



*Welcome to  
San Bernardino County Employees' Retirement Association  
Summary Plan Description*

General and Safety Members  
2011




**DESTINATION:** *Purpose Statement*

It is the purpose of the San Bernardino County Employees' Retirement Association to provide the members and their beneficiaries with those retirement and related benefits and services which they have earned and which are commensurate with their years of service and compensation.

It is the responsibility of those charged with administration of the Association to:

- (a) effectively collect contributions to fund liabilities incurred;
- (b) diversify the investments of the system so as to minimize the risk of loss and to maximize the rate of return;
- (c) administer the benefits impartially, fairly and in accordance with the applicable law;
- (d) deliver service to the membership in an accurate, courteous, prompt, professional and cost-effective manner;
- (e) strategically plan for the future.



The Compass is intended to provide you with basic information about the benefits offered by the San Bernardino County Employees' Retirement Association (SBCERA). This reference piece is formally known as the Summary Plan Description (SPD). Every effort has been made to ensure the timeliness and accuracy of the information offered.

However, you should not rely solely on the information contained herein. Your eligibility for benefits will depend on the particulars of your situation. Your actual benefits will be determined according to the applicable provisions of the California Government Code and the By-Laws and Policies of SBCERA. Therefore, your benefits may, in some cases, be different from those presented in this binder.

The California legislature periodically makes revisions and additions to retirement law. This binder is updated to the date shown on the title page or the individual page date in the case of future revisions. SBCERA will make every effort to keep you informed of future changes that affect your Retirement Plan. However, benefits are subject to change with or without notice.

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NOTE: In the event of any discrepancy between the information contained in this binder and the Code provisions and By-Laws and Policies referenced above, the Code provisions and By-Laws and Policies will govern.

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The California Government Code in its entirety may be accessed at <http://www.leginfo.ca.gov>. The By-Laws may be accessed at [www.SBCERA.org](http://www.SBCERA.org). The most recent version of The Compass can also be accessed online at [www.SBCERA.org](http://www.SBCERA.org).

## HOMEBASE: *How to Contact Us*

### **SBCERA**

348 W. Hospitality Lane, Third Floor  
San Bernardino, CA 92415-0014

Phone (909) 885-7980  
Toll Free (877) 722-3721  
Fax (909) 884-1904

E-mail: Click on "Contact Us" on the website

Website: [www.SBCERA.org](http://www.SBCERA.org)

Office hours: Weekdays, 8 a.m. to 5 p.m.  
Appointments are preferred.



### **Board of Retirement**

The Board members can be contacted through the SBCERA staff. Board meetings are open to the public and are held the first Thursday of each month at 9 a.m. at SBCERA at the address above on the First Floor. There is ample free regular and accessible parking.

Board meeting agendas and minutes are posted on the website at [www.SBCERA.org](http://www.SBCERA.org). Also, the agenda is physically posted outside the building at the address above.

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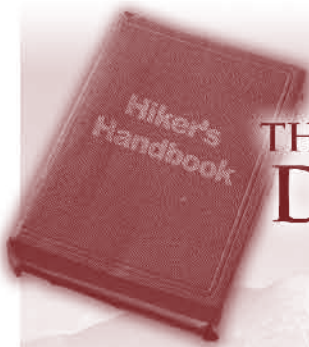
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THE LEGEND:

# DEFINITION OF TERMS

THE COMPASS: *Navigating Your Retirement Benefit Plan*



# THE LEGEND: DEFINITION OF TERMS

## THE LEGEND: DEFINITIONS

In addition to the terms defined below, you will find other key terms highlighted and defined where they appear in the text of The Compass.

**'37 Act** – The County Employees' Retirement Law of 1937–better known as the '37 Act– is a body of law enacted to govern retirement benefits for certain public employees. SBCERA is one of 20 county retirement systems in California subject to the provisions of the '37 Act.

**Active Member** – Member who is currently working for an SBCERA employer and participating in SBCERA membership.

**Actuary** – Licensed retirement plan designer and consultant.

**Additional Retirement Credit (ARC)** – Service credit you can purchase to increase your total retirement service credit. ARC is not based on actual employment. You must be an active member in the SBCERA plan with at least five (5) years of actual County or District service credit to purchase ARC.

**Age Factor** – This is the age used in determining retirement benefits. There are maximum ages for both membership types. Working beyond a maximum age will not provide you with any further age benefit, but you will continue to add to your retirement benefit by adding to your service credit and, possibly, achieving a higher final earnable compensation. The maximum age for Safety members is 50; for General members, it is age 65.

**Annuity** – A series of payments (retirement benefits) derived from your contributions and interest for a specific period of time such as a number of years or for life.

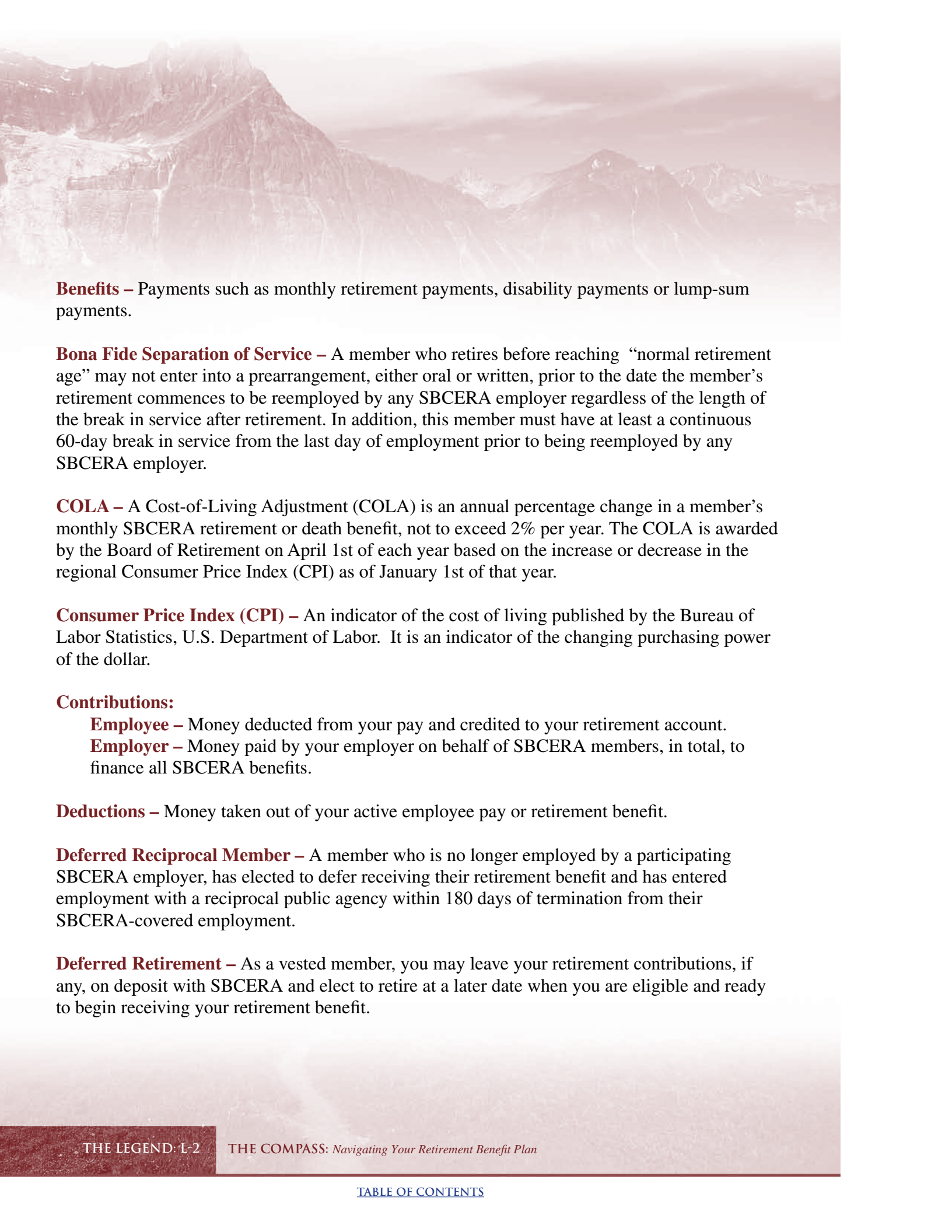
**Beneficiary** – Person(s) you name to receive a lump-sum distribution and/or monthly continuance (if eligible) upon your death. If no beneficiary is named or if the beneficiary is no longer living, the beneficiary will be your surviving:

1. Legal spouse or registered domestic partner
2. Children, or if none,
3. Estate.

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NOTE: Beneficiary designations are subject to modification by court order.

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**Benefits** – Payments such as monthly retirement payments, disability payments or lump-sum payments.

**Bona Fide Separation of Service** – A member who retires before reaching “normal retirement age” may not enter into a prearrangement, either oral or written, prior to the date the member’s retirement commences to be reemployed by any SBCERA employer regardless of the length of the break in service after retirement. In addition, this member must have at least a continuous 60-day break in service from the last day of employment prior to being reemployed by any SBCERA employer.

**COLA** – A Cost-of-Living Adjustment (COLA) is an annual percentage change in a member’s monthly SBCERA retirement or death benefit, not to exceed 2% per year. The COLA is awarded by the Board of Retirement on April 1st of each year based on the increase or decrease in the regional Consumer Price Index (CPI) as of January 1st of that year.

**Consumer Price Index (CPI)** – An indicator of the cost of living published by the Bureau of Labor Statistics, U.S. Department of Labor. It is an indicator of the changing purchasing power of the dollar.

**Contributions:**

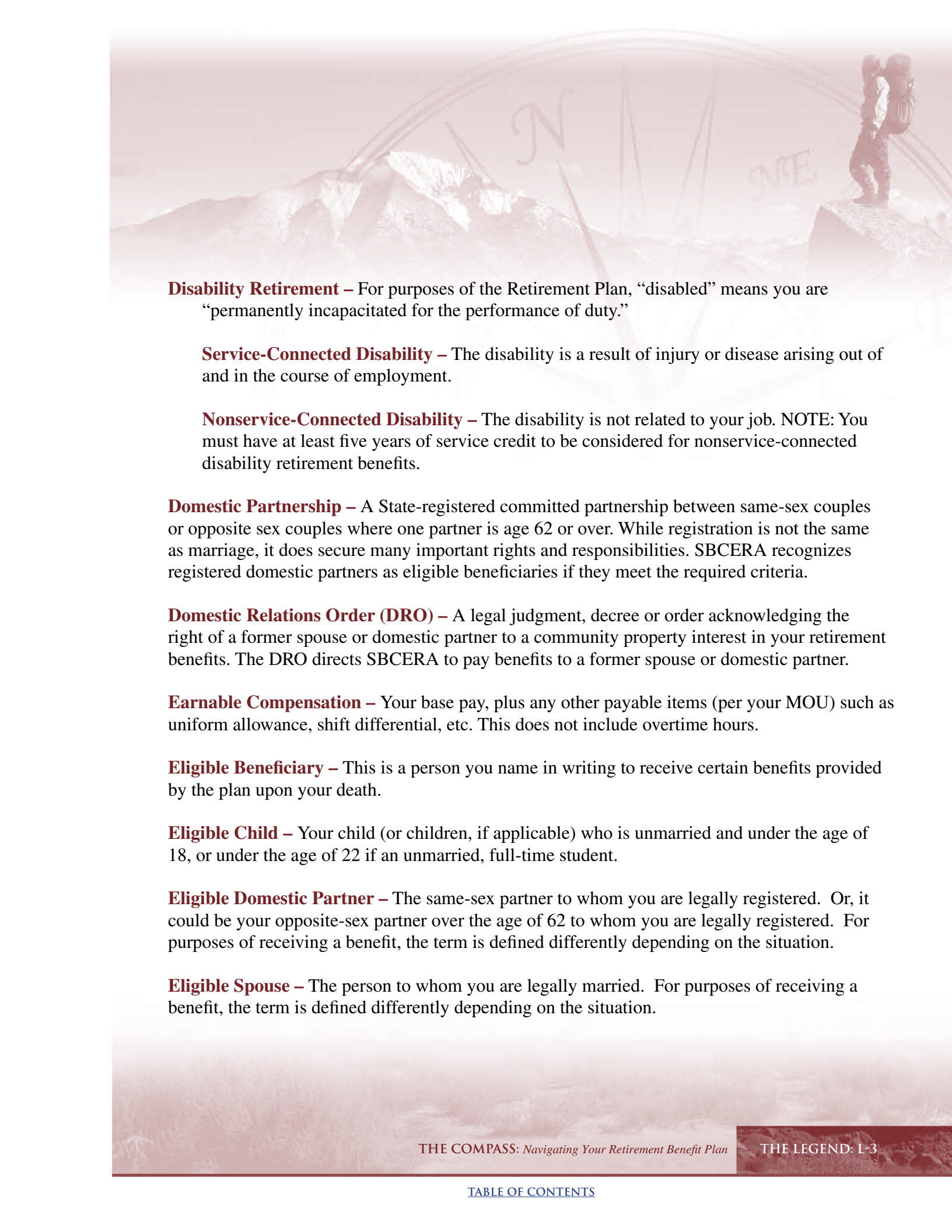
**Employee** – Money deducted from your pay and credited to your retirement account.

**Employer** – Money paid by your employer on behalf of SBCERA members, in total, to finance all SBCERA benefits.

**Deductions** – Money taken out of your active employee pay or retirement benefit.

**Deferred Reciprocal Member** – A member who is no longer employed by a participating SBCERA employer, has elected to defer receiving their retirement benefit and has entered employment with a reciprocal public agency within 180 days of termination from their SBCERA-covered employment.

**Deferred Retirement** – As a vested member, you may leave your retirement contributions, if any, on deposit with SBCERA and elect to retire at a later date when you are eligible and ready to begin receiving your retirement benefit.



**Disability Retirement** – For purposes of the Retirement Plan, “disabled” means you are “permanently incapacitated for the performance of duty.”

**Service-Connected Disability** – The disability is a result of injury or disease arising out of and in the course of employment.

**Nonservice-Connected Disability** – The disability is not related to your job. NOTE: You must have at least five years of service credit to be considered for nonservice-connected disability retirement benefits.

**Domestic Partnership** – A State-registered committed partnership between same-sex couples or opposite sex couples where one partner is age 62 or over. While registration is not the same as marriage, it does secure many important rights and responsibilities. SBCERA recognizes registered domestic partners as eligible beneficiaries if they meet the required criteria.

**Domestic Relations Order (DRO)** – A legal judgment, decree or order acknowledging the right of a former spouse or domestic partner to a community property interest in your retirement benefits. The DRO directs SBCERA to pay benefits to a former spouse or domestic partner.


**Earnable Compensation** – Your base pay, plus any other payable items (per your MOU) such as uniform allowance, shift differential, etc. This does not include overtime hours.

**Eligible Beneficiary** – This is a person you name in writing to receive certain benefits provided by the plan upon your death.

**Eligible Child** – Your child (or children, if applicable) who is unmarried and under the age of 18, or under the age of 22 if an unmarried, full-time student.

**Eligible Domestic Partner** – The same-sex partner to whom you are legally registered. Or, it could be your opposite-sex partner over the age of 62 to whom you are legally registered. For purposes of receiving a benefit, the term is defined differently depending on the situation.

**Eligible Spouse** – The person to whom you are legally married. For purposes of receiving a benefit, the term is defined differently depending on the situation.



