



BCN RETIREMENT PLAYBOOK

A Step-By-Step Guide



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A MESSAGE FROM BCN

To Our Public Safety Family,

Your retirement is one of the most meaningful milestones you'll ever reach. It's more than just closing out a career — it's about building a strong foundation that supports you and your family for decades to come.

This playbook was created to guide you through that journey. Many of us at BCN Financial are retired public safety members ourselves, and we've walked the same path you're about to take. We understand the questions, the decisions, and the emotions that come with leaving a career of service.

There is so much to consider when it comes to ensuring you maximize your benefits. Our mission is to be that trusted hand guiding you through this complex process. The information in this playbook is based on over 40 years of experience and assisting with thousands of successful service and disability retirements.

It's designed to give you clarity on your pension, retiree medical and employer benefits, Social Security timing, investment strategy, and everything in between — all in a clear, step-by-step format. Our goal is simple: to help you navigate the retirement process with confidence, using the same proven strategies we've used to guide countless members just like you.

In Solidarity,

—*Your BCN Team*



STEP 1:

EARLY ENGAGEMENT WITH BCN

(1-2 YEARS BEFORE RETIREMENT)

Why Start Now?

Beginning two years out gives you the most flexibility to identify issues, optimize your pension, and align your benefits and investments for retirement success.

What We Will Review Together:

We recommend establishing a relationship with a BCN advisor years before you retire. Our goal is to build a long-lasting relationship and help prepare you for life after public safety long before you retire and continue to support you for many years thereafter. Additionally, an injury or illness can occur at any time that can potentially end your career without planning, we assist in hundreds of these cases each year. In a typical Financial Planning meeting you can expect:

- **Comprehensive Financial Checklist Review:** We will complete a comprehensive review of your financial picture leading into retirement and set a plan to bridge any gaps.
- **Pension Planning:** We will identify the key factors that effect your pension benefits that no other advisor will be able to provide, such as:
Service Credit, Benefit Factors, Retirement Formulas, Disability Retirements, Reciprocity between pension systems (CalPERS, County 37, Private Retirement systems STRS), Promotions, Special Compensation, PEPRA Caps, 415 Limits, Buybacks, Sick Leave Conversions, Service Credit Repurchases, Community Property Claims, etc.
- **Tax Planning:** We will discuss tax strategies in retirement specific to your pension and investment income. We will also calculate how an Industrial Disability (Medical) retirement (If Applicable) will effect your taxable income in retirement.
- **Retiree Medical Review:** We will discuss your MOU-specific retiree medical coverage, Cost Estimates, & integration with Medicare.
- **Investment Review:** We will discuss how BCN can help manage your investments in retirement and build a portfolio to align with your specific long-term goals.

STEP 2:

EARLY VALIDATION – ESTIMATES, SERVICE CREDIT, CLAIMS REVIEW (10–12 MONTHS BEFORE RETIREMENT)

1. Formal Pension Estimate & Review:

While BCN takes great pride in the accuracy of our pension estimates, your retirement system's formal estimate serves a valuable purpose.

During this process, your account is reviewed in detail, verifying items such as reciprocity, special compensation eligibility, and labor contract language. In recent years, we have seen increased rejection of certain special compensation items due to MOU or employer contract discrepancies, sometimes significantly reducing pension amounts.

Obtaining this estimate early ensures time to address and correct any discrepancies before you retire.

For CalPERS and STRS Members: You may choose a retirement date up to one year into the future. You may request up to two CalPERS-calculated Estimate Letters per 12-month period.

1. Log in to MyCalPERS or MyCalSTRS.
2. Go to the Retirement tab, then select Retirement Estimate Calculator.
3. Choose Start a New Estimate or one of your Saved Estimates.
4. On the Results page, simply select Start Estimate Letter Request.

For members of a 1937 Act county retirement system: each county has its own process for requesting a formal pension estimate. Most provide online tools, forms, or member services to help guide you through the request. County systems often provide the following:

- **Member handbook, Benefit estimate forms,** or an online portal.
- A “Schedule a Counseling Appointment,” “Member Services,” or “Estimate Request” section.
- Phone numbers and email addresses for member services.

