

retirement benefit payment options

At retirement, the benefit amounts under each option will be presented to you so that you can select the option that best meets your needs and objectives with respect to your lifetime allowance as well as your beneficiary.

unmodified

To Retiree: The maximum allowance provided to the retiree for their lifetime.

To Beneficiary: Upon the retiree's death, if the beneficiary is a qualified dependent, they will receive a lifetime monthly allowance equal to 60% of the retiree's allowance at the time of their death.

option 1

To Retiree: Slightly lower allowance than under the Unmodified option, payable for the retiree's lifetime.

To Beneficiary: Upon the retiree's death, the named beneficiary receives a one time, lump sum payment of accumulated employee contributions and interest minus the monthly annuity portion of benefits already paid.

option 2

To Retiree: Lower allowance than under the Unmodified option for the retiree's lifetime with the amount of reduction based upon the named beneficiary's age at the time of the member's retirement.

To Beneficiary: Upon the retiree's death, the named beneficiary will receive a lifetime monthly allowance of 100% of the retiree's allowance at the time of their death.

option 3

To Retiree: Lower allowance than under the Unmodified option for the retiree's lifetime with the amount of reduction based upon the named beneficiary's age at the time of the member's retirement. The reduction is smaller than under Option 2 because the continuance to the beneficiary is less.

To Beneficiary: Upon the retiree's death, the named beneficiary will receive a lifetime monthly allowance of 50% of the retiree's allowance at the time of their death.

option 4

To Retiree: Lower allowance than under the Unmodified option for the retiree's lifetime with the amount of reduction based upon the named beneficiary's age at the time of the member's retirement.

To Beneficiary: Upon the retiree's death, the named beneficiary (or beneficiaries) will receive the dollar amount or percentage of allowance specified by the retiree at the time they retired.

disability retirement

MCERA members who have an illness or injury that permanently incapacitates them from performing the essential functions of their job may be eligible to apply for disability retirement. The Retirement Board will determine whether you are permanently disabled from performing the essential functions of your position.

Call our office for more detailed information about the disability retirement process.

important note

The information contained in this brochure is not intended to be all-inclusive. The information is general in nature and written to be as understandable as possible while remaining accurate. MCERA is governed by the County Employees' Retirement Law of 1937 (37 Act) and MCERA's bylaws. If any conflicts arise between the information presented and the 37 Act or MCERA's bylaws, the law will supercede.

contact MCERA

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SERVICE RETIREMENT

a brief guide for MCERA members

January 2010

mcera's internal process

- 1** Upon receipt, your service retirement application is reviewed to ensure that all forms are filled in completely, all documents are signed, and all supporting documentation is received.
- 2** You will be sent a letter notifying you that either, a) your application is complete and staff will continue the retirement process, or b) more information or supporting documentation is required before staff can proceed further.
- 3** Cursory reviews of your file and retirement application are conducted to confirm eligibility to retire and to identify and/or highlight key issues within your file prior to its assignment to a Benefits Calculator.
- 4** MCERA will request information from your employer, including sick leave credit, last date worked, hours worked during your final pay period, and historical leave without pay records.
- 5** The Benefits Calculator will begin by conducting a series of audits on your hard copy file, our database files, and your payroll files. Once all information sources have been reconciled, periods of less-than-full-time employment will be subtracted from your service time. Since we need your last active pay register to complete your file, final calculations generally are not available until after your retirement date.
- 6** Your retirement contract will be created and you will be able to review the final calculation results for all of the available retirement options prior to making your decision. You have the option to sign your contract at a one-on-one appointment or have the contract mailed to you.
- 7** Upon receipt of your signed contract, your retiree account will be created. Your first check will be issued retroactively after your retirement date and will include payment as of your first day of retirement. Retiree payments are generally issued the last business day of the month, paid in arrears.

service retirement from mcera

When can I retire?

You can retire when you are 50 years old and have at least 10 years of credited service, including reciprocal service, unless you are a miscellaneous County employee whose date of membership in the Retirement Association is on or after July 1, 2008, or if you are a Court employee whose membership in the Retirement Association is on or after January 1, 2009. For those individuals you must be at least age 55 with 10 years of credited service.

Safety members may retire after 20 years of credited service regardless of age. Miscellaneous members credited with 30 years may retire regardless of age. Any member who has reached age 70 may retire regardless of service time.

When can I submit my retirement application?

Retirement applications may be submitted no earlier than 60 days before your planned retirement date, and no later than 1 day before your planned retirement date. Your retirement date must be the date following your last day of active employment.

I have questions about my individual situation. Should I schedule a one-on-one appointment?

Most questions pertaining to a member's specific situation require some level of advance research. We recommend submitting your question by phone, email, or walk-in. After a thorough review of your file, you will be contacted by our staff. If you would like to discuss the issue further with a benefits specialist, we will gladly schedule a one-on-one appointment.

Do I need to tell my employer that I'm retiring?

Yes. Submission of your retirement application to MCERA is not sufficient for employment separation. You must notify your employer of your termination date.

How is my retirement allowance calculated?

Your retirement is determined by three factors: final compensation, age and length of service. An increase in any one of these components will increase your retirement allowance.

What happens if I will be divorced prior to my retirement date?

If you were married while a member of MCERA and divorce or dissolve your domestic partnership either before or after retirement, you must inform us immediately. Because your retirement benefit is a community property asset, payment of your allowance may be delayed until you supply us with a court-filed property settlement which addresses how your retirement account should be treated.

Can I change my benefit option selection if I later change my mind?

Generally, your selection is irrevocable.

What does "qualified dependent" mean when discussing the Unmodified payout option?

A qualified dependent is a spouse or State-registered domestic partner to whom you have been married or partnered at least 1 year prior to retirement, or dependent children under the age of 18 (or 22 if a full time student in an accredited institution) at the time of your death.

How often will I be paid my retirement benefit?

Retiree payments are generally issued on the last business day of the month.

Can I withdraw my contributions rather than take a monthly allowance?

If you have met eligibility requirements for service retirement, provided you do not withdraw your contributions, you may be eligible for additional benefits, including retiree health insurance, in connection with your retirement.

If you proceed with this lump sum refund, you will forfeit all rights to any benefits provided by this association. You will be withdrawing your retirement service credit as well as your retirement contributions, and you will no longer be eligible for a monthly retirement benefit (or health insurance, if applicable) from this system.

How long does the service retirement process take?

Several factors may affect the length of the service retirement process:

- Court-filed dissolution of marriage documents and property settlement documentation must be reviewed by MCERA counsel before staff can proceed with calculations.
- Pay registers for a member's entire career must be reviewed manually to identify periods of less-than-full-time employment and any leave without pay.
- The member's employer must verify information, such as date of termination and sick leave credit, before calculations can be finalized.
- Calculations cannot be finalized until the member terminates employment and their final pay register is available. Some agencies do not report the final pay register until two weeks after the final active pay-check has been received by the member.
- In order for the member's first check to be issued in a particular month, their signed retirement contract must be received by MCERA prior to the 20th of that month. If circumstances prevent the member's file from being finalized prior to the 20th of that month, the first check will be issued in the following month's payroll.

standard documents needed

- Certified copy of your birth certificate or other acceptable form of identification.
- Certified copy of your government-issued marriage license or state-registered domestic partnership certificate (if applicable).
- Certified copy of your beneficiary's birth certificate or other acceptable form of identification (if applicable).
- Completed tax withholding forms.
- Health insurance forms (if applicable).

Other documents may also be required depending upon your personal situation.