**Entry Age** – Age at closest birthday to date you joined/rejoined SBCERA.

**Final Earnable Compensation** – The highest 12-consecutive months of earnable compensation at any time in your career. Earnable compensation includes your base pay plus any additional payable items as outlined in your Memorandum of Understanding (MOU). (It is called “final” because normally it is a member’s last 12 months of earnable compensation, but an earlier period’s earnable compensation is used if it is higher).

**General Member** – You are a General member if you do any work for an employer other than active law enforcement or active fire suppression.

**Member Statement** – An annual account notice sent to your mailing address providing Active, Deferred Vested and Deferred Reciprocal members with a current balance in your retirement account, as well as benefit estimates.

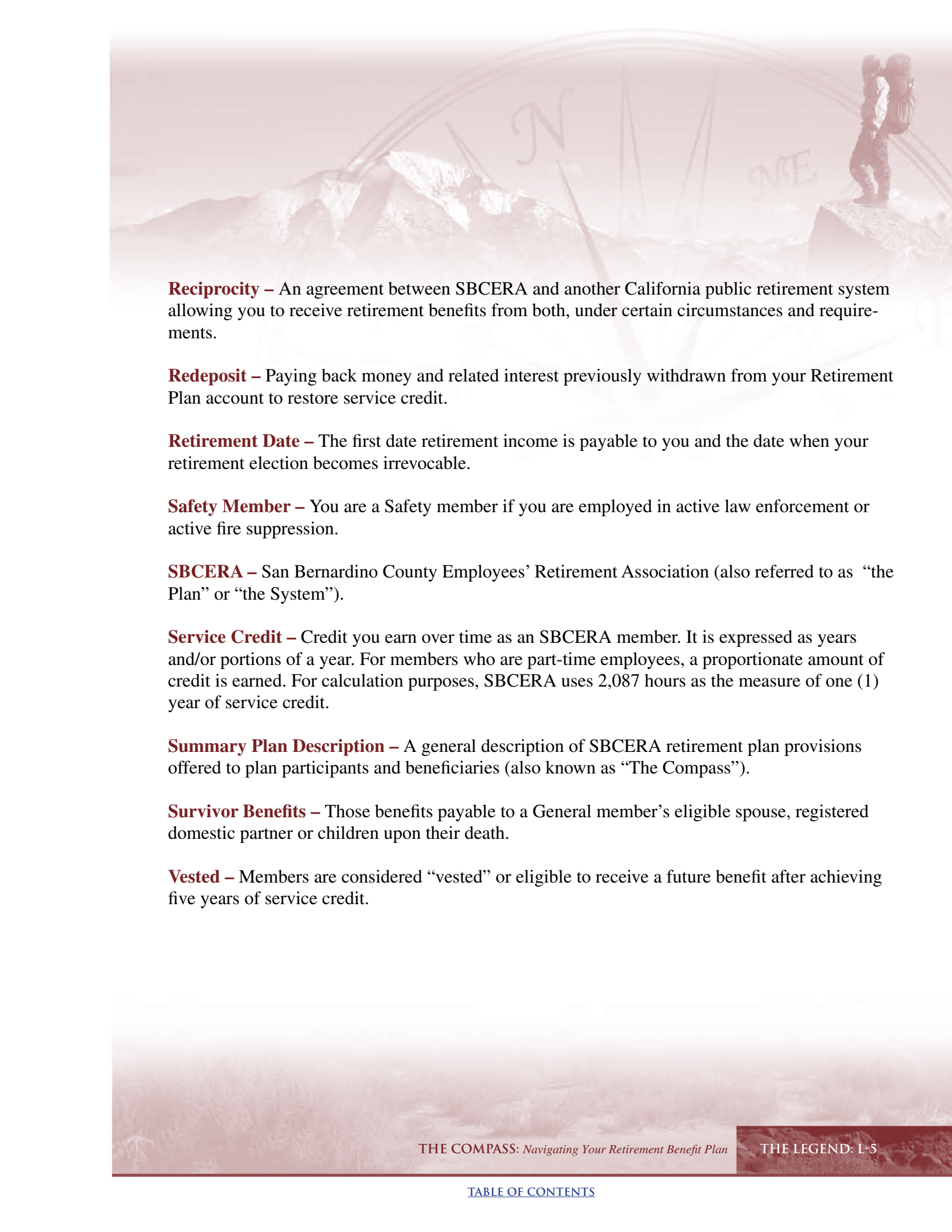
**Nonrefundable Contributions Option** – An employer offered option allowing you to contribute to the Retirement Plan at a lower rate (rate subject to annual review); however, upon your termination of employment with a participating SBCERA employer or your death, you and/or your beneficiary would not be entitled to a refund of any nonrefundable contributions.

**Normal Retirement Age** – For General members, normal retirement is age 55 and for Safety members is age 50 (Or the member’s age when the member would otherwise vest for purposes of benefit payment). In addition, normal retirement age shall not be later than 70 years of age.

**Prior Public Agency Service (PPAS)** – Prior service in a public agency such as Federal civil service, military service and some public employers in California. NOTE: This service is not purchasable if you are entitled to receive a pension or retirement benefit for it.

**Refundable Contributions** – Contributions paid at the normal rate to the Retirement Plan. You would be eligible to refund these contributions, your employer refundable pick-up portion and the interest on both upon termination of your employment with a participating SBCERA employer or your death.

**Reciprocal** – Referring to the shared relationship/membership in two or more California public retirement plans that enhances benefits and “links” them together. See also “reciprocity.”



**Reciprocity** – An agreement between SBCERA and another California public retirement system allowing you to receive retirement benefits from both, under certain circumstances and requirements.

**Redeposit** – Paying back money and related interest previously withdrawn from your Retirement Plan account to restore service credit.

**Retirement Date** – The first date retirement income is payable to you and the date when your retirement election becomes irrevocable.

**Safety Member** – You are a Safety member if you are employed in active law enforcement or active fire suppression.

**SBCERA** – San Bernardino County Employees’ Retirement Association (also referred to as “the Plan” or “the System”).

**Service Credit** – Credit you earn over time as an SBCERA member. It is expressed as years and/or portions of a year. For members who are part-time employees, a proportionate amount of credit is earned. For calculation purposes, SBCERA uses 2,087 hours as the measure of one (1) year of service credit.

**Summary Plan Description** – A general description of SBCERA retirement plan provisions offered to plan participants and beneficiaries (also known as “The Compass”).

**Survivor Benefits** – Those benefits payable to a General member’s eligible spouse, registered domestic partner or children upon their death.

**Vested** – Members are considered “vested” or eligible to receive a future benefit after achieving five years of service credit.



ACCESS "THE COMPASS" ONLINE AT  
[WWW.SBCERA.ORG](http://WWW.SBCERA.ORG)



INTRODUCTION:

# STARTING YOUR JOURNEY

*THE COMPASS: Navigating Your Retirement Benefit Plan*



# INTRODUCTION: STARTING YOUR JOURNEY

## PLAN STRUCTURE

The San Bernardino County Employees' Retirement Association (SBCERA) is a public agency created to administer retirement benefits. It was established in 1945, following a vote by the people of the County on May 16, 1944. SBCERA's membership includes active members, deferred members and retired members from various participating employers. A list of SBCERA participating employers can be found in the appendix of this document.

The retirement benefits administered by SBCERA are those related to your compensation and service, including the benefit that is the focus of this reference guide—the retirement benefit. It is the monthly benefit eligible employees receive after they retire.

## DEFINED BENEFIT FORMULA

SBCERA's retirement plan is what is known as a "defined benefit" plan. This means benefit amounts are defined by a formula—they do not depend on how much money accumulates in your account, as they would under a "defined contribution" plan, such as a 401(k) or 457 plan. Under this formula, benefit amounts are based on the following four factors:

- Your age at retirement;
- Your years of service credit;
- Your highest 12-consecutive months of earnable compensation;
- And, your benefit formula.

Your benefit amounts will also depend on whether you are a General member or Safety member and which payment option you select at retirement. See "Plan Membership" for more information on membership categories and "Retirement Eligibility" in Destination 1 for more information on the components that make up the formula and the payment options available.



## CONTRIBUTIONS

You and your employer both contribute to the Plan. Your employer may elect to pay for part of the cost of your contributions, commonly referred to as a “pick-up.” Employers also contribute an additional amount necessary so SBCERA can pay benefits at the levels called for by the defined benefit formula. See the “Contributions and Account Earnings” section for more information.

## BOARD OF RETIREMENT

Management of SBCERA is provided by a nine-member Board of Retirement. Members include the County Treasurer; four members appointed by the Board of Supervisors; two members elected by General members; one member elected by Safety members; and, one member elected by Retired members. Safety and Retired members also elect an alternate.

Among the Board’s responsibilities are determining investment strategy and selecting investment advisors; selecting outside actuaries; approving applications filed for retirement benefits; and reviewing and ruling on disability retirement claims and special cases. The Board’s management functions are governed by the applicable provisions of the California Government Code and the By-Laws and Policies of SBCERA.

Board meetings are open to the public, subject to the Brown Act on open meetings. If you would like to attend Board meetings, they are held the first Thursday of each month at 9 a.m. in the Board of Chambers on the first floor at 348 W. Hospitality Lane in San Bernardino.

## SBCERA STAFF

The responsibility of SBCERA staff is to provide benefits, accounting and counseling for retirement and disability benefits, and quality information relating to those benefits. Staff is responsible for the management of the investment program, in accordance with policies set forth by the Board of Retirement. Additionally, staff is accountable for the financial records and reports including the Comprehensive Annual Financial Report (CAFR) and other fiscal reports, control of the retirement payroll, contributions’ accounting and reconciliation of investments. Staff is dedicated to administering the benefits impartially, fairly and in accordance with the applicable law. They are committed to delivering service to the membership in an accurate, courteous, prompt, professional and cost-effective manner.



DESTINATION 1:  
**ACTIVE EMPLOYEES**  
*THE COMPASS: Navigating Your Retirement Benefit Plan*



## DESTINATION 1: **ACTIVE EMPLOYEES**

### **PLAN MEMBERSHIP**

Any employee who is appointed to a regular position whose service is greater than fifty percent (50%) of the full standard of hours required by the County or participating employer must become a member of SBCERA.

SBCERA membership begins on the following:

- The date of hire as a permanent employee, or
- The date of transfer from a non-qualifying position to one requiring membership.

Employees who have attained age 60 prior to employment may waive membership in SBCERA within 90-days following initial appointment to a position that includes the employee in the field of membership of SBCERA.

There are two plans or categories of members in SBCERA: General members and Safety members. Safety members are employees in law enforcement and fire suppression. All other eligible members are General members.

### **CONTRIBUTIONS AND ACCOUNT EARNINGS**


#### **Employee Contributions**

Contributions to the fund are made by you and your employer. Contribution rates for both the employee and employer are determined by outside actuaries. Contributions are taken as payroll deductions. You will receive an annual member statement (shortly after your birth month) and it will report your accumulated refundable contributions.

Your contribution is based on the following factors:

- Your entry age
- Your years of service credit
- Whether you choose **refundable** or **nonrefundable contributions**
- Your **plan** (General or Safety)

Contribution rates change based on the fund's outside actuaries' annual studies of the rates. The Board of Retirement recommends contribution rate increases or decreases on the basis of those studies.



You may not increase your contributions or add to them with other funds. As noted earlier, this is a defined benefit plan. Your eventual retirement benefit will be calculated according to a formula. Increasing your contributions does not increase your retirement benefit.

Contributions are taken as a percentage of your earnable compensation. Your retirement contribution will be taken even from a partial paycheck, if the paycheck amount is sufficient to cover the entire contribution. No contribution will be taken if the entire contribution cannot be taken.

Excluded from contribution calculations are overtime pay and accrual payoffs upon termination, among others. If you are interested in whether a particular item in your pay will be included, please contact your employer. The types of pay included for contribution purposes are the same types of pay included in the earnable compensation used to determine your retirement benefit when you retire.

You will contribute to the retirement fund throughout your career with your SBCERA-covered employer. There are three exceptions to this, which nullify your requirement to make further contributions to the plan:

- 1) Achieving 30 years of continuous service with the County of San Bernardino or another employer in the SBCERA system; or
- 2) If you were an SBCERA member on March 7, 1973, with 30 years of total service eligibility including reciprocal time and/or PPAS time; or
- 3) If you were an SBCERA member on or after April 9, 2002, with 30 years of service including reciprocal time (PPAS and ARC time are not included).

Your employer may pick up a percentage of the cost of your employee contributions or it may pay a dollar amount toward the cost of your employee contributions.

If you leave employment and are then rehired by an SBCERA-covered employer, your entry age from your earlier employment will be used if you are rehired within 90 days and your contributions remained on deposit, if you redeposit them within 180 days, or if you were vested when you left employment. If more than 90 days have lapsed and you were not vested, your age on your birthday closest to your rehire date will be used.



### **Refundable vs. Nonrefundable Contributions**

This is an option offered by some of SBCERA's participating employers. The difference between refundable and nonrefundable contributions is defined by how much you contribute and what you or your beneficiary would be able to cash-out, or refund, upon termination of your employment or death:

- If you choose **nonrefundable contributions**, you contribute at a lower rate, but **you are not entitled to a refund of any nonrefundable contributions** if you terminate employment with an SBCERA participating employer.
- If you choose **refundable contributions**, you contribute at a higher rate (\$1 for every \$1 required). However, **you are entitled to a full refund of your employee contributions and the interest they earned** (minus the applicable withdrawal charge) if you terminate employment with an SBCERA participating employer.
- If you leave employment and you have made both refundable and nonrefundable contributions, you will be able to get a refund only for the portion attributable to the refundable contributions.
- In the **event of your death**, your beneficiary will have the option to cash-out, or refund, any refundable contributions and interest in your retirement account. Nonrefundable contributions cannot be refunded.


For most SBCERA-covered employers, members have the opportunity to change from nonrefundable to refundable—or refundable to nonrefundable – once a year during open enrollment. Please note, however, any nonrefundable contributions you make remain nonrefundable, even if you later switch to making refundable contributions.

### **Employer Contributions**

Employer contribution percentages vary by employer and plan membership. Employer contributions are not refundable to the employee at any time.

### **Interest Earnings**

Per the Board of Retirement Interest Crediting and Excess Earnings Allocation Policy, your account is credited interest on June 30th and December 31st of each year. The interest rate is based on the lesser of the assumed investment earnings rate or the six-month Treasury Bill rate. The interest is applied to your account balance as of the last day of the prior six-month interest crediting period. For example, an account with a balance of \$1,000 at June 30th would have interest credited to that \$1,000 balance at December 31st, at the lesser of the two rates described



on the previous page. The new balance at December 31st would then have interest credited to it at June 30th of the next year. While interest and account balances do impact refunds and some death benefits, ultimately it is your service credit, age at retirement and highest 12-consecutive months of earnable compensation that are the key factors used in determining your retirement benefit.

### **Access to Your Contributions**

The Retirement Plan does not allow you to borrow from your account, nor may you withdraw money while you are still working for a participating employer or under a reciprocal arrangement. If you terminate your employment with a participating employer, you may take a refund of your accumulated refundable contributions and the interest credited on them. See the “Termination Before Retirement” section for more information.

### **Annual Member Statements**


Your member statement will show personal information (for example, your date of birth, date of membership, years of service credit, plan and membership status), your current refundable account balance, activity for the last year and projected benefits. It will also reflect any service credit purchase contracts and established reciprocal relationships.

