

APPENDIX C – SUMMARY OF PLAN PROVISIONS

11. Post-Retirement Cost-of-Living Benefit

General and Safety Members:

Based on changes in Consumer Price Index, to a maximum of 2% per year (§1301).

12. COL Annuity

Actuarial equivalent of accumulated contributions in cost-of-living annuity account at time of retirement (§0300).

13. Member Contributions

Vary by age at time of entrance into SDCERS (§0200). While a significant portion of these contributions may be “offset,” such offsets are not directly reflected in either the employee contributions or related refund calculations. Rates include cost of providing spouse’s continuance, cost of providing COL Annuity, and cost of funding final one-year average in lieu of final three-year average (§0102, 0200, 0201).

For members hired prior to January 1, 2013, the current contribution rates have been in place since at least the 2004 valuation. Miscellaneous Plan Members hired prior to January 1, 2013 do not make contributions.

Prior to the June 30, 2017 valuation, the employee contribution rates for Safety New Members under the California Public Employees’ Pension Reform Act (PEPRA) were determined based on 50/50 cost-sharing of the total normal cost rate (including the COL Annuity) at each entry age, rounded to the nearest quarter of 1%. A recalculation was required for the June 30, 2017 valuation since the aggregate normal cost rate had changed by more than 1% of payroll since the time the employee contribution rates were first established. In addition, based on SDCERS’ revised legal interpretation, effective with the June 30, 2017 valuation the rates include the full expected cost of the Cost-of Living (COL) Annuity, which results in New Members paying more than half of the total normal cost rate. The COL Annuity contribution rate is equal to 20% of the sum of other employee contributions, in accordance with the plan document. The assumptions used to calculate the employee contribution rates were the same as in the June 30, 2017 valuation, except that mortality tables for Safety Members were blended 90/10 between male and female rates, and mortality table for beneficiaries of Safety Members were blended 10/90 between male and female rates.

For Miscellaneous Members hired on or after January 1, 2013, contribution rates are required starting January 1, 2018 since service accrual and employee contributions begin with the sixth year of employment. The treatment of the COL Annuity is the same as described above for Safety New Members. The actuarial assumptions were the same as those used for the General Plan, except the retirement rates for Members who are younger than 62 and have less than 20 years of service are equal to one-half of the General Plan post-62 retirement rate with the same number of years of service. In addition, the mortality rates were blended 50/50 between male and female rates for both members and beneficiaries. Finally, like the Safety PEPRA rates, the

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ACTUARIAL VALUATION AS OF JUNE 30, 2017**

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Miscellaneous PEPPA rates will be subject to recalculation if the aggregate normal cost rate changes by more than 1%.

Table C-5 SDCERS - Unified Port District Employee Contribution Rates								
Entry Age	Hired Before January 1, 2013					Hired On or After January 1, 2013		
	General		Safety		Safety	Miscellaneous		
	Integrated Members		Integrated Members			Integrated Members	Non-Integrated	All
	First \$400/Mo.	Over \$400/Mo.	First \$400/Mo.	Over \$400/Mo.	First \$400/Mo.	Over \$400/Mo.		
20	5.52%	8.28%	7.75%	11.63%	7.00%	10.50%		5.00%
21	5.59	8.38	7.86	11.79	7.25	10.75		5.00
22	5.66	8.49	7.95	11.93	7.50	11.25		5.25
23	5.73	8.60	8.06	12.09	7.75	11.50		5.50
24	5.80	8.70	8.16	12.24	8.00	12.00		5.50
25	5.89	8.83	8.27	12.41	8.25	12.25		5.75
26	5.97	8.95	8.37	12.56	8.50	12.75		5.75
27	6.04	9.06	8.49	12.73	8.75	13.25		6.00
28	6.12	9.18	8.59	12.89	9.00	13.50		6.00
29	6.20	9.30	8.71	13.06	9.25	14.00		6.25
30	6.28	9.42	8.81	13.22	9.50	14.50		6.25
31	6.37	9.55	8.93	13.39	10.00	14.75		6.50
32	6.45	9.67	9.03	13.55	10.25	15.25		6.50
33	6.53	9.79	9.15	13.72	10.50	15.75		6.50
34	6.61	9.91	9.27	13.90	10.75	16.25		6.75
35	6.70	10.05	9.39	14.08	11.00	16.75		6.75
36	6.79	10.18	9.50	14.25	11.50	17.00		6.75
37	6.88	10.32	9.62	14.43	11.75	17.50		6.75
38	6.97	10.45	9.75	14.62	12.00	18.00		6.75
39	7.05	10.58	9.87	14.80	12.25	18.50		7.00
40	7.15	10.72	9.99	14.99	12.75	19.00		7.00
41	7.24	10.86	10.12	15.18	13.00	19.50		7.00
42	7.33	10.99	10.24	15.36	13.50	20.25		7.00
43	7.42	11.13	10.37	15.56	13.75	20.75		7.00
44	7.52	11.28	10.51	15.76	14.00	21.25		7.00
45	7.61	11.42	10.63	15.94	14.25	21.50		6.75
46	7.71	11.56	10.77	16.15	14.50	21.75		6.75
47	7.81	11.71	10.90	16.35	14.50	21.75		6.75
48	7.91	11.86	11.03	16.54	14.50	21.75		6.75
49	8.01	12.01	11.16	16.74	14.25	21.50		6.50
50	8.10	12.15						6.50
51	8.21	12.32						6.50
52	8.31	12.47						6.25
53	8.42	12.63						6.25
54	8.53	12.79						6.25
55	8.63	12.95						6.00
56	8.74	13.11						6.00
57	8.87	13.31						6.00