Planning Your Retirement

Date: August 26, 2015
Segment: Planning Your Retirement
Presenter: Laurie Daniels and Jim Cale

Laurie: Welcome to this Planning Your Retirement webinar.

Jim: We're going to cover a wealth of information geared towards those who are closer to retirement.

Laurie: Our agenda for today's session will cover several topics including the different types of retirement and how CalPERS calculates your pension. We'll also discuss the different retirement options and survivor continuance along with information about the Cost of Living Adjustment or COLA, establishing a Power of Attorney, CalPERS Retiree Health Benefits and Working after Retirement. As we go through today's presentation, we'll reference several CalPERS forms and publications that you may be interested in, so we want you to know where you can find them.

On our homepage, CalPERS.ca.gov, you'll find Forms and Publications Center next to life events. This link is where you can find all the forms and publications that we'll mention today, and many more, as well.

Let's start with identifying the different types of retirements you may be eligible for. CalPERS offers three different types of retirement to serve our members. Service Retirement, which is considered "normal" or "regular" retirement for members who meet the eligibility requirements. Disability Retirement is for members who can no longer perform their jobs due to an illness or injury. Industrial Disability Retirement is for safety members or members whose employer contracts for this benefit.

On the next few slides we'll talk about each of these retirement types in more detail. If you're attending this webinar, most likely you are within 5 years of retirement. To be eligible to apply for a service retirement, you must be at least age 50 or if hired after January 1, 2013, you must be age 52 and you must have five years of earned service credit. Safety members eligibility is based on age 50 with 5 years.

There are two exceptions. First, if you work as a part-time employee, you may also qualify to apply for retirement with less than 5 years of service credit through a partial service conversion. For example, if you physically worked in a part-time position for say, 7 years but because you only worked a few hours a day, you've only earned 3.5 years of service credit, you still may be eligible to draw a monthly benefit.

Secondly, is if you are a State Second Tier member, which there are very few of those anymore, you must be at least age 55, with 10 years of service credit to be eligible to retire unless you have 5 years of service prior to 1985 or you have elected into first tier. If you are in a second tier service you can elect to go into first tier which provides a higher benefit under a service retirement by contacting CalPERS and requesting a Tier

Conversion package. To be eligible to apply for a disability retirement, you can be of any age, but you must have at least five years of service credit. For the standard disability retirement, the injury or illness does not have to be job-related.

Industrial disability is usually only available to safety members such as police officers and firefighters. Some miscellaneous employees may be eligible for an industrial disability retirement if their employer contracts for this benefit.

For an industrial disability retirement, you can be of any age and there is no minimum amount of service credit required, however in order to qualify, the disability must be job-related and you can no longer perform the duties you were hired to do.

For more information about disability or industrial disability retirement and how they are calculated, you can download and view or print *A Guide to Completing Your Disability Retirement Election Application* (PUB 35) from our Forms and Publications Center.

Now that we've discussed the three types of retirement available, let's move on to how we calculate your service retirement pension, the type of retirement most of us will be eligible for. This is a good time to emphasize the fact that your CalPERS pension is a defined benefit plan. This means it will provide you with a benefit that you cannot outlive. The amount of your benefit is based on a formula, not on what you contributed into the system. We'll come back to the formula in a bit.

The money to fund your pension comes from three sources. CalPERS investment returns which currently pays 67¢ for every pension dollar paid. It's historically been as high as 75¢. 21¢ of every dollar comes from employer contributions. And finally 12¢ of every dollar comes from our member contributions.

Here's the formula CalPERS uses to calculate your pension. There are three factors that make up this formula. The first is Service Credit which is your total years of service with all CalPERS employers. The second is the Benefit factor which is the percentage of pay you're entitled to for each year of service credit that you have earned. The third is the Final Compensation which is an average of your highest monthly pay rate.

When you retire, CalPERS will multiply your years of Service Credit by your Benefit Factor, then multiply that result by your Final Compensation which gives you your Unmodified Allowance. The Unmodified Allowance is your basic pension and the highest amount you can receive when you retire.

In the coming slides we'll review each factor in more detail so you understand how they work, and we'll discuss how you can control these factors to help maximize your retirement benefit.

Jim: So let's go over the first of the three factors we just introduced which is service credit.

Service credit is the time you accrue while on the job under a CalPERS-covered employer. When we're talking about service credit, there's three possible ways to increase your balance. For everyone, there is the service credit that you earn while working. You may also be eligible to purchase service credit. And you may be able to convert your unused sick leave to service credit at the time of your retirement. Now we're going to cover the first way now and will discuss the other two a little further in the presentation.

Service credit is earned during your time spent on a job under a CalPERS-covered employer. Service credit is earned on a fiscal-year basis, July 1st through June 30th. You're credited with service credit based on the manner in which you are paid. For instance, if you're paid on an hourly basis, it takes 1,720 hours to have one full year service credit. If you're paid daily, it's 215 days. If you're paid monthly, it takes only 10 months within a fiscal year to get one year of service credit. If you earn less than these amounts, you are earning partial service credit.

The following example is of a member who is paid on a monthly basis. This is an example of how service credit is earned on a fiscal year basis. July 1st is the beginning of the fiscal year. So if you work full time in the month of July, you'll earn one tenth of a year of service credit. If you continue to work full time through the rest of the fiscal year, you'll earn another tenth of a year for each full time month worked until you get to the end of April, when you'll have a full year of service credit. Notice in this situation you only have to work ten months full time to earn a full year of service credit.

Because you've earned a full year of service credit by the end of April, you won't earn any additional service credit in May and June because you can't earn more than a year of service credit in any fiscal year.

You may have noticed on your Annual Member Statement that you'll see a fractional amount of years on your service credit balance, something like 22.525 or 7.783. This is because most of us don't start working on July 1st, most of us start working part-way through the fiscal year so we have a partial fiscal year on our service credit balance.

So in the example we have here, we have a member who started working full time in the middle of November. Since they only worked a half month, they earned 0.05 years of service credit for that half month. They then continued to work full time the rest of the fiscal year. So you'll notice that because they didn't have a full year of service credit at the end of April, they continue to earn service credit in May and June.

So at the end of this first fiscal year, they had 0.75 years of service credit.
If they continue to work full time throughout their career then the next Annual Member Statement would reflect 1.75 years, and then the year after that 2.75 and so on.

Laurie: Service credit was the first factor in our pension calculation. Let's move on to the retirement formulas and benefit factors. The benefit factor is the second factor used in your pension calculation.

