WONDERING WHAT RETIREMENT WILL BE LIKE AS A NYSTRS MEMBER?

Annual Delegates Meeting
November 6 & 7, 2016
Where will your retirement take you?

Planning early is the ticket.
Agenda

• Planning for Retirement
• Filing for Retirement
• Collecting Your Pension
• Keeping Up-To-Date
• Working in Retirement
• Information for Your Beneficiary
PLANNING FOR RETIREMENT
It is NEVER too early to begin planning for retirement!
PENSION & RETIREMENT EDUCATION PROGRAM (PREP)

• Designed for members of ALL ages
• May attend more than once
• May bring a guest
• May attend the full day, or just the sessions of interest
PREP SEMINARS

- **8:45 – 10:15 a.m., NYSTRS Benefits**
  - Your pension, disability coverage, loans, vesting, death benefits
- **10:30 – 11:00 a.m., Financial Planning**
  - Saving early, catching up, withdrawals, financial advisors
- **11:00 – 11:25 a.m., Social Security**
  - Benefits, eligibility rules, when to collect, earnings limits
- **11:30 a.m. – 12:30 p.m., Estate Planning**
  - Wills, trusts, powers of attorney, health care proxies, living wills, long-term care
- **12:30 – 1:30 p.m., Lunch Break (on your own)**
- **1:30 – 2:30 p.m., Retirement – A New Beginning**
  - Planning ahead, staying active and healthy, relationships, relocating
- **2:45 – 3:15 p.m., Filing for Retirement**
  - Retirement options, “resigning” vs. “retiring,” choosing a retirement date, retirement checklist
- **3:15 – 3:30 p.m., Retirement Income**
  - Monthly payments, taxes, earnings limitations on NYS employment
Tell new hires to go to this ASAP.

Should encourage all younger members to attend to get an idea of what they should be doing early on in their careers.

This is the 3rd PREP I’ve attended and each time I’ve gained new information or a different perspective, particularly as I get closer to retirement. You may already do this but, when you advertise, you might want to mention how beneficial it is to attend more than once.
PLANNING FOR RETIREMENT – BENEFIT CONSULTATIONS

• One-on-one consultation with a NYSTRS representative

• In-person or video

• Pension estimates
  – Important service thresholds
  – Payment options

• Filing for retirement

• Retirement processing

• Post-retirement: COLA; working in retirement; taxes
PLANNING FOR RETIREMENT – BOOKING A CONSULTATION OR PREP RESERVATION

• 36 consultation sites
• Fall, winter/spring, and summer PREP sessions
• Book online in MyNYSTRS or call NYSTRS at (800) 348-7298, Ext. 6100
• Email confirmation
• Email reminder
FILING FOR SERVICE RETIREMENT

• Resigning vs. retiring
  – You resign from your employer
  – You retire from NYSTRS

• Date of retirement:
  – No earlier than the day after your last contracted day of work (e.g., if June 30 was your last contracted day of work, July 1 is earliest date of retirement).

• Application for Retirement (RET-54)
  – Up to 90 days before your effective date of retirement
  – If at a service threshold, consider filing in early June to maximize your preliminary payments
FILING FOR SERVICE RETIREMENT

• Withdraw application up to 14 days after your date of retirement (e.g., if your date of retirement is July 1, you can withdraw up to July 15)

• Change benefit payment option up to 30 days after your date of retirement (e.g., if your date of retirement is July 1, you can change your option up to July 31)

• Send by certified or registered U.S. Mail – NYSTRS may accept as if received on the postmark date
COLLECTING YOUR PENSION
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• Payments are monthly
  – Electronically deposited into your account on the last business day of each month

• Payments during processing
  – Initial payments may not include your last few months of salary or service
  – Once processed (generally 9-12 months), you are sent a detailed statement regarding your benefit calculation and retroactive adjustment
COLLECTING YOUR PENSION

• Taxes on your pension
  – Federally taxable
  – No NYS or Social Security Taxes
  – May update using a *W-4P Withholding Election and Certificate*
  – Moving out of NYS? May be taxable in other states (Check retirementliving.com)
COLLECTING YOUR PENSION

• Cost-of-Living Adjustment
  – Age 62 and retired five years
  – Based on 50% of the increase in the Consumer Price Index
  – 1% - 3% of first $18,000 of pension

• Total Monthly Increase
  2001 - 2016 = $312.00
Keeping up-to-date
KEEPING UP-TO-DATE

- **Resource Newsletter**
  - Issued three times per year

- **Retired Member Profile**
  - Begins after your retirement processing has been completed
  - Issued each October

- **May e-subscribe**
  (through MyNYSTRS)
KEEPING UP-TO-DATE

- MyNYSTRS – My Retirement
  - About Me
  - Benefit Profile (only available initially)
  - Payment Information
  - Retired Member Profile
  - Service Credit and Final Average Salary
  - Track Progress of Retirement
  - 1099 Forms
• MyNYSTRS – Track Progress of Retirement
  – Confirm NYSTRS’ receipt of your retirement application
  – Your requested date of retirement
  – Your requested payment option
  – Outstanding information
KEEPING UP-TO-DATE

- MyNYSTRS – My Tools
  - Address Change
  - Direct Deposit
  - Secure Messaging
  - Tax Withholding
• MyNYSTRS – Secure Messaging
  – Use secure messaging (instead of unsecure email) to correspond with NYSTRS if you want to include specific account information
KEEPING UP-TO-DATE

- MyNYSTRS – Manage Account
  - Change Password
  - Change Username
  - E-Subscriptions
  - Manage Contact Information
KEEPING UP-TO-DATE

• Beneficiaries
  – Post-retirement Paragraph 2 Death Benefit for eligible Tiers 2-6; may update beneficiary using Designation of Beneficiary form (NET-11.4)
  – May also update beneficiary for Lump Sum Options or Guarantee Period Options using separate forms
  – Notify NYSTRS if beneficiary of pop-up predeceases you
WORKING IN RETIREMENT
EARNINGS IN RETIREMENT

- **Section 212**
  - Unlimited earnings at age 65+
  - Unlimited earnings in private, federal, or outside of NYS
  - Limited to $30,000 per calendar year if under 65 and working in NYS public employment
  - Review our publication *Working in Retirement* in the Library of our website
EARNINGS IN RETIREMENT

• Section 211
  – Employer applies for waiver to permit earnings in excess of Section 212 limit
  – Waiver is obtained from entity with jurisdiction over the employment
  – Waiver may be limited or unlimited
EARNINGS IN RETIREMENT

• Section 503.11
  – Extended period of full-time, contractual employment
  – Suspend collection of your pension
  – Begin a new NYSTRS membership (date of membership is last day of former tier)
  – If 2+ years under 503.11—receive original pension plus small additional benefit
  – If 5+ years under 503.11—can elect full recalculation with repayment of first pension plus interest
INFORMATION FOR YOUR BENEFICIARY
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• What your beneficiary needs to know:
  – Call NYSTRS at (800) 348-7298 to provide contact information
  – Mail original or certified copy of death certificate
  – NYSTRS will send additional forms (if needed)
  – Checklist: When A Loved One Passes