Your current account balance will reflect only your refundable contributions (including any portion picked up by your employer) and the interest credited on them. Projected benefits will be based on your current compensation—they do not factor in possible pay increases between now and the time you retire.

Active members are sent a statement once a year, at the end of the month following their birthdays. Deferred members are sent their statements in the month of July every year. You should check your statement carefully and contact SBCERA if you have questions or notice any discrepancies.

### **Plan Investments**

Defined benefit plans, such as SBCERA, promise members a lifetime retirement benefit. These benefits are funded with employee contributions, employer contributions and investment earnings. At SBCERA, nearly 70 percent of all benefit payments are funded with SBCERA investment earnings. These funds are held in trust and invested separately from any employer general funds.



While investments provide the primary means of paying benefits, your benefit is guaranteed regardless of investment performance. In other words, it is the employer who bears the risk of the plan's investment performance. Your benefit is based on the factors discussed previously.

The investments of the plan are managed by the Board of Retirement in accordance with the Board-approved Investment Policy. The Board of Retirement uses professional staff and independent, third party investment consultants to assist in overseeing plan assets. The assets are allocated among different asset classes to meet the expected return at the lowest overall expected risk.

Please refer to the current Comprehensive Annual Financial Report (CAFR) for more specific information related to SBCERA investments. Copies of the annual CAFR may be requested by calling the SBCERA office or by visiting [www.SBCERA.org](http://www.SBCERA.org).

### **RECIPROCITY: LINKING PUBLIC RETIREMENT SYSTEMS**

While you may not transfer the contributions (“roll them over”) earned in another public retirement system to and/or from SBCERA, reciprocity allows you to link your current retirement benefits with the new system you are joining. Such linking enables you to preserve and enhance your total system benefits.

Essentially, it gives you portability by allowing you to leave your retirement contributions on deposit with the previous system, regardless of your length of service, and take a deferred retirement.

There are several advantages to establishing reciprocity.

- If the system is an entry age based system, your contribution rate will be based on your age of entry into the first system. This will likely give you a rate advantage;
- The years of service credit earned in one system may be used to meet the service credit requirements for vesting and/or retirement eligibility in another system (see the “Service Credit” section); and,
- Your highest final earnable compensation from either system may be used by both systems to determine your retirement benefit.

SBCERA has reciprocal agreements with the following systems:

- California Public Employees' Retirement System (CalPERS);
- California State Teachers' Retirement System (CalSTRS);
- Judge's Retirement System (JRS) and the Judge's Retirement System II (JRS II);
- Any pension plan that has reciprocity with CalPERS; and
- Retirement systems in the other 19 counties that operate under the County Employees' Retirement Law of 1937 (AKA the '37 Act):

Alameda	Mendocino	Santa Barbara
Contra Costa	Merced	Sonoma
Fresno	Orange	Stanislaus
Imperial	Sacramento	Tulare
Kern	San Diego	Ventura
Los Angeles	San Joaquin	
Marin	San Mateo	

You are eligible for reciprocal benefits if you change your active membership to and/or from SBCERA and another system covered under a reciprocal agreement with SBCERA, as listed above. You must also meet the following requirements:

- You must elect to establish reciprocity by informing both systems of your intention.
- The time between leaving one retirement system and entering another must not exceed 180 days.
- You must have a clean break in service from the old system before entering the new one.

On a deferred retirement, you may start receiving your retirement benefit from SBCERA when you have reached the minimum age for retirement (age 50) and you would have earned 10 years of service credit, if you had not left.

- Example 1: If you leave your job at age 30 after completing six years of service and you elect a deferred retirement, you may start receiving your retirement benefit at age 50.
- Example 2: If you leave your job at age 49 after completing six years of service and you elect a deferred retirement, you may start receiving your retirement benefit at age 53.



### **Special Requirement for Reciprocal Arrangements**

If you decide to retire while on deferred retirement with reciprocity, you must retire concurrently from both (or all) systems on the same date. Please provide proper notification to both (or all) agencies of your intended retirement date in order to start the retirement process.

### **NAVIGATING RECIPROCITY**

Contact SBCERA regarding eligibility for reciprocity. The requirements for reciprocity are as follows:


- Your previous plan must have a reciprocal agreement with SBCERA;
- You must have joined SBCERA within 180 days of ending your employment with the previous agency; and,
- You must have left your contributions on deposit in your previous agency's plan.
- You must not have concurrent or overlapping service credit with SBCERA and the reciprocal system. Exhausting leave balances that count as service credit and/or extending your separation date under your previous system beyond your hire date with an SBCERA-covered employer will disqualify you for reciprocity. You may be able to delay the effective date of your membership for up to six weeks after appointment for the purposes of establishing reciprocity.

### **SERVICE CREDIT**

#### **Earning Service Credit**

Service credit is the measure of time you earn as a member of SBCERA. It is one of the factors used to determine the amount of your retirement benefit. The other factors are age at retirement and your highest 12-consecutive months of earnable compensation.

You earn one year of service credit every 2,087 hours (not including overtime). Members working part-time earn proportionate amounts of service credit. For example, a member employed 20 hours per week (50% of the time) for one year will receive half the service credit. Your years of service credit are reported on your annual member statement.



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NOTE: If you have unused leave balances when you retire, it is not added to your years of service in order to enhance your retirement benefit.

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### **Purchasing Service Credit**

You may be eligible to purchase additional service credit, but the purchase must be completed no later than 120 days after your retirement date. Service credit purchase options include the following:

**Prior Public Agency Service (PPAS)** – You may purchase service credit for ALL or PART of prior service in the following public agencies (provided you are not entitled to receive a pension or retirement benefit for this prior service):

- Federal civil service
- Military service
- Some public employers in California

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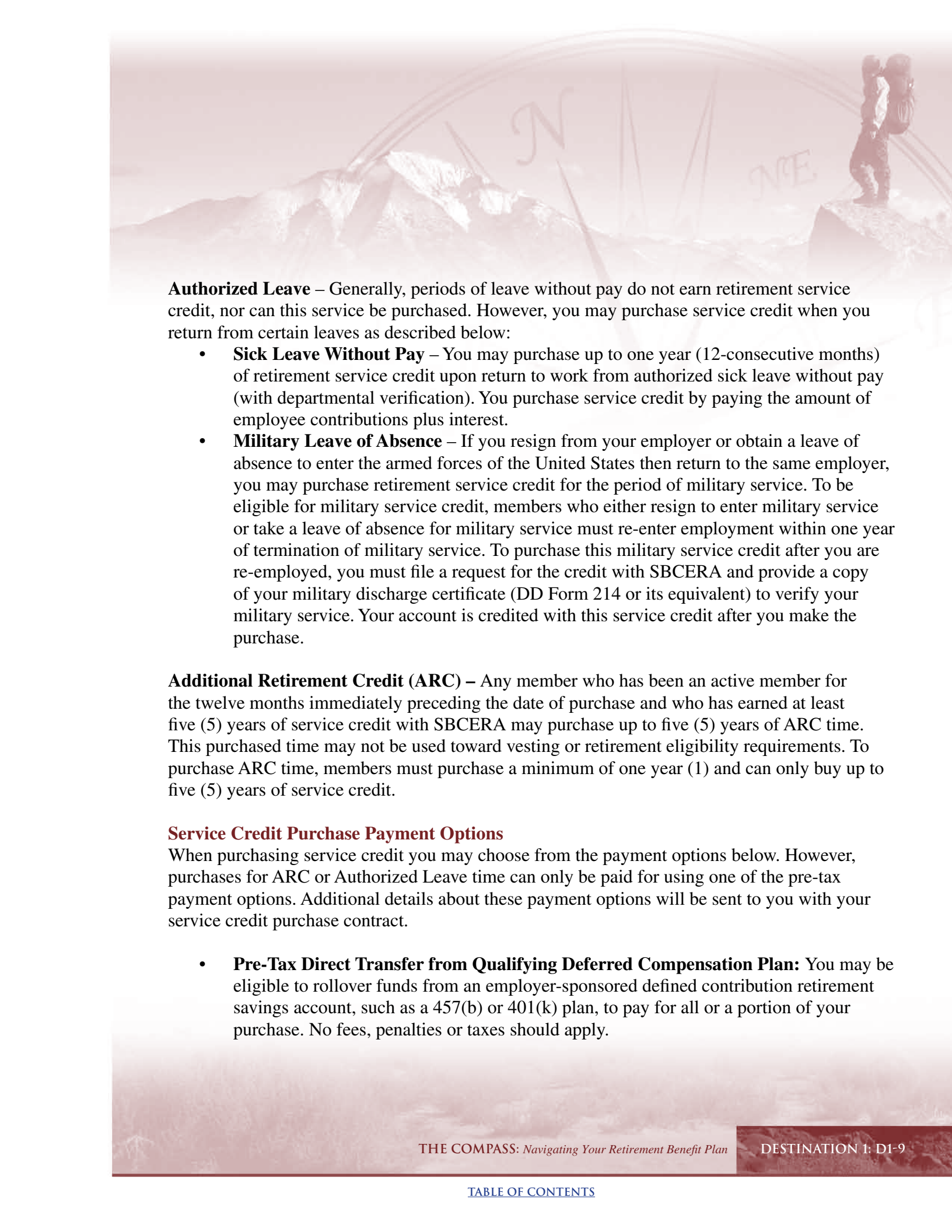
NOTE: This type of service cannot be used to satisfy the service requirement for vesting or eligibility to retire. To purchase PPAS, you pay twice the contributions (employer and employee portions) required if you had the same length of service as a member of SBCERA including interest. You need to determine if the increased benefit (the increase in your monthly retirement benefit amount from the enhanced service credit) outweighs the cost of the service credit purchase. Contact SBCERA to begin the process of determining the cost of purchasing this service credit.

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**Past Ineligible Service** – You may receive service credit for a prior period of service for an SBCERA-covered employer that was ineligible for membership, such as work classified as temporary, hourly, part-time (less than 20 hours weekly) or seasonal. Payment consists of the appropriate member contributions plus interest.

**Redeposit of Withdrawn SBCERA Contributions** – If you left SBCERA-covered employment in the past and withdrew your retirement contributions and interest, you have no retirement service credit for that period of service. You can restore this service credit in full if you redeposit (pay back) the withdrawn contributions and interest under the following conditions:

- You returned to your employer and are currently an SBCERA member, or
- You returned to your employer, have left employment again, and are currently a member in deferred retirement status.



**Authorized Leave** – Generally, periods of leave without pay do not earn retirement service credit, nor can this service be purchased. However, you may purchase service credit when you return from certain leaves as described below:


- **Sick Leave Without Pay** – You may purchase up to one year (12-consecutive months) of retirement service credit upon return to work from authorized sick leave without pay (with departmental verification). You purchase service credit by paying the amount of employee contributions plus interest.
- **Military Leave of Absence** – If you resign from your employer or obtain a leave of absence to enter the armed forces of the United States then return to the same employer, you may purchase retirement service credit for the period of military service. To be eligible for military service credit, members who either resign to enter military service or take a leave of absence for military service must re-enter employment within one year of termination of military service. To purchase this military service credit after you are re-employed, you must file a request for the credit with SBCERA and provide a copy of your military discharge certificate (DD Form 214 or its equivalent) to verify your military service. Your account is credited with this service credit after you make the purchase.

**Additional Retirement Credit (ARC)** – Any member who has been an active member for the twelve months immediately preceding the date of purchase and who has earned at least five (5) years of service credit with SBCERA may purchase up to five (5) years of ARC time. This purchased time may not be used toward vesting or retirement eligibility requirements. To purchase ARC time, members must purchase a minimum of one year (1) and can only buy up to five (5) years of service credit.

### **Service Credit Purchase Payment Options**

When purchasing service credit you may choose from the payment options below. However, purchases for ARC or Authorized Leave time can only be paid for using one of the pre-tax payment options. Additional details about these payment options will be sent to you with your service credit purchase contract.

- **Pre-Tax Direct Transfer from Qualifying Deferred Compensation Plan:** You may be eligible to rollover funds from an employer-sponsored defined contribution retirement savings account, such as a 457(b) or 401(k) plan, to pay for all or a portion of your purchase. No fees, penalties or taxes should apply.

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- **Payment Plan (Payroll Deductions):** You may select to make payments through payroll deductions. The number of payroll deductions is dependent on the type of service credit purchase.
  - **After-Tax Lump Sum Payment:** You may pay all or a portion of your service credit purchase using after-tax dollars, such as a check or money order. This option is not available for all purchase types.
  - **Partial Lump Sum and Payment Plan:** You may choose to do a combination of the payment options listed above. For example, you may choose to do a direct transfer from your 457 (b) account to cover a portion of the cost and make payments using payroll deductions for the remaining balance.

If you are in a deferred retirement status, you may repay contributions and interest only by lump-sum. You must repay ALL contributions and interest, or no credit will be given (partial credits are not possible).

If you had the nonrefundable contribution option during your entire SBCERA-covered employment and you have returned to that employment and SBCERA membership, you may request restoration of the previous service credit.

### **Service Purchase Contract Changes**

If your financial situation changes after you sign a payment contract, regardless of the circumstances, you may NOT stop or change your payments if you are paying for your purchase with pre-tax payroll deductions. Because of the tax deferral this option provides, the IRS has strict rules making the contract irrevocable.

However, if you are paying for your purchase with after-tax payroll deductions, you may revise the contract. If you terminate the contract, be aware you may not get a refund for any payments already made. Instead, you will be credited for the months or years of service paid up to the time of termination.

If you stop payments for a redeposit, then the redeposit will not be granted (partial redeposits are not possible). Any payments already made will be held for refunding upon your retirement, termination or death. In the event of your death, redeposited contributions, plus credited interest, will be refunded to your beneficiary or estate.

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**NOTE:** All funds paid for a service credit purchase will be credited to your SBCERA retirement account as refundable contributions.

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## NAVIGATING SERVICE CREDIT PURCHASES

To begin the process or find out more about purchasing service credit, contact SBCERA. SBCERA will send you the appropriate forms and/or documentation required to verify the eligibility of the service credit. For most purchases, you will need to initiate the service credit purchase to receive a cost estimate. However, you will not be obligated to complete the purchase until a contract has been signed by you.

The payment available to you will appear on your payment contract, along with any restrictions on the length of time you have to complete the payments.

## RETIREMENT ELIGIBILITY

Retirement directly from active service with a participating employer is called a service retirement. Your eligibility for retirement depends on a combination of your age, your years of service credit and your plan:

### General Plan Members

- If you are age 50 and have 10 years of service credit, you may retire.
- If you have 30 years or more of service credit, you may retire anytime, regardless of your age.
- If you have reached age 70, you may retire anytime, regardless of how many years of service credit you have.

### Safety Plan Members

- If you are age 50 and have 10 years of service credit, you may retire
- If you have 20 years or more of service credit, you may retire anytime, regardless of your age.
- If you have reached age 70, you may retire anytime, regardless of how many years of service credit you have.

If you are a part-time employee, you may retire when you have:

- reached age 55,
- been a member for at least 10 years, and
- earned at least five years of service credit.

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NOTE: You will not be credited with service applicable to eligibility for retirement for periods when you are taking a leave without pay or your paycheck is too small to cover your retirement contribution. You may, however, purchase up to 12 months of service credit for authorized sick and military leave per incident. See the section on “Purchasing Service Credit.”