There are several different retirement formulas for State, School and Public Agency members. Your retirement formula is determined by your employer's contract with CalPERS. For example on the slide you see the State & Schools Miscellaneous 2% @ 55 formula. This is the name of the retirement formula. What the retirement formula does is define the range of percentages of final compensation you'll receive in your pension for each year of service credit in your account. We're going explain this a little further over the next few slides.

Here's a chart showing the State & Schools Miscellaneous 2% @ 55 formula. The percentages you see within the chart are the actual benefit factors available to you depending on your age at retirement. We'll come back to this chart shortly to show you how it works, but first let's review the other available formulas. Here you see the formulas for State Miscellaneous and Industrial and School members. State and School formulas are set by legislation and bargaining unit contract.

Each of these formulas defines a different range of percentages available at retirement to the members who work under them. Here you see the formula for State Safety members. Local Miscellaneous and Local Safety formulas are for Public Agency members. Employers are able to change their retirement formulas by amending their contract with CalPERS.

If you are unsure of your formula, you can find it in your my|CalPERS account or check with your employer. No matter what formula your employer contracts for, almost all benefit factors start at age 50 and increase with each quarter year of age until you reach the maximum age under the formula. State and local safety members working under the 3% @ 50 formula do not change with age because their benefit factor is fixed at 3%.

Your benefit factor is based on the retirement formula contracted by your employer and your age at retirement and determines the percentage of the final compensation you'll receive for each year of service credit. To calculate your percentage of final compensation, we multiply your benefit factor by your years of service.

Your benefit factor increases with each quarter year of age or every three months, based on your birthday. This means that there are four times in a year when your benefit factor will increase to a higher level. For example if your birthday is March 17th, your birthday quarters would be at a quarter year, June 17th, at a half year, September 17th, and December 17th would put you at three quarter year mark.

You may want to pick a retirement date that coincides with one of your birthday quarters in order to receive a higher percentage of your final compensation. You must retire on or after the quarter to receive the increased benefit factor.

This is an example of the State & Schools 2% @ 55 benefit factor chart. Let's take a close look at this chart so we'll understand what it's telling us. Don't worry if you don't work under this formula; the percentages for other formulas will be different, but the concepts are still the same.

This chart highlights the benefit factors for each birthday quarter of a member who retired during the year they turned 55. Notice at the top of the chart there is a line for the birthday quarters, we're using the same dates we mentioned on the previous slide. To find your benefit factor, you'd use your own birthday quarters here.

The column on the left is your age at retirement. You notice that it starts at age 50, the earliest retirement age in this formula, and increases up to the maximum age which is age 63. Once you reach the maximum age, your benefit factor will no longer increase. That doesn't mean that your pension can no longer increase. You can still boost your pension by increasing one or both of the other factors, your service credit or your final compensation. This member's birthday is March 17th. If they were to retire on their birthday the benefit factor would be 2%. If the member decided to wait and retire on September 17th at age 55 ½, then their benefit factor would increase from 2% to 2.032%. Remember, to get the higher factor, you must retire on or after the birthday quarter. In this example, if the member retired on September 16th, they would stay in previous lower factor of 2.016%. So you can see that retiring on one of your birthday quarter can increase your monthly benefit for life.

You can find your formula chart in your member booklet, *Your Benefits, Your Future*. There are five different versions depending on the employment category: State Miscellaneous and Industrial members, State Safety members, Local Miscellaneous members, Local Safety, and Schools.

Jim: So we've discussed the first two factors in your pension calculation, service credit and the benefit factor so now let's explain the third factor in the pension calculation. The third factor is your Final Compensation. First, it will be helpful to define what compensation is and then we can talk about final compensation.

Compensation is defined as payment to employees for services performed during normal work hours or for time during which employees use vacation, CTO, sick leave, or something else like that. Your employer reports your full-time pay rate to CalPERS even if you are working part-time, since the full-time base pay rate is used to calculate the final compensation. Your reported pay rate may include items of special compensation that can be reported in addition to your base pay rate.

For full-time employees certain types of pay, such as overtime, are not reportable to CalPERS. Check with your employer to find out what types of pay are being reported for you.

The final compensation calculation is based on your full-time monthly pay rate, not your earnings. For example, if you work part time, your earnings are lower. CalPERS will still use the pay rate as if you were working full time. However, you're earning less service credit if you are working part time. For Safety members, there is a cap on the percentage of final compensation you can receive. For all other members, there is no limit on your percentage.

Final compensation is the calculated average of your full-time pay rate as reported by your employer. The final compensation is a consecutive pay period used in the calculation as determined by your employer's contract. The final compensation for school employees who work 10 or 11 months a year will be calculated based on the actual number of months worked in that 12 month period. And this is going to lower the final compensation. State, School and Public Agency employers use either 12 or 36 months depending on the contract.

Let's look at a final compensation calculation for our example member Sally, who plans to retire on November 1st. Sally's final compensation is based on the 12 month period. So to start the final compensation calculation we'll go back to the previous November 1st a year earlier. So for the first six months from November 1st to April 30th Sally's pay rate was $2,900 per month which equals a total of $17,400 over those six months.

On May 1st, Sally received a raise. So for the last six months, from May 1st to October 31st, Sally's pay rate is $3,100 per month which equals $18,600. So we add those two subtotals together we get $36,000. We divide that by the 12 months of the 12 month final compensation period and Sally's average final compensation comes out to $3,000.

So Sally has six months at one pay rate and six months at a higher pay rate. What would happen if she worked for another six months at that higher pay rate? We'll take a look at that possibility during the retirement calculation section. Now let's talk about the final compensation adjustment.

If your CalPERS service is coordinated with Social Security, which means you contribute to Social Security under your CalPERS employer, then the amount of your CalPERS contribution is not based on your full monthly earnings. There is an exclusion amount of $133.33. In the 1960's, a State law was enacted to exempt the first one-third of your maximum reportable Social Security earnings from your CalPERS contributions.

At that time, the maximum reportable Social Security earnings were $400 a month, and the first one-third of that $400 is $133.33, and the amount has remained the same ever since. This adjustment is the same no matter how much you earn.

This is a one-time adjustment during the calculation process. It's not a monthly deduction to your retirement check; however, the adjustment will affect your retirement benefit. There is no adjustment made if your service is not coordinated with Social Security. This adjustment is automatically calculated in the CalPERS retirement estimates.

In this example, Sally has an average final compensation of $3,000 which we calculated earlier and she pays into Social Security. So we subtract the adjustment amount of

$133.33 off her final compensation average of $3,000 and it results in a final compensation factor that we use to calculate her pension of $2,866.67.

If you have multiple CalPERS employers, you may have some service that's coordinated and some that is not. We'll subtract $133.33 only for service that is coordinated with Social Security. In this example we are assuming Sally has some service coordinated with Social Security and some that isn't.

