

Retirement Checklist for Firefighters and Police Officers Applying for Service Retirement

(Tips for a Smooth Retirement Process)

✓	Due Date	Action
<input type="checkbox"/>	1 year before planned retirement date 	<p>Plan a retirement date and determine if you can retire on that date.</p> <p>Visit the websites for Social Security and each of the City-sponsored retirement or savings plans in which you participate to create retirement benefit estimates. Web site addresses can be found on the last page.</p> <ul style="list-style-type: none"> ♦ Prudential Retirement: Firefighters and Police Officers Pension Plan ♦ ICMA-RC: City of Alexandria 457 Deferred Compensation Account ♦ Social Security <p>After viewing these estimates, decide if you can retire as planned or if you need to work longer.</p>
		<p>Plan with your spouse.</p> <p>If you are married you should include your spouse in your retirement planning. Encourage them to also determine their retirement income so that can be factored in any decisions you make. Consider the different payment options each of you have and how you can work that to provide maximum income to both of you during retirement.</p>
	1 year before planned retirement date	<p>Try on retirement – do a reality test.</p> <p>Start living on your anticipated retirement income one year before you plan to retire. What change do you need to make to your spending habits or retirement date?</p>
		<p>Reconsider taking any vacation near or just after retirement.</p> <p>Due to documentation you may need to complete before and just after retirement, you may not want to reconsider taking vacation at this time. Your first payment may be paid to you as a check instead of direct deposited into your bank account.</p>
<input type="checkbox"/>	1 year before planned retirement date	<p>Learn how working after retirement can affect your benefits.</p> <p>In deciding on your retirement date, be sure you understand how your retirement benefits may be affected by working after you retire.</p> <p>If you return to work as a Firefighter or Police Officer, your monthly pension benefit will stop until you retire again. You may return to work for the City in a full-time position that is not covered under the</p>

		<p>Firefighters and Police Officers Pension Plan and continue to receive your monthly benefit from the pension plan. Contact the Human Resources Benefits Division to discuss how returning to work will affect your health insurance, life insurance and other City benefits.</p> <p>If you choose to receive early Social Security (before your full retirement age), your Social Security benefits may be reduced if you work and earn more than the Social Security earnings limit. A special rule applies in the year you reach your Social Security full retirement age.</p>
<input type="checkbox"/>	<p>1 year before planned retirement date</p>	<p>Consider the tax consequences of retirement.</p> <p>Pension payments are subject to federal and state taxes. Deferred Retirement Option Program (DROP) payments paid to you prior to age 59 ½ may be subject to an additional 10 percent early distribution penalty tax. There are exceptions. You may want to contact a tax advisor on this important issue.</p> <p>Internal Revenue Service Publication 575, <i>Pension and Annuity Income</i>, may provide some useful information on this subject. You may defer paying taxes on lump sum payments to a later date that are rolled over to a traditional IRA or other qualified plan.</p>
<input type="checkbox"/>	<p>1 year before planned retirement date</p>	<p>Learn what Cost of Living Adjustments (COLA) are available.</p> <p>Pension benefits are subject to COLAs. If applicable, the COLA is paid on May 1 to any retiree receiving a monthly benefit since May 1 of the previous year. COLAs cease after the retiree's monthly benefit is equal to or greater than two times the base pension benefit. Information on COLAs is posted on the Pension website prior to May 1 of each year.</p> <p>Visit the Social Security website to learn what COLAs may be applicable on your Social Security retirement benefits.</p>
<input type="checkbox"/>	<p>1 year before planned retirement date</p> 	<p>Find documents and information necessary to apply for retirement.</p> <p>Check that you have the information and documents necessary to apply for retirement. If any of these documents are missing or if you do not have legible copies, order them now. Contact the Pension Administration Division as soon as possible to discuss what alternative documents may be used.</p> <p>___ A <i>legible</i> copy of your birth certificate (original not required)</p> <p>___ Your spouse's date of birth if you are married</p> <p>___ A <i>legible</i> copy of your spouse's birth certificate if you plan to choose a survivor payment option (original not required)</p> <p>___ A <i>legible</i> copy of your marriage certificate if you plan to choose a survivor payment option (original not required)</p>

