



Department of
Finance – Pension Administration Division

Retirement Workshop for Employees Covered by the City of Alexandria Firefighters and Police Officers Pension Plan

April 30, 2026



Agenda

▶ Retirement Benefits

- ▶ Pension Administration Division

▶ MissionSquare

- ▶ Antoinette Guy

▶ Insurance & Leave Benefits

- ▶ Human Resources Division



Finance Department Pension Administration Division Staff



Kadira Coley
Retirement Administrator



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Pension Accountant



Denise Cummings
Retirement Specialist



Arthur Lynch
Retirement Specialist



Diana Fuentes
Retirement Specialist



Retirement Plans at the City of Alexandria

Retirement Plans Administered

- ▶ Mandatory Participation
 - ▶ Virginia Retirement System (VRS)
 - ▶ City of Alexandria Supplemental Retirement Plan
 - ▶ Firefighters and Police Officers Pension Plan
- ▶ Voluntary Participation
 - ▶ 457(b) / 457 Roth Deferred Compensation Plan
 - ▶ Roth IRA

Who is Covered?

- ▶ General Schedule Employees (VRS & Supplemental)
 - ▶ Non-Public Safety
 - ▶ Full-Time or Part-Time
- ▶ Deputy Sheriffs, Medics and Fire Marshals (VRS & Supplemental)
- ▶ Firefighters and Police Officers (F&P Pension Plan)





Defined Benefit Plan (DB)

- ▶ Pays you a lifetime, monthly pension payment
- ▶ Plan sponsor/City/Retirement Board makes investment decisions
- ▶ No individual employee accounts
- ▶ Employee and City contribute to plan
- ▶ Uses a formula to calculate monthly pension benefit

Plan Factor x Average Compensation x Years of Service ÷ 12 = Monthly Pension



Defined Contribution Plan (DC)

- ▶ Provides you with a retirement savings account when you retire or leave the City
- ▶ You have an individual account and choose how to invest your money
- ▶ Employee and City contribute to the account
- ▶ **Account balance** = your contributions + City contributions + investment earnings



Vesting

- ▶ Minimum length of service needed to qualify for a retirement benefit when you meet the age and service eligibility requirements under the plan.
- ▶ Pension plan requires you to have five years of credited service to be vested.





Credited Service

- ▶ Whole years and whole months that you have been employed by the City as a Firefighter or Police Officer covered under the plan.
- ▶ Must work on **your last scheduled workday of the month.**
- ▶ Your last scheduled workday is determined by your work schedule.
- ▶ Participants who work on the **first day of the month** they retire, **do not** receive credited service for that month.



Average Monthly Compensation

- ▶ Average of the **highest 48 consecutive calendar months** of compensation.
- ▶ Compensation is limited to **base salary**.
- ▶ Excludes overtime, shift differentials, bonuses, allowances or other special pay.

	Annual Salary (Base)	Monthly Salary (Base)
	\$ 87,000	\$ 7,250
	\$ 85,000	\$ 7,083
	\$ 83,000	\$ 6,916
	\$ 81,000	\$ 6,750
TOTAL	\$ 336,000	

$$\text{AMC} = \$ 336,000 \div 48 = \$ 7,000$$



If You Are Thinking of Retirement....

- ▶ Start and maintain a budget
- ▶ Eliminate or reduce debt before retirement
- ▶ Consider when best to pay off mortgage
- ▶ Consider if you want life insurance and apply before retirement
- ▶ Try on retirement: begin living on retirement income, 6 – 12 months prior to retirement
- ▶ Gather documentation (birth document, marriage cert, divorce decree)
- ▶ If you will elect a survivor option, you will need the birth certificate for your survivor and marriage certificate if the survivor is your spouse



Consult Advisors

You are making a decision that will affect you and possibly family members for the rest of your lives

- ▶ Include your spouse/significant other in planning
- ▶ Consult certified experts who can help you:
 - ▶ Financial/tax advisor regarding taxes, pension payment options, and how to best use retirement savings when/after retire
 - ▶ Lawyer regarding time when you can't make decisions (don't assume this won't happen to you!)
 - ▶ Will
 - ▶ Power of Attorney
 - ▶ Advanced medical directive

Pension employees are not certified to give legal, financial, or tax advice



Department of Finance
Pension Administration Division

Firefighters and Police Officers Pension Plan



EMPOWER

1.800.338.4015

www.empowermyretirement.com



In the Past....

- ▶ All Employees were covered under two plans:
 - ▶ City of Alexandria Retirement Income Plan for Firefighters and Police Officers
 - ▶ Aka Old Plan or DC Plan
 - ▶ Disability Income Plan
- ▶ Closed to new participants in 2004



City of Alexandria Retirement Income Plan for Firefighters and Police Officers

- ▶ Firefighters and Police Officers employed prior to 2004, only have an account balance if:
 - ▶ You did not make a Past Service Election to exchange contributions and service in this plan for service in the Defined Benefit plan, or
 - ▶ You made the Past Service Election but had voluntary after-tax contributions in this plan that could not be transferred to the new Defined Benefit plan.

Most participants made a Past Service Election and no longer have an account in this plan.



Contributions – FY 2026

Plan	Employee Contribution	Employer Contribution
Fire & Police pre-10/2013 – Pension	7.20%	36.30%
Fire & Police pre-10/2013 - Disability	0.80%	1.64%
Fire & Police post-10/2013 - Pension	8.00%	36.30%
Fire & Police post-10/2013 - Disability	0.00%	1.64%





