

SAN DIEGO COUNTY EMPLOYEES RETIREMENT ASSOCIATION
SUPPLEMENTAL BENEFIT ALLOWANCE POLICY

I. PURPOSE

The purpose of this policy is to establish the rules effective July 1, 2007 for providing a Supplemental Benefit Allowance to eligible General and Safety Tier A members.

II. RULES

A. Eligible Member: Retired General or Safety Tier A members are eligible to receive the Supplemental Benefit Allowance (SBA) provided that:

1. This is the member's first SDCERA retirement and she/he has 10 or more years of SDCERA service credit.
 - a) SDCERA service credit includes Tier I, Tier II, Tier A and Safety service credit.

OR

2. The member is re-retiring from SDCERA with 10 or more years of Tier A service credit.
 - a) Eligibility for the SBA is independent of eligibility for the Health Insurance Allowance (HIA).
3. Non-member former spouses (NMFS) are ineligible.
 - a) NMFS are those subject to a Domestic Relations Order (DRO) pursuant to Gov't Code Section 31685.
 - b) SBA eligibility for all other former spouses will be determined in accordance to the terms of the DRO.
4. Prior public agency service credit and reciprocal service credit cannot be used to qualify for the SBA.

B. Eligible Survivor: The survivor of an eligible member (defined in A1 and A2) or the survivor of a deceased active member is eligible to receive the SBA provided that:

1. The survivor is receiving a continuance from an eligible member **AND**
2. The survivor is a spouse, registered domestic partner or eligible minor child.
 - a) Non-spouse annuitants are ineligible.

C. Benefit Amount: The SBA is paid monthly, and the benefit amount is determined based on years of service credit according to the following schedule and restrictions.

<u>Years of Service Credit</u>	<u>Benefit Amount</u>
Less than 10 years	\$0

At least 10, but less than 11 years	\$87.50
At least 11, but less than 12 years	\$96.25
At least 12, but less than 13 years	\$105.00
At least 13, but less than 14 years	\$113.75
At least 14, but less than 15 years	\$122.50
At least 15, but less than 16 years	\$131.25
At least 16, but less than 17 years	\$140.00
At least 17, but less than 18 years	\$148.75
At least 18, but less than 19 years	\$157.50
At least 19, but less than 20 years	\$166.25
20 or more years	\$175.00

Eligible members or survivors receiving a benefit based on a disability retirement or an in-service death benefit are eligible for a benefit amount as follows: \$175.00 monthly for those who are totally disabled from all employment, and \$87.50 monthly for those disabled from their position but capable of other employment (unless their years of service would qualify them for a greater supplement).

2. The SBA is based on the eligible member's earned service credit and is unaffected by splitting their account and service credit unless a domestic relations order explicitly provides for division.
3. Eligible survivors of retirees will receive the same SBA amount the member received prior to death.
4. Eligible survivors of a deceased active member will receive an SBA based on the service credit the member had at the time of death.
5. An eligible member who is also an eligible survivor, will receive two SBAs.
6. An eligible member or an eligible survivor who meets the eligibility rules for both an SBA and an HIA, will receive both the HIA and the SBA.
7. Eligible members who receive a pro-rated retirement benefit (for example, because they were not retired the entire month) will receive a pro-rated SBA.
8. The SBA is not subject to the cost of living adjustment.
9. The SBA is not a vested benefit. The Board of Retirement may cancel, reduce or amend the SBA at anytime.

D. SBA Taxability: The SBA is a taxable benefit, regardless of retirement type. The SBA will be taxed based on the withholding election on file and the dollars will show as taxable on the 1099-R.

REVIEW

This policy shall be reviewed by the Board at least every three (3) years and may be amended at any time.

HISTORY

November 1, 2007	Adopted
June 5, 2014	Revised, effective immediately. Benefit amount revisions became effective July 1, 2013.