When choosing what day to retire, waiting a month or two can make a difference in your monthly benefit. Keep the following times of year in mind:

**Service Credit:** Service credit is a factor used to calculate your retirement benefit. The longer you work, the more service credit you earn, the more your retirement benefit will increase.

**Your Birthday:** Your age at retirement is counted in quarter years up to a maximum age as determined by benefit formula. For Tier 1 Members, your benefit increases up to age 65 for General and up to age 50 for Safety. For Tier 2, it increases up to age 67 for General Members and age 57 for Safety Members. Therefore, you may want to consider retiring on or immediately following your birthday, or at any three-month interval after your birthday to ensure you receive the latest quarter year of age credit available to you.

**Spring COLA:** Your retirement benefit will increase on April 1st if the SBCERA Board of Retirement (BOR) approves any Cost-Of-Living-Adjustment (COLA). The COLA is not retroactive, so if you retire any date past April 1st you will not receive a COLA until the following Board of Retirement-approved COLA.

**Winter:** If you retire toward the end of the year, your tax rate for any retirement benefits paid that year will be based on total income, including compensation and any leave cash-outs you were eligible to receive. If you will be in a lower tax bracket after you retire, you may want to wait until January to start receiving your benefits.

**Leave Accruals (Tier 1 Members Only):** Plan to cash-out any leave accruals you are eligible to include in your Final Average Compensation (FAC). Per your Memorandum of Understanding (MOU), you must be entitled to elect to receive a cash-out during any 12 consecutive month period. You will only be able to include leave cash-outs equal to the amount you are eligible to cash-out, per your MOU.

Whether you’re three months or three years away from retirement, we’re here to help answer your questions. Contact us at (909)-885-7980 or email us at MemberServices@SBCERA.org.