%	59.35%	62.85%	65.32%	67.79%	70.26%	72.73%	75.21%
25	50.00%	52.24%	55.24%	58.43%	61.83%	65.47%	68.04%	70.62%	73.19%	75.77%	78.34%
26	52.00%	54.32%	57.45%	60.77%	64.30%	68.08%	70.76%	73.44%	76.12%	78.80%	81.47%

	Deferred Retirement		Service Purchase
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Tier 1 General

Purchasing Service

Type	Rules	Allowable Uses of Time	Cost
Redeposit of Withdrawn Contributions	All or Nothing	<ul style="list-style-type: none"> Vesting Retirement Eligibility Adds Service Credit 	\$
Past Ineligible Service (Part-Time, Temp, Contract, Seasonal)	None	<ul style="list-style-type: none"> Vesting Retirement Eligibility Adds Service Credit 	\$
Authorized Leave (military, injury, illness)	Up to 12 consecutive months per sick leave	<ul style="list-style-type: none"> Vesting Retirement Eligibility Adds Service Credit 	\$\$
Prior Public Agency Service (PPAS) (state, federal, military, some cities and counties)	Certain rules apply based on service	<ul style="list-style-type: none"> Does NOT count towards Vesting and Retirement Eligibility Adds Service Credit 	\$\$
Payment options			Estimates available
<ul style="list-style-type: none"> After-Tax Payment Plan After-Tax Lump Sum 	<ul style="list-style-type: none"> Rollover from deferred compensation (<u>i.e.</u> 457b or 401k) 		

Disclaimer: A service purchase may not benefit you in the event the Board grants you a disability retirement. Please contact SBCERA at ServiceCredit@sbccera.org for further information.

Designating Beneficiaries

Prior to Retirement

- Person(s) designated to receive survivor benefits (Eligible takes precedence)
- Can designate more than one
- Can revoke as needed
- Beneficiaries may have options

At Retirement

- Person designated to receive a monthly continuance and/or a lump sum upon your death
- You determine what benefits your beneficiaries receive by choosing an option
- You cannot change beneficiaries (one exception)

Death Before Retirement

Optional Death Allowance

- Must be vested, **only spouse, domestic partner, eligible minor child** (only while eligible)
- Monthly payment, 60% of a Non-Service Connected Disability Retirement or Service Retirement, whichever is greater

Modified Death Allowance

- Must be vested, **only available to spouse or domestic partner**
- 1 month's compensation for every year of completed service, up to six months max; plus...
- Reduced monthly lifetime benefit based on age of beneficiary

Death Benefit

- Any named beneficiary **including a spouse, adult child, sibling or your estate**
- Lump sum of refundable contributions plus interest; plus...
- 1 month's compensation for every completed year of service, up to six months max

SBCERA Special Durable Power of Attorney

Death Before Retirement

Additional Death Benefits for General Members

- If you are a General member with at least 18 months of continuous membership with SBCERA, your spouse and/or dependent children may also be entitled to a monthly survivor benefit.
- Beneficiary would qualify for a \$255 burial allowance.
- Only available to a spouse, domestic partner or eligible minor child

Additional Death Benefits for Safety Members

- Person designated to receive a monthly continuance and/or a lump sum upon your death
- You determine what benefits your beneficiaries receive by choosing an option
- You cannot change beneficiaries (one exception)

Beneficiary Options for Retirement

Eligible Beneficiaries for Unmodified Option

Spouse or Domestic Partner

Married or registered in the State of California **one year** prior to effective retirement date; or
Post-Retirement, married or registered for **at least two years** before your death to a spouse or domestic partner who is 55 or older

Eligible Child

Unmarried, dependent child under 18 (While Member is alive)
Full-time student, unmarried through age 21

Designated Beneficiaries for Options 1-4

Anyone with an “insurable interest” in the member’s life

Benefit Options

Option	Benefits to You	Benefits to Your Beneficiary	Special Considerations	Ability to Change Beneficiaries
Unmodified Option	Maximum lifetime retirement benefit for you	60% continuance to eligible beneficiary: eligible spouse, registered domestic partner or minor child	If no eligible beneficiary, then a lump sum of undistributed refundable contributions, if any, can be given to your designated beneficiary	VERY limited circumstance under which you may change your beneficiary after you retire
Option 1	Reduced lifetime retirement benefit for you based on your life expectancy	Designated beneficiary receives a lump sum of undistributed refundable contributions in your account		<i>Only</i> option that allows you to change your beneficiary at any time
Option 2	Reduced lifetime retirement benefit for you based on your age and the age of your beneficiary	100% continuance of your reduced benefit amount to your designated beneficiary	Designated beneficiary must have an insurable interest in your life	You cannot change your beneficiary after you retire
Option 3	Reduced lifetime retirement benefit for you based on your age and the age of your beneficiary	50% continuance of your reduced benefit amount to your designated beneficiary	Designated beneficiary must have an insurable interest in your life	You cannot change your beneficiary after you retire
Option 4	Reduced lifetime retirement benefit for you based on your age and the age of your beneficiary(ies)	Custom continuance to one or more beneficiaries	Requires that you pay the expense for an actuary study conducted by SBCERA's actuary	You cannot change beneficiary(ies) after you retire.

Choosing When to Retire

Your Birthday

General Members, every $\frac{1}{4}$ year counts up to age 65 for Tier 1 and 67 for Tier 2

Safety Members, every $\frac{1}{4}$ year counts up to age 50 for Tier 1 and 57 for Tier 2

Leave Accruals

Some members may be eligible to complete a cash-out prior to retirement. This may increase your FAC for the year. (Tier 1 only)

End of Calendar Year

Upon retirement, you may receive lump-sum payments for remaining leave accruals. If included in your taxable income, they may place you in a higher tax bracket. (Tier 1 only)

Spring

By retiring on or before April 1st, your benefit may include a COLA.

COLA

Annual Cost of Living Adjustment

If approved by the Board of Retirement, the adjustment is made effective April 1 of each year.

COLA not to exceed 2% annually

COLA is based on the U.S. Bureau of Labor Statistics' Consumer Price Index (CPI) as of November 30, and is rounded to the nearest ½ percent.

- Example: On 11/30/22, the published CPI was 7.49%. On 4/1/23, retirees and beneficiaries receive a 2.0% COLA adjustment, with 6.00% going into their COLA Bank.

COLA Bank

Social Security

Must have 40 credits of employment with Social Security

Windfall Elimination Provision (WEP)

WEP impacts your Social Security benefit based on your government pension

Use the WEP Calculator at www.SSA.gov

30+ years of substantial earnings in SS, benefit is unaffected

Government Pension Offset (GPO)

GPO impacts your ability to collect S.S. benefits on a spouse's record

Likely Eligible for Medicare Benefits

Resources

www.SBCERA.org

SBCERA.org/mySBCERA

- Sign up for eDelivery in mySBCERA

Retirement Representatives

Annual Member Statement

Membership Guide

Scan the QR Code to take a
brief survey



Phone Number

909.885.7980

Toll Free

(877) 722.3721

Email Address

MemberServices@SBCERA.org



San Bernardino County Employees'
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