

## Retirement Planning Checklist

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**Jim:** Welcome to the CalPERS webinar Retirement Planning Checklist. In this session, we're going to discuss a list of things you should be taking care of as you get ready to retire. Here's the agenda for today's webinar. We'll start with things you'll want to do about a year from retirement and gradually work our way up to retirement and beyond. We'll finish up with some tools and resources available to you and how to contact CalPERS.

As we go through today's presentation, we'll be referencing several CalPERS forms and publications that you may be interested in so here's where you can find them. On our homepage at [calpers.ca.gov](http://calpers.ca.gov), you'll find the Forms & Publications column. Select the View All link at the bottom of the list to access a complete list of forms which are shown in alphabetical order. You can also filter by whether you're an active member or as a retiree.

As long as we're on the subject of publications, one of the publications you'll want to review as you prepare for your retirement is *Planning Your Service Retirement*, our publication number 1. It has a great deal of good information in it including a checklist similar to what we'll be reviewing here today. And as long as we're on the subject of checklists, there's a version on the website in addition to the one in this publication.

So we're going to start out about a year out from retirement. The service credit you earn is part of the calculation for your retirement benefit. Review your most recent account information in my|CalPERS to make sure your service credit is accurate. You can also find a link to your most recent Annual Member Statement here. If you are a year or more away from retirement, use the Retirement Estimate Calculator in your my|CalPERS account to estimate the amount of your pension and to begin determining the time you want to retire.

It's important to be prepared when you decide to take such a big step. To get the answers to most of your questions, the Planning Your Retirement class is a great one to take if you are a year or even further from retirement. Sign into my|CalPERS and select the Education Resources tab to enroll. If you think you may be eligible to purchase service credit for employment not shown in your account, you should review *A Guide to Your CalPERS Service Credit Purchase Options* for eligibility information. Use the Service Credit Cost Estimator on our website to estimate the cost of the purchase. The request forms for certain types of service credit can only be found on the results page of the online estimator. You must submit your request to purchase service credit before your retirement date to be eligible to purchase that time.

In addition, you should contact Social Security Administration for information on benefits you may be eligible for under their system and, of course, Medicare

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eligibility. You might want to contact a financial planner for assistance with coordinating your CalPERS benefits with your overall retirement planning. Please remember that we do not provide financial planning services.

If you have a community property claim on your retirement account because of a legal separation or divorce, you must provide us with a copy of an acceptable court order that resolves the claim. It's important to understand that retirement benefits cannot be paid until your community property issue is resolved. You can find more information on what is required in the publication, *A Guide to CalPERS Community Property*.

So now let's move onto nine months prior to retirement. If you're also a member of another California retirement system other than CalPERS, there are steps you need to take to ensure that you receive all the benefits you've earned from each system. Reciprocity refers to an agreement between CalPERS and many other California public retirement systems that allow members to move from one retirement system to another within a specified time limit and possibly retain some valuable benefit rights such as your highest average pay in the calculation of your retirement. Read our publication *When You Change Retirement Systems* for more information. If you have Social Security or other non-CalPERS income coming later after retirement, you might want to temporarily increase your monthly CalPERS income until those benefits begin. See if a temporary annuity is right for you by reviewing our temporary annuity publication.

Moving on to six months prior to retirement. If you've not already done so, it is time to think about obtaining a CalPERS-generated estimate by completing the *Retirement Allowance Estimate Request* form and mailing it to the address on the form. If you have special compensation reported to us, it may not all be included because CalPERS can only project out your average base pay, not your special compensation. You determine how you want the taxes withheld from your pension. You should check with your tax consultant or attorney to find out about the taxability of your overall retirement income. You can also find more information from the Internal Revenue Service and California's Franchise Tax Board representatives. If you plan on moving out of state, you are not required to pay California State income taxes. However, you should check with the State you're moving to find out what taxes they require and how they are to be paid. Please remember CalPERS representatives cannot offer you tax advice.