<input type="checkbox"/>	<p>1 year before planned retirement date</p> 	<p>Direct deposit information.</p> <p>At the time you apply for retirement, you must designate where your monthly retirement benefit payments are to be direct deposited. You will need to supply a voided check for this account as part of your Prudential distribution election package. Consider if you need to set up any new account for these payments, particularly if you plan to move after you retire.</p>
<input type="checkbox"/>	<p>1 year before planned retirement date</p>	<p>457 Deferred Compensation Catch-up at or near retirement</p> <p>If you are contributing to the 457 Plan, review the two types of Catch-up provisions (Age-50 and Pre-Retirement). Determine if you are eligible for either and decide if you want to use either provision during the year(s) before and at retirement. You may need to complete the forms, <i>Declaration of Normal Retirement Age</i> and <i>457 Deferred Compensation Plan Amount of Deferral Change Form</i>. Contact the Pension Administration Division to discuss the catch-up provisions and any forms you may need to complete.</p> <p>Employees who retire with large leave balances often want to contribute some or all of their leave payout to the 457 Plan at retirement. Leave money contributed to the 457 Plan will not be considered taxable income until it is withdrawn.</p>
<input type="checkbox"/>	<p>1 year before planned retirement date</p> 	<p>Learn about the City's retiree health and life insurance benefits.</p> <p>Contact the Human Resources Benefits Division to discuss:</p> <ol style="list-style-type: none"> 1) your plans to continue City health and life insurance benefits; 2) the coverage and costs of these benefits; 3) how a move at or after retirement will impact your coverage and costs; 4) the health insurance supplement that may be available to retirees who do not continue City health insurance; and 5) any changes to your insurance coverage that you may need to make during the Open Enrollment season prior to your planned retirement date.
<input type="checkbox"/>	<p>1 year before planned retirement date</p>	<p>You may want to consult a financial advisor and/or lawyer.</p> <p>You may want to consider consulting a financial advisor and/or lawyer at this time because you will be making financial decisions that will affect you and your beneficiary for life. Consider decisions and preparations you can make now to prepare yourself for later years. These might include making a will, creating an advanced medical directive, and designating a power of attorney. This is a good time to plan and discuss with your family who will assist you if you become physically or mentally incapacitated.</p>

		<p>Plan now for when you can no longer make decisions.</p> <p>No one wants this to happen, but it could happen to you or your spouse. Start discussing contingency plans with your spouse and family for a time when you may not be able to make decision due to mental incapacity. Think about who you might want to help you or with the finances if this happens. You may want to discuss this with a lawyer or financial advisor.</p> <p>This is a good time to start organizing your records. Be sure to let your family know where to find them.</p>
<input type="checkbox"/>	<p>6 months before planned retirement date</p> 	<p>Make an appointment to apply for retirement.</p> <p>Contact the Pension Administration Division to make an appointment to discuss your retirement application. Spouses are welcome and encouraged to attend. To prepare for this meeting the Pension Division staff will need the date of birth of your spouse if you are married.</p>
<input type="checkbox"/>	<p>6 months before planned retirement date – after making a retirement appointment</p>	<p>Print retirement application form from Pension Administration Division website.</p> <p>Visit the Pension Administration Division website, www.alexandriava.gov/pension, and click on Firefighters and Police Officers to view and print a copy of the Retirement Application. The Pension Administration Division will provide this form if you do not print it in advance.</p>
	<p>4-6 months before planned retirement date</p>	<p>Find out about purchasing an annuity from Prudential if you still have a Retirement Income Plan Balance.</p> <p>Section 6.6 of the Plan allows members who did not convert their Retirement Income Account in 2004 to purchase an annuity. Contact the Pension Division to discuss this.</p>

