At the January meeting, SDCERS’ Board of Administration took another important step toward pension stability by voting to set minimum annual pension payments of the Unfunded Actuarial Liability (UAL) for the City of San Diego and the Port of San Diego.

This minimum payment is also referred to as a “floor,” meaning even if the required annual payment is less than the “floor,” that minimum amount must be paid each year. The UAL floor payment for the City was set at $275.5 million and $13.3 million for the Port. This is based on the June 30, 2018 actuarial valuations which set the payment amount for the fiscal 2020 payment to the retirement system. The new policy increases benefit security and helps the pension fund reach full funding by 2037, several years earlier than anticipated.

The Board also voted to prospectively limit the long-term impacts of changes to the assumed rate of return (discount rate), retirement rates, and life expectancy assumptions, to a 20-year period from the previous 30-year period.

A video of the Board discussion and vote is available at www.sdcers.org or SDCERS’ YouTube Channel.

SDCERS’ Board Election

SDCERS Board of Administration members serve four-year terms, and this year, elections were needed for the Active Safety Police Member seat and the Retired Member seat.

The nomination period ended Wednesday, January 30, with each seat having only one eligible nomination. Therefore, with no need to vote, the nominees win by declaration!

Charles Hogquist, our current Retired Member, will begin a new four-year term, and Louis Maggi will begin his first term as the Active Safety Police Member.

We recognize and thank Thomas Sullivan for having served two four-year terms as the Active Safety Police Member, and we wish him well in his retirement.
Revisions to DROP Extension for Firefighters

SDCERS’ Board of Administration adopted a new rule that gives City of San Diego firefighters who are represented by San Diego City Firefighters IAFF Local 145 the option to extend their DROP period beyond five years using their unused annual leave. Board rule 6.50, Election to Extend DROP Period, allows Local 145 members in DROP to be eligible to extend their five-year DROP participation period under Municipal Code section 24.1402(b)(8).

Members must file a written election with SDCERS setting their decision to extend their DROP participation period. This written election must be filed with SDCERS at least 60 days, but not more than 90 days, before the five-year DROP period ends, and must state the date through which the DROP period is extended. If the written election is not received by SDCERS, the member’s participation in DROP will terminate on the last day of the designated five-year DROP period.

Know Your Retirement Benefit Payment Options

When you are ready to retire, it’s important to know your benefit payment options. Benefit payment options determine two things: 1. How much of your retirement benefit you will receive each month and 2. Upon your death, how much (if any) your spouse or beneficiary will receive as a continuance.

- **Maximum Benefit** is the standard retirement benefit from SDCERS. It provides the highest possible monthly allowance to you for your lifetime and guarantees your spouse or domestic partner a 50% automatic continuance after you die for the rest of his or her life.

- **Option 1** - reduced monthly allowance. If you pass away before you receive the total amount of your accumulated contributions, SDCERS will pay the balance to your beneficiary or estate.

- **Option 2** - reduced monthly allowance. When you pass away, your beneficiary will receive a retirement allowance equal to 50% of your reduced monthly benefit, based on age difference, for life.

- **Option 3** - reduced monthly allowance. When you pass away, your beneficiary will receive a continuance equal to 100% of your reduced monthly retirement allowance for life.

- **Option 4** - reduced monthly allowance. When you pass away, your beneficiary will receive a percentage of your reduced monthly benefit in an amount selected by you, but based on age difference, for life.

Those eligible to retire are encouraged to register for a Member Portal account at www.sdcers.org. Once registered, members can access an online application and should submit prior to meeting with a retirement counselor at SDCERS.

2019 Retiree Health Open Enrollment

This year’s City Retiree Health Open Enrollment is scheduled from Monday, June 3 to Friday, June 28, 2019. City retirees will be mailed their informational booklet prior to the start of the Open Enrollment period.

The City Retiree Health Open Enrollment Kickoff event is scheduled for Friday, May 24 at the Balboa Park Club Ballroom. At this event, members will see presentations of the health plans offered and will have the opportunity to speak with the health care providers. At the Health Help Day on Friday, June 14, members will receive help completing enrollment forms and will again have the opportunity to speak with health care providers.

All City retirees will receive additional information about all Health Open Enrollment events in the mail and posted at www.sdcers.org.

SDCERS Privacy Tips

Members of SDCERS can be assured that every effort is being taken to protect your personal information. This may take a little extra effort and time when you call into the SDCERS Call Center, but it is for a good cause... you! Asking extra security questions when you call SDCERS’ Call Center, additional questions when you log in online to the Member Portal, on going training for staff on privacy and security, as well as heightened vigilance, all help ensure that your information is correct and secure. Thank you for helping SDCERS protect you and your information!