For example, **Contra Costa County (CCCERA)** offers member forms, benefit handbooks, and an office phone number for scheduling counseling. **Los Angeles County (LACERA)** publishes phone and office location information for member services.

2. Social Security Estimate:

- Request a formal estimate of your Social Security benefits at the official U.S. Social Security Administration website (www.SSA.gov/myaccount).
- There are special considerations, including the Windfall Elimination Provision (WEP), Government Pension Offset (GPO), how to qualify for Social Security through a spouse's or ex-spouse's record, and recent legislative changes that may impact your benefits.

Other ways to qualify for Social Security (besides your own work record):

- **Spousal Benefits** – You may qualify for up to 50% of your current spouse's full retirement benefit if you're married for at least one year.
- **Divorced Spouse Benefits** – If your marriage lasted at least 10 years and you're unmarried at the time of application, you can claim benefits on your ex-spouse's record.
- **Survivor Benefits** – If your spouse or ex-spouse passed away, you may qualify for survivor benefits (up to 100% of their benefit), even if you never paid into Social Security yourself.
- **Dependent Benefits** – In rare cases, benefits may be available through a parent or child's work history (e.g., disabled adult child).
- **Foreign Totalization Agreements** – If you worked overseas in a country that has a Social Security agreement with the U.S., your work credits might be combined to qualify.

We will also educate you on special considerations, including the Windfall Elimination Provision (WEP), Government Pension Offset (GPO), and recent legislative changes that may impact your benefits.

3. Service Credit & Military Service Credit Purchase Options

If you believe you may be eligible to purchase additional service credit—such as prior public service, medical leave, military time, or redeposit—you should start by reviewing your retirement system’s official publications. These resources will explain:

- The types of service credit that may be available
- Eligibility requirements for each type
- Required documentation and submission procedures

For CalPERS Members:

- **Review:** A Guide to Your CalPERS Service Credit Purchase Options
- **Military Service:** A Guide to Military Service Credit Options

To estimate the cost of a purchase:

1. Log into your myCalPERS account
2. Go to the Retirement tab
3. Select Service Credit Purchase
4. Click Search for Purchase Option or Make a Service Credit Purchase

For Other Retirement Systems (e.g., CalSTRS, 1937 Act Counties):

- Log into your member portal (e.g., myCalSTRS or your county’s retirement site)
- Look for a section labeled Service Credit Purchase, Redeposit, or Military Service
- Follow the prompts to estimate costs or request formal calculations
- If no online tool is available, contact your retirement office directly to begin the request

 **Tip: Some purchases**—especially those related to military service—may have time-sensitive windows or documentation requirements, so it’s best to start early.

Once your request is submitted, your retirement system will send you a cost election package outlining the purchase amount and a deadline to respond. You must act within this timeframe to complete the purchase—forms submitted after your retirement date are typically not accepted.

When you receive your estimate, contact your BCN advisor to schedule a review. We will analyze the Internal Rate of Return (IRR) and provide a cost-benefit analysis to help you determine whether the purchase makes financial sense in your situation.

4. Community Property Review:

If you are under California retirement systems such as CalPERS, CalSTRS, or county (1937 Act) systems, unresolved community property claims can delay the payout of your pension and health benefits.

CalPERS Members:

- Community property claims (due to divorce, legal separation, or domestic partnership) may trigger a lien on your account, delaying your first retirement payment or withholding half of ongoing monthly benefits until resolution.
- Claims may be filed any time by a former spouse or their attorney—so checking early is essential.
- You can:
 - Log in to your myCalPERS account to check for active claims
 - Or contact CalPERS directly to ask whether a claim exists
- For detailed guidance, review A Guide to CalPERS Community Property (Publication 38A).
- If a claim is present, submit a valid Qualified Domestic Relations Order (QDRO) or court-certified order immediately to resolve it.

