

PREPARING FOR RETIREMENT



GETTING A HEAD START

If you are planning to retire within the next three years, it is not too early to start taking steps to make the retirement process an easy one. Knowing what to do and when to do it will make the retirement process less stressful for you.

ONE TO THREE YEARS BEFORE RETIREMENT

It is time to start thinking about the different retirement options available to you, learn important information regarding cost-of-living adjustments, taxation, social security, and health insurance. It is time to look at your income, assets and savings and compare them to your long-term debts to ensure that you will be able to live comfortably after retirement.

Get an idea of the income you will receive after retirement. An appointment with a BERS representative to review your file will provide you with very important information. Has all your service time been credited to your account? Is there any Previous Service that you would like to purchase? What are your pension options and approximately how much money can you expect to receive? Do you have an outstanding loan? This is the time (1) to consider purchasing military or prior service you may have and (2) consider repaying any outstanding loans before retirement.

TWELVE MONTHS PRIOR TO RETIREMENT

Even though it is still early, BERS can provide you with an estimate of your benefits and inform you of your pension options. You will be provided with an estimate of the benefits for each payment option for a given beneficiary(ies), so that you can consider what will be best for your personal situation. Appointments are scheduled weekly at BERS.

It is advisable to contact us for an appointment a few weeks before the desired date. To make an appointment quickly and easily, email brespon@bers.nyc.gov with "appointment" in the subject line. Remember to include your membership number, age, and a planned retirement date. You may also call (929) 305-3800.

THREE TO SIX MONTHS PRIOR TO RETIREMENT

If you have made the decision to retire and tentatively set a retirement date, you should have visited BERS to review your file. If you have not, make an appointment now. Make sure you are familiar with the retirement application form and are aware of the decisions you will have to make in completing the forms. During your counseling, you will be provided with an estimate which you can take with you to use as reference in making your decisions.

Review the options available to you as discussed with your benefit examiner. If you wish to purchase prior service, as well as any military service, you should do so at this point.

TWO MONTHS PRIOR TO RETIREMENT

Once you've decided on a retirement date, you should inform your employer and/or timekeeper. Ask how this date relates to your accrued vacation and terminal leave balance. You cannot remain on active payroll after your retirement date, so if you plan to stay on payroll to use your time accruals, your retirement date must be set after the day your accruals are exhausted.

You should make a final appointment and complete your retirement application. Tier 1 and Tier 2 members must submit their completed applications at least 30 days prior to their retirement date, and Tier 3 and Tier 4 members must submit their completed application at least one day prior to their retirement date.

You will need to bring proper identification such as a driver's license or passport, as well as birth certificates for you and your beneficiaries. If you want your benefits directly deposited into your bank account, you and your bank must complete an Electronic Fund Transfer Authorization Form and return it to BERS.

Pension payments are effective on the retirement date. You should allow 2 – 3 months after you retire to receive your first pension check.

POST RETIREMENT

Enjoy your retirement! You will receive a summary of your benefits, retirement options, and TDA (if applicable). Your pension's 1099-R tax statements will be mailed to you during the beginning months of each calendar year.

As a retired member you have up to 30 days after receiving your first check to change your retirement option. Retirees can choose to receive their benefits via bank deposit at any time after retirement. If you are already receiving direct deposits and wish to switch bank accounts, you may also make such changes at any time during your post-retirement. For any questions pertaining to your pension check, please contact the Pension Payroll department at (929) 305-3800 ■