Benefit Calculation

% x

MULTIPLIER



**Average
Earnings**

x



**CREDITED
SERVICE**

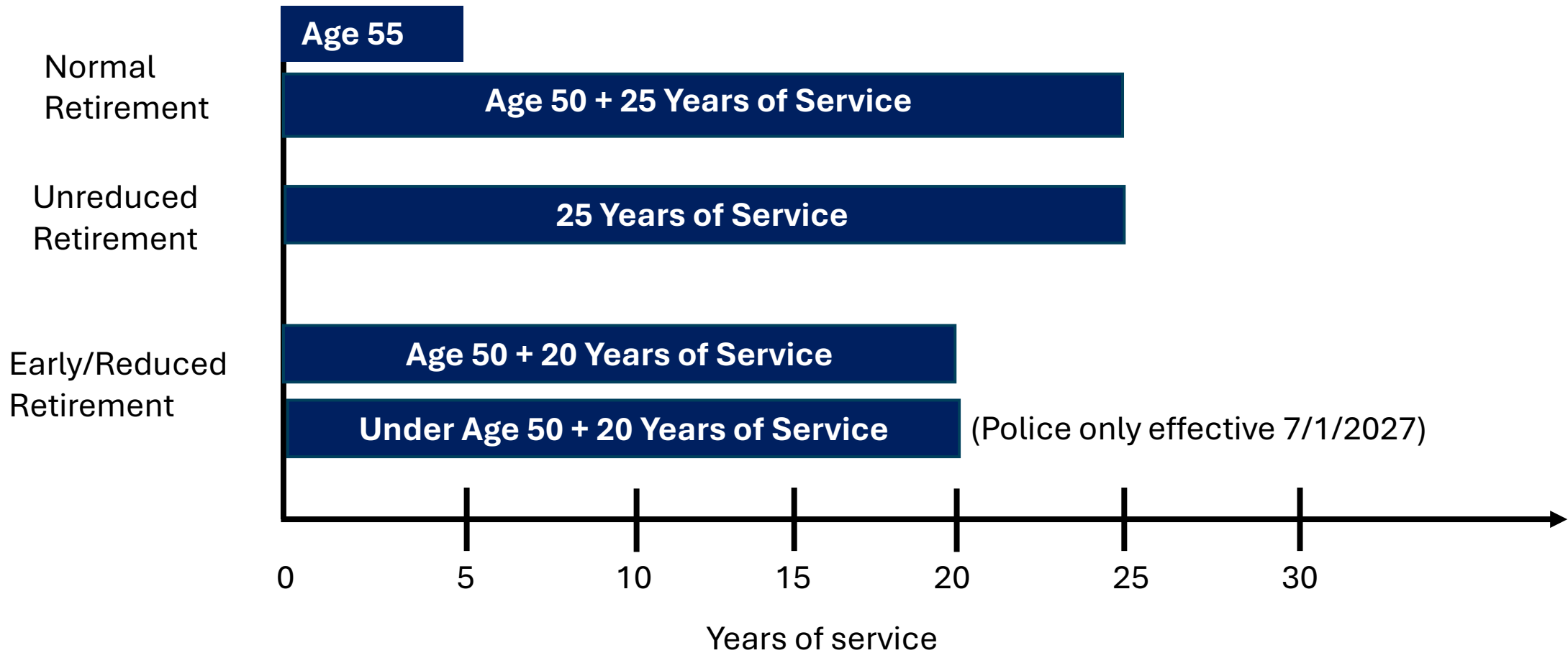


Benefit Formula

Employee Type	Formula
Employees hired prior to October 23, 2013	The sum of: 2.5% x AMC x CS (years 1 - 20) 3.2% x AMC x CS (years 21 - 30) (maximum 30 CS = 82% x AMC)
Employees hired after October 22, 2013	2.5% x AMC x CS (no maximum)
AMC = 48 Consecutive Months Average Earnings CS = Credited Service	



Retirement Eligibility





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Payment Options



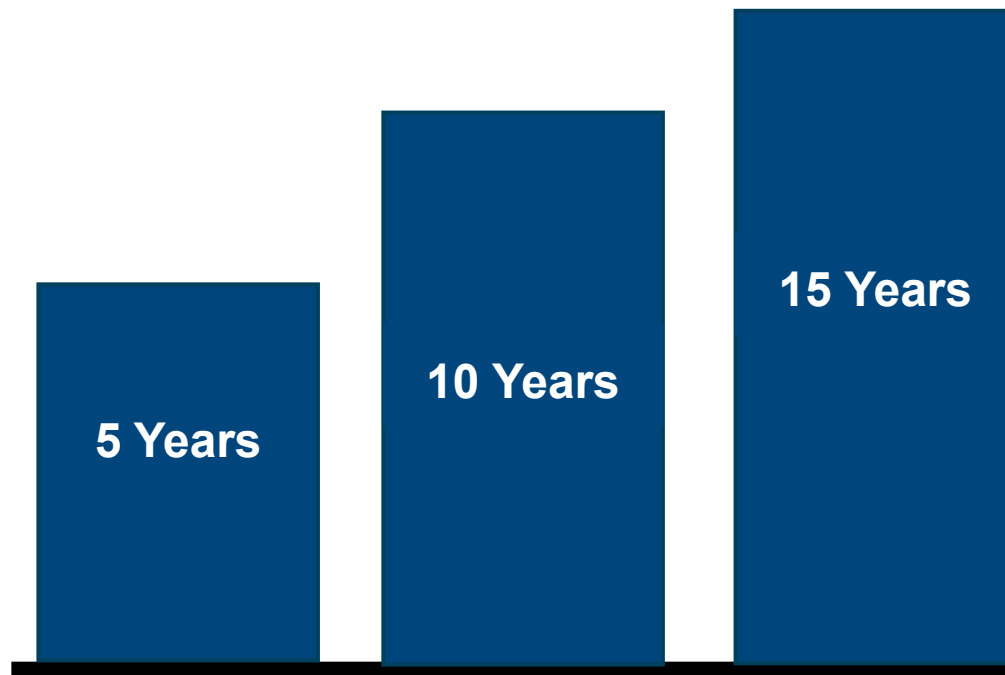
Life Annuity Payment Option

- Monthly Benefit
- No further benefits payable at death.

**Life
Annuity**



Certain & Life Annuity Payment Options



▶ Monthly lifetime benefit

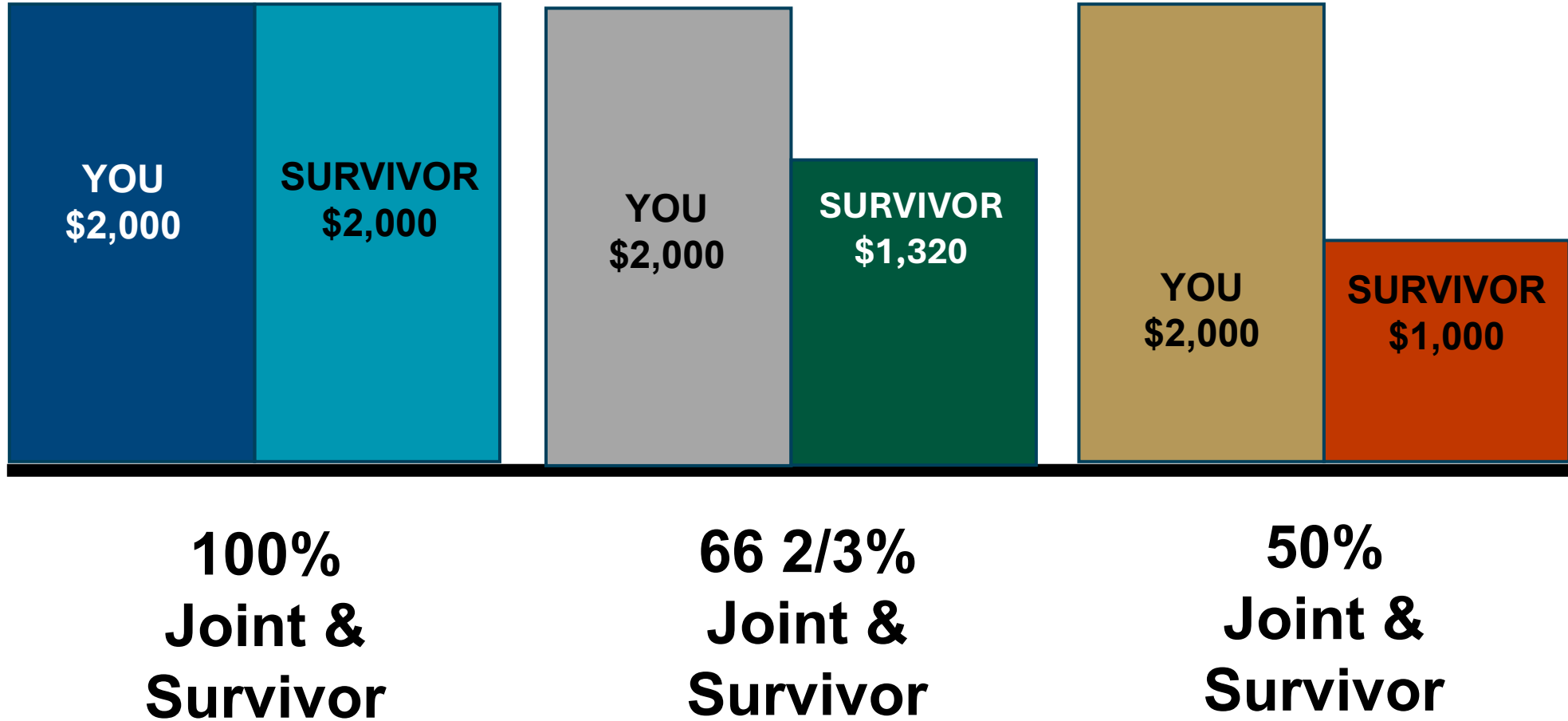
▶ Upon death:

▶ If number of years has elapsed, no further payment to beneficiary.