CalSTRS & Other Systems (including 1937-Act Counties):

- Under California law, retirement benefits are generally considered community property and may require formal division in divorce or separation.
- CalSTRS recommends requesting a Community Property Statement of Account before dividing benefits.
- Submit your divorce decree or separation agreement to the retirement system office, along with any court orders or QDRO, for enforcement.
- If you are a CalSTRS member or spouse, see CalSTRS Community Property Guide for detailed procedures and sample court orders.

Summary Table:

System	How to Check for Claims	What to Do if a Claim Exists
CalPERS	myCalPERS portal or contact support	Provide court-certified QDRO or order to resolve claim
CalSTRS / County Plans	Member portal (e.g., myCalSTRS) or contact for info	Submit legal order (QDRO) or settlement agreement for review

Additional Tips

- Resolve claims early—delays in retirement applications or withheld payments can be avoided by timely action.
- Legal guidance is recommended, especially for drafting compliant court orders (BCN does not provide legal advice).



STEP 3:

CONFIRM RECIPROCITY BETWEEN YOUR RETIREMENT SYSTEMS

(9 MONTHS BEFORE RETIREMENT)

If you are a member of multiple California public retirement systems, it's critical to confirm that reciprocity has been properly established. This process cannot be done retroactively. Confirming your status at least nine months before retirement gives you time to address any issues before filing your applications.

What Reciprocity Does:

- Links your membership in multiple retirement systems so each system recognizes your service in the others.
- Allows each system to calculate benefits using your single highest year (or average) compensation, which can significantly increase your monthly pension.
- Preserves each system's service credit and benefit formula. Benefits are paid separately but coordinated.
- For more information, reference CalPERS Publication 16: 'When You Change Retirement Systems'.

What to Do:

- Log in to your online account(s) to check that reciprocity has been established between your current and prior systems.
- Do not rely solely on online records. If you have any uncertainty, call each retirement system directly to verify reciprocity status.
- Confirm that your contributions remain on deposit and that no withdrawals have been made from any account.
- Verify that you meet all eligibility requirements:
 - Break in service of no more than six months (180 days)
 - No overlapping employment between systems
 - Your retirement date must be the same across all reciprocal systems

Why It Matters:

Reciprocity can add thousands of dollars per month to your retirement income by allowing you to combine service credit and apply your highest salary across all linked systems. Coordinating these benefits properly ensures you maximize the value of your public service career.

Special Note for Members with CalSTRS Service

Many of our public safety members also teach part-time in academies or community colleges and may have service credit under CalSTRS. If this applies to you, here are a few key things to know:

- To preserve CalPERS reciprocity, you should stop working under CalSTRS at least three years before retiring under CalPERS.
- Only CalSTRS Defined Benefit service qualifies for reciprocity. If you were enrolled in the CalSTRS Cash Balance (defined contribution) plan, it does not qualify.
- If you're unsure of your CalSTRS plan type or eligibility for reciprocity, contact CalSTRS directly or ask your BCN advisor for assistance.



STEP 4:

GATHER ALL NECESSARY DOCUMENTS & REVIEW SURVIVOR OPTIONS

(5-6 MONTHS BEFORE RETIREMENT)

As you approach retirement, one of the most important steps is ensuring you have all required documents organized and that you fully understand your survivor benefit options. This preparation will help prevent delays and ensure your retirement application is processed smoothly.

Gather All Required Documents

Your retirement system will require you to submit supporting documents when filing your retirement application. Begin collecting these well in advance:

- **Proof of Birth:** Certified birth certificates for you and any beneficiaries.
- **Marriage Certificate or Domestic Partnership Registration:** Needed for spousal or registered partner benefits.
- **Qualified Domestic Relations Orders (QDROs):** If applicable, any court orders dividing your pension due to divorce or legal separation.
- **Social Security Cards:** For you and any beneficiaries.
- **Workers' Compensation Files:** Particularly if you have any open or resolved claims, as these can impact retirement benefits.
- **Beneficiary Designation Forms:** Ensure these are current and match your retirement system's records.
- **Court Orders or Letters of Guardianship:** If you are naming a minor child or dependent adult as a beneficiary.