<input type="checkbox"/> 4-6 months before planned retirement date  <i>Prudential will be able to process your retirement paperwork in a timely manner if:</i> 1) You provide the required information and application forms to the Pension Administration Division at least 4 - 4 ½ months prior to your planned retirement date; and 2) You complete the distribution package from Prudential as soon as you receive it and give it and the required documents to the Pension Administration Division as soon as possible.. <i>Be sure you understand the <u>deadlines and time lags</u> involved in receiving your first benefit payment.</i>	<p>Attend a retirement appointment with the Pension Division.</p> <p>Discuss/complete the following with the Pension Administration Division:</p> <ul style="list-style-type: none"> ___ Firefighters and Police Officers Pension Plan retirement application Form ___ Prudential Distribution Election package ___ Payment options under the pension plan ___ Cost of living adjustments (COLA) provided by the pension plan ___ Deadlines involved in applying for retirement ___ Time lags involved in receiving your first payment ___ Return to work provision under the pension plan ___ How benefit payments will be impacted by any QDRO/DRO in effect now or at a later date ___ Death benefits after retirement ___ Beneficiary change forms ___ Retirement Income Plan, if you have an account ___ Benefits you may be eligible for under any other City retirement plan ___ Issues relating to the 457 Deferred Compensation Plan <ul style="list-style-type: none"> ___ Payment options, including required minimum distributions ___ 457 Basic Withdrawal Form packet ___ Deferring retirement with ICMA-RC ___ Benefit of contributing some or all of leave payout ___ Catch-up Provisions -- Pre-Retirement and Age-50 ___ 457 Declaration of Normal Retirement Age, if needed ___ 457 Deferred Compensation Plan Amount Change form if contributing any leave payout or changing contribution in last paycheck(s) ___ 457 Enrollment Form, if needed ___ Retiree Information Form
<input type="checkbox"/> 3 months before planned retirement but No less than two weeks	<p>Inform your department of your retirement.</p> <p>Inform your department of your planned retirement. Be sure to ask about getting your leave information reported to Payroll at the time you retire. <u>Consult the City ARs to read about being eligible to receive leave payouts only if you leave the City in good standing.</u></p>

<input type="checkbox"/>	<p>2 months before planned retirement</p> 	<p>Make an appointment for an exit interview with Human Resources.</p> <p>Contact Human Resources Benefits Division for an exit interview to discuss retiree health and life insurance benefits as well as leave payments available at retirement. A.R. 6-18 includes information about payment of leave balances upon separation of service from the City. A.R. 6-14 has information regarding payment of accrued compensation time. Find out what information you and your department should provide to Human Resources.</p>
<input type="checkbox"/>	<p>1 month before planned retirement</p> 	<p>Distribution package from Prudential</p> <p>By now, Prudential should have mailed you the Firefighters and Police Officers Pension Plan retirement paperwork, which includes a Distribution Election Form and tax forms. Complete the forms and mail or take them to the Pension Administration Division with a <i>legible</i> copy of your birth certificate. If you are married and you select a survivor payment option you need to include a <i>legible</i> copy of your spouse's birth certificate and your marriage certificate. <u>Be sure to sign the Distribution Election Form.</u> Contact the Pension Administration Division with questions or if you need assistance with these forms. You may receive this paperwork later if you applied for retirement less than 3 months before your planned retirement date.</p>
<input type="checkbox"/>	<p>1 month before planned retirement date</p> 	<p>Submit change forms for the 457 Deferred Compensation Plan.</p> <p>If you wish to contribute any of your leave to the 457 plan or if you want to change the 457 contribution amount deducted from your final paycheck(s), you must submit completed 457 change forms to the Pension Administration Division no later than one month before your retirement date.</p>
<input type="checkbox"/>	<p>On or after your Retirement Date</p>	<p>Retirement Income Plan distributions.</p> <p>If you have a Retirement Income Account balance, you may now request that Prudential start making payments to you or roll-over your balance to another qualified plan.</p>
<input type="checkbox"/>	<p>Month after retirement</p>	<p>Prudential letter notifying you of retirement benefits</p> <p>During this month, you will receive a letter from Prudential notifying you that your first check will be mailed to you or deposited in your bank account. This letter may be sent at a later date if you applied for retirement less than 3 months before your planned retirement date.</p>

