



ALAMEDA COUNTY  
EMPLOYEES' RETIREMENT  
ASSOCIATION



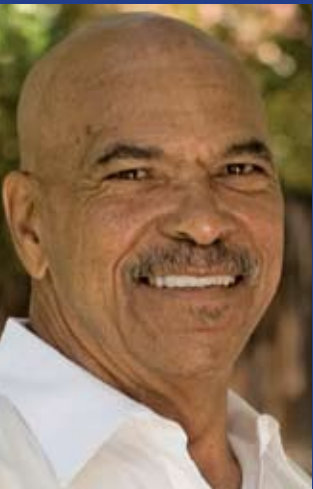
# MEMBER HANDBOOK

Charting Your Course to Retirement



# MEMBER HANDBOOK

Alameda County Employees' Retirement Association



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# YOUR ACERA MEMBER HANDBOOK

ACERA is committed to being here for our members—we are here when you need assistance in understanding the benefits available to you, and here when you are ready to retire. Please feel free to contact ACERA Member Services at 510-628-3000 or toll free at 1-800-838-1932 with your inquiries, questions and concerns.

## IMPORTANT LEGAL DISCLAIMER

This handbook provides general information about ACERA's defined benefit pension plan. It is designed to be accurate, as of the date of its issuance, May 2008, including periodic updates. The handbook provides a general description of the structure of ACERA's defined benefit plan; roles and responsibilities of the various parties involved; descriptions of administrative procedures; and answers to basic questions. This handbook does not provide answers to specific claims and questions.

ACERA is governed by the County Employees Retirement Law of 1937 (Government Code Section 31450 et. seq.) as adopted by the Alameda County Board of Supervisors and implemented by the ACERA Board of Retirement. The laws governing public retirement systems are complex. No statement in this handbook is a legally binding interpretation, enlargement, or amendment of the provisions in the CERL or ACERA's policies. If conflict arises between this handbook and the CERL, the decision will be based on the CERL, Board Policies, Board Resolutions, and other governing law, and not on information contained in this handbook.

The information presented in this handbook should not be construed as legal advice or as a legal opinion on specific facts. For legal advice regarding specific facts, consult an attorney knowledgeable in retirement law matters.

Effective May 2008  
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**It's never too early to start thinking about retirement,** and as a member of the Alameda County Employees' Retirement Association (ACERA), you are part of a program designed to help you achieve a secure future. For close to 60 years, ACERA has provided eligible employees of Alameda County and other participating employers the opportunity to earn retirement benefits they can count on. We offer a lifetime benefit at retirement, disability and survivor protection, and access to retiree health care coverage.

This Member Handbook is an excellent resource for you as a member of ACERA. It provides you, your family, and your beneficiaries with details on your ACERA member benefits and explains the level of service you can expect from the ACERA organization. The handbook is organized by various stages of your ACERA membership—the handbook outlines what you need to know as a new member, as you continue your career with your ACERA participating employer, and as you become close to retiring and then retire. Also included is a separate section that addresses your needs when certain job changes and life events occur. Benefit plan provisions specific to different member types are clearly noted; in addition, the handbook provides examples and worksheets for estimating your potential benefit under various circumstances.

We encourage you to take some time to read through this handbook. It is an important educational tool that describes all of your ACERA benefits. Keep it for ongoing reference and use it as you plan for a secure retirement. An electronic copy of the handbook is also available through the ACERA website, [www.acera.org](http://www.acera.org).



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# ABOUT ACERA

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## ACERA'S MISSION STATEMENT

The ACERA organization's mission is to provide ACERA members and employers with flexible, cost-effective, participant-oriented benefits through prudent investment management and superior member services.

The purpose of Section 1 is to provide an overview of the ACERA organization and ACERA benefits. This section also explains how a defined benefit retirement plan, like the ACERA plan, works.

### What is ACERA?

The Alameda County Employees' Retirement Association (ACERA) is governed by the provisions of the County Employees Retirement Law of 1937 (CERL), found in sections 31450–31898 of the California Government Code. ACERA was established in 1948 by the Alameda County Board of Supervisors to provide retirement, disability, and death benefits to Alameda County and member district employees.

Today, Alameda County and member districts are referred to as "Participating Employers" and include the following: Alameda County, Alameda County Children and Families (First Five), Alameda County Housing Authority, Alameda County Medical Center, Alameda County Office of Education, Livermore Area Parks and Recreation, and Superior Court of California.

The ACERA retirement plan provides lifetime benefits to members of the retirement system who meet the minimum age and length-of-service requirements or are eligible for disability retirement. The plan is a significant and fundamental part of the comprehensive benefits package that Participating Employers offer to eligible employees.

### What We Do

The ACERA organization works to provide members and Participating Employers with cost-effective benefits, to prudently manage investment of ACERA plan funds, and to provide superior service to our members.

The ACERA organization is committed to carrying out the ACERA mission through a competent, professional, impartial and open

decision-making process. In providing benefits and services, all persons are treated fairly and with courtesy and respect. Investments are managed to balance the need for security with superior performance. We expect excellence in all activities.

## The ACERA Board of Retirement

The ACERA Board of Retirement (“Board”) is responsible for administering the pension plan in accordance with the CERL, protecting the assets of the pension plan and the interests of the plan beneficiaries, and prudently managing the critical risks facing ACERA. The Board is also responsible for establishing the policies that govern the administration of ACERA’s retirement plan, for making benefit determinations, and for managing the investment of the system’s assets. The Board has nine members and two alternate members; it operates under authority granted by CERL and Article XVI of the Constitution of the State of California.

The Board oversees the ACERA Chief Executive Officer and staff in performing their duties in accordance with the CERL, ACERA regulations, and Board policies.

The table below shows the composition of the Board. All Board members, with the exception of the County Treasurer, serve three-year terms.

ACERA Board of Retirement		
Type of Member	Elected/Appointed by	Number of Members
County Treasurer	By virtue of position	1
County Resident	Appointed by County Board of Supervisors	4
Active General Member of ACERA	Elected by active General members	2
Active Safety Member of ACERA	Elected by active Safety members	1
Retired Member of ACERA	Elected by retired members	1
Alternate Safety Member of ACERA	Elected by active Safety members	1
Alternate Retired Member of ACERA	Elected by retired members	1

The Board’s basic responsibilities include the following:

- Setting investment strategies;
- Selecting actuaries;
- Selecting investment advisors and managers to invest the ACERA trust’s assets in stocks, bonds, real estate, and other high grade income-producing investments; and conducting reviews to ensure the trust’s security and earnings;

## FREQUENTLY ASKED QUESTIONS

### How do I find out about Board meetings and can I attend them?

Generally, all Board meetings and standing committee meetings are open to the public. Agendas are posted in ACERA’s office at least 72 hours in advance. Copies of Board and standing committee agendas and minutes are available upon request from ACERA Member Services or through the ACERA website, [www.acera.org](http://www.acera.org).

- Providing and reviewing processes for disability retirements; and
- Selecting a Chief Executive Officer who, under the Board’s direction, is charged with carrying out retirement law and board policy and maintaining a competent staff to handle day-to-day operations.

Regular monthly Board meetings are held every third Thursday. In addition, the Board may meet in special sessions as circumstances warrant. The Board also has standing committees that meet once a month. All meetings are normally held in the ACERA C.G. “Bud” Quist Board Room at 475 14th Street, Suite 1000, Oakland, CA 94612.

## FREQUENTLY ASKED QUESTIONS

### Can the County access the retirement system funds and use them for other purposes?

No. Once the investment earnings and contributions come into the retirement system, they are placed in trust with the Board. The Board has a fiduciary responsibility to safeguard these assets in order to provide benefits.

### Can I withdraw funds from my ACERA account during employment?

No. Funds cannot be withdrawn during employment.

## How ACERA Benefits Work

ACERA is a “defined benefit pension plan” qualified under Section 401(a) of the Internal Revenue Code. Under a defined benefit plan, eligible members receive a **guaranteed, lifetime benefit** at retirement, calculated by a set formula. The plan’s formula includes, but is not limited to, the member’s age, years of service, member type and salary. The ACERA plan formula is discussed in more detail in Sections 2 and 5 of this handbook.

ACERA also provides service-connected and non-service-connected disability benefits for members who become permanently disabled while working for Alameda County or a Participating Employer and whose disability prevents them from performing their jobs. Refer to Section 3 of this handbook for information regarding disability retirement.

## Plan Funding

ACERA plan benefits are funded through three sources:

- Investment earnings
- Participating Employer contributions
- Employee contributions

## Investment Earnings

The ACERA Board is responsible for investing and diversifying the system’s assets. In this role, the Board invests in different types of securities, in different companies, and in different regions of the world, under the direction of professional investment managers.

The Board works with an investment consulting firm to establish the Board’s General Investment Guidelines, Policies, and Procedures (“the Investment Policy”). The Board reviews the Investment Policy to ensure that ACERA’s assets are invested with care. The Board also closely monitors its investment managers to ensure they are complying with its policies and meeting ACERA’s long-term investment performance objectives.

Funding for future retirement benefits calls for a long-term outlook. As a result, the Board's investment policy takes an appropriately long-term view. The Board cannot guarantee the performance of investments, especially over short-term periods. However, it's important to understand that under a defined benefit plan, like ACERA's, investment returns will not decrease or increase a member's retirement benefit.

Since ACERA provides lifetime, monthly benefits, most retirees get back much more than they contribute to ACERA. A typical retiree recovers his or her contributions and earned interest within the first 5 years after retirement.

### Participating Employer and Employee Contributions

Employer and employee contributions make up an important source for funding the ACERA plan. Contribution rates are set by law according to factors determined by a yearly actuarial study. Refer to Section 2 of this handbook for more information regarding contributions.

### Planning for Income in Retirement

The ACERA plan offers members a secure, guaranteed income benefit during their retirement. However, there may be other sources of income available to you in retirement, such as Social Security, your balance in a defined contribution savings plan such as a 401(k), 403(b) or 457 plan, an IRA, or your own personal savings account.

### Social Security

Social Security offers retirement, survivor, Medicare, and disability benefits—available under the Social Security Act—to eligible employees. Social Security benefits are provided through the federal government and are separate from contributions to and benefits from ACERA.

Eligibility for Social Security benefits is set by federal law. You may contact the nearest Social Security office or refer to the Social Security website, [www.ssa.gov](http://www.ssa.gov), for information about your rights and benefits under Social Security.

If you are unsure of your eligibility for Social Security coverage, ask your payroll clerk. If Social Security (FICA) is deducted from your paycheck, you are considered a "Social Security integrated employee." This requires ACERA to adjust the benefit allowance paid to members by a set Social Security Reduction Factor. Refer to Section 6 of this handbook for more details and an example.

### Defined Contribution Plans

A defined contribution plan, such as a 401(k) plan or Section 457 deferred compensation plan, works much differently than a defined benefit plan. Under a defined contribution plan, you choose how

## FREQUENTLY ASKED QUESTIONS

### As an ACERA member, am I eligible for Social Security benefits?

ACERA General Members, with the exception of those employed by Livermore Area Park and Recreation, are typically covered by Social Security. Many years ago, some General Members had a choice to opt out of Social Security. These members may not be eligible for Social Security if they have never paid FICA deductions. Most Safety Members are not covered under Social Security.

## FREQUENTLY ASKED QUESTIONS

### Can ACERA help me with questions I have about the County's deferred compensation plan?

No. ACERA does not administer the County's 457 deferred compensation plan. If you are a County employee, contact the County Treasurer's Office at 510-272-6809. If you work for another Participating Employer, contact your Human Resources department for deferred compensation plan information.

much to contribute toward your retirement savings. Contributions are deducted from your pay on a pre-tax basis. You decide how to invest the contributions, and your plan account balance fluctuates with the performance of your investments over time. The amount of money available upon retirement is based on your actual account balance—and it's up to you to make that money last through your retirement.

Some ACERA Participating Employers offer employees the opportunity to participate in Section 457 retirement savings plans, also known as "deferred compensation" plans. If you wish to increase your retirement savings through your employer's Section 457 deferred compensation plan, contact your employer's payroll department about enrolling in the plan. Note that the ACERA Participating Employers' deferred compensation plans are not connected with ACERA in any way.

### The ACERA Plan vs. Defined Contribution Plans: What's the Difference?

	ACERA Defined Benefit Pension Plan	VS. Defined Contribution Plan (e.g., Alameda County 457 Plan)
Your benefit at retirement	<ul style="list-style-type: none"> <li>The plan provides a lifetime retirement income benefit, whose value is based on the plan's formula.</li> </ul>	<ul style="list-style-type: none"> <li>Your benefit at retirement is based on the cash value of your account when you retire.</li> </ul>
Benefit Calculation Factors	<ul style="list-style-type: none"> <li>Your age, service, salary, the payment option you select, and your benefit Tier.</li> </ul>	<ul style="list-style-type: none"> <li>Your account balance at retirement.</li> </ul>
Plan funding	<ul style="list-style-type: none"> <li>You and your employer contribute to the plan on your behalf. Annual contribution amounts are set by law. ACERA manages and invests the plan's assets.</li> <li>The plan's assets (contributions and investment earnings) are used to pay benefits to current and future retirees.</li> </ul>	<ul style="list-style-type: none"> <li>You make voluntary pre-tax contributions to your account. You invest your contributions, and the gains (or losses) accumulate in your account over time.</li> </ul>
Impact of the stock and bond markets	<ul style="list-style-type: none"> <li>Has no effect on the benefit you receive at retirement.</li> </ul>	<ul style="list-style-type: none"> <li>Affects your investment earnings and thus, the size of your account balance at retirement.</li> </ul>
Impact of cost of living increases	<ul style="list-style-type: none"> <li>You may be eligible for cost of living allowance (COLA) increases during retirement.</li> </ul>	<ul style="list-style-type: none"> <li>Your dollars may not go as far.</li> </ul>

# NEW MEMBERS

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## FREQUENTLY ASKED QUESTIONS

### **Are all employees automatically members of the retirement system?**

No. Temporary, part-time, seasonal, intermittent, as-needed, per diem, and contract employee positions are not eligible for ACERA membership as new employees.

### **What happens if I don't submit the ACERA Member Enrollment Questionnaire?**

If you don't submit the Questionnaire, your benefits may be calculated according to incorrect information. Or, if you die, those entitled to the resulting death benefits will be determined without reference to your beneficiary designation.

Congratulations on becoming an ACERA member. Your ACERA-eligible employment with the County or another Participating Employer will help you to take an important step in achieving a secure retirement.

This section provides ACERA plan information that may be of interest to new members—topics such as plan eligibility, membership types, benefit levels, employee and employer contributions, vesting and an introduction to the plan's benefit formula are covered.

## **Eligibility for ACERA Membership**

Membership with ACERA requires appointment to a permanent full-time position with an ACERA Participating Employer. Membership is continuous until termination or a change in employment that results in a change in eligibility status. ACERA membership is mandatory for eligible employees.

Membership is effective on the first day of the pay period following your hire date in an ACERA-covered position. As of your effective entry date, payroll deductions for your retirement contributions will begin and you will earn service credit for each hour worked. During the short period between the beginning of employment and your ACERA plan entry date, you neither pay contributions nor receive service credit. You may purchase this service credit, referred to as “days prior to entry,” at any time before retirement, but doing so will not change your effective membership entry date. See Section 3 of this handbook for more information regarding purchasing service credit.

**Take Note:**

Employee contribution amounts are based on age at entry. The older you are at entry into ACERA membership, the higher your contribution. Therefore, providing ACERA with your correct birth date is critical. ACERA must have birth date verification prior to retirement benefit commencement. If your birth date is incorrect at enrollment and the error is not discovered until retirement, an account adjustment is required. You may owe additional contributions plus interest if you under-contributed during the course of your membership. However, if you over-contributed, a refund of the overpayment will be made.

Adjustments like these can take time and delay the processing of your retirement benefit.

ACERA membership is continuous for as long as you are employed in an ACERA-covered position. ACERA members who as a result of moving into a non-retirement eligible position (i.e., changing from full-time to a part-time position) may elect to continue membership or defer membership. Refer to Section 4 of this handbook for more information on changes in your job status.

## Enrolling as an ACERA Member

Your employer will provide you with an *ACERA Member Enrollment Questionnaire*. The questionnaire provides ACERA with pertinent personal information such as your birth date, position, department, and prior public service information. It also allows you to nominate a beneficiary for plan benefits. Complete and return this form to your payroll clerk or Human Resources department within your first two weeks of employment. You will also need to provide evidence of your birth date, such as your birth certificate, passport, or other documentation required by ACERA for verification. Your employer's department may submit this documentation of your birth date to ACERA with your completed questionnaire.

## Types of Membership

ACERA has two membership types, Safety and General, which are based on job classifications:

- **Safety Members** work in active law enforcement, fire fighting, or positions that have been designated as Safety by the Board of Retirement (e.g., Juvenile Hall Group Counselor, Probation Officer, etc.).
- **General Members** are all other members.

## Types of Benefit Levels

ACERA has two benefit levels, or "Tiers," for each membership type, based on a member's Participating Employer and date of entry or re-entry into the retirement system:

- **Tier I Membership:** Employees of Alameda County, the Superior Court, or the Alameda County Medical Center (ACMC) with a retirement system entry/re-entry date prior to July 1, 1983, are **Tier I Members**.

All employees of the Housing Authority (Housing), Livermore Area Recreation Park District (LARPD) and Alameda County Office of Education (Schools) are **Tier I Members**, regardless of retirement system entry date.

- **Tier II Membership:** Employees of Alameda County, the Superior Court, First Five, or APMC whose retirement system entry date falls on or after July 1, 1983, are **Tier II Members**.

Your Tier affects the formula used to calculate your benefit, as noted in Section 6 of this handbook.