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## DETERMINING YOUR RETIREMENT BENEFIT

Your retirement benefit is based on four factors. An increase in any one of these factors may increase your retirement benefit:

- your age at retirement;
- the number of years of service credit you have;
- your benefit formula (see **Journey Planning Tools** for Compensation Percentage Tables for your specific plan); and
- your highest 12-consecutive months of earnable compensation.

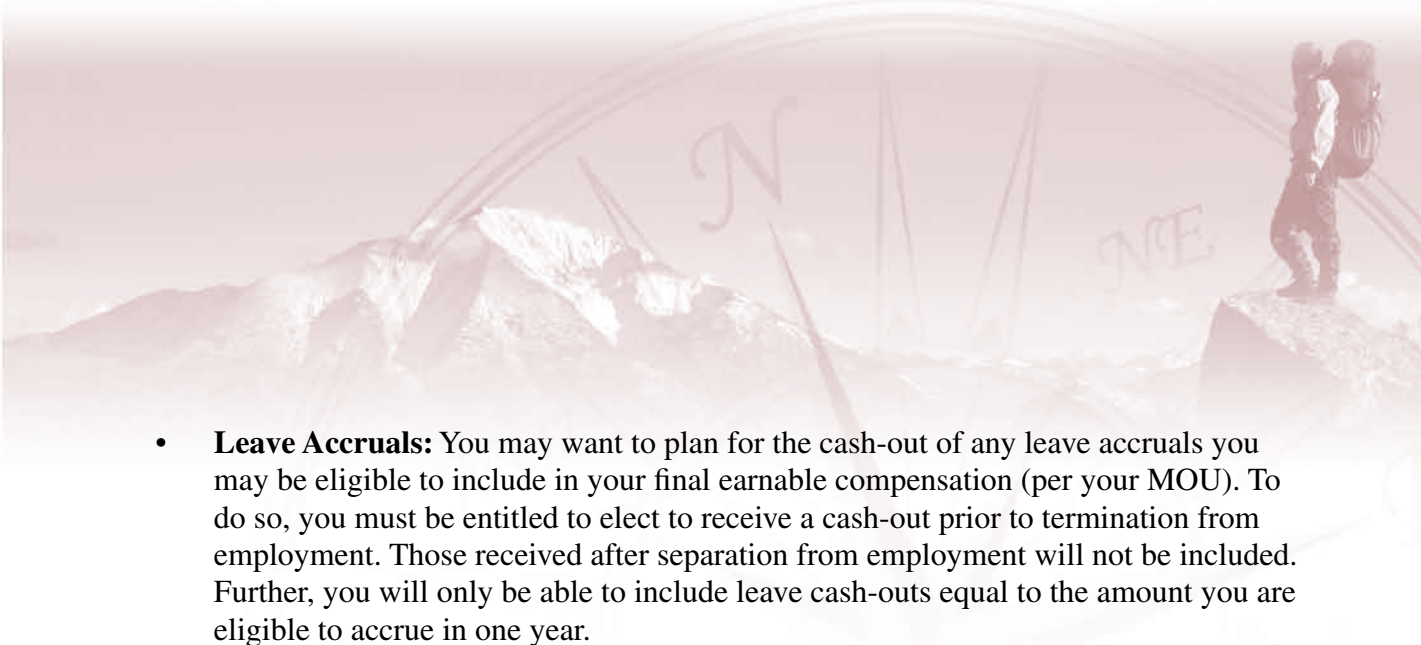
### The Age Factor

The age at retirement used in determining your retirement benefit is stated in terms of quarter-years. For example, if you were born in January 1955 and retired in April 2010, your age at retirement would be 55  $\frac{1}{4}$ .

### Optimizing Your Retirement

When choosing what day to retire, waiting a month or two may make a difference in your monthly benefit. Keep the following factors in mind when choosing your retirement date to optimize your monthly retirement benefit:

- **Your Birthday:** Your age at retirement is counted in quarter years. Therefore, you may want to consider retiring on your birthday, immediately following your birthday or in a three-month interval after your birthday to ensure you receive the latest quarter year of age credit available to you.
- **Spring:** By retiring on or before April 1, your retirement benefit will include any cost-of-living adjustments (COLA), if approved.
- **Winter:** You may want to avoid the end of the year. Be sure to keep in mind any leave cash-outs you may be eligible for and their impact on your taxable income for the year. If you retire toward the end of the year, your tax rate for any retirement benefits paid that year will be based on income including compensation from your job for most of the year. If you will be in a lower tax bracket after you retire, you may want to wait until January to start receiving your benefits.

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- **Leave Accruals:** You may want to plan for the cash-out of any leave accruals you may be eligible to include in your final earnable compensation (per your MOU). To do so, you must be entitled to elect to receive a cash-out prior to termination from employment. Those received after separation from employment will not be included. Further, you will only be able to include leave cash-outs equal to the amount you are eligible to accrue in one year.

## APPLYING FOR RETIREMENT

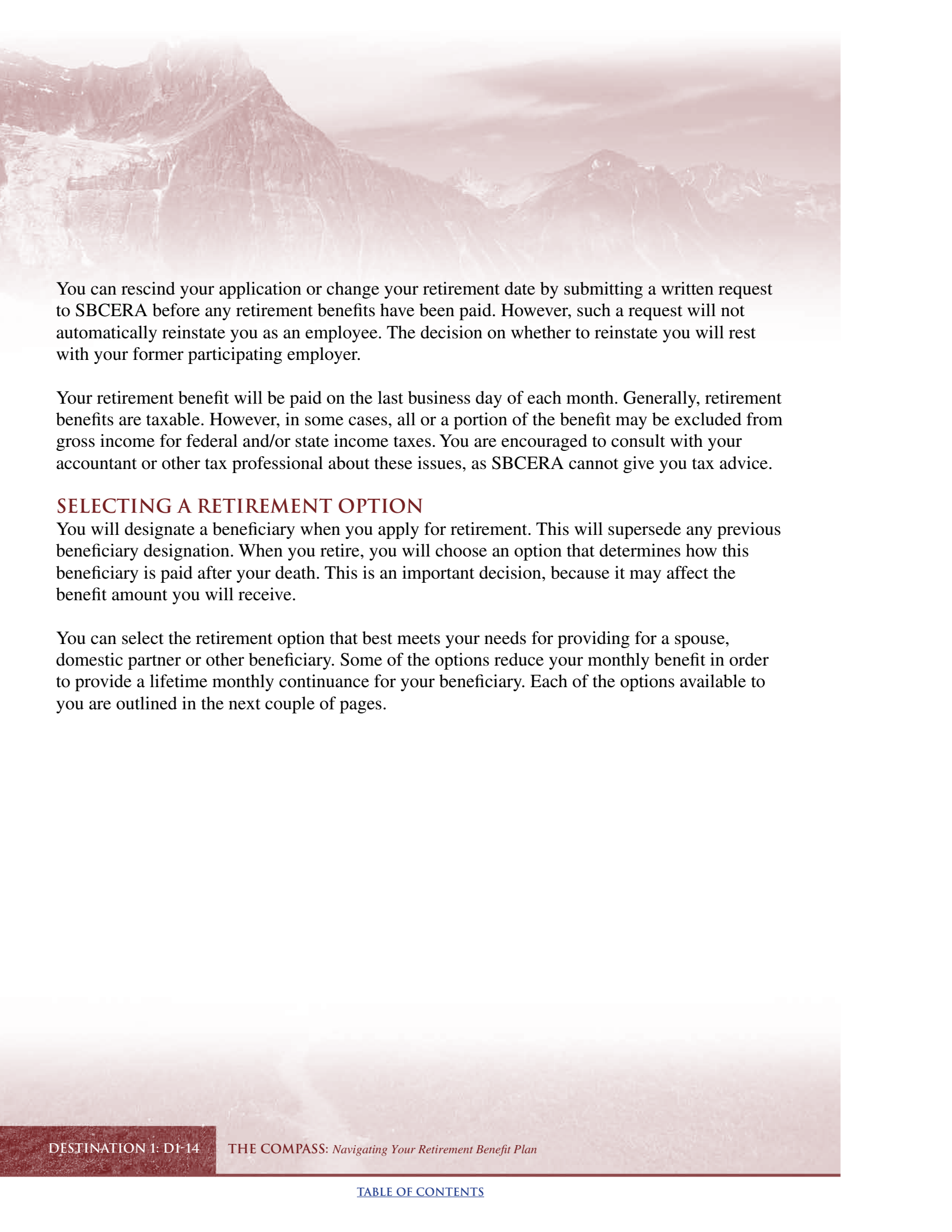
When the time for your retirement draws near, you are encouraged to meet with an SBCERA Retirement Specialist to discuss your options. Call (909) 885-7980 or (877) 722-3721 to schedule an appointment. **Your retirement application must be signed within 60 days of your retirement date.** Therefore, it is a good idea to call approximately three months before the date you have chosen as your retirement date in order to schedule the appointment. You will sign your retirement application at the appointment.

### NAVIGATING YOUR RETIREMENT APPOINTMENT

Please bring your completed retirement application form, direct deposit authorization and tax withholding election form to your retirement appointment.

You should also decide in advance who will be the beneficiary for your retirement benefits so you can bring the required information about your beneficiary to your appointment. Required information includes his/her Social Security number, address, date of birth and your date of marriage or domestic partnership registration. You will also need to bring a certified copy of your birth certificate, your beneficiary's birth certificate and your marriage certificate or registration of domestic partnership.

SBCERA will notify your department you are applying for retirement and will submit your application to the Board of Retirement for approval. Once your application has been approved, you will be considered retired on your chosen retirement effective date. The steps involved in retiring are summarized in the Pre-Retirement Checklist located under the Journey Planning Tools tab.



You can rescind your application or change your retirement date by submitting a written request to SBCERA before any retirement benefits have been paid. However, such a request will not automatically reinstate you as an employee. The decision on whether to reinstate you will rest with your former participating employer.

Your retirement benefit will be paid on the last business day of each month. Generally, retirement benefits are taxable. However, in some cases, all or a portion of the benefit may be excluded from gross income for federal and/or state income taxes. You are encouraged to consult with your accountant or other tax professional about these issues, as SBCERA cannot give you tax advice.

### **SELECTING A RETIREMENT OPTION**

You will designate a beneficiary when you apply for retirement. This will supersede any previous beneficiary designation. When you retire, you will choose an option that determines how this beneficiary is paid after your death. This is an important decision, because it may affect the benefit amount you will receive.

You can select the retirement option that best meets your needs for providing for a spouse, domestic partner or other beneficiary. Some of the options reduce your monthly benefit in order to provide a lifetime monthly continuance for your beneficiary. Each of the options available to you are outlined in the next couple of pages.



## UNMODIFIED OPTION

***Benefit paid to retiree:*** This offers you the maximum benefit for your lifetime.

***Benefit paid to beneficiary:*** If you designate your eligible spouse or domestic partner, he/she will receive a lifetime monthly continuance of 60% of the amount you were receiving. For your spouse to be considered eligible, he/she must have been married to you for at least one year prior to the time you retired. A domestic partner is eligible if he/she was lawfully registered with you in a domestic partnership one year prior to your retirement. To be considered an eligible spouse in a post-retirement marriage, a spouse must have been married to you at least two years prior to your death and he or she is 55 or older.

If you designate your unmarried minor children, they will receive a monthly continuance of 60% of the amount you were receiving until they marry or reach age 18, whichever comes first. Children are also considered eligible up to the age of 22 if they remain unmarried and are enrolled as full-time students in an accredited school. If more than one child is designated as your beneficiary, then the benefit will be divided among them.

***Who might want to consider it:*** Married members and domestic partners generally consider the unmodified benefit the best payment option because the other options reduce the benefit payable to you in exchange for allowing the designation of someone other than your spouse or domestic partner as beneficiary.

## OPTION 1

**Benefit paid to retiree:** This offers you a reduced benefit for your lifetime.

**Benefit paid to beneficiary:** Your beneficiary will receive a lump-sum of your unused refundable contributions (if any remain in your account). NOTE: A member's contributions are usually exhausted during the first seven years of retirement.

**Who might want to consider it:** A member who wants a beneficiary to receive a lump-sum benefit generally prefers this option, or a member who requires flexibility in the selection of a beneficiary. Also, members who are in poor health might want to ensure that their beneficiary receives as much benefit as possible because they will not be drawing on the benefit for long and anticipate remaining undistributed contributions.

**Note: This is the only option that allows you to change your beneficiary after retirement.**

## OPTION 2

**Benefit paid to retiree:** This offers you a reduced benefit for your lifetime. This particular reduction depends on your age and the age of the beneficiary you designate. You may not change your beneficiary after you retire.

**Benefit paid to beneficiary:** Your beneficiary will receive a lifetime continuance of 100% of the (reduced) amount you were receiving. When your beneficiary dies, payments stop and no further benefits will be paid.

**Who might want to consider it:** A member who wants to leave a beneficiary the greatest possible amount of money might prefer this option.



### OPTION 3

<b><i>Benefit paid to retiree:</i></b>	This offers you a reduced benefit for your lifetime. The reduction depends on your age and the age of the beneficiary you designate. You may not change your beneficiary after you retire.
<b><i>Benefit paid to beneficiary:</i></b>	Your beneficiary will receive a lifetime continuance of 50% of the (reduced) amount you were receiving. When your beneficiary dies, payments stop and no further benefits will be paid.
<b><i>Who might want to consider it:</i></b>	A member who wants to minimize the reduction of his or her benefit but still wants to provide a lifetime benefit to a beneficiary might find this option preferable.

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**NOTE:** If you select one of the modified benefit options and your designated beneficiary predeceases you, your monthly benefit cannot be changed and will remain reduced.

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You may change your selected option up until the time your first retirement benefit is issued. After that time, your option selection is irrevocable. Please be advised if you make a change and do not allow sufficient time for recalculation of your payments, your first payment may be delayed.

If you have selected Options 2 or 3, you may not change your beneficiary at anytime. For those options, the amount of your retirement benefit is set according to both your age and the age of the beneficiary you select at retirement.

## OTHER RETIREMENT OPTIONS AND CONSIDERATIONS

### **Monthly Retirement Payments**

Your monthly payment from the retirement system is called your “retirement benefit.” Retirees can be paid only in the form of monthly payments, not a lump-sum. If you terminate your employment before retirement, you may request a lump-sum of your refundable contributions. However, you will then be ineligible for any retirement benefits and will not be considered a “retired” member.



### **IRS Limits**

Section 415 of the Internal Revenue Code sets limits on the dollar amounts paid as retirement benefits. You may or may not be affected by these Section 415 limits. Your Retirement Specialist will notify you if your retirement benefit will exceed the 415 limits.

### **Cost-of-Living Adjustment (COLA)**

SBCERA provides for a cost-of-living adjustment (COLA) on April 1st of each year based upon the increase or decrease in the regional Consumer Price Index (CPI) as of January 1st of that year, not to exceed 2%. To be eligible for the COLA in any particular year, you must retire on or before April 1st of that year.

The cost-of-living increase or decrease in any year not met by the maximum annual change of 2% in your benefit is accumulated or “banked” to be met by the increases or decreases in future years. If the CPI decreases, a COLA may not occur or existing COLAs may be adjusted. Your benefit, however, will never fall below its original benefit level at your date of retirement.

SBCERA also provides for a non-compounded COLA of 7% for members who joined SBCERA on or before August 18, 1975.

