CalPERS Retirement Benefits – Members Nearing Retirement
Class Overview

• Retirement Types
• Your Service Retirement Calculation
• CalPERS Special Power of Attorney
• Pre-Retirement Death Benefits
• Retirement Payment Options
• Post Retirement Death Benefits
• Resources
Retirement Types
Retirement Types

- Service Retirement
- Disability Retirement
- Industrial Disability Retirement

Visit our website for more information on disability and industrial disability and review the *Disability Retirement Election Application* publication.
Your Service Retirement Calculation
Your Retirement Calculation

CalPERS uses three factors to calculate your retirement benefit:

- **Service Credit (years)**
- **Benefit Factor (% per year, age)**
- **Final Compensation (Average payrate)**

\[
\text{Pension/Unmodified Allowance ($)} = \text{Service Credit (years)} \times \text{Benefit Factor (% per year, age)} \times \text{Final Compensation (Average payrate)}
\]
- Earned on a fiscal-year basis (July 1 – June 30)
- Accrued based on how you are paid
Example based on monthly pay.

Total = 1.0 year
Example based on monthly pay.

Total = 0.75 year
Service Credit Purchase Options

Common Service Credit Purchase Types:
• Redeposit of withdrawn contributions
• Service prior to membership
• Military service
• Other types
Service Credit Purchase Options

Important information to remember:
• Elect to purchase prior to your retirement date
• Service credit purchased after January 1, 2020
  – Must be paid in full before your retirement date
  – Or, will be converted by the Actuarial Equivalent Reduction
Purchase Options

CalPERS offers a variety of service credit purchase options. However, there are some limitations on who is eligible. Review this information carefully to see if you might qualify to purchase additional service credit. Use the Service Credit Cost Estimator to get an idea of the cost to purchase this service.

As a result of the Public Employees’ Pension Reform Act of 2013 (PEPRA), the Additional Retirement Service Credit (ARSC) is no longer a service credit purchase option.

- Alternate Retirement Program (ARP)
- Base Realignment and Closure (BRAC) Firefighter
- Comprehensive Employment and Training Act (CETA) & Fellowship
- Layoff
- Leave of Absence
- Military Leave of Absence
- Military Service Credit
- Optional Member Service
- Peace Corps or AmeriCorps*VISTA Service
- Prior Service
- Redeposit of Withdrawn Contributions
- Service Prior to Membership

Payment Options
A Guide to Your CalPERS:

• Service Credit Purchase Options
• Military Service Credit Options
Service Credit Cost Estimator

Choose Your Service Credit Purchase Option

CalPERS offers a variety of service credit purchase options. The Service Credit Cost Estimator can help you calculate your own service credit cost estimates for the service credit types listed below. Refer to Service Credit for information about other service credit types.

- **Alternate Retirement Program (ARP)**
  If you were a first-time state miscellaneous or industrial employee hired between August 11, 2004 and June 30, 2013, you may have Alternate Retirement Program (ARP) service. ARP is administered by the California Department of Human Resources (CalHR) Savings Plus Program. If you didn't elect to transfer your ARP service to CalPERS, this option allows you to purchase this service credit.

- **Redeposit of Withdrawn Contributions**
  You previously withdrew your CalPERS retirement contributions, or contributions were transferred from your account due to a community property settlement and were then withdrawn.

- **Service Prior to Membership**
  You worked for a CalPERS-covered employer before you became a CalPERS member. (If you worked for a federal or state employer under CETA, you must contact CalPERS for a cost estimate).
Sick Leave Conversion

• Available to all state and school members
  – Public agencies must contract for this benefit

• Consider the following:
  – You must retire within 120 days of separation from employment
  – 2000 hours = 1 year
  – Vacation and other types of leave cannot be converted to service credit
• Percentage of pay received for each year of service
• Determined by
  – Age at retirement
  – Retirement formula (based on employer contract)
State and School Retirement Formulas

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<tr>
<th>State Miscellaneous &amp; Industrial</th>
<th>State Safety</th>
<th>Schools</th>
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<td>2% @ 62</td>
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<td>2% @ 60</td>
<td>2.5% @ 55</td>
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</tr>
<tr>
<td>2% @ 62</td>
<td>3% @ 50</td>
<td></td>
</tr>
<tr>
<td>1.25% @ 67</td>
<td>3% @ 55</td>
<td>2% @ 57</td>
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<tr>
<td></td>
<td></td>
<td>2.5% @ 57</td>
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Public Agency Retirement Formulas