Under employer A she has an average final compensation of $3,000.00. Because this service is coordinated with Social Security, we will subtract the $133.33 to equal an adjusted final compensation of $2,866.67. Under employer B her final compensation amount is the same but is not coordinated with Social Security, so no adjustment is taken.

Laurie: We've talked about the three factors that are used to calculate your pension, now let's put them together. As we said before, the retirement calculation is based on a formula, not by how much you've contributed to the plan. The three factors in this calculation are your years of service credit, the benefit factor based on your age at retirement, and final compensation. These three factors are multiplied together to calculate your unmodified allowance or base pension. Any increase in one or more of the three factors can mean a higher pension at retirement. We're going to look at two examples of the factors used to calculate your pension.

In the first example, we have Sally who worked for an employer who contracts for 2% @ 55. Sally's service credit is 25 years and her benefit factor is 2% based retiring at age 55. When we multiply 25 years by two percent the result is 50%. 50% of the adjusted final compensation of $2,866.67 provides Sally with a pension of $1,433 per month.

Earlier we asked what would happen if Sally decides to work six more months under her higher pay rate? Well, not only has the final compensation increased but the other factors as well. By earning six more months of service credit, which puts her at 25.6 years, and with the benefit factor increased to 2.032%, the result is 51.86% of the higher final compensation. That's almost $110 more per month than the first example.

Remember you can go to the CalPERS online calculator to look at various scenarios such as changes in the birthday quarters or your pay rates.

Jim: So now that we've covered how your basic pension calculation works, let's look at some other ways that you may be able to maximize your retirement. Earlier in the presentation, we introduced 3 ways to increase your service credit balance. The first is that you earn service credit by working. The longer you work, the more service credit you earn.

A second way to increase your service credit is that you may be able to purchase service credit. And you may be eligible for more than one type of purchase. Third is you may be eligible to convert sick leave into service credit if your employer contracts for this benefit. We'll cover more on this in a moment. So let's first talk about possible service credit purchases.

CalPERS offers several different types of service credit that you may be able to purchase prior to retirement. Some of the more common types are a Redeposit of Withdrawn Contributions. This is if you worked for a CalPERS employer in the past, separated from that employer and then withdrew your contributions. You may have a right to redeposit those funds plus the interest they would have earned if you had continued to work as a CalPERS member.

The next possibility is Service Prior to Membership. This is if you had worked for a CalPERS employer in a permanent/intermittent, part-time, temporary, or seasonal position that didn't qualify you for CalPERS membership at the time.

Once you've become a CalPERS member, you may be eligible to purchase that prior time. The cost is based on your pay rate and contribution rate when you first became a CalPERS member, plus accrued interest.

Military Service Credit is time that you spent in active duty prior to becoming a CalPERS member. All State and School employers, as well as Public Agencies whose employer contracts for this benefit may be eligible. There are very specific eligibility requirements for purchasing military service credit, and if you are eligible you can purchase a maximum of 4 years.

And then there's some less common types of service credit that you may be able to purchase. For instance, time spent in the Peace Corps or with AmeriCorps*VISTA or AmeriCorps may qualify. Certain types of Leaves of Absence may qualify such as maternity or paternity leave or temporary disability leave. Prior Service with a California public agency before they came under contract with CalPERS might also qualify.

Time spent away from work due to a formal layoff may be eligible as well as Optional Member Service which is time spent working in certain exempt, appointed, or elected positions that allow employees the option of joining CalPERS.

A common question that we hear is, can I buy more than one type of service credit? The answer is yes. Purchasing one type of service credit does not preclude you from purchasing another type. For example, John had 2 years of active military service, then worked in a temporary position for 3 years with a CalPERS employer before becoming a CalPERS member so if he wanted to he could purchase both service prior to membership and military time. Again, being eligible for one type does not negate you from being eligible for other types.

If you have some Service Prior to Membership time or Redeposit of Withdrawn Contributions available for purchase, because there costed at a lower rate, you may want to check into getting this time back first and then look at the present value types available to you such as the military time.

To start the process of checking into a service credit purchases, download and review our publication *A Guide to Your CalPERS Service Credit Purchase Options* at CalPERS online. This publication provides the eligibility requirements for each type of service credit.

The next step is to use the Service Credit Cost Estimator at CalPERS online. The calculator gives you a ballpark figure of the cost to purchase most types of service credit as well as the potential increase to your pension. Please note that Military, Redeposit and Service Prior to Membership requests must include a copy of this online calculation. Because of this, the cost calculation request forms can only be found within your Estimate Results page. You will not be able to access these forms through the Forms and Publications center. The Estimator can help you decide if you want to request official costing for the service credit. Your last step would be to submit a cost calculation request form to CalPERS. CalPERS will send you an election packet that will include the official cost and information and all the necessary forms for electing to make your purchase.

Once you receive the cost package, review it carefully. It contains your all the necessary forms and information to make your purchase. You'll need to select a payment method. You can choose to pay with a lump sum pay for it all at once, you can make monthly payments up to 180 months, which can continue into retirement, or you can do a combination of the two. You can do a partial lump sum payment and pay the rest off in installments, again for up to 180 months.

When electing to purchase service credit, CalPERS must receive the information within 60 days of the date on the inside cover of the cost package. If you wait longer than 60 days your cost package will expire and you will need to reapply. Once CalPERS has received your election to purchase service credit, it may take several months to credit the service credit to your account. We do credit the entire amount of the service credit you elected to purchase to your account, even if it's not yet paid for it in full.

Now I want to emphasize that once you receive an election packet, it's important to review it completely so that you can make an informed decision as to whether the purchase of any type of service credit will benefit you.

A few years ago, I was working with a member who worked for a school part-time for several years before coming into CalPERS membership. She found out she may be able to add that time in to her account and requested a cost packet for Service Prior to Membership. She approached me after a class I was teaching with the packet she had received. When I spoke with her, she said she wasn't going to buy it because it was too expensive.

What happened was when she first received the packet, the first thing she saw was the lump sum cost was over $10,000 so she just put it aside. Because she didn't review the entire packet, she failed to notice that she could make monthly installment payments of

$65 and when she retired, it would give her a pension increase of approximately $250 a month. Since her payments can continue into retirement she would have $250 added to her pension as the payment was coming out which is a $185 net increase.

Now let's talk about the other way you may be able to increase your service credit balance at retirement which is the ability to convert unused sick leave. The ability to convert sick leave is available to all State and School members. If you're a Public Agency employee, your employer must contract to offer this benefit. The employer will determine whether all or a portion of your sick leave can be converted. The sick leave to service credit conversion benefit is not something you have to purchase. Converted sick leave does not change your age at retirement or your retirement effective date. It simply increases the amount of service credit CalPERS uses to calculate your retirement benefit.