▶ If participant dies prior to elected number of years have become payable, remainder of payments will be payable to beneficiary.



Survivor Payment Options





The PLOP

- ▶ Partial Lump Sum Payment Option Program (PLOP)
- ▶ An eligible participant may elect to have **up to three years** worth of their retirement salary payable in a lump sum.
- ▶ Receive part of the pension upfront as a Partial Lump Sum Option Payment (PLOP) in exchange for a lifetime of reduced monthly payments.





PLOP Eligibility

Age and Service	# Years Can PLOP
26 CS or Age 56 + 6 CS	1 Year
27 CS or Age 57 + 7 CS	2 Years
28 CS or Age 58 + 8 CS	3 Years
CS = Years of Credited Service	



Partial Lump Sum Option (PLOP) Amounts

PLOP Amount		Example	Life Annuity
	Life Annuity without PLOP		\$ 2,224.00
1 Year PLOP	1 x annual Life Annuity	\$ 26,928	\$ 2,093.27
2 Year PLOP	2 x annual Life Annuity	\$ 53,856	\$ 1,942.53
3 Year PLOP	3 x annual Life Annuity	\$ 80,784	\$ 1,791.80



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The DROP Program



The DROP

- ▶ Program available to employees **hired prior to October 23, 2013 who have completed 30 or more years of credited service** under the plan.
- ▶ Firefighters who have completed 25 or more years of credited service under the plan **effective 7/1/2026.**
- ▶ Allows you to retire under the pension plan and continue working for a period of up to 3 years after you have retired from the plan.
- ▶ Retirement benefits are credited to a deferred DROP account.
- ▶ Participation is voluntary.
- ▶ Must retire from the City within 3 years.
- ▶ You have 7 days from the date you signed the DROP enrollment application to revoke your decision.
- ▶ After 7 days your election is irrevocable.



Applying for the DROP

- ▶ Contact Pension Administration Division
- ▶ Complete a DROP election application **at least 60 days prior** to your proposed DROP effective date.
- ▶ Employee information is reviewed.
- ▶ Complete the distribution package from Empower and return to Pension Administration Division.



After Entering the DROP

- ▶ You may retire at any time prior to your designated DROP retirement date.
- ▶ 3 – 4 months notice prior to retirement.
- ▶ Employment status **does not** change.
- ▶ Pension Plan status **does** change.
- ▶ You have retired under the pension plan.
- ▶ Retirement benefits are determined on the DROP entry date.
- ▶ **30 Year DROP** – You no longer contribute to the pension plan.
- ▶ **25 Year DROP** – You continue to contribute to the pension plan.



While in the DROP

- ▶ Retirement benefits are credited to the designated DROP account.
- ▶ You will elect a benefit payment option when you enter the DROP and when you exit the DROP.
- ▶ The DROP account is credited with Cost-of-Living Adjustments (COLA).



DROP Account Payment

- ▶ DROP account money is paid when you retire from the City of Alexandria.
- ▶ Payout Options:
 - ▶ Lump sum paid directly to the participant (subject to tax withholdings)
 - ▶ Rollover lump sum into a qualified plan such as a traditional IRA or 457 account.
 - ▶ Utilize money to increase retirement annuity.





Disability and Death While in the DROP

Disability:

- ▶ Not eligible for any non-service disability benefits.
- ▶ May receive disability benefits if you sustain a service connected (total or partial) disability.

Death:

- ▶ Beneficiary will receive balance of DROP account, plus
- ▶ Any other death benefits based on the annuity option elected (upon entering the DROP).



Disability Retirement

- ▶ Disability Retirement benefits are available under the Firefighters and Police Officers Pension Plan. If you find yourself in a situation where you need more information reach out to a pension team member.



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Things to Consider



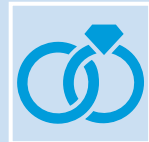
Domestic Relations Order



Court-issued document required to divide retirement plan assets as part of a divorce.



Can take place before, during, or after retirement.



Divorce document may indicate that your ex-spouse can file a DRO; if it's accepted it becomes a QDRO and the plan must honor and pay to your ex-spouse as indicated in the QDRO.



In order to apply for retirement benefits, provide copy of divorce documents & Q/DRO to Pension Administration.



PPA HELPS Provision

- ▶ Participants retiring at **Normal Retirement** or later, may be eligible for the Pension Protection Act (PPA) benefit.
- ▶ Maybe able to exclude up to \$3,000 annually from taxable income (limited to actual medical insurance premiums paid).
- ▶ If eligible, you can have insurance premiums from the City medical insurance deducted from your monthly pension payments.
 - ▶ Consult HR Benefits.



Active-Duty Military Leave

- ▶ Notify Pension Administration Division in order to accrue service under the pension plan if you are called up to serve active military duty.
- ▶ Need to provide Pension Administration Division with a copy of the DD214 or copy of the military orders.





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Death Benefits



Designation of Beneficiary

- ▶ Named person(s) you choose to receive money you have contributed to the plan in the event of your death.
- ▶ Update beneficiaries as life event occurs (marriage, birth, death, divorce)
- ▶ Contact Pension Administration Division to complete beneficiary designation form.
- ▶ If retired and elected a survivor option and named beneficiary has died before you, you **cannot** elect a new survivor.



Death Benefit – Active Employee

▶ If you die while an active participant:

- ▶ You are not disabled or not in the DROP and not married or married less than one year.

▶ Beneficiary will receive:

- ▶ Contributions you made to the pension plan and interest accrued, plus
- ▶ Balance of Retirement Income Plan account, if applicable.



Death Benefit – Surviving Spouse

- ▶ Spouse may elect to receive a monthly pension instead of the lump sum payment of your contributions if:
 - ▶ You were an active participant and married for at least 1 year at time of death, or an active participant married for less than 1 year and you died as result of an accidental injury.
 - ▶ You were an active participant at the time of death or reached early, normal, or disability retirement date, but had not commenced retirement.
- ▶ Calculation of spouse monthly survivor benefit assumes:
 - ▶ you retired on the date of your death
 - ▶ you selected a Joint and 50% Survivor payment option
 - ▶ your pension calculation has no early reduction factor



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Ready to Retire?



Planning & Preparing for Retirement

- ▶ Step 1: Login to Empower and run Estimates
www.empowermyretirement.com
- ▶ Step 2: Choose Retirement Date (1st of the Month)
- ▶ Step 3: Gather Documentation
 - ▶ Birth Documentation (birth certificate / passport)
 - ▶ Spouse Birth Documentation
 - ▶ Marriage Certificate / Divorce Decree
 - ▶ DRO, if applicable
- ▶ Step 4: Schedule a meeting with a Retirement Specialist at least 6 months prior to Retirement date.
- ▶ Step 5: Submit completed paperwork 3 – 4 months prior to Retirement date.



Last Day of Work



Last Day of Work:

- ▶ Must stop working on or before the 1st
- ▶ If working on the 1st, must end work shift by **11:59 pm**
- ▶ Must work through your last **scheduled** work-day of the month to receive credit for the month.

Retirement Date:

- ▶ 1st of the month after your last day of work, **or**
- ▶ If you work on the 1st of the month, then that is also your retirement date.



