

# Choosing the Best Retirement Date

When it comes to retirement, everybody's situation is unique. Your retirement plans, income and expenses may differ dramatically from that of your co-workers. The timing of your retirement also will be unique to you, which is why choosing the "best" retirement date is not an exact science. However, if you carefully consider the factors below, you are likely to make the best choice for you. First, consider these two things:

## Retirement Readiness

Everyone defines "ready to retire" differently. Start by considering if you can afford to retire by identifying your future goals and plans. Will you move out of state? Travel abroad? Buy property? When estimating your future expenses, evaluate how life will be different in retirement. Then, list all sources of your retirement income, including your VCERA benefit, and determine if it will support you in the short term and long term.

## Estimate of Your VCERA Benefit

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

## THINGS TO CONSIDER

### 1 Your next age factor.

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

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

### 2 Purchasable service.

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

- Redeposit of refunded contributions from prior period of membership
- Unpaid, personal medical leave
- Excluded service: Extra-Help prior to 1992, Pre-membership prior to 7/11/1999
- Prior public service: Federal and California governments, military, qualified local agencies

### 3 Your final average compensation.

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

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

### 4 Annual COLA eligibility & timing.

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

- Up to 3% for Safety & General Tier 1 members
- Fixed 2% for General members represented by SEIU (County only) on or after 3/16/2003 or represented by CNA on or after June 25, 2023