## ACERA Plan Benefits & Benefit Levels

ACERA offers the following benefits to members:

- **“Vested” Benefits.** Vested benefits include your monthly lifetime retirement benefit, a small retiree death benefit, and an annual cost of living adjustment (also known as a “COLA”; see Section 6 for details). Vested benefits are guaranteed under the 1937 Act County Employees Retirement Law. Once earned, they cannot be reduced or taken away.
- **“Non-Vested” Benefits.** Non-vested benefits include benefits provided through the Supplemental Retirees Benefit Reserve (SRBR) and are therefore not guaranteed. The following non-vested benefits are currently offered to retirees:
  - Health, dental and vision care benefits
  - Monthly Medical Allowance (MMA), which provides eligible retirees a contribution toward health plan premiums based on years of service
  - Medicare Part B Reimbursement Plan (MBRP), which reimburses eligible retirees for their Medicare Part B cost
  - Supplemental COLA
  - Supplemental retiree lump-sum death benefits

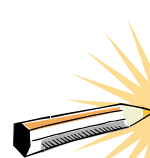
Non-vested benefits are subject to modification and/or discontinuance by the ACERA Board of Retirement.

Refer to Section 6 of this handbook for more information regarding your non-vested benefits.

## ACERA Plan Contributions

Employee and employer contributions provide an important source of funding for the benefits paid to current retirees, future retirees, and other qualified recipients under the ACERA plan. Both you and your employer contribute to fund your ACERA retirement benefits. Contributions are **NOT** a part of the formula used to compute your benefit paid at retirement.

Employee and employer contribution rates are set by law according to factors determined by a yearly actuarial study.



### Take Note:

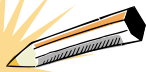
***Not sure of your membership Tier?*** If you are an Alameda County employee, refer to your paycheck. Your retirement deductions are listed as “Retirement 1” for Tier I Members or “Retirement 2” for Tier II Members. You may also refer to your annual member statement, which states your current Tier and plan.

## FREQUENTLY ASKED QUESTIONS

### Can I increase my contributions to my retirement account?

No. Employee contribution rates are set by law. Retirement benefits are calculated using a formula that includes your age at retirement, years of service, and highest average salary. Increasing your contributions will not increase the benefit available to you at retirement.

#### Take Note:



You are always 100% vested in your employee contributions and interest credited to your account. You may withdraw your contributions only if you terminate your employment. Termination and immediate rehire for the purpose of withdrawing contributions is not allowed and is a federal violation. Also, there are no provisions for an emergency withdrawal of funds from your ACERA account.

Younger members who enter the ACERA retirement system pay into the system over a longer period of time. Thus, they pay a lower contribution rate upon entry.

### Employee Contributions

Employee contribution rates are set annually, as noted above. Rates are affected by changes in assumed interest rates, cost-of-living benefits, changes in the level of benefits, and changes in life expectancy actuarial tables. ACERA investment gains or losses do **NOT** impact employee contribution rates.

The required employee contribution rate is a percentage of base pay and certain pay differentials. For a comprehensive list of pay types which are included or excluded, contact ACERA Member Services.

Your employee contribution rate is determined by your age of entry or re-entry into ACERA membership, your membership type, and plan Tier. This means that although members may be employed in the same job classification at the same salary, they are unlikely to have the same contribution rate.

Employee contributions are made through regular bi-weekly or monthly payroll deductions and are deducted on a tax-deferred basis.

Your contributions are credited to your ACERA retirement account. Interest on funds that have been in your account for at least six months is credited to your account on June 30 and December 31 of each year, as ACERA earns investment income.

### Employer Contributions

Employer contribution rates are also set annually and can vary from year-to-year. Rates depend on the level of established benefits, rate of return on investments, and the cost of administering benefits.

The contributions made on your behalf by Participating Employers are based on your membership type, Tier, and salary.

You do not benefit from employer contributions until retirement—these contributions are used, along with employee contributions, to fund your benefits at retirement.

Employer contributions are **never refundable**—if you terminate employment and elect to receive a lump sum payment, you will not receive employer contributions made on your behalf.

## ACERA Plan Benefit Formula

As introduced in Section 1, your ACERA retirement benefit allowance is calculated using the plan's formula, which includes, but is not limited to, the following three factors:

- Age at retirement
- Years of service at retirement
- Final average salary

In general, the higher these factors, the greater your benefit. Note that the final average salary calculation and age factors used to calculate your benefit vary based on your membership type and Tier.

The factors included in the ACERA retirement plan benefit formula are described in more detail in Section 6 of this handbook.

## Earning Your ACERA Plan Benefits

When a member is “vested,” it means that he or she has earned a right to receive a monthly ACERA retirement benefit upon retirement eligibility.

You are considered to be vested after accumulating five years of service credit as an ACERA member. Some types of service credit purchases also count toward meeting the plan's vesting requirements. Refer to Section 3 of this handbook for more information regarding service credit purchases.

### IMPORTANT

If you terminate employment and choose to withdraw your accumulated employee contributions (plus any interest accrued), you forfeit all future rights to retirement benefits. Refer to Section 4 of this handbook for more information on the options available to you upon termination.

## Reciprocity with Other Retirement Systems

Reciprocity is the joining or linking of similarly administered California public retirement systems. This allows employees who move between certain California retirement systems to preserve and enhance their total retirement benefits.

All 1937 Act County Employee Retirement Systems and all Public Employees Retirement System (PERS) agencies have reciprocal agreements. As a result, ACERA has reciprocal agreements with most California counties, the State of California, and many of California's cities and public agencies.

If you have questions on whether a particular public employer has a reciprocal agreement with ACERA, contact ACERA Member Services.

## FREQUENTLY ASKED QUESTIONS

### Can my retirement account be used as collateral for a loan?

No.

### How many years of service do I need to earn to become vested?

You must earn five (5) years of service credit to become vested.

### Can I borrow against my retirement account?

No. You are not allowed to borrow against or withdraw your contributions or interest while you are an active member. The money in your retirement account is for retirement savings only. It can be withdrawn only if you terminate employment.

**Take Note:** 

Reciprocity with the State Teachers Retirement System (STRS) and the Judges Retirement System (JRS) may be established under special circumstances. Contact ACERA Member Services for more information.

**Take Note:** 

Overlapping employment will disqualify you for reciprocity. You must terminate from your first employer before starting with a second employer. Also, your retirement system entry date may not be the same as your hire date. Make sure you discuss and coordinate your situation with membership services in both systems.

## Benefits of Establishing Reciprocity

There are several benefits to establishing reciprocity if you are joining ACERA from a reciprocal agency, or if you leave ACERA at some point in the future and move to another reciprocal public employer:

- Your employee contribution rate with ACERA is determined using your age of entry in the previous system (if applicable). Since contribution rates are based on a member's age, this results in a lower employee contribution rate requirement, because you were younger when you joined the previous system;
- Service credit earned in a reciprocal agency is combined with your ACERA service when establishing your vesting rights and eligibility to retire. This means you do not need to "start over" when moving to a reciprocal public employer; and
- The highest compensation attained under any reciprocal agency is used by all reciprocal systems to calculate your final average salary and determine your retirement benefit.

## Qualifications for Reciprocity

To qualify for reciprocity, you must do **all** of the following:

- Elect to leave your contributions on deposit and defer retirement with your previous employer's retirement system;
- Begin membership in the next system within six months after termination of covered employment in the first system; and
- Retire from each reciprocal retirement system on the same day.

## Establishing Reciprocity

When you complete your *ACERA Member Enrollment Questionnaire* as a new member, you will be asked about your previous experience with public agencies. If you answer that you have left funds on deposit with your previous employer(s), ACERA will send you an election letter explaining the benefits and requirements of establishing a reciprocal agreement with your previous employer's retirement plan. If you meet the eligibility requirements, you may elect to establish reciprocity by indicating so on the letter and returning it to ACERA. ACERA will mail the letter to you within 30 days of receipt of your *ACERA Member Enrollment Questionnaire*.

**Once you establish reciprocity, your election is irrevocable.** Thereafter, you cannot withdraw contributions from the previous retirement system unless you terminate ACERA membership with the second system and withdraw your ACERA contributions. In addition, when you get ready to retire, you must file separate retirement applications with each reciprocal system and retire from each system on the same day. You will receive a separate retirement check from each system based on the service earned in that system.

### **Reciprocity for Certain Safety Members (Law Enforcement or Fire Fighting Only)**

If you were a Safety member (law enforcement and fire fighting only) in a reciprocal agency and you withdrew funds upon termination, you may redeposit funds for either partial or full reciprocal benefits.

Full reciprocity applies if the time lapse between system memberships is six months or less. If you redeposit the prior membership, that system will use the highest compensation earned in either system to compute your benefit calculation. The current system may adjust your contribution level to be based on the age on entry in the previous system.

Partial reciprocity applies if the time lapse between system memberships is more than six months. The system in which you redeposited membership will pay an allowance based on final compensation earned in that system. The current system will not make an adjustment to your age of entry.

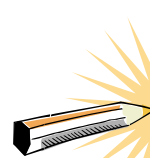
### **Reciprocity and Disability Retirement**

If you apply for and are granted a disability retirement and you have a reciprocal agreement with one or more retirement systems, the total amount from all systems cannot equal more than what one system alone would have paid if all service had been earned in that system. Therefore, the disability benefit is generally pro-rated based on service. However, benefit amounts may be adjusted further depending on how much each system is paying.

## FREQUENTLY ASKED QUESTIONS

### **Before my ACERA membership, I was a member of another public retirement system. How does this affect my ACERA membership?**

If the other public retirement system has a reciprocal agreement with ACERA, you may be eligible to establish reciprocity between ACERA and the other retirement system. Alternatively, you may be eligible to purchase ACERA service credit for allowed prior public service time.



#### **Take Note:**

Reciprocity rules are subject to change by legislation.

## Designating or Changing Your ACERA Plan Beneficiary(ies)

In completing your *ACERA Member Enrollment Questionnaire*, you are asked to name your ACERA plan beneficiary(ies). The form includes your beneficiary's personal information, including name, Social Security number, and his or her relationship to you. Once completed, your form is forwarded to ACERA by your employer.



### Take Note:

#### **Spouses have legal rights to benefits which supersede any other named beneficiaries.**

Your spouse may waive his or her rights to your benefits by completing and notarizing a waiver form and submitting the waiver to ACERA to keep in your file.

#### **There are special considerations for naming a minor child as a beneficiary.**

If you are naming a minor child as a plan beneficiary, you may wish to name an adult as "custodian" to receive and manage payments for the minor until an age you choose. Instructions for doing so without court supervision are included on the *ACERA Member Enrollment Form* or *ACERA Active or Deferred Member Beneficiary Designation Form*. If you do not name a custodian, court appointment and supervision by a guardian will be required and all funds will be distributed to the guardian if your beneficiary is under age 18.

Member-designated beneficiaries receive any death benefits payable in the event of the member's death. A beneficiary can be your spouse/registered domestic partner, minor child, or any other person. You may designate multiple beneficiaries. It is important to keep beneficiary designations current to ensure timely payments to the appropriate individuals.

Active members may change their beneficiaries at any time. All beneficiary changes must be made in writing; changes cannot be made over the phone. To change your beneficiary(ies), complete the *ACERA Active or Deferred Member Beneficiary Designation Form*, which is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA's Member Services. ACERA Member Services can offer assistance in completing the form, if needed.

## New Member Checklist

Here are some simple steps you should take to make the most of your ACERA membership.

- ✓ **Complete your *ACERA Member Enrollment Questionnaire* and return it to your payroll clerk or Human Resources department as soon as possible.** This form provides ACERA with important personal information, begins the process of establishing reciprocity (if you have worked for another eligible public agency), and allows you to designate your plan beneficiary(ies).
- ✓ **Keep your address information up to date with your employer.** To ensure that you receive important information from ACERA, keep your home address current with your employer at all times. ACERA member accounts are updated each pay period with data provided by your employer, including your current address.
- ✓ **Keep your beneficiary information up to date with ACERA.** If you have a life change, such as marriage, divorce, or the birth/adoption of a child, review your beneficiary designations. You may update your beneficiary designation by submitting a completed *ACERA Active or Deferred Member Beneficiary Designation Form* to ACERA.
- ✓ **Read ACERA newsletters and annual financial reports.** The best way to optimize the benefits available to you is to understand how they work. We suggest that you read all materials you receive about your ACERA benefits. Refer to Section 6 of this handbook for more information about ACERA publications.
- ✓ **Review your annual *ACERA Member Statement*.** Your statement provides a broad range of important ACERA information, such as your annual contributions, interest credited to your account, service credit earned, and your beneficiary designations. Refer to Section 6 of this handbook for more information about your ACERA Member Benefit Statement.
- ✓ **More Questions?** Get in touch with ACERA Member Services if you have questions. ACERA is available by phone at 510-628-3000 or 1-800-838-1932, on the web at [www.acera.org](http://www.acera.org), or by mail at 475 14th Street, Suite 1000, Oakland, CA 94612-1900. Or, refer to this handbook or the ACERA website, [www.acera.org](http://www.acera.org), if you'd like to find answers on your own.

Contact ACERA Member Services at 510-628-3000 or 1-800-838-1932, if you have questions.



# ACTIVE MEMBERS THROUGHOUT YOUR CAREER

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## FREQUENTLY ASKED QUESTIONS

### Does my purchase of service credit count towards the five years I need to become vested?

Certain types of service purchases do count: redeposit of prior membership, employment prior to membership, SDI, medical leave without pay, and part-time service purchase. Purchases of prior service with a public employer do not count towards becoming vested.



**Take Note:**

General Members with an ACERA entry date on or after December 21, 2000, who have established reciprocity with another system, are not eligible for 30-year membership. Membership in a reciprocal system on or before March 7, 1973, is not equivalent to ACERA membership for purposes of determining eligibility for discontinuing contributions after 30 years of membership.

As you progress throughout your career with your Participating Employer, you'll achieve various ACERA member milestones, like becoming vested in plan benefits. Or, you may need to make decisions due to changes in your job or because of a leave of absence.

This section addresses many of the issues you may encounter throughout your ACERA membership—it covers topics such as purchasing service credit, deferring membership, and what happens with your benefits in the event of your disability or death.

### Becoming Vested

You become vested in ACERA benefits after you accumulate five (5) full years of membership service credit in ACERA. When you are vested, it means that you have the right to receive an ACERA retirement benefit upon meeting eligibility requirements.

Once you are a vested member you may, upon termination of employment at any future time, leave your employee contributions on deposit with ACERA and, once eligible, draw a lifetime monthly benefit. Members who have terminated employment with a Participating Employer without establishing reciprocity and leave contributions on deposit with ACERA are referred to as “deferred” members.

Whether vested or not, however, if you terminate your employment and withdraw your accumulated retirement contributions, you forfeit all future rights to ACERA plan benefits. See Section 2 of this handbook for a list of ACERA vested and non-vested benefits.

## 30-Year Membership

Employee contributions stop when you achieve 30 years of service credit for the following members:

- All Safety Members;
- General Members who entered or re-entered ACERA membership on or before March 7, 1973, who have made continuous contributions to ACERA and/or a reciprocal agency; or
- General Members who entered ACERA membership after March 7, 1973, who meet the following criteria:
  - Previous ACERA membership on or before March 7, 1973, and
  - Termination and withdrawal of contributions and interest, and redeposit\* of all eligible contributions and interest upon re-entry.

\*See “Purchasing and Redepositing Service Credit” later in this section for more information on redeposits.

## Deferred Membership

If you lose your eligibility for active ACERA membership (e.g., because you terminate employment or change from full-time to part-time status), you may elect to “defer” your ACERA retirement benefits (“deferred membership”). You can defer membership when:

- Your ACERA-covered employment is terminated;
- Your ACERA-covered employment is terminated and you are hired within six months (180 days) by another retirement system that has a reciprocal membership agreement with ACERA; or
- Your employment status is changed from a full-time permanent position to a part-time, seasonal, intermittent, or project contract position and you do not elect to continue ACERA membership (if eligible).

Refer to Section 4 of this handbook for more information about your options when you terminate your ACERA-covered employment.

When you defer membership, your payment of employee contributions ends and you elect to leave your accumulated employee contributions and interest on deposit with ACERA. In addition, you no longer earn service credit under the plan. Your contributions on deposit with ACERA continue to earn interest, and you can request a refund of your contributions at any time, unless you have established reciprocity with another public agency. Also, if you defer membership and subsequently return to ACERA-covered employment, you will return at your original entry age and Tier.

## FREQUENTLY ASKED QUESTIONS

### How will I know when I become a 30-year member?

To find out exactly how many years of service you have accumulated as an ACERA member, contact ACERA to request a service audit. A Retirement Specialist can help you determine when you will reach 30 years of service and if you will be eligible to stop making retirement contributions at that time.

### Can I purchase service credit to add toward my total service to obtain a 30-year membership?

Yes, but before doing so, be sure to check with ACERA to confirm you meet the eligibility requirements for 30-year membership. Purchasing service credit does not necessarily change your membership entry date.

 **Take Note:**

If you die while a deferred member, your employee contributions plus interest will be paid in a lump sum to your beneficiary(ies). No continuance payments are available. Refer to Section 5, “Deferred Member Death Benefits,” for more information about member death benefits. Interest is not earned on your member account after death.

The retirement allowance benefits available to you through deferred membership vary, based on your vesting status, as follows:

- **Vested members.** Vested members who elect deferred membership are eligible to receive a retirement benefit allowance when they would have become eligible to retire had they remained in county service. Deferred vested General Members can apply for retirement benefits upon reaching age 50 with 10 years of ACERA membership, or upon attaining age 70. Deferred vested Safety Members may apply for retirement benefits after 20 years in ACERA membership or at age 50 with 10 years in membership. For both General and Safety members, your benefit is effective on the day you choose to retire. **Your service credit will be calculated as of your deferred membership date and you will not earn service credit during deferred membership;** however, your age/service percentage factor will increase up to a certain age determined by your Tier and membership status.

You must apply to retire by filing a service retirement application. Retirement applications must be received no earlier than 60 days before the effective date of retirement and no later than the effective date of retirement.

Refer to Section 6 of this handbook for more information regarding eligibility for retirement.

