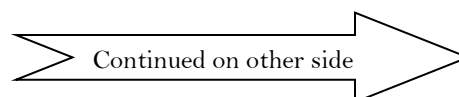


THINGS TO THINK ABOUT AS YOU GET READY TO RETIRE

1. You should request an estimate of your retirement benefits from the Retirement Office (978) 623-8540. **YOU DO NOT WORK ON YOUR DATE OF RETIREMENT.**
2. You should contact Social Security to find out if you are eligible for benefits. 1-800-772-1213
3. You need to contact Mission Square (1-800-669-7400) to discuss details of your retirement with them, if you are participating in ICMA deferred comp (457 plan). msavage@icmarc.org
4. You should make an appointment to sign off on all your retirement paperwork approximately 2-3 weeks prior to your retirement date.
5. You should discuss your option choices with your family. If you are married, your spouse must accompany you when you choose your option. Please ask whatever questions you may have in order to completely understand your option choices. You should choose your option based on your own personal financial situation, taking into consideration any other sources of income, expenses, etc. that you have.
ONCE YOU HAVE RETIRED, YOUR OPTION CHOICE CANNOT BE CHANGED!
6. You should talk someone in Human Resources (978) 623-8961 (Jessica Porter) or (978) 623-8962 (Risa Hassel) to discuss what health insurance coverage you wish to carry upon your retirement. Proper health insurance is extremely important during your retirement years! You are allowed to make changes during the "Open Enrollment Period" which occurs every year in May if you are under age 65 or in December if you are age 65 or older and retired.
(You could receive a waiver for your life insurance premiums if you are an Accidental Disability Retiree.) If you are age 65 or older when you retire, you are **required** to join Medicare Part B through Social Security, if you are eligible. It is strongly suggested you pick up a supplement to your Part B coverage – the Town currently offers an excellent supplemental insurance plan which includes prescription drug coverage – please research and PLAN accordingly!
7. You must consult a tax preparation person to decide what amount should be withheld from your monthly retirement check for taxes. Your Town of Andover pension is **NOT** taxable by the State of Massachusetts. If you are planning to move to another state once you retire, check with that state to see if it will tax your pension. Your pension (except disability pensions) **is** taxable to the Federal Government. The Retirement Office **cannot** help you with this decision.
8. Decide how you want your monthly retirement check handled – direct deposit or mailed to your home? The Retirement Board **strongly** recommends direct deposit. Direct deposit takes 1-2 months to set up, during which time you will receive an actual check at your mailing address. You can have a portion of your monthly check, or your entire check, deposited to your account at the Andover Federal Credit Union.
9. Retirement checks are paid on the **last day of each month**. Most likely you will not receive your first pension check until a month or so after your retirement date. Please plan your finances accordingly!



10. You may have your bargaining unit review your Terminal Leave payment, if you choose (TOWN employees).
11. Every **ODD year** you will be asked to confirm your status as a pensioner. This is **required** per Mass General Laws! You are given 2 months to submit this confirmation. If you do not comply, your pension will be stopped until you do! If you are a **disability retiree**, you are also required to file an "Annual Statement of Earned Income" to PERAC. Please help the Retirement Office by submitting the required documentation by the deadline!
12. If you are a disability retiree, you will be required by PERAC to undergo medical evaluations periodically in order to continue receiving your disability pension. If you do not comply, your pension will be **stopped** until you comply!
13. You may donate the balance of your sick days to the sick bank, if there is any balance left after you are paid Terminal Leave (TOWN employees).
14. **RETROACTIVE CONTRACT SETTLEMENTS** – If you retire before your bargaining unit has settled its contract, and then you receive a retroactive settlement check **after you have already retired**, your retirement allowance will be **re-calculated**. The recalculation should be completed approximately 2 months after you receive your retroactive settlement check.
15. **COLA** – The Retirement Board has historically approved a 3%, maximum of \$30 per month, cost of living increase (called COLA) to eligible retirees effective 07/01 of each year. You have to be retired for **one full year** in order to be eligible for the increase, and you will not receive said increase until the next time it is offered (for example, if you retired on 08/01/2022, you would not be eligible for a COLA until 08/01/2023, but COLA's are offered on 07/01 each year, so you would not see an increase in your monthly retirement check until 07/01/2024, and there are no retroactive payments).
16. **Working for a Mass municipality after retirement** – if you return to work for a local city or town in Massachusetts after you retire, your earnings are limited **two** ways – you are allowed to work a total of **1,200 hours** per **calendar year**, and, your earnings, when added to your annual retirement allowance, **cannot exceed** the salary currently being paid for the position you retired from. Your earnings and hours after retirement will be monitored to ensure compliance. Any earnings over the limit means you have to pay the money back! If you work for the private sector after retirement, there are no restrictions **unless** you are a disability retiree.

Please remember this decision will affect the ***rest of your life***, please think it through very carefully and don't hesitate to ask questions!