To be eligible for your sick leave to be used, your retirement effective date must be within 120 days of your separation from employment. Now for most of us, that's not going to be an issue, we'll be on payroll one day and retired the next. But, if for example, you separated from employment at age 47, which is too young to retire, and then decided to retire 3 years later when you turn 50, you are now past the 120 days and your former employer would not be able to convert your sick leave. Your employer will report the amount of your unused sick leave directly to CalPERS. Vacation and other types of leave such as Compensatory time off, usually called CTO, Personal or Annual leave and Holiday credit cannot be converted to service credit.

If you have any unused vacation or other leave balances, you can either receive a lump sum payment for those when you retire or you may be able to stay on active payroll and run those leave balances out. Now if you were able to run out your leave time, you are still on active payroll and therefore still earning service credit. You'll want to contact your personnel office about policies on when and how you can use your leave time at retirement.

Now there's no minimum or maximum amount of sick leave that may be reported by your employer. Since we use years of service credit in the pension calculation, to get an idea of how much your unused sick leave may increase your pension you'll need to convert your sick leave hours into years and here's how you do it. Since 2,000 hours of sick leave to equal one full year of service credit, all you need to do to convert your sick leave hours into years is divide your number of hours by 2,000. So in this example we divide 632 hours of unused sick leave by 2,000 to get .316 years of added service credit at retirement.

Laurie: Now that you have an idea how your pension will be calculated and ways you can enhance your retirement, let's take a look at the retirement payment options and survivor continuance. Before we can talk about the payment options, we need to define some terms. For most of us the terms beneficiary and survivor sound like the same thing, but at CalPERS they have two distinct meanings. A beneficiary can be anyone you choose and is not set by law. Please note, that if you are married or in a registered domestic partnership but do not name your spouse or partner as your beneficiary, they may still be entitled to a community property share of your benefit.

A survivor is defined by law. State law determines who, if anyone, is eligible to receive benefits as a survivor. In many cases, the survivor and the beneficiary may be the same person. So what is Survivor Continuance? Survivor continuance is a monthly benefit paid after your death in retirement to an eligible survivor. This is an employer paid benefit that is at no cost to you. Survivor continuance is provided by law to all State and School members. Public Agency members have survivor continuance only if their employer has contracted to offer this benefit.

In order for a survivor benefit to be paid, your employer must contract for the benefit and you must have an eligible survivor. If you have no eligible survivor at your death in retirement, then no survivor benefit would be payable.

Eligible survivors as defined by law are first is a spouse or domestic partner as long as the marriage or partnership became effective at least one year prior to your retirement and is continuous until death. If there is no spouse or domestic partner, then unmarried children under the age 18 or an unmarried child who became disabled prior to age 18 and whose continuing disability renders them incapable of holding a job would receive it. Last on the list of eligible survivors would be a parent who is economically dependent upon you for more than 50% of their support. If you don’t have any of the persons listed, then the benefit is not paid to anyone.

The amount your survivor receives is based on whether or not you contributed to Social Security during your CalPERS career. If you contribute to Social Security, then your eligible survivor will receive 25 percent of the unmodified allowance after your death in retirement. If you do not contribute to Social Security, your eligible survivor will receive 50 percent of the unmodified allowance. Survivor Continuance is the same dollar amount regardless of which option you choose or who you name as a beneficiary.

Now that we understand what survivors and beneficiaries are, we can begin our discussion of the Retirement Payment Options. The option you choose determines what benefits your beneficiary receives after your death in retirement. You must select a payment option when you submit your retirement application.

Payment options require a reduction in your retirement income in order to provide a benefit to someone else. The reduction is based on actuarial factors based on the age for both you and your beneficiary at the time of your retirement. The younger your beneficiary is, the greater the reduction you’ll take in your pension to fund their benefit. We’ll come back to that idea in just a bit.

There are several retirement options available. The Unmodified Allowance, Option 1, Option 2 and 2W, options 3 and 3W, and Option 4.We’ll discuss each of these options in the coming slides.

We're bringing back Sally who we mentioned earlier in the calculation process. Sally is a CalPERS member planning for retirement. To help her decide which retirement payment option will work best for her, Sally orders a CalPERS retirement estimate, which will provide an estimated dollar amounts for each of the options. We're going to review Sally's estimate in detail to show you how the options work.

If you are more than one year away from retirement, you can use your self-service estimate tools on our website by logging into your my|CalPERS account. We'll show you where you can find this a little later in the presentation. When you're within one year of retirement, you can order a CalPERS retirement estimate to help in your planning. You can order the estimate by downloading and completing the *Retirement Allowance Estimate Request* form. CalPERS uses Sally's account information and the personal information Sally provided to calculate her option choices.

In this example, Sally is retiring at age 55. She has 25 years of service, her benefit factor is two percent based on the 2% @ 55 formula. She has a final compensation of $2,866.67. Her survivor continuance is going to be 25% of her unmodified allowance. In this case, her beneficiary is her husband and he's also eligible to receive the survivor continuance. He's age 56 which is one year older than Sally.

On the coming slides we're going to review Sally's estimate in detail so you can see how the options work. The first option available to Sally is the unmodified allowance. It would pay Sally $1,433 a month for the rest of her life. The unmodified allowance is Sally's base pension, and is the highest amount she can receive in retirement, but it does not provide a benefit to a beneficiary upon her death in retirement.

All the other options we'll be talking about are a reduction from the unmodified allowance. Since Sally contributed to Social Security during her CalPERS career, her survivor continuance amount is 25% of her unmodified allowance. That equals $358. Her eligible survivor, in this case her husband, would receive $358 a month for the rest of his life upon Sally's death in retirement. This amount will stay the same regardless which option Sally chooses.

Sally's retirement income is made up of her member contributions, her employer contributions, and CalPERS investment earnings. Member contributions are reduced each month and paid out as part of your retirement income. For most members, it takes approximately 9 to 11 years to deplete all the member contributions.

Under the unmodified allowance, if Sally passes away before all of her contributions have been paid out to her, any remaining contributions stay in CalPERS.
So in order to protect her contributions, Sally can choose Option 1. Option 1 provides a lump sum payment of any remaining contributions to Sally's named beneficiary. In order to provide this benefit, Sally's pension is reduced from $1,433 to $1,421 per month. As you can see in the highlighted box on this slide, Sally has $60,000 in employee contributions at retirement. When you order a CalPERS retirement estimate, you'll see

your own numbers in this box. To help fund her pension, CalPERS will pay that money out to her in the amount of $462.10 per month over a period 10.82 years.

