

PART V: How Are My Retirement Benefits Paid?

Standard Forms of Payment

Retirement benefits (including normal, early, delayed, vested deferred, and disability retirement benefits) are automatically payable in the following forms:

If you do not have an eligible beneficiary when you retire, your retirement benefit will be paid to you as a monthly benefit for your lifetime.

If you do have an eligible beneficiary when you retire, your retirement benefit will be paid to you as a monthly benefit for your lifetime and, upon your death, a portion of your benefit will be payable to your eligible beneficiary, as follows:

- ***If your eligible beneficiary is a legal spouse***, then **75%** of the amount you were receiving at your death will continue automatically to your spouse as a monthly benefit, ***provided that you were married to your spouse for at least one year prior to your death.***
- ***If your eligible beneficiary is a registered domestic partner***, then **75%** of the amount you were receiving at your death will continue automatically to your domestic partner as a monthly benefit, ***provided that you were registered with your domestic partner for at least one year prior to your death.***
- ***If your eligible beneficiary is a dependent child***, then the following rules apply:

GROUP A

If you do not have an eligible spouse or domestic partner or your eligible spouse or domestic partner dies, then the monthly post-retirement death benefit will be payable in equal shares to your dependent children. In this case, your dependent children include only your unmarried children who are under age 18 (or under age 23 if a full-time student).

OR

GROUP B

If you do not have an eligible spouse or domestic partner or your eligible spouse or domestic partner dies ***or remarries***, then the monthly post-retirement death benefit will be payable in equal shares to your dependent children. In this case, your dependent children include only your unmarried children who are under age 18 (or under age 23 if a full-time student).

If you die before you retire, retirement benefits will not be paid. However, your eligible beneficiary will receive a monthly pre-retirement death benefit payable as described under Part IX, “*What Happens If I Die Before I Retire?*” on page 33. Alternatively, if you are not vested or you do not have an eligible beneficiary, then your designated death beneficiary will receive a one-time refund of your accumulated participant contributions with interest.

REGARDLESS OF WHEN YOU RETIRE, RETIREMENT BENEFITS WILL NOT BEGIN BEFORE THE FIRST OF THE MONTH FOLLOWING RECEIPT OF YOUR COMPLETED APPLICATION IN THE PENSION OFFICE.

Cost-of-Living Adjustment

All monthly benefits include an automatic cost-of-living adjustment effective each January 1st based on the change in the Consumer Price Index as of the preceding November 1st and limited to 3% per year.

Guaranteed Minimum Benefit

Regardless of whether you retire with a normal, early, delayed, or vested deferred benefit or whether you terminate your employment prior to retirement, you are guaranteed at a minimum to receive the amount of your accumulated participant contributions with simple interest. The interest rate that is credited to your participant contributions is generally 5% per year, but the interest rate may be less than 5% for those years in which the trust fund earns less than 5% on its investments. Also, interest was not credited prior to 1986.