

## **RETIREMENT APPLICATION INSTRUCTIONS**

Knowing when and how to retire can be a difficult and stressful decision. There are many factors to consider and not only does it affect the retiree, something this important may also affect a retiree's family. **Educating yourself and beginning the process early (one year in advance of your projected retirement date) are key to a smooth and successful retirement application process.** There are a number of resources available, which you should take full advantage of in order to become knowledgeable and well prepared for this important life event. Those resources are:

- CalPERS web site [www.calpers.ca.gov](http://www.calpers.ca.gov), available 24 hours a day, seven days per week;
- CalPERS staff via phone (888-225-7377), Monday thru Friday, 8:00 a.m. to 5:00 p.m.;
- CalPERS staff at one of their regional offices located throughout California, Monday thru Friday, 8:00 a.m. to 5:00 p.m. (best to schedule an appointment in advance by calling 888-225-7377);
- CalPERS Retirement Planning Fairs (schedules available via the CalPERS web site, [Deciding Which Class to Take](#), or call CalPERS directly at 888-225-7377);
- "Planning Your Retirement" classes offered by the City are presented by a CalPERS representative. As classes are scheduled, information is available on the intranet (best to attend more than one, there is a lot of information to learn and understand).

### **Retirement from the City of Long Beach is governed by:**

- California Public Employees' Retirement Law (PERL);  
[http://www.lexisnexis.com/clients/caagencylaw/CalPERS\\_2013.pdf](http://www.lexisnexis.com/clients/caagencylaw/CalPERS_2013.pdf)
- Long Beach City Charter, Article XXI., Section 2100, Section 2101;  
<http://library.municode.com/index.aspx?clientId=16854>
- Long Beach Municipal Code, Title 3, Chapter 3.28, Sections 3.28.010, 3.28.020, 3.28.030;  
<http://library.municode.com/index.aspx?clientId=16115>
- Employee Organization/Union Memorandums of Understanding (MOU's);  
[Long Beach - Intranet - Labor Relations](#)
- Civil Service Rules and Regulations;  
[http://clbnet/cs/rules\\_n\\_regulations/default.asp](http://clbnet/cs/rules_n_regulations/default.asp)
- Or any other employee relations documents, which have been officially adopted by the City Council.

### **The following pages contain:**

- Retirement Application Process "FREQUENTLY ASKED QUESTIONS";
- A "RETIREMENT APPLICATION PROCESS CHECKLIST". Use the checklist along with the resources mentioned above to complete and process your application for retirement.

## **RETIREMENT APPLICATION PROCESS** **FREQUENTLY ASKED QUESTIONS**

**Q: When is the earliest I can retire?**

**A: 1) Service Retirement**

- **Miscellaneous:** the minimum age of retirement is 50 with at least 5 years of CalPERS-credited service. If you became a member of CalPERS on or after January 1, 2013, the minimum age is 52.
- **Safety:** the minimum age of retirement is 50 with at least 5 years of CalPERS-credited service. If you became a member of CalPERS on or after January 1, 2013, the minimum age remains 50.

**2) Disability Retirement** – No minimum age but must have a minimum of 5 years of CalPERS-credited service.

**3) Industrial Disability Retirement (Safety only)** – There is no minimum age or service time requirement.

**NOTE – For those who are facing a terminal illness, CalPERS can expedite the retirement process. Contact CalPERS at (888) 225-7377 immediately to discuss an emergency retirement.**

**Q: When is the best time to retire?**

**A:** It depends on your personal situation; however, there are some factors you should consider:

- Your age at retirement – the benefit factor (percentage) used to calculate your retirement allowance is based on your age at retirement. From minimum retirement age, the benefit factor increases each completed quarter, i.e. if your birthday is March 6 your benefit factor increases every June 6, September 6, December 6 and March 6 until you reach the maximum age of your retirement formula.
- Service Credit earned – service credit is earned on a fiscal year basis (July 1 – June 30); 10 1/2 months full-time equals one year of service credit (based on 26 City pay periods); part time employee – 1,720 hours equals one year of service credit.
- Insurance – as long as you are on a paid status one day of the month, working or taking paid leave, your insurance is in effect for that entire month.
- Survivor continuance benefit payable to your spouse or domestic partner – you must be married or in a registered domestic partnership for at least 1 year prior to your retirement date for the Survivor Continuance benefit to be payable to your spouse or domestic partner. This requirement is waived for disability retirement. (Refer to page 3, “*What is Survivor Continuance?*”)

**NOTE: A survivor is a person defined by law who is eligible to receive a survivor’s continuance benefit after the member’s death in retirement. You have no control over this benefit as the law determines who, if anyone, is eligible.**

**Q: How is my final compensation determined?**

**A:** Final compensation is determined by the highest average full-time monthly pay rate and special compensation for a 1-year period (or a 3-year period, if hired on or after January 1, 2013), based on membership date, bargaining unit, or employer contract provisions.

