



CalPERS Education Center presents:

# Service Credit Purchase



# Agenda:

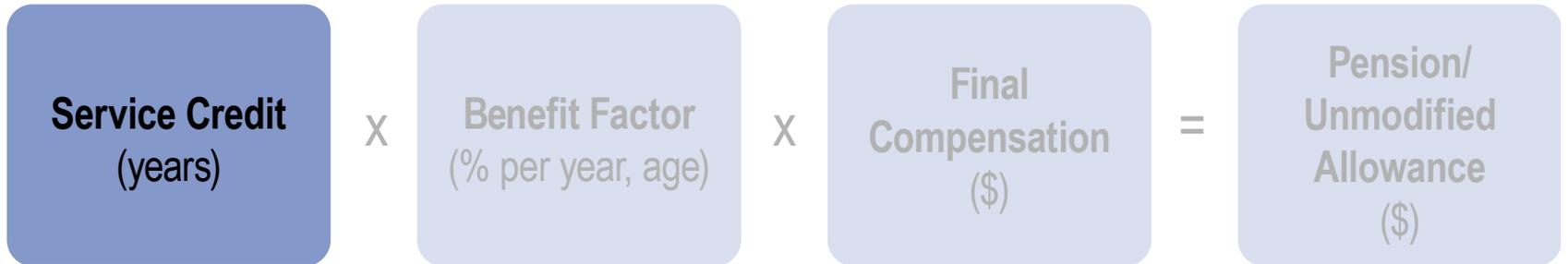
- What Service Credit Is
- Types to Purchase
- Request Process
- Payment Options
- What to Consider
- Election package
- Resources
- Contacting CalPERS

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## What is Service Credit?

- A factor used in calculating your pension
- Time worked
- More service credit = more pension



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## **Types of Service Credit**

- Redeposit of withdrawn contributions
- Service prior to membership
- Active duty military service
- Military leave of absence

## Types of Service Credit

- Other types:
  - Peace Corp,
  - AmeriCorps
  - AmeriCorps\*VISTA

## Types of Service Credit

- Other types:
  - Leaves of absence
    - Maternity or paternity
    - Temporary disability
    - Sabbatical
    - Education

## Types of Service Credit: Example

Purchase multiple types of service credit (if eligible)

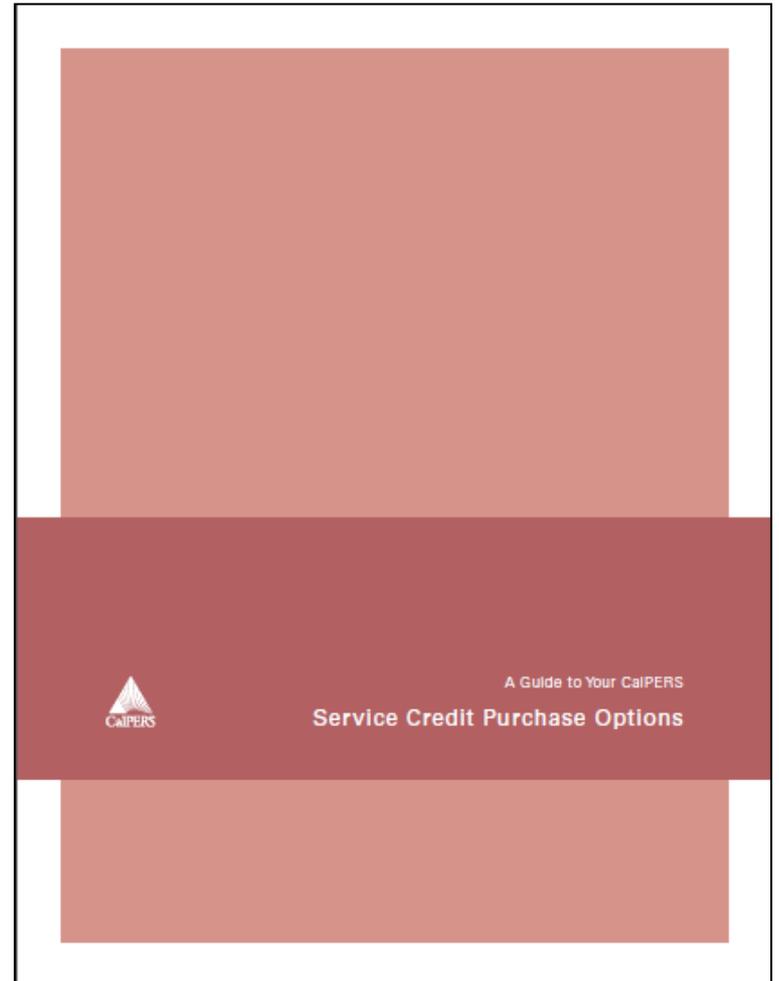
John is eligible for:

