

HOW TO PREPARE FOR RETIREMENT

AN EASY-TO-FOLLOW GUIDE TO WHAT YOU SHOULD BE DOING AND WHEN YOU SHOULD BE DOING IT



THREE YEARS BEFORE RETIREMENT

Project your estimated pension benefit. You can project your benefit on our web site. The benefit calculator allows you to enter different dates for retirement and participation in the DROP, salaries and credited service totals.

Locate proof of your age. No benefits can be paid without proof of your birth date. The most common documents provided are:

- ★ Birth Certificate
- ★ Current Passport
- ★ Naturalization Certificate

Contact HMEPS if you do not have any of the above documents. Also, if you have changed your name since birth, HMEPS must have official records establishing the name change(s).

ONE TO TWO YEARS BEFORE RETIREMENT

Evaluate other income sources. Research where you may have other retirement benefits waiting for you. You may find benefits with previous employers, or other investments you may have made. Most common:

- ★ Empower Retirement (457 Deferred Compensation Plan)
 - 713-426-5588
 - www.empower-retirement.com
- ★ Social Security Administration:
 - www.ssa.gov/myaccount/
 - 1-800-772-1213

TWO MONTHS BEFORE RETIREMENT

Submit a Retirement Request to HMEPS. This form can be found on the AccessHMEPS webpage, or by contacting your HMEPS Benefit Counselor. You will then complete the application packet to provide the following:

- ★ Application
- ★ Certificate of Separation
- ★ W4-P
- ★ Direct Deposit Form (optional)
- ★ Proof of name and birth date
- ★ Social Security card
- ★ Driver's license or state-issued ID card
- ★ Other documents upon request
- ★ Optional Annuity (if in Group A/B and unmarried, or in Group D)

For timely processing, all forms should be submitted to HMEPS 45 days prior to your planned retirement date.

If you are divorced and your ex-spouse was awarded a portion of your benefit, provide HMEPS with a qualified domestic relations order (QDRO). For more information on QDROs, please consult with your attorney.

DURING YOUR LAST PAY PERIOD

Contact the City Human Resources Department regarding the City's separation of employment process.

Contact the City Health Benefits Department to make any retiree benefit and insurance arrangements.

HOW DOES THE RETIREMENT PROCESS WORK?

HMEPS will calculate your benefit and submit the information to the HMEPS Board of Trustees. After your benefit is approved, you will receive a letter notifying you of the amount of your first and regular payments.

If you selected direct deposit, your first check will be mailed to your home. Every month thereafter, your benefit will be deposited into your bank account on the last business day of each month.

OTHER IMPORTANT INFORMATION:

★ Currently, your first cost of living adjustment (COLA) will begin in February if you are on the retiree payroll in January of that year.

★ You must notify HMEPS immediately if you are reemployed by the City in an HMEPS-covered position. Your pension benefit will be suspended during the period in which you are reemployed.

★ Contact HMEPS if you need to sign a power of attorney to appoint another person to handle your affairs. HMEPS will accept only a power of attorney that meets certain statutory requirements. See the HMEPS brochure: "Understanding a Power of Attorney."

Please note that many pension processes have a specific deadline for completion, and that you must initiate your request sufficiently in advance of the deadline in order to ensure that all necessary documents, information and/or payments are completed by the deadline.

THROUGHOUT YOUR CAREER

Review your HMEPS annual statements for accuracy. The annual statement and other information regarding your pension participation are available on the AccessHMEPS member-only webpage at www.hmeps.org. You must register to access the webpage.

Decide whether to purchase credited service that you are eligible to buy, such as repaying a refund or a lump sum payment you received for previous city service, plus interest. Contact HMEPS for other types of available service that may be purchased.

Evaluate your personal finances regularly including assets, liabilities, insurance, and investments.

Remain informed. Read and periodically review your HMEPS Benefits Handbook. The handbook is revised from time to time, so make sure you have the latest edition. Also, read the HMEPS newsletters. These documents are available on our website at www.hmeps.org.

CONSIDER DROP OPTIONS NOW

If you are a Group A or B member who is eligible for and would like to participate in the Deferred Retirement Option Plan (DROP), you must submit a request for an application to participate in the DROP (Form DRP034). You should notify HMEPS that you intend to make a DROP Election no earlier than sixty (60) calendar days prior to the date you are eligible to participate in DROP.

This guide can be very helpful, but it is not a complete statement of what you need to do to prepare for retirement. If you have questions that are not addressed in the HMEPS Benefits Handbook or on our website, please contact HMEPS directly.

Nothing contained herein may be construed to convey any right or privilege not otherwise provided by the pension law. In the event of any conflict, the pension law takes precedence.

COMMITTED TO HELPING PREPARE
FOR A SECURE RETIREMENT



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