# Service Retirement Frequently Asked Questions

CalPERS

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| What information should members review as they plan for retirement? | Members should take advantage of our free, virtual member events and classes to learn about their benefits and plan for retirement. More information is available online within the CalPERS Member Education web page. |
| What is the earliest age a member can retire? | For most members, the earliest they can retire is age 50. If they became a member on or after January 1, 2013, they must be age 52. State Second Tier members cannot retire until at least age 55.<br><br>Members should check with their personnel office to confirm which formula they are under and what age they are eligible to retire. |
| Where can a member find what retirement formula(s) they are contracted for? | Retirement formulas are displayed on a member's myCalPERS homepage. If they have worked for more than one employer, they can go to the Retirement Summary page to view employment formulas for each employer. Formulas can also be found within the member's Annual Member Statement (also on myCalPERS). |
| How is a member's service with a reciprocal retirement system used to qualify for retirement? | Service with a reciprocal retirement system, CalSTRS, JRS, JRSII, or LRS can be used toward qualifying for CalPERS retirement. However, each retirement system will calculate their retirement benefits separately and base the calculation up on only the years of service credited in each system.<br><br>For information on reciprocity and reciprocal retirement systems, refer to publication When You Change Retirement Systems (PUB 16). |
| How does reciprocal final compensation exchange affect a member's retirement benefit? | CalPERS will use the highest average annual compensation during any 12- or 36-month period of employment as a member of either system if they retire concurrently on the same day.<br><br>If the employee was last employed with a CalPERS-covered employer and believes their salaries with a previous reciprocal system may be higher, the employee should notify CalPERS when submitting their retirement application. |
| Can a member's retirement date be on the last day that they worked? | A member's earliest retirement date must be the day after their last day worked or day compensated by their employer. As an example, if a member's last day worked is December 31st, then the earliest retirement date is January 1st. |
| What is the difference between a member retiring on December 31st versus January 1st? | A member who retires on December 31st may receive their COLA one year earlier than someone who retires on January 1st of the following year. Members should refer to the CalPERS Cost of Living webpage for more information.<br><br>**Example**: A member retiring on 12/31/2025 is eligible for a COLA in May of 2027, whereas a retirement date of 01/01/2026 makes them eligible for a COLA in May of 2028. |

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| What is an "unmodified allowance" and how is it calculated? | Your unmodified allowance is the highest possible monthly benefit you can receive after you retire from CalPERS. It is based on your benefit formula, your age at the time of retirement, and your highest final compensation.<br><br>For a retirement calculation, refer to the Member Self Service (MSS) calculator available on our website. |
| What is survivor continuance?<br><br>**Applicable for Safety Position Only** | Survivor continuance is an employer contracted benefit. They would contract to pay an eligible survivor 25% or 50% of your unmodified allowance. You must have an eligible survivor when you retire, and that survivor must remain eligible until you die.<br><br>You cannot choose your survivor. A survivor is defined by law as:<br>• A spouse or registered domestic partner who was married or registered to you for at least one year before your service retirement date and continuously until your death. For disability or industrial disability retirement, you only need to be married as of your retirement date and remain married until your death.<br>• If no eligible spouse or domestic partner, your natural or adopted unmarried children under age 18. The benefit would be paid until they marry or turn 18. Your unmarried child who was disabled prior to age 18 and whose disability continues without interruption until the disability ends or until marriage.<br>• Qualifying financially dependent parents, if none of the above. |
| Why would the final compensation value change between my estimate and my service retirement calculation? | Final compensation is based on the monthly full time pay rate and special compensation as reported by an employer. At the time of retirement, CalPERS will review all compensation for compliance. This may cause an adjustment to the final compensation value.<br><br>Final compensation may also be adjusted due to a change in pay rate or special compensation adjustments reported by an employer after an estimate is distributed. |
| Why would the estimate benefit amount be different than the amount calculated at retirement? | A retirement estimate is a projection of potential benefits into the future. The estimate can include projected pay rates, anticipated unused sick leave, and projected service credit that may not be included in the final retirement calculation.<br><br>Any necessary adjustments to reflect service credit changes or compensation increases will be completed after the final payroll records have posted. In addition, an employer has up to 120 days after retirement to report unused sick leave when separating the member's appointment. These changes may impact the final benefit a member receives. |
| What is the Social Security reduction? | The Social Security reduction applies if a member participates in Social Security as well as CalPERS. This means they didn't make retirement contributions on the first $133.33 of their monthly earnings (adjusted if making less than $400.00 per month). Therefore, at retirement, the final compensation used as part of their benefit calculation will be reduced by $133.33. |
| When should a member expect to receive their first retirement check? | In most cases, a member should receive their first check within 45 days of their retirement date or application received date, whichever is more current. For example, if their retirement date is September 4th, their first check should be paid in early October. |

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| How does unused sick leave/educational leave affect a member’s retirement benefit?<br><br>**The County of Santa Cruz does not contract for this benefit.** | CalPERS may allow a member to convert their unused sick leave and/or educational leave hours to service credit when retiring from PERS membership if their employer contracts for the benefit with CalPERS.<br><br>A member must retire within 120 days from their last day of employment for this benefit to apply. Eight hours of sick leave or educational leave equals one day of service, or 0.004 years of service credit. More information regarding sick leave or educational leave can be found within the CalPERS Planning Your Service Retirement publication (PUB 1). |
| When can a member make changes to their retirement application? | A member can modify their retirement date and/or benefit option within 30 days after the issuance of their first retirement check. |
| Can a member change their option or beneficiary after retirement? | Members can only change their life option or beneficiary more than 30 days after retirement if they have a qualifying life event such as marriage, registration of domestic partnership, death of a beneficiary, or dissolution of marriage or domestic partnership. They can do this online through their myCalPERS account.<br><br>Additionally, if the member selects 100% Beneficiary Option 2 with Benefit Allowance Increase or 50% Beneficiary Option 3 with Benefit Allowance Increase at retirement, they can increase their benefit to the unmodified allowance should their life option beneficiary predecease them, or they get divorced from their beneficiary. |
| Will my benefit change after retirement? | Your retirement check will reflect payroll and service credit information posted by your employer at the time your retirement benefit was calculated.<br><br>If your employer reports additional payroll information after you’ve retired, you may receive an adjustment retroactive to your retirement date. Allow at least six months for additional payroll to be processed and service credit adjustments made to your account prior to contacting CalPERS for a retirement benefit update. |