Tip: Gather these documents early. Missing or incorrect documents are one of the most common causes of retirement delays.

CalPERS, CalSTRS, and 1937 Act Survivor Benefit Options:

When you retire, you will need to select a benefit option. This decision affects not only your monthly income, but also what continues for your survivors or beneficiaries after your passing. Understanding these options can help you make the best choice for your family's future.

Beneficiary vs. Survivor – What's the Difference?

- **Survivors:** These are legally eligible individuals such as a spouse, registered domestic partner, minor child, disabled child, or financially dependent parent. Survivor Continuance is a separate, typically employer-funded benefit that does not reduce your monthly pension. It may apply regardless of the retirement option you choose.
- **Beneficiaries:** These are the individuals you personally designate to receive benefits after your death. Beneficiary payments are based on the retirement option you elect at retirement and may differ from your survivor.

Your Retirement Option Choices

Option	Explanation
Unmodified Option	Highest monthly benefit paid to you. No continuing payment to beneficiaries. Survivor Continuance may still apply.
Option 1	Slightly reduced benefit. Any remaining member contributions are paid as a lump sum to your beneficiary.
Option 2 (100% Continuance)	Lower monthly benefit. 100% of your reduced amount continues to your beneficiary for life. Includes Option 1.
Option 2W (With Pop-Up)	Same as Option 2, but if your beneficiary dies first, your pension "pops up" to the full unmodified amount.
Option 3 (50% Continuance)	Slightly higher monthly benefit than Option 2. 50% of your reduced benefit continues to your beneficiary for life.
Option 3W (With Pop-Up)	Same as Option 3, but pops up to the unmodified amount if your beneficiary dies first. Includes Option 1.
Option 4 (Custom)	Tailored option allowing multiple beneficiaries, fixed-term payments, or QDRO arrangements (e.g., for divorce).

Post-Retirement Survivor Allowance (PRSA)

In addition to the above options, many employers offer a Post-Retirement Survivor Allowance (PRSA). This is separate from the option you select and can significantly impact your survivor's income after your death.

- **CalPERS and CalSTRS:** These systems provide a PRSA benefit that mirrors the employer-contracted provisions. It typically applies to survivors of both service and disability retirements.
- **1937 Act County Systems:** These systems often include a 60% PRSA for service retirements and a full 100% PRSA for industrial disability retirements (IDR).

****Important**:** PRSA benefits are determined by your department's contract. If you worked for more than one department or county, different PRSA rules may apply.

- BCN will calculate your projected PRSA benefits as part of your retirement planning. If you're unsure whether your current or past department offered this benefit, we can help you verify.



STEP 5:

BCN MEETING & APPLICATION SUBMISSION

(3-4 MONTHS BEFORE RETIREMENT)

1. Set an Appointment with your BCN Advisor:

- It is time to review your retirement plan together. By this time, you have received your formal estimates back as well as your most recent paystubs and account statements.

- During your BCN appointment we will:

Provide your detailed Pension Estimate

Select and calculate the cost of your Survivor Options

Review your retirement planning checklist, and financial outlook

Review the active management investment options available to you in retirement

Discuss how “rolling over” your 457(b) account into an “Individual IRA” works

Evaluate the Internal Rate of Return of any service credit estimates

Discuss the financial impact of any community property claims

Review of the Tax Implications of an industrial disability retirement

Review your Estate Planning (Living Trust) Portfolio

2. Confirm Your Retirement Date:

Your retirement date can significantly impact both your pension calculation and your cost-of-living adjustments (COLAs). Carefully reviewing your planned retirement date with your employer and your BCN advisor ensures you make a financially strategic decision.

Why Do Most CalPERS Members Retire at Mid-Year or Year-End?

This strategy typically maximizes two key variables:

1. Timing of your first post-retirement COLA
2. The final compensation period used for pension calculation

1. COLA Eligibility Timing

To receive your first cost-of-living adjustment (COLA), CalPERS requires you to be retired for one full calendar year plus one additional day. This timing can make a significant difference in how soon your retirement income increases.

