

RETIREMENT PLANNING FOR EMPLOYEES OF



Presented By



**THE RETIREMENT
PLANNING GROUP**

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TIMING IS EVERYTHING

DOES IT MATTER IF I RETIRE ON A CERTAIN DAY OF THE YEAR?

It might – it might not. Depending on your pension package, the timing of your retirement can make a significant difference in your lump sum. The effective interest rate during a calendar year is the November rate from the previous year. If you do not have a pension benefit, this will not apply to you.

DOES IT MATTER IF I RETIRE ON DECEMBER 1ST OR JANUARY 1ST?

Yes. It can make a significant difference in the value of your lump sum.

Again, interest rate calculations that determine the value of the lump sum are based on an average interest rate in the month of November. That rate officially goes into effect at the beginning of the following calendar year.

Therefore be aware of how your retirement date can affect your lump sum value.

- If the November change in rates will reduce your lump sum value in the following year, you may want to retire in the current year.
- If the November change in rates will increase your lump sum in the following year, you may want to delay your retirement until the next year, so you benefit from the increase.

When should you give notice that you're retiring?



Most employees give notice four weeks in advance.

Once I give my notice, when will I receive my pension plan benefit election forms?



Usually two weeks before termination date.

TIMING IS EVERYTHING

IF I RETIRE ON THE 1ST OF THE MONTH, WHEN SHOULD I EXPECT TO RECEIVE MY LUMP SUM PAYOUT AND ACCESS TO MY 401K PLAN?

Access to your 401k assets are typically available as soon as Boeing has been notified of your retirement. This is usually seven business days after your official retirement date.

For example: If your retirement date is September 1st, then your Voluntary Investment Plan (VIP) should be eligible to roll into an IRA on September 8th. If you chose the lump sum option, the proceeds will usually be available to you three to four weeks after your termination date.

If your lump sum will be rolled directly into your VIP, you may wish to delay requesting a rollover to an IRA until all transfers are complete.

Does it matter if I retire December 1st or January 1st?



Yes. New rates to calculate the lump sum pension benefit go into effect on January 1st and you might be leaving vacation benefits on the table by not working into the next year.

If I check a wrong box on the benefit election form, is it irreversible?



Possibly. It's best to consult with an advisor so that he/she ensures you're checking the right boxes.

HEALTH CARE CONSIDERATIONS

DO I NEED TO DO ANYTHING SPECIAL TO CONTINUE MY HEALTH CARE COVERAGE AFTER MY EMPLOYMENT ENDS?

Yes. If retiree health care coverage is available to you, you must elect to continue health care coverage. If you do not elect to take that coverage, you will forfeit your ability to participate in the retiree medical plan.

You must elect to participate in retiree medical coverage within 30 days of your retirement date.



WHAT IF I MISS THE 30-DAY WINDOW?

If you do not properly elect coverage for yourself within the 30 days after you retire, you will not be eligible to elect coverage for yourself or any family members at a future date.

IF I ELECT RETIREE MEDICAL COVERAGE, HOW WILL I PAY THE PREMIUMS?

If you are not yet eligible for Medicare, you will be given the opportunity to pay by personal check or by automatic deduction from your bank account.

OTHER CONSIDERATIONS

WHAT HAPPENS TO MY VIP PLAN ACCOUNT WHEN I LEAVE THE COMPANY?

You will have a few options if your employment terminates.

**ROLL IT
INTO A NEW
EMPLOYER'S
401(K)**

**ROLL IT OVER
INTO AN IRA
WHERE IT'S
ACTIVELY
MANAGED**

**LEAVE IT
IN YOUR
VIP**

- The Boeing VIP permits employees to roll over their pre-tax VIP balance to an IRA once they reach age 59½.
- The Boeing VIP permits employees to rollover their Roth and after-tax VIP Balances at age 58.
- This can put you in greater control over the investment of your wealth. But it comes with more responsibility. We can help you evaluate if this is a smart decision for your situation.

The background of the top section features a dark, blurred image of several dice. One die in the foreground is prominent, showing two faces with black triangles pointing towards each other. To its left, another die shows a percentage sign (%).

