THE RETIREMENT APPLICATION PROCESS

What members must do:

- Complete the online or paper application by making choices about how you and your beneficiaries will receive retirement benefits.
- Sign the application and have your signature notarized, or submit it electronically.
- Send the application and all supporting documentation for you and any named beneficiaries (such as birth certificates) to PERF.

What employers must do:

- Authorize PERF to make benefit payments based on how long you worked and all wages paid.
- Be current with employer contributions, which pay for monthly pension benefits promised to all eligible PERF members.
- Send a report to PERF stating your last day in pay and final wages paid. Authorize your last day of employment (some future date) so PERF can establish eligibility.

What PERF does:

- Check application for required information and signatures.
- Get necessary information from all your PERF-covered employers to calculate the benefit amount.
- Check PERF's records to verify that all employer and employee records are accurate.
- Calculate the correct amount of monthly payment based on your records, the calculation formula established by law and your application choices.
- Audit the calculation to verify its accuracy.
- Process the benefit for direct deposit each month.

PERF mails a quarterly statement detailing your account balance and interest earnings. If you are currently employed in a PERF-covered position or still have an account with PERF, but are not receiving this statement, please contact PERF immediately toll-free at (888) 526-1687.

Log on to your PERF Online account for benefit estimate calculations and an online retirement application.

HOW DO I KNOW WHEN I'M READY TO RETIRE?

There are many things to consider before retiring. Here is a list of questions that can help you to prepare for this important chapter of your life.

- Do you own your home completely? If not, once you retire, will your income be enough to cover your house payments?
- Do you and your spouse have adequate insurance and disability coverage?
- Have you estimated your total retirement income from all sources? Is that estimate between 60 percent and 80 percent of your current income?
- 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 a current estimate of what your Social Security benefits will be?
- Do you have money saved for emergencies? If not, do you have a plan to maintain a cash reserve for unexpected expenses?
- Do you already have hobbies and activities that you can devote time to once you retire?
- Do you have your wills, trusts and powers of attorney set up as you wish?

If you answered 'yes' to most of these questions, you have made preparations for retirement and have a better chance of preserving your current standard of living.

However, if you answered 'no' more often than 'yes,' you might want to more carefully consider your retirement date and begin making financial plans so you will be well-prepared when you do retire.

9/30/08

Indiana PERF
Public Employees' Retirement Fund

Bridge to Retirement

A Guide for Members of the Public Employees' Retirement Fund

143 West Market Street ■ Indianapolis, IN 46204
(888) 526-1687 ■ www.perf.in.gov

APPLYING FOR RETIREMENT BENEFITS

For most people, applying for a retirement benefit is a once-in-a-lifetime event. This PERF guide will help you make the transition from your last pay check to your first PERF check as easy as possible. This checklist will guide you and your family through the retirement process. If you have any questions, call PERF's toll-free number, (888) 526-1687, and we will be happy to assist you.

24 MONTHS PRIOR TO RETIRING:

- ☐ Gather information on all of your benefits, including Social Security, at **www.ssa.gov** or call your local Social Security office.
- ☐ Review your current living expenses and project what these will be at retirement. Will your income from all sources cover your projected expenses?
- ☐ Anticipate new or recurring expenses, such as car payments, medical bills and home repairs. You might want to take care of some of these before you retire.
- ☐ Consider your other investments: When will the funds be available? What are your withdrawal options and tax implications?
- ☐ Consider your tax situation. How much will you be required to pay in income taxes?
- ☐ Choose a retirement date that fits your goals. Be sure to consider how much time there will be from your last pay check to your first benefit payment.

18 MONTHS PRIOR TO RETIRING:

- ☐ If you require assistance in completing your retirement application or need help understanding your retirement options, please attend a PERF pre-retirement workshop. You can also get information from the PERF Web site, or you can meet with one of our regional retirement services consultants. Contact PERF at (888) 526-1687 for more information.
- ☐ Discuss the various benefit options with your family and decide which works best for your situation.
- ☐ Review health insurance options and verify your post-retirement eligibility, such as Medicare.
- ☐ Request an estimate of your PERF retirement benefits. Carefully review the years of service and average salary listed. If there are any issues, please contact PERF or your employer(s).
- ☐ Request an estimate from the Social Security Administration.
- ☐ Position yourself to be debt free by retirement. Track your current expenses and then project your retirement expenses based on how you plan to live. Assess how much income you will need to achieve your retirement goals.
- ☐ Review your estate plan and make sure your will, trust and powers of attorney are up-to-date. Learn how your assets pass to others under state law.

12 MONTHS PRIOR TO RETIRING:

- ☐ Access PERF Online to begin your online application for regular retirement. Follow the simple steps until completed. If you're unable to complete the application in one session, save it and complete it at a later time.
- ☐ Or, request a retirement application from PERF or visit **www.perf.in.gov** to download it. This packet includes a Request for Estimate of Benefits, the application, federal and state tax forms and a direct deposit form.
- ☐ If you need further explanation, call (888) 526-1687 to attend a pre-retirement workshop.
- ☐ Review your application to make sure you've chosen the options that best suit your needs. Begin collecting all required documents, such as birth certificates and copies of Social Security cards, for you and your beneficiaries.
- ☐ Submit the retirement application and required documentation **no later than 90 days** in advance of your final day on the job. Keep in mind that your effective date of retirement must be the first of any month that falls after your last day.
- ☐ Closely review your most recent Annuity Savings Account quarterly statement. Make sure your name and address are correct. If you need to update information, call (888) 526-1687.

3 MONTHS PRIOR TO RETIRING:

- ☐ Check your retirement application for all required information, especially signatures and notarization. Include any required documents, such as birth certificates. Don't forget to include information required for beneficiaries. Keep a copy of the application and documentation for your records.
- ☐ If you choose to apply online, finish and carefully review your online retirement application. Submit the application **no later than 90 days** in advance of your final day on the job.
- ☐ Mail or deliver your paper application and all required documentation directly to PERF. Please be certain to do this **no later than 90 days** in advance of your anticipated last day of work in order to ensure there is no interruption between your last pay check and your first benefit payment.

1 MONTH PRIOR TO RETIRING:

- ☐ Inform your employer of your intention to retire, if you have not done so by now. Be certain to choose a retirement date that falls after your eligibility date for retirement benefits. PERF will contact your employer about three weeks prior to your retirement date to obtain your last day in pay status to establish eligibility.
- ☐ Fulfill all your obligations to your current employer. Complete any outstanding paperwork required by your employer(s), checking carefully for errors in addresses, beneficiaries or personal information like your Social Security Number.
- ☐ Look forward to venturing into the next chapter of your life!

- Bridge to Retirement