Example A:

- Final shift begins: 12/29/2025
- Off shift at 0800 hours on: 12/30/2025
- Final day on payroll: 12/30/2025
- Retirement date: 12/31/2025
- **First COLA applied: 05/01/2027**

Example B:

- Final shift begins: 12/30/2025
- Off shift at 0800 hours on: 12/31/2025
- Final day on payroll: 12/31/2025
- Retirement date: 01/01/2026
- **First COLA applied: 05/01/2028**

2. Maximizing Your Highest Year of Compensation

Most labor contracts include pay increases that align with the employer's fiscal year (July 1 – June 30).

- For Classic (Tier 1) members contracted for Single Highest Year, CalPERS calculates your pension based on your highest 12 consecutive months of PERS-reportable compensation.
- Many members strategically time retirement after working a full 12 months following a promotion, step increase, or major COLA to lock in the highest pensionable salary.
- Note: This is separate from the '10-month rule' used for earning service credit during a fiscal year.

Important Note for 1937 Act County Systems

Unlike CalPERS and CalSTRS, members of 1937 Act county systems do not have to wait until their second year in retirement to receive a COLA. Instead, they become eligible for their first COLA the first May 1 following retirement.

- For example, if you retire on April 30, your COLA would begin on May 1 of the same year.
- This makes April 1–30 a popular retirement window for 1937 Act members seeking to receive their first COLA quickly.

3. Formal Application Submission:

- **For CalPERS and CalSTRS Members:** Your BCN advisor will assist you with preparing your retirement application. You have two options when it comes to submitting your application:

1. You can submit it online via your MyCalPERS account. (This does not require a notarization of your signature, however you may want to consider completing this application with you BCN advisor, especially if you have a complex situation (community property, medical retirement, etc))

2. Complete a paper application, or electronic PDF with your BCN advisor. BCN is happy to review your application for accuracy and mail them directly to CalPERS on your behalf once you are within 120 days of retirement. BCN will submit the application on your behalf.

- You can submit your CalPERS retirement application up to 120 days (4 months) prior to your retirement date. Filing early allows CalPERS time to review your account and helps avoid any delays in receiving your first retirement payment.
- You can make changes to your application up to 30 days after your retirement date. This may include adjustments to your survivor options, or beneficiary designations, retiree health coverage options, etc

For County 37 Members: It is best to file directly with the retirement board

- Relocating in Retirement - FAQ: If you have recently purchased a new home, either in-state or out-of-state:
- You must update your address on file with your employer prior to submitting your application for retirement. Incorrect or outdated information can delay the release of your first retirement check.
- Your employer will communicate this change with your retirement system, usually within 2-4 weeks

STEP 6:

"CYA" DOCUMENTS, & THE SMALL DETAILS

(1–2 MONTHS BEFORE RETIREMENT)

Once you separate from service, you will lose access to your employer's internal databases and records. Over the years, we have seen many members struggle to retrieve key documents after retirement — especially when handling workers' compensation claims, benefit disputes, or other post-retirement issues.

Why This Step Matters:

- These documents are often difficult (or impossible) to obtain after you retire.
- They can be critical for resolving payroll disputes, service credit questions, exposure claims, and workers' compensation cases—even years later.
- We have seen instances where the final check was withheld by the employer due to unreturned equipment or material.
- **Remember: You will be locked out of your employer's system after your last day of employment with no future access.**

What to Gather Before You Retire:

- **"Single Highest Year" of Paystubs & Employment Records:** Includes paystubs, W-2s, overtime reports, and any special compensation details.
- **"Highest 3-year average:"** If you are contracted for the highest 3-year average, be sure to download your highest 36 months of paystubs
- **Important Emails & Correspondence:** Save anything related to promotions, payroll changes, workers' comp, or benefit decisions.
- **Workers' Compensation Files:** Exposure reports, claims documents, medical records, or settlement agreements.
- **Exposure Logs or Incident Reports:** PER entries for firefighters; exposure logs via PORAC's system for law enforcement.
- **Return all equipment & material:** to your administration. You can ask for an itemized list from admin ahead of time.
- **Inquire about:** Setting up your Retiree ID badge (if applicable), or Retiree Range Qualification

Pro Tip: Why Exposure & Injury Records Are Critical

Under California Labor Code §3212.1 (the Dallas Jones Act), firefighters and law enforcement officers may qualify for workers' compensation benefits for cancer or other qualifying occupational illnesses up to three months for each year of service, for a maximum of 60 months (five years) after your final day of employment.