OTHER CONSIDERATIONS

WHEN IS THE INTEREST RATE PUBLISHED FOR THE LUMP SUM VALUE CALCULATION AND WHEN DOES IT GO INTO EFFECT?

Every November, Boeing monitors the interest rate published by the IRS in the Internal Revenue Code. This Minimum Present Value Segment Rate is used to calculate lump sum pension values for the following calendar year.

HOW DOES THE INTEREST RATE AFFECT THE VALUE OF MY LUMP SUM?

If the pension interest rate published in November is greater than the previous year, your lump sum pension will likely go down in value. If the interest rate is less than the previous year your lump sum pension will likely increase. Additional factors like years of service and age will affect the calculation of your lump sum benefit as well.



IS WORKING WITH AN ADVISOR RIGHT FOR YOU?

Admittedly, we may be a bit biased. Even so, we find we are uniquely positioned to help Boeing employees answer this question, and we will be as impartial as possible in doing so.

Do-it-yourself versus hire-an-advisor strategy is a complex comparison involving a variety of factors, but for Boeing employees one factor stands out from the rest:

If you enjoy and are skilled at personal finance and investing and are passionate about managing the financial part of your life, then you should continue to do it yourself.

However, if you have neither the time nor the interest required to give your personal finances the active attention they need, then working with an advisor can decrease your stress levels while increasing your wealth.

The primary reason to hire an advisor is because you have come to believe that his/her advice will be a considerably greater benefit to you than its cost. Your time is better spent on other facets of your life, such as family, grandchildren, travel, volunteering, and hobbies.

THE IMPORTANCE OF FINDING THE RIGHT ADVISOR CANNOT BE UNDERSTATED.

A good advisor produces value far more than cost, and a bad one is probably worse than no advisor at all. The right advisor is a walking, talking insurance policy against potential mistakes that every investor may make.

HOW DO YOU FIND A GOOD ADVISOR?

Most advisors should be able to provide comparable base-level services. The difference lies in how well they align with you.

WHEN EVALUATING AN ADVISOR, CONSIDER THESE QUESTIONS:

- Is the advisor able to take care of the financial tasks that I don't want to do myself?
- Do the advisor and I have a similar working style and ethic?
- Do we have similar investment philosophies?
- Does the advisor understand my needs, given my unique situation and career?
- Can I see myself working with this advisor for many years?
- Do I like him/her?

TAKE CONTROL OF YOUR FINANCIAL FUTURE

You've worked hard to get to where you are, and you have earned the financial rewards that come with it.

Your maturing career has been paralleled by a maturing financial situation, which may now be more complicated than you imagined when you began. Through comprehensive ongoing analysis, coupled with focused efforts, you can ensure your finances are properly managed and the opportunities your profession brings you are maximized.

Life is a winding road with a lot of uncertainty. We hope this paper provides you with the information to make better decisions that will give you the best opportunity to meet your long-term goals and objectives both financially and personally.

OVER 1,500 FAMILIES* ALREADY TRUST US TO GUIDE THEM TOWARD THEIR IDEAL FINANCIAL FUTURE.

Our team of advisors consists of CERTIFIED FINANCIAL PLANNER™ professionals, CPAs, CRPC®s, or Chartered Financial Analyst® that are here to guide you.

*As of 1/1/22



THE RETIREMENT PLANNING GROUP

The Retirement Planning Group provides comprehensive financial planning, money management, and in-house tax services.

We act as the financial quarterback for our clients. We do the heavy lifting for monitoring and managing a client's portfolio customized for their goals and risk tolerance. Our in-house tax services include tax preparation, filing, and tax consulting throughout the year. We also provide retirement income planning to help determine when you can retire, how much you can spend in retirement, and what legacy you would like to leave.

Furthermore, we provide proactive guidance on analyzing insurance needs, saving for retirement, debt management, housing strategies, saving for education expenses, Medicare decisions, how to maximize Social Security benefits and estate planning strategies.

Schedule a call with

Rob O'Blennis, JD, CRPC®

Rob O'Blennis, JD, CRPC® is a Principal and Senior Wealth Manager at The Retirement Planning Group. He has over 15 years of experience in the financial services industry and has experience working with high net-worth individuals.



For more information, give us a call at
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