This point occasionally causes some worry amongst our members. They look at their estimate and see the line “your contributions will be reduced to zero”, and they worry that means their pension will stop. It doesn’t. Your CalPERS pension is a lifetime benefit, once your contributions have been paid out, the difference is made up by employer contributions and CalPERS investment returns, so your pension doesn’t change.

If Sally passes away inside the 10.82 year period when some of her contributions are still left, with an Option 1 the remainder goes to her beneficiary in a single payment. With Option 1, her husband will still receive the survivor continuance of $358 per month for the rest of his life upon her death in retirement. As you can see with this option, if Sally’s husband predeceases her, her monthly amount doesn’t change and she can name someone else to receive the balance of her contributions.

Now we’re going to cover the options that provide a continuing monthly benefit to a beneficiary and that starts with the Option 2. Let’s consider a scenario. Suppose Sally wants her husband to continue to receive the same amount of money from CalPERS after her death that she was receiving while still alive. Option 2 and 2W can meet this need. Option 2 is a further reduction, paying Sally $1,357 a month for the rest of her life.

What Sally gets in return for that reduction is the ability to leave a lifetime monthly income to her husband after her death in retirement. Under Option 2, Sally’s husband would get $999 a month for the rest of his life as her beneficiary if she passes away. Because they were married for more than a year prior to Sally’s retirement, her husband also qualifies as her survivor, so if Sally passes away he would get $358 as her survivor as well as the $999 as her beneficiary. This added together equal $1,357, the exact same amount Sally received while she was still alive.

Option 2 could be a good choice to take care of a spouse. If the CalPERS retiree passes away, their spouse continues to receive the same amount the CalPERS retiree received while alive.

If your employer does not contract for survivor continuance or you don’t have an eligible survivor, you’d still be able to leave your beneficiary the same amount you’d received while alive. The difference is, without the survivor continuance to help pay the cost, it would require a greater reduction from your unmodified allowance.

With an Option 2, if Sally’s husband passes away before she does, her pension will pop up to the unmodified allowance of $1,433 per month. Option 2W is very similar to option 2 in that if Sally passes away her husband continues to receive the same payment she had been receiving. The difference is that with option 2W Sally’s pension does not pop up to the highest amount payable if her husband passes away before she does. As a result, option 2W pays slightly more than Option 2, $1,369 vs. $1,357. The beneficiary amount for Sally's husband is $1,011. The survivor continuance amount remains $358. If we add those together, then her husband receives $1,369. That's the same amount Sally had received while alive. If Sally's husband passes away first, with an option 2W her payment stays the same; there is no pop up like there is in the Option 2.

Option 2W is very consistent. If Sally passes away, her husband would continue to receive the same payment she had been getting. If he passes away first she continues to receive the same amount she had been getting all along. Remember earlier that we said the younger your beneficiary is, the more of a reduction you'll take to provide a monthly benefit? The previous example was for Sally and her husband who was a year older. Based on the slides we just covered, Option 2W would provide a monthly allowance of $1,369. That's only a $64 reduction to Sally's unmodified pension of $1,433 to be able to provide that lifetime benefit to her husband.

But say Sally wasn't married, but had a 5 year old grandchild she wanted to leave a monthly allowance to. By naming her grandchild, Sally would take a reduction of over $300, reducing her pension to approximately $1,125. Remember this is a lifetime allowance so upon Sally's death, her grandchild would receive this for the rest of their life.

Let's consider another scenario. Suppose Sally wants to leave her husband a monthly income after she passes away in retirement, but the reduction to her pension under the Options 2 or 2W is too expensive. She needs more money while alive, and her husband can get by with less after she passes away, perhaps he has his own retirement income. Option 3 or 3W can meet this need.

Option 3 pays her $1,393 while she's alive, but her husband would receive less if she passed away first. Under Option 3 her husband would receive $517 as her beneficiary. Add the $517 to the $358 survivor continuance and Sally's husband would receive $875 upon her death in retirement under the Option 3.

Notice that this amount is a bit more than half the amount Sally had been receiving while alive. If Sally's employer did not contract for Survivor Continuance or if Sally did not have an eligible survivor, her option 3 would be slightly greater reduction to her, and her beneficiary would get half of what she had received while alive.

Like Option 2, with an Option 3 Sally's pension would pop up to the highest amount payable if her husband passes away first. Option 3W would pay Sally slightly more than Option 3, $1,401 vs. $1,393. Option 3W would pay her husband $521 as her beneficiary. Add this amount to the survivor continuance and the total is $879 per month which would be paid out to Sally's husband should she pass away in retirement. Similar to the Option 2W, by taking a higher amount now, Sally is waiving the right to pop-up to the unmodified allowance of $1,433 and continues to receive $1,401 per month if her husband passes away first.

We've now covered the basic options that you can choose when you apply for retirement. CalPERS offers several more options that allow you to customize your retirement benefits. We'll go over those briefly now. The Option 4 allows for several additional choices.

You can choose the 2W and 1 combined or 3W and 1 combined. These options allow the balance of your contributions to be paid out if both you and your lifetime beneficiary pass away before all of your member contributions are depleted. Other option choices include leaving a specific dollar amount or percentage to a beneficiary. Or, you can name multiple beneficiaries to receive a lifetime allowance. Keep in mind that the younger your beneficiaries are the more of a reduction you'll take because CalPERS may be paying those benefits out for a much longer period of time. Less common options are that you can take a reduction upon the death of the retiree or named beneficiary or you can take a reduced allowance for a fixed period of time.

For further explanation of the Option 4 choices please refer to Publication 18, *A Guide to CalPERS Retirement Option 4*, or you can find the information in Publication 43, which is a *Guide to Completing Your Service Retirement Election Application.*

So to conclude our discussion of the retirement payment options, there are several retirement payment options there are several facts you need to remember. First, there's are a variety of payment options to meet your needs, all the basic options we discussed plus the Option 4's. Second, your option choice impacts your benefit for life. Third, you select your payment option and name your beneficiaries on your retirement application. And fourth, your option choice becomes irrevocable 30 days after your first pension payment.

One of the most common questions we get asked is "What is the best option?" or "What's the most popular choice?" Unfortunately, we can't answer that. Your individual needs will determine which option is best for your situation. It's important to make an informed choice, it's a decision that will affect your income for the rest of your life.

Jim: The next topic on our agenda is the Cost of Living Adjustment which we commonly call the COLA. The COLA is one benefit that can enhance your pension after you retire. The Retirement Law provides for the payment of an annual cost-of-living adjustment to be paid each May. Cost of living adjustments are based on the consumer price index for all U.S. cities which is calculated by the U.S. Bureau of Labor Statistics. The intent is to help protect your pension against inflation. COLA's start in the second calendar year after you retire, and then continue every year thereafter.