**Q: What is special compensation?**

**A:** Special compensation is additional income you may receive which is reported separately from your base pay, such as uniform allowance, bilingual pay, shooting pay or longevity pay.

**Q: What is my benefit factor?**

**A:** Your benefit factor is the percentage of pay to which you are entitled for each year of service. It is determined by your age at retirement and the retirement benefit formula your employer(s) has contracted for you. Your retirement formula can be found in your CalPERS Annual Member Statement. To review your statement on line, go to [myCalPERS](#).

**Q: What is the Social Security reduction?**

**A:** This is a one-time adjustment used in your retirement calculation; it is not a monthly reduction to your retirement check. For further information read the CalPERS Publication "[Planning Your Service Retirement](#)".

**Q: Will my CalPERS pension reduce my Social Security benefits?**

**A:** If your pension is from work in which you paid Social Security taxes; it will not affect the amount of your Social Security benefit. Pensions based on work that is not covered by Social Security probably will cause the amount of your Social Security benefit to be reduced. This type of benefit reduction is referred to as the Windfall Elimination Provision (WEP). (Additional information is available at Social Security Administration's website <http://www.ssa.gov>.)

**Q: What is Survivor Continuance?**

**A:** This is an employer paid benefit, which the City contracts for with CalPERS. It is a benefit that provides part of your monthly retirement allowance and will automatically continue to your eligible survivor upon your death after retirement, regardless of the retirement option you choose. If your service is not coordinated with Social Security (Safety employees), the survivor continuance will be 50% of your unmodified allowance. If your service is coordinated with Social Security (Miscellaneous employees), the survivor continuance will be 25% of your unmodified allowance.

**Q: Who can be my beneficiary?**

**A:** Your beneficiary may be any person you choose. For lump sum payments, you may name a corporation, your estate, or a trust.

**Q: How do I calculate my retirement benefit amount?**

**A:** There are a few options available for calculating your retirement benefit:

- Access the [Retirement Estimate Calculator](#) at CalPERS On-Line (no password needed), and create different estimates based on data you input. You can create benefit estimates that are based on different retirement dates, and final compensation amounts (you will need your CalPERS Annual Member Statement when entering data);
- Log in to [my|CalPERS](#) and create a personalized retirement estimate using your CalPERS Annual Member Statement data already in your account;
- Complete and mail the [Retirement Allowance Estimate Request Form](#).

**NOTE: CalPERS limits formal Retirement Allowance Estimate Requests to two retirement estimates in a 12-month period, and no more than one year prior to the anticipated retirement date. You may run unlimited estimates using the CalPERS On-line estimator tools.**

**Q: After completing the CalPERS Retirement Allowance Estimate Request form and mailing or delivering it to a regional CalPERS office, how long will it take to receive my retirement estimate?**

**A:** You should receive your retirement estimate within 3 to 6 months.

**Q: How does CalPERS calculate my retirement if I have service credit with another CalPERS agency (ies) in addition to the City of Long Beach?**

**A:** CalPERS will do a separate calculation for each employer and then add up the results to get your total pension amount.

**Q: May I [purchase service credit](#)?**

**A:** In some cases, yes.

- Redeposit of withdrawn contributions;
- Service prior to membership with CalPERS;
- Military, Peace Corps, or AmeriCorps\*VISTA service;
- Leave of Absence.

**Q: How do I purchase additional service credit?**

**A:** You must begin by using the [CalPERS Service Credit Cost Estimator tool](#) available at CalPERS On-Line. Once you have generated an estimate, print out the service credit cost estimate from the results page, then select the link to download the Service Credit Cost Request form, complete the form and mail it along with the printed cost estimate to CalPERS. (Keep copies for your records.)

**Q: How much will my beneficiary receive if I die after I retire?**

**A:** This is determined by the retirement option you select when completing your CalPERS Retirement Application.

**Q: What is the status of my retirement application?**

**A:** The status of your retirement application can only be determined by a phone call or visit to a CalPERS regional office, call (888) 225-7377.

**Q: May I cancel my service retirement request?**

**A:** You may contact CalPERS to cancel your service retirement request, however you should do so before your scheduled retirement date. (If you wish to return to your position with the City contact your supervisor to ensure there is still a position available for you.)

**Q: Can I change my retirement option and/or beneficiary after I retire?**

**A:** After you have retired, you may change your retirement option only after a qualifying event and provided there is not a community property interest in your CalPERS retirement. You may change your beneficiary for the lump sum death benefit at any time. (Refer to the CalPERS publication “[Changing Your Beneficiary or Monthly Benefit After Retirement](#)”.)