- **Non-vested members.** Non-vested members who elect to defer membership are usually only eligible to receive a lump sum payment of employee contributions and interest on deposit with ACERA. However, there are certain circumstances that could allow you to become eligible for a retirement benefit allowance, as follows:
  - **Attaining age 70.** Non-vested deferred General and Safety Members age 70 or over, are eligible for a retirement benefit.
  - **Your re-entry into membership with ACERA.** Non-vested deferred members who become re-employed with a Participating Employer, re-enter the ACERA system, and become vested upon attaining five (5) years of credited service, may apply for a retirement benefit upon meeting eligibility requirements.
  - **Your employment with a reciprocal agency.** Non-vested deferred members who establish a reciprocal agreement and become vested earning five (5) years of credited service between both retirement systems, may apply for a retirement benefit upon meeting eligibility requirements.
  - **Your purchase of eligible service credit.** Non-vested deferred members whose eligible service credit purchase results in more than five years of service combined with current membership become vested and may apply for a retirement benefit upon meeting eligibility requirements.

As a non-vested member you must notify ACERA, in writing, within six months of leaving employment to defer membership. To apply for deferred membership, complete the *ACERA Membership Status Change Form*. The form is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services. If you are terminating employment, you may elect to defer membership on the *ACERA Termination Election of Membership Form*.

## Purchasing and Redepositing Service Credit

In general, the more service credit you have as an ACERA member, the higher your retirement benefit. ACERA also uses service credit to determine when you can retire and receive a benefit. Thus, by purchasing service credit, you can increase your retirement benefit and, in some cases, become eligible to retire at an earlier date.

You may purchase the following types of service credit:

- Purchase of eligible prior Alameda County and Participating Employer service
- Redeposit of prior membership contributions
- Purchase of other prior public service

The types of service credit purchases are explained in more detail in the subsections below.

### Purchase of Prior Alameda County and Participating Employer Service

The following types of service purchases will increase your membership service credit totals.

- **Time worked prior to your ACERA entry date.** Your ACERA member entry date is the first day of the second pay period of employment in an ACERA-covered position. You may purchase the days worked prior to your ACERA entry date, and add these days to your service credit. However, this purchase of service does not change your entry date.
- **Part-time or other retirement-ineligible service.** If you are employed in a retirement-ineligible position by a Participating Employer (e.g., a part-time, seasonal, intermittent, or project position), you may purchase this service if you become eligible for ACERA membership at some point in the future.
- **Medical leave without pay.** If you are on leave without pay due to medical reasons, you may not receive compensation; therefore, you may not make ACERA employee contributions or earn service credit during that period. Upon return to employment, you may purchase the service lost during such leave, not to exceed one year for each leave period.

## FREQUENTLY ASKED QUESTIONS

### How does purchasing service credit benefit me?

The ACERA retirement benefit formula includes, but is not limited to, your age factor, your final average salary, and your total service credit. A service credit purchase increases your years of service with ACERA, thus, your retirement benefit increases as well. In addition, in most cases, your purchase will count toward determining your retirement eligibility and toward vesting in plan benefits.

 **Take Note:**

The following types of employment may not be eligible for purchase of service credit:

- Educational or sabbatical leaves
- Strike, except “Blue Flu” for Sheriffs
- Straight leave without pay
- Out of state service
- Service from schools outside of Alameda County
- Contract or consultant services

Contact ACERA Member Services if you have questions.

## FREQUENTLY ASKED QUESTIONS

### Am I allowed to restore just a portion of my prior ACERA membership contributions?

No, you must purchase all previously withdrawn service credit.

In effect, the additional service credit you purchase will increase your retirement benefit allowance when you retire. In addition, this purchased service will count toward determining your retirement eligibility date and toward becoming vested in the retirement plan. If applicable, it will also count towards 30-year membership.

To determine whether your prior Participating Employer service is available for purchase, you must submit your request in writing to ACERA using the *ACERA Purchase Request Form*. You may download the form from the ACERA website, [www.acera.org](http://www.acera.org). You may also request an *ACERA Purchase Request Form* from ACERA Member Services.

In a written response to your request, ACERA will inform you if you are eligible to purchase service credit and, if so, provide the cost to purchase the service. In some cases, to compute the service credit cost, ACERA may require earnings and employment verification from the department in which you performed the service.

### Redeposit of Prior Membership Contributions

If you terminate membership with ACERA, withdraw your accumulated contributions and interest, then become an ACERA member again at a later date, you may redeposit the withdrawn funds plus interest that would have accrued up to the redeposit payment date. **ALL** previous service credit must be purchased; partial purchases of service credit are not allowed. A decision to forego redeposit means your prior service credit does not count towards establishing your eligibility for retirement.

In effect, a redeposit of your contributions restores your past service credit earned. This will increase your retirement benefit allowance when you retire. In addition, this purchased service will count toward determining your retirement eligibility date and toward becoming vested in the retirement plan and 30-year membership, if applicable.

To initiate the redeposit process, you must submit your request in writing to ACERA. You may also download the *ACERA Redeposit Request Form* through the ACERA website, [www.acera.org](http://www.acera.org). The form is also available from ACERA Member Services.

In a written response to your request, ACERA will inform you if you are eligible to redeposit withdrawn contributions and, if so, provide the cost for doing so.

**TIER II MEMBERS TAKE NOTE—AQUILINO CONVERSION**

If you are a Tier II member who previously withdrew Tier I contributions, you have the opportunity to redeposit and restore your Tier I benefits under a Marin County lawsuit known as the *Aquilino* decision. This decision **only** affects ACERA Tier II members who were in Tier I, terminated their membership, withdrew all Tier I contributions, and later re-entered ACERA on or after July 1, 1983, as Tier II members.

To have Tier I benefits reinstated, eligible members must:

- Complete a redeposit of the withdrawn Tier I funds;
- Apply for Tier I restoration with ACERA; and
- Pay the cost to convert all Tier II contributions to Tier I.

On application for Tier I restoration, ACERA will compute a conversion adjustment based on the difference between the contributions the member would have paid under Tier I and those paid under Tier II. The additional interest that would have been earned under Tier I will also be included in the calculation. This will be the cost to convert the contributions. If you do not choose to convert your current membership, your retirement allowance will be based on Tier I for redeposited membership, and Tier II for current membership.

For more information on the Aquilino Tier I restoration process and an application form, contact ACERA Member Services.

**IMPORTANT**

When contemplating making a service purchase or redeposit, keep in mind that if in the future you should apply for a disability retirement, this purchase may not benefit you. A service-connected disability is 50% of final average salary regardless of your total years of service. A non-service-connected disability is generally 1/3 of final average salary. ACERA cannot refund payments made to purchase service or redeposit prior memberships. If this is a concern to you, you may want to wait until the time you become eligible for a service retirement. At this time, an ACERA Retirement Specialist can assist you in determining whether or not a purchase of additional service would be advantageous.

**Other Prior Public Service**

If you worked for another public agency prior to becoming an ACERA member, you may be eligible to purchase that service. Some of the types of other agency or public service you may be eligible to purchase are listed below:

- County employment within the State of California.
- Any public employer covered by a retirement plan under Public Employees' Retirement System (PERS) (State of California) or reciprocal with PERS.
- East Bay Municipal Utility District (EBMUD).
- Port of Oakland.

**Take Note:**

If you worked for the State of California and withdrew funds upon termination of employment from the Public Employees' Retirement System (PERS), in some cases PERS will allow a redeposit of funds back into its system when you begin membership with another public retirement system, such as ACERA. In most cases, this would be less expensive than purchasing the service with ACERA. Contact PERS regarding your eligibility to redeposit.

## FREQUENTLY ASKED QUESTIONS

### What are the advantages of making payments with after-tax dollars?

The use of after-tax contributions allows you greater flexibility. You can start an after-tax contract and you may later change the length of the contract or payment amount, change after-tax payments to pre-tax, pay off the remaining amount in a lump sum, or stop payments altogether.

THESE CHANGES ARE **NOT** ALLOWED IF YOU ELECT A PRE-TAX PAYROLL DEDUCTION PAYMENT CONTRACT—A PRE-TAX ELECTION CONTRACT IS IRREVOCABLE.

- State of California.
- Any public school district in Alameda County.
- Federal government service or military service for employees hired on or before August 9, 1972.

Purchasing previous public employer service credit will increase your retirement benefit allowance only. It will **NOT** count toward determining your retirement eligibility date or toward becoming vested in the retirement plan. However, it does count towards 30-year membership eligibility.

For purchase of prior public service, verification of the dates worked is required. In addition, you cannot be eligible for a pension from the other agency, and the service must have been earned before your ACERA entry date.

The cost of purchasing prior public service includes employee and employer contributions based on the contribution rates and salary at your ACERA entry date. Interest is also charged from your ACERA entry date to the date of purchase.

You can request a retirement estimate, account balance inquiry, or service credit audit from ACERA at any time. Complete and return the *ACERA Retirement Estimate Request Form*, available through the ACERA website, [www.acera.org](http://www.acera.org), or from ACERA Member Services.

### Service Purchase and Redeposit Payment Methods

Members may purchase service credit or redeposit prior membership by using one of the following payment methods:

- **Lump sum payment.** You may make payment in full by paying with cash, a personal check, or a cashier's check made payable to ACERA.
- **Direct rollover or Trustee-to-Trustee transfer.**
  - **Direct Rollover.** This is a transfer of pre-tax funds from a qualified retirement account, usually earned from your former employment. ACERA will accept a direct rollover of pre-tax funds from these types of plans: **401(k) tax qualified plan; 457 deferred compensation plan maintained by a California public agency; 403(b) tax-sheltered annuity plan; pre-tax IRA.**

If you are eligible to purchase service through ACERA, you can ask your former employer's plan administrator to disburse the funds directly to ACERA for service purchase. The plan administrator will determine and must certify that the distribution qualifies for a direct rollover. The check should be made payable to "ACERA For the Benefit Of [your name]".

- **Trustee-to-Trustee Transfer.** This is a transfer of funds from a qualified retirement account, such as a 457 plan (deferred compensation plan), from your current employer to ACERA. When ready to purchase service, the funds may be disbursed from the plan administrator directly to ACERA for redeposit or service purchase. Any check from the plan administrator must be made payable to “ACERA For the Benefit Of [your name]”.

ACERA will only accept a direct rollover or trustee-to-trustee transfer with the required form completed and signed by the plan administrator. Contact ACERA Member Services to request the necessary form.

- **Payroll deduction payments.** You may purchase service credit using payroll deductions. The payments are divided equally over the term of the contract. The specific contract term may vary depending on the type of service purchased. You may choose to pay with pre-tax or after-tax dollars, and the amount is in addition to your normal employee retirement plan contributions. All purchases must be completed before retirement.

To set up a payment plan for a service purchase, you must sign a contract and submit it to ACERA. Payments can be made on a pre-tax or after-tax basis. **A pre-tax purchase contract is irrevocable.** This means the payment cannot be stopped, increased, or decreased. Payments are taken from your paycheck until the contract is completed. It may only be revoked if you terminate employment, retire, or die. An after-tax purchase contract provides the flexibility to revoke the contract, make changes to the payment amount, or pay off the balance sooner than the term of the contract.

## Disability Retirement

If you become ill or injured and permanently unable to perform your job duties, you may be eligible for disability retirement through ACERA.

### Eligibility

To qualify for disability retirement, you must be an ACERA member, have contributions on deposit with ACERA, and be permanently incapacitated for the performance of duty. The Board will review your application to determine whether you are capable or incapable of substantially performing the usual duties of your position. If the Board determines you are eligible, you will be granted a disability retirement benefit.



### Take Note:

To initiate a service purchase or redeposit request, you must submit a *Purchase Request Form* or *Redeposit Request Form* to ACERA. The forms are available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services.

Upon receipt and completion of your request, ACERA will calculate the required payment and provide information regarding payment options. Once you inform ACERA that you are interested in making this purchase and your choice of payment type (lump sum or payment plan), ACERA will issue a payment contract. Your service purchase or redeposit request itself is not an authorization to begin a redeposit or service credit purchase. You must return the signed contract in order for your redeposit/purchase payments to begin.

For help with purchasing service credit or redeposits, we encourage you to meet with an ACERA Retirement Specialist. Contact ACERA Member Services to schedule an appointment.

### Types of Disability—Service-Connected and Non-Service-Connected

There are two types of disability retirements: service-connected and non-service-connected.

Service-Connected Disability	Non-Service-Connected Disability
<p><b>Service-connected disability (job-related)</b> is permanent incapacitation from performing your usual duties, resulting from an illness or injury that arises out of your ACERA-covered employment. It is your responsibility to prove that your employment contributed substantially to your incapacity.</p>	<p><b>Non-service-connected disability</b> is permanent incapacitation from performing your usual duties. No showing of service-connection is required for non-service-connected disability retirement.</p> <p>To be eligible for non-service-connected disability, you must be vested with five full years of credited service with ACERA.</p>

### FREQUENTLY ASKED QUESTIONS

**Can I apply for disability retirement if I have resigned from employment and have withdrawn my retirement contributions?**

No. You must be an ACERA member with contributions on deposit to apply for disability retirement.

### Applying for Disability Retirement

ACERA is the administrative facilitator of member disability applications. For detailed information regarding the disability retirement application process, refer to the *ACERA Disability Retirement Handbook*. A copy of the handbook is available on the ACERA website, [www.acera.org](http://www.acera.org). You can also request a copy from ACERA Member Services. The handbook will familiarize you with the disability application process and help prepare you for the counseling session that will occur once you submit your application.

ACERA acknowledges that suffering with a disability is difficult. We recommend that you apply for disability retirement as soon as you are reasonably certain your medical condition permanently prevents you from performing your usual duties. You will need supporting documents from the physicians who have treated your disabling condition.

ACERA can begin processing your disability retirement application, once you have submitted your application. You can file the application yourself, or another person, such as the head of your department or your spouse, can file the application on your behalf. The amount and nature of the medical evidence submitted to the Board of Retirement to substantiate the claim is at your discretion. However, additional evidence may be required by ACERA.

Your employer will also review your application and the supporting medical evidence to determine if they are in possession of additional evidence related to your disabling condition.

Disability retirements are granted only upon submitting a completed application and proving your incapacity according to the applicable legal standard. The exact nature of your incapacity must be clearly articulated.

ACERA recommends that you seek assistance to ensure your application is properly completed and that supporting documents are properly compiled.

Your completed application must be made within one of the following timeframes:

- While you are in service;
- Within four months after you discontinue service; or
- Any time after you have separated from employment if:
  - You have been continuously disabled since your separation, and
  - ACERA's ability to investigate your application has not been impaired because of a delay in filing your application.

The Board may require you to undergo a medical evaluation by a Board-selected physician to determine whether permanent incapacity exists and, if so, whether it is service-connected. If you or your employer disagree with the recommendation of the medical advisor, a hearing may be requested. The hearing officer will then make a recommendation to the Board to grant or deny the disability retirement application.

### **If You Are Under Age 55**

If you are granted a disability retirement and are under age 55, the Board may require you to undergo annual reviews and medical examinations, at ACERA's expense. You will be required to complete an *ACERA Continuing Disability Questionnaire Form*, as part of this review. These examinations and records are reviewed by the medical advisor who evaluates whether you remain permanently incapacitated for the performance of duty. The Board will determine if you are unable to perform the usual duties of the position held when the disability retirement was granted. If the Board determines that you are no longer disabled and your employer offers to reinstate you, your allowance will cease upon re-employment.

Your disability retirement benefit will be discontinued if you refuse to submit to a required medical examination, supply requested information, or provide requested release forms. If such refusal continues for one year, the disability retirement allowance shall be cancelled.

## FREQUENTLY ASKED QUESTIONS

### **How is a determination made regarding my disability retirement application?**

A medical advisor is assigned to review medical evidence regarding your claim and to make an initial recommendation. You have the right to request a hearing if you disagree with the medical advisor's recommendation. The recommendation of either the medical advisor or the hearing officer will be presented to the Board of Retirement for a final determination.

## FREQUENTLY ASKED QUESTIONS

### **May I receive a regular retirement benefit allowance while waiting for the Board to decide upon my disability application?**

Yes. If you meet the eligibility requirements for regular retirement, you may apply for the benefit pending the outcome of the disability claim. However, receipt of a regular service retirement will make you ineligible to return to ACERA-covered employment in the event that your disability application is denied.

### **How frequently and how long will I receive a disability retirement benefit payment?**

A disability retirement benefit allowance is usually paid monthly during your lifetime.

## **Disability Benefit Payments**

A disability retirement benefit may be payable for life. However, if you are no longer disabled, your allowance may be stopped if you return to ACERA-covered employment with a Participating Employer.

When a service-connected disability retirement is granted, you may be eligible to receive 50% of your final average salary or your regular service retirement benefit allowance, whichever is greater.

When a non-service-connected disability is granted, your benefit is based on your age and the number of years you contributed to ACERA. It is generally equal to one-third of your final average salary.

Refer to Section 6 of this handbook for an explanation of how ACERA calculates final average salary. The formula varies based on your membership type and Tier.

## **Reciprocity and Disability**

If you have established reciprocity and retire from ACERA on disability, each retirement system is required to pay only its proportional share of your disability payment. Your total disability benefit amount is limited to the amount you would have received assuming you earned all service in one retirement system.

Refer to Section 2 of this handbook for more information regarding reciprocity.

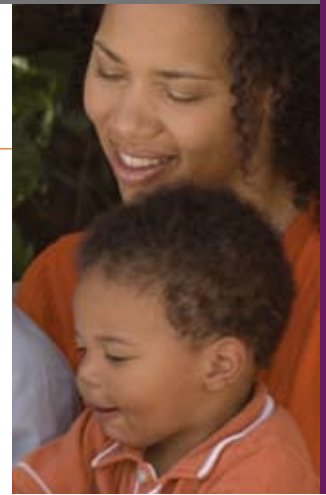
## **Mid-Career Retirement Planning**

As your career progresses with your Participating Employer, ACERA's "Mid-Career Seminars" can help you plan for retirement. At the "Mid-Career Seminar," ACERA will provide you with information about what it means to be a vested member and to participate in a defined benefit plan. You will also learn about reciprocal retirement agency benefits, service purchases and redeposits, employment termination options, benefit formula components, and the possible effects of life-changes (e.g., marriage, divorce) on your retirement benefits.

The Mid-Career Seminar schedule is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services. Seminars are hosted by experienced Retirement Specialists.

You can schedule your attendance by calling ACERA Member Services. Space is limited.

# CHANGES IN YOUR JOB OR LIFE



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As changes in your job or your life occur, you may need to make decisions about your ACERA retirement benefits.

