



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.

In this webinar we will discuss...

- Calculating Your Final Benefit
- Direct Deposit
- Taxes
- Work after Retirement
- COLAs
- Beneficiary Designation and Qualified Survivors

Ready to Retire Webinar – After Retirement

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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

Calculating Your Pension

SFERS Pension Formula



Service Retirement Benefit Calculation:

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

Calculating Your SFERS Benefit

Your Final Benefit Calculation

- At your retirement appointment, SFERS will calculate an estimate of your final benefit.
- The final calculation of your benefit will be based on payroll data available to SFERS after you have been paid your last pay period earnings
- Adjustment of your initial benefit amount may be possible **after** retirement to include earnings not included in the original calculation, (e.g., retro)

Your Monthly Benefit Payment

Your First Benefit Payment

- If you do not sign up for direct deposit, your first benefit payment will be a physical check mailed to your home address until direct deposit is set up
- Your first check is issued approximately 30-45 days after the latter of:
 - Your retirement date, *or*
 - Receipt date of last paycheck (payday), *or*
 - Your retirement application date
- You may establish direct deposit for future monthly benefit payments (see SFERS website for the Electronic Funds Transfer (EFT) Form)

Your Monthly Benefit Payment

Set up direct deposit

- You may set up direct deposit to:
 - a U.S. checking or savings account
 - a foreign account (via wire transfer and the member is responsible for any associated bank fees)

Taxes

Federal and State Withholding

- Your retirement benefit is subject to federal and state income taxes
- SFERS does not withhold taxes for states other than California. If you move out of California, submit a new tax withholding form to SFERS to stop the California deduction
- It is helpful if you know your current (working) withholding amount before completing your retirement application.
- You can change withholding at any time by the 10th of the month to be effective the current month (download forms from the SFERS website).
- You will receive a 1099-R Form (not a W2) each January showing benefits paid to you in the prior year (forms are mailed and available in the mySFERS secure member portal)
- W2s are issued for active employment. Contact your Department Personnel Officer for a copy of your W2

Work After Retirement

You can work while retired

- You may return to work for any employer **other than the City or a member employer** without affecting your benefits.
- If you return to work for the City or a member employer after retirement, you may only **work up to a maximum of 960 hours (120 days) in any fiscal year** before your benefits are affected
- If you retire under age 62 there must be a gap of 60 days between your retirement date and return to work date
- Certain restrictions apply to Disability retirees
- Retired Teachers: Earnings limit same as STRS limits

COLAs

Cost of Living Adjustments

- A COLA is paid to help your pension income keep pace with inflation
- The Basic COLA may be payable each July 1
 - Your first day of retirement must be on or before July 1
- The Basic COLA may be 0%, $\pm 1\%$ or $\pm 2\%$ of your June 30 benefit amount
- A Supplemental COLA may also be payable
- COLAs are announced on the SFERS website each year

Beneficiary Designation

What is a Beneficiary?

- An entity to receive a lump sum benefit up to a maximum of \$3,000, upon your death
 - any person(s)
 - a special needs trust
 - your trust
 - your estate
- During your retirement appointment, you will designate a beneficiary to receive the lump sum benefit
- You can change the lump sum beneficiary at any time in the member portal
- Make sure to keep your beneficiary information up-to-date

Qualified Survivor

Plan Members in Charter Sec. A8.587, A8.600 & A8.603:

- Once you retire, your qualified survivor is eligible for a monthly allowance upon your death
 - **Spouse or Eligible Domestic Partner** - if spouse/domestic partner on your date of death and was married/registered domestic partnership for one full year immediately prior to your **retirement date**
 - If no spouse/eligible domestic partner, then **Unmarried Child** (or children) under age 18
- Your qualified survivor receives the benefit for as long as they remain qualified

Recap

After Retirement:

- You will receive your first benefit check within 30 – 45 days
- You can have your monthly benefit deposited directly into your bank account
- Your retirement benefit is subject to federal and state income taxes
- You can work while retired
- You may receive a COLA on July 1 of each year
- Know your designated beneficiary and qualified survivor
- You can change your tax withholding and designated beneficiary

Visit our Website at mysfers.org!

Log in to mySFERS secure member portal to:

- * Update your work email to your personal email before you retire
- * Use your same login credentials to access mySFERS as a retiree, 2 pay cycles after your 1st benefit payment

- Update your address
- Print a duplicate 1099-R Form
- View and print a pension verification letter
- View and print your monthly advice notice (if you have direct deposit)
- Opt out of mailed advice notices
- Manage your beneficiary(ies)

Other useful resources:

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



How to Reach Us

Email: sfersconnect@sfgov.org

Main Phone: 415-487-7000

Member portal log in assistance: (628) 652-5000