



Shenendehowa
Central Schools

When It's Time, Are You READY?

**An Outline for
Employee Retirement
for Members of ERS**

January 2016

When It's Time, Are You Ready?

An Outline for Employee Retirement

INTRODUCTION - PURPOSE

The decision to retire is a major event in one's life. Because of this, employees who are considering retirement are urged to take advantage of:

1. Personal Consultations and Pre-Retirement Planning Seminars offered by the New York State & Local Retirement System (NYSLRS) via the Employees' Retirement System (ERS) and/or Police and Fire Retirement System (PFRS) – schedules are posted in each building
2. Programs offered by the Civil Service Employees Association (CSEA) and/or Shenendehowa United Supervisors Association (SUSA).

Retired employees and members of CSEA and SUSA have noted that reaching retirement decisions are difficult and often can be very emotional to the individual and his/her family. Recent retirees advise developing a retirement strategy early in one's career. Early planning helps to overcome uncertainties attached to this major life decision. It is hoped this outline will stimulate your thought process and help you to evaluate your individual situation.

This outline also includes a timeline for retiring from the Shenendehowa Central School District. We have included due dates, your benefit rights and special considerations that exist under our present contract(s).

The Shenendehowa Central School District has developed this guide to suggest ideas and to assist employees in developing individual plans for approaching retirement.

Even though this outline consolidates important District information in regard to retirement from Shenendehowa, by no means is it intended to replace retirement seminars and/or planning sessions offered by the New York State & Local Retirement System or various other organizations.

ARE YOU READY?

You have reached that age and are thinking about retirement. What should you do? What steps should you take? Where do you start?

Planning Ahead

It is important to do advance planning. Your goal is to develop a solid foundation for retirement. Start planning ... NOW.

Getting the Facts - New York State & Local Retirement System (NYSLRS)

Contact the New York State & Local Retirement System concerning eligibility requirements. Make sure you have received credit for all of your past service. Develop a complete understanding of your retirement benefits. On an annual basis, you should receive a statement and supportive information from the retirement system. The Benefit Profile statement comes in May. Retirement system phone numbers are (518) 474-7736 **or** (866) 805-0990, or visit their website at www.osc.state.ny.us/retire. As legislative changes occur, be mindful of contacting the retirement system with any questions that you might have.

Financial Planning - Evaluating Your Goal

- ✓ Maximize your 403(B)(7) Tax Sheltered Annuity. Investigate the “catch-up” provision with your financial planner.
- ✓ Evaluate IRA's - For some, these tax-deferred investments can really grow.
- ✓ Reduce your indebtedness - Retirement planners stress being debt-free by retirement should be a major goal for everyone.
- ✓ Calculate your expenses - Many retirement guides offer forms which will help you calculate your present day expenses and project future expenses.
- ✓ Calculate your net worth - This is important in order to develop a complete picture of your individual situation.
- ✓ Develop an inventory of your investments - Can annuities be of value in your situation? How long do you plan on working? Should your investments be defensive or aggressive? Beware of scams.
- ✓ Long range retirement plans - Have you developed plans for retirement activities? You should quickly come up with ten activities which you would like to pursue once you retire. The advice offered by some experts is to remain flexible. It is hard to predict future circumstances. Buying property for retirement living that will occur years from now should be carefully evaluated.

- ✓ Health costs – Calculate the impact of health costs on your budget and know how they relate to Medicare and Social Security benefits.
- ✓ A source for help - Contact your respective member bargaining unit if applicable.

ARE THINGS SET IN PLACE?
You're getting closer to retirement.

New York State & Local Retirement System Consultation

Visit the New York State & Local Retirement System for a personal consultation of the benefits you may expect upon retirement. The retirement consultant will be happy to assist you in generating your maximum estimated retirement benefit and the estimated amounts under various options offered to retirement system members. Be sure you have a complete understanding of the rules and regulations regarding your particular retirement tier. The retirement system number is (518) 474-7736 or (866) 805-0990.

Pre-Retirement Seminars

Group seminars may be offered locally by CSEA and/or SUSA. At various times during the year, the New York State & Local Retirement System provides a similar service. The New York State & Local Retirement System seminars are open to any member over forty-five (45) years of age and you may bring one guest with you. Sign up early, as those sessions fill up fast. The schedule is posted on the retirement system website www.osc.state.ny.us/retire.

