

The Three-Step MWRDGC Retirement Process

Step 1

At least **five years** prior to the date you plan to retire, request retirement estimates from the Retirement Fund. These estimates consist of all the options available to you to maximize your benefits. Initiate reciprocal service certification, if you haven't already. You should ask for an updated estimate annually between the initial estimate and retirement.

Step 2

Between **three and four months** prior to your anticipated retirement date, request a new set of retirement estimates. Review all the options again to maximize your benefits. Consider the most advantageous retirement date, and review the status of any elective contributions. Verify that the MWRD Retirement Fund has received your reciprocal service certification if applicable.

Step 3

Call (312) 751-3222 and make an appointment with the Retirement Fund for **four to six weeks** prior to the expected retirement date, to set the exact retirement date and to complete and sign the required Retirement Fund documents. If you have not already done so, plan to furnish the original version of birth certificates for all family members, your marriage certificate and/or divorce decree. We will authorize the Human Resources Department to prepare your Personnel Action Form (PAF).

On the same day you meet with the Retirement Fund in Step 3, go to the Administrative Section of the Human Resources Department for an exit interview and to get your PAF. You and the PAF will circulate to various locations:

- The Credit Union for a review of your account.
- Your individual Department (in many but not all cases) as formal notification to them, and
- Back to the Retirement Fund for signatures.

What to expect when you meet with the Retirement Fund:

You will complete the following forms:

- A. **Application:** Make sure we have your latest information when you call for your appointment. Some people move at retirement. Provide any new address at the time of application or there could be unnecessary delays in payment of benefits.

- B. **Beneficiary Form:** By Illinois State Law, you spouse is automatically your primary beneficiary. However, don't assume that one will predecease the other. Have secondary beneficiaries (and their current addresses) in mind so you can fill out the form adequately.
- C. **Direct Deposit Form:** We will provide you with a Direct Deposit form to take to your financial institution. You will fill out the pertinent information in the top half, your financial institution will fill out the bottom half, and you will need to return the form to us. The form may be faxed to us for your convenience.
- D. **W4P Form:** Illinois retirement annuities are not taxable in the State of Illinois. However, the annuity is federally taxable. Have in mind how you would like to withhold for federal taxes (e.g. Single 1 allowance, Married 0 allowances, etc.).
- E. **Signature Card:** This form will be used to ensure that any changes requested in writing are signed by you (and not someone trying to steal your identity). Periodically the Fund will send a new form to update your signature, since signatures do change over the years.
- F. If you are single at retirement, you will fill out:
1. **No-Spouse Affidavit:** If you were previously married, we will also require the divorce decree or death certificate showing proof of your unmarried status.
 2. **No-Spouse Refund Application Form:** On this form you will indicate how you want your refund disbursed. The taxable portion of this refund will be taxed at 20% if you receive it directly. If you want to defer taxation, you may want to rollover your distribution into an IRA or other qualified account. You will need your rollover information for your form. Understand that if you are under age 55 , a 10% penalty at tax time due to early withdrawal.

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Information regarding dental insurance through COBRA, and life insurance conversion will be mailed to you. If you prefer, you may handle these matters personally with staff from the Compensation and Benefits Section of Human Resources. It is suggested that you phone (312) 751-5166 to arrange this meeting.

You may contact Deferred Compensation at (312) 751-6112 to discuss your account.

You should allow 3 to 6 weeks following your final MWRDGC paycheck before receiving your first annuity check. Generally, a retirement coordinated with a reciprocal

retirement fund will take 8 weeks. Plan to reserve some funds to carry you through to your first annuity payment.