This section is designed to help you navigate through these events. It highlights what you need to do, when you need to take action, and the types of changes you can make. The forms you need to submit, if any, are clearly identified.

At any time, if you have questions or need assistance, contact ACERA Member Services.

## **JOB STATUS CHANGE?**

Complete the following forms.

**Change from full-time permanent to part-time status:** *ACERA Membership Status Change Form*

**Change from part-time to full-time permanent status:** *ACERA New Member Enrollment Questionnaire*

## Job-Related Events


### Job Status Changes

- **Change from full-time permanent to part-time, seasonal, intermittent, or project contract status.** During the course of your ACERA-covered employment, your job status may change from full-time permanent to part-time, seasonal, intermittent, or project contract status. If this happens, your job is no longer classified as an ACERA-covered position. In this event, you have a choice to make:
  - **You may elect to remain a contributing ACERA member.** If you do so, your employee contributions continue and you continue to earn ACERA service credit for your part-time hours worked. **Your election to continue your membership is irrevocable.** Contributions will continue for as long as you continue employment in your new position; you cannot discontinue membership unless you terminate employment.

OR

- **You may elect to stop contributing and defer your ACERA membership.** If you do so, your employee contributions stop; your account balance remains on deposit with ACERA and continues to earn interest; however, you no longer earn service credit. You may not withdraw your contributions unless you terminate employment for at least 30 days.

To make your election, follow these steps:

**Take Note:**  If you do not make an election regarding your retirement status, your membership will be deferred automatically.

To Continue ACERA Contributions...	To Defer ACERA Membership...
1. Request an <i>ACERA Membership Status Change Form</i> from your payroll clerk or Human Resources department. The form is also available through the ACERA website, <a href="http://www.acera.org">www.acera.org</a> .	1. Request an <i>ACERA Membership Status Change Form</i> from your payroll clerk or Human Resources department. The form is also available through the ACERA website, <a href="http://www.acera.org">www.acera.org</a> .
2. When completing the form, elect to continue active membership as a part-time member.	2. When completing the form, elect to defer ACERA membership.
3. Return your completed form to your employer. You must return your form within 90 days of the effective date of your status change.	3. Return your completed form to your employer.
4. After returning your form, carefully review your paycheck to ensure contributions are accurately reflected; contact your payroll clerk or ACERA if you notice any errors.	4. After returning your form, carefully review your paycheck to ensure your contributions have ceased; contact your payroll clerk or Human Resources department if you notice any errors.

- **Change from part-time, seasonal, intermittent, or project contract status to full-time permanent status.** In the event you begin working in a full-time permanent position, you will become eligible for ACERA membership.

When you become eligible, your payroll clerk or Human Resources department will provide you with an *ACERA New Member Enrollment Questionnaire*. You need to complete and return this form to your employer. The form provides ACERA with the information needed to begin your membership. Refer to Section 2 of this handbook for more details on completing your enrollment questionnaire and on becoming an ACERA member.

Once you establish your membership, you may decide you wish to purchase service credit to obtain credit for your part-time membership. Review Section 3 of this handbook for information on purchasing service credit.

### Moving from One Participating Employer to Another

In general, your move from one Participating Employer to another (such as from Alameda County to Alameda County Medical Center) should be seamless if there is no break in employment. In most cases, no action on your part is required. However, in the event you receive an *ACERA Termination Election of Membership Form*, you should follow these steps:

- Contact your new employer; let them know you are already an ACERA member. You will not be required to complete an *ACERA New Member Enrollment Questionnaire*.
- Your new employer may not withhold your employee contribution for the first pay period. Contact ACERA Member Services for information on making up your missed contribution to ensure you do not lose credit for that service.

### Taking a Job with Another Public Employer

In the event you terminate your ACERA-covered employment and accept a position with another public employer (e.g., with the State of California), you may be eligible to establish a reciprocal agreement between ACERA and your new employer's retirement system. Refer to Section 2 of this handbook for information regarding the benefits of reciprocity.

#### **TAKING A JOB WITH ANOTHER PUBLIC EMPLOYER?**

Complete this form: *ACERA Termination Election of Membership Form*

You will need to complete and return an *ACERA Termination Election of Membership Form* to ACERA. The form is available upon request from your payroll clerk or Human Resources department, or through the ACERA website, [www.acera.org](http://www.acera.org). When completing the form, be sure to complete these sections:

- Elect to defer your membership in Section A
- Elect to establish reciprocity in Section B, and note the name of your new employer's retirement system

**OR**

- Elect to withdraw funds. If you do so, you waive your rights to future benefits and establishing reciprocity

After returning your form to ACERA, contact your new employer for information regarding any further action you may need to take to establish reciprocity.

You must establish reciprocity within 180 days of terminating your ACERA-covered employment. Refer to Section 2 of this handbook for more information on reciprocity.

### **Changing Membership Type**

If you change membership types during the course of your ACERA-covered employment—for example, moving from a General Member position to a Safety Member position—contact ACERA Member Services to ensure the date of this change is accurately processed. Your current membership status will be stated on your ACERA annual member statement.

When you retire, your benefit under both membership types will be calculated separately. The appropriate formula will be used for your General Member service and the appropriate formula will be used for Safety Member service. Note that all service will count toward vesting and retirement eligibility. Your ACERA member entry date will not change if there is no break in your service. Refer to Section 6 of this handbook for more information regarding dual membership types.

### **Returning to Work from Medical Leave or Military Leave**

If you take an unpaid medical leave or military leave and subsequently return to work, you may purchase up to one year of service to restore credit for your leave period. Other types of unpaid leave are not eligible for service credit purchase.

To request the cost to purchase service credit for your eligible unpaid medical or military leave, complete and return the *ACERA Purchase Request Form* to ACERA. The form is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services.

Refer to Section 3 of this handbook for more information regarding purchasing service credit.

## Termination of Employment

### TERMINATING EMPLOYMENT WITH YOUR PARTICIPATING EMPLOYER?

Complete this form: *ACERA Termination Election of Membership Form*

If you terminate your employment with your Participating Employer, you will have an important choice to make regarding your ACERA retirement benefits. You may take one of the following actions:

- Defer ACERA membership and leave your contributions on deposit with ACERA (see Section 3 for details)

#### OR

- Establish a reciprocal agreement with another retirement system (if you are taking a job with another public employer; see “Taking a Job with Another Public Employer” above and Section 2 of this handbook for details)

#### OR

- End ACERA membership and withdraw your contributions. Withdrawal of contributions terminates all membership and benefit rights in ACERA. You may receive a refund of your employee paid accumulated contributions and interest earned

When you terminate employment, contact your payroll clerk or Human Resources department to request an *ACERA Termination Election of Membership Form*. The form is also available through the ACERA website, [www.acera.org](http://www.acera.org). Follow these instructions when completing the form:

If you wish to defer ACERA membership...	If you wish to establish reciprocity with another retirement system...	If you wish to end ACERA membership and withdraw your contributions...
<ul style="list-style-type: none"> <li>• Elect to defer your membership in Section A.</li> <li>• Return your form to ACERA within 90 days of your termination date.</li> </ul>	<ul style="list-style-type: none"> <li>• Elect to defer your membership in Section A.</li> <li>• Elect to establish reciprocity in Section B, and note the name of your new employer’s retirement system.</li> <li>• Return your form to ACERA within 30 days of your termination date.</li> </ul> <p>(Note: Overlapping service in two agencies may disqualify you for reciprocity.)</p>	<ul style="list-style-type: none"> <li>• Elect to withdraw your contributions in Section C.</li> <li>• Be sure to sign the Waiver of Rights on the form, indicating you agree to waive all rights to future retirement benefits and that you understand the tax-withholding implications of your refund.</li> <li>• Complete Part III of the form—in most cases, your spouse must acknowledge your election.</li> <li>• Decide how you wish your contribution refund to be paid (payment options are noted below).</li> <li>• Return your form to ACERA.</li> </ul>

**Take Note:**

There are tax implications associated with the choice you make; ACERA strongly encourages you to seek professional guidance prior to withdrawing your contributions from your account. ACERA cannot provide you with tax or financial planning advice.

If you elect to end your ACERA membership and withdraw your contributions, the following payment options are available:

- **Your refund may be paid directly to you in a lump sum.** If you are under age 59 ½, and elect a lump sum payment, you may be subject to tax or additional withdrawal penalties. ACERA is required to withhold federal income tax at the rate of 20% from the taxable portion of your lump sum distribution. ACERA is also required to withhold California state income tax at the rate of 2% from the taxable portion of your distribution unless you elect otherwise. ACERA cannot pay your refund sooner than 30 days from the date of termination. Expect 30 to 60 days for funds to be disbursed.
- **Your refund may be paid through a direct rollover to another eligible retirement account.** When you choose a direct rollover, your account balance may be disbursed as follows:
  - Pre-tax contributions and interest may be rolled over into an eligible retirement account, such as an IRA or another employer's eligible retirement plan.
  - After-tax contributions may be rolled over into a Roth IRA.

You may choose the amounts to be rolled over into each account; you may choose to have certain amounts of pre-tax or after-tax funds paid directly to you. Keep in mind that pre-tax disbursements will be subject to tax withholding.

If you choose a direct rollover, payment will be made directly to your IRA, to another employer plan that accepts rollovers, or to another eligible plan.

## Life-Related Events

### Marriage

If you get married after your ACERA membership entry date, you will need to update your plan beneficiary information. To do so, complete and return an *ACERA Active or Deferred Member Beneficiary Designation Form*. The form is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services. Also, while not required, you may wish to provide ACERA with a copy of your marriage certificate and your spouse's birth verification. This information will be required at the time you retire and it may be needed in the event of your death for benefit payment to your spouse.

#### GETTING MARRIED?

Complete this form: *ACERA Active or Deferred Member Beneficiary Designation Form*

## Divorce

In the event of your divorce, a court order may be made concerning your retirement benefits. Generally, the benefits earned through your ACERA-covered employment during the time you are married are community property (that is, they belong equally to you and your spouse). All benefits earned prior to your marriage date or after the date you separate are your separate property.

### GETTING DIVORCED?

Complete this form: *ACERA Active or Deferred Member Beneficiary Designation Form*

If it is determined by the court or through an agreement between you and your ex-spouse that ACERA benefits will be divided, two methods of payment are available:

- **Separate accounts.** This method divides the community property, including accumulated contributions, interest, and service credit, into two separate accounts, one for you and one for your spouse. This option is not available after ACERA has begun retirement benefit payments to a member.
- **Shared accounts.** Under this method, the account itself is not divided, however, the benefit payments are divided between you and your spouse after you retire.

If you file for divorce, you should take the following steps:

- Refer to the ACERA Memorandum—*Divorce and ACERA Benefits*, available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services.
- Talk with the ACERA Legal Department as early as possible to discuss and plan for any impact of divorce on your ACERA plan benefits. You can reach the Legal Department through Member Services at 510-628-3000.
- Update your plan beneficiary(ies), if necessary. Complete and return an *ACERA Active or Deferred Member Beneficiary Designation Form*. The form is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services.

This process should take place prior to your retirement so that your benefit payments will not be delayed.

## Commencement or Dissolution of Registered Domestic Partnership

The discussion of “marriage” and “divorce” above also applies to the commencement or dissolution of domestic partnerships registered with the Secretary of State, with the date of registration substituted for the date of marriage.

## FREQUENTLY ASKED QUESTIONS

### What if I want to leave my former spouse as my beneficiary? Should I still complete a beneficiary designation form?

Yes, if you wish to make a gift of benefits to your former spouse you must re-designate after your divorce.

**Take Note:**

If you are naming a minor child as a plan beneficiary, you may wish to name an adult as “custodian” to receive and manage the minor’s benefit payments until an age you choose. When a custodian is not named, court appointment and supervision of the funds by a guardian will be required; all funds will be distributed to the guardian if your beneficiary is under age 18.

Instructions for naming a custodian are included on the *ACERA Active or Deferred Member Beneficiary Designation Form*.

## Birth/Adoption of Children

In the event of the birth or adoption of a child, you may wish to designate your child as a plan beneficiary. To do so, complete and return an *ACERA Active or Deferred Member Beneficiary Designation Form*. The form is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services. In addition, while not required, you may wish to provide ACERA with a copy of your marriage certificate and your child’s birth verification. This information will be needed in the event of your death, for benefit payment to your child.

### DO YOU HAVE A NEW CHILD?

Complete this form: *ACERA Active or Deferred Member Beneficiary Designation Form*

## Moving to a New Residence

If you move to a new residence, temporarily relocate, or change your mailing address, ACERA will need your new address and contact information. You should take the following steps, based on your status as an active, deferred or retired member:

Moving to a new residence may have special implications for retired members. Refer to Section 6 of this handbook for details.

Active Members	Deferred Members	Retired Members
Update your address with your employer. Your employer is responsible for providing ACERA with updated information each pay period, including your current address.	Send ACERA your new address in writing, along with your name, the last four digits of your social security number, and the effective date of your address change. ACERA’s contact information is included in Section 9 of this handbook.	Complete and return the <i>ACERA Address/Name Change Request Form</i> to ACERA. ACERA’s contact information is included in Section 8 of this handbook.

## Becoming Disabled

In the event you become permanently disabled, you may be eligible for disability retirement through ACERA. If your disability is not a result of your ACERA-covered employment, you may apply for a non-service-connected disability if you have five or more years of ACERA service credit. If your disability is a direct result of your ACERA-covered employment, you may apply for a service-connected disability; there is no minimum ACERA service requirement for service-connected disability. Refer to Section 3 of this handbook for more information regarding disability retirement.

If you become permanently disabled, contact the ACERA Disability Unit through ACERA Member Services. This group will explain and discuss the disability application process and disability retirement eligibility with you.

## Death of an Active or Deferred Member

It is important to keep your beneficiary information up-to-date. Your beneficiaries should understand the benefits provided to them in the event of your death.

If you die as an active member, a range of death benefits may be available to your beneficiary(ies) or surviving spouse/registered domestic partner and eligible minor children. If you die while a deferred member, your beneficiary may receive a refund of your contributions plus accrued interest. Interest stops accruing for all member accounts upon death.

Be sure to keep your retirement plan beneficiaries up-to-date with ACERA. You can change your beneficiaries at any time. Simply complete and return an *ACERA Active or Deferred Member Beneficiary Designation Form*. The form is available upon request from ACERA Member Services or through the ACERA website, [www.acera.org](http://www.acera.org).

In many cases, an employer will notify ACERA of a member's death. Beneficiaries should be prepared to notify ACERA as well. Beneficiaries will need to take the following steps:

- Contact ACERA and report the member's death.
- Provide a certified copy of the member's death certificate to ACERA.
- Provide the member's birth certificate if it is not already on file with ACERA.
- Provide a copy of his or her own Social Security card to ACERA.
- Provide his or her own birth certificate to ACERA, if eligible for a monthly continuance benefit.
- Provide a marriage license or registered domestic partnership registration to ACERA, if he or she is the member's beneficiary and is eligible for a monthly continuance payment.

Refer to Section 5 of this handbook for more information regarding the death benefits that may be available to your beneficiary(ies).



# DEATH BENEFITS

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This section explains the death benefits available to eligible active and deferred members, as well as retired members. Active death benefits are paid to a member's designated beneficiary(ies) in the event he or she dies while an active employee or while in a deferred status of membership. Retiree death benefits are paid to a retiree's designated beneficiary(ies) in the event of his or her death.

At any time, if you have questions or need assistance, contact ACERA Member Services.

## Active Member Death Benefits

There are two types of active member death benefits: the basic death benefit and alternative death benefits. In the event of your death during active membership, the appropriate death benefit will be paid to your designated beneficiary(ies) indicated at enrollment or subsequently through an *ACERA Active or Deferred Member Beneficiary Designation Form*.

### Basic Active Member Death Benefit

The basic active member death benefit, paid to your named beneficiary, consists of:

- Your employee retirement contributions plus interest as of the date of death,
- AND**
- One month's pay for each full year of service, up to a maximum of six month's pay.

### Alternative Active Death Benefits

Alternative active death benefits may be available to certain beneficiaries of vested active members. These alternative benefits may be elected by your surviving spouse/registered domestic partner or eligible minor children. An eligible minor child is your unmarried child(ren) under age 18 (under age 22 if unmarried and a full-time student at an accredited school).

The following table shows the alternative active death benefits which may be available to surviving spouses/registered domestic partners and benefits provided by statute for eligible minor children. Your spouse/registered domestic partner may choose to receive your basic death benefit or an Active Death Equity Benefit (“ADEB”).

Available to Vested Member with 5 or More Years of Service Credit	
Spousal Benefit (ADEB available)	Eligible Minor Child Benefit (No ADEB available)
<p>Your surviving spouse/registered domestic partner may elect a monthly continuance based on the amount to which you would have been entitled at retirement due to non-service-connected disability as of the date of death. The continuance payment is paid for the lifetime of the surviving spouse/registered domestic partner.</p> <p>OR</p> <p>Your surviving spouse/registered domestic partner may elect a combined benefit, including both a lump-sum amount and a reduced monthly continuance payment. The continuance payment is paid for the lifetime of the surviving spouse/registered domestic partner.</p>	<p>If there is no surviving spouse/registered domestic partner, your unmarried children may collectively elect a monthly continuance equal to 60% of the amount to which you would have been entitled at retirement due to non-service-connected disability as of the date of death.</p> <p>Each unmarried child’s continuance lasts until age 18 or, if an unmarried full-time student at an accredited school, to age 22.</p> <p>For periods during which more than one child is eligible for the continuance, the continuance payments will be divided equally among them.</p>

#### IMPORTANT

Your surviving spouse/registered domestic partner or unmarried children are not required to be named as beneficiaries to elect an alternative death benefit. If your surviving spouse/registered domestic partner or unmarried child elects one of the death benefits noted above, that election will supersede and replace payment of the basic death benefit to your named beneficiary(ies).

The ADEB benefit is not a guaranteed benefit; it is provided for by the Supplemental Retirement Benefit Reserve fund. It is subject to discontinuance if not approved by the Board in any year. However, the law provides a 60% continuance to a spouse upon death, which is a vested (guaranteed) benefit.