Pension Payments

- ▶ Monthly payments are paid on the 1st of the month.
- ▶ Note: Your first payment will be delayed.
 - ▶ If you retire July 1st, then your first pension payment will be in August for July and August.
- ▶ Plan with at least 6 – 8 weeks without a payment due to delay.
- ▶ Payments are retroactive
- ▶ Taxes
 - ▶ Federal and State tax withholding



Cost of Living Adjustment (COLA)

- ▶ May 1 of each year, if applicable.
- ▶ First COLA payable May 1 on or after first one-year anniversary of benefit commencement.
 - ▶ If you retire June 1, 2026, then your first COLA will be payable May 1, 2028
- ▶ Maximum COLA of 3%.
- ▶ Based on the Consumer Price Index for All Urban Consumers (CPI-U).
- ▶ Can be negative (-0.09% on May 1, 2015).
- ▶ No additional COLAs assessed after benefit payment has doubled.



Tax Withholdings

Lump Sum Payments (PLOP/DROP)

- ▶ Subject to tax withholdings if paid directly to you.
- ▶ Exception: If you rollover lump sum to a qualified plan, you can defer taxes until you are ready to use the money.
 - ▶ Traditional IRA or a 457 account

Leave Payouts

- ▶ Subject to tax withholdings, approximately 22% Federal Taxes
- ▶ Option to contribute a portion or all your leave payout to a 457 account and defer paying taxes. (subject to IRS limitations)



Social Security

Year of Birth	Full Social Security Retirement Age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 or later	67

Note: Social Security is subject to possible future changes to benefits amount and early and normal (full) retirement age



www.ssa.gov

1.800.772.1213



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Working after Retirement



Work after Retirement

- ▶ IRS states that you must have at least **one full calendar month break in service.**
- ▶ **No pre-arranged return to work** with the City prior to retirement.
- ▶ Payments will stop if position is benefits eligible under the plan.
- ▶ Pension will resume and be recalculated when you retire again.



What if I leave City employment and am not ready to retire?

You Have Options

- ▶ **Option 1:** Leave contributions in the retirement plan and defer until eligible for retirement.
- ▶ **Option 2:** Take a refund of accumulated contributions, no longer eligible for a pension.
 - ▶ Paid directly – subject to tax withholdings and penalties.
 - ▶ Rollover to Traditional IRA or Employer Retirement Plan.



Refund of contributions means taking your credited service out of the plan.





Finance Department

Pension Administration Division

Contact Us

By Appointment Only

100 N Pitt Street

Suite 225

Alexandria, VA 22314

City Mailbox: 42

retirement@alexandriava.gov

Main: 703.746.3906

Fax: 703.746.3943

Hours: 8 a.m. to 5 p.m.

alexandriava.gov/Pension







MissionSquare

RETIREMENT

Antoinette Guy

Wednesday, April 22, 2026

City of Alexandria Pre-Retirement Overview

59202-1122-W820

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RETIREMENT



A Thought....

“Imagine it’s your first Monday of retirement. No alarm clock. No commute. The question is - are you financially ready to enjoy that freedom, or worried about how long your money will last?”

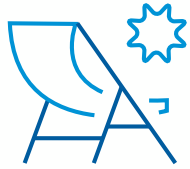


When You Imagine Your Retirement, What do You See?





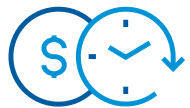
Basic Considerations



What kind of retirement do you want?



When do you want to retire?



How long will retirement last?





Basic Considerations

When do You Want to Retire?



- The earlier you retire, the shorter the period of time you have to accumulate funds and the longer those dollars will need to last
- Social Security isn't available until age 62
- Medicare eligibility begins at age 65





Basic Considerations

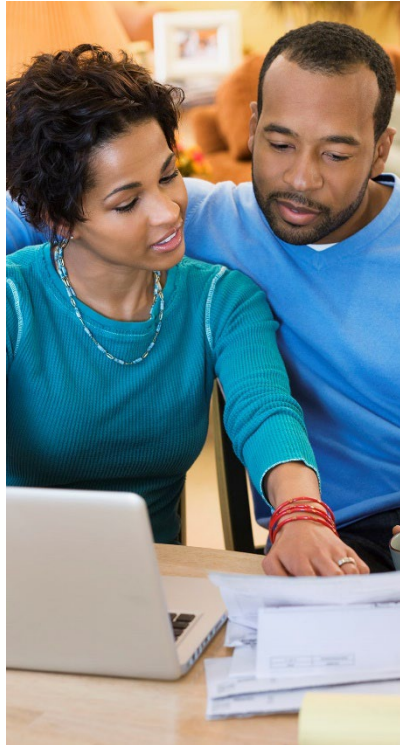
How Long Will Retirement Last?



- Average 65-year-old American can expect to live another 19.5 years*
- Average life expectancy is likely to continue increasing
- Retirement may last 25 years or more



Retirement Plans Specialist



Your holistic
financial overview

Your savings goals
and objectives

Assistance from your
Retirement Plans Specialist





**We Help Your
Money Help You
Retire**

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RETIREMENT



Crunching the Numbers

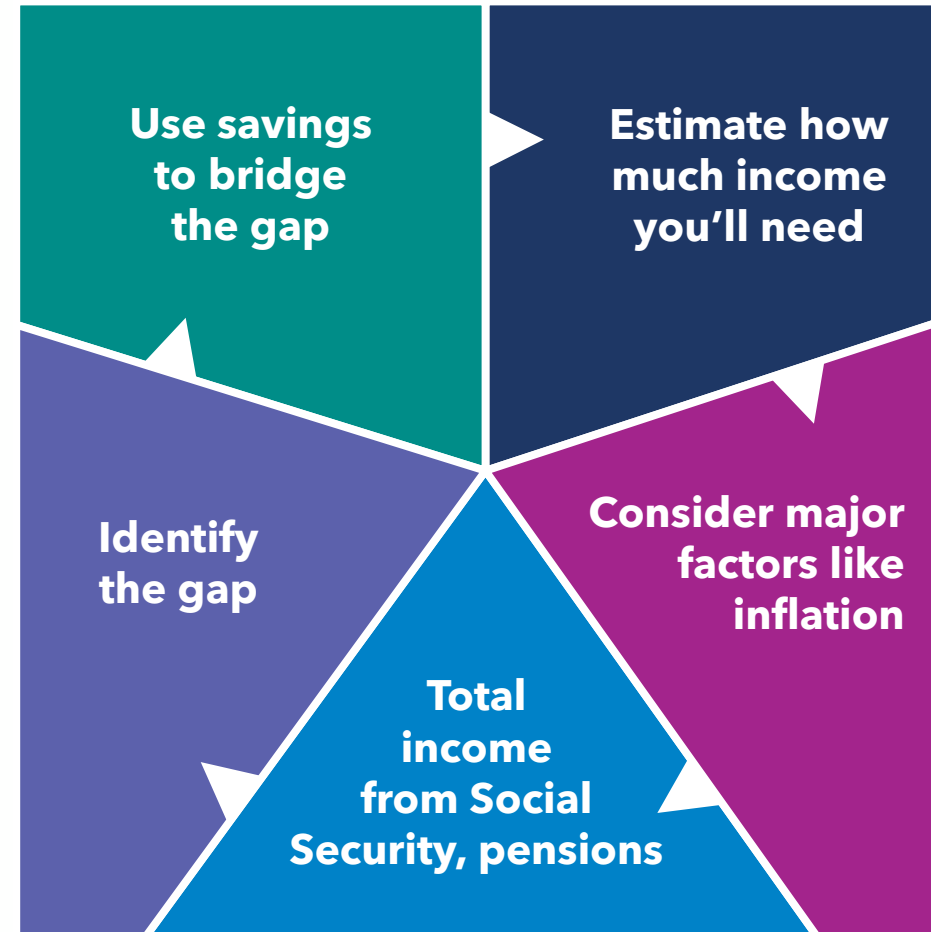
Estimating Retirement Expenses

- General guidelines (e.g., you'll need 60% to 90% of pre-retirement income) are easy but often not helpful
- Think about how your actual expenses will change (e.g., mortgage may decrease, health care costs may increase)
- Include estimates for special retirement pursuits (e.g., travel, hobbies)