The COLA amount for State 1st Tier members and school members is a maximum of two percent. If the CPI registers a lower rate of inflation, the COLA could be less than 2%. State Second Tier members receive a fixed three percent.

The COLA amounts for public agencies vary. Although most Public Agency's contract for two percent, they can also contract for a higher percentage of three, four or five percent. Your retirement date determines when your first COLA will be paid. Your COLA begins in the 2nd calendar year of your retirement. It is credited in the month of April and paid on the pension check dated May 1st. Thereafter, you will see any COLA adjustments every May 1st.

If your retirement date is 12/31/2016 or any time during that year, you will receive your 1st cost-of-living adjustment on May 1, 2018. If your retirement date is January 1, 2017 or any time during this year, you will receive your 1st COLA on May 1, 2019.

The important thing to remember is that you may not want to retire into the next calendar year unless you are trying to increase your pension with one of the other factors in your calculation such as waiting until your next birthday quarter for a higher benefit factor, or working for a longer period of time under a higher pay rate.

We've covered a lot of information so far so let's review a few items regarding retirement planning. You should begin planning the details of your retirement at least one year before your retirement date. You should consider attending more than one CalPERS retirement class or educational event. It's always better to be more prepared than less.

You'll want to request a CalPERS retirement estimate and review the retirement application booklet, which is our Publication 43. Discuss your retirement plans with family and friends and consider meeting with a financial advisor to assess your retirement needs. Factors that you may want to consider when choosing your retirement date including retiring on or after your next birthday quarter, working for a longer period of time at a higher pay rate or when you receive your first cost-of-living adjustment. When completing your retirement application, keep in mind that your retirement date must be at least one day after your last day on payroll.

It's important to understand that the option you choose is irrevocable after the mailing of your first full retirement check. And finally, if you are submitting your application by mail or in person, your signature and your spouse or domestic partner's signature must be either notarized or witnessed by an authorized CalPERS representative.

The earliest you can submit your retirement application is 120 days prior to your retirement date, and we like to receive it as early as possible. The more time you can give us to process your paperwork, the better chance we have of starting your payments on time.

You can submit your application by mail to our Headquarters. You may want to consider mailing your application by certified mail to assure that it arrives safely at CalPERS. The address can be found at the bottom of the last page on the retirement application.

You can also submit it in person at the CalPERS regional office nearest you by appointment. Please keep in mind that if you are submitting your application in person you need to provide a valid photo ID to verify your identity.

And there is now an online service retirement application available at my|CalPERS. We'll talk more about that a little later in the presentation. CalPERS sends an acknowledgment letter to you and your employer after receiving your retirement application.

Shortly before you receive your first full retirement check, CalPERS will send a letter providing you with the date of your first retirement check, what your monthly retirement income will be and tax information. You'll also receive information about your continued CalPERS Health benefits coverage if applicable.

Laurie: Our next topic is the CalPERS Special Power of Attorney form. What would happen to your retirement if you were unable to handle your own affairs? With the CalPERS Power of Attorney, you may designate someone to act as your attorney-in-fact. Your Attorney-in-fact can be given authority by you to handle specific issues related to your retirement account. They can contact CalPERS and request information regarding your benefits as well as endorse the retirement check and change your tax withholding or address.

Here's another reason that someone may want to have a Power of Attorney on file. Many times CalPERS will have a spouse calling in to ask questions or get information specific to a member's account. Without a Power of Attorney on file or speaking directly to the member to get authorization, CalPERS staff can only provide general information. You may already have a durable power of attorney set up through another resource; however, it may not address your CalPERS retirement.

The CalPERS Special Power of Attorney is form that allows you to designate someone to handle your CalPERS retirement issues. It cannot be used to grant authority over medical, real or personal property decisions. On the form, you determine what specific authority your attorney-in-fact may have. They may submit a retirement application on your behalf and choose an option for you. If you don't give specific authority to select a payment option, the attorney-in-fact may only choose Option 1 or the Unmodified Allowance. The person you choose may be able to designate a beneficiary.

If you do not grant specific authority, the person you chose cannot designate or change the beneficiary and they're not permitted to designate themselves as a beneficiary unless you authorize it. You can download or view the CalPERS Special Power of attorney form via our Forms and Publications center at CalPERS online.

Jim: Let's move on to health benefits in retirement**.** CalPERS health benefits are available in retirement to those who are eligible to participate. All California State University and State employers offer CalPERS health benefits. If you work for a Public Agency or School, your employer must contract with CalPERS to offer this to their employees or retirees. If you are a Public Agency or School member and your employer does not contract with CalPERS for health benefits, you should contact your employer to find out about your health benefits in retirement.

A few questions you should ask are first, will the coverage continue into retirement and if so, for how long? If it does, you should ask how much your employer will pay towards your health premiums if anything? Can your dependents continue to be covered? And, will coverage continue to family members if you should pass away?

When you retire you have the same health plan choices available as when you were active employee. Currently, CalPERS offers the following types of plans. We have Preferred Provider Organization plans (PPO), such as PERS Care, PERS Choice and PERS Select which are administered by Anthem Blue Cross. Health Maintenance Organizations (HMOs) include Kaiser Permanente, Blue Shield, Sharp, UnitedHealthCare, Health Net of California, and Anthem Blue Cross. Blue Shield is only available in California. Kaiser is available in California and select areas outside of our state. The other HMO's are available in limited areas.

Exclusive Provider Organizations (EPO) which are administered by Blue Shield and Anthem Blue Cross but are limited to certain counties. For a detailed description of these organizations you can visit CalPERS online. Last are Association Plans which are only available to members who pay dues to these specific associations. You must continue paying the dues after retirement to keep these plans. The plans offered are Peace Officers Research Association of California, California Association of Highway Patrolmen, California Correctional Peace Officers Association.

If you work for an employer that contracts for the CalPERS Health Benefits Program, there are still requirements that must be met to continue your health benefits into retirement. You'll need to retire within 120 days of separating from your CalPERS employer, that's the same 120 day rule we talked about back during the sick leave discussion, you need to be eligible for health benefits on the day that you separate, and you need to be receiving a monthly retirement allowance. Health coverage eligibility and the cost of your health plan may vary depending on where you live, the length of your employment, the health plan you choose, and your last CalPERS employer before you retired.

Specific health plans, covered benefits, monthly rates, and co-payments are determined by the CalPERS Board of Administration, which reviews health plan contracts annually. If you work for a Public Agency and School, please contact your employer to verify retiree contribution rates. For State members, you can find this information at CalPERS online. While you are still active, you will continue to contact your employer's health benefits coordinator for information. Once you are retired, you can contact CalPERS for questions.

