The Mississippi Producers Newsletter

October 2025

Preparing for Retirement or Not?

Whether you are planning to retire at the end of the year or just beginning your employment with the state it is never too early to begin planning for retirement. If you are planning to retire at the end of the year, it is time to start preparing to file your paperwork. According to Corebridge Financial $202,000 is the estimated median retirement savings of American Baby Boomers and 45% of Baby Boomers have no retirement savings. Being a state employee provides a retirement plan but will it be enough? What age are you planning on retiring? Are you planning on working a different job? Have you saved enough?

We all want to know that we have enough money in order to retire comfortably. I recently did a google search to see how much money I would need if I retired today. The search stated that most retirement incomes is around 70-80% of your pre-retirement income. This is dependent upon you spending habits and lifestyle plans. You also need to take into consideration how long you will need health insurance.

So where does this leave state employees? The good thing is that if you retire and have met the minimum years for retirement you will get 50% of your four highest years. If you work more than the minimum years for retirement you will receive an additional 2.5% of your retirement salary for each year after. From here you have a few options: 1) Work 8 more years in order to retire with 70% of your 4 highest years; 2) Get a new full-time or part-time job to supplement your income; or 3) participate in a savings program (Deferred Comp, Roth IRA, etc.). It is never too late to start saving for retirement.

If you are planning to retire this year, I would love to schedule an appointment with you and discuss your retirement plans and see if I can help you enjoy the retirement you deserve.

Can you believe that it is already October. Fall Break is just a few days away. Thanksgiving and Christmas will be here before you know it. The days are getting shorter and it finally feels like football weather.

The is a good time to think about changes of seasons. Just like summer turns into fall, work life turns into retirement. I am thankful that I can appreciate this season of my life and help others prepare for their retirement.

I know it can be overwhelming even thinking about retirement but having someone to talk to and help you with options that can benefit you is a valuable tool. I would like to help you prepare for the retirement you deserve.

Trust me, retirement is the best season!! This is just one of my reasons for enjoying retirement.

Until Next Month,
Tracy Dearing
601-479-0205
tracy@themississippiproducers.com

Check out our podcast "Navigating your Retirement" on our website www.themississippiproducers.com or your favorite Podcast platform and hear from state retirees/employees.

"Retirement is a blank sheet of paper. It is a chance to redesign your life into something new and different."
~ Patrick Foley

RETIREMENT OPTIONS

For the next couple of months, I will cover each of the Retirement Options along with pros/cons of each. This month we will discuss Option 3.

OPTION 3 - 100 Percent Joint and Survivor Annuity

Option 3 provides you with reduced monthly benefits for life compared to what you would receive under the Maximum Retirement Allowance Option so that, after your death, each of your two beneficiaries will receive half of the same monthly amount for life.

- You must name two beneficiaries.
- Your beneficiaries must be people, not estates, organizations, or trusts.
- You are not required to name your spouse as a beneficiary.
- You may not change your beneficiaries once selected.
- If one beneficiary dies, your remaining beneficiary receives 100 percent of the monthly benefit for life.
- If both beneficiaries die, any remaining contribution balance is refunded to the contingent beneficiary designated on your retirement application.
- Your beneficiaries' benefits may be limited by the Internal Revenue Code. (See Appendix H. of the MS PERS Members Handbook)
- PLSO is available with this option, if you are eligible.

PROS

1) Retiree has a sense of confidence that survivors continue to receive 100% of Retiree's benefit and 100% of 13th check split between both beneficiaries.

2) Partial lump sum available if eligible.

CONS

1) Retiree gets reduced income and reduced 13th check.

2) Can not change beneficiaries once selected.

3) Must name two beneficiaries.

4) If one beneficiary dies, the remaining beneficiaries will receive 100% of remaining monthly benefit.

5) Pop up/down provision does not apply.

THOUGHTS TO CONSIDER IF CHOOSING OPTION 3

1) Purchasing life insurance to leave to additional beneficiaries.

2) Investing the Partial Lump Sum.

We would love to speak at your school about planning for retirement. Contact me today to schedule a time and date.

601-479-0205 or
tracy@themississippiproducers.com

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