

MERCED COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

3199 "M" Street

Merced, California 95348

Phone: 209-726-2724 Fax: 209-725-3637

Email: Mcera@co.merced.ca.us

Website: www.mcera.merced.ca.us

Reciprocity

While you may not transfer the contributions ("roll them over") earned in another public retirement system to MCERA, you may be able to link your previous service to your current service. Such linking is called reciprocity. Reciprocity is an agreement between two public retirement systems that allows eligible members to move from one employer to another (during a six-month period) without any loss of credited service or vesting years. Reciprocity enables you to preserve and enhance your total system benefits. Essentially, it gives you portability by allowing you to leave your retirement contributions on deposit regardless of your length of service and to take a deferred retirement.

NOTE: You must retire concurrently from both systems (or all) systems on the same date if you have established reciprocity unless section 31835.1 applies (this section allows for different retirement dates if you cannot retire on same date due to different age/service requirements). Please notify both (or all) agencies of your intended retirement date in order to start the retirement process from both (or all) retirement systems.

Advantages of Reciprocity

- Your current contribution rate is based on your age when you entered the previous agency's system rather than your MCERA entry age and would probably be a lower rate.
- Your years of service at the previous agency count toward meeting the service credit requirement for vesting and eligibility to retire (see "Service Credit" in the Active Employees section).
- Benefits from both retirement systems are based on your highest compensation earnable under either system.

Requirements for Reciprocity

- You must have left your contributions on deposit in your previous system.
- You cannot withdraw your contributions from either system once reciprocity has been established. Failure to leave your contributions on deposit with the other system will result in breaking reciprocity and loss of reciprocal benefits.
- You cannot be receiving a retirement from the other system(s) you wish to link.
- The time between systems cannot be greater than 6 months.
- The other system must be another California 37 act county, the California Public Employees Retirement System (CalPERS), the California State Teachers' Retirement System (CalSTERS), and any pension plan that has reciprocity with CalPERS.

- You must not have concurrent or overlapping service credit with MCERA and the reciprocal system. Exhausting leave balances that count as service credit and/or extending your separation date under your previous system beyond your hire date with an MCERA-covered employer will disqualify you for reciprocity.
- You must retire from both systems at the same time unless section 31835.1 applies (this section allows for different retirement dates if you cannot retire on same date due to different age/service requirements).

Reciprocal Systems

MCERA has reciprocal arrangements with the following systems:

- The California Public Employees' Retirement System of the State of California (CalPERS).
- Any pension plan that has reciprocity with CalPERS
- The California State Teachers' Retirement System (CalSTERS).
- Retirement system in the other 19 counties that operate under the County Employees' Retirement Law of 1937 (AKA the '37 Act):

- | | | |
|----------------|------------------|-----------------|
| • Alameda | • Mendocino | • San Mateo |
| • Contra Costa | • Merced | • Santa Barbara |
| • Fresno | • Orange | • Sonoma |
| • Imperial | • Sacramento | • Stanislaus |
| • Kern | • San Bernardino | • Tulare |
| • Los Angeles | • San Diego | • Ventura |
| • Marin | • San Joaquin | |

Establishing Reciprocity

Please contact MCERA at **209-726-2724** for the appropriate form. You must also inform the other system that you wish to establish reciprocity.

Note: Reciprocity is also of interest when employees leave MCERA to join a public agency elsewhere.