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<td>1.5% @ 65</td>
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<td>2% @ 62</td>
<td>2.5% @ 57</td>
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<td>2.7% @ 57</td>
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Benefit Factor Chart Example:

State & Schools 2% @ 55

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<th>Your age at retirement</th>
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<th>Add 3 months: September 10</th>
<th>Add 3 months: December 10</th>
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Your Benefits, Your Future

What You Need to Know About Your CalPERS:

- State Miscellaneous & Industrial Benefits
- State Safety Benefits
- Local Miscellaneous Benefits
- Local Safety Benefits
- School Benefits
Highest average pay rate & special compensation

- Based on full-time pay rate, not earnings
- 12 or 36 consecutive months
  (based on membership date and employer contract)
Your Retirement Calculation

Service Credit (years) \times \text{Benefit Factor (\% per year, age)} \times \text{Final Compensation (Average payrate)} = \text{Pension/Unmodified Allowance ($)}
Example: 25 Years of Service Credit, 2% Benefit Factor

25 years Service Credit \times 2\% \text{ Benefit Factor} \times $3,000.00 \text{ Final Compensation} = $1,500.00 \text{ Monthly Retirement}
Example: 25 Years of Service Credit, 2% Benefit Factor

25 years Service Credit x 2% Benefit Factor x $3,000.00 Final Compensation = $1,500.00 Monthly Retirement

50%
CalPERS Special Power of Attorney
CalPERS Special Power of Attorney

Designate a person or persons to conduct business

• Related to CalPERS benefits
• You give specific authority
  – Submit your retirement application and/or select a payment option
  – Designate beneficiaries
• Cannot be used to medical or real and personal property decisions
CalPERS Special Power of Attorney (PUB 30)
Pre-Retirement Death Benefits
Pre-retirement Death Benefits

- Death benefits may be a:
  - One-time payment
  - Monthly payments

- Payable based on your
  - Membership category
  - Employer
  - Eligibility to retire
Retirement Payment Options
Retirement Payment Options

What is a Retirement Payment Option?

• Determines what benefits your beneficiary receives after your death in retirement
• You must select a retirement payment option on your retirement application
Retirement Payment Options

Choose to take your full pension, or take a reduction in your monthly allowance to provide a:

• Lump sum return of your remaining member contributions
• Monthly benefit to one or more beneficiaries
Retirement Estimates

• Any time prior to retirement
  – Retirement Estimate Calculator on myCalPERS

• Less than 1 year away from retirement
  – Request a CalPERS-generated retirement estimate
  – Where to find the form
    • Online Forms and Publications, or
    • Call 888 CalPERS (or 888-225-7377)
Post Retirement Lump Sum Death Benefits
Post Retirement Lump Sum Death Benefits

Retired lump sum death benefit that is payable:

- $2,000 for state, California State University, and school members
- $500 to $5,000 for public agency members (depending on your former employer’s contract with us)
Beneficiary Designation

- A lump sum may be designated to a person or persons, your trust, your estate or a corporation
- If no designation on file, State law defines beneficiary
- Certain events can revoke your designation
  - Marriage or registration of domestic partnership
  - Dissolution, annulment or termination of marriage or domestic partnership
  - Birth or adoption of a child
Benefits

Primary Beneficiaries | Relationship | Percentage
--- | --- | ---
Joe Smith | Brother | 100%
Resources
Who Pays for CalPERS Pensions?

Some people believe that taxpayers fund the total cost of public pensions.

Get the Facts

I Want To...
- Attend Training & Events
- Calculate My Retirement Estimate
- Estimate Service Credit Cost
- Find a Job
- Learn About Power of Attorney

Life Events
- Birth or Adoption
- Death or Terminal Illness
- Domestic Partnership
- Injury/Disability
- Leave of Absence

Forms & Publications
- Health Benefit Summary (PDF)
- Health Benefit Plan Enrollment Form (Active) (HBD-12) (PDF)
- PERSpective Newsletter
- Planning Your Service Retirement (PUB 1) (PDF)
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News
Perez Wins CalPERS Board Seat
Votes for CalPERS Board Election Counted on Thursday

Events
December 17-19  Board Meetings
December 25  Offices Closed - Christmas Day

