

# Tier 6 Plan Summary



832 12th Street, Suite 600 | Modesto, CA 95354 (209) 525-6393 | [retirement@stancera.org](mailto:retirement@stancera.org)

## Table of Contents

Contributions .....	2
Membership Classifications .....	2
Effective Dates .....	2
Reciprocity .....	3
Vesting .....	3
Service Credit .....	3
Excess Sick .....	3
Leaving StanCERA Employment .....	3
Retirement Eligibility .....	4
Service Retirement Benefit .....	4
Disability Retirement Benefit .....	4
Service-Connected Disability Retirement .....	4
Non-Service Connected Retirement .....	5
Cost of Living Adjustment (COLA) .....	5
Survivor Benefits .....	5
Active Members .....	5
Retired Members .....	5
Community Property .....	5

Stanislaus County Employees' Retirement Association (StanCERA) is an independent association established by the County Employees' Retirement Law of 1937 (CERL). StanCERA provides retirement and associated benefits for eligible employees for Stanislaus County, City of Ceres, Stanislaus Superior Courts, and other participating public employers. StanCERA's responsibilities include collecting retirement contributions, depositing and investing earnings, and managing the retirement fund with direction from the Board of Retirement.

Membership with StanCERA is mandatory for all eligible employees beginning with the first day of employment.

## Contributions

StanCERA will provide member statements on a semi-annual basis, January and July. Member statements will contain information regarding contributions, refundable interest, and general account information.

---

*Once vesting and eligibility requirements are met – you are eligible to receive a lifetime retirement benefit.*

---

## Membership Classifications

StanCERA has two membership classifications: general and safety. A safety member is any person whose principal duties consist of active law enforcement or active fire suppression according to the CERL.

## Effective Dates

Tier 6 became effective on January 1, 2013. All new StanCERA employees are placed into Tier 6.

If you have previous public employment service, you may be eligible for membership in another retirement Tier. Contact a Member and Employer Services Specialist for information.

## Reciprocity

Reciprocity is an agreement between most California public retirement systems. This agreement allows members to move from one public employer to another, within a specific timeframe, and retain certain benefit rights. It is important to note that not all retirement systems have reciprocity agreements in place. Additional information may be obtained by visiting StanCERA's website or contacting a Member and Employer Services Specialist.

## Vesting

A member becomes vested once five years (10,400 hours) of StanCERA retirement service credit has been reached. A vested member becomes eligible for a lifetime retirement benefit once all other eligibility requirements are met.

## Service Credit

Service credit is the amount of time a member has participated in the retirement plan. One year of StanCERA service credit is equal to 2,080 service hours. Service credit is one of the factors used to determine benefits payable.

To earn a full year of service credit, StanCERA members must work 2,080 hours in a one (1) 12-month consecutive period. One (1) year of service credit shall reflect the regular, full-time hours worked in a year. Service credit cannot exceed one (1) year in any 12-month consecutive period. Overtime hours and part-time/extra-help positions are excluded from service credit.

## Excess Sick

A member may be eligible to cash out a percentage of used sick leave depending on the employer and/or Memorandum of Understanding (MOU). Excess sick leave may be converted to service credit which may add to total years of service. Contact a Member and Employer Services Specialist for specific details.

## Leaving StanCERA Employment

Any member leaving StanCERA employment may choose to leave their contributions on deposit which will accrue interest. A member who is vested upon termination has the option of applying for retirement on a future date.

Alternatively, a refund of member contributions and refundable interest may be requested upon termination (employer contributions are not refundable).

## Retirement Eligibility

- General Members:
  - Age 52 with 5 Years of Service; or
  - Age 70 Regardless of Service
- Safety Member:
  - Age 50 with 5 Years of Service; or
  - Age 70 Regardless of Service

## Service Retirement Benefit

The StanCERA retirement benefit formula uses the age at retirement, total service credit, and final average monthly compensation in a consecutive 36-month period (three years). Benefits increase up to age 67 for General Members and up to age 57 for Safety Members.

The Tier 6 benefit formula, per year of service credit, is approximately:

- General: 2% at age 62
- Safety: 2.7% at age 57

The maximum benefit available for all members is 100% of the highest final average compensation received. Visit [www.stancera.org](http://www.stancera.org) and utilize the Retirement Calculator to determine a retirement benefit estimate.

## Disability Retirement Benefit

Should a member become permanently incapacitated due to an illness, injury, or disease, and is unable to perform the duties of their job, the member may be eligible to apply for a disability retirement benefit. StanCERA offers two type of disability retirement benefits: service-connected and non-service connected. There is no minimum age requirement that must be met for either type of disability retirement.

### Service-Connected Disability Retirement

A service-connected disability retirement relates to a permanent incapacity caused in the course of employment. The benefit formula for a service-connected disability retirement is 50% of a

member's final average monthly compensation and there is no minimum service credit requirement.

#### Non-Service Connected Disability Retirement

A non-service connected disability relates to a permanent incapacity not caused in the course of employment. The benefit formula for a non-service-connected disability retirement is up to 1/3 of your final average monthly compensation per year of service credit. To be eligible for this benefit, a member must have at least five year of service credit.

## Cost of Living Adjustment (COLA)

Eligible retired members and survivors, who are receiving a monthly benefit, are eligible for an annual cost of living adjustment (COLA). The COLA is based on the change in the Consumer Price Index for the San Francisco Bay Area. While not guaranteed, increases may be up to 3% annually.

## Survivor Benefits

#### Active Members

Should an active member die, eligible survivor benefits may be available. These benefits may include a lump-sum payment and/or a monthly survivor benefit to an eligible beneficiary(ies).

#### Retired Members

Should a retired member die, benefits paid to an eligible survivor is a percentage based on the retirement benefit option chosen at the time of retirement. The employer paid survivor benefit is 60% however, survivor benefits vary from 50% to 100% and are paid for by taking a slightly reduced benefit, depending on the specific circumstances.

Contact a StanCERA Member and Employer Services Specialist for further details.

## Community Property

StanCERA benefits are considered community property. Any member who is married or in a registered domestic partnership should be aware that StanCERA and California law requires that StanCERA must be notified and joined in any pending dissolution of marriage/registered domestic partnership before any benefits are paid.

For information regarding legal separation or divorce and how it may affect your StanCERA benefits visit [www.stancera.org](http://www.stancera.org).

i

<sup>1</sup>This document provides disclosure information of StanCERA membership and information available to its members. This document is designed to provide information only and is accurate as of the date of publication. StanCERA is governed by the County Employees' Retirement Law of 1937 (Government Code Section 31450 et. seq. and Sections 7522 – 7522.74) and has been adopted by the Stanislaus County Board of Supervisors and the StanCERA Board of Retirement. Any inconsistencies found between this document and the governing law, the governing law will prevail. Decisions relating to StanCERA will be made after reference to the statutes and any resolutions, regulations, and policies governing administration of StanCERA as they exist at the same time of the decisions.



[www.stancera.org](http://www.stancera.org)