Next on the list is four to five months from retirement. Become familiar with the information needed to apply for retirement in the publication *A Guide to Completing Your CalPERS Service Retirement Election Application*, which is our publication number 43. Begin to gather and make copies of the required documents you will need, such as marriage licenses or a birth certificate for a lifetime beneficiary. Remember, only send us copies of these documents, never send us originals. Always include your Social Security number or CalPERS ID on every document you submit. Refer to the retirement publication for a complete list

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of required documents. If you apply for retirement online, you'll be able to upload your documents into the system. Although an appointment isn't required, if after taking the Planning Your Retirement class, you have specific questions about your own situation that weren't answered during the class, you can come in and see us. You can schedule an appointment at one of our regional offices by logging onto your my|CalPERS account. You'll find the Schedule an Appointment link under the Educational Resources tab.

And now three to four months prior to retirement. Make sure to complete your retirement application form. Even if you plan to apply online, you can use the application forms to collect all of the important information you'll need. If you plan on submitting the retirement application form by mail or in person at one of our regional offices, you'll also want to complete the direct deposit authorization form to ensure your monthly benefit payments are securely deposited at your financial institution. This form is also contained in the retirement application publication.

And now we're at three months. Three months prior to retiring is the time to submit your application. A great new feature in my|CalPERS is that you can now apply for retirement online through your my|CalPERS account. Please remember we can't accept your paper application any more than four months prior to retirement date and your online application any more than 3 months in advance of your retirement date. Send your completed and notarized *Service Retirement Election Application* form and any other applicable forms to CalPERS at the address shown on the bottom of the forms. Be sure you keep a copy of all forms and supporting documents for your records and future reference. Apply timely. Any delay in submitting your application could result in a delay of your first retirement check.

If you have a deferred compensation plan such as a 401(k) or 457 plan, check with your plan administrator regarding distribution of your funds. Contact your health benefits officer or personnel office to determine your eligibility for continuing health, dental or vision coverage into retirement. Look into whether any optional deductions coming out of your active paycheck can continue into retirement such as retiree association fees, car payments, charitable contributions, things of this nature. You'll need to contact the organization receiving your payment to set these up.

After you submit your retirement application, CalPERS will send you a confirmation letter within 5-10 business days. Prior to your first full retirement check, you'll receive a letter providing you with the date of your first retirement check, the amount you will receive, and tax information. If you have CalPERS health coverage, the letter will also have information regarding these benefits. You should keep this letter, along with other CalPERS information you may have with your other important financial papers.

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So the next question is what happens after you retire? If you applied in a timely fashion, in most cases you should receive your first retirement check around the first part of the month following your retirement date. If you did not retire on the first of the month, your check will cover the period from your retirement date to the end of the month. After that, your check is mailed or direct deposited at the first of the month. You can find a list of mailing and direct deposit dates on our website. The amount of your retirement check will reflect the payroll and service credit information posted to your account at the time your retirement benefit was calculated. Once your employer reports all final payroll information, you may receive an adjustment to your retirement check retroactive back to your retirement date. Please allow six months for all final payroll to be processed and adjustments to be made.

So let's go over some tools and resources you have available to you. One of the greatest resources we offer is the CalPERS website at [calpers.ca.gov](http://calpers.ca.gov). Most services available do not require a username and password. You can use the Service Credit Cost Estimator to get an estimate of the cost for several types of service credit. The Retirement Estimate Calculator allows you to calculate your retirement allowance. And if you use the version in my|CalPERS, it can pre-populate some of the information for you. Additional tools for those with CalPERS health benefits are the Health Plan Chooser and the Health Plan Search by Zip Code. And you can find additional information through CalPERS Forms and Publication Center as well.

Other resources include the PERSpective Newsletter which is available to all CalPERS members 3 times a year, which can be viewed online and provides valuable CalPERS information and updates. You can sign up for the various email subscriptions that we offer. The Member Education bulletin provides information related to upcoming webinars, instructor-led classes and other educational offerings. CalPERS News is an informational newsletter that's sent out twice a month. Employer News provides information and event updates related to employers. You can also find additional newsletters and alerts.