		<p>Don't "spend" your monthly check or DROP lump sum payments until you receive them.</p> <p>Every effort is make to ensure you will receive your first payment in a timely manner. However we cannot guarantee what day Prudential will mail the first check and especially if you receive a lump sum payment of your DROP account. <i>Don't commit to using your money until you actually receive it.</i></p>
<input type="checkbox"/>	<p>4 months before you want to start receiving Social Security benefits</p>	<p>Apply for Social Security retirement benefits online.</p> <p>Apply for Social Security benefits using Social Security Online at www.socialsecurity.gov. To complete the process, you will need your Social Security number; date and place of birth; account number and Routing Transit Number for the account where payments are to be direct deposited; the amount your earned last year; how much you expect to earn this year (and next year if you apply between September and December); name and address of employer(s) for the last two years; and a copy of your Social Security statement. If you are married or have ever been married, you will also need the name, Social Security number and date of birth or age of your current spouse and any former spouse, as well as the dates and places of marriage and dates of divorce or death.</p>
<input type="checkbox"/>	<p>4 months before age 65</p>	<p>Apply for Medicare.</p> <p>Contact Social Security to sign up for Medicare. Social Security will automatically notify you of your Medicare benefits if you are already receiving Social Security benefits.</p> <p>Contact the Human Resources Benefits Division if you plan to work after age 65.</p>
<input type="checkbox"/>	<p>After retirement</p> <div style="text-align: center;">  </div>	<p>Notify benefit providers (Prudential, ICMA-RC, Social Security) when these changes occur.</p> <ol style="list-style-type: none"> 1) change your address 2) change account to direct deposit payments 3) change the tax withholding on your monthly benefit payment 4) check the status of your 1099 tax form or request a duplicate 5) change your beneficiary 6) report the death of a pensioner or beneficiary 7) inquire about any change to the amount of your monthly benefit amount <p>You may be able to use the provider's online system to help you with any of the above changes.</p> <p><i>Be sure to contact the Pension Administration Division and the Human Resources Benefits Division to report address changes and the death of a retiree or designated survivor. You will also need to talk to the Human Resources Benefits Division regarding any change to your health or life insurance coverage or your life insurance beneficiary.</i></p>

Plan	Contact Information
Firefighters' and Police Officers' Pension Plan Contract 17147*	Administered by Prudential Retirement Website: www.prudential.com/online/retirement
Retirement Income Plan for Firefighters and Police Officers Contract 719116*	Call 1.877.778.2100 Monday-Friday 8 a.m. – 9 p.m. to speak to a Customer Services Representative. Enter your ID# and PIN when directed or say: "Representative." You may need to repeat the work several times.
457 Deferred Compensation Plan Employer Plan Number 300832*	Administered by ICMA-RC Website: www.icmarc.org has information on investing. Call 1.800.669.7400 Monday-Friday 8:30 a.m. – 9 p.m. to speak to an Investor Relations Representative Call 703.746.3906 and choose option 7 to speak to a member of the Pension Administration Division.
Social Security & Medicare	Website: www.socialsecurity.gov 1.800.772.1213 Social Security 1.800.633.4227 Medicare
Pension Administration Division City Hall Room 1400	See www.alexandriava.gov/pension for retirement information Pension general phone number 703.746.3906 <u>Walk-in Hours</u> Monday, Wednesday, Friday 2 p.m. – 4 p.m. or by appointment
Human Resources Benefits Division City Hall Room 2510	Employees can view Benefits information on AlexNet. Call 703.746.3785 to speak to a member of the Benefits Division.

*** You may need these plan numbers in completing the forms for these plans. You may also need to supply them when you talk to a representative of the plan.**