## FREQUENTLY ASKED QUESTIONS

### If I’ve retired and a person I’ve named as a beneficiary dies before I do, can I change beneficiaries?

It depends. Beneficiaries for monthly continuance payments cannot be changed. However, beneficiaries for the one-time lump-sum benefit, for the retirement allowance earned but not yet paid, and for a refund of excess contributions can be changed by the member at any time.

For eligible spouses, ADEB elections are by far the most commonly exercised elections to replace the basic active death benefit. However, if your death is service-connected, additional benefits are offered to your survivors, as follows:

In the event of...	This additional benefit is available...
A <b>General or Safety Member's</b> death due to injury or disease arising out of and in the course of employment.	If there is no surviving spouse/registered domestic partner, your surviving eligible minor children may receive the higher benefit level available to your spouse/registered domestic partner (as outlined in the table above). Payments are made until age 18 (to age 22 if an unmarried full-time student at an accredited school).
A <b>Safety Member's</b> death in the line of duty, resulting from an accident or injury caused by external physical force.	A lump-sum payment of one year's salary is added to your spouse/registered domestic partner's benefit. Your surviving eligible minor children may also receive an additional benefit payment. The amount depends on the number of eligible minor children and payments are made until age 18 (to age 22 if an unmarried full-time student at an accredited school).



### Take Note:

Retired member death benefits differ from Active and Deferred member death benefits. For information on retiree death benefits, refer to Section 6, "Retired Member Payment Allowance Options."

## Deferred Member Death Benefits

If your death occurs while you are in a deferred member status with ACERA, retirement contributions plus interest as of the date of death will be paid to your beneficiary or beneficiaries. No additional death benefits are offered to surviving spouses/registered domestic partners or eligible minor children of deferred members.

## Retiree Death Benefits

Retirees can name beneficiaries for four different kinds of benefits payable after the retiree's death:

- Monthly continuance payments (see "Retirement Benefit Allowance Payment Options" in Section 6);
- A one-time lump-sum death benefit; currently, a maximum amount of \$5,000 (this benefit is pro-rated for members who establish reciprocity);
- Any retirement benefit allowance earned but not yet paid to the retiree at the time of the retiree's death. This benefit covers the portion of the last month's benefit payment payable for the portion of the month up to the retiree's death (death pro-rated benefit); and
- A refund of excess contributions if, when all monthly retirement payments have been made, the total payments made to the beneficiary are less than the retiree's contributions and interest on deposit with ACERA.

# MEMBERS PLANNING TO RETIRE



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Congratulations! You have reached an important milestone—retirement. As you embark on this exciting time, ACERA is here to help you.

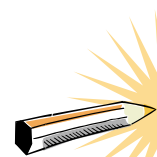
This section provides details on your retirement benefit allowance and other ACERA benefits available to you. It also includes a retirement planning checklist and information regarding ACERA's retiree associations so you can stay connected with other retirees.

## Eligibility for Service Retirement

Members may retire upon meeting the following minimum eligibility requirements:

- **General Members (Tier I and Tier II) may retire:**
  - At age 50 or older with 10 or more years of service credit
  - At any age with 30 or more years of service credit
  - At age 70 or older with any amount of service credit
- **Safety Members (Tier I and Tier II) may retire:**
  - At age 50 or older with 10 or more years of service credit
  - At any age with 20 or more years of service credit
  - At age 70 or older with any amount of service credit

For more information on membership types and Tiers, see Section 2 of this handbook.



### Take Note:

Vested deferred members may retire at the same ages stated in this section, if at least 10 years have elapsed since date of entry. Reciprocal service is included when determining retirement eligibility.

## FREQUENTLY ASKED QUESTIONS

### When does my retirement actually begin?

Retirement begins the day after your last day on paid status with your Participating Employer, provided ACERA receives your retirement application before that date.

### Am I required to make an appointment for a counseling session with ACERA?

You are encouraged to schedule a counseling session within the 60 days before your retirement date. During your counseling session, ACERA will advise you on the retirement benefits, payment options, and benefit deductions available once you retire.

### What should I bring to my counseling session?

You will need your Social Security card, birth certificate, marriage certificate and Medicare card (if applicable); your spouse's Social Security card, birth certificate, and Medicare card (if applicable); and your eligible minor children's birth certificates and full-time student or disabled certification (if applicable).

## Applying for Retirement

You must apply for retirement no earlier than 60 days before your effective retirement date, but no later than your effective retirement date.

Since your retirement benefit allowance is calculated based on three factors—age, length of service, and final average salary—there are a few things to consider when selecting your effective retirement date.

The first is your age. You receive an incremental age factor adjustment, which slightly increases your benefit for each quarter of a year increase in age, up to age 50 (Safety Members), age 62 (Tier I—General Members), and age 65 (Tier II—General Members). For that reason, a General Member age 59, for example, planning to retire this year may want to make sure that the effective date of retirement is the date he or she would turn 59, 59¼, 50½, etc.

A second factor to consider is the timing of the plan's annual cost-of-living adjustment (see "Cost of Living Adjustments" (COLA) later in this section for details). The annual COLA is effective on April 1st of each year, and you are only eligible to receive the annual cost of living increase in the year you retire if you retire on or before April 1st.

### When you decide to retire, take these actions:

- Attend a Pre-Retirement Seminar.
- Notify your department of your retirement date.
- Call ACERA Member Services to schedule a retirement counseling session.
- Contact your deferred compensation provider about your deferred compensation program, if applicable.
- Contact the Social Security Administration if you are eligible for benefits.

#### RECIPROCAL MEMBERS TAKE NOTE!

You must apply for retirement concurrently from all systems with which you have established reciprocity. You must notify each system of your planned retirement date and remind the system that you are a reciprocal member. This will ensure all systems coordinate your effective date of retirement.

## Calculating Your Monthly Retirement Benefit Allowance

Your ACERA monthly retirement benefit is calculated using a formula, based on these three factors:

- Your age at retirement
- Your amount of service credit
- Your final average salary

The amount of your retirement benefit allowance will also depend on your membership type (Safety or General), your Tier (Tier I or II), and the retirement benefit payment option you elect at the time you retire (see “Retirement Benefit Allowance Payment Options” later in this section for details).

The following is a description of the factors—age, service credit, and final average salary—that go into calculating your retirement benefit; refer to Section 6 of this handbook for an explanation of the steps ACERA takes to actually calculate your benefit.

### Age

As noted previously in this section, when calculating your retirement benefit, you receive an incremental age adjustment, which slightly increases your benefit for each quarter of a year increase in age, up to age 50 (Safety Members), up to age 62 (Tier I—General Members), or up to age 65 (Tier II—General Members).

Retirement age factors are currently 2.00% for General Tier I Members and 1.64% for General Tier II Members at age 57, and 3% at age 50 for Safety Members. For example, a Safety Member who is age 50 with 20 years of service and a final average monthly salary of \$8,000 would have the following formula used to determine his/her benefit:

$$3\% \times 20 \text{ years} \times \$8,000 = \$4,800$$

### Service Credit

ACERA calculates the service credit earned under each membership type and Tier throughout your ACERA-covered employment. In general, you earn a year of credited service for each year you work full-time in an ACERA-covered job. Purchased service will also increase your credited service total. In general, the more retirement service credit you have, the higher your benefit.

#### *Unused Sick Leave*

You can convert your unused sick leave into service credit, as allowed by your bargaining unit. For most members, upon retirement, 50% of any unused sick leave balance can be converted to service credit and added to total years of service. Converted sick leave does **NOT** count toward meeting retirement eligibility requirements.

To convert your unused sick leave to service credit, your retirement effective date must be the day after you terminate employment. Retirement-eligible members who terminate employment and choose not to apply for and begin retirement will not receive credit for unused sick leave.

#### *Compensatory Time and Floating Holidays*

Compensatory time and floating holidays remaining on the books at retirement do not count toward service credit. However, when taking time off and using accruals, you are credited with service. Thus, it can

## FREQUENTLY ASKED QUESTIONS

**I’ve been a County employee for 25 years, but on a recent retirement estimate, I only had 22 years of retirement service. Why don’t the two numbers match?**

Your years of ACERA service may not be the same because retirement service credit is only counted when you make contributions toward your retirement. There is no service credit earned for periods where no contributions are deducted from your pay, such as during a leave without pay or ineligible part-time employment. Additionally, if you deferred membership at any point during your career, your service credit did not accumulate during that time period.

be to your advantage to use these time accruals prior to retirement. You may use some vacation accruals to increase your retirement benefit. See “Final Average Salary” later in this section for more information.

**DEFERRED MEMBERS TAKE NOTE!**  
 Deferred members **do not** earn additional service credit after termination of employment. In addition, your unused sick leave cannot be converted to service credit.

**Final Average Salary**

Final average salary is not the same as your employee W-2 wages; it is the average compensation you earn during the period determined to be your final compensation. This period varies, based on your Tier, as follows:

	If you...	Your final average salary calculation is based on...
<b>Tier I</b>	Entered ACERA on or before June 30, 1983, and have been a member continuously, or you redeposited under <i>Aquilino</i> (see Section 3 for information on <i>Aquilino</i> ).	Your 26 highest consecutive pay periods or highest consecutive 12 months of pay, depending on payroll cycles (equivalent to one year).
<b>Tier II</b>	Entered or re-entered ACERA on or after July 1, 1983, and did not redeposit under <i>Aquilino</i> (see Section 3 for information on <i>Aquilino</i> ).	Your highest 78 consecutive pay periods or highest consecutive 36 months of pay, depending on payroll cycles (equivalent to three years).

Refer to Section 6 of this handbook for more information and examples on calculating your final average salary.

**RECIPROCAL MEMBERS TAKE NOTE!**  
 ACERA uses the highest average salary among your reciprocal systems to calculate final average salary.

Your final average salary may include pay differentials, in addition to base salary, such as on-call pay and shift differentials. In addition, under the Ventura Settlement Agreement, the cash value for vacation received (as a result of vacation sell back and/or vacation “cashed-out” due to termination or retirement) can be included in your final average salary calculation. The amount you are eligible to include in your final average salary depends on your member type, as follows:

Tier I – General or Safety	Tier II – General or Safety	Safety Only
Up to one year’s worth of vacation accruals can be converted to pay for purposes of calculating your final average salary, by either selling back of vacation during your last year of employment and/or receiving a vacation payoff (cash out) upon retirement.	Up to three year’s worth of vacation accruals can be converted to pay for purposes of calculating your final average salary, by either selling back of vacation during the last 3 years of employment and/or receiving a vacation payoff (cash out) upon retirement.	In addition to vacation accrual, sell backs, and payoff, sick leave cash out received upon retirement can also be converted to pay for purposes of calculating your final average salary. Up to 13 days may be included for Tier I members and 39 days for Tier II members.

## EXAMPLES—MAXIMIZING YOUR VENTURA BENEFITS

**Tier 1:** If you accrue vacation at a rate of five weeks per year and have eight weeks of unused time at the time you retire, you will receive cash for all eight weeks of unused vacation.

In calculating your final average salary, ACERA will include five weeks of vacation time. Your annual accrual rate (five weeks in this example) sets the upper limit on what ACERA can average into your final average salary.

**Tier 2:** If you accrue vacation at a rate of five weeks per year, you can sell/cash out up to 15 weeks of vacation during the consecutive 36-month period leading up to retirement (5 weeks x 3).

This value can be included in your final average salary calculation. (Your annual accrual rate over a three-year period sets the upper limit on what ACERA can average into your final average salary.) Although your employer may only allow you to hold two year's worth of vacation on the books, you can sell back another year's worth of accruals within your last two years of employment. These sell backs in addition to a cash out of two year's worth of accruals at retirement will maximize the *Ventura* benefit and your final average salary.

### Federal Government Compensation and Benefit Limitations

Section 401(a)(17) of the Internal Revenue Code limits the salary base that qualified pension plans, including ACERA, may use in the calculation of benefits. Contact ACERA for the current limit. This means your final average salary cannot be higher than the amount of the 401(a)(17) limit for the year you retire. This affects members with an entry date in ACERA membership of July 1, 1996, or after. Those with an entry date prior to July 1, 1996 are "grandfathered" and their final average salary will not be subject to this limit. The limit amount is set by federal law and is periodically adjusted for inflation.

In addition, Section 415(b) of the Internal Revenue Code limits the benefit amount qualified pension plans, including ACERA, may pay their retirees. Contact ACERA for the current limit. Those who entered ACERA membership on or after January 1, 1990, or those who receive a benefit enhancement on or after this date are subject to this limit. A benefit enhancement can occur when a member whose position was General is changed to Safety (Probation Officers), or for members retiring with a benefit enhancement such as the 3% at 50 Safety Member benefit formula. The limit is set by federal law and is periodically adjusted for inflation.

Because ACERA is a qualified retirement plan, it is required to impose the limitations contained in Section 415. However, Section 415(m) of the Internal Revenue Code allows members subject to the 415(b) limit to receive a separate benefit payment directly from the employer for

## FREQUENTLY ASKED QUESTIONS

### What is the *Ventura* decision?

Under the *Ventura* decision, certain items (such as uniform allowances, bilingual premium pay, cash in lieu of vacation, etc.) that were not previously considered to be part of a member's salary are now required to be included in a member's final average salary when determining the member's retirement allowance.

the difference between the member's calculated benefit amount and the 415(b) limit.

To further build your understanding of how ACERA calculates your retirement benefit allowance, we encourage you to review and use the "Benefit Estimate Worksheet" in Section 6 of this handbook. This walks through the steps involved in calculating your benefit. You can also use the benefit estimate calculator on the ACERA website, [www.acera.org](http://www.acera.org), or request a benefit estimate in writing from ACERA Member Services at any time.

### Take Note:



Retirement allowance payment options are irrevocable. Once you have returned your signed contract with a selected payment option and payment begins, you **cannot** change your payment option.

## Retirement Benefit Allowance Payment Options

ACERA must complete your final retirement calculation before you can choose a payment option. ACERA must verify your termination date, vacation cash out and sick leave balance, and receive the final retirement contribution from your last paycheck. This can take up to six weeks after your last day in paid status. Approximately eight to ten weeks after your retirement date, your retirement benefit calculations will be finalized and you may choose a payment option.

During this eight to ten week period, ACERA mails a packet containing a payment option contract to you. Upon receipt of the contract, you choose a payment option by signing and returning the contract. ACERA will begin paying your retirement allowance based on the option amount you select.

You may be eligible to receive up to 80% of your estimated monthly benefit until your actual benefit is finalized so that you receive payment on a regular monthly basis. The difference between your interim partial payment and your actual benefit will be paid retroactively (without interest) once ACERA receives your signed contract and processes the payment option you choose.

**Once payments begin, you cannot change your payment option. Your selected payment option is irrevocable.**

As of July 2007, ACERA requires the direct deposit of all monthly pension payments into a bank account unless you substantiate a valid hardship to ACERA demonstrating why direct deposit is not an option for you. Retirement allowance payments will be deposited on the last business day of each month. This policy ensures the receipt of your funds, especially in the case of a natural disaster, Post Office delivery delays, or theft.

The various benefit payment options and corresponding death benefits are shown in the following tables.

### Unmodified Option: Provides the Maximum Monthly Lifetime Benefit

Benefit paid to retiree	Maximum allowance provided for retiree's lifetime, based on age, service credit, and final average salary.
Benefit paid to beneficiary on retiree's death	<ul style="list-style-type: none"> <li>For spouse/registered domestic partner to whom retiree was <b>married/registered at least one year before retirement</b>, lifetime monthly allowance of 60% of retiree's allowance at time of death (100% for spouse/registered domestic partner of member retired for service-connected disability to whom retiree was married/registered before retirement).</li> <li>For minor child(ren), monthly allowance collectively of 60% (100% for member retired for service-connected disability) of retiree's allowance at time of death, payable to the minor child(ren) until the minor marries/registers or reaches age 18 (or age 22 if enrolled as a full-time student in an accredited school).</li> <li>For someone other than a spouse/registered domestic partner or minor child, one-time, lump-sum payment of retiree's accumulated contributions and interest, minus monthly retirement payments already paid.</li> </ul>
If named beneficiary dies before retiree	<ul style="list-style-type: none"> <li>Upon retiree's death, alternate or newly named beneficiary will only receive lump-sum payment of retiree's accumulated contributions and interest, minus monthly payments already paid.</li> </ul>

### Option 1: Lump Sum Benefit to Beneficiary/No Monthly Continuance

Benefit paid to retiree	Slightly lower allowance for retiree's lifetime than under Unmodified Option.
Benefit paid to beneficiary upon retiree's death	<ul style="list-style-type: none"> <li>One-time, lump-sum payment of retiree's accumulated contributions and interest, minus the annuity portion of monthly payments already paid. May leave a higher lump-sum balance to be paid to beneficiary than under Unmodified Option because contribution balance is paid to retiree at a slower rate. Designate any beneficiary (not limited to spouse or minor child).</li> </ul>
If named beneficiary dies before retiree	<ul style="list-style-type: none"> <li>Upon retiree's death, alternate or newly named beneficiary will receive lump-sum payment of retiree's accumulated contributions and interest, <b>minus the annuity portion of monthly payments already paid.</b></li> </ul>
Special considerations	<ul style="list-style-type: none"> <li>This option extends the time it takes under the Unmodified Option (three to five years) for the retiree to receive a refund of all contributions and interest to a range of 10 to 12 years. If all contributions and interest have been paid as of retiree's death, there will be no balance remaining for the beneficiary.</li> <li>Retiree may name a new beneficiary at any time.</li> </ul>

Option 2: 100% Joint and Survivor	
<b>Benefit paid to retiree</b>	<b>Lower allowance for retiree's lifetime than under Unmodified Option, with amount of reduction based on named beneficiary's age at time of member's retirement.</b>
Benefit paid to beneficiary upon retiree's death	<ul style="list-style-type: none"> <li>• Lifetime monthly allowance of 100% of retiree's allowance at time of death.</li> </ul>
If named beneficiary dies before retiree	<ul style="list-style-type: none"> <li>• Upon retiree's death, alternate or newly named beneficiary will only receive lump-sum payment of retiree's accumulated contributions and interest, minus monthly payments already paid.</li> </ul>
Special considerations	<ul style="list-style-type: none"> <li>• <b>Retiree may name anyone as beneficiary;</b> however, under California community property law, retiree's spouse/registered domestic partner may have certain rights over any other designated beneficiary.</li> <li>• If named beneficiary dies before retiree, retiree's benefit will not be increased.</li> <li>• Retiree's allowance may be sharply reduced if beneficiary is considerably younger than retiree.</li> </ul>

