

Retirement planning for post-PEPRA CalPERS members

In 2013, the California Public Employees' Pension Reform Act (PEPRA) changed the way that CalPERS retirement and health benefits were applied to new members hired on or after January 1, 2013.

If you're a CalPERS member impacted by PEPRA, your future pension benefits may not be as robust as a pre-PEPRA member and you are more likely to have an income gap in retirement. To learn more about PEPRA, please visit calpers.ca.gov.

The CalPERS 457 Plan is a voluntary saving program option that may help close the gap and provide you with the monthly income you'll need in retirement to maintain your lifestyle. A voluntary program allows you to defer any amount, subject to annual limits, from your paycheck on a pre-tax basis (and/or after-tax basis if your employer has elected to add the Roth plan feature). Since it's voluntary, you can change or stop your contributions at any time. In addition, your contributions and their earnings, if any, can benefit from the power of tax-deferred compounding. What this means is that you don't pay income taxes on your pre-tax investments or earnings until you start to take withdrawals, usually in retirement. Your after-tax contributions and any earnings can even be withdrawn tax-free when you retire (qualifying factors apply).

The CalPERS 457 Plan is designed with your retirement goals in mind and features a simplified fee structure that helps keep more of your invested dollars in your account.

Participating in the Plan:

- Promotes smart investing principles.
- Features easy payroll deduction of contributions.
- Allows your pre-tax contributions and earnings to benefit from the power of tax-deferral.
- Only taxes your pre-tax contributions and earnings as ordinary income when distributions begin
- Provides you access to financial learning resources and experienced retirement educators who can help you define your retirement goals and integrate them with existing defined benefit planning.



Ready to enroll? *It's easy!*

Visit calpers457.com to download the **Participant Enrollment Kit**, then complete the **Employee New Enrollment** and **Beneficiary Designation** forms inside it and return both to your Personnel/Payroll Department to start saving. For questions about the Plan or to review your retirement planning strategy before enrolling, you can schedule a one-on-one personal phone appointment with a CalPERS 457 Account Manager by calling **888-713-8244** or visiting calpers457.timetap.com.