



South Dakota Retirement System

Member Services Preparing for Retirement

SDRS Board of Trustees
June 2, 2021



Member Services Goal

- Provide our membership with the tools to make informed decisions on their retirements through:
 - Personal Consultations
 - Employer Requested Visits
 - Educational Workshops



Member Services Staff

- 8 planners with a total combined 94 years of SDRS service, including:
 - 1 Full-time disability planner
 - 1 Departmental audit planner
 - 1 Full-time traveling planner
- 4 staff in our records department with a total 47 combined years of SDRS service



Member Initiated Customer Service

- Phone, in-person, and Microsoft TEAMS Consultations
- Typical annual interactions:
 - 20,000 phone calls
 - 2,000 individual consultations at 36 events around the state
 - 800 in-office consultations



Personal Consultations

- Checklist provided prior to consultation
- 30 minutes for each member
- In-person, over the phone, or virtually, via Microsoft TEAMS

SDRS Retirement Planning Checklist

Please consider each of the following items in your retirement preparation:

- When do you plan to retire?
 - Do you have alternative retirement dates?
 - Why do you want to retire on these dates?
 - If you are married, when does your spouse plan to retire?
- What compensation do you expect to earn between now and your retirement date?
- Have you reviewed your beneficiary designation?
 - If you named minor children as beneficiaries, have you completed SDRS Form E-5A "Transfer to Minor Form"?
- Have you discussed termination and other personnel issues with your employer?
- Have you talked to your employer about your eligibility for health/life insurance and long-term care insurance after retirement?
- Have you contacted the Social Security Administration about retirement dates and benefits?
 - Have you obtained an estimate of your Social Security benefits?
 - If you are considering retirement prior to age 62, will you need extra income before your Social Security benefit commences?
- Do you plan to work after retirement?
- Have you set specific goals for retirement?
- Have you estimated your total retirement income from all sources? Is that estimate approximately 85 percent of your current income (or greater, if needed)?
- Do you have additional personal savings?
- Do you own your home completely? If not, once you retire will your income be enough to cover your house payments?
- Have you saved or created a plan to save for major expenses like home repairs, traveling, or buying a car during your retirement? Do you have money saved for emergencies? If not, do you have a plan to maintain a cash reserve for major and/or unexpected expenses?
- Have you considered inflation, your health, and longevity?
- Have you considered what you will miss about your job? Do you have a plan to fill that void?
- What will you do during retirement? Do you already have hobbies and activities that you can devote your time to once you retire?
- Do you have your will, trusts, and powers of attorney set up as you wish?

Other questions you would like to discuss:

- 1) _____
- 2) _____
- 3) _____
- 4) _____





Personal Consultations

- Personalized to the age of the member
- Provides information for now and in the future
- Provides estimates based on member request

Steps to Retirement

For Foundation Members Joining SDRS Prior to July 1, 2017

5-10 years prior to retiring

- Register to attend an SDRS Regional Pre-Retirement Planning workshop in your area. Event schedules are available at www.sdrs.sd.gov.
- Review your SDRS Personal Benefits Statements for information on your projected retirement benefits.
- Sign up for *MySDRS* at www.sdrs.sd.gov to access your personal account information, prepare benefit estimates, and much more.

1-5 years prior to retiring

- Choose a retirement date that fits your goals.
- Schedule an appointment for an individual counseling session in your area. Event schedules are available at www.sdrs.sd.gov.
- Finalize any requests to purchase additional SDRS credited service. You must complete your purchase before retirement.

6 months prior to retiring

- Request a retirement packet from SDRS. Your retirement packet will contain:
 - A benefit estimate with your chosen retirement date
 - SDRS Form B-2F, Applying for SDRS Foundation Retirement Benefits
 - SDRS Form E-5, Beneficiary Designation
 - IRS Form W-4P, Withholding Certificate for Pension or Annuity Payments
 - Informational publications for your reference
- Complete and submit all necessary forms and required documentation to SDRS. Your SDRS Form B-2F, Applying for SDRS Foundation Retirement Benefits, must be received in the SDRS office at least one complete calendar month prior to your retirement. SDRS benefits begin the month *after* you receive your final paycheck.
- Submit your most recent Social Security statement to SDRS. The Social Security Administration is currently mailing paper statements only to workers age 60 and over who are not currently receiving Social Security Benefits. If you do not receive a paper statement, you may also obtain your Social Security statement online at www.ssa.gov/myaccount. This statement may be needed in calculating your benefits from SDRS.

3 months prior to retiring

- Notify your human resource department of your upcoming retirement. Complete any required paperwork.
- Notify your authorized agent of your retirement plans. Your authorized agent must send notice of your termination of contributory service to SDRS before your benefits may commence.
- If applying for Social Security benefits, contact the Social Security Administration to request the *Social Security Benefit Application* form or complete the form online at www.ssa.gov. Submit the completed form to the Social Security Administration.
- Enroll in Medicare Plan B (optional) by contacting the Social Security Administration anytime between three months before your 65th birthday to three months afterward. You are automatically enrolled in the Medicare Plan A when you begin receiving Social Security benefits.
- If you are planning to initiate benefits from other retirement income sources, contact each respective plan administrator and complete any necessary paperwork.
- Check IRS regulations governing tax-deferred savings accounts. Contact the SDRS Supplemental Retirement Plan and other retirement accounts that you participate in to begin withdrawals, if desired.

Retirement

- Expect to receive your first SDRS benefit payment the month following the date of your last paycheck. Direct deposits (ACH) are made on the 15th of each month and paper warrants are mailed the same day. If the 15th falls on a weekend or holiday, your payment will be made on the prior business day. For all ACH deposits, contact your financial institution for your funds availability date.
- Enjoy your retirement!





Requested Employer Visits

- Employer initiated Contact
 - 1,600 members attend large group meetings
 - 300 individual consultations at employer events/meetings
 - 900 contacts at booths



Women and Financial Planning Workshop

- Targeted audience: Women during career
- Workshop focus:
 - Unique financial and retirement planning challenges facing women
 - Strengthening the overall financial wellness of SDRS' largest membership group
- Attendance:
 - 2019: 130 attendees
 - 2020: 216 attendees



On the Road to Financial Success: Early & Mid-Career Workshop

- Targeted audience: Recent hires and mid-career members
- Workshop focus:
 - Personal financial awareness
 - Retirement preparedness through budgeting and financial planning exercises
- Attendance:
 - 2019: 150 attendees
 - 2020: 201 attendees



Coffee Talk Forum

- Targeted audience: Retirees
- Forum focus:
 - Legislative changes as they relate to SDRS
 - Cost-of-living adjustments
 - Other topics of interest and importance to our retirees
- Attendance:
 - 2019: 148 attendees
 - 2020: 68 attendees



Employer & Authorized Agent Training

- Targeted audience: Primary contact with employers
- Training focus:
 - SDRS forms
 - Electronic reporting and direct deposit of contributions
 - Foundation and Generational benefit designs and general SDRS
 - SDRS Supplemental Retirement Plan (SRP) and Special Pay Plan (SPP)
- Attendance:
 - 2020: 131 agents attended



Successful Transitions to New Beginnings

- Targeted audience: Members nearing retirement
- Seminar focus:
 - Income planning skills
 - Overview of SDRS
 - SDRS Supplemental Retirement Plan (SRP)
 - Social Security
 - Retirement income and budgeting
- Attendance:
 - 2019 and 2020: approximately 600 attended