

Choosing the Best Retirement Date

When it comes to retirement, everybody's situation is unique. Your retirement plans, income and expenses will differ dramatically from your co-workers'. The timing of your retirement also will be unique to you. That is why choosing the "best" retirement date is not an exact science. However, if you follow the guidelines below, you are likely to make the best choice for you. But first, ask yourself two important questions:

Can I afford to retire?

Before deciding whether you would like to retire, first consider whether you can afford to retire. This determination will depend on your retirement goals and plans. Will you move out of state? Travel abroad? Buy a house? Whatever your plan, it will come with a price tag. Be sure to carefully estimate your future expenses. Then, list all sources of your retirement income, including your monthly VCERA benefit.

Have I estimated my VCERA benefit?

VCERA offers several ways to obtain a retirement benefit estimate. You can submit an Estimate Request Form, call a VCERA Benefits Specialist, or run an estimate in your Member Portal account or on VCERA's online pension calculator. Before you commit to a retirement date, please request an official estimate from VCERA, which will provide the most accurate benefit projections.

TIPS FOR PICKING A GREAT DATE

1 Reach your next age factor.

Your monthly benefit will increase with every quarter year older you are, up to the following ages:

- Age 55 for Safety Tier 1
- Age 57 for Safety Tier 7 (PEPRA)
- Age 65 for General Tiers 1 & 2
- Age 67 for General Tiers 6 & 8 (PEPRA)

2 Purchase eligible service.

Your monthly benefit will increase as your service credit increases. Besides working longer, you can also purchase eligible prior service:

- Redeposit of refunded contributions from prior period of membership
- Unpaid, personal medical leave
- Excluded service: Extra-Help prior to 1992, Pre-membership prior to 7/10/1999
- Prior public service: Federal and California governments, military, qualified local agencies

3 Maximize your FAC.

Your monthly benefit will be based on your final average compensation (FAC): your highest 12 or 36 consecutive months of salary and other retirement earnings (legally permitted pay items):

- 12 months for Tier 1 members
- 36 months for all other members

4 Qualify for the annual COLA.

VCERA pays eligible retirees a cost-of-living adjustment (COLA) each April. To qualify, you must retire by April 1 of that year. If you retire later, you must wait until the following April to receive a COLA increase. COLA percentages and eligibilities are:

- Up to 3% for Safety & General Tier 1 members
- Fixed 2% for General members (County only) represented by SEIU on or after 3/16/2003