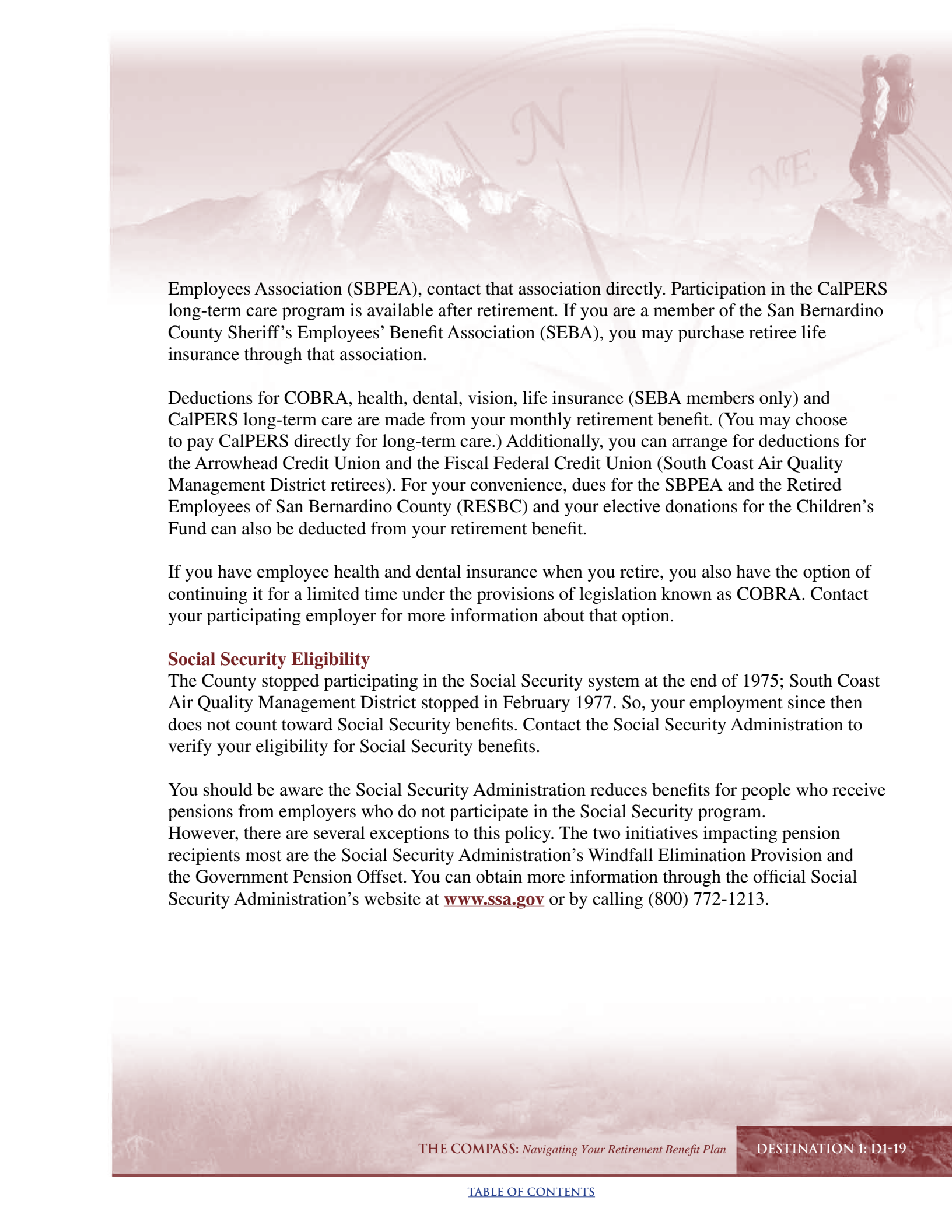
### **Divorce**

Upon a divorce or divorce filing, it is essential all members notify SBCERA as soon as possible. If not, you could face long delays in the payment of your current and/or future retirement benefits. Pursuant to the laws of California, if you are a member of SBCERA while you are married, your retirement benefits may be considered community property and your spouse may be entitled to an interest in the community property portion of your retirement benefit.

### **Other Payment Decisions**

When you apply for retirement, you will be required to make a decision as to tax withholding. You will also need to determine which financial institution you want to receive the direct deposit of your monthly retirement benefit electronically (Electronic Fund Transfers–EFT). This is mandatory for all retirees.

Upon retirement, you will receive referral information about contacts for group health and dental insurance. To apply for dental and/or vision insurance through the San Bernardino Public



Employees Association (SBPEA), contact that association directly. Participation in the CalPERS long-term care program is available after retirement. If you are a member of the San Bernardino County Sheriff's Employees' Benefit Association (SEBA), you may purchase retiree life insurance through that association.

Deductions for COBRA, health, dental, vision, life insurance (SEBA members only) and CalPERS long-term care are made from your monthly retirement benefit. (You may choose to pay CalPERS directly for long-term care.) Additionally, you can arrange for deductions for the Arrowhead Credit Union and the Fiscal Federal Credit Union (South Coast Air Quality Management District retirees). For your convenience, dues for the SBPEA and the Retired Employees of San Bernardino County (RESBC) and your elective donations for the Children's Fund can also be deducted from your retirement benefit.

If you have employee health and dental insurance when you retire, you also have the option of continuing it for a limited time under the provisions of legislation known as COBRA. Contact your participating employer for more information about that option.

### **Social Security Eligibility**

The County stopped participating in the Social Security system at the end of 1975; South Coast Air Quality Management District stopped in February 1977. So, your employment since then does not count toward Social Security benefits. Contact the Social Security Administration to verify your eligibility for Social Security benefits.

You should be aware the Social Security Administration reduces benefits for people who receive pensions from employers who do not participate in the Social Security program. However, there are several exceptions to this policy. The two initiatives impacting pension recipients most are the Social Security Administration's Windfall Elimination Provision and the Government Pension Offset. You can obtain more information through the official Social Security Administration's website at [www.ssa.gov](http://www.ssa.gov) or by calling (800) 772-1213.

## TERMINATION BEFORE RETIREMENT

If you leave your job before you are eligible for retirement, you may have several options available to you.

Your eligibility for the different options will depend on how many years of service credit you have and/or what type of employee contributions you selected. The options and eligibility requirements are explained below:

- **Deferred Retirement** – leaving your contributions and interest on deposit with SBCERA so you can begin receiving a pension in the future (Available only if you are fully vested with at least five years of service credit).
- **Deferred Retirement with Reciprocity** – leaving your contributions and interest on deposit with SBCERA because you are going to work for a county or agency that has a reciprocal arrangement with SBCERA and you want the two retirement systems to be linked. Please refer to the “Reciprocity: Linking Public Retirement Systems” section of this document for more information.
- **A Rollover** – withdrawing your refundable contributions and the interest credited on them by having the tax-deferred portion rolled over directly to an IRA or a new employer’s plan and having any after-tax portion made payable to you. The amount rolled over will be net of a withdrawal charge of one-half the interest credited to the account, up to a maximum charge of \$40.
- **A Lump-Sum Refund (payable to you)** – taking payment of all of your refundable contributions and the interest credited on them. The amount refunded will be net of a withdrawal charge of one-half the interest credited to the account, up to a maximum charge of \$40.

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**NOTE:** Selecting a refund option will end your membership in SBCERA and thus any eligibility for future retirement or disability retirement benefits. Also, a refund may be subject to taxes and penalties, depending on your age. You will receive the appropriate forms and tax information from SBCERA.

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You can avoid mandatory withholding of 20% for federal income taxes by selecting the rollover option. If you choose this option, the portion of your contribution account eligible will be rolled over directly to an IRA or other qualified plan.



## **Eligibility for the Termination Options**

### **Less than Five (5) Years of Service Credit**

If you leave before you have earned five years of service credit, your options will depend on what type of employee contributions you have made as a member of SBCERA:

- If you have only made nonrefundable contributions, your only option is a deferred retirement with reciprocity. If your new employer does not have a reciprocal arrangement with SBCERA, you will forfeit all of your contributions and interest.
- If you have made refundable contributions, you can select from the following options: a deferred retirement with reciprocity, to leave your contributions on deposit for future determination, or elect one of the refund/rollover options.
  - If you apply for a refund or rollover of your refundable contributions, it may take 6 to 10 weeks for your payment to be issued.
  - If you choose a deferred retirement with reciprocity, your SBCERA contributions and interest will have to remain on deposit with SBCERA for as long as you remain employed in a reciprocal arrangement.
  - If you choose to leave your refundable contributions on deposit with SBCERA, they will continue to accumulate interest. You may request a refund of your accumulated contributions and interest at any time.

### **Five (5) or More Years of Service Credit**

If you have five or more years of service credit, you are fully vested in the Retirement Plan. “Vested” means you are entitled to begin receiving a retirement benefit in the future when you would have been eligible to retire if you had stayed actively employed.

- You may choose between any of the options listed on the previous page.
- If you choose a deferred retirement and later decide you want to withdraw your refundable contributions, you may do so at any time before retirement. However, if you choose deferred retirement with reciprocity, your SBCERA contributions and interest will have to remain on deposit with SBCERA for as long as you remain employed in a reciprocal arrangement.



## NAVIGATING YOUR TERMINATION OPTION ELECTION

To elect any of these options, you must complete and submit the required SBCERA forms. Please know for reciprocity, you must join the retirement system of your new employer within 180 days after your termination date. If your entry into the reciprocal system happens later than 180 days post termination, then you are not eligible to establish reciprocity.

If you choose a deferred retirement with reciprocity, your new employer may base your contributions to its retirement system on your SBCERA entry age. If you make this choice, you cannot later change your mind and have your contributions and interest refunded from SBCERA; this restriction is in place as long as you are covered by a reciprocal arrangement.



## DEATH BENEFITS

If you die before retirement, the appropriate death benefit will be paid to the beneficiary or beneficiaries you designated when you joined SBCERA or, subsequently, on an SBCERA Beneficiary Designation/Change Form.

A surviving spouse or minor children, even if not the named beneficiary, may have certain rights superseding the rights of the named beneficiary. If you do not leave a surviving spouse when you die but do leave surviving unmarried children under the age of 18, a legally-appointed guardian of the children shall make an election for all death benefits. The court must appoint a legal guardian over the estate of the minor children. If a biological parent exists, they still must be appointed the guardian of the estate of the minor children.

If you are a deferred vested member, your designated beneficiary will only be eligible for a lump-sum refund/rollover of your refundable contributions and interest in your retirement account. If you are a deferred reciprocal member, the benefit options available to you will be coordinated between SBCERA and the reciprocal system. If you have terminated employment and chosen to take a refund of your refundable contributions, you will cease to be a member of SBCERA's retirement plan and no death benefits will be payable to a beneficiary.

In paying benefits to active members, the plan distinguishes between service-related deaths and nonservice-related deaths in the following way:

### **Nonservice-Related Death Benefit**

**Less than Five (5) Years of Service Credit:** If you die before you have five years of service credit as an active member of SBCERA, your designated beneficiary or beneficiaries will receive a lump-sum payment of any refundable contributions in your retirement account, plus one month's compensation for each year of service credit up to six months compensation.

**Five (5) or More Years of Service Credit:** If you are an active SBCERA member and have at least five years of service credit at the time of your death, the following options are available:

- **Optional Death Allowance:** Available only to your eligible spouse, registered domestic partner or eligible children. This is a monthly payment equal to 60% of the amount that would have been paid in a nonservice-connected disability retirement or a service retirement (if you were eligible to retire), whichever is greater.
- **Modified Optional Death Allowance:** Available only to your eligible spouse or registered domestic partner. This is a lump-sum payment of one month's compensation

for each year of your credited service, up to a maximum of six months compensation, plus a reduced monthly benefit depending on the age of your beneficiary.

- **Lump-Sum Payment:** This is a lump-sum payment of one month's compensation for each year of your credited service, up to a maximum of six months compensation, plus any refundable contributions you made plus interest.

### Survivor Benefit

If you were a General member who completed at least 18 months of continuous membership with SBCERA, your spouse and/or dependent children may also be entitled to a monthly Survivor Benefit.

Survivor Category	Member Death Date prior to 4/1/94	Member Death Date after 4/1/94
Surviving spouse caring for one child	\$591.80	\$1,390.00
Surviving spouse caring for two or more children	\$690.40	\$1,622.00
One child only	\$295.90	\$695.00
Two children only	\$581.80	\$1,390.00
Three or more children	\$690.40	\$1,622.00
Widow or widower age 60 (no child)	\$0.00	\$663.00
Widow or widower age 62 (no child)	\$327.10	\$768.00
Each of two dependent parents at age 62	\$295.90	\$695.00
Sole dependent parent at age 62	\$325.50	\$795.00



### **Service-Related Death Benefit**

A service-related death is one resulting from a service-connected injury or disease arising from or in the course of your employment with a participating employer. If your death is service-related, your surviving spouse or registered domestic partner may receive 100% of what would have been paid in a service-connected disability. In other words, this will be a lifetime monthly benefit equal to 50% of your active final monthly compensation.

### **Additional Death Benefits for Safety Members**

If you are a Safety member and you die while in the performance of duty, your spouse will receive an additional lump-sum payment equal to one year's compensation. If you have minor children, your spouse will receive an additional monthly benefit as follows:

- One child—25% of the amount you were receiving as active compensation each month.
- Two children—40% of the amount you were receiving as active compensation each month.
- Three or more children—50% of the amount you were receiving as active compensation each month.



ACCESS "THE COMPASS" ONLINE AT  
[WWW.SBCERA.ORG](http://WWW.SBCERA.ORG)



DESTINATION 2:  
**RETIREES**

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THE COMPASS: *Navigating Your Retirement Benefit Plan*



## DESTINATION 2: RETIREES

### YOUR RETIREMENT BENEFIT

Retirement benefits are paid on the last business day of the month. For example, in the month of January you will be paid on January 31st unless the 31st falls on a non-business day. Then, you will be paid on the last business day prior to the 31st.

If you have not received your benefit payment by the 8th day of the following month, contact SBCERA for a Declaration of Lost, Stolen or Destroyed Check form. Upon receipt of the completed declaration, a new check will be generated and mailed to you.

### Cost-of-Living Adjustments (COLAs)

If approved, cost-of-living adjustments are effective April 1st of each year and are included in monthly benefit payments thereafter. COLAs are applied to service retirements, disability benefits and most monthly death benefits. Survivor benefits are not subject to COLAs.

### Taxability

Generally, retirement benefits are taxable. However, in some cases, all or a portion of the benefit may be excluded from gross income for federal and/or state income taxes. You will need to talk to your accountant or other tax consultant on this subject; SBCERA cannot give you tax advice.

You should also check with your tax advisor to see if you need to adjust your withholding annually. You may change your withholding at any time. Contact SBCERA for the combined federal/state tax withholding form. You can also print this form from SBCERA's website, [www.SBCERA.org](http://www.SBCERA.org).

The 1099-Rs are sent annually, no later than January 31st of each year. If you do not receive yours within a reasonable amount of time after that date, contact SBCERA.

### Direct Deposit

You are required to sign up for direct deposit of your retirement benefit payment. You may start direct deposit or change the financial institution where your benefit payment is deposited at any time. Contact SBCERA for an "Authorization Agreement for Automatic Deposits." You can also print this form from SBCERA's website, [www.SBCERA.org](http://www.SBCERA.org).



