RETIREMENT INCOME OPTIONS
INCLUDED IN THIS PRESENTATION

> PERS 1, 2, or 3
  – (Public Employees Retirement System)

> TRS 1 or 3
  – (Teachers Retirement System)

> LEOFF 2
  – (Law Enforcement Officers’ and Fire Fighters’ Retirement Plan)
AGENDA

> Steps to retirement
> Retirement eligibility rules
> Retirement income options
> PEBB Retiree Health insurance
> Medicare & Enrollment
> Retiree Life Insurance
> Annual leave and sick leave pay-out (VEBA)
> Retirement Checklist
> Working after retirement & other planning considerations
KEY TERMS

ACRONYMS

> COLA: means cost of living adjustment
> UWMC: University of Washington Medical Center
> HMC: Harborview Medical Center
> DRS: Department of Retirement Systems
> PERS: Public Employees Retirement System
> TRS: Teacher’s Retirement System
> LEOFF: Law Enforcement Officers and Fire Fighter’s Retirement System
DEPARTMENT OF RETIREMENT SYSTEMS
APPLICATION

Plans 2 and 3 Application for Service Retirement
This form is for members of the Teachers' Retirement System (TRS) only.

Plan 1 Application for Service Retirement
This form is for members of the Public Employees' Retirement System (PERS) only.

DEPARTMENT OF RETIREMENT SYSTEMS
APPLICATION

Plans 2 and 3 Application for Service Retirement
This form is for members of the Teachers' Retirement System (TRS) only.

Plan 1 Application for Service Retirement
This form is for members of the Public Employees' Retirement System (PERS) only.

UNIVERSITY of WASHINGTON
### Member Information

### Employment Information

<table>
<thead>
<tr>
<th>Employer</th>
<th>Job Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Washington</td>
<td>Retirement Consultant</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date Separated from Employment (mm/dd/yyyy)</th>
<th>Effective Date of Retirement (mm/01/yyyy)</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/30/20XX</td>
<td>07 01 20XX</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Are you a member or retiree of a separate retirement plan covered by the city of Seattle, Spokane or Tacoma?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes [✓] No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If yes, which one(s)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Seattle</td>
</tr>
<tr>
<td>☐ Spokane</td>
</tr>
<tr>
<td>☐ Tacoma</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Have you ever contributed or are you currently contributing to a higher education retirement plan (HERP) in Washington state?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes [✓] No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>If Yes, Employer Name</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>If Retired, Date of Retirement (mm/dd/yyyy)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>If Yes, Dates (mm/dd/yyyy)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From: _____________________</td>
</tr>
<tr>
<td>To: ________________________</td>
</tr>
</tbody>
</table>
RETIREMENT INCOME OPTIONS

SINGLE LIFE OPTION

> Option 1
  – Pays the highest monthly amount of the four choices
  – No ongoing payments after you die
  – Any remaining account balance (your contributions plus interest) will be paid as lump sum to your named beneficiary
RETIREMENT INCOME OPTIONS

SURVIVOR OPTION

> Option 2 - Joint and 100% Survivor
  – reduced benefit to the retiree; designated survivor receives same amount you were receiving for his/her lifetime

> Option 3 - Joint and 50% Survivor
  – reduced benefit to the retiree; designated survivor receives 50% of your benefit for his/her lifetime

> Option 4 – Joint and 66.67% Survivor
  – reduced benefit to the retiree; designated survivor receives 66.67% of your benefit for his/her lifetime

Click on the links below to see plan specific EXAMPLES of applications:
DRS PERS Application for Service Retirement - Plans 2 and 3
You must choose either Single Life Option OR Survivor Option.

**Single Life Benefit Option** (choose only one benefit option)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Option 2 — 100% Survivor</td>
<td>□ Option 3 — 50% Survivor</td>
</tr>
</tbody>
</table>

**Survivor Benefit Options** (choose only one benefit option)

<table>
<thead>
<tr>
<th>Name of Survivor (Last, First, Middle)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Husky, Mary</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>987-65-4321</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Survivor Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date of Birth</td>
</tr>
<tr>
<td>Mailing Address</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>spouse</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seattle</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State</th>
<th>ZIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>WA</td>
<td>98119</td>
</tr>
</tbody>
</table>

**Survivor Proof of Age**

Please check mark one of the proof-of-age documents in this box, and submit a copy of it with your application.

- ✓ Birth Certificate
- □ NEXUS Card
- □ Passport/Passport Card
- □ Naturalization Certificate
- □ Government-Issued Driver License
- □ Certificate of Armed Services Record — US DD-214
- □ Government-Issued Identification (ID) Card

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Social Security Number</th>
<th>Date of Birth</th>
<th>City</th>
<th>State</th>
<th>ZIP</th>
</tr>
</thead>
</table>
RETIREMENT INCOME OPTIONS

POP-UP PROVISION

> If you choose a Survivor Option and designated survivor pre-deceases you
  > Notify DRS to initiate adjustment
  > Your retirement benefits will be adjusted to Single Life Option 1
**DEPARTMENT OF RETIREMENT SYSTEMS**

### Your Benefit Statement
When the first payment is deposited, you will receive a remittance statement at the address you provided in the Member Information Section of your application. Use this information to set up direct deposit.

