



Behind the Scenes: From Last Workday to First Pension Payment

Before KCERA can issue your first monthly benefit payment as a retiree, there are several “behind-the-scenes” steps that must first occur. Here is a timeline of what generally happens after your last day on the job.

1. Termination from employment. Your department will submit a Change of Employee Status (CES) that officially removes you from active payroll. You can expect your last employment paycheck to be issued about two weeks later. Sick leave and vacation payouts may be included in this final payment.
2. Final payroll data. About the time you receive your last county paycheck, KCERA will receive the active payroll file containing earnings and service data from your last pay period worked. Having this data provides KCERA with the most up-to-date information used to calculate your benefit.
3. Retirement file audit. KCERA staff will use its pension administration software to perform an audit of your earnings and service history, followed by a calculation of your retirement benefit. A senior staff member must review and approve the calculation before generating your “final papers.”
4. Final papers. Your retirement options, benefit amounts and designated beneficiaries are listed on an election form known as your “final papers.”
5. Retiree payroll. If you sign final papers *before* KCERA’s monthly payroll cut-off date, you will receive your first benefit payment at the end of that month. But if you sign final papers *after* the cut-off date, you will be placed on the following month’s retiree payroll.
6. Retroactive payment. Within three weeks of signing final papers, you will receive a separate payment from KCERA covering the period from your date of retirement through the last day of the month prior to going on retiree payroll. For example, if you retired on October 15 and were scheduled to go on December’s payroll, you could expect to receive a retroactive payment covering October 15 through November 30.

These events usually occur in 4-6 weeks, depending on factors such as retirement date, signing date and payroll cut-off date. Although you will be paid for each day you are retired, it is recommended that you prepare your finances for the interim weeks before your first pension payment is received.

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Power of Attorney. Peace of Mind.

A serious concern about getting older is the possibility of being unable to manage your personal business and financial affairs. Physical accidents, debilitating illness and unsuccessful surgeries are just a few of the ways that incapacitation can occur in older age. It is important to have a trusted person to handle your affairs if the worst happens. This could take the form of a durable power of attorney (POA).

A durable POA allows you to appoint an agent called an "Attorney-In-Fact" to handle health, legal and/or financial responsibilities if you are declared to be incapacitated or mentally incompetent. Delegated financial responsibilities ("powers") related to retirement (KCERA) could include filing and signing applications, electing benefits, designating beneficiaries and setting up a bank account for the electronic deposit of benefit payments, among other things.

In order for KCERA to recognize your agent's authority to transact retirement business on your behalf, it is important that "retirement," "governmental pension" or "KCERA" be mentioned explicitly in the POA, along with a description of the specific powers you intend your designee to have over your retirement matters.

Depending on the powers described in the legal document, a POA may also entitle your agent to obtain specific information about your KCERA account and to receive copies of confidential KCERA documents.

You have the option of making your POA effective immediately or only at the onset of your incapacitation. In either case, if you believe you are well enough to resume making your own retirement decisions, you may revoke the POA at any time.

If you have a POA for financial matters that you want your designated agent to use for retirement matters, please let KCERA review it as soon as possible to ensure that the POA can be used as you intended. If you have questions about what to include in your POA, please contact KCERA.



faq

Is the County of Kern the only employer in KCERA?

No, the County is one of fourteen employers ("plan sponsors") that participate in KCERA. Others include local water agencies, recreation and park districts, vector control districts, cemetery districts, a sanitation district, a community services district, an air pollution control district, and

the Kern County Superior Court. The County is the largest employer, representing about ninety percent of KCERA's total membership. The County, Courts, and special districts each contribute toward the retirement benefits earned by their own employees.



Social Security Integration: The Best of Both Plans

Chances are, you will contribute to Social Security throughout your career in order to collect a lifetime monthly benefit in retirement. If you are a vested KCERA member, you are also eligible to collect a lifetime monthly benefit when you retire.

