

LEAVING BEFORE RETIREMENT



Sonoma County Employees' Retirement Association
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You are receiving this notice because you have left employment with a SCERA-covered employer. In a few weeks, after we receive your final payroll data, we will be sending you information about your current retirement contribution balance, years of service with SCERA, and your earliest retirement date. In addition, we will be sending you a *Distribution of Retirement Contributions Election* form, which you will use to elect what you wish to do with your retirement contributions. Below is a brief description of each option.

Become a deferred vested member

If you terminate employment after earning five or more years of service credit, including reciprocal service, you may choose to leave your contributions on deposit and defer your retirement to a later date. As a deferred vested member, you can elect to begin receiving a monthly retirement benefit as soon as you would have been eligible to retire had you remained employed in a full-time position.

While you are in deferred vested status, your funds continue to earn an interest rate established by the Retirement Board. You may elect a refund of your contributions and interest at any time prior to your retirement, so long as you are not employed in any capacity by a SCERA-covered employer, or by any other California public agency that participates in a public retirement system.

Become a deferred non-vested member

If you leave employment before earning five years of service credit, including reciprocal service, you will not be vested but you may still leave your contributions on deposit. Your contributions will continue to earn interest, and you may take a refund at any time, so long as you are not employed in any capacity by a SCERA-covered employer, or by any other California public agency that participates in a public retirement system. As a deferred non-vested member your earliest retirement eligibility occurs at age 70.

Establish reciprocity

You are eligible to establish reciprocity if you leave your contributions on deposit with SCERA and become a member of a reciprocal retirement system within six months of leaving active SCERA membership. Future service earned in a reciprocal retirement system will count toward meeting SCERA retirement eligibility requirements, as long as you retire from all reciprocal systems on the same day.

Take a refund

If you are no longer working in any capacity for a SCERA-covered employer, you have the option of requesting a refund of your contributions and interest. A refund made to you will be subject to tax withholding and possible tax penalties. You also have the option of rolling your funds into another tax-qualified retirement account. This type of refund is made pre-tax and you will not be subject to the withholding rules. If you receive a refund, you forfeit your right to any future SCERA benefits. A refund of contributions and interest may take six to eight weeks for processing.