You can also link to various Social Networks that CalPERS participates in including Facebook, Twitter, LinkedIn and Google Plus. Finally you can follow the View CalPERS Network Videos to find informational videos on retirement and health benefits.

my|CalPERS is your gateway to conducting business electronically with CalPERS through a safe and secure environment. We encourage you to use this tool to access real-time details of your CalPERS accounts. There subjects are related to retirement, health, if you have health benefits through CalPERS, education, your profile, and contacting us through the Message Center. When you first log in into my|CalPERS, you'll come to the Home page. On the Home page you will find the CalPERS Account Summary which provides you with information on your accounts Total Balance and Total Service Credit as of the

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most recent payroll reported by your employer. You may also access your most recent Annual Member Statement [here](#).

Next we have the Retirement tab. This is where you'll find the Retirement Summary that includes a breakdown of your contributions plus interest, your membership status and your retirement formula. At some point you may need to request a letter to verify your account balance. You can now print this document automatically. You can even address it to an outside organization such as a landlord or mortgage company. If you select the Statements link, you'll have access to past Annual Member Statements or once retired, your check statements. You'll also find the Retirement Estimate Calculator which prepopulates with your most current information and you can save them for review at a later date. When you are ready, you can now apply for retirement online.

Next is the Health tab. For those of you who have CalPERS health benefits, the Health Plan Summary page provides information about your medical plan, the coverage type, when you were enrolled and your premium. At the bottom, you'll find your subscriber information as well as a list of any dependents enrolled on your plan. If you don't have your health benefits through CalPERS, this page will not show.

Up next is Education Resources. Under this tab, you'll find our Resource Center. Here you can take classes online or enroll in an instructor-led class held at our regional offices located throughout the State. You may also schedule an appointment, access the Publications Center to order various forms and publications and download the latest PERSpective newsletter. Over on the right, you can access CalPERS videos about retirement planning and much more.

Next is the Profile tab. The Profile page houses your contact information. This is where you'll be able to review and update your address, email and phone numbers. You can change your password and let us know you're mailing preferences. If you're an active employee you'll still need to update this information with your employer as well.

This brings us to our last tab, the Message Center. In the Message Center, you can submit an inquiry to CalPERS. Because your request comes from a secured source, which is behind your username and password, in most cases, we'll be able to provide a more personalized response. When we answer your inquiry, you'll be notified by email that you have a message waiting in my|CalPERS. and you simply log in to review the response.

So our last subject is contacting CalPERS. Now, we already mentioned one of the best ways to contact us which is the message center in my|CalPERS. Now let's go over a few additional ways to contact us. If you have a general questions, comments or complaints, you can send a message through our website. You'll

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find this service through the Contact link in the upper right corner of our website. It's important to remember that with this method, we can only provide general information. We cannot provide detailed account information. You can contact CalPERS by mail. When corresponding with CalPERS by mail you should include your CalPERS ID or Social Security number. Keep in mind that the average response time is 30-60 days. Some inquiries which require additional research may take longer. You can call CalPERS at (888) CalPERS (or 888-225-7377). Our CalPERS representatives are available from 8-5 Monday through Friday. In most cases, they can assist you in a single call. The busiest times to call CalPERS are the first of the month, Mondays and the day after a holiday so you want to try to avoid those if you possibly can. And we now do offer a callback feature so you can avoid waiting on hold.

Finally, you can always visit us at a Regional Office. We have eight offices located throughout the State where staff will assist you with a variety of services and educational events. We do have walk-in appointments available, but you may have a long wait. To help minimize your wait time, you can pre-schedule an appointment through my|CalPERS as we showed you earlier. Appointments can fill up over a month in advance, so please plan ahead. Before visiting our offices, we have some suggestions to help you get the most out of your time with us. Take some CalPERS classes and check out our online retirement planning tools before you come and see us that way you know the basics ahead of time. Read and complete any necessary forms or applications to the best of your ability. Bring any supporting documents if needed. Write down a list of any specific questions you may have.

Our presentation today was intended to give you a basic knowledge of the steps you'll need to prepare prior to retiring. We hope this information has been beneficial to you. Thank you for taking time out of your day to attend this webinar and have a great rest of your day!