Why keep these files:

- You may need to show documented exposure to qualify for these extended presumption benefits.
- Employer records may be inaccessible after retirement; without proof, benefits could be denied.
- Save all exposure, injury, and workers' comp documents now, in a secure digital format.



STEP 7:

THE BIG DAY & TRANSITIONING INTO RETIREMENT

(RETIREMENT DAY & 1-4 MONTHS AFTER)

On Retirement Day:

For all Members (PERS, STRS, County 37, Private): Your retirement officially begins the day after your last day of work. CalPERS will issue your final benefit packet, and your first retirement payment is typically sent about one month after your retirement date.

1-4 Months After Retirement:

First Payment Acknowledgment: Once your retirement calculation is finalized, CalPERS will send you a First Payment Acknowledgment letter detailing:

1. The date of your first retirement check.
2. The amount you can expect to receive.
3. Important income tax information.

If you are enrolled in CalPERS health coverage, you will receive a separate letter with your health benefit details. Keep these letters with your other CalPERS and financial records.

First Retirement Check: If you didn't retire on the first of the month, your initial check will cover the period from your retirement date to the end of that month. Future retirement checks will be mailed or direct deposited on the first of each month. Your financial institution determines when funds are available.

Account Detail Information: You will receive a statement explaining how your benefit was calculated, based on payroll and service credit information CalPERS has on file.

Notification of Deductions: If deductions are being taken for service credit purchases or mandatory account adjustments, you will receive a Notification of Deductions letter.

FINAL STEP:

BCN ONGOING FINANCIAL SERVICES (A LIFETIME MEMBERSHIP)

Final Step: Ongoing Financial Services with BCN

A Lifetime of Support — Not Just a One-Time Retirement Plan

Retirement isn't the end of your financial journey — it's the beginning of a new chapter. As a BCN member, your lifetime membership gives you continued access to our full suite of financial services, built specifically for California's public safety professionals and their families. We don't walk away after your retirement date — we walk alongside you for life.

Your Lifetime Membership Includes:

Investment Oversight & Portfolio Management

- We provide ongoing support with your retirement accounts, including your 457(b), and help you explore flexible options like opening your own IRA. Many retirees appreciate having access to a broader investment menu, professional portfolio management, and a strategy tailored to their income needs, risk tolerance, and long-term goals. Our goal is to help you feel confident that your money is working efficiently throughout retirement.

Social Security & RMD Planning

- We'll guide you through how and when to file for Social Security, including WEP/GPO considerations. Once you reach age 73, we'll help educate you about Required Minimum Distributions (RMDs) and integrate them into your overall income and tax strategy.

Estate Planning & Living Trust Support

- From creating your living trust to helping you properly title assets and keep everything up to date — we'll make sure your wishes are protected.

Survivor & Spousal Support

- If something happens to you, we step in immediately to assist your loved ones with benefit access, claims, and financial transition planning.

We're With You — Every Step of the Way

Retirement isn't just about reaching the finish line — it's about building a life that's secure, fulfilling, and supported. At BCN, we consider it a privilege to walk alongside those who've spent their careers serving others. Whether you're navigating your first year of retirement or planning for the decades ahead, you'll never have to figure it out alone.

From pension decisions and investment management to Medicare, Social Security, and survivor support — we're here to make sure every piece fits. And if something changes? We're just a phone call away.

Thank you for trusting us. We look forward to serving you and your family for years to come.

— The BCN Team