Option 3: 50% Joint and Survivor	
<b>Benefit paid to retiree</b>	<b>Lower allowance for retiree's lifetime than under Unmodified Option, with amount of reduction based on named beneficiary's age at time of member's retirement. Reduction smaller than under Option 2 because continuance to beneficiary is less.</b>
Benefit paid to beneficiary upon retiree's death	<ul style="list-style-type: none"> <li>• Lifetime monthly allowance of 50% of retiree's allowance at time of death.</li> </ul>
If named beneficiary dies before retiree	<ul style="list-style-type: none"> <li>• Upon retiree's death, alternate or newly named beneficiary will only receive lump-sum payment of retiree's accumulated contributions and interest, minus monthly payments already paid.</li> </ul>
Special considerations	<ul style="list-style-type: none"> <li>• <b>Retiree may name anyone as beneficiary;</b> however, under California community property law, retiree's spouse/registered domestic partner may have certain rights over any other designated beneficiary.</li> <li>• If named beneficiary dies before retiree, retiree's benefit will not be increased.</li> <li>• Retiree's allowance may be sharply reduced if beneficiary is considerably younger than retiree.</li> </ul>

**Option 4: Retiree Specifies Benefit**

<b>Benefit paid to retiree</b>	<b>Lower allowance for retiree's lifetime than under the Unmodified Option, with amount of reduction based on youngest named beneficiary's age at time of member's retirement. Amount to be provided to beneficiary upon retiree's death.</b>
Benefit paid to beneficiary upon retiree's death	<ul style="list-style-type: none"> <li>Retiree specifies dollar amount or percentage of allowance to be paid to named beneficiaries.</li> </ul>
If named beneficiary dies before retiree	<ul style="list-style-type: none"> <li>Upon retiree's death, alternate or newly named beneficiary will receive lump-sum payment of retiree's accumulated contributions and interest, minus monthly payments already paid.</li> </ul>
Special considerations	<ul style="list-style-type: none"> <li>Retiree may name multiple beneficiaries.</li> <li><b>Retiree may name anyone as beneficiary;</b> however, under California community property law, retiree's spouse/registered domestic partner may have certain rights over other designated beneficiaries.</li> <li>If named beneficiaries die before retiree, retiree's benefit will not be increased.</li> <li>Retiree's allowance may be sharply reduced if youngest beneficiary is considerably younger than retiree.</li> <li>May not be provided if retirement allowance is based on disability retirement.</li> </ul>

The option in the following table can be selected along with any of the previously described options:

**Temporary (Added) Annuity**

**Temporary increase in retirement benefit based on Social Security benefit estimate for age 62 and age at retirement if age of retirement is under age 62**

<b>Benefit paid to retiree</b>	<b>Increased retirement allowance to retiree while under age 62, with allowance reduced by estimated Social Security allowance on retiree's reaching age 62.</b>
Special considerations	<ul style="list-style-type: none"> <li>Anticipates retiree will apply for and receive Social Security at age 62.</li> <li>Retirement benefit will be permanently reduced by full amount of Social Security benefit estimated at retirement upon retiree's reaching age 62 regardless of whether retiree actually receives Social Security.</li> <li>Because Social Security benefits are estimated, retirement reduction at age 62 may be more or less than actual Social Security benefit.</li> <li>Requires that retiree submit Social Security Estimate to ACERA, to be used to determine factors for calculation of advance and reduction of ACERA benefit only.</li> <li>Temporary advance is from ACERA; there is no communication or link to Social Security benefits, and the two benefits are independent of each other.</li> <li>May not be provided if retirement allowance is based on disability retirement.</li> </ul>

**Take Note!**

There are limits to the retirement benefit allowance a member can receive. Members may not receive more than 100% of their final average salary. In addition, Internal Revenue Code Section 415 limits the dollar amounts that can be paid as retirement allowances. Refer to "Federal Government Compensation and Benefit Limitations" for more information.

## FREQUENTLY ASKED QUESTIONS

### How often and when will I receive my checks?

Retirement benefit allowances are paid on a monthly basis. With direct deposit, your checks are directly deposited into your bank account (via direct deposit). Funds will be transferred to retirees' designated accounts on the last business day of each month.

### Deductions from Retirement Checks

Other than certain court-ordered amounts (e.g., spousal support/ domestic partner support or child support), ACERA can only withhold deductions for the following items:

- ACERA-sponsored medical coverage
- ACERA-sponsored dental coverage
- ACERA-sponsored vision coverage
- Board approved life insurance premiums
- PERS Long Term Care Insurance
- Board Approved Retiree Association dues
- Board Approved Regularly Chartered Credit Unions
- Personal Income Taxes to the United States or the State of California
- Tax levies

### Tax Considerations

Your ACERA retirement benefit allowance may be subject to federal and state income tax. As a part of the retirement application process, you will complete IRS form W-4P (“Withholding Certificate for Pension Annuity Payments”). Be sure to read the instructions carefully, and consult your tax advisor if you have questions. You can update your withholding after benefits begin at any time by completing a new IRS Form W-4P. This form is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services.

### Foreign Addresses

If you are considering moving out of the United States and want to avoid the possibility of 30% taxation on your pension, you must make sure you have the following documents on file with ACERA.

- U.S. Certified Birth Certificate; verifying you were born in the United States, or submit a W-9 Form
- If you are a Non-Resident Alien, a copy of your green card

A person who is **not** a U.S. Citizen or resident alien but will be residing at a non-U.S. address is subject to a mandatory federal tax withholding on a U.S. income source at the rate of 30%. The IRS requires these individuals to complete a W-8BEN Form and it must be submitted to ACERA. For non-citizens and non-resident aliens, a reduced tax rate including a total tax exemption may apply if there is a tax treaty between the non-U.S. resident's country and the United States.

To obtain a W-9 Form or W-8BEN Form, visit the ACERA website, [www.acera.org](http://www.acera.org), or contact ACERA Member Services.

## Cost of Living Adjustments

A cost of living adjustment (“COLA”) is made annually in accordance with the changes in the Consumer Price Index (“CPI”) for the San Francisco Bay Area. Adjustments are made annually on April 1 to increase benefits in payment status as of March 31. Allowances can be increased up to a maximum yearly limit of 3% for Tier I members and 2% for Tier II members.

## Supplemental COLA

Each year the Board reviews funding for the supplemental COLA. Currently, a supplemental COLA payment is made to retirees who have experienced a decrease in the purchasing power of their allowance due to inflation of at least 15% despite the statutory cost of living increases. The supplemental COLA is paid in addition to any basic COLA increases to bring retirees within 15% of their original retiree purchasing power.

## Health, Dental and Vision Benefits

The Supplemental Retiree Benefits Reserve (“SRBR”) is a fund administered by the Board to pay additional “non-vested” benefits such as a portion of health care contributions (Monthly Medical Allowance) and supplemental COLAs to retired members and their beneficiaries. Benefits funded by the SRBR are not vested (not guaranteed); thus, they are subject to modification or elimination at the Board’s discretion.

## Monthly Medical Allowance

Retirees with 10 or more years of creditable ACERA service and service-connected disability retirees enrolled in an ACERA-sponsored medical plan receive a Monthly Medical Allowance (MMA) towards retiree medical premium payments to offset the cost.

The ACERA MMA helps to offset the cost of retiree medical insurance premiums. The offset is based on ACERA years of service and a contribution amount determined annually by the Board of Retirement. Existing policy provides that the maximum amount is limited to your self-only premium or highest allowable benefit under the MMA, whichever is lower. Plan premium costs exceeding the MMA contribution are deducted from your monthly retirement allowance.

This benefit is only available for payment toward an ACERA-sponsored medical plan; the cost of private insurance is not covered.

The MMA is prorated according to your years of service. Refer to the ACERA website, [www.acera.org](http://www.acera.org), for current MMA amounts.

## FREQUENTLY ASKED QUESTIONS

### Is the retiree medical coverage the same as the active member coverage?

Generally, as a retiree (under age 65), you may continue the same medical care coverage that you had as an active employee. However, the plans available to you may not be identical to those offered to active employees. If you are eligible for Medicare Parts A and B, you are required to enroll in a “Medicare” medical plan through ACERA if you want to continue coverage.

## FREQUENTLY ASKED QUESTIONS

### Will I be able to cover my spouse, domestic partner, or other dependents in medical, dental and vision insurance once I'm retired?

Yes, if you live within the plans' service areas and would like to cover your family, you may elect to purchase this coverage out of your own pocket. ACERA does not contribute toward your dependent medical premium costs. Rather, they are deducted from your monthly retirement allowance payments.

Number of years of service	Percentage of premium "subsidy"	Current MMA amount
1–9 years	0%	refer to ACERA website
10–14 years	50%	refer to ACERA website
15–19 years	75%	refer to ACERA website
20 or more years	100%	refer to ACERA website

There is no MMA coverage contribution for dependent medical, dental, or vision care coverage, for retirees with less than 10 years of service, or for spouses/registered domestic partners, former spouses/registered domestic partners, and other beneficiaries or for the cost of private, individual insurance coverage.

### ACERA Medical Plan Coverage

As of this Handbook's publication date, the medical plans available to retirees are provided through Blue Cross, Kaiser Permanente, and PacifiCare/United Healthcare. The plans offered are subject to change.

All ACERA retirees and their eligible dependents may enroll in an ACERA-sponsored medical plan. Medical premiums not covered through the MMA are deducted from your monthly retirement allowance.

You are responsible for 100% of dependent premium costs, which are also deducted from your monthly retirement allowance, as determined by the individual plans and the number of enrolled dependents, and subject to premium increases.

### Dental and Vision Coverage

All retirees are enrolled in dental and vision plans with premiums 100% paid for by ACERA. The plans offered for retiree dental and vision coverage differ from active member plans. As of this Handbook's publication date, dental coverage is provided by Delta Dental and vision coverage by Vision Service Provider (VSP). Dependent coverage is available. Premiums are deducted from your monthly retirement allowance.

### Enrolling in a Medical, Dental or Vision Plan

Enrollment forms for medical, dental, and vision coverage are included in your retirement application package. You may choose to decline or accept coverage at that time. If you decline coverage, you cannot enroll in an ACERA-sponsored plan until open enrollment, which occurs once a year, usually during the month of November. Elections made during open enrollment become effective February 1 of the following year. An evaluation of your health is not required during open enrollment. Members may also enroll or make changes to their enrollment within 30 days of a qualifying event, such as a marriage, divorce, birth, or death.

## COBRA Continuation Coverage

In accordance with federal law (COBRA), a retiree and his or her covered dependents may have the right to continue healthcare coverage at their own expense at group rates. The COBRA program allows you to continue the same healthcare coverage in effect immediately before a COBRA-qualifying event. This coverage is limited to a maximum period of 36 months and certain terms and conditions apply:

- Premiums are calculated based on your currently monthly medical, dental and/or vision rates plus a 2% administrative fee.
- You may only continue the coverage that was in effect on the date of your qualifying event.
- Coverage is extended only to those covered at the time of the qualifying event.

You will receive COBRA notification and application forms from your employer's Human Resources department on receipt of separation papers. When you elect COBRA coverage, you pay the full premium and any administration fees to your former employer.

## Medicare Part B Reimbursement Plan

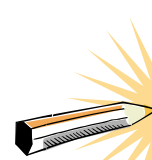
Medicare Part B Reimbursement Plan ("MBRP") is a Medicare reimbursement plan adopted by the Board authorizing a monthly reimbursement for Medicare Part B to qualified retired members. This reimbursement offsets most or all of the cost of Medicare Part B, which is deducted from a member's Social Security checks. This benefit is **not available** for dependents, nor will it reimburse dependent costs.

To qualify for MBRP, a retiree must:

- Be eligible for the "monthly medical allowance" benefit
- Provide proof of enrollment and maintain enrollment in Medicare Part B
- Enroll in the MBRP program (commencement of payments begin upon enrollment into MBRP, not on the effective date of eligibility for Medicare Part B)

## Retiree Life Insurance

ACERA does not sponsor a life insurance program. However, the life insurance program currently offered to Participating Employer management and non-management employees may be continued into retirement through the insurance plan provider. For more information, contact the Alameda County Employee Services Center at 510-891-8991.



### Take Note!

ACERA requires members and dependents enrolled in an ACERA-sponsored medical plan and eligible for Medicare Parts A and B, to enroll in a Medicare medical plan upon the member's retirement. This eliminates the additional monthly surcharge the carrier imposes on ACERA and helps to maintain the SRBR's financial position. The Medicare medical plans offered through ACERA contain Medicare Part D benefits. Members and dependents should not independently enroll in a Medicare Part D Plan when covered by an ACERA-sponsored medical plan because of Medicare Part D regulations.

## Moving After Retirement

Many members nearing retirement may plan to purchase homes or move to locations in rural areas or to another state. Moving can have implications for your retirement benefits, including:

- **Tax Consequences.** If you leave the state of California or move outside of the United States, you will need to update your federal and state tax withholding information. Form W-4P, for your federal income tax withholding election, is available through the ACERA website, [www.acera.org](http://www.acera.org), or upon request from ACERA Member Services.
- **Retiree Health Benefit Limitations.** To be eligible for enrollment in a retiree medical plan or the DeltaCare USA dental plan, you must live within an ACERA-sponsored plan's service area. If you plan to move, contact your current provider's customer service department to inquire whether your new residence is within the plan's service area. If your current provider does not offer coverage for your new location, you may change to another ACERA-sponsored plan. Other options may be available, but costly. To avoid non-payment of claims as a new retiree, it is imperative that you notify ACERA within 30 days of your move. Contact ACERA Member Services if you need assistance or have questions.

## Working After Retirement

Generally, working after retirement will not affect your retirement benefit:

- You may work for any employer other than an ACERA Participating Employer for any amount of time without affecting your retirement benefit allowance.
- You may work for an ACERA Participating Employer after retirement in a position requiring special skills or knowledge for a total of 120 working days (960 hours).
- You may work for an ACERA Participating Employer off the payroll, either as a contract employee or a temporary employee (employed through a temporary agency), for any amount of time without affecting your retirement allowance.

## Retiree Associations

Various retired membership associations sponsor newsletters, social events, and group travel opportunities for retired Alameda County Employees. Members of these associations attend Board and Committee meetings, and report to and lobby on behalf of retirees. Membership is optional.

The table below shows the groups and their current monthly dues.

Group	Dues
Alameda County Retired Employees (ACRE) (sponsored by SEIU Local 1021)	\$3.00 per month
Retired Employees of Alameda County (REAC)	\$1.00 per month

## Retirement Planning Checklist

As you plan for retirement, keep these things in mind:

- ✓ **Request a benefit estimate.** Provides the estimated benefit you will receive at retirement, your payment options, and the benefit payable to your beneficiary in the event of your death. Request this estimate before deciding on a retirement date; it may help you decide on the date that is right for you.
- ✓ **Attend the Pre-Retirement Seminar.** For information about upcoming seminars and to register for a specific date, contact ACERA Member Services. The seminar schedule is also published on the ACERA website, [www.acera.org](http://www.acera.org).
- ✓ **Get your personal documents in order.** If you haven't already done so, you will need to provide ACERA with verification of your birthdate (birth or baptismal certificate, passport, or naturalization papers). If you are married or in a registered domestic partnership, you will need to provide your marriage certificate or state-registered domestic partnership certificate. If you were divorced during your membership with ACERA, you should also provide the dissolution of marriage/registered domestic partnership decree. In addition, copies of your Social Security card and your beneficiary's Social Security card are needed.
- ✓ **Meet with an ACERA representative to discuss your personal situation.** You can schedule an appointment by calling ACERA Member Services. Your counseling session should take place within the 60-day window prior to your retirement effective date.
- ✓ **Keep your beneficiary information up to date with ACERA.** If you have a life change, such as marriage or divorce, or you need to change your beneficiary for any reason (e.g. death), complete and return an *ACERA Active or Deferred Member Beneficiary Designation Form* to ACERA.
- ✓ **Keep your address information up to date with your employer.** To ensure you receive important information from ACERA, keep your home address current with your employer at all times. While an active member, your employer will notify ACERA when you change your address. After you retire, it is your responsibility to inform ACERA in writing of any change of address by using the *Address and Name Change* form.
- ✓ **Contact ACERA Member Services if you have questions.** ACERA is available by phone at 510-628-3000 or 1-800-838-1932. You can schedule an appointment to meet individually with an ACERA representative, when necessary. Or, refer to the ACERA website, [www.acera.org](http://www.acera.org), if you would like to find answers on your own.



### Take Note!

Contact ACERA Member Services at 510-628-3000 or 1-800-838-1932, if you have questions.



# TOOLS TO HELP YOU UNDERSTAND ACERA BENEFITS

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## FREQUENTLY ASKED QUESTIONS

### Can anyone get information about my retirement account?

No. ACERA is required to protect the confidentiality of your records and cannot provide information about your individual account unless it is necessary for administration of benefits or upon receiving your written consent or a court order.

ACERA invests in a broad range of resources to help members learn about ACERA benefits.

This section describes the tools available and includes a benefit worksheet that takes you through the factors involved in calculating your retirement benefit. We encourage you to “do the math” for yourself—it will help you better understand how your ACERA retirement benefit works.

### Member Benefit Statements

Annual member statements provide information pertaining to your retirement account as of December 31 for the previous year. Statements include the following information:

- Balance of employee contributions and interest
- Service credit total
- Average monthly salary
- Beneficiary information
- Membership information

Your statement also includes an estimate of your personalized, estimated retirement benefit allowance at retirement.

Employer contributions are not included in your annual statement because you do not receive distribution of Participating Employer contributions until you retire. At retirement, employer contributions fund a part of your monthly benefit.

You should keep each year’s annual statement in your records. If you find inaccuracies in your statement, be sure to contact ACERA Member Services, as instructed on the statement.

