SAN JOAQUIN COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION

RETIREMENT BENEFIT OPTIONS

To request this material in an alternate format, call 209.468.2163.

When you go to retire you will elect a retirement benefit option and name a beneficiary. These choices affect the amount of your monthly retirement benefit as well as the benefit payable to your survivor upon your death. After you retire, you cannot change your benefit option selection or the beneficiary named to receive a survivor's continuance, even if your beneficiary dies or the relationship changes.

UNMODIFIED OPTION

NO REDUCTION/ 60% CONTINUANCE

The Unmodified Option provides the maximum monthly benefit during your lifetime and, upon your death, your eligible surviving spouse or registered domestic partner (RDP) will receive a lifetime monthly continuance benefit equal to 60 percent of your benefit. To be eligible for the continuance, you and your spouse/partner must be married/registered for at least one year prior to your retirement date.

If there is no surviving spouse/ partner, the 60 percent continuance is paid to any unmarried children until they reach the age of 18, or 22 if they are enrolled as a full-time student in an accredited school. If there is no eligible surviving spouse/partner or minor children, your designated beneficiary will receive a one-time, lump-sum payment of your remaining member contributions plus interest.

If your retirement benefit is based on a service-connected disability, read the Disability Retirement Benefit fact sheet for special Unmodified Option rules that apply to you.

OPTION 1

BENEFICIARY LUMP SUM/ NO MONTHLY CONTINUANCE

Option 1 provides you a monthly retirement benefit that is slightly less than the Unmodified Option. Upon your death, your remaining member contributions and interest (if any) will be paid to your beneficiary in a lump sum. Option 1 does not provide a continuing monthly benefit to your beneficiary. Instead, your accumulated contribution balance declines more slowly than under the Unmodified Option, which increases the likelihood that there will be a remaining balance to pay to your beneficiary. With Option 1, you may name a new beneficiary at any time.

OPTION 2

100% JOINT AND SURVIVOR

Option 2 reduces your monthly retirement benefit and, upon your death, 100 percent of your reduced monthly benefit will be paid monthly to your beneficiary for their lifetime. The amount of your benefit reduction is based on the age difference between you and your beneficiary. Option 2 provides the largest benefit to your survivor, so your benefit is reduced more than under other options. If your beneficiary dies before you, your retirement benefit remains reduced and you cannot name a different beneficiary.

If your beneficiary is more than 10 years younger than you and is not your spouse, the Internal Revenue Code requires further reductions to your beneficiary's continuance.

OPTION 3

50% JOINT AND SURVIVOR

Option 3 reduces your monthly retirement benefit and, upon your death, 50 percent of your reduced monthly benefit will be paid monthly to your beneficiary for their lifetime. The amount of your benefit reduction is based on the age difference between you and your beneficiary. If your beneficiary dies before you, your retirement benefit remains reduced and you cannot name a different beneficiary.

OPTION 4

MULTIPLE BENEFICIARIES/ CUSTOM PERCENTAGES

Option 4 allows you to select a customized percentage (up to 100 percent) for the continuance or to provide monthly continuance benefits to multiple beneficiaries, such as when both a former and current spouse are eligible for a portion of your benefit. Your benefit is reduced based on the age difference between you and your beneficiary(ies). If your beneficiary(ies) dies before you, your retirement benefit remains reduced and you cannot name another beneficiary. Option 4 benefits must be individually calculated by SJCERA's actuary.

BENEFIT OPTION EXAMPLES

Robin is a General, Tier 1 member who plans to retire at age 62 with 20 years of service credit. Robin's Final Average Compensation is $6,500 per month.

2.611% (AGE FACTOR) x **20** (YEARS OF SERVICE CREDIT) x **$6,500** (FINAL AVERAGE COMPENSATION) = **$3,394.30**[1] (UNMODIFIED ALLOWANCE)

52.22%

OPTION	MEMBER'S MONTHLY BENEFIT	BENEFICIARY'S MONTHLY CONTINUANCE	BENEFICIARY REQUIREMENTS
Unmodified	$3,333.80	$2,000.28[2]	Spouse, RDP or minor children[3]
Option 1	$3,326.27	$0.00[4]	Person with insurable interest
Option 2	$2,529.35	$2,529.35	Person with insurable interest
Option 3	$2,876.40	$1,438.20	Person with insurable interest

[1] Benefits of Tier 1 members who participate in Social Security are reduced slightly because they pay reduced SJCERA contributions on a portion of their earnings.