Retirement Income Planning Process

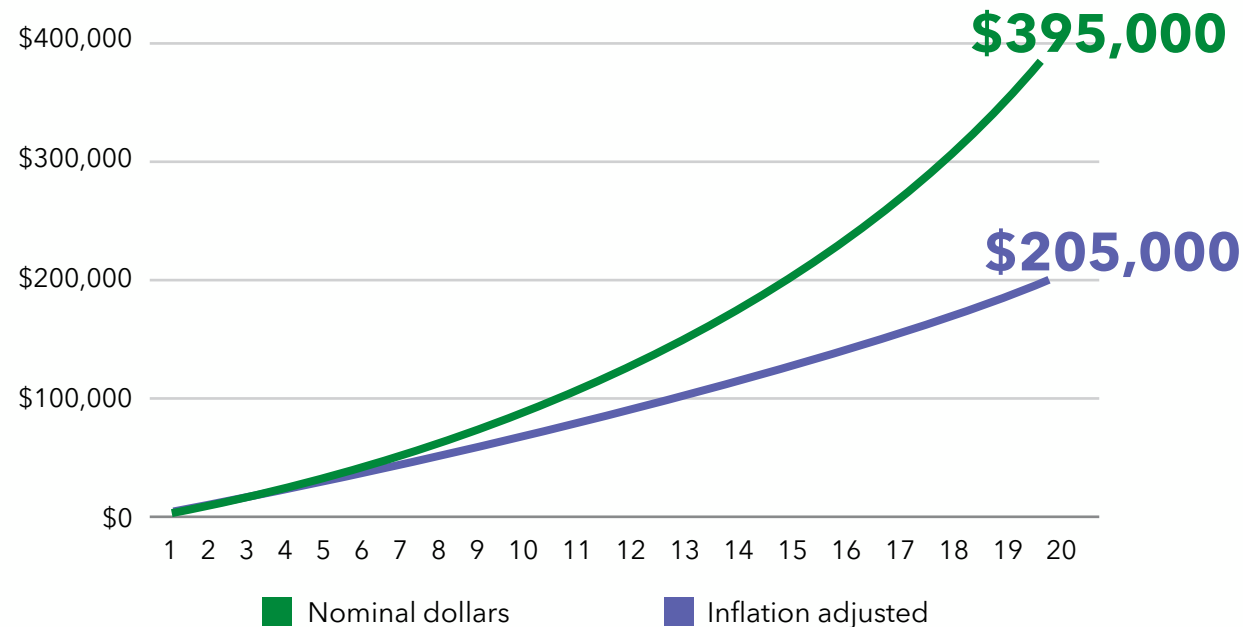




Crunching the Numbers

Account for Inflation

- Inflation reduces the purchasing power of today's dollars
- Average annual rate of inflation is 2.2% over last 20 years



- **\$5,000 invested annually**
- **6% rate of return**
- **2.2% annual inflation**



Employer Voluntary Plans

457b #300760

Employee Contributions Only

No Vesting Schedule

Pretax & Roth Contributions

\$10 Minimum Contribution

59 ½ Age & 5 Year Rule (Roth)

Voluntary Enrollment

**Pretax - Unforeseen Emergency
Withdrawal**

Pretax - Loan

Roth IRA #705415

*Employee After-Tax
Contributions Only*

No Vesting Schedule

Voluntary Enrollment

\$10 Minimum Contribution

59 ½ age & 5 Year Rule

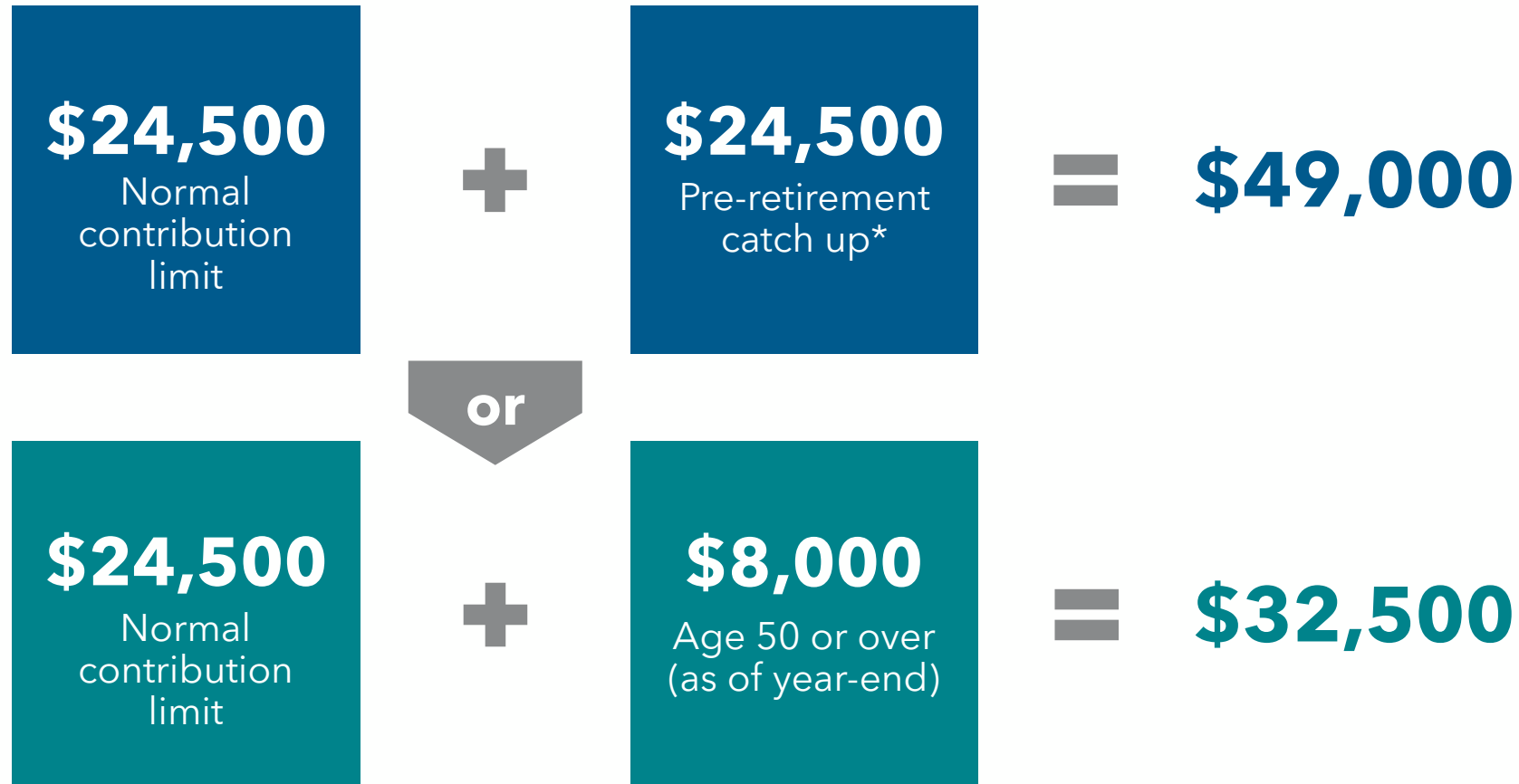
10% Penalty

Access to Contributions



Save More With Flexible Contributions

2026 Contribution Limits – 401k & 457 Plans



*During each of the three years prior to the year you reach your normal retirement age, as defined in the plan and based on extent to which maximum contributions not made in previous years.

