



SFERS
San Francisco Employees' Retirement System



SFERS Ready to Retire Webinar 1 Year from Retirement

Charter Sections A8.587, A8.600 & A8.603

Working today for a secure tomorrow... Discover the benefits of SFERS!

SFERS Disclaimer

The San Francisco City and County Employees' Retirement System (SFERS), provides this webinar as a service to its members. It is intended for general information purposes only. The information provided is not intended to serve as legal advice. You should consult an attorney knowledgeable in retirement law matters for legal advice.

SFERS is governed by the San Francisco Charter and Administrative Code, as well as the Internal Revenue Code, and various rules and regulations, all of which are complex and subject to change. In the event of any conflict between those governing authorities and the information provided in this presentation, the governing authorities have precedence.

Your **MICROPHONE** is muted by default while the webinar is in progress



Please use the “Chat” function to submit **QUESTIONS**. We will answer them at the end.

In this webinar we will discuss...

- How to plan to retire
- Resources to enhance your pension
- Types of Retirement Benefits
- Benefits available from partner agencies

SFERS Retirement Roadmap From Enrollment Through Retirement



Step 1: Welcome to SFERS!

- Look for an invitation from SFERS (email or mail) to enroll in the Plan as a New Member
- Log into mySFERS to complete enrollment
- Join the SFDCP
- Attend the SFERS New Member Webinar
- Evaluate Service Purchase Opportunities

Step 1

Step 2: 5 to 15 Years After Enrollment

- Eligible to Elect Vesting Upon Termination of Employment
- Set a Target Retirement Date
- Re-evaluate Service Purchase Opportunities and Establish a Service Purchase Agreement (if not done)
- Review/Update Beneficiaries
- Attend Webinars: Path to Retirement; Ready to Retire-5 Years from Retirement
- Evaluate Investments in SFDCP Account
- Calculate a Benefit Estimate (mySFERS Benefit Calculators)

Step 2

Step 3: 2 to 5 Years Before Retirement

- Attend Webinars: The SFDCP; Ready to Retire-1 Year from Retirement
- Adjust Investments in Your SFDCP Account
- Assess Your Target Retirement Date
- Reduce Expenses
- Calculate a Benefit Estimate (mySFERS Benefit Calculators)

Step 3

Step 4: 6 Months Before Retirement

- Schedule a Retirement Counseling Appointment
- Attend Webinars: Ready to Retire-The Retirement Application; Ready to Retire-After Retirement
- Gather Important Documents (see Important Documents Form on the SFERS Website)
- Complete your retirement application with a Retirement Counselor
- Update your work email address and cell phone number to personal in the portal
- Notify Reciprocal Systems (if applicable)
- Meet with a SFDCP Representative
- Consult Your Financial Planning and/or Tax Advisor
- Contact the Health Service System

Step 4

Step 5: Retirement

- Retire from the City and County of San Francisco... Congratulations!
- First Benefit Payment: 1-2 Months After Retirement

Step 5

Planning to Retire

What you need to do to retire

- Prepare a budget
- Review resources available to enhance your pension
- Evaluate eligibility requirements for service or disability retirement vs. vesting allowance
- Establish survivor benefits
- Apply for benefits from partner agencies
- Schedule a counseling appointment
- Consider joining the SFDCP and maximizing contributions including special "catch-up limits"

Calculating Your Pension

SFERS Pension Formula



Service Retirement Benefit Calculation:

$$\begin{aligned} &\text{Credited Service} \\ &\quad \times \\ &\text{Age Factor (see SPP)} \\ &\quad \times \\ &\text{Average Monthly Final Pensionable Compensation} \\ &= \\ &\text{Monthly Service Retirement Benefit} \end{aligned}$$

Prepare a Budget

Budget living expenses ahead of retirement

- Keep track of housing, personal, and medical expenses
- Reduce expenses and increase savings
- Save 2 – 3 months or more of living expenses

Enhance Your Pension

Purchasing service can increase your benefit

- Purchasing service can help you meet service requirements for retirement
- Service eligible for purchase is listed in your mySFERS member portal account
- You can purchase service any time prior to retirement by payroll deduction, rollover from another qualified plan, or lump sum (depends on type of service being purchased)

Enhance Your Pension cont'd

Reciprocity can help you qualify for retirement

- You can link service from reciprocal plans to qualify for retirement
- You leave contributions and/or service on account and continue to be a member of each system
- Your retirement benefit is calculated according to the provisions of each system
- The highest final pensionable compensation in any of the plans will be used to calculate your benefit
- Notify reciprocal systems of your desired retirement date.