## Beneficiaries

The retirement option selection you made when you retired is irrevocable. However, you may change your beneficiary if you selected Option 1 or the Unmodified Option at the time you retired. If the Unmodified Option was selected and your listed eligible spouse or registered domestic partner pre-deceases you and you remarry or enter a new domestic partnership, the new spouse/domestic partner may be named as a beneficiary to receive a continuance of your monthly benefit if he/she meets the following criteria:

- The new spouse/domestic partner must be age 55 years or older prior to your death;
- The new spouse/domestic partner must be married/registered to you for two years prior to your death; and,
- No other person may be designated in a court order (domestic relations order) as a payee.

## Social Security Eligibility

If you have 40 credits with Social Security, you may be able to collect Social Security benefits at age 65 or older. You must contact the Social Security Administration for your personal benefit review. In most cases, when an employee's last employer did not participate in Social Security, these benefits may be reduced by the Windfall Elimination Provision or the Government Pension Offset.

## INSURANCE

### Health Insurance Coverage & Administration

The County of San Bernardino administers and offers SBCERA retirees a variety of health insurance coverage and group premium rates. SBCERA will deduct your monthly health insurance premiums from your retirement benefit. **All questions about retiree insurance programs, related costs and requirements should be directed to Employee Benefits & Services Division (EBS) at (909) 387-5787. EBS is located at 157 W. Fifth Street, San Bernardino, CA 92415-0440.**

### Medicare

SBCERA will generally notify you that you need to apply for Medicare before you reach age 65. Contact **Employee Benefits & Services Division at (909) 387-5787** to request coverage information.



### **Long-Term Care Insurance**

As a retired public employee, you can get long-term care insurance through CalPERS (the California Public Employees' Retirement System). You can get a CalPERS information packet by calling (800) 266-1050 or by visiting their website at [www.calpers.ca.gov](http://www.calpers.ca.gov). Premiums for CalPERS long-term care coverage can be deducted from your retirement benefit payment or you may pay them directly.

### **Dental and Vision Insurance**

You can apply for dental and vision insurance through the San Bernardino Public Employees' Association (SBPEA). Call (909) 889-8377 for applications and premium rates. Premiums can be deducted from your retirement benefit payment. Vision coverage is also offered through the State Association of County Retirement Systems (SACRS) and VSP Vision Care. Call (800) 400-4569 for more information.

### **Life Insurance**

If you are interested in continuing life insurance after you retire, you need to check with the Employee Benefits Department of your employer at the time you retire to see whether conversion to individual policies for retiring members is an option. If it is an option and you convert to an individual policy, you will be responsible for paying the premiums directly. Unless you are a member of SEBA (Safety Employees' Benefit Association), premiums cannot be deducted from your retirement benefit payment.

### **Other Deductions**

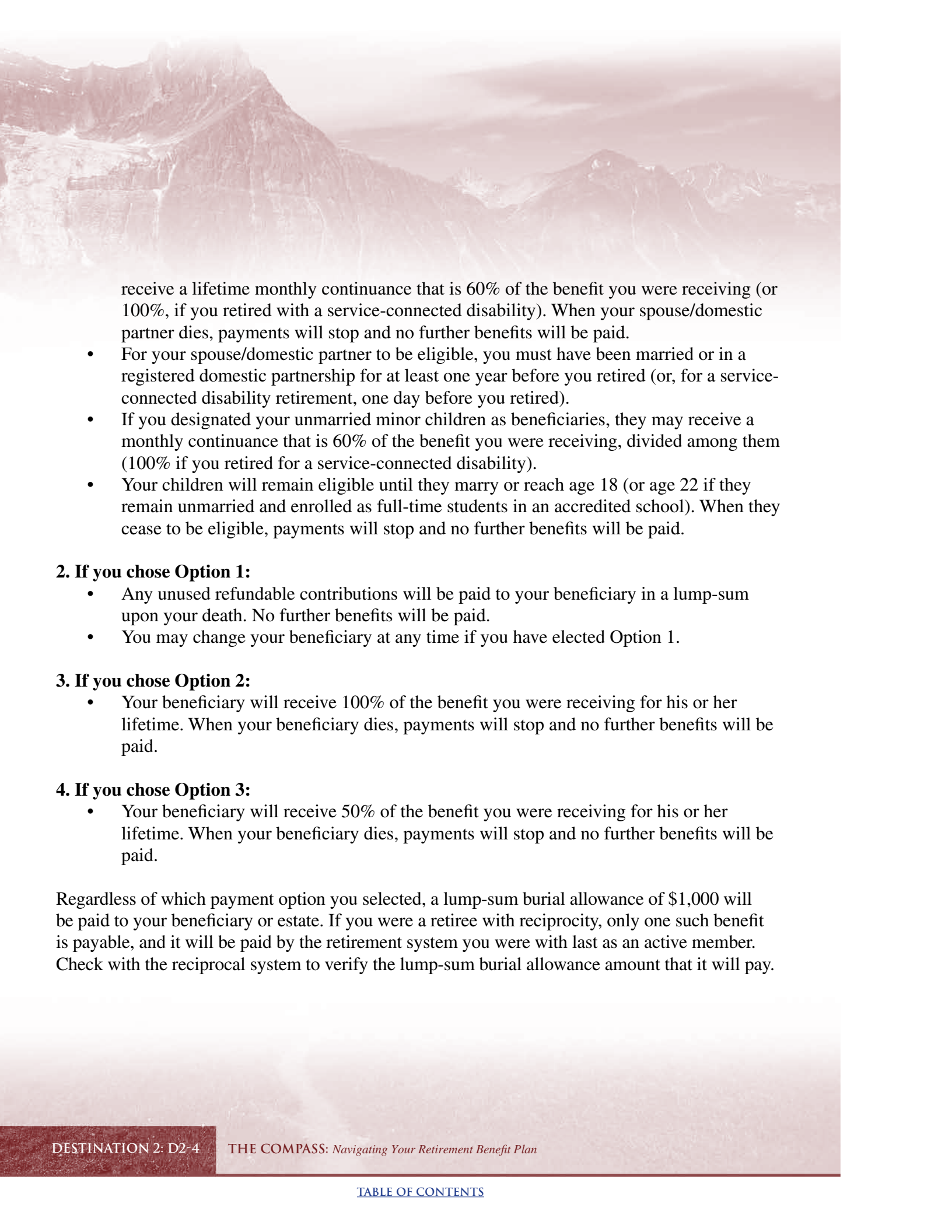
You can have taxes, as well as the deductions mentioned previously, deducted from your monthly retirement benefit payment. In addition, you can set up deductions for your checking and savings accounts and dues for the SBPEA and the Retired Employees of San Bernardino County (RESBC). Your donations to the Children's Fund can be deducted as well.

## **DEATH BENEFITS**

Your post-retirement death benefits depend on which payment option you chose and whom you designated as your beneficiary for a continuance of your retirement benefit:

### **1. If you chose the "Unmodified" Option:**

- If you designated your eligible spouse/domestic partner as beneficiary, he or she will



receive a lifetime monthly continuance that is 60% of the benefit you were receiving (or 100%, if you retired with a service-connected disability). When your spouse/domestic partner dies, payments will stop and no further benefits will be paid.

- For your spouse/domestic partner to be eligible, you must have been married or in a registered domestic partnership for at least one year before you retired (or, for a service-connected disability retirement, one day before you retired).
- If you designated your unmarried minor children as beneficiaries, they may receive a monthly continuance that is 60% of the benefit you were receiving, divided among them (100% if you retired for a service-connected disability).
- Your children will remain eligible until they marry or reach age 18 (or age 22 if they remain unmarried and enrolled as full-time students in an accredited school). When they cease to be eligible, payments will stop and no further benefits will be paid.

## **2. If you chose Option 1:**

- Any unused refundable contributions will be paid to your beneficiary in a lump-sum upon your death. No further benefits will be paid.
- You may change your beneficiary at any time if you have elected Option 1.

## **3. If you chose Option 2:**

- Your beneficiary will receive 100% of the benefit you were receiving for his or her lifetime. When your beneficiary dies, payments will stop and no further benefits will be paid.

## **4. If you chose Option 3:**

- Your beneficiary will receive 50% of the benefit you were receiving for his or her lifetime. When your beneficiary dies, payments will stop and no further benefits will be paid.

Regardless of which payment option you selected, a lump-sum burial allowance of \$1,000 will be paid to your beneficiary or estate. If you were a retiree with reciprocity, only one such benefit is payable, and it will be paid by the retirement system you were with last as an active member. Check with the reciprocal system to verify the lump-sum burial allowance amount that it will pay.



## POST-RETIREMENT EMPLOYMENT

As an SBCERA retiree, there are various factors to keep in mind when considering post-retirement employment. If you return to work for an employer not participating in SBCERA, your monthly retirement benefit will continue as-is, uninterrupted. However, if you return to work for an SBCERA employer your monthly retirement benefit may be impacted.

If you return to work for an SBCERA participating employer after you retire and want to continue to earn your monthly retirement benefit as is, you cannot be paid for your work unless you are working in the following capacity:

- in a position that requires your special knowledge and skills;
- as a juror;
- as an election officer;
- as a field deputy for registration of voters;
- as a member of the Board of Retirement, or,
- as an independent contractor.

Also, if you return to work for an SBCERA participating employer, you cannot work for more than 120 working days or 960 hours (whichever is greater) per fiscal year without your original retirement benefit being suspended.

If you return to work for an SBCERA participating employer and work beyond these limits, your monthly retirement benefit will be suspended. In addition, you will once again become an active member of SBCERA and you will have to pay contributions. Your contribution rate will be based on the same entry age as it was during your earlier employment.

When you decide to retire again, payment of your retirement benefit will resume. Your monthly benefit amount will be adjusted to include any COLAs from the time the benefit was suspended. In addition, you will receive an additional benefit amount for the period of reemployment. It will be based on the years of service credit earned during reemployment, age when you retire again and the highest earnable compensation during the reemployment period.

If you consider returning to work for an SBCERA participating employer after retirement, please contact SBCERA to determine if, and how, this may impact your retirement benefit. For information on what happens to your retiree health insurance coverage, contact the County of San Bernardino Employee Benefits & Services Division.



ACCESS "THE COMPASS" ONLINE AT  
[WWW.SBCERA.ORG](http://WWW.SBCERA.ORG)



DESTINATION 3:

# BENEFICIARIES AND OTHER SURVIVORS

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## DESTINATION 3: **BENEFICIARIES AND OTHER SURVIVORS**

### **RETIREMENT BENEFITS FOR ELIGIBLE BENEFICIARIES**

SBCERA staff will verify the beneficiary applying for benefits is as you designated and determine the payable benefits. The staff will send the appropriate forms and written advice to your beneficiary. If the SBCERA member has not designated a beneficiary, any available benefits will be left to the member's estate and cannot go into a trust.

For more information about the benefits available to beneficiaries, please refer to the "Death Benefits" section of this document.

### **CONTINUING HEALTH CARE FOR SURVIVORS**

Your surviving spouse and dependents may continue their health care coverage after you are deceased if they pay the monthly premiums. They may also be eligible for continuation of health care coverage under the provisions of federal legislation known as COBRA. They should contact your employer's Employee Benefits Department to find out what their options are.

#### **If Your Beneficiary Dies or You Want to Change Your Beneficiary**

- Contact SBCERA for a Beneficiary Designation/Change form.

#### **If Your Spouse or Other Dependent Dies**

- If you were covering your spouse or other dependent under your retiree medical and/or dental/vision insurance, contact the appropriate provider to stop the coverage. If you had long-term care insurance for your spouse through CalPERS, contact CalPERS to discontinue the coverage.
- If your spouse or other dependent was your beneficiary, contact SBCERA for a Beneficiary Designation/Change form.



## CHECKLIST FOR BENEFICIARIES OR OTHER SURVIVORS OF DECEASED MEMBERS

### **When an SBCERA member dies, survivors should do the following:**

- Gather all pertinent information and identification numbers for immediate reference (full name, date of birth, place of birth, address at time of death, place of death, Social Security number, VA number, Medicare number, insurance policy numbers, banking account numbers).
- Notify SBCERA of the death and provide a certified copy of the member's death certificate.
- Notify the appropriate life insurance carriers through any employers, credit union or other associations of which the deceased was a member.
- If the member was a veteran, contact Veterans' Affairs in their county to check on possible death benefits.
- Contact the Employee Benefits/Human Resources Department of the member's past employer if you wish to convert health and/or dental coverage to individual coverage. This department can also assist with questions concerning the deceased's possible participation in deferred compensation, such as a 457(b) or 401(k) plan.
- Contact the nearest Social Security Administration office to determine whether there are any benefits forthcoming.
- Contact the deceased's financial institution and banks regarding his or her accounts and ask about such matters as safety deposit boxes, death benefits and outstanding loans.
- Contact the member's preferred funeral home to coordinate burial and/or memorial services.



DESTINATION 4:

# DISABILITY RETIREMENT AND LEGAL MATTERS

*THE COMPASS: Navigating Your Retirement Benefit Plan*



## DESTINATION 4: DISABILITY RETIREMENT AND LEGAL MATTERS

### DISABILITY RETIREMENT

If you become disabled during employment, you may be eligible for a disability retirement. For purposes of SBCERA, “disabled” means the member becomes permanently incapacitated for the performance of duty. It is not necessary for you to be physically or mentally incapable of performing each and every duty or task that might arise within your job classification. An incapacity is permanent if change, for better or worse, is not to be reasonably anticipated under usual standards.

There are two types of disability retirements:


- **Service-Connected**—The incapacity is a result of injury or disease arising out of and in the course of employment, the employment causation is “real and measurable” and the employment contributed substantially to the incapacity. For a service-connected disability, the monthly allowance is 50% of your highest earnable compensation. For questions regarding taxation, you should consult with your tax advisor.

Even if you have been found eligible for Workers’ Compensation, you still need to complete all applicable forms in the disability retirement packet. SBCERA will request any claims and reports you have filed for Workers’ Compensation. The Board is interested in reviewing any relevant evidence or reports, but it is not bound by any findings in a Workers’ Compensation determination.

- **Nonservice-Connected**—The incapacity is not related to your job. You must have at least five (5) years of service credit to be considered for a nonservice-connected disability retirement. (NOTE: Approved service credit in a system with reciprocity counts toward these required five years.) For a nonservice-connected disability, the monthly benefit depends on when you became a member.

If you became a member of SBCERA before January 1, 1981, your monthly benefit will be the highest of the following:

- One-third of your highest earnable compensation; or
- Your highest earnable compensation x .018 x service credit; or
- Your highest earnable compensation x .018 x age up to a maximum of 65.



If you became a member on or after January 1, 1981, your monthly benefit will depend on your years of service credit. Benefits start at 20% of your highest earnable compensation for members who have only five (5) years of service credit as of the disability effective date and increase by 2% for each additional whole year of service credit, up to a maximum of 40% of your highest earnable compensation. For example, if you retired on a nonservice-connected disability after earning seven (7) years of service credit, your monthly benefit would be 24% of your highest earnable compensation (20%+2%+2%).

If you are eligible for a service retirement, SBCERA will compare the service retirement benefit to the disability retirement benefit and pay you the greater of the two. Disability benefits are not necessarily lifetime benefits.

### **Rehabilitation Programs**

If the Board approves a service-connected disability retirement, but determines you are capable of performing other duties it will notify your employer to develop a rehabilitation program that could qualify you for assignment to another position with your employer. In such a case, if your newly-assigned position pays less than the position you had before you became disabled, you will be paid a supplemental disability allowance by SBCERA to make up the difference.