If you have dependents currently on your health plan, they will continue to be covered after your retirement as long as they continue to be eligible. Any dependents that are eligible but not enrolled at retirement may enroll within the 60 day retirement window, or during any future open enrollment period. Dependent Coverage may include a Spouse or Registered Domestic Partner; coverage may continue up to the age of 26 for children who are natural, adopted or a stepchild or, if a parent-child relationship exists, certified disabled dependent children over the age of 26 if the disability occurred prior to the age of 26.

Dependents may also be covered after your death in retirement as long as they receive a continuing monthly benefit from CalPERS and are eligible for health benefits at the time of death. So if you want an eligible dependent to be able to continue your health benefits after you pass away, you need to be sure they receive a continuing monthly payment as a beneficiary or survivor. For example, if your employer does not provide survivor continuance, you would need to choose an option that provides a monthly payment to your dependent. If you chose an Option 1 or unmodified allowance which do not provide a monthly payment, your dependents would not be able to continue health benefits after your death in retirement.

If you need to make changes your health plan, they can be done either during open enrollment or after a qualifying event. The Open Enrollment period is held in the fall of each year with changes becoming effective January 1st of the new year. Changes include switching health plans as well as adding or deleting family members.

There are also qualifying events that allow you to change your health plan outside of open enrollment. Some examples are getting married or entering into a domestic partnership, the birth of a dependent, loss of coverage or a divorce or dissolution of marriage. You can change your health plan 31 days prior to your move and up to 60 days after.

So let’s talk a little bit about some health plan tools available on our website. You can use the Health Plan Zip Code Locator on our website to check whether your health plan is offered in the area that you’re planning to move to. If not, you’ll need to change your plan. Once you know what plans are available, you can do a side by side comparison using the Health Plan Chooser tool. Even if your health plan is offered in your area, you’ll still need to update CalPERS with your new address so that we can update your health plan.

Let’s talk a little bit about Medicare in retirement. You can change your health plan when you enroll in Medicare. Upon reaching age 65 in retirement, you’ll need to complete a *Certification of Medicare Status* form. And on this form, you’ll indicate whether you are: one, enrolled in Medicare Parts A and B; two, not eligible for Medicare or three, you’re deferring your Medicare enrollment because you’re covered under a group plan through your current employer or your spouse’s current employer.

This form will automatically be sent out about four months before you turn 65, or when you retire from CalPERS-covered employment, whichever is later. Once you and your dependents become eligible, enrollment in a CalPERS Medicare health plan is required by State law. It’s important to know that enrollment in Medicare is not automatic.

You should contact the Social Security Administration to determine your eligibility. Medicare also has a great website where you can find more information at www.medicare.gov. If you and your dependents are eligible, Social Security will issue you a Medicare card and you'll need to send a copy of this card with your Medicare Status form to CalPERS.

Failure to sign up for Medicare when you first become eligible can result in Medicare assessing penalties that will increase your Part B premiums for life. It can also lead to termination or suspense of your CalPERS coverage. If you're not eligible for Medicare, your health coverage doesn't change. You'll remain in the Basic plan. You will, however, need to submit a copy of the letter that Social Security will provide to you stating the reason that you are not eligible for Medicare to CalPERS.

We have several resources available if you need more information regarding your Health Benefits. There's the *CalPERS Medicare Enrollment Guide* which covers how Medicare works with your CalPERS health benefits, and when you need to enroll in a CalPERS Medicare health plan. The *Health Program Guide* talks about Basic and Medicare health plan eligibility, enrollment, and choices. The *Health Benefit Summary* explains the difference between HMO and PPO plans. The *Evidence of Coverage* publications review the terms and conditions of coverage including benefits, covered services, and co-payment information for each health plan. You can download or view these publication from our website.

Laurie: The next topic we're covering is working after retiring on a service retirement. As a retiree on a service retirement, you can be self-employed or work for a non-CalPERS employer without limitations or restrictions, and your CalPERS pension will not be affected. However, if you return to work for a CalPERS employer, you need to be aware of some restrictions.

There are two ways you can work for a CalPERS employer after you retire.
You can return to work for a CalPERS employer as a retired annuitant or you can reinstate as a CalPERS member**.** Let's take a look at the more common of the two which is working as a retired annuitant. There are three requirements you must meet to work after retirement for a CalPERS-covered Employer.

First, you must wait 180 days after your retirement date before you can return to work for a CalPERS employer. Secondly, your position must be a temporary position; it cannot be permanent full time or permanent part-time. Third, you're limited to 960 hours within a fiscal year. If you exceed these limitations, it could lead to a mandatory reinstatement. If you work temporarily for a CalPERS employer as a retiree, you will not accrue service credit or any other retirement rights or benefits. Your salary can be no less than or greater than those of other employees performing comparable duties.

Before accepting employment with an employer, it's your responsibility to ask if they contract with CalPERS for retirement benefits and inform them that you are a CalPERS retiree. To return to work with a CalPERS employer as a retiree, you must apply for temporary positions directly through the employer. They decide whether to hire you or not.

CalPERS may consider positions for third-party employers or independent contractors to be employee-employer relationships. Therefore, the position may be subject to the rules regarding returning to work after retirement. You should contact CalPERS to review such employment before entering into a contract.

Once you're hired, both you and your employer are responsible for ensuring that your employment remains in compliance with CalPERS rules and State law. You want to make sure that your employment doesn't jeopardize your retirement benefits. Employment found to be in violation of CalPERS rules or State law can result in your mandatory reinstatement from retirement retroactive to the date your unlawful employment began. This means that you could be required to reimburse the amount of retirement allowance you received while unlawfully employed as well as paying retroactive member contributions and interest. If you would like more information on working after you retire, you can download and view publication 33, *Employment after Retirement.*

Jim: Now let's cover some of the informational resources available to you as a CalPERS member. As you plan for retirement and even after, you may want to stay informed about issues that are important to you. In this topic we'll discuss ways you can keep informed about CalPERS and other issues that are important to your retirement. One of the easiest way is at CalPERS online, www.calpers.ca.gov. Most services available at CalPERS online do not require a username and password.

You can use the Service Credit Cost Estimator to get an estimate of the cost to several types of service credit. The Retirement Estimate Calculator allows you to calculate your retirement allowance based on various scenarios. If you use the version in my|CalPERS, it can pre-populate some of the information for you.