Social Security

Contact Social Security Administration at (800) 772-1213 to request a free Earnings and Benefit Estimate Statement (SSA 7050-F4). Once you have sent in this request, the Social Security Administration will provide a total employment history for you. Your employment history should be reviewed for completeness and accuracy. Be aware of changes in the Social Security law affecting retirement age and benefits.

Locate All Vital and Important Papers

Birth certificate, deeds, mortgages, Social Security number, wills, marriage license, medical records, stocks, etc. should be kept in a safe place. Consideration should be given to the safe storage of documents. However, in the event of an untimely illness or death, it may be difficult for family members to access them. Individuals should consider letting family members know the exact location where documents are being stored and allow authorized access by a spouse or family member to these documents. In addition, original wills should not be stored in safe deposit boxes, as they will be sealed upon the death of the individual and not opened until processing through probate court.

Figure Retirement Expenses

Evaluate your future life style. Will you have increasing or decreasing expenses in the future? Will you be traveling extensively? Will you start your own business?

Talk Over Your Plans with Someone

Did you miss something?

Is Relocation in Your Future?

Are you planning a big move, or will RV travel be in your future? Retirement planners suggest a visit or vacation in an area over a period of time prior to making a permanent retirement move. Consider the tax implications of a relocation, if applicable.

Your Health

Will your contract-based coverage for health including prescription and dental costs be the same when you retire? Is long-term care a concern?

A New Job

Will you seek a new career? As a service retiree, you can receive your retirement benefit while you work if your employer is not a public employer in the State of New York. Therefore, you do not need our approval and your earnings are unlimited if you:

- Are self-employed;
- Work for a private employer;
- Work for another state or its political subdivisions; or
- Work for the federal government.

Also, earnings for working as a juror, an inspector of elections, a poll or ballot clerk, a notary public, or a commissioner of deeds are not limited.

If your post-retirement employer is a public employer in New York State, there are restrictions on receiving your pension while you work.

“Public employment in New York State” means working for:

- The State of New York;
- One of its political subdivisions (county, city, town, village);
- A school district or Board of Cooperative Educational Services (BOCES);
- A public authority or public benefit corporation; or
- Another entity that participates in the New York State & Local Retirement System.

This is not a complete list. If you have any doubt about the status of your new employer, you should contact the New York State & Local Retirement System.

Your earnings may be regulated if you return to work after retiring from either the Employees’ Retirement System (ERS) or the Police and Fire Retirement System (PFRS).

The New York State Retirement and Social Security Law (RSSL) regulates post-retirement employment for all members of the New York State and Local Retirement System (NYSLRS). The rules and restrictions differ depending on:

- The type of retirement benefit you are receiving (service or disability);
- The employer you will be working for (private, public, yourself, etc.);
- Your date of membership and tier; and
- Your age.

Not following these rules can result in the loss, suspension or reduction of your retirement benefit.

Please visit the “Life Changes: What If I Work After Retirement?” on the New York State & Local Retirement System website at www.osc.state.ny.us/retire/publications/vo1648.php for additional information.

Leisure Activities

If life is one long summer vacation, will you become bored? Have you developed hobbies and/or interests that will keep you occupied in retirement?

Re-evaluate Your Investments

Should you change your investment strategies? Investigate trusts, living wills and insurance.

Your Body is Ready - Is Your Head?

Retiring involves a number of emotional decisions. Having a plan for the future relieves a great portion of the stress.

When Do You Get Your First Retirement Check?

This is a case-by-case situation and relative to retirement dates, completion of forms, notification, etc. You will need to establish that date with the New York State & Local Employees Retirement System. The retirement system encourages members to file their retirement application at least thirty (30) days in advance of their retirement date, so they can be included on the first eligible payroll after their retirement.

Just Before You Go ...

Your Final Year. What Are Your Benefits? A Time Line To Retirement.

Benefits Offered to Retiring Employees by the Shenendehowa School District

CSEA Retiree Benefits – Please refer to section 106 (pg 35-37) of the Agreement by and between the Board of Education of the Shenendehowa Central School District and CSEA, Local 1000 AFSCME, AFL-CIO (July 1, 2012 – June 30, 2016) for specific details pertaining to retirement.

SUSA Retiree Benefits – Please refer to sections 903 and 904 (pg 33-34) of the Agreement by and between the Board of Education of the Shenendehowa Central School District and the Shenendehowa United Supervisors Association (July 1, 2015 – June 30, 2018) for specific details pertaining to retirement.

Non-Represented Retiree Benefits – Please refer to the respective Benefits Booklet for specific details pertaining to retirement.