### Financial Institution
**Name of Financial Institution**

**Transit/Routing Number** (See Example Check Below)

### IRS Tax Withholding
**Option 1**
Don’t withhold federal income tax from my pension or annuity. This option does not relieve me of any tax liability.

**Option 2**
Do withhold federal income tax from my pension or annuity based on my marital status and allowances.

- **Marital Status:**
  - [ ] Married
  - [ ] Single
  - [ ] Married, but withhold at a single rate

- **Number of Allowances:** 2
  (A number is required, even if it is zero.)

**Additional Withholding:** In addition to the amount based on the allowances specified above, I elect to have $___________ withheld from each benefit payment.

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**number and account number**
- Look at one of your checks. The transit/routing number is on the bottom left. The next set of numbers is your account number. You can also attach a voided check with your application, if you’d like.
- If you don’t have checks, contact your financial institution and ask for help locating the numbers.

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**UNIVERSITY of WASHINGTON**
**Spousal/Registered Domestic Partner Declaration of Consent (notarization required)**

If you are married or in a registered domestic partnership, the following section must be completed and signed regardless of the retirement option you selected. If you are married or in a registered domestic partnership and don’t complete this section, DRS will automatically use Option 3 when calculating your benefit.

I, ____________________________, as the spouse or registered domestic partner of the applicant, declare that I am aware of the retirement option chosen and its effect on me. I consent to the option my spouse or registered domestic partner chose on page 5.

<table>
<thead>
<tr>
<th>Spouse/Registered Domestic Partner Signature</th>
<th>Date</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>State of</th>
<th>County of</th>
<th>Seal or Stamp</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Signed or Attested Before Me</td>
<td>Date My Appointment Expires</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Notary Signature</th>
<th></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Notary Name</th>
<th>Notary Title</th>
</tr>
</thead>
</table>

Notarization is required to process your application.
DEPARTMENT OF RETIREMENT SYSTEMS
APPLICATION

Plan 1 Application for Service Retirement

This form is for members of the Public Employees’ Retirement System (PERS) only.

Employment Information

Employer
University of Washington

Date Separated from Employment (mm/dd/yyyy)
06/30/2017

Number of Years of Service (mm/dd/yyyy)

Date of Retirement (mm/dd/yyyy)

Are you a member or retiree of a separate retirement plan covered by the City of Seattle?

Yes, which one?

City of Seattle

I choose the Optional COLA.  I don’t choose the Optional COLA.

Optional Cost-of-Living Adjustment

UNIVERSITY of WASHINGTON
Optional COLA

– Cannot increase or decrease more than 3% of your previous year benefit—can never reduce your benefit to less than your original amount—based on the consumer price index
– Reduces your initial pension if Optional COLA is elected
– If elected, you will receive an annual cost-of-living adjustment every July after being retired one full year
– Election of this benefit is permanent
– To find out your benefit with and without optional COLA go to DRS website—Optional COLA calculator
COST OF LIVING ADJUSTMENT (COLA)

PERS 2/TRS 3, & LEOFF 2

- Up to 3% annual increase per year (based upon regional index)
- No election necessary
- No reduction to monthly benefit
- Paid July 1 each year to members who have been retired at least one full year
Pension is fully taxable income (for most)
Retirees receive IRS 1099-R form from DRS
Contributions made prior to September 1, 1984 were taken POST-TAX
  - Reduced taxable income
  - On 1099-R box 5 – lists amount paid out that was already taxed
  - On 1099-R:
    > Box 1 – Gross earnings
    > Box 2 – Taxable earnings
    > Box 5 – Amount paid out that was already taxed
RECEIVING YOUR PENSION

> Receive your pension by mailed check, or
> Receive your pension by Direct Deposit
> Pension checks are issued on the LAST day of the month
## RECEIVING YOUR PENSION

<table>
<thead>
<tr>
<th>LAST DAY WORKED</th>
<th>FINAL PAY</th>
<th>VACATION PAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;ST&lt;/sup&gt;-15&lt;sup&gt;TH&lt;/sup&gt;</td>
<td>25&lt;sup&gt;TH&lt;/sup&gt;</td>
<td>10&lt;sup&gt;TH&lt;/sup&gt; *</td>
</tr>
<tr>
<td>16&lt;sup&gt;TH&lt;/sup&gt;- end of month</td>
<td>10&lt;sup&gt;TH&lt;/sup&gt; *</td>
<td>25&lt;sup&gt;TH&lt;/sup&gt; *</td>
</tr>
</tbody>
</table>

*of the following month

*W*
RECEIVING YOUR PENSION

EXAMPLE

> Your last day of work is June 30.
> Your effective date of retirement is July 1.
> Final pay will be paid on July 10.
> Vacation payout may** be paid on July 25.
> Receive first DRS pension check on July 31.

** UWMC and HMC may have a delay in vacation payout. Check with your department regarding timing
AGENDA

- Steps to retirement
- Retirement eligibility rules
- Retirement income options
- PEBB Retiree Health insurance
- Medicare & Enrollment
- Retiree Life Insurance
- Annual leave and sick leave pay-out (VEBA)
- Retirement Checklist
- Working after retirement
THANK YOU FOR ATTENDING!

Total Benefits office contact information:

Web: http://hr.uw.edu/benefits/
Email: totalben@uw.edu
Phone: 206-543-4444
Address: UW Tower, Box 359556, Seattle, WA 98195
        4333 Brooklyn Ave NE, UW Tower, O Building, 1st floor