#### **NAVIGATING A DISABILITY RETIREMENT APPLICATION**

- Contact SBCERA to begin the process and request a disability retirement packet.
- This packet will contain procedures, rules, and forms, some of which you will need to complete before your appointment.
- Applications by mail are not accepted unless circumstances prevent you from appearing at the SBCERA office. The staff will make a home visit under special circumstances.
- Generally, your application must be submitted while you are still in service or within four months after you cease to be in service.



### **Preparing for Your Appointment**

As a first step, you will need to obtain a medical examination by a duly licensed physician at your expense. Your packet will contain a “Physician’s Report” form, along with instructions for completing it and a job description for your position the physician can refer to. For SBCERA to accept an application for disability retirement, the physician must note that you are “permanently incapacitated.”

When the Physician’s Report is completed, submit it to SBCERA. In addition, you must also submit Medical Release forms and a Disability Retirement Hospital/Physician Listing. SBCERA will conduct a review of these items to ensure they are properly completed. **An initial disability retirement appointment cannot be scheduled until a properly completed Physician’s Report is received and approved.**

SBCERA will contact you confirming your Physician’s Report and forms have been completed and schedule your initial disability retirement appointment. Prior to attending the appointment, you must complete all forms enclosed in your disability retirement packet. The following forms will be included:

- “Authorization to Obtain and Release Records and Information” (for release of medical records and any workers’ compensation files or disability retirements from other systems);
- “Disability Retirement Hospital/Physician Listing” (for contact information of all hospitals and physicians who have attended, treated, examined or evaluated you); and
- “Disability Retirement Applicant Statement of Facts and Circumstances” (for required information about your situation as well as any input you wish to provide on your incapacity).

### **Signing the Forms**

You may wish to wait until you are in the SBCERA office to sign each form, since some of them require witnessing. The SBCERA staff can serve as witnesses. Alternatively, you may sign the forms in the presence of a notary public, at your expense.



### **Your Appointment**

When you appear for your disability retirement consultation appointment, make sure you bring along the forms mentioned previously and that you have filled them out completely, including entering your home address on the “Applicant’s Statement of Facts and Circumstances.” Providing your attorney’s address is not sufficient. SBCERA will explain the entire disability retirement process to you, including related issues.

### **After Your Appointment**

Once SBCERA has helped you complete and submit your application, you may be required to report to a physician or physicians designated by SBCERA for additional medical evaluations at SBCERA’s expense.

### **Action by the Board of Retirement**

SBCERA staff will provide written notification of the date and time of your disability case review to you and/or your designated representative. You and/or your designated representative will be provided with copies of all information given to the Board of Retirement in the review of your case. If your representative is an attorney and psychiatric reviews are involved, those reviews will be sent only to the attorney. **Your disability retirement hearing will not be open to the public.**

The Board will determine whether you are permanently incapacitated for performance of your assigned duties and whether your disability is service-connected or nonservice-connected. If you are a General member, the Board may also determine whether you are incapable of gainful employment and thus a candidate for the supplemental disability benefit discussed later in this section. You will be notified in writing of the Board’s decision.

If you disagree with the initial decision, you will have 31 calendar days from the decision date to seek Administrative Review (reconsideration). You may submit additional medical records, statements from co-workers or any other proof supporting your claimed disability. If you disagree with the decision the Board makes at this second hearing, a formal hearing will be scheduled. The Formal Hearing stage is the last phase of the disability process. A neutral hearing officer will review all of the evidence previously submitted. Witnesses may be called. It is suggested that you hire legal assistance to present your case. If your case is denied, you have 90 calendar days to file for judicial review in Superior Court.



### **The Disability Process Timeline**

The Board of Retirement generally will hold a hearing on your disability retirement application approximately four to eight months after the application has been filed. If the Board approves your application, your disability retirement benefit will be paid from the later of two dates: the date you filed your application or the last date for which you received compensation (including sick leave, vacation, and, for Safety members, 4850 compensation).

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**NOTE:** If you are eligible for a service retirement when you apply for a disability retirement, you may still apply for a service retirement. If your disability application is subsequently approved, you will be reclassified as a disability retiree. If it is not approved, you will remain a retiree—you may not cancel your service retirement.

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### **Supplemental Disability Benefits for General Members**

At the time you file for disability, if you are a General member and you are incapable of any gainful employment (other than service as a juror, witness, or election official), you may apply for a supplemental disability retirement benefit of \$300 a month. (The supplement was created to replace benefits lost when General members stopped participating in Social Security. It is not available to Safety members who have never participated in Social Security).


If you are granted the supplement, you must declare under oath every six months to SBCERA that you are incapable of gainful employment. You must also notify SBCERA if a change in your condition makes gainful employment possible. Supplemental benefits end upon your death. They do not become part of any payments made to beneficiaries. This benefit is not considered when calculating COLAs or community property in divorce cases.

### **Lump-Sum Payment**

If the Board determines your incapacity is the result of alcohol or drug abuse, willful misconduct, or a violation of law and your contributions would have provided a retirement benefit of less than \$240 a year, the Board has the option of paying you a lump-sum of your refundable contributions plus interest, rather than a monthly disability payment.

### **Temporary Disabilities**

SBCERA provides for retirement benefits only, so it does not cover temporary or short-term



disabilities. You should contact your participating employer about its sick-leave program. If your disability is job-related, you should apply for Workers' Compensation. Also, for some bargaining units, California's State Disability Insurance program provides benefits.

## DISABILITY RETIREMENT APPLICATION PROCESS

- Step 1: Contact SBCERA** – To begin the process and request the required forms and information, please contact SBCERA at (909) 885-7980 or Toll Free (877) 722-3721.
- Step 2: Submit Completed Forms for Review** – Provide your completed Attending or Forensic Physician's Report to SBCERA. You must also submit Medical Release forms and a Disability Retirement Hospital/Physician Listing. SBCERA will conduct a review of all forms to ensure they are completed in accordance with Article VIII of the SBCERA By-laws. An initial disability retirement appointment cannot be scheduled until all properly completed reports and forms are received and approved.
- Step 3: Schedule and Attend a Consultation Appointment with SBCERA** – SBCERA will contact you confirming your Physician's Report and forms have been approved and schedule your initial disability retirement appointment. Prior to attending your appointment, you must complete all forms, but should wait to sign each form until you are in the SBCERA office where an SBCERA staff member will review the completed forms.
- Step 4: Document Collection and Processing** – SBCERA staff collects and assembles medical and personnel documents pertaining to the disability retirement application.
- Step 5: Independent Medical Examination** – You may be required to submit to one or more independent medical examinations based on your claimed injury and/or illness.
- Step 6: Comprehensive Medical Review and Preparation for the SBCERA Board of Retirement** – The SBCERA Medical Advisor conducts a comprehensive review of the records pertaining to the application and advises the SBCERA Board on medical matters. In addition, Staff reviews all records and prepares the recommendation to the SBCERA Board of Retirement.
- Step 7: SBCERA Board of Retirement Initial Hearing** – The disability retirement application is considered by the SBCERA Board of Retirement.

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NOTE: Generally, your disability retirement application must be submitted while you are still in service as an active member or within four months after you cease to be in service.

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## LEGAL MATTERS

### **SBCERA Administration**

- The full legal name of the retirement system is the **San Bernardino County Employees' Retirement Association**.
- The Federal Tax I.D. assigned to SBCERA is #95-6193238.

### **Legal Representation**

- The Board of Retirement employs its own Chief Counsel for SBCERA's day-to-day business.
- Other legal counsel may be retained by the Board as necessary.

### **Confidentiality of Records**

SBCERA is required to protect the confidentiality of member records. Most information about your account cannot be provided to anyone else without your written consent, unless it is under a court-ordered action. An Authorization for Release of Information & Documents form may be obtained from the SBCERA website.

### **Garnishment**

In general, your contributions on deposit with SBCERA and your retirement benefits are not subject to garnishment or other attachment except as follows:


- A court may order SBCERA to pay a portion of your retirement benefit to cover a judgment for spousal or child support.
- Your retirement benefits are subject to levy by the Internal Revenue Service for payment of delinquent federal income taxes.

In either case, this would not take place until after you had terminated employment or retired.

### **Power of Attorney**

A power of attorney may include the designation of a representative to conduct your retirement affairs. Because all power of attorney forms are not the same, it is recommended you consult with an attorney before signing any document of this type. Additionally, you are strongly encouraged to use the SBCERA Special Durable Power of Attorney form, also available from the SBCERA website.

A General or a Durable General Power of Attorney will usually enable your attorney-in-fact to perform duties such as address changes, federal and/or state tax withholding elections, endorsing



checks and filing affidavits for lost retirement checks. Only a specialized type of power of attorney will allow the attorney-in-fact to select a retirement option or designate a beneficiary.

You should give careful consideration to the powers you are granting. Please consult with SBCERA before granting a power of attorney to determine whether the proposed document is acceptable. A properly executed SBCERA Special Durable Power of Attorney form is always acceptable.

### **Living Trusts and Beneficiary Changes**

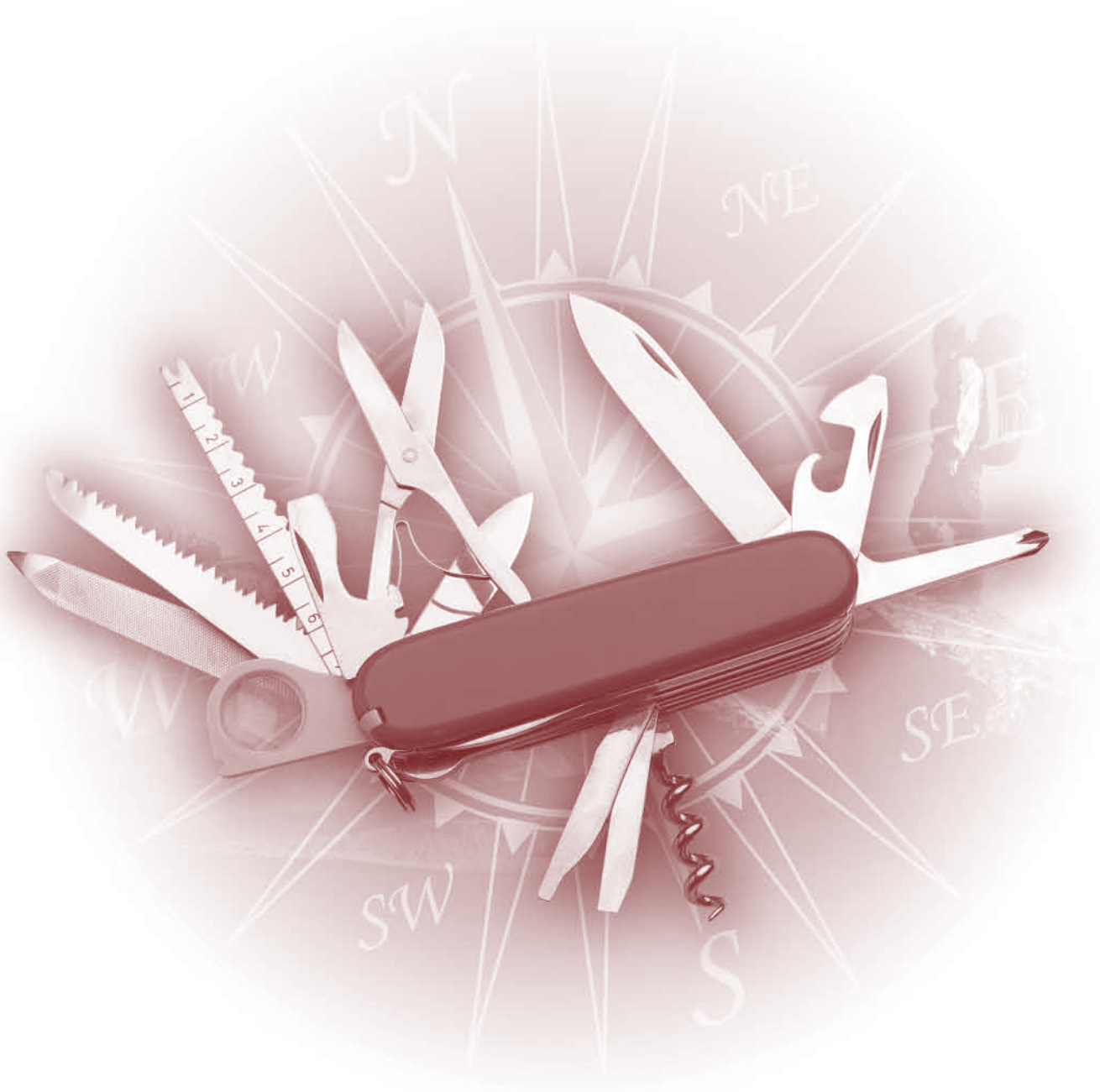
Under the existing Government Code, a living trust instrument cannot be designated as a “beneficiary.” In the event of your death, if there are retirement funds existing, they will be distributed to your named beneficiary or to your estate only.

It is very important that you update your beneficiary status if and when any changes in your life occur (for example, divorce, death of a spouse, or a new marriage). You can get a Beneficiary Designation/Change form from your payroll specialist (active members) or from the SBCERA website at [www.SBCERA.org](http://www.SBCERA.org). Or, you may contact the SBCERA office to have a form sent to you.

### **Dissolution of Marriage**

California is a community property state. Retirement plan benefits earned during marriage are community property, subject to division on dissolution of marriage. If you have not retired at the time of your divorce, the division of community property is delayed until the time benefits become payable at your retirement or termination. Counsel for the respective parties will need to review the SBCERA Dissolution of Marriage Guidelines. Call SBCERA or visit the website at [www.SBCERA.org](http://www.SBCERA.org) for a copy.

If you divorce after you retire, you will have already selected a retirement payment option. The court can only order division of the monthly payments you receive. At your death, all payments will terminate. A former spouse (not married to you at the time of death) does not qualify as a surviving spouse eligible to receive a monthly continuance benefit. If you become involved in marriage dissolution, contact SBCERA for detailed information.



# JOURNEY PLANNING TOOLS

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# JOURNEY PLANNING TOOLS

## JOURNEY PREPARATION CHECKLIST

Throughout your time as a member of SBCERA, active or retired, use the checklist below to assist you in determining what steps to take should any of the following life events occur.

**If you have questions about any situations not covered below, please contact SBCERA. Many of the forms mentioned below can also be printed from the SBCERA website, [www.SBCERA.org](http://www.SBCERA.org).**

Life Event	Active Member	Retired/Deferred Member or Beneficiary
<b>Personal Information Changes or Family Changes</b>		
<b>Address Change</b>	Make changes through your Human Resources Department and/or payroll specialist.	Complete and submit an SBCERA Request for Address/Name Change Request form.
<b>Beneficiary Change</b>	Complete and submit an SBCERA Beneficiary Designation/Change form.  If you do not have a spouse or domestic partner's signature on this form, you <u>must</u> also complete and submit a Justification for Non-Signature of Spouse or Domestic Partner form.	Complete and submit an SBCERA Beneficiary Designation/Change form.  If you do not have a spouse or domestic partner's signature on this form, you <u>must</u> also complete and submit a Justification for Non-Signature of Spouse or Domestic Partner form.
<b>Divorce</b>	Contact SBCERA to discuss the steps you must take and how a divorce may affect your retirement benefit.  If you wish to change your beneficiary, complete and submit an SBCERA Beneficiary Designation/Change form.	Contact SBCERA to discuss the steps you must take and how a divorce may affect your retirement benefit.  If you wish to change your beneficiary, complete and submit an SBCERA Beneficiary Designation/Change form.
<b>Marriage</b>	Update your beneficiary designation. Complete and submit a Beneficiary Designation/Change form.	Update your beneficiary designation. Complete and submit a Beneficiary Designation/Change form.
<b>Name Change</b>	Request and complete the proper forms from your Human Resources Department and/or payroll specialist.	Complete and submit an SBCERA Request for Address/Name Change Request form.
<b>Tax Withholding Change for Your SBCERA Benefit</b>	N/A	Complete and submit an SBCERA Tax Withholding Election form.
<b>Direct Deposit Account Change for SBCERA Benefit</b>	N/A	Complete and submit an SBCERA Authorization Agreement for Automatic Deposits.