Count Down to Retirement

Months to Retirement

Ask NYSLRS
for
Retirement
Estimate
(Form
RS6030)

18

Attend a
Pre-
Retirement
Seminar

12

Review
Other
Retirement
Income

8

Prepare a
Retirement
Budget

6

Review
Your Health
Insurance
Coverage

4

File a
Retirement
Application
with NYSLRS
30 to 90 days
before your
Retirement
Date (Form
RS6037)

3-2

Retirement
Date

1

FREQUENTLY ASKED QUESTIONS (FAQs)

- 1. Why does my retirement date have to be filed differently with Shenendehowa CSD vs. NYS ERS?**
 - a. The date that you indicate on your retirement notice to Shenendehowa CSD must be one date PRIOR to the date you provide to NYS ERS. The reason for this is you are notifying Shenendehowa CSD of your last day of work and NYS ERS of your first day of retirement. Therefore, the two dates can't be the same. You must provide your written retirement notice to the Assistant Superintendent of Human Resources.

- 2. Is it possible that my years of service calculations are different from the District vs. NYS ERS?**
 - a. Yes, NYS ERS calculates your total years of service under your membership with the ERS to determine your retirement benefits. Whereas, the District calculates your years of service with the District for the purposes of determining your health insurance premiums post-retirement.

- 3. My spouse is still employed and I am covered by his/her health insurance policy. Do I lose my benefit?**
 - a. No, the health insurance benefit can be deferred. You must elect to defer your health and prescription coverage and provide proof of alternate continuous coverage under your spouse's insurance in order to re-enroll in the District's health insurance and prescription plans. Dental insurance is excluded.

- 4. Can I defer my dental coverage until a later date?**
 - a. No, if you elect not to enroll or cancel your dental coverage, you are not able to rejoin the dental plan.

- 5. Can I change my health insurance coverage after Retirement?**
 - a. Yes, you may change your health insurance during open enrollment periods. The District will notify you, in writing, as to the date(s) of open enrollment. Typically open enrollment occurs during the month of December. You are also able to change your health insurance as a result of a qualifying event. Some examples of qualifying events are loss of coverage, moving out of coverage area, etc.

- 6. Can I continue participation in the Life Insurance Program?**
 - a. Yes, upon your official retirement, the District will communicate, in writing, the right to convert to an individual policy of life insurance. This communication will be in the form of an inquiry as to whether the retiree wants to continue the life insurance. If the retiree elects to continue the life insurance, the individual will pay the full premium directly to the insurance company.

- 7. If I am 65 years of age or older and retiring who do I call?**
 - a. In addition to contacting NYS ERS and notifying the District, you must contact Medicare at (800) 633-4227 and explain that you are preparing to retire and would like to enroll in Medicare Part A & B. In order to remain on the District health insurance, you must also enroll in Medicare once you become eligible.

- 8. How will I be billed for my monthly premiums?**
 - a. The insurance premiums will be due the 1st of the month for which coverage is being paid for, and it may be paid by automatic deduction from your bank account or by any other acceptable means (cash, check, etc.) Checks should be made payable to Shenendehowa Central School District, for the health and prescription coverage and a separate check needs to be made out for dental coverage.

- 9. Who do I contact at Shenendehowa CSD if I have questions about retirement?**
 - a. **Employee Benefits/Payroll**
Sue Tocco - toccusa@shenet.org AND Mollie Smith - smitmoll@shenet.org

 - b. **Office of Human Resources**
Jennifer L. Cornell - cornjenn@shenet.org OR Jill A. Bush - bushjill@shenet.org

RETIREMENT CHECKLIST

- ✓ **Contact NYS ERS**
 - Confirm Years of Service in NYS ERS
 - Obtain Retirement Estimate
 - Attend Retirement Seminars
 - Complete Retirement Application

- ✓ **Contact District Payroll Department**
 - Confirm Years of Service with District for insurance purposes

- ✓ **Contact District Employee Benefits Department**
 - Confirm Health Insurance coverage and premiums

- ✓ **Notify District Human Resources Department**
 - Submit retirement notice to the Assistant Superintendent of Human Resources with a copy to your supervisor. This notice must contain your name, current contact information, building location and position, and your last day of work (day before retirement date).

- ✓ **Notify District Human Resources and/or Payroll Department**
 - It is important to maintain an up to date mailing address with the District for tax purposes, etc. Therefore, in the event that you move, please notify the Office of Human Resources and/or Payroll Departments as soon as possible.