Because KCERA is “integrated” with Social Security, you can receive your full KCERA benefit in addition to your full Social Security benefit without any “offset” or reduction in the latter. In short, integration grants you the best of both pension plans. The tradeoff is that when KCERA calculates your benefit, a small “Social Security integration factor” will be applied to your final compensation.

A few KCERA districts do not participate in Social Security. The retirement benefits of these district members will not be integrated with Social Security, and no integration factor will apply. Please contact your district office to find out if your benefits are integrated.

Questions about Social Security benefits should be directed to the Bakersfield office by calling (800) 772-1213 or visiting www.ssa.gov.

UPCOMING EVENTS

Board of Retirement Meetings:

Oct 14
Nov 11
Dec 9

Investment/Regular Board meetings are scheduled on the second Wednesday of each month at 8:30 a.m.

The public is invited to attend. Board meeting agendas are available at www.kcera.org.

The Board of Retirement meets in the KCERA Board Room located at 11125 River Run Blvd. Bakersfield, California 93311.

Retiree News

KEEP PERSONAL INFO **UPDATED**

It is important to keep your personal information updated to ensure that you (or your beneficiary) continue to receive your KCERA benefits without interruption. To update your name, address, “direct deposit,” or tax-withholding information, you must complete a *Change Request Form* and return it with valid photo identification. If you need to designate a new beneficiary due to marriage, divorce, or death, please complete a *Beneficiary Designation Form* and return it with relevant legal documents.

All forms can be downloaded from the KCERA website, picked up at the KCERA office, or requested by calling (661) 381-7700. *Your personal information cannot be updated by phone.*

Behind the Scenes

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Here are a few final tips to remember about retiree payroll. First, your benefit payments will be issued on the last business day of the month. Second, those payments will be electronically transferred into your designated bank account via "direct deposit." Third, KCERA will mail you a paper remittance listing your pension earnings and deductions for the month. However, if you enroll in KCERA's e-remittance program via Wells Fargo, your remittances can be accessed electronically. Lastly, if you want to update your name, address, bank account or tax withholdings, please complete and return KCERA's *Change Request Form*.

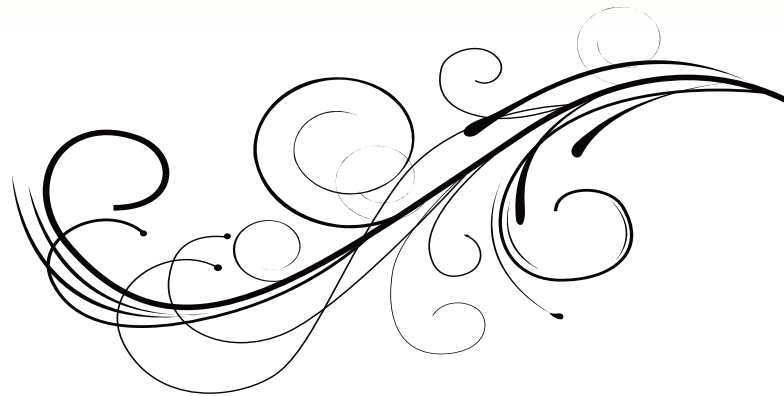
KCERA looks forward to serving you for many years. Happy retirement!

Did You Know ...

KCERA has four divisions that work together to serve our members?

- The *Retirement Services Division* consists of retirement service representatives who educate members about their retirement benefits and perform benefit calculations.
- The *Financial Services Division* oversees retiree payroll, general accounting and calculations related to member service requests.
- The *Information Technology Services Division* keeps our numerous information technology systems running smoothly for the benefit of KCERA staff and ultimately members.
- The *Administrative Services Division* supports KCERA's executive team and oversees communications, human resources, facilities management and administrative processes.

With each division performing its best, KCERA accomplishes great things every day!



RETIREMENT

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BOARD OF

RETIREMENT

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