



# Extra

education for  
active members

November 2008

## SDCERA benefits are secure

Your SDCERA benefit is secure despite the turmoil in U.S. and global financial markets. SDCERA is a defined benefit (DB) plan that by law, guarantees lifetime retirement benefits for its members. See some of the key differences between DB plans and defined contribution (DC) plans below.

<b>Defined Benefit Plan</b> (e.g., SDCERA)	<b>Defined Contribution Plan</b> (e.g., 401(a), 401(k), 457 plans)
Contributions are mandatory if you're eligible for the plan.	Contributions are optional.
Contribution rates are set based on actuarially approved methods to ensure adequate funding for the benefits.	The member determines the amount to contribute.
Benefits are based on a formula. They are not affected by market changes or by how much the member contributed.	The amount received cannot exceed the account balance, and the payments stop when the account is depleted.
Benefits are guaranteed for life for you and your eligible survivor.	The account balance (and therefore the duration of the benefit) is dependent on how much the member contributed and how well the selected investments performed.
The employer assumes the investment risk. Investments are made by professional assets managers and are overseen by the Board of Retirement.	The member assumes the investment risk. Investments are selected by the member.
Withdrawals are prohibited while still working for the County. Withdrawals may be made after terminating; however, a withdrawal forfeits the right to a future benefit.	May allow hardship withdrawals or loans.

When you are eligible to retire, your monthly SDCERA benefit will be determined by a formula that uses your age, service credit and final compensation. With a DB plan, you can plan ahead because you will receive a predictable retirement income for the rest of your life. A DC plan provides you with additional retirement savings to complement your DB plan.

## Quick guide to the retirement process

The busy retirement season is just around the corner. If you are planning to retire in the next few months, follow these steps.

- **Choose a retirement date**  
Your retirement date can be any day of the week and is generally the day after your termination date. Your termination date is your last day in paid status (whether you are working or on leave). For more information about choosing a retirement date, read the July 2007 issue of *News*.
- **Request a retirement application packet**  
About 60 to 90 days before your retirement date, contact the Call Center at 619.515.6800 to request a retirement packet.
- **Understand your retirement benefit options**  
There are five benefit options available, plus the Temporary Supplement to the benefit options. The option you select will determine the amount of your retirement benefit, as well as the type of benefit that will be left to your beneficiary upon your death. You cannot change your benefit option after retirement, so it is important to understand the options and make the best decision for your situation. For more information read the Retirement Benefit page online.
- **Gather your official documents**  
Submit copies of the following with your application:
  1. Your birth certificate
  2. A birth certificate for your spouse, registered domestic partner or other beneficiary who will receive a continuance
  3. Your marriage/registered domestic partnership certificateSDCERA cannot process your application without these documents. You will also need Social Security numbers for your beneficiary(ies) to complete your application.
- **Submit your forms and certificates no more than 60 days before your retirement date**  
Follow all instructions carefully. In particular, your application must have two signatures. If you are married/registered, both you and your spouse/partner must sign. If you are single, you must sign twice. Additionally, your financial institution must complete a section of your direct deposit form.
- **Coordinate your termination and retirement**  
Work with your department payroll representative to coordinate your termination date and, if eligible, the conversion of your sick leave into service credit. Your retirement could be delayed if you do not coordinate your termination with your department.

This newsletter 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 as accurately as possible as of the date of publication. SDCERA is governed by the County Employees Retirement Law of 1937 (Government Code Section 31450 et. seq.) as it has 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 newsletter 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.

## Only SDCERA

SDCERA offers seminars to help you plan for retirement. A Mid-Career Seminar is available for members 5-19 years from retirement and provides an overview of the SDCERA benefit, the County's Deferred Compensation program and financial planning. A Late-Career Seminar is available for members 6-12 months from retirement. This seminar features presentations from Social Security and the County's Employee Benefits and Deferred Compensation offices.

View the seminar schedule online. To enroll, contact the Call Center at 619.515.6800.

## Links in this issue

### July 2007 News

[http://www.sdcer.org/newsletters/newsletter\\_july\\_aug\\_sept\\_2007.pdf](http://www.sdcer.org/newsletters/newsletter_july_aug_sept_2007.pdf)

### Retirement Benefit Options

[http://www.sdcer.org/active\\_retirement\\_benefit.htm](http://www.sdcer.org/active_retirement_benefit.htm)

### SDCERA Seminars

[http://www.sdcer.org/member\\_education.aspx](http://www.sdcer.org/member_education.aspx)

### Contribution Calculator

[http://www.sdcer.org/calculators\\_contribution.htm](http://www.sdcer.org/calculators_contribution.htm)

## SDCERA Definitions

### Cost shar•ing

Members and their employers make contributions to SDCERA to pay for the cost of providing retirement benefits. Members contribute based on membership group (General or Safety) and the age they became an SDCERA member. Employers also contribute a percentage of annual payroll toward retirement benefits. These contributions, along with investment earnings, fund retirement benefits. To calculate your biweekly member contribution, use the Contribution Calculator.