- Military service
- Service prior to membership



# Types of Service Credit

## A Guide to Your CalPERS Service Credit Purchase Options



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## Payment Methods

The payment methods available to you are:

- Lump sum
- Installment
- Combination of both

## Lump Sum Payment

Payment options are:

- After-tax
- Pre-tax rollovers or plan-to-plan transfers
- Or a combination of these two

# Installment Payments

Payments can:

- Be made up to 180 months (15 years)
- Be deducted from your paycheck
- Continue into retirement

# Installment Payment Options

You may choose:

- After-tax payments
- Pre-tax payments
- Partial lump sum with balance in payments

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## What to Consider

Some things you should consider are:

- Cost vs. long-term benefit
- Classic Safety member
  - Cap on retirement allowance
- Consult a financial or tax advisor

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## Election Package: Example

A member is considering purchasing Service Prior to Membership:

- Lump sum cost – \$10,000
- Installment payments \$65/mo – can continue into retirement
- Pension increase ~\$250/mo



## Completed Election Package

Once you receive the *Purchase Election Package*:

- 60 days to respond
- Election is irrevocable

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# Resources

Information found at [my|calpers.ca.gov](https://mycalpers.ca.gov):

- Retirement
- Health (*if applicable*)
- Education
- Profile
- Message Center



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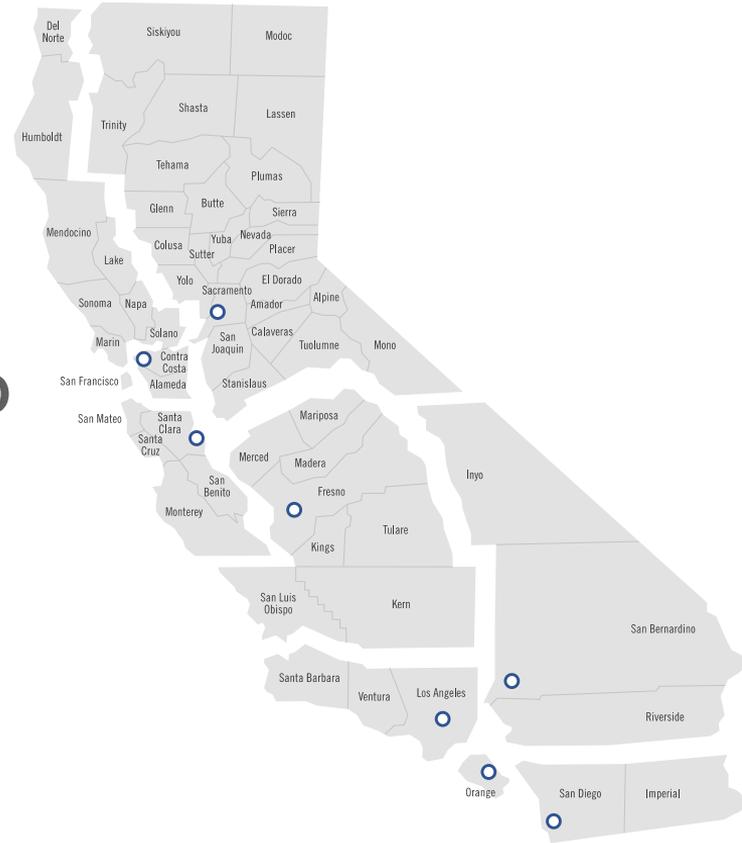
## Contacting CalPERS

You can contact CalPERS many ways. You can:

- Complete our online form
- By mail
- By phone **888 CalPERS** (or **888-225-7377**)
- Visit Regional Office

# Contacting CalPERS

- **Walnut Creek**
- **Sacramento**
- **San Jose**
- **Fresno**
- **Glendale**
- **Orange**
- **San Bernardino**
- **San Diego**



This concludes our presentation.

**Thank you for attending!**

**Disclaimer:** CalPERS is governed by the Public Employees' Retirement Law and the Alternate Retirement Program provisions in the Government Code, together referred to as the Retirement Law. The information in this webinar is general and current as of the date recorded. The Retirement Law is complex and subject to change. If there is a conflict between the law and the information presented in this CalPERS webinar, any decisions will be based on the law.