## Retirement Seminars

ACERA sponsors Pre-Retirement and Mid-Career Seminars throughout each year.

- **Pre-Retirement Seminars.** These seminars are designed for employees planning to retire within the next three years. During the two-hour seminar, an ACERA Retirement Specialist will review your retirement benefit formula, retirement allowance options, retirement application process, and non-vested retirement benefits, including medical, dental, vision and death benefits.
- **Mid-Career Seminars.** These seminars are designed for members planning to work in ACERA-covered employment until retirement age, who wish to begin planning for retirement. During the two-hour seminar, an ACERA Retirement Specialist will provide you with information on what it means to be a vested member and to participate in a defined benefit pension plan. Additional information is also presented regarding reciprocal agency retirement benefits, service purchases and redeposits, employment termination options, and benefit formula components.

To attend a seminar, contact ACERA Member Services to reserve a space.

## Estimating Your Retirement Benefit Allowance

As explained in Sections 2 and 6 of this handbook, your ACERA retirement benefit allowance is calculated based primarily on the following factors:

- Age at retirement
- Amount of service credit
- Final average salary

Following are examples, and a benefit estimate worksheet, that explains the information needed and steps followed to calculate your retirement benefit. You can also find an online retirement benefit estimate calculator through the ACERA website, [www.acera.org](http://www.acera.org).

### Calculating Final Average Salary (FAS)

Calculating your final average salary is the first step in estimating your retirement benefit allowance. ACERA calculates FAS based on your membership Tier. For Tier I members, ACERA averages the highest 12 months of salary earned; for Tier II members, ACERA averages the highest 36 months of salary earned. Your final average salary can also include eligible vacation accruals in the form of cash outs at retirement or sell backs during your final compensation period.

Refer to Section 6 of this handbook for more information regarding final average salary.

## HERE ARE EXAMPLES

**Scenario 1: Tier I Final Average Salary Calculation:** Use the highest 26 consecutive pay periods, divided by 12 months, to determine monthly final average salary.

Mr. Smith was a Tier I member whose biweekly pay rate for the last eight months was \$960. For the four months before that, his biweekly pay rate was \$880. His average monthly compensation is calculated by adding his monthly compensation for his last 12 months of service (26 biweekly pay periods) and dividing the sum by 12.

Biweekly pay rate	rate x 26 ÷ 12	= Monthly Compensation	x Number of Months	= Total
\$960	x 26 ÷ 12	\$2,080	8	\$16,640
\$880	x 26 ÷ 12	\$1,907	4	\$7,628
			12	\$24,268
<b>Final average monthly salary: \$24,268 ÷ 12 = \$2,022</b>				

**Scenario 2: Tier II Final Average Salary Calculation:** Use the highest 78 consecutive pay periods, divided by 36 months, to determine the monthly final average salary.

Ms. Smith was a Tier II member whose biweekly pay rate for the last 24 months was \$880. For the 12 months before that, her biweekly pay rate was \$840. Her average monthly compensation is calculated by adding her monthly compensation for her last 36 months of service (78 biweekly pay periods) and dividing the sum by 36.

Biweekly pay rate	rate x 26 ÷ 12	= Monthly Compensation	x Number of Months	= Total
\$880	x 26 ÷ 12	\$1,907	24	\$45,768
\$840	x 26 ÷ 12	\$1,820	12	\$21,840
			36	\$67,608
<b>Final average monthly salary: \$67,608 ÷ 36 = \$1,878</b>				

### Benefit Estimate Worksheet

The following worksheet will guide you through estimating the monthly retirement benefit allowance you may be eligible to receive. To build on the “Tier I Final Average Salary Calculation” (Scenario 1 above), we’ve incorporated the member’s average monthly compensation of \$2,022. We are also assuming he is a General Member who retires at age 55 with 25 years of service credit.

As you review this information, first follow the example, then proceed to estimate your own benefit. Be sure to use factors from the benefit factor tables provided on the following pages that correspond with your Tier and member status.

Descriptive Information	Example	Your Case
<b>Retirement age:</b> Enter your estimated age at retirement.	55	
<b>Total service at retirement:</b> Enter your years of ACERA service credit. For estimating, use the number of calendar years you worked in eligible positions.	25	
<b>Percentage factor:</b> Find your age/service factor (see pages 58-62 of this handbook). Use the appropriate percentage factor chart (Tier I, Tier II or Safety) to determine your age/service factor.	44.25%	
<b>Final average monthly salary:</b> Enter your final average monthly salary.	\$2,022	
<b>Basic benefit calculation:</b> Multiply your final average monthly salary by your percentage age factor. This is your estimated unmodified monthly retirement benefit allowance.	\$895*	

*\*This is an estimate only. ACERA will calculate a member's actual benefit available at retirement.*

## Factoring in Social Security

As noted in Section 1, ACERA members who have Social Security (FICA) deducted from their pay are “Social Security integrated members” and must adjust their retirement benefit allowance to include Social Security. Members who do not have FICA deductions are not integrated into Social Security and do not need to adjust their retirement benefit allowance.

The plan's Social Security Reduction Factors are used to adjust for Social Security integration. The Social Security Reduction Factor chart is included later in this section.

If you are a Social Security Integrated Member, your monthly retirement benefit is reduced by the Social Security Reduction Factor multiplied by the years of service during which FICA was deducted from your paycheck. The resulting amount is the total estimated retirement allowance you will receive at retirement.

Building on the “Benefit Estimate Worksheet” above, here is how Social Security integration works.

Descriptive Information	Example	Your Case
<b>Retirement age:</b> Enter your estimated age at retirement.	55	
<b>Total service at retirement:</b> Enter your years of ACERA service credit. For estimating, use the number of calendar years you worked in eligible positions.	25	
<b>Percentage factor:</b> Find your age/service percentage factor (see pages 58-62 of this handbook). Use the appropriate percentage factor chart (Tier I, Tier II or Safety) to determine your age/service factor.	44.25%	
<b>Final average monthly salary:</b> Enter your final average monthly salary.	\$2,022	
<b>Basic benefit calculation:</b> Multiply your final average monthly salary by your percentage age factor. This is your estimated unmodified monthly retirement benefit allowance.	\$895*	
<b>If you are Social Security integrated, continue with the following steps</b>		
<b>Find your Social Security factor:</b> Use the appropriate table to determine factor. If you are not a Social Security integrated member, you do not need to adjust for Social Security and so do not need to include this factor in your estimate.	2.065	
<b>Enter your years of service</b>	x 25	
<b>Social Security reduction:</b> Multiply your Social Security factor by your years of service. This is the amount of your Social Security reduction.	\$51.63	
Subtract the reduction amount from the unmodified monthly retirement benefit.	\$895 – \$51.63	
This is your estimated retirement allowance with the Social Security reduction.	<b>\$ 843.37*</b>	

*\*This is an estimate only. ACERA will calculate a member's actual benefit available at retirement.*

## Requesting a Benefit Estimate

If you are eligible to retire within 10 years, you may request an estimate of your retirement benefit allowance from ACERA at any time. This will give you a good idea of what to expect when you retire. You must request your estimate from ACERA in writing, using the *ACERA Retirement Estimate Request Form*. This form is available upon request from ACERA Member Services or through the ACERA website, [www.acera.org](http://www.acera.org).

Your estimate will be based on your information on file with ACERA at the time you make your request—remember, this is an estimate only. ACERA cannot calculate your actual benefit until you retire.

## Percentage Factor Charts

### Tier I—General Member Percentage Factor

		Age at Retirement												
		50	51	52	53	54	55	56	57	58	59	60	61	62+
Years of Service	10	13.36	14.11	14.91	15.76	16.69	17.70	18.80	20.00	20.89	22.10	23.37	24.73	26.19
	11	14.70	15.52	16.40	17.34	18.36	19.47	20.68	22.00	22.98	24.31	25.71	27.20	28.80
	12	16.03	16.93	17.89	18.92	20.03	21.24	22.56	24.00	25.07	26.52	28.05	29.68	31.42
	13	17.37	18.35	19.38	20.49	21.70	23.01	24.44	26.00	27.16	28.72	30.38	32.15	34.04
	14	18.71	19.76	20.87	22.07	23.37	24.78	26.32	28.00	29.25	30.93	32.72	34.62	36.66
	15	20.04	21.17	22.36	23.65	25.04	26.55	28.20	30.00	31.34	33.14	35.06	37.10	39.28
	16	21.38	22.58	23.85	25.22	26.71	28.32	30.08	32.00	33.43	35.35	37.40	39.57	41.90
	17	22.72	23.99	25.34	26.80	28.38	30.09	31.96	34.00	35.52	37.56	39.73	42.04	44.52
	18	24.05	25.40	26.83	28.38	30.05	31.86	33.84	36.00	37.61	39.77	42.07	44.51	47.13
	19	25.39	26.81	28.33	29.95	31.71	33.63	35.72	38.00	39.70	41.98	44.41	46.99	49.75
	20	26.72	28.22	29.82	31.53	33.38	35.40	37.60	40.00	41.79	44.19	46.74	49.46	52.37
	21	28.06	29.64	31.31	33.10	35.05	37.17	39.48	42.00	43.88	46.40	49.08	51.93	54.99
	22	29.40	31.05	32.80	34.68	36.72	38.94	41.36	44.00	45.97	48.61	51.42	54.41	57.61
	23	30.73	32.46	34.29	36.26	38.39	40.71	43.24	46.00	48.06	50.82	53.76	56.88	60.23
	24	32.07	33.87	35.78	37.83	40.06	42.48	45.12	48.00	50.15	53.03	56.09	59.35	62.85
	25	33.40	35.28	37.27	39.41	41.73	44.25	47.00	50.00	52.24	55.24	58.43	61.82	65.46
	26	34.74	36.69	38.76	40.99	43.40	46.02	48.87	52.00	54.32	57.45	60.77	64.30	68.08
	27	36.08	38.10	40.25	42.56	45.07	47.79	50.75	54.00	56.41	59.66	63.10	66.77	70.70
	28	37.41	39.51	41.74	44.14	46.74	49.56	52.63	56.00	58.50	61.87	65.44	69.25	73.32
	29	38.75	40.92	43.23	45.72	48.41	51.33	54.51	58.00	60.59	64.08	67.78	71.72	75.94
	30	40.09	42.34	44.72	47.29	50.08	53.10	56.39	60.00	62.68	66.29	70.12	74.19	78.56
	31	41.42	43.75	46.21	48.87	51.75	54.87	58.27	62.00	64.77	68.50	72.45	76.66	81.18
	32	42.76	45.16	47.71	50.44	53.41	56.64	60.15	64.00	66.86	70.71	74.79	79.14	83.80
	33	44.09	46.57	49.20	52.02	55.08	58.41	62.03	66.00	68.95	72.92	77.13	81.61	86.41
	34	45.43	47.98	50.69	53.60	56.75	60.18	63.91	68.00	71.04	75.13	79.46	84.08	89.03
	35	-	49.39	52.18	55.17	58.42	61.95	65.79	70.00	73.13	77.34	81.80	86.56	91.65
	36	-	-	53.67	56.75	60.09	63.72	67.67	72.00	75.22	79.55	84.14	89.03	94.27
	37	-	-	-	58.33	61.76	65.49	69.55	74.00	77.31	81.76	86.48	91.50	96.89
	38	-	-	-	-	63.43	67.26	71.43	76.00	79.40	83.96	88.81	93.97	99.51
	39	-	-	-	-	-	69.03	73.31	78.00	81.49	86.17	91.15	96.45	100.00
	40	-	-	-	-	-	-	75.19	80.00	83.58	88.38	93.49	98.92	100.00
	41	-	-	-	-	-	-	-	82.00	85.67	90.59	95.83	100.00	100.00
	42+	-	-	-	-	-	-	-	-	87.75	92.80	98.16	100.00	100.00

## Tier II—General Member Percentage Factor

		Age at Retirement															
		50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65+
Years of Service	10	11.81	12.42	13.02	13.63	14.26	14.92	15.63	16.41	17.25	18.16	19.16	19.91	20.91	21.97	23.10	24.32
	11	12.99	13.66	14.32	14.99	15.68	16.41	17.19	18.05	18.97	19.97	21.07	21.90	23.00	24.16	25.41	26.75
	12	14.17	14.90	15.62	16.35	17.11	17.90	18.75	19.69	20.70	21.79	22.99	23.89	25.09	26.36	27.72	29.18
	13	15.35	16.14	16.92	17.71	18.53	19.39	20.31	21.33	22.42	23.60	24.90	25.88	27.18	28.56	30.03	31.61
	14	16.53	17.38	18.22	19.08	19.96	20.88	21.88	22.97	24.15	25.42	26.82	27.87	29.27	30.75	32.34	34.04
	15	17.71	18.63	19.53	20.44	21.39	22.38	23.44	24.61	25.87	27.24	28.74	29.86	31.36	32.95	34.65	36.48
	16	18.89	19.87	20.83	21.80	22.81	23.87	25.00	26.25	27.60	29.05	30.65	31.85	33.45	35.15	36.96	38.91
	17	20.07	21.11	22.13	23.17	24.24	25.36	26.57	27.89	29.32	30.87	32.57	33.84	35.54	37.34	39.27	41.34
	18	21.25	22.35	23.43	24.53	25.66	26.85	28.13	29.53	31.05	32.68	34.48	35.83	37.63	39.54	41.58	43.77
	19	22.43	23.59	24.73	25.89	27.09	28.34	29.69	31.17	32.77	34.50	36.40	37.82	39.72	41.74	43.89	46.20
	20	23.62	24.84	26.04	27.26	28.52	29.84	31.26	32.82	34.50	36.32	38.32	39.82	41.82	43.94	46.20	48.64
	21	24.80	26.08	27.34	28.62	29.94	31.33	32.82	34.46	36.22	38.13	40.23	41.81	43.91	46.13	48.51	51.07
	22	25.98	27.32	28.64	29.98	31.37	32.82	34.38	36.10	37.95	39.95	42.15	43.80	46.00	48.33	50.82	53.50
	23	27.16	28.56	29.94	31.34	32.79	34.31	35.94	37.74	39.67	41.26	44.06	45.79	48.09	50.53	53.13	55.93
	24	28.34	29.80	31.24	32.71	34.22	35.80	37.51	39.38	41.40	43.58	45.98	47.78	50.18	52.72	55.44	58.36
	25	29.52	31.05	32.55	34.07	35.65	37.30	39.07	41.02	43.12	45.40	47.90	49.77	52.27	54.92	57.75	60.80
	26	30.70	32.29	33.85	35.43	37.07	38.79	40.63	42.66	44.85	47.21	49.81	51.76	54.36	57.12	60.06	63.23
	27	31.88	33.53	35.15	36.80	38.50	40.28	42.20	44.30	46.57	49.03	51.73	53.75	56.45	59.31	62.37	65.55
	28	33.06	34.77	36.45	38.16	39.93	41.77	43.76	45.94	48.30	50.84	53.64	55.74	58.54	61.51	64.68	68.09
	29	34.24	36.01	37.75	39.52	41.35	43.26	45.32	47.58	50.02	52.66	55.56	57.73	60.63	63.71	66.99	70.52
	30	35.43	37.26	39.06	40.89	42.78	44.76	46.89	49.23	51.75	54.48	57.48	59.73	62.73	65.91	69.30	72.96
	31	36.61	38.50	40.36	42.25	44.20	46.25	48.45	50.87	53.47	56.29	59.39	61.72	64.82	68.10	71.61	75.39
	32	37.79	39.74	41.66	43.61	45.63	47.74	50.01	52.51	55.20	58.11	61.31	63.71	66.91	70.30	73.92	77.82
	33	38.97	40.98	42.96	44.97	47.05	49.23	51.57	54.15	56.92	59.92	63.22	65.70	69.00	72.50	76.23	80.25
	34	40.15	42.22	44.26	46.34	48.48	50.72	53.14	55.79	58.65	61.74	65.14	67.69	71.09	74.69	78.54	82.68
	35	41.33	43.47	45.57	47.70	49.91	52.22	54.70	57.43	60.37	63.56	67.06	69.68	73.18	76.89	80.85	85.12
	36	-	44.71	46.87	49.06	51.33	53.71	56.26	59.07	62.10	65.37	68.97	71.67	75.27	79.09	83.16	87.55
	37	-	45.95	48.17	50.43	52.76	55.20	57.83	60.71	63.82	67.19	70.89	73.66	77.36	81.28	85.47	89.98
	38	-	-	49.47	51.79	54.18	56.69	59.39	62.35	65.55	69.00	72.80	75.65	79.45	83.48	87.78	92.41
	39	-	-	-	53.15	55.61	58.18	60.95	63.99	67.27	70.82	74.72	77.64	81.54	85.68	90.09	94.84
	40	-	-	-	-	57.04	59.68	62.52	65.64	69.00	72.64	76.64	79.64	83.64	87.88	92.40	97.28
	41	-	-	-	-	-	61.17	64.08	67.28	70.72	74.45	78.55	81.63	85.73	90.07	94.71	99.71
	42	-	-	-	-	-	-	65.64	68.92	72.45	76.27	80.47	83.62	87.72	92.27	97.02	100.00
	43+	-	-	-	-	-	-	-	70.56	74.17	78.08	82.38	85.61	89.91	94.47	99.33	100.00

**Tier I and II—Safety Member, 3% @ 50 (effective July 3, 2005)\***

		Age at Retirement														
		41	42	43	44	45	46	47	48	49	50	51	52	53	54	55+
Years of Service	10	-	-	-	-	-	-	-	-	-	30.00	30.00	30.00	30.00	30.00	30.00
	11	-	-	-	-	-	-	-	-	-	33.00	33.00	33.00	33.00	33.00	33.00
	12	-	-	-	-	-	-	-	-	-	36.00	36.00	36.00	36.00	36.00	36.00
	13	-	-	-	-	-	-	-	-	-	39.00	39.00	39.00	39.00	39.00	39.00
	14	-	-	-	-	-	-	-	-	-	42.00	42.00	42.00	42.00	42.00	42.00
	15	-	-	-	-	-	-	-	-	-	45.00	45.00	45.00	45.00	45.00	45.00
	16	-	-	-	-	-	-	-	-	-	48.00	48.00	48.00	48.00	48.00	48.00
	17	-	-	-	-	-	-	-	-	-	51.00	51.00	51.00	51.00	51.00	51.00
	18	-	-	-	-	-	-	-	-	-	54.00	54.00	54.00	54.00	54.00	54.00
	19	-	-	-	-	-	-	-	-	-	57.00	57.00	57.00	57.00	57.00	57.00
	20	37.55	39.75	42.02	44.38	46.83	49.36	52.07	54.51	57.13	60.00	60.00	60.00	60.00	60.00	60.00
	21	-	41.74	44.13	46.60	49.17	51.82	54.67	57.24	59.99	63.00	63.00	63.00	63.00	63.00	63.00
	22	-	-	46.23	48.82	51.51	54.29	57.27	59.96	62.85	66.00	66.00	66.00	66.00	66.00	66.00
	23	-	-	-	51.04	53.85	56.76	59.88	62.69	65.70	69.00	69.00	69.00	69.00	69.00	69.00
	24	-	-	-	-	56.20	59.23	62.48	65.41	68.56	72.00	72.00	72.00	72.00	72.00	72.00
	25	-	-	-	-	-	61.70	65.09	68.14	71.42	75.00	75.00	75.00	75.00	75.00	75.00
	26	-	-	-	-	-	-	67.69	70.86	74.27	78.00	78.00	78.00	78.00	78.00	78.00
	27	-	-	-	-	-	-	-	73.59	77.13	81.00	81.00	81.00	81.00	81.00	81.00
	28	-	-	-	-	-	-	-	-	79.98	84.00	84.00	84.00	84.00	84.00	84.00
	29	-	-	-	-	-	-	-	-	-	87.00	87.00	87.00	87.00	87.00	87.00
30	-	-	-	-	-	-	-	-	-	90.00	90.00	90.00	90.00	90.00	90.00	
31	-	-	-	-	-	-	-	-	-	93.00	93.00	93.00	93.00	93.00	93.00	
32	-	-	-	-	-	-	-	-	-	96.00	96.00	96.00	96.00	96.00	96.00	
33	-	-	-	-	-	-	-	-	-	99.00	99.00	99.00	99.00	99.00	99.00	
34	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00	100.00	100.00	100.00	
35	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00	100.00	100.00	100.00	
36	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00	100.00	100.00	100.00	
37	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00	100.00	100.00	100.00	
38	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00	100.00	100.00	100.00	
39+	-	-	-	-	-	-	-	-	-	100.00	100.00	100.00	100.00	100.00	100.00	

\*Note: Safety Members who deferred membership prior to July 3, 2005, will receive their benefit based on the 2% @ 50 formula.