**Q: Will taxes be taken out of my pension check?**

**A:** Social Security and Medicare are not taken out of your retirement check. By law, all CalPERS retirees whose allowances are taxable are required to select one of three withholding options:

- Have no taxes withheld;
- Have a specific dollar amount withheld;
- Have taxes withheld according to tax tables based on marital status and number of exemptions.

If you reside outside the state, California state taxes will not be withheld from your CalPERS benefit without your authorization.

**Q: How often will I be paid when I retire?**

**A:** You will receive a single check/direct deposit at the beginning of each month.

**Q: When will I get my first retirement check?**

**A:** It depends on your retirement date and when CalPERS received and processed your retirement application documents. Each case is different and if you would like to know exactly when your first check would be sent, contact CalPERS at (888) 225-7377.

**Q: How is the Cost-of-Living Adjustment (COLA) calculated and when will I receive it?**

**A:** The Retirement Law provides for payment of an annual cost-of-living ([COLA](#)) adjustment. Your COLA is calculated using several factors and is based on the Consumer Price Index (CPI). The initial COLA increase will be paid on May 1 of the second calendar year following your retirement.

**Q: May I work after I retire?**

**A:** Yes, you may work after retirement, however, there are restrictions. It is important to review the CalPERS publication “[Employment After Retirement](#)” so as not to jeopardize your pension.

**Q: What are the qualifications for [disability retirement](#)?**

**A:** You must be “substantially incapacitated” from performing your job duties, based upon a physical or mental condition that is expected to be permanent or last indefinitely as substantiated by medical opinion. The cause of your disability does not need to be related to your employment, you must have at least five years of service credit and there is no age requirement.

**Q: What are the qualifications for an [industrial \(Safety only\) disability retirement](#)?**

**A:** Inability to perform your duties because of a job-related injury or illness, which is expected to be permanent or to last indefinitely. There is no minimum age or service requirement.

**Q: How long does it take for a disability retirement request to be approved?**

**A:** Disability retirement determination is made following receipt of all required information. The length of time depends on how quickly CalPERS receives a complete application package. Determination can be made after CalPERS receives all the required information, and generally, this process can take up to six months or longer. Educate yourself by reading the CalPERS publication “[Guide to Completing Your Disability Retirement Application](#)”.

**Q: What does “determination” mean?**

**A:** For a disability retirement, a determination means the decision to approve or disapprove the request. The action is taken following review of evidence and facts, and resolution of all issues concerning disability.

**Q: May I cancel my disability / industrial disability retirement request?**

**A:** If the City submitted the application, you cannot cancel the application unless you choose a refund of your contributions, or apply for a service retirement provided you meet eligibility requirements. Receiving a refund of your contributions would end your membership with CalPERS. The City may cancel the application at any time before it is approved. Both you and your employer have the right to appeal a CalPERS disability determination.

**Q: What happens to my unused sick leave and unused accrued time off when I retire?**

**A:** **Unused sick leave** – you may convert your hours of unused sick leave to pay your insurance premiums (you must be enrolled in one of the City’s insurance plans when you retire) and/or purchase additional CalPERS service credit (2,000 hours equal one year of service credit).  
**Unused accrued time off** – these hours will be paid on your last paycheck. (Executive Leave is not paid off.)

**NOTE: Check your applicable MOU for any possible additional options.**

**Q: Could I keep the city's insurance once my unused sick leave account runs out?**

**A:** Yes, as long as you self-pay your premiums. Approximately three months prior to your account ending, you will receive notification from the City.

**NOTE:** Review the CalPERS publications under "[Planning for Retirement](#)" on the CalPERS website for additional information in preparation for your retirement. If you have further questions, or do not have access to a computer or the internet, call CalPERS directly. Contact information is contained below.

### CONTACT INFORMATION

CalPERS	<a href="http://www.calpers.ca.gov">www.calpers.ca.gov</a> (888) 225-7377
PARS	<a href="http://www.pars.org">www.pars.org</a> (800) 540-6369
Human Resources Sick Leave Conversion	(562) 570-6523
Deferred Compensation ICMA-RC (Plan #301910) Integral Part Trust Account (safety only) Scott Berry, Retirement Plans Specialist	<a href="http://www.icmarc.org/longbeach">www.icmarc.org/longbeach</a> (866) 731-1061 <a href="mailto:sberry@icmarc.org">sberry@icmarc.org</a>
Social Security	<a href="http://www.ssa.gov">www.ssa.gov</a> (800) 772-1213
Medicare	<a href="http://www.medicare.gov">www.medicare.gov</a> (800) 633-4227

