



## IMPORTANT MEMBER ALERT!!

### Reductions In Retirement Benefits Required Under Assembly Bill 197 Will Go Into Effect On July 12, 2014

(Date: July 1, 2014)

As you may recall from CCCERA's previous updates, a lawsuit was filed in November of 2012 on behalf of all active and deferred members of CCCERA to stop the implementation of Assembly Bill 197. AB 197 would prevent CCCERA from including certain accrued leave payouts (sometimes referred to as "terminal pay") and pay received for services provided after normal working hours (for example, on-call/standby pay) in the calculation of members' retirement allowances. On May 12, 2014, the Superior Court issued a judgment directing CCCERA to proceed to comply with AB 197 for all retirements effective on or after July 12, 2014. The matter was appealed. The Court of Appeal was requested to issue a "stay" of the implementation of AB 197 past July 11<sup>th</sup> during the pendency of the appeal. On June 30, 2014 the Court of Appeal issued an order denying the request for an additional "stay." CCCERA is therefore required to implement the AB 197 changes in calculating benefits for all retirements with an effective date of July 12, 2014 or later. Retirements with an effective date of July 11, 2014 or before may continue to be calculated under the pre-AB 197 rules.

**CCCERA expects to receive a high number of retirement applications for effective dates on or before July 11, 2014 due to the likely reductions in benefits AB 197 mandates. If you are considering retirement, please read the following information carefully:**

- 1) Eligibility for retirement for General (non-safety) members is:  
Age 50 with 10 or more years of retirement service credit, or  
Any age with 30 or more years of retirement service credit, or  
Age 70, regardless of service credit.  
Those who terminated with at least 5 years of retirement service credit can retire when they would have been eligible had they continued working full time.
- 2) Eligibility for retirement for Safety members is:  
Age 50 with 10 or more years of retirement service credit, or  
Any age with 20 or more years of retirement service credit, or  
Age 70, regardless of service credit.



Those who terminated with at least 5 years of retirement service credit can retire when they would have been eligible had they continued working full time.

- 3) Applications for a retirement date on or before July 11, 2014, must be received and date stamped in the CCCERA office no later than close of business on Friday, July 11, 2014, at 5:00 p.m.
- 4) ***A member can NOT be in a pay status on the date of retirement!*** If you plan to retire effective July 11, 2014, your last day in pay status must be on or before July 10, 2014. If you work on July 11, 2014, your effective date of retirement cannot be before July 12. For example, if you get off duty at 8:00 a.m. on Friday, July 11, 2014, you cannot retire that day since you were in pay status for eight hours.
- 5) If you wait until the final few days to submit your application, CCCERA staff may not have time to thoroughly review your application and may need to contact you later to request additional documents. If a large number of applications are being submitted as July 11, 2014 approaches, staff may only be able to verify the member's signature, the effective date of retirement and the date the application was received.
- 6) Please have your retirement application completed before you come to the CCCERA office.
- 7) Bring copies of the additional documents required. Do not plan to make copies at the office.
- 8) Please check our website daily for possible Group Retirement Application Workshops during the week of July 7, 2014.
- 9) Please read the Frequently Asked Questions and Answers at <http://cccera.org/ImportantNotices.html> for general information about how your benefits will be calculated under AB 197
- 10) Due to the high volume of retirements, your first pension payment may be delayed. It may take 12 to 16 weeks from your date of retirement to receive your first check.

CCCERA is located at 1355 Willow Way, Suite 221, in Concord, CA 94520. The office is open Monday through Friday, 8:00 a.m. to 5:00 p.m. The office is closed daily from 12:00 p.m. to 12:30 p.m.

Please plan ahead.