



*Strength. Service. Commitment.*

## Reciprocity

### Fact sheet for active and deferred members



**It is important that you establish reciprocity in a timely manner because it could affect your tier, contribution rate and retirement eligibility.**

Reciprocity may be established among many California pension systems to link your retirement benefits from qualifying public employers. Use this fact sheet to help you determine whether reciprocity applies to you now, or if it may apply to you in the future.

As you read this information, please note that SDCERA's authority extends only to applying and implementing the County Employees Retirement Law of 1937 and the California Public Employees' Pension Reform Act of 2013. It does not extend to laws and regulations under which other public retirement systems are administered. Questions relating to rights, benefits and obligations under any other public retirement system should be addressed directly to the appropriate system.

SDCERA offers two types of reciprocity: full reciprocity and limited reciprocity. Establishing either one must be completed before retirement.

### **Establishing reciprocity**

You are eligible for full reciprocity when you leave your accumulated retirement contributions on deposit with your former system and enter a reciprocal system within six months. If your periods of active membership overlap by twelve weeks or less, SDCERA will adjust your membership entrance or termination date to eliminate the overlap. This will allow you to establish reciprocity; however, the associated service credit will be removed and the contributions returned. Check with each retirement system about its rules before you change employment.

If you are not eligible for full reciprocity because more than six months have elapsed between periods of active membership, you may be eligible for limited reciprocity. If you leave your contributions on deposit and later earn service credit in a reciprocal system, you may use the service credit earned in the reciprocal system to help you vest and become eligible for an SDCERA retirement benefit. Contact the reciprocal system to verify whether similar benefits are available to you from that system.

It does not cost anything to establish reciprocity; however, you must request it by obtaining the appropriate forms from your former retirement system.

Although reciprocity is an agreement among public retirement systems, actual retirement benefit provisions vary among systems. Be certain you know the potential advantages and disadvantages of requesting reciprocity before you change employers. Reciprocal benefits are governed by the plan requirements of the various systems, which are subject to change. If there are any discrepancies between those governing authorities and the information in this fact sheet, the governing authorities have precedence in all cases.

## Reciprocal benefits

---

### Service credit

The service credit you earn in each system does not transfer from one system to another; however, service credit can be combined to meet vesting or retirement eligibility requirements.

For example, if you have three years of SDCERA service credit and nine years of reciprocal service credit, SDCERA would consider you vested because you have more than five years of combined service credit. In this example you would have 12 years of combined service credit, which would make you eligible to retire from SDCERA if you meet the minimum age requirement. SDCERA would pay a retirement benefit based on three years of service credit and the reciprocal system would pay a retirement benefit based on nine years.

This is the only benefit applicable to members with limited reciprocity.

### Entry age

Some retirement systems base the amount of your member contributions on your entry age. If you are a Tier I, Tier A or Tier B member, your contribution rate will be based on your age when you entered your first reciprocal system. For example, if you entered the first system at age 28 and entered SDCERA at age 35, SDCERA will use age 28 as your entry age. In some systems (including SDCERA), this means your contribution rate will be lower.

If you entered SDCERA membership from a reciprocal system prior to the effective date of the reciprocal agreement, SDCERA will not adjust your member contribution rate based on reciprocal membership. The effective dates of reciprocal agreements are included on the list of reciprocal agencies.

### Final average compensation

Your highest eligible earnings under any reciprocal system will be used when calculating your retirement benefit. For example, if your monthly final average compensation is \$3,000 when you are an active SDCERA member, but is \$4,500 as a member of a reciprocal system, SDCERA would use \$4,500 in the calculation of your retirement benefit.

### Disability retirement

If you retire from a reciprocal system because of a disability, you may also be eligible for a disability retirement from SDCERA. Your disability benefit from SDCERA will be based on your SDCERA service credit at the time of retirement. Your benefit will vary depending on whether your retirement is due to a service-connected disability (arising out of and in the course of your employment) or a nonservice-connected disability.

### Survivor benefits

If you have established outgoing reciprocity and are active in the other system, upon your death your designated beneficiary will receive benefits in accordance with the active survivor benefits payable by SDCERA. If your death is a result of a job-related injury, illness or disease, your designated beneficiary will receive a one-time lump-sum death benefit consisting of a return of your member contribution account.

### Tier

Members first hired on or after December 1, 2012, who establish reciprocity for a period of reciprocal service that began before January 1, 2013, will be converted from Tier C to Tier B. Tier B generally provides a higher retirement benefit formula than Tier C.

**Members may establish incoming or outgoing reciprocity. In fact, some members have both incoming and outgoing reciprocity because they continue to move from one public employer to another and link retirement benefits together each time.**

## **Maintaining reciprocity**

---

In order to maintain reciprocity, you must leave your member contributions on deposit with any linked system and you must retire from each system on the same date. If reciprocity is broken, all rights and benefits provided by reciprocity are lost.

