

## THINGS TO CONSIDER BEFORE RETIRING

- Do some financial planning to determine where your income will come from during your retirement (ie. Savings; IRA's; MWRA Employees' Retirement; Social Security; Deferred Compensation, etc.)
- About 3 years before retiring run an estimate off of the [www.mwraretirement.com](http://www.mwraretirement.com) website; continue doing this annually.
- Within one year of retiring ask the retirement office for a retirement estimate.
- Print out pay stubs for the last month of your earnings and determine your take home pay as an employee vs. your take home pay as a retiree (many deductions will not apply in retirement: retirement deductions; deferred comp; union dues; Mass tax, etc.)
- Set up an account online at social security: [www.ssa.gov](http://www.ssa.gov); print out your statement and see how much of an offset may apply to you by running the WEP and/or GPO calculators (you will need your MWRA Employees' Retirement estimate to run this). Determine your "Full Retirement Age" for Social Security and educate yourself on how your age at the time you collect your Social Security will affect the amount you receive and how much you can work without having some of your Social Security withheld. Locate the nearest Social Security office in case you need to make an appointment to see someone.
- Set up a meeting with the retirement office 3 months prior to retirement and receive all of the retirement forms. If you are married we encourage you to bring your spouse. Here are some of the forms that will be reviewed:
  - PERAC Application Form
  - PERAC Option Form (Make sure you understand what each of the Options are. When selecting your Option know that this is a **permanent** selection. If you elect an Option C (survivor benefit) your beneficiary is set for the

rest of your life. If you elect an Option B benefit, you may change your beneficiary selection at any time but understand that there may be no lump sum benefit payout if the annuity account has been drawn down to \$0.

- Policy on Notification
- Direct Deposit Authorization
- W-4P (Federal tax withholding)
- Marital Status Affidavit
- Medicare Information
- Employment after Retirement
- Open Checkbook Policy
- Mass DOR taxation for different states
- Simplified Rule Information (tax offset)

- Speak with Human Resources to coordinate your insurance benefits. If you are over 65 when you retire make sure to ask about Medicare Part B and Supplemental Insurance through the GIC. Make sure to get the GIC's information so that if you have questions with your health insurance in retirement you know how to contact them. Inquire about any vacation and sick leave payments and what your options are.
- If you have a Deferred Compensation plan make arrangements to contact your representative and determine how you wish to manage this account. It can be rolled over into another qualified retirement plan.
- Employment after Retirement: In addition to understanding the Social Security limits, know that if you work in the Commonwealth's public sector there are earnings limitations and a maximum amount of hours that can be worked during the calendar year. This does not apply to the private sector nor does it apply to working in the public sector in other states.
- Relocating to another state: Check with that state's department of revenue to determine if your MWRA Employees' Retirement Benefit is taxable. It is not taxable to residents of the Commonwealth.

- Taxability:** Your retirement benefit is Federally taxable (for disability information contact the retirement office).