### Tier I and II—Safety Member, 2% @ 50

		Age at Retirement														
		41	42	43	44	45	46	47	48	49	50	51	52	53	54	55+
Years of Service	10	-	-	-	-	-	-	-	-	-	20.00	21.03	22.16	23.38	24.67	26.20
	11	-	-	-	-	-	-	-	-	-	22.00	23.14	24.37	25.72	27.14	28.82
	12	-	-	-	-	-	-	-	-	-	24.00	25.24	26.59	28.06	29.61	31.44
	13	-	-	-	-	-	-	-	-	-	26.00	27.34	28.80	30.40	32.07	34.06
	14	-	-	-	-	-	-	-	-	-	28.00	29.44	31.02	32.74	34.54	36.68
	15	-	-	-	-	-	-	-	-	-	30.00	31.55	33.23	35.08	37.01	39.30
	16	-	-	-	-	-	-	-	-	-	32.00	33.65	35.45	37.41	39.48	41.92
	17	-	-	-	-	-	-	-	-	-	34.00	35.75	37.67	39.75	41.94	44.54
	18	-	-	-	-	-	-	-	-	-	36.00	37.86	39.88	42.09	44.41	47.16
	19	-	-	-	-	-	-	-	-	-	38.00	39.96	42.10	44.43	46.88	49.78
	20	25.03	26.50	28.02	29.59	31.22	32.90	34.71	36.34	38.09	40.00	42.06	44.31	46.77	49.34	52.40
	21	-	27.82	29.42	31.07	32.78	34.55	36.45	38.16	39.99	42.00	44.17	46.53	49.11	51.81	55.02
	22	-	-	30.82	32.55	34.34	36.19	38.18	39.97	41.90	44.00	46.27	48.74	51.44	54.28	57.64
	23	-	-	-	34.03	35.90	37.84	39.92	41.79	43.80	46.00	48.37	50.96	53.78	56.75	60.26
	24	-	-	-	-	37.46	39.48	41.65	43.61	45.71	48.00	50.48	53.17	56.12	59.21	62.88
	25	-	-	-	-	-	41.13	43.39	45.42	47.61	50.00	52.58	55.39	58.46	61.68	65.50
	26	-	-	-	-	-	-	45.13	47.24	49.51	52.00	54.68	57.61	60.80	64.15	68.11
	27	-	-	-	-	-	-	-	49.06	51.42	54.00	56.79	59.82	63.14	66.61	70.74
	28	-	-	-	-	-	-	-	-	53.32	56.00	58.89	62.04	65.48	69.08	73.35
	29	-	-	-	-	-	-	-	-	-	58.00	60.99	64.25	67.81	71.55	75.97
	30	-	-	-	-	-	-	-	-	-	60.00	63.10	66.47	70.15	74.02	78.59
	31	-	-	-	-	-	-	-	-	-	62.00	65.20	68.68	72.49	76.48	81.21
	32	-	-	-	-	-	-	-	-	-	64.00	67.30	70.90	74.83	78.95	83.83
	33	-	-	-	-	-	-	-	-	-	66.00	69.41	73.11	77.17	81.42	86.45
	34	-	-	-	-	-	-	-	-	-	68.00	71.51	75.33	79.51	83.88	89.07
	35	-	-	-	-	-	-	-	-	-	70.00	73.61	77.55	81.84	86.35	91.69
	36	-	-	-	-	-	-	-	-	-	72.00	75.72	79.76	84.18	88.82	94.31
	37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	96.93
	38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99.55
	39+	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.00

## Social Security Reduction Factors

Age at Retirement	Tier I General Member	Tier II General Member	Tier I & Tier II Safety Member
41	–	–	1.460
42	–	–	1.546
43	–	–	1.634
44	–	–	1.726
45	–	–	1.821
46	–	–	1.919
47	–	–	2.025
48	–	–	2.120
49	–	–	2.222
50	1.559	1.380	2.333
51	1.646	1.450	2.454
52	1.739	1.520	2.585
53	1.839	1.590	2.728
54	1.947	1.660	2.878
55	2.065	1.740	3.056
56	2.193	1.820	3.056
57	2.333	1.910	3.056
58	2.437	2.010	3.056
59	2.578	2.120	3.056
60	2.726	2.240	3.056
61	2.885	2.320	3.056
62	3.055	2.440	3.056
63	3.055	2.560	3.056
64	3.055	2.700	3.056
65 & Over	3.055	2.840	3.056



## FORMS AND PUBLICATIONS

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As an ACERA member, you will need to complete forms from time-to-time to update your account information or to request information from ACERA. In addition, you should be aware that ACERA sponsors a broad range of regular publications for our membership and the public so we can keep you updated on our retirement fund and provide you with updates on your ACERA benefits.

This section provides an overview of our most frequently used forms and publications. You can download copies of all forms and publications through the ACERA website, [www.acera.org](http://www.acera.org).

### Frequently Used ACERA Forms

The table below lists frequently used ACERA forms, summarizing their purpose—why and when they are used.

Form	Why and When to Use It
<i>Active or Deferred Member Beneficiary Designation Form</i>	Members use this form to designate and change beneficiary(ies) for ACERA plan benefits in the event of their death.
<i>Agreement and Order for Division of Retirement Benefits</i>	In the event of a member's divorce, this document is used to document agreement to divide retirement benefits between the member and his or her spouse.
<i>Application for Disability Retirement</i>	In the event of a member's disability, this form is used to apply for non-service-connected or service-connected disability. Note, an example only of this form is included on ACERA's website. You must contact ACERA Member Services to request the form and initiate the disability retirement application process.
<i>Application for Service Retirement</i>	Members use this form to apply for their ACERA retirement benefit allowance and retire from ACERA-covered employment.
<i>Membership Status Change Form</i>	Members use this form to notify ACERA of a change in job status (i.e., from full-time permanent to part-time, intermittent, seasonal, or project contract status). As a result of the job status change, a member uses this form to capture his or her election to continue ACERA employee contributions or defer ACERA membership.
<i>New Member Enrollment Questionnaire</i>	Members use this form to provide their personal information and beneficiary designations to ACERA. Employers collect these forms and submit them to ACERA for processing.
<i>Purchase Request Form</i>	Members use this form to request a cost estimate for purchasing service credit.

<i>Redeposit Request Form</i>	Members use this form to request a cost estimate for a redeposit of previously withdrawn ACERA contributions.
<i>Retirement Estimate Request Form</i>	Members use this form to request an estimate of their retirement benefit allowance from ACERA. Estimate requests must be made in writing, using this form. You can also use this form to request your current ACERA account balance, including your employee contributions and accumulated interest.
<i>Termination Election of Membership Form</i>	Members use this form to notify ACERA of their termination of ACERA-covered employment and make related elections regarding their ACERA benefit—to defer membership and leave their account on deposit with ACERA; to establish a reciprocal agreement with another public employer; or to terminate ACERA membership and withdraw their contributions.

Because ACERA updates its forms from time-to-time, we have not included forms with this handbook. You can download the most up-to-date forms through the ACERA website, [www.acera.org](http://www.acera.org), or request copies from ACERA Member Services.

## Important ACERA Publications

ACERA members can take advantage of a wide range of ACERA-sponsored publications. These resources are designed to educate you about your retirement benefits and foster a sense of community among ACERA members. A summary of our most frequently requested and used publications is provided below. Remember, copies of all publications are available through the ACERA website, [www.acera.org](http://www.acera.org).

Publication	Purpose
<i>ACERA "What's Up" Newsletter</i>	"What's Up" is ACERA's quarterly newsletter for both active and retired members. The newsletter includes important news and announcements, highlights of ACERA benefit plan provisions, a summary of plan investment performance, the Board meeting schedule, and special feature articles.
<i>Comprehensive Annual Financial Report (CAFR)</i>	Published annually, the CAFR provides the public and financial community with a comprehensive report on the state of the ACERA organization and its financial performance.
<i>Benefits Reference &amp; Open Enrollment Guide</i>	Published annually, this guide provides retired members with information regarding their medical, dental and vision benefits and the annual enrollment process.
<i>Popular Annual Financial Report (PAFR)</i>	Published annually, the PAFR is designed for ACERA members as a summary version of the CAFR. It provides highlights of ACERA's annual accomplishments, summarizes ACERA's financial position and lists other ACERA organizational facts, such as the current number of ACERA members.
<i>Disability Retirement Handbook</i>	This handbook provides detailed information on ACERA's disability retirement benefit and its application process.



### Take Note!

We encourage you to visit the ACERA website often—it's your one-stop resource for all your ACERA information needs. The site includes important announcements and notices, benefits summaries, information regarding retiree health insurance benefits, retirement planning tools, downloadable forms and publications, and an online benefit estimate calculator. You will also find information about the ACERA organization, including a schedule of Board meeting and minutes, legislative updates, and investment performance reports.



# ACERA CONTACT INFORMATION

When you have questions, need information, or require assistance, feel free to contact ACERA through the following channels.

## How To Contact ACERA

<b>By Mail</b>	Alameda County Employees' Retirement Association 475 14th Street, Suite 1000 Oakland, California 94612-1900, QIC Code: 22901
<b>In Person</b>	475 14th Street, Suite 1000 Oakland, California 94612-1900 8:30 a.m. – 5:00 p.m. Pacific Time Monday – Friday
<b>Phone</b>	510-628-3000 Toll free: 800-838-1932 8:30 a.m. – 5:00 p.m. Pacific Time Monday – Friday
<b>E-mail</b>	Member Services Inquiries and General Questions: info@acera.org Report Website Bugs: webmaster@acera.org
<b>Website</b>	www.acera.org
<b>Fax</b>	510-268-9574

### Take Note!



Refer to Section 6 of this handbook for Retiree Associations' contact information.

# GLOSSARY OF TERMS

This section includes a list of defined terms used throughout the *ACERA Member Handbook*.

**ACERA**—An acronym for the Alameda County Employees' Retirement Association, which provides retirement benefits for eligible employees of Participating Employers.

**ADEB**—An acronym for the Active Death Equity Benefit. This is a death benefit option available to the surviving spouse or registered domestic partner of a deceased active ACERA member.

**Allowance**—A monthly benefit payment issued to an ACERA retiree, beneficiary, or survivor.

**Alternate Beneficiary**—A person who is designated by the member to receive a benefit after the death of a retiree if the primary beneficiary is deceased.

**Beneficiary**—A person designated by the member to receive a benefit after the death of a retiree or other benefit recipient.

**Board**—The ACERA Board of Retirement. The Board has nine members and two alternates that have fiduciary and plenary authority over the administration of ACERA programs and investments.

**CERL**—An acronym for the County Employees Retirement Law of 1937, which governs ACERA.

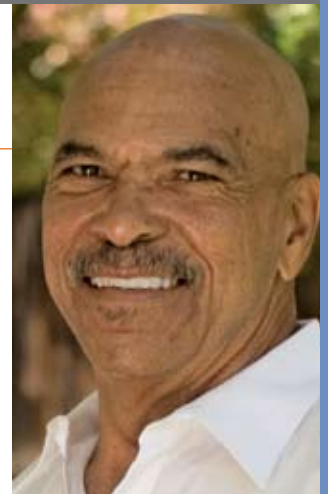
**COBRA**—The Consolidated Omnibus Budget Reconciliation Act (COBRA) is federal legislation that allows you or a family member to continue your health plan enrollment when coverage is lost due to a qualifying event. A COBRA-qualifying event could include separation from employment, marriage/registration of a dependent, a dependent reaching age 24, divorce/termination, or legal separation.

**Deferred Member**—An ACERA member who terminates ACERA-covered employment and elects to leave his or her contributions on deposit with ACERA.

**Dependent**—Family members who meet the eligibility criteria for coverage in an ACERA-sponsored health plan.

**Disability**—A permanent inability to substantially perform your usual job duties due to illness or injury, as determined by the Board.

**Domestic Partner**—California law extends ACERA benefits available to spouses of ACERA members so that they are available to registered domestic partners of ACERA members. Current and former domestic partners registered with the State of California have the same rights, protections, and benefits—as well as the same responsibilities, obligations, and duties—provided to current and former spouses.



**Domestic Partnership**—In California, domestic partnerships are formalized through registering with the Secretary of State’s Office. A same-sex union, other than marriage, validly formed in another jurisdiction, which is substantially equivalent to a registered domestic partnership in California, may also be recognized for ACERA benefits.

**Entry Date**—An employee’s effective date of ACERA membership. Membership usually begins on the first day of the pay period following commencement of work in an ACERA-covered position.

**Final Average Salary**—The average compensation earned during the period determined to be your final compensation period. This period varies, based on your Tier. Final average salary is one component of the formula used to calculate your ACERA retirement benefit allowance.

**Medicare Part D Prescription Drug Plan**—Medicare Part D is a prescription drug plan. Medicare Part D was introduced as a result of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. This Act makes prescription drug coverage available to certain Medicare-eligible retirees.

**Member**—An employee of a Participating Employer who qualifies for membership in ACERA and whose employer is obligated to pay contributions into the retirement fund. “Member” also describes ACERA retirees, and deferred members.

**Monthly Medical Allowance (MMA)**—Retirees with 10 or more years of creditable ACERA service and those receiving a service-connected disability retirement and enrolled in an ACERA-sponsored health plan receive a Monthly Medical Allowance (MMA) towards retiree medical premiums to offset the cost.

**Open Enrollment Period**—A time period determined by the Board during which members can enroll, change health plans, or add coverage for eligible dependents who are not currently enrolled in ACERA’s health benefits programs.

**Participating Employer**—Participating Employers include: Alameda County, Alameda County Children and Families (First Five), Alameda County Housing Authority, Alameda County Medical Center, Alameda County Office of Education, Livermore Area Parks and Recreation, and Superior Court of California.

**Percentage Factor**—A percentage (determined by your age and years of service and your member type and Tier) that is used in the formula to calculate your retirement benefit allowance.

**PERS**—An acronym for California Public Employees' Retirement System (also CalPERS).

**Reciprocal Agreement**—An agreement between ACERA and many other public retirement systems within California that allows movement from one public employer to another, without the loss of certain retirement rights and benefits. All CERL County Employee Retirement Systems and all Public Employees Retirement System (PERS) agencies have reciprocity with ACERA.

**Retired Member or Retiree**—A member currently receiving a retirement benefit from ACERA.

**Safety Member**—A Safety Member works in active law enforcement, fire fighting, or a position that has been designated Safety by the Board (e.g., Juvenile Hall Group Counselor, Probation Officer, etc.).

**Service Credit**—The years of service credited to your ACERA account and used in the formula to calculate your retirement benefits.

**SRBR**—Acronym for the Supplemental Retiree Benefits Reserve. The SRBR is a fund administered by the Board to pay additional “non-vested” benefits such as a portion of health care contributions (Monthly Medical Allowance) and supplemental COLAs to members and their beneficiaries.

**Survivor**—A dependent (e.g., spouse, registered domestic partner, minor child) eligible to elect a specific benefit upon a member's death.

**Vested Members**—When a member is vested, he or she has the right to defer retirement upon leaving service with a Participating Employer. A vested member may later receive an ACERA retirement allowance upon meeting eligibility requirements. Members are vested after completing five years of qualifying service credit.

**Vested Benefits**—Vested benefits are guaranteed under the 1937 Act County Employees Retirement Law. Once earned, they cannot be reduced or taken away.



Alameda County Employees' Retirement Association  
A Pension Trust Fund of the County of Alameda and Four Special Districts  
475 14th Street, Suite 1000  
Oakland, California 94612-1900  
800 838-1932 | 510 628-3000 | 510 287-5411 fax | [www.acera.org](http://www.acera.org)