Enhance Your Pension cont'd

Eligibility for Reciprocity

- Terminate employment from CalPERS, SFERS, or a reciprocal retirement system, and within six (6) months after your termination date, become a member of a reciprocal system
- You have credited service and/or contributions on account with the reciprocal system(s) as of your termination date from the reciprocal system(s), and on your effective membership date with SFERS; **and**
- Retire from each system effective on the same date
- Concurrent membership in reciprocal plans disqualifies you for reciprocity
- Reciprocal determination is made by each retirement system for each movement between reciprocal retirement systems

Types of Retirement Benefits

Service Retirement

- At least age 50 with at least 20 years of credited service; age 53 for Tier III Plan A8.603
- At least age 60 with at least 10 years of credited service
- Maximum benefit is 75% of average final compensation
- You may elect to retire at age 65 with less than 10 years of service (this is a one-time opportunity)
 - Must be an active member on the day prior to retirement
 - You must make an election to retire with SFERS **on the first day of the month following your 65th birthday** (upon receipt of SFERS notification letter at least 30 days prior)

Types of Retirement Benefits cont'd

Disability Retirement

- Unable to perform job duties due to illness or injury
- No age requirement
- At least 10 years of credited service
- Retirement date: on or after the first day of the month in which you file your application with SFERS or within four (4) months of termination of City employment

Maximum benefit is 75% of average final compensation

Types of Retirement Benefits cont'd

Vesting Allowance

- Terminate City employment and not qualified for service retirement; **and**
- At least 5 years of credited service on termination date; **and**
- Vesting election was filed with the Retirement System within 90 days of termination date

You are eligible to apply for a vesting retirement allowance at any time on or after age 50 (age 53 for members in Tier III Plan A8.603).

If you die prior to retirement, your contributions with interest through date of death will be refunded to your designated beneficiary(ies).

Types of Retirement Benefits cont'd

Survivor Benefits

- If you die before you retire, and you **are not qualified** for service retirement on the date of your death:
 - Lump sum benefit payable to your designated beneficiary(ies) or estate if no beneficiary is designated
 - Accumulated contributions and interest
- Plus**
- Six months earnable salary

Types of Retirement Benefits cont'd

Survivor Benefits

- If you die before you retire, and you **are qualified** for service retirement on the date of your death:
 - 50% monthly continuation benefit payable to your qualified survivor (QS) if your QS was your spouse/domestic partner **and** designated as your sole primary beneficiary
- Or**
- Lump sum benefit payable to your designated beneficiary(ies) or estate if no continuation benefit payable
 - Accumulated contributions and interest
- Plus**
- Six months earnable salary

Types of Retirement Benefits cont'd

Survivor Benefits

- **Qualified Survivors** are persons eligible to receive a monthly benefit upon a member's death.
- **Qualified Survivors** are defined by the Plan.
- A **Beneficiary** is a person(s), a special needs trust, a trust, or an estate designated to receive a lump sum benefit upon your death.

Benefits from Partnering Agencies

The SFDCP

- Log in to your SFDCP account to utilize myOrangeMoney® and model retirement income scenarios to track your retirement financial goals
- Participants who are age 50 and older by December 31 may make an additional catch-up contribution
- Three years prior to your normal retirement age, you may be able to defer twice the annual limit with the 457 special election catch-up (visit voya.com/irslimits for details)
- Unused vacation time rollovers must fall within the annual 457 limit
- Need additional assistance? Schedule an appointment with an SFDCP Retirement Counselor by visiting www.SFDCP.org or by calling 888-SFDCP-4U (733-2748)

Benefits from Partnering Agencies

Health Service System and Social Security

- Contact Health Services System at (628) 652-4700 or www.sfhss.org to determine your eligibility for health benefits in retirement
- Visit the Social Security Administration website at www.ssa.gov to calculate an estimate of your social security benefits and learn about the process to apply for Medicare

Schedule a Counseling Appointment

Prepare for your appointment

- Log in to [mySFERS](#) secure member portal
 1. calculate an estimate of your benefit
 2. schedule an appointment
- Schedule your appointment within 3 months of your desired retirement date
- Set aside at least two hours for your appointment
- Gather important documents
- For appointments conducted remotely, mail your completed retirement application to SFERS for processing within 10 days after your counseling appointment (make a copy for your records)

Recap

1 Year from Retirement:

- Schedule a retirement counseling appointment (3 months from desired retirement date)
- Complete service purchases
- Notify reciprocal systems of your desired retirement date
- Meet eligibility for retirement (service, or disability, or vesting)
- Designate or update your beneficiary(ies) for survivor benefits
- Gather important documents
- Contact the SFDCP, HSS and Social Security at least 3 months before your desired retirement date

Visit our Website at mysfers.org!

Log in to mySFERS secure member portal:

- Benefits estimate calculator
- Annual Statement
- Beneficiary Dashboard
- Account balance verification
- Online appointment scheduler

Other useful resources:

- Webinar schedules and registration
- Summary Plan Provisions
- Announcements, News, and Updates
- Forms and frequently asked questions
- Annual reports on fund performance