Note: Pre-retirement and Age-50 Catch-up provisions cannot be combined in the same plan year



What is a Payroll Roth IRA?

Payroll Roth IRA – Automatic, Convenient Paycheck Contributions



* Earnings may be withdrawn tax- and penalty-free if you have owned a Roth IRA for at least a five-year period, as defined by the IRS, and have a qualifying event, including age 59 ½, a first-time home purchase, disability, or death. Otherwise, ordinary income and penalty taxes may apply. See IRS Publication 590.



2024 Contribution Limits – IRA

The diagram illustrates the 2024 IRA contribution limits. It consists of three main components: a green square on the left containing the text '\$7,000 Normal contribution limit', a plus sign in the center, a second green square containing the text '\$1,000 Age 50 or over (as of year-end)', an equals sign, and the final result '\$8,000'.

$$\begin{array}{l} \$7,000 \\ \text{Normal} \\ \text{contribution} \\ \text{limit} \end{array} + \begin{array}{l} \$1,000 \\ \text{Age 50 or over} \\ \text{(as of year-end)} \end{array} = \$8,000$$

*During each of the three years prior to the year you reach your normal retirement age, as defined in the plan and based on extent to which maximum contributions not made in previous years.
Note: Pre-retirement and Age-50 Catch-up provisions cannot be combined in the same plan year

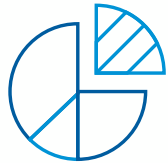


Diversify your Contributions with Roth

Roth contributions may make sense if you ...



Expect to pay higher tax rate
when you withdraw



Want to **diversify your tax situation** –
more flexibility when taking withdrawals



Want to pass on tax-free **assets to heirs**



When Can I Receive My Money?

Withdrawal options:

- Pretax - At any age after employment separation
- Roth - 59 ½ & 5 Years
- Required minimum distribution after age 73 or separation from service

457 Deferred Compensation Plan

No 10% IRS early withdrawal penalty tax*

*10% penalty may apply to any roll-in assets.



When Can I Receive My Money?

- Tax-free withdrawals of your contributions at any time
- Tax-free withdrawals including your earnings*
- You held the Roth IRA for at least 5 years and age 59 ½
- No required minimum distributions

Roth IRA

*Subject to IRA rules, penalty and tax may apply.



Know Your Public Safety Employee Tax Benefits

- Up to \$3,000 per year tax-free to pay insurance premiums*
- No penalty tax upon separation in year turn age 50 or later**

Do not apply to IRAs

* Eligibility rules and restrictions apply

** 401 plans. Penalty tax does not apply to 457 plan contributions and associated earnings.



Plan for Taxes

Withdrawals **taxable** as ordinary income

- Except after-tax contributions, Roth assets*
- 20% withheld – you'll owe more or less than that
- State taxes may apply, too
- 10% penalty tax before age 59½ – 401 plans (not 457) and IRAs, unless exception applies**

www.missionsq.org/taxplanning

* Earnings subject to tax if distribution is not qualified under IRS rules.

** Non-457 plan assets rolled to a 457 plan and then withdrawn pre age 59½ may be subject to tax. For penalty tax exceptions, view IRS Form 5329 Instructions or your tax adviser. Note: ICMA-RC does not offer specific tax or legal advice.



Know Your Withdrawal Options

You have flexible options upon separation

- Single payments – all or part of your balance
- Installment payments
 - Specified amount
 - Specified time period

Revise any time





Don't take Withdrawals Unnecessarily

You don't have to withdraw.

- You can continue to...
 - Allow your funds to grow
 - Receive tax advantages
 - Get help and advice





Simplify your Retirement Accounts

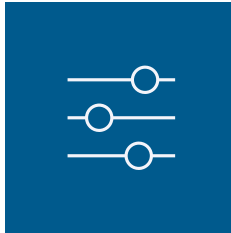


**MissionSquare
Retirement Account**

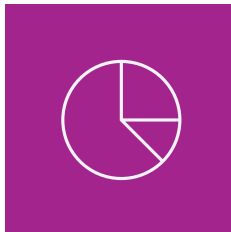




Choose Your Investing Approach



- 1. I want to build my own portfolio**
Stock, bond, stable value fund



- 2. I want a simple, yet diversified portfolio**
Target date fund



- 3. I want someone to do it for me**
Account managed for you





Making it Easier for you to Envision Retirement

MORNINGSTAR Retirement Manager

 Profile

Need a plan for your plan?
We'll help you focus.

Give us 10 minutes, and we'll walk you through how much to save, where to invest it and options for managing your money going forward.

(Seriously. You'll spend more time choosing which movie to rent.)

[Want to see our Privacy Policy?](#)

Let's Get Started



CFP® Planning Services

Financial planning services

Balances of \$100,000 or more

- Free CFP® professional consultations
- Social Security analyzer
- Free financial plans

Personal planning services

Balances of \$500,000 or more

- Dedicated CFP® professional
- Comprehensive financial plans with ongoing updates and services



Easy access to webinars led by our CFP® professionals:

www.icmarc.org/cfpwebinars

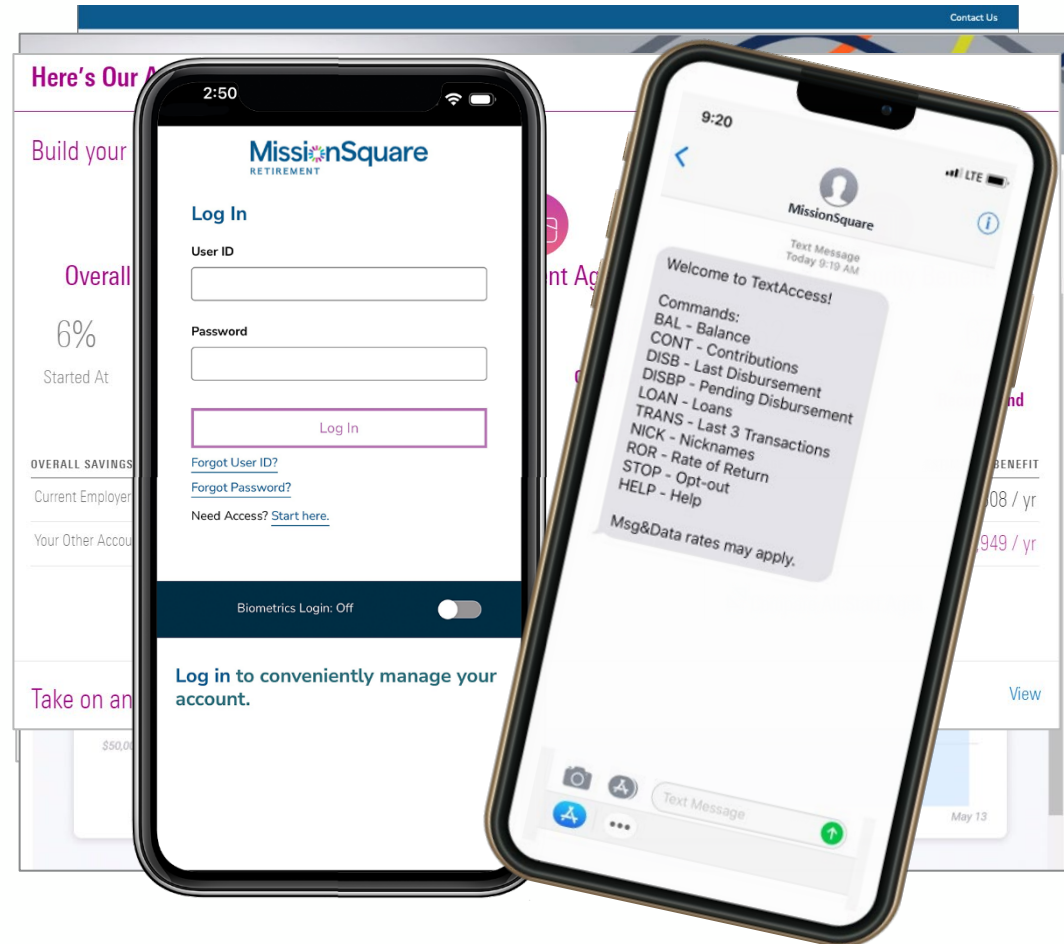


Investing and Educational Resources

Account Access

◀ CLOSE

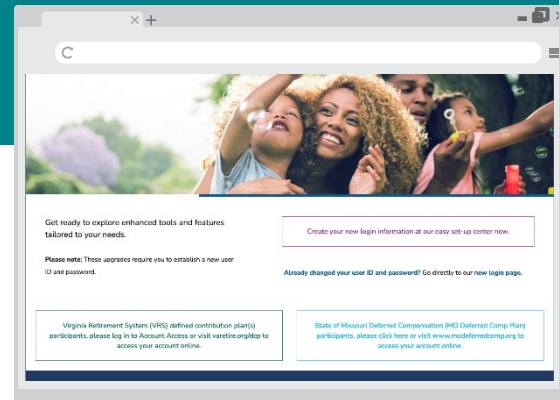
- Manage your account on mobile
- Text commands for balance, contributions, and more





Get the Most from Your Account Online

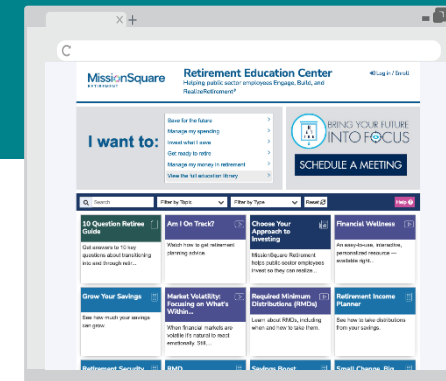
Account Access



Access your account wherever
you are

www.missionsq.org/login

Retirement Education Center



Get tips and tools to help you save,
invest, retire

www.missionsq.org/education



Why stay with MissionSquare?

1

Continued help from your MissionSquare representatives

Retirement Plans Specialist

Questions about your
retirement accounts

CERTIFIED FINANCIAL PLANNER™ professional

Help with your overall
personal finances



Beneficiaries



Choose your Beneficiaries



- Your assets **paid per your wishes**
- Avoid **probate costs**, delays
- Avoid **creditor claims**
- Loved ones can receive **more tax benefits**



Review periodically and after a major life event.

Married participants – Most **401** plans require your spouse to be the primary beneficiary for 100% of the account unless your spouse waives this right.



Thank You!

Retirement account questions

Antoinette Guy

(202) 759-7121

aguy-wharton@missionsq.org

Participant Services

(800) 669-7400





Questions?





Disclosures

1. The performance quoted represents past performance, is no guarantee of future results, and is annualized for periods greater than one year. Investment returns and principal value will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance shown. For current performance, contact MissionSquare Retirement by calling (800) 669-7400 or by visiting www.missionsq.org.
2. Indexes and peer groups are not available for direct investment. Indexes are unmanaged and do not reflect the costs of portfolio management or trading. A fund's portfolio may differ significantly from the securities held in the indexes or by peers.
3. Stock performance is the S&P 500 Index which consists of 500 companies representing larger capitalization stocks traded in the U.S.
4. Balanced performance is the combination of 60% the S&P 500 Index and 40% a blended bond index (1926-1975 Long-Term Government Bonds, 1976-present Bloomberg U.S. Aggregate Bond Index).
5. Bond performance is a blend of the Long-Term Government Bond Index (1926-1975) and the Bloomberg U.S. Aggregate Bond Index (1976-present). The Bloomberg U.S. Aggregate Bond Index consists of investment-grade U.S. fixed income securities.
6. Cash & Equivalents (C&E) performance is the IA SBBI US 30 Day T-Bill Index.





DEPARTMENT OF HUMAN RESOURCES

City of Alexandria Retiree Benefits

Qiana Ray

Thursday, April 30, 2026



Agenda

- ▶ Medical Plans
 - ▶ Eligibility
 - ▶ Plan choices
 - ▶ Cost
- ▶ Dental and Vision
- ▶ Life Insurance
- ▶ Leave Accruals
- ▶ Frequently Asked Questions





Health Insurance Benefits Overview

▶ Eligibility:

- ▶ Retires under a Primary City sponsored retirement plan (VRS, Police and Fire)
- ▶ **MUST be enrolled in a City Medical Plan at the time of retirement**
- ▶ 5 years of vested service

▶ Can cover spouse and dependent children (to age 26) or make changes due to a life event (marriage, divorce, death, move out of area, etc. within 30 days)

▶ Available to covered surviving spouses and children (to age 26)

▶ **Components:** Kaiser, United HealthCare and the Reimbursement Program

▶ If you enroll in the Reimbursement Program you will be allowed to switch back to

▶ United HealthCare or Kaiser. (During open enrollment or a Life Event)

▶ **Retiree Health Supplement:** maximum City contribution is \$260.00 per month (depending on years of service)





Medical Plans

▶ **Under 65:**

- ▶ You can continue medical coverage as a retiree; the open enrollment period to make plan changes is each May for coverage effective July 1
- ▶ Plan year is July-June (same as active employees)



FY 2026 Monthly Rates

	UNITEDHEALTHCARE MEDICAL PLANS		
	Retiree*	City Subsidy**	Total Premium
CDHP			
Retiree Only	\$633.42	\$260.00	\$893.42
Retiree + Spouse	\$1,556.19	\$260.00	\$1,816.19
Retiree + Child(ren)	\$1,258.85	\$260.00	\$1,518.85
Family	\$2,157.67	\$260.00	\$2,417.67
CHOICE			
Retiree Only	\$738.29	\$260.00	\$998.29
Retiree + Spouse	\$1,712.16	\$260.00	\$1,972.16
Retiree + Child(ren)	\$1,437.09	\$260.00	\$1,697.09
Family	\$2,738.27	\$260.00	\$2,998.27
CHOICE PLUS			
Retiree Only	\$932.35	\$260.00	\$1,192.35
Retiree + Spouse	\$2,093.55	\$260.00	\$2,353.55
Retiree + Child(ren)	\$1,767.00	\$260.00	\$2,027.00
Family	\$3,317.08	\$260.00	\$3,577.08