Subscribe
By Email for Newsletters and Alerts
Enter Email Address

Follow
By Social Network
Facebook  Twitter  YouTube  LinkedIn  Instagram  RSS

Videos

Your PERSpective. Your choice.
Video Length: 00:01
my|CalPERS: my.calpers.ca.gov

- Clear, easy to read design
- Access real-time account details and balances
- Calculate and save your retirement estimate
- Use the Message Center to ask questions
## CalPERS Account Summary

**last reported 10/30/2013**

<table>
<thead>
<tr>
<th>Total Balance</th>
<th>Total Service Credit</th>
<th>Estimated Earliest Retirement</th>
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<tbody>
<tr>
<td>$135,468.42</td>
<td>22.801 years</td>
<td>0.000 years</td>
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</table>

### Contributions

- **Contributions**: $93,229.45
- **Interest**: $42,238.97

### Your Current Membership

- **State Miscellaneous**: 2% @ 55

### Your Retirement Formula

- **Calculate a Retirement Estimate**
- **Apply for Retirement**

#### Your Information

- [Add or Change Your Beneficiaries](#)
- [Update Your Contact Information](#)
- [Find Your CalPERS ID](#)
- [Find Your Membership Date](#)

#### Power of Attorney

You do not have a designated [Special Power of Attorney](#). If you have questions, [send us a secure message](#).

#### Request a Letter

Need a [Member Account Balance](#) or [Verification of Deposit](#) letter? We can send documents on your behalf to a third party.

#### Find Classes

Take advantage of events and trainings designed to help you make informed decisions about your retirement.

#### Schedule an Appointment

Book a one-on-one appointment with a representative from your local CalPERS Regional Office.

#### Watch Educational Videos

View information videos on [retirement planning](#), [benefit basics](#), and more.
Resource Center

Publication Center

Browse Our Publications Center
Download or order our member publications, free of charge. They may help you in making important decisions regarding your benefits.

Publication Order History

Get PERSpective

The PERSpective newsletter will keep you current on important legislation, benefit changes, and CalPERS news.

Go to Forms & Publications to view the latest CalPERS PERSpective newsletter.

CalPERS Education Center

Enroll in a Class
Select from a variety of online and instructor-led classes. You can view our complete class list or browse by class title or location to find the classes that interest you.

Schedule an Appointment
If you're looking for more personal assistance you can schedule a one-on-one appointment with your local CalPERS Regional Office.

View Your Activity & History
Get the status on your latest activities scheduled with CalPERS. View classes you have scheduled to attend, change or cancel your enrollment, and download educational materials.

Register for an Event

CalPERS Benefits Education Events
Classes

Sign up for an instructor-led class at a location near you, or take an online class at your own pace. View your Education Activity & History to see classes you’ve enrolled in or completed.

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<th>Instructor-Led</th>
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### Planning Your Retirement
For members nearing retirement. Learn what steps to take before that important day. Subjects include how your retirement is calculated, your retirement payment options, the importance of having a power of attorney on file, CalPERS health benefits, and more.

### Your CalPERS and You
For members early or midway through their career. Learn about your retirement income sources, how your pension is calculated, purchasing service credit, the importance of having a power of attorney on file, what happens if you leave your employer, and much more.

### Your Retirement Application and Beyond
Get step-by-step instructions for completing your retirement application, as well as discussion of some post-retirement considerations such as retirement check deductions and direct deposit, working after retirement, power of attorney, your CalPERS retiree health benefits, and how life events may affect you.
Regional Offices

- Fresno
- Glendale
- Orange
- Sacramento
- San Bernardino
- San Diego
- San Jose
- Walnut Creek
Select a Date and Time

Appointments are hosted by our eight Regional Offices throughout the state. View our Regional Offices Map (PDF). You may also see appointments outside of a Regional Office.

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<th>Regional Office (required)</th>
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<tbody>
<tr>
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<td>Tuesday</td>
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<td><a href="#">Get Directions</a></td>
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One-on-One Appointments

Before visiting a CalPERS regional office:

• Attend retirement education classes
• Complete all forms
• Bring your:
  – Retirement estimate
  – Supporting documents
  – Picture ID
• Write down your questions
Social Networking

Follow us on Twitter: http://twitter.com/CalPERS

Like us on Facebook: http://facebook.com/myCalPERS

View Videos on YouTube: http://youtube.com/CalPERS
Contacting CalPERS

- Message Center in my|CalPERS
- By phone 888 CalPERS (or 888-225-7377)
- Visit a Regional Office

We’re here for you!

- 8:00 a.m. to 5:00 p.m., M-F
- Busiest times:
  - Mondays
  - Beginning of the month
  - After a holiday