Life Event	Active Member	Retired/Deferred Member or Beneficiary
<b>Employment Events</b>		
<b>Start of Your Employment with an SBCERA Participating Employer</b>	Complete the SBCERA Membership Enrollment Affidavit and submit it to your department payroll specialist.	If you return to work after retirement with an SBCERA participating employer, please contact SBCERA to find out how this may impact your retirement benefit.
<b>Change in Your Employment Status</b>	<p>If you change to reduced hours making you ineligible to be a member of SBCERA (for example, less than 50% time), you will cease making retirement contributions and accruing retirement service credit. However, your past contributions will remain on deposit and continue to earn interest. You may not have them refunded. Contact SBCERA for more information.</p> <p>If you change to a different SBCERA participating employer, complete the SBCERA Membership Enrollment Affidavit and submit it to your department's payroll specialist.</p>	N/A
<b>Termination of Employment Before Retirement</b>	Contact SBCERA to obtain and complete the appropriate forms.	N/A
<b>Death or Disability</b>		
<b>Death of an SBCERA Member</b>	See the "Survivors & Beneficiaries" section of this binder. Contact SBCERA to learn about the options available to the beneficiary.	See the "Survivors & Beneficiaries" section of this binder. Contact SBCERA to learn about the options available to the beneficiary.
<b>Death of Your Beneficiary</b>	<p>Complete and submit an SBCERA Beneficiary Designation/Change form.</p> <p>If applicable, request and complete a Justification for Non-Signature of Spouse/Domestic Partner form.</p>	<p>Complete and submit an SBCERA Beneficiary Designation/Change form.</p> <p>If applicable, request and complete a Justification for Non-Signature of Spouse/Domestic Partner form.</p>
<b>Disability</b>	Contact SBCERA to begin the process and request the required forms and information.	Contact SBCERA to learn about your options and request the required forms and information.

## BENEFIT ESTIMATE WORKSHEET

As you use this worksheet, bear in mind this will help you create an estimate, not a calculation of your actual benefit. Your true benefit will depend on the particulars of your employment history at the time you retire. In addition, the California Government Code provisions governing the Retirement Plan, as well as the By-Laws and the Policies governing SBCERA, may change between now and the time you retire.

The worksheet provided here will give you an estimate of the retirement benefit you might receive under the “Unmodified” option only. You are welcome at any time to contact SBCERA for a benefit estimate or you can create your own estimates on the website at [www.SBCERA.org](http://www.SBCERA.org).

		Sample	You
<b>STEP 1</b>	<b>ESTIMATE YOUR HIGHEST COMPENSATION</b> Estimate what your final monthly earnable compensation will be during the 12-consecutive months when your compensation is at its highest.	\$3,695	\$ _____
<b>STEP 2</b>	<b>DETERMINE YOUR RETIREMENT AGE</b> Enter your projected age at retirement.	55	_____
<b>STEP 3</b>	<b>PROJECT YOUR YEARS OF SERVICE CREDIT</b> Enter the number of years of service credit you expect to have when you retire.	20	_____
<b>STEP 4</b>	<b>FIND YOUR COMPENSATION PERCENTAGE</b> Go to the appropriate table (use Table 1 for General members; Table 2 for Safety members located on the next page) and find the percentage that corresponds to your projected age and years of service credit.	40% (from Tables 1 or 2)	_____ %
<b>STEP 5</b>	<b>CALCULATE YOUR ESTIMATED MONTHLY BENEFIT</b> Multiply the final monthly earnable compensation you entered in Step 1 by the percentage you entered in Step 4.	\$3,695  x 40%  \$1,478	\$ _____ . (from step 1)  x _____ % (from step 2)  \$ _____ .

## GENERAL COMPENSATION PERCENTAGES TABLE 1

Years of Service Credit	50 (Age)	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65 and older
10	14.91%	15.76%	16.69%	17.70%	18.80%	20.00%	20.89%	22.01%	23.37%	24.73%	26.19%	27.22%	28.25%	29.28%	30.31%	31.34%
11	16.40%	17.34%	18.36%	19.47%	20.68%	22.00%	22.98%	24.31%	25.71%	27.20%	28.80%	29.94%	31.07%	32.20%	33.34%	34.47%
12	17.89%	18.92%	20.03%	21.24%	22.56%	24.00%	25.07%	26.52%	28.05%	29.68%	31.42%	32.66%	33.90%	35.13%	36.37%	37.60%
13	19.38%	20.49%	21.70%	23.01%	24.44%	26.00%	27.16%	28.72%	30.38%	32.15%	34.04%	35.38%	36.72%	38.06%	39.40%	40.74%
14	20.87%	22.07%	23.37%	24.78%	26.32%	28.00%	29.25%	30.93%	32.72%	34.62%	36.66%	38.10%	39.54%	40.99%	42.43%	43.87%
15	22.36%	23.65%	25.04%	26.55%	28.20%	30.00%	31.34%	33.14%	35.06%	37.01%	39.28%	40.82%	42.37%	43.91%	45.46%	47.00%
16	23.85%	25.22%	26.71%	28.32%	30.08%	32.00%	33.43%	35.35%	37.40%	39.57%	41.90%	43.55%	45.19%	46.84%	48.49%	50.14%
17	25.34%	26.80%	28.38%	30.09%	31.96%	34.00%	35.52%	37.56%	39.73%	42.04%	44.52%	46.27%	48.02%	49.77%	51.52%	53.27%
18	26.83%	28.38%	30.05%	31.86%	33.84%	36.00%	37.61%	39.77%	42.07%	44.51%	47.13%	48.99%	50.84%	52.70%	54.55%	56.40%
19	28.33%	29.95%	31.71%	33.63%	35.72%	38.00%	39.70%	41.98%	44.41%	46.99%	49.75%	51.71%	53.67%	55.62%	57.58%	59.54%
20	29.82%	31.53%	33.38%	35.40%	37.60%	40.00%	41.79%	44.19%	46.74%	49.46%	52.37%	54.43%	56.49%	58.55%	60.61%	62.67%
21	31.31%	33.10%	35.05%	37.17%	39.48%	42.00%	43.88%	46.40%	49.08%	51.93%	54.99%	57.15%	59.32%	61.48%	63.64%	65.81%
22	32.80%	34.68%	36.72%	38.94%	41.36%	44.00%	45.97%	48.61%	51.42%	54.41%	57.61%	59.88%	62.14%	64.41%	66.67%	68.94%
23	34.29%	36.26%	38.39%	40.71%	43.24%	46.00%	48.06%	50.82%	53.76%	56.88%	60.23%	62.60%	64.97%	67.33%	69.70%	72.07%
24	35.78%	37.83%	40.06%	42.48%	45.12%	48.00%	50.15%	53.03%	56.09%	59.35%	62.85%	65.32%	67.79%	70.26%	72.73%	75.21%
25	37.27%	39.41%	41.73%	44.25%	47.00%	50.00%	52.24%	55.24%	58.43%	61.83%	65.47%	68.04%	70.62%	73.19%	75.77%	78.34%
26	38.76%	40.99%	43.40%	46.02%	48.87%	52.00%	54.32%	57.45%	60.77%	64.30%	68.08%	70.76%	73.44%	76.12%	78.80%	81.47%
27	40.25%	42.56%	45.07%	47.79%	50.75%	54.00%	56.41%	59.66%	63.10%	66.77%	70.70%	73.48%	76.26%	79.05%	81.83%	84.61%
28	41.74%	44.14%	46.74%	49.56%	52.63%	56.00%	58.50%	61.87%	65.44%	69.24%	73.32%	76.20%	79.09%	81.97%	84.86%	87.74%
29	43.23%	45.72%	48.41%	51.33%	54.51%	58.00%	60.59%	64.08%	67.78%	71.72%	75.94%	78.93%	81.91%	84.90%	87.89%	90.87%
30	44.72%	47.29%	50.08%	53.10%	56.39%	60.00%	62.68%	66.29%	70.12%	74.19%	78.56%	81.65%	84.74%	87.83%	90.92%	94.01%
31	46.21%	48.87%	51.75%	54.87%	58.27%	62.00%	64.77%	68.50%	72.45%	76.66%	81.18%	84.37%	87.56%	90.76%	93.95%	97.14%
32	47.71%	50.44%	53.41%	56.64%	60.15%	64.00%	66.86%	70.71%	74.79%	79.14%	83.80%	87.09%	90.39%	93.68%	96.98%	100%
33	49.20%	52.02%	55.08%	58.41%	62.03%	66.00%	68.95%	72.92%	77.13%	81.61%	86.41%	89.81%	93.21%	96.61%	100%	
34	50.69%	53.60%	56.75%	60.18%	63.91%	68.00%	71.04%	75.13%	79.46%	84.08%	89.03%	92.53%	96.04%	99.54%		
35	52.18%	55.17%	58.42%	61.95%	65.79%	70.00%	73.13%	77.34%	81.80%	86.56%	91.65%	95.26%	98.86%	100%		
36	53.67%	56.75%	60.09%	63.72%	67.67%	72.00%	75.22%	79.55%	84.14%	89.03%	94.27%	97.98%	100%			
37	55.16%	58.33%	61.76%	65.49%	69.55%	74.00%	77.31%	81.76%	86.48%	91.50%	96.89%	100%				
38	56.65%	59.90%	63.43%	67.26%	71.43%	76.00%	79.40%	83.96%	88.81%	93.97%	99.51%					
39		61.48%	65.01%	69.03%	73.31%	78.00%	81.49%	86.17%	91.15%	96.45%	100%					
40			66.77%	70.80%	75.19%	80.00%	83.58%	88.38%	93.49%	98.92%						
41				72.57%	77.07%	82.00%	85.67%	90.59%	95.83%	100%						
42					78.95%	84.00%	87.75%	92.80%	98.16%							
43						86.00%	89.84%	95.01%	100%							
44							91.93%	97.22%	100%							
45								99.43%	100%							

## SAFETY COMPENSATION PERCENTAGES TABLE 2

Years of Service Credit	41 (Age)	42	43	44	45	46	47	48	49	50 and older
10										30.00%
11										33.00%
12										36.00%
13										39.00%
14										42.00%
15										45.00%
16										48.00%
17										51.00%
18										54.00%
19										57.00%
20	37.55%	39.75%	42.02%	44.38%	46.83%	49.36%	52.07%	54.51%	57.13%	60.00%
21	39.43%	41.74%	44.13%	46.60%	49.17%	51.82%	54.67%	57.24%	59.99%	63.00%
22	41.30%	43.73%	46.23%	48.82%	51.51%	54.29%	57.27%	59.96%	62.85%	66.00%
23	43.18%	45.71%	48.33%	51.04%	53.85%	56.76%	59.88%	62.69%	65.70%	69.00%
24	45.06%	47.70%	50.43%	53.26%	56.20%	59.23%	62.48%	65.41%	68.56%	72.00%
25	46.94%	49.69%	52.53%	55.48%	58.54%	61.70%	65.09%	68.14%	71.42%	75.00%
26	48.81%	51.68%	54.63%	57.70%	60.88%	64.16%	67.69%	70.86%	74.27%	78.00%
27	50.69%	53.66%	56.73%	59.92%	63.22%	66.63%	70.29%	73.59%	77.13%	81.00%
28	52.57%	55.65%	58.83%	62.13%	65.56%	69.10%	72.90%	76.31%	79.98%	84.00%
29		57.64%	60.93%	64.35%	67.90%	71.57%	75.50%	79.04%	82.84%	87.00%
30			63.04%	66.57%	70.25%	74.03%	78.10%	81.77%	85.70%	90.00%
31				68.79%	72.59%	76.50%	80.71%	84.49%	88.55%	93.00%
32					74.93%	78.97%	83.31%	87.22%	91.41%	96.00%
33						81.44%	85.91%	89.94%	94.27%	99.00%
34							88.52%	92.67%	97.12%	100.00%
35								95.39%	99.98%	100.00%
36									100.00%	100.00%
37										100.00%
38										100.00%
39										100.00%

## PRE-RETIREMENT CHECKLIST

### Three Years Prior

- Attend an SBCERA Pre-Retirement Seminar.
- Contact your deferred compensation representative to discuss “catch-up” options.

### Two Years Prior

- Update your beneficiary information.
- Consider possible effective dates for retirement.
- Conduct an experiment: Live on your anticipated retirement income for two consecutive months to see if it works for you.
- Contact your deferred compensation representative to discuss options.
- Initiate service credit purchase contracts or work to complete existing contracts.

### One Year Prior

- Update your beneficiary information.
- Consider possible effective dates for retirement.
- Price and compare medical coverage/employer options.
- Plan any leave cashouts you may be entitled to (see your MOU) in order to maximize your earnable compensation.

### Six Months Prior

- Update your beneficiary information.
- Update your address.
- Select retirement effective date.
- Price and compare medical coverage/employer options.
- Gather or order copies of the important documents you will need, i.e.
  - Member’s birth certificate
  - Beneficiary’s birth certificate
  - Certified marriage license or domestic partnership registration

### Three Months Prior

- Update your beneficiary information.
- Make and attend an appointment with a retirement specialist at SBCERA.
- Request an updated benefit estimate.
- Inform your employer of your selected effective date.

### Post Retirement

- Update your address as needed.
- Update your W-4 form if your deductions/life changes.



# APPENDIX

*THE COMPASS: Navigating Your Retirement Benefit Plan*



# APPENDIX

## PARTICIPATING EMPLOYERS IN SBCERA

Barstow Fire Protection District  
California Electronic Recording Transaction Network Authority (CERTNA)  
California State Association of Counties  
City of Big Bear Lake  
City of Chino Hills  
County of San Bernardino  
Crest Forest Fire Protection District  
Crestline Sanitation District  
Department of Water & Power of the City of Big Bear Lake  
Hesperia Recreation and Park District  
Inland Library System  
Inland Valley Development Agency  
Law Library for San Bernardino County  
Local Agency Formation Commission (LAFCO)  
Mojave Desert Air Quality Management District (MDAQMD)  
Rim of the World Recreation and Parks District  
San Bernardino Associated Governments (SANBAG)  
San Bernardino County Employees' Retirement Association (SBCERA)  
San Bernardino International Airport Authority  
South Coast Air Quality Management District (SCAQMD)  
Superior Court of California, County of San Bernardino



ACCESS "THE COMPASS" ONLINE AT  
[WWW.SBCERA.ORG](http://WWW.SBCERA.ORG)



# MEMBER STATEMENTS

*THE COMPASS: Navigating Your Retirement Benefit Plan*