

One Year Before Retirement

- ❑ Meet with State Retirement to discuss an estimate of your retirement income and your distribution options. Don't wait until the last minute.
- ❑ Investigate the rules for taking distributions from your State retirement plans as well as any IRAs that you hold. Explore the tax issues associated with taking these distributions. You may be able to defer some distributions longer than others, thus prolonging tax-deferred growth.
- ❑ Decide on a payout option and payment beginning date.
- ❑ Re-evaluate acceptable investment risk. Reallocate investments accordingly.
- ❑ If you will retire before age 65 and carry health insurance through the State, will you be able to afford the increased cost?
- ❑ If you are 65 or older, have you explored Medicare and supplemental coverage?
- ❑ Consider long-term care insurance or develop another strategy to defray the cost of nursing home care.
- ❑ Schedule necessary elective medical treatments now, while you are still covered by group health insurance.
- ❑ Re-evaluate life and long-term disability insurance needs, since this state coverage will end at retirement. However, all or part of the basic and term life insurance may be converted to whole life insurance upon termination of employment or loss of coverage. The employee is responsible for submitting the information to the life insurance carrier along with payment. The conversion must be done within 31 days of the termination of life insurance with the State. Long-term disability may/may not be continued through COBRA.
- ❑ Consider succession planning and knowledge transfer. Keep thorough documentation of what you do and how you do it. As you move through the activities of your last year of NDE employment, create a list that includes:
 - Major functions,
 - Activities to accomplish those functions,
 - Associated timelines,
 - Associated personnel, and
 - Location of associated records and resources.
- ❑ Purge your paper and electronic files of outdated information. Create a list of important paper and electronic files and where to find them.