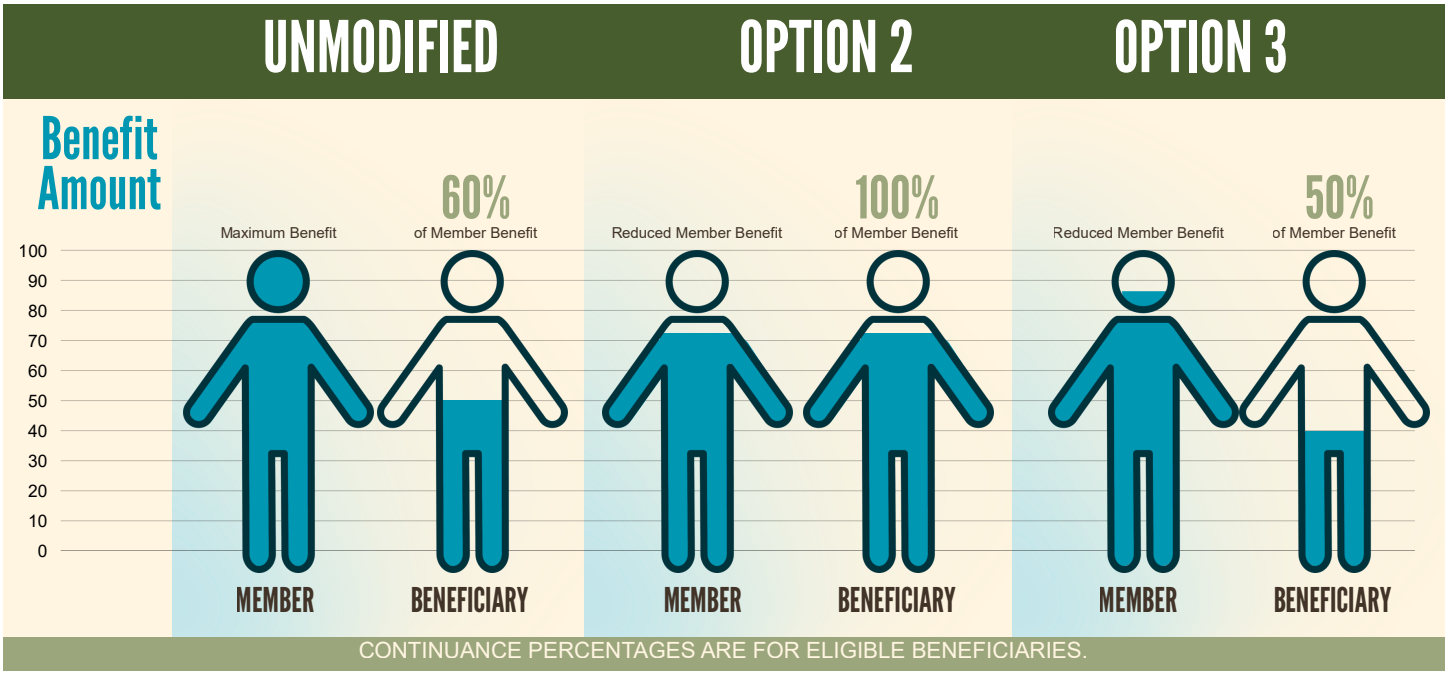
[2] If no beneficiary is eligible for the monthly benefit, the named beneficiary receives lump-sum payment of remaining contributions and interest, if any.

[3] See Unmodified Option on page 1 for additional beneficiary requiremets.

[4] No monthly benefit provided. Beneficiary receives lump-sum payment of remaining contributions and interest, if any.

INSURABLE INTEREST REQUIRED FOR OPTIONS 1-4 BENEFICIARIES

If you elect Option 1, 2, 3 or 4, your beneficiary must have an insurable interest in your life. Generally, a person with insurable interest is related by blood or law, or is someone who benefits financially from your continued life and would suffer financial loss as a result of your death or disability. Under California law, a retiree's spouse/registered domestic partner (RDP) may have rights over any other designated beneficiary.



SOCIAL SECURITY ADVANCEMENT OPTION (SSAO)

In addition to selecting one of the five benefit options (Unmodified and Options 1 through 4), you will also decide whether to select the Social Security Advancement Option (SSAO). The SSAO is an optional, temporary benefit for qualifying members providing additional monthly income until age 62. The SSAO temporarily increases your SJCERA retirement benefit by a percentage of your estimated Age-62 Social Security benefit. The additional monthly income provided by the SSAO ends at age 62, and your monthly SJCERA benefit is permanently reduced by the full amount of your estimated Age-62 Social Security benefit. If you begin receiving your Social Security Benefit at age 62, it should help offset the reduction to your SJCERA benefit. (To apply to begin your Social Security benefit, visit www.ssa.gov)

While the SSAO temporarily increases (and then permanently reduces) your SJCERA benefit, it has no impact on your Social Security benefit. If you decide to wait until after age 62 to begin your Social Security benefit, your SJCERA benefit will still decrease at age 62 by the full estimated Age-62 benefit amount. The adjustments to your benefit are based on the Social Security estimate you provide, even if your actual Social Security benefit is different. If your survivor is eligible for a continuance, their continuance benefit will be based on your original SJCERA retirement benefit option amount before it was adjusted for the SSAO increase or decrease.

ELIGIBILITY FOR THE SSAO

You may elect the SSAO if you are:

- Under age 62 at retirement from SJCERA
- "Fully insured" under Social Security, which generally means you have 40 work credits, or 10 years of work covered by Social Security. Visit www.ssa.gov or call 1.800.SSA.1213 to learn whether you are fully insured in that system.
- Have not been granted a SJCERA disability retirement benefit.

HOW TO REQUEST THE SSAO

- Ask the Social Security Administration to generate a personalized Age-62 Social Security benefit estimate based on the date you plan to stop working. (The annual estimate you receive from the Social Security Administration assumes you will work until age 62, which will be inaccurate for this purpose.)
- Submit your age-62 Social Security estimate to SJCERA with your request for a SJCERA retirement application.
- Select the SSAO on your retirement application.

This fact sheet is intended to provide you with information as simply and accurately as possible. If a conflict arises between the applicable law and any statement in this fact sheet, the law will govern.