A limited exception exists to the concurrent retirement requirement. If you are required to retire for age under one system, or are eligible to retire at age 50 under a 1937 Act system, but cannot retire concurrently under the reciprocal system, you may be allowed to retire on different retirement dates. Contact SDCERA if this applies to you.

## **Eligibility to retire**

---

General, Tier I and Tier A members are first eligible to retire at age 50 with 10 years of service credit. General, Tier B members are first eligible to retire at age 55 with 10 years of service credit. General, Tier C members are first eligible to retire at age 52 with five years of service credit. General, Tier I, Tier A and Tier B members may also retire regardless of age with at least 30 years of service credit.

Safety, Tier A and Safety, Tier B members are first eligible to retire at age 50 with 10 years of service credit. Safety, Tier C members are first eligible to retire at age 50 with five years of service credit. Safety, Tier A and Tier B members may also retire regardless of age with at least 20 years of service credit.

Active Tier I, Tier A and Tier B members may retire at age 70, regardless of service credit. If you are a deferred-vested Tier I, Tier A or Tier B member, but do not have 10 years of service credit, you may retire when you would have had 10 years of service credit had you remained working, but generally not earlier than age 50 (age 55 for General, Tier B members).

Your retirement benefits do not automatically begin when you become eligible to retire. Contact SDCERA to request a service retirement application before you plan to retire. Complete and submit the necessary forms within 60 days prior to your retirement date.

## **Deferred-nonvested members**

---

Deferred-nonvested members are those who have terminated employment with less than the five years of SDCERA/reciprocal service credit and left their SDCERA contributions on deposit. Only vested members are eligible to receive a monthly retirement benefit. If you resume employment with a reciprocal agency and establish either full or limited reciprocity, the service credit earned in the reciprocal system can be used to help you vest and become eligible for an SDCERA retirement benefit.

# Reciprocal agencies

**California Public Employees' Retirement System (CalPERS)** and all agencies whose employees are members of CalPERS including state agencies, county schools, various cities, counties and special districts—except the University of California Retirement System.

*Note: Approximately 2,000 agencies have employees who are members of CalPERS. New agencies may have contracted with CalPERS for reciprocity since this fact sheet was printed. Contact CalPERS at 1.888.CALPERS to find out if your system offers this benefit.*

**California State Teachers' Retirement System (CalSTRS)**

**Judges' Retirement System (JRS)**

**Judges' Retirement System II (JRS II)**



**California counties that maintain retirement systems under the County Employees Retirement Law of 1937:**

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

*(Continued on reverse)*

# Reciprocal agencies

*(continued)*

**The following independent public agency retirement systems (shown with effective dates):**

**California Administrative Services Authority**  
(7/1/00)

**City of Concord**  
(11/27/70)

**City of Costa Mesa**  
(safety employees only) (4/1/78)

**City of Fresno**  
(miscellaneous and safety systems) (2/18/02)

**City of Oakland**  
(non-safety employees only) (4/1/71)

**City of Pasadena**  
(Fire and Police Retirement System) (5/4/01)

**City of Sacramento**  
(11/4/74)

**City of San Clemente**  
(non-safety employees only) (1/1/85)  
*Note: Reciprocity is available for City of San Clemente safety employees through CalPERS*

**City of San Diego**  
(6/25/92)

**City and County of San Francisco**  
(7/29/88)

**City of San Jose**  
(miscellaneous employees 12/9/94;  
safety 9/30/94)

**Contra Costa Water District**  
(3/2/88)

**County of San Luis Obispo Pension Trust**  
(4/19/84)

**East Bay Municipal Utility District**  
(4/16/84)

**East Bay Regional Park District**  
(safety employees only) (7/1/96)

**Long Beach Schools Business Management Authority** (7/1/98)

**Los Angeles County Metropolitan Transportation Authority**  
(Non-Contract Employees Retirement Income Plan) (5/12/71)

**Los Angeles City Employees' Retirement System**  
(7/14/97)

## This material is available in alternative formats upon request. Please contact 619.515.6800.

This fact sheet provides disclosure of certain terms and conditions of SDCERA membership and benefits available to members. It is designed to give you this information as simply and accurately as possible as of the date of issuance of this fact sheet. SDCERA is governed by the County Employees Retirement Law of 1937 (Government Code Section 31450 et seq.) and by the California Public Employees' Pension Reform Act of 2013 (Government Code Section 7522 et seq.) as they have been adopted and implemented by the San Diego County Board of Supervisors and the SDCERA Board of Retirement. If there is any inconsistency between this fact sheet and the governing law, the law will govern. Decisions relating to the plan will be made after reference to the statutes and any resolutions, regulations and policies governing administration of SDCERA as they exist at the same time of the decisions.

Rev. 1/2017