During the Health topic we talked about the Health Plan Chooser and the Health Plan Search by Zip Code tools. And you can find additional information through CalPERS Forms and Publication Center. CalPERS online is just as relevant after you retire as when you were an active member. The PERSpective Newsletter is available to all CalPERS members and retirees three times a year. It can be viewed online and provides valuable information and updates on our programs, benefits and services. You can sign up for CalPERS Email Subscriptions . These are alerts that CalPERS can send directly to your email. You can sign up for one or all of the CalPERS Email Subscriptions offered. There's the Member Education Bulletin which provides you with updates on when our member education events, webinars and instructor-led classes will be held. The Board Meeting Notice & Agenda Alert gives you a direct link to Board of Administration Meeting Notices and Agendas as soon as they're available. The CalPERS News is a newsletter that's sent out twice a month. And finally, the Employer Bulletin is where you'll receive the latest employer-related news and information. There are additional information newsletters you can subscribe to.

my|CalPERS is where you'll find your personal information in a secure area using your username and password. When you first log in, you'll come to the CalPERS Account Summary. Other tabs include Retirement Summary, Health Summary if you have CalPERS Health benefits through your employer, Education Resources, Profile, and a Message Center.

On the Home page you will find the CalPERS Account Summary which provides you with information on your account's Total Balance and Total Service Credit as of the most recent payroll reported by your employer and how many years you have left until your earliest possible retirement. If you are enrolled in CalPERS Health benefits, you'll also be able to see your Health Plan Carrier information here. You may also access your most recent Annual Member Statement.

Under the retirement tab, you'll find the summary of your retirement account including a breakdown of your contributions plus interest, your membership status and your formula. At some point you may need to request a letter to verify your account balance or income if you're retired and you can now request and print this document automatically. You can even address it to an outside organization such as a landlord or mortgage company. If you select the Statements link, you'll have access to past Annual Member Statements. Once you're retired, you'll find your Warrant Statements here as well. You'll also be able to utilize payment options for retirement checks. This will give you the ability to add, change or delete your direct deposit.

On this page, you'll also find the Retirement Estimate Calculator link. Under this link you can calculate your retirement based on "What if" scenarios such as different retirement dates or potential changes in pay rate. You can then save your estimate scenarios to review at a later date. There are now several of the Option 4's that can be calculated on your estimate in my|CalPERS including the 2W or 3W and 1 combined, a specific dollar amount or specific percentage or beneficiaries, and multiple lifetime beneficiaries.
An exciting addition is that you can now apply for a service retirement directly online.

Even if you're not ready to apply for retirement, if you select the Apply for Retirement link, the first page provides you information about resources that we recommend you pursue before starting the application process. One, you'll want to utilize the Retirement Estimate Calculator. Two, review the *Planning for Retirement* publication. Three, take a retirement planning class. Four, if needed, you can schedule an appointment. Five, request a CalPERS generated estimate by completing the *Retirement Allowance Estimate Request* form.

The next tab brings you to the Health Plan Summary page if you have your health benefits through CalPERS and for those of you under CalPERS health benefits, this page provides information about your Medical Plan, the Coverage Type, when you were enrolled and your premium. At the bottom, you'll find your subscriber information as well as a list of any dependents enrolled on your health plan. Over to the right of this screen, you'll see links to additional information about your health benefits. Once you retire, you can add or change health dependents due to a qualifying event. As an active member, you will need to contact your employer to make any CalPERS Health benefit changes.

The Education Resource tab brings you to our Resource Center which provides information and links to additional education. You can take classes online or enroll in an instructor-led class held by our regional offices located throughout the state. You may also schedule an appointment, access the Publications Center and download the latest PERSpective newsletter. Over to the right, you can access videos about retirement planning and much more.

The Profile tab is where you'll be able to review and update your email and phone numbers, change your password and let us know you're mailing preferences. If you're still an active employee you cannot change your mailing address online, you'll need to update your address with your employer who will then forward that information to us. Once retired, you'll have the ability to edit your address in my|CalPERS.

This brings us to our last tab, the Message Center. In the Message Center, you can submit an inquiry to CalPERS. Because your request comes from a secured source, behind your username and password, in most cases, CalPERS will be able to provide a more personalized response. When CalPERS answers your inquiry, you will be notified by email that you have a message waiting in my|CalPERS. You simply log in to review the response.

Along with the CalPERS online resources, a great way of keeping up on the latest information is the use of social networking. You can now follow us on Twitter and like us at Facebook. You can also find great informational videos by going to the Video & Web Event Center on our website. All of our video content is published to the CalPERS YouTube channel. On YouTube, you can subscribe to our videos, share them, and you can even embed them in your own websites.

So let's cover a few ways to contact CalPERS. We just covered one way to contact CalPERS through the secure messaging in your my|CalPERS Message Center. You can complete our online form for your questions or comments about CalPERS programs and services. You can get answers regarding retirement, health benefits, Supplemental Savings, technical issues, and more. It's important to remember that CalPERS cannot respond via email with detailed account information to these types of inquiries. You can contact CalPERS by mail. If your question will require us to include protected personal information in the response or require detailed research, mail is often the best way to get your question answered.

When corresponding by mail, keep the following in mind. The average response time currently is about 30 to 60 days and if it requires detailed research it can take even longer.

Our CalPERS representatives are available from 8 to 5 Monday through Friday. In most cases, they can assist you in a single call. The busiest times to call CalPERS are the first of the month, Mondays and the day after a holiday and we now offer a call back feature so that you can avoid waiting on hold. You can reach the automated phone system or speak to a CalPERS representative by calling: (888) CalPERS which is (888) 225-7377.

Finally, you can visit a CalPERS Regional Office. CalPERS has eight Regional Offices located throughout the State where staff will assist you with a variety of services and educational events. You can have retirement questions answered, pick up forms and publications, and submit your retirement application and have your signature witnessed. We do have walk-in appointments available at our regional offices, but walk-ins can often wait over an hour. To help minimize your wait time, you can pre-schedule an appointment through my|CalPERS. Pre-scheduled appointments at our Regional Offices can fill up over a month in advance, so please plan ahead.

Before visiting our offices, we would like to offer some suggestions to help you be prepared and get the most out of your visit. Attend a retirement class and check out some of our retirement planning online services. Read and complete any necessary forms or applications to the best of your ability. Bring supporting documents, for example, if you choose an option that provides a lifetime benefit you'll need your beneficiary's birth certificate. Bring your estimate with you to the Regional Office. We are unable to generate any estimates for you while you wait. And please write down a list of any specific questions that you may have.

Our presentation today was intended to give you an understanding of how your retirement benefits work. We hope this information has been beneficial in helping you prepare for retirement. And remember, to reinforce the information you've received today, you can always take one of our member education classes either online or in a classroom setting. Thank you for taking time out of your day to attend this presentation and have a great day!