## RETIREMENT APPLICATION PROCESS CHECKLIST

### One Year Before Retiring

- \_\_\_\_\_ Visit the CalPERS web site and register as a new user at [Access myCalPERS](#) then explore all features available to you for planning your retirement.
- \_\_\_\_\_ Estimate your monthly retirement benefit using the CalPERS [Retirement Estimate Calculator](#) or call CalPERS (888-225-7377) to schedule an appointment to meet with a CalPERS retirement specialist.
- \_\_\_\_\_ Enroll in a Retirement Planning Workshop through the [CalPERS Education Center](#) or by calling CalPERS (888-225-7377) and/or check the City's intranet periodically for CalPERS' "Planning Your Retirement" classes offered by the City.
- \_\_\_\_\_ Estimate the cost of purchasing service credit using the CalPERS [Service Credit Cost Estimator](#) or by calling CalPERS (888-225-7377). This may be done any time prior to your retirement although the longer you wait, the more costly it could become.
- \_\_\_\_\_ If a community property claim exists on your retirement benefits; you must contact CalPERS and provide a copy of the court order resolving the claim (this must be done before receiving retirement benefits).

### Nine Months Before Retiring

- \_\_\_\_\_ If you are also a member of another public retirement system in California, view the publication "[When You Change Retirement Systems](#)" or call CalPERS (888-225-7377). There are necessary steps to ensure you receive all the benefits you've earned from each system.
- \_\_\_\_\_ Determine whether or not a [Temporary Annuity](#) is right for you. Educate yourself thoroughly on this optional benefit.

### Six Months Before Retiring

- \_\_\_\_\_ Complete the [Retirement Allowance Estimate Request Form](#) and mail to CalPERS.
- \_\_\_\_\_ Review the [Service Retirement Application](#) / [Disability Retirement Application](#); also begin thinking about which retirement payment option will be best for you/your family.
- \_\_\_\_\_ View important information on [taxes and your retirement](#).



### Six Months Before Retiring (cont.)

- \_\_\_\_\_ Attend another CalPERS Retirement Planning Workshop and/or "Planning Your Retirement" class offered by the City.

### Four to Five Months Before Retiring

- \_\_\_\_\_ Begin to complete the Retirement Election Application and see what [required documents](#) you'll need.
- \_\_\_\_\_ Once you have attended the Retirement Planning Workshop/Class, and if you need more specific information or assistance with your retirement paperwork, schedule an appointment to meet with a CalPERS retirement specialist by logging in to my/CalPERS or by calling CalPERS (888-225-7377).
- \_\_\_\_\_ Begin to gather and make copies of the [required documents](#) to submit with your retirement application (refer to the Required Documents Checklist in the application packet). **ONLY SEND CalPERS COPIES OF THESE DOCUMENTS - NEVER SEND ORIGINALS - WRITE YOUR SOCIAL SECURITY NUMBER IN THE UPPER RIGHT CORNER ON ALL DOCUMENTS.**

### Three to Four Months Before Retiring

- \_\_\_\_\_ Finalize your retirement application and applicable forms. **NOTE: CalPERS does not want the application submitted to them more than 90 days prior to your retirement date.**
- \_\_\_\_\_ If electing direct deposit, complete the [Direct Deposit Authorization Form](#) to ensure your monthly benefit payments are securely deposited at your financial institution.

### Three Months Before Retiring

- \_\_\_\_\_ Submit your completed retirement application forms and associated documents to CalPERS. You may personally deliver your application packet to a CalPERS regional office, mail it or submit on line via [myCalPERS](#). If you mail your application, it is recommended you send it Certified Return Receipt. Be sure to keep copies of all forms and supporting documents for your records and future reference.
- \_\_\_\_\_ Prior to your retirement from the city, contact Human Resources at (562) 570-6523 for allocation of your unused sick leave hours for insurance premiums or service credit.

## **Notification of Your Retirement**

- Once you submit your Retirement Election Application packet, CalPERS will take the steps necessary for you to retire on the date you've selected. When your application is received at CalPERS Sacramento Headquarters Office you will receive an acknowledgement letter, usually within five to ten days of their receipt of your application, letting you know they have begun processing your request.
- Before receipt of your first retirement check/direct deposit and usually after you have separated from employment with the city, CalPERS will send you a letter providing the date of your first retirement check/direct deposit, the amount you can expect to receive and important income tax information. Keep all correspondence received from CalPERS along with your other retirement documents. Check the information carefully and contact CalPERS at (888) 225-7377 if anything is incorrect.

## **Post Retirement Adjustments to Accounts**

- Your initial retirement allowance will be an approximation of the amount you are eligible to receive. Any adjustments to your account, if needed, to reflect a change in service credit or an increase in salary are completed after the final payroll information has been received. This usually takes place approximately six to nine months after you begin receiving your monthly retirement payments.