FY 2026 Monthly Rates

	KAISER PERMANENTE MEDICAL PLANS		
	Retiree*	City Subsidy**	Total Premium
CDHP			
Retiree Only	\$444.42	\$260.00	\$704.42
Retiree + Spouse	\$1,106.57	\$260.00	\$1,366.57
Retiree + Child(ren)	\$937.51	\$260.00	\$1,197.51
Family	\$1,853.26	\$260.00	\$2,113.26
DHMO			
Retiree Only	\$599.46	\$260.00	\$859.46
Retiree + Spouse	\$1,407.35	\$260.00	\$1,667.35
Retiree + Child(ren)	\$1,201.08	\$260.00	\$1,461.08
Family	\$2,318.37	\$260.00	\$2,578.37
HMO			
Retiree Only	\$714.41	\$260.00	\$974.41
Retiree + Spouse	\$1,630.35	\$260.00	\$1,890.35
Retiree + Child(ren)	\$1,396.49	\$260.00	\$1,656.49
Family	\$2,663.22	\$260.00	\$2,923.22



Medical Plans

- ▶ Over 65:
 - ▶ Choose between United HealthCare Medicare Advantage Plan, Kaiser Medicare Advantage or the Reimbursement Plan. You can change at open enrollment each November for coverage effective January of the following year
 - ▶ MUST enroll in Medicare Parts A&B (copy of Medicare ID Card is required)
 - ▶ Contact HR (DHR.Benefits@alexandriava.gov or Qiana.Ray@alexandriava.gov)
 - ▶ 90 days before you turn 65 to get the process going
- ▶ Plan year is January-December due to Medicare



Retiree Health Supplement

- ▶ Hired prior to July 1, 2008 – up to \$260 per month
- ▶ Hired after July 1, 2008
 - ▶ At least 25 years of service – up to \$260 per month
 - ▶ Less than 25 years of service – pro-rated by years of service
- ▶ Enrolled in Medical Plan - City pays supplement directly to United HealthCare or Kaiser. Your cost is debited from your bank account on 15th of each month. If it is a holiday or weekend it will be the next business day
- ▶ Enrolled in Reimbursement Plan - submit documentation on premium costs each year. Reimbursement is deposited in your bank account on 15th of each month

Hired after 7/1/2008

Years of Service	Maximum Supplement per month
Less than 5	None
5	\$52
10	\$104
15	\$156
20	\$208
25	\$260



Reimbursement Program

Key Provisions

- ▶ **Eligibility:** (1) Retire from the City with appropriate retirement benefits
(2) Be enrolled in a City sponsored health plan at date of retirement

- ▶ **Reimbursement Amount:** Actual cost of medical plan of your choice up to a maximum of \$260 monthly

- ▶ **Process:** (1) Complete Reimbursement Statement
(2) Furnish proof Of health insurance payments monthly

- ▶ **Payment:** Received 15th of each month through ACH



REIMBURSEMENT



Monthly Rates for 7/1/25 – 6/30/26

▶ Group Dental and Group Vision may be continued until age 65 and then for up to 18 months under COBRA.

▶ Cost for COBRA is the employee group rate plus 2%

MONTHLY DENTAL PREMIUMS

Coverage Level	DMO	PPO
Retiree	\$16.00	\$38.42
Retiree + Spouse	\$27.53	\$79.48
Retiree +Child(ren)	\$23.20	\$66.95
Family	\$36.23	\$104.54

MONTHLY VISION PREMIUMS

Coverage Level	PPO
Retiree	\$8.54
Retiree + Spouse	\$20.43
Retiree +Child(ren)	\$14.47
Family	\$23.83



Retiree Life Insurance Benefits

Available only to those who were hired before July 1, 2009

- ▶ Basic Life (two times salary) is paid by the City
- ▶ Supplemental Life (if elected, one or two times salary) is paid by the retiree
- ▶ Dependent Care (if elected, 3 levels) is paid by the retiree

- ▶ Full Basic and Supplemental Insurance amounts remain in effect until January 1 following the 65th birthday

- ▶ Reduction Schedule: 25% on January 1 following 65th birthday, then 10% per year for 5 years. On January 1 following the 70th birthday, the minimum amount is reached – 25% of the pre age 65 amount.
- ▶ Accidental Death & Dismemberment (AD&D) and Dependent Life end at retirement

Hired after July 1, 2009 – can convert active coverage to individual policy within 30 days of retirement – up to same level without Evidence of Insurability (if held for 5 years prior to retirement)

Reduction Schedule

Age	Percentage
65	75%
66	65%
67	55%
68	45%
69	35%
70	25%



Retiree Life Insurance Benefits

Tax Consequences of Employer Provided Group-Term Life Insurance

- ▶ Amounts over \$50,000 are considered to have value (computed using the IRS table)
- ▶ This value is added to your taxable income
- ▶ The Added Yearly Taxable Income Amount is computed as follows:

$(\text{Thousands of Coverage} - 50) \times (\text{IRS Table Value}) \times 12 - .380 \times \text{Supplemental Coverage} \times 12$



Retiree Leave Payouts

Annual Leave

- ▶ Payment of all accrued annual leave up to the earnings cap
Caps: For General Employees with 12+ years of service = 384
For Firefighters who work 106 hours bi-weekly = 576

Sick Leave

- ▶ Employees (except firefighters on unlimited sick leave) who have 20 years of service are eligible for payment of 25% of accrued sick leave

Compensatory Time

- ▶ Payment of all compensatory time up to the amounts shown below

Employee Type	Maximum Balance
General Schedule	160
Sworn Law Enforcement / Fire Protection	240



Frequently Asked Questions

- ▶ Where can I get information after I retire?
 - ▶ Go to www.alexandriava.gov/HR#RetireesCorner for most recent enrollment guide, forms and other information
- ▶ How do you enroll in Retiree Benefits?
 - ▶ Contact Benefits team two months in advance of planned retirement date to schedule a meeting:
 - ▶ Explain benefits options, costs and leave payouts
 - ▶ Provide forms/applications
 - ▶ Collect banking information for automated payments
- ▶ When can you change?
 - ▶ At retirement
 - ▶ At open enrollment for new plan year
 - ▶ Family status change within 30 days (marriage, divorce, death, move out of area, spouse loses coverage, spouse turns 65)
- ▶ What can you change?
 - ▶ Plan choice – Kaiser, United HealthCare, or Reimbursement Program for plan of your choice
 - ▶ Plan participants – you, spouse/domestic partner, dependent child(ren) to age 26

BENEFITS TEAM CONTACTS – DHR.Benefits@alexandriava.gov

Benefits Team	703.746.3777	DRH.Benefits@alexandriava.gov
Qiana Ray	703.746.3753	qiana.ray@alexandriava.gov





Frequently Asked Questions

How do I navigate Medicare and Medicare Supplemental Plans?

- ▶ Over age 65 Retiree Plans you must sign up for Medicare Part A and B to be eligible to enroll in a City plan
 - ▶ Medicare Advantage Plans are complete replacements for Medicare
 - ▶ Medicare Cost Plans coordinate with Medicare
- ▶ Pay Medicare Part B costs directly to Medicare
- ▶ Contact City HR for Medicare Plan Enrollment Kit three months before your 65th birthday
- ▶ Do not need to sign up for Medicare Part D to participate in City Plans (plans cover prescription drugs)
- ▶ If half of a couple is under 65 and the other is over 65, he/she may participate in a different plan just for that period of time (one in the Medicare-eligible plan and one in an active employee plan)
- ▶ If you are unsure about how to get Medicare coverage, contact Medicare at 1-800-MEDICARE or go to www.medicare.gov three months before your 65th birthday
- ▶ If you prefer to enroll in a non-City supplemental plan, some places to begin shopping are:
 - ▶ www.medicare.gov
 - ▶ www.healthcare.gov
 - ▶ www.aarp.org





**THANK
YOU!**

A thick, orange brushstroke underline is positioned below the word "YOU!".

Any Questions?