

Retiring from City Employment

We understand retiring can be a big change. This packet includes important information regarding your benefits and details regarding your retirement. Please contact Human Resources if you have questions; see page 5 for our contact information.

Final Pay

Your final paycheck will be direct deposited if that is what you currently have set up. Payroll will mail your final pay statement. Your final pay will be paid on the next regular payday and will include:

- Any hours you may have worked that were not previously paid.
- Any remaining vacation, compensatory time and holiday banked hours for Public Safety Employees, and safety hours (if any) will be paid out at your current rate of pay.
 - When you have your retirement exit meeting with HR you will have the opportunity to decide if you'd like any of your remaining vacation balances paid into your 457(b) Deferred Compensation plan or into your HSA or both. To exercise either of these options you need to be currently contributing to the plan and we are still subject to the IRS maximum contribution amounts for the year.
- All regularly scheduled deductions will be taken, such as federal and state taxes, Medicare, ASRS/PSPRS contributions, deferred compensation contributions, union dues, as well as your insurance and other deductions. Note that if needed, your insurance deductions will be adjusted to ensure your coverage through the end of the month.

Retirement Payouts into Retirement Health Savings

On the same day your final paycheck is paid, you will also be eligible to receive half of your remaining sick leave and \$800 per year of City service. Both payouts will be paid into your Retirement Health Savings (RHS) account. Once those payouts are paid you will be eligible to start using the funds in your RHS account to pay for out-of-pocket costs you have for medical, dental & vision expenses, including your premiums!

The RHS plan is a reimbursement plan (there is no debit card associated with this plan). You will receive forms and information on how to submit your claims to Meritain, the third-party company that processes reimbursement requests for MissionSquare.

Accessing Pay Stubs and W-2s

Your access to Oracle Employee Self-Service ends immediately after your last day. You will not be able to make changes to your personal information, view pay statements or access your W-2s after employment ends. Please save all past pay statements and W-2s before your last day.

Your W-2 will be mailed to the home address we have on file. If you need to update your address with us, please contact the HR department. To request copies of pay statements or W-2s please contact Payroll. Contact info for HR and Payroll can be found on page 5.

BENEFITS

Medical, Dental and Vision Plans

Chandler medical, dental, and vision insurance will end on the last day of the month in which you are employed. If needed, deductions will be adjusted to ensure your coverage through the end of the month.

Continuing your benefits as a Retiree

As a retiree, you will have the option to continue your medical, dental and/or vision enrollment for yourself and your dependents. You must be currently enrolled in that benefit to continue it in retirement. You will need to notify HR at your retirement exit meeting of your insurance elections. Retirees pay the full cost for their insurance, but you may be eligible for a subsidy from ASRS/PSPRS to help offset some of the cost. The cost retiree's pay for their insurance coverage may be reimbursed through the Retirement Health Savings (RHS) plan. ****NOTE: Whether enrolled in our medical plan or not, ALL retirees are encouraged to enroll in Medicare as soon as they are eligible to avoid possible lifetime penalties.**

- Once you are retired, any benefit that is dropped, waived or canceled is gone for good and is not able to be offered to you again.
- To keep any benefits with the City of Chandler in your retirement you are required to complete our annual open enrollment each year to let us know if you will be continuing that benefit.

COBRA

COBRA coverage is separate from retiree coverage; if you elect to remain on City benefits as a retiree, you will **NOT** need COBRA unless you'd like to continue your FSA (HealthCare Flexible Spending Account) or EAP (Employee Assistance Plan (EAP) benefit.

You will receive a COBRA information packet in the mail from Flexible Benefit Administrators (FBA). After retirement you can elect to keep selected benefits for 18 months through COBRA. It is your responsibility to complete your enrollment and submit your payments timely to FBA. If you do not receive a packet from FBA within 30 days of your separation, please contact Human Resources.

BENEFITS (continued)

Flexible Spending Accounts (FSA)

If you have funds available in your **Health Care Account** (HCFSA), submit receipts for expenses incurred prior to your termination to be reimbursed for funds remaining in your account up to your annual election for 90 days from the end of the Plan Year. However, if you have money left in your Health Care Account and do not have receipts for expenses incurred prior to your termination, you cannot be reimbursed for the money remaining in your account, unless you elect to enroll in COBRA (see the enrollment packet mailed to you from FBA). You may continue making contributions to and receiving reimbursements from your FSA if you elect to continue your FSA under COBRA. Contributions after employment are made on a post-tax basis because they are not deducted from a paycheck. You will have until March 31 of the following year to submit reimbursement requests for expenses incurred during the calendar year while on COBRA. If you do not continue your FSA under COBRA, your access to your funds ends on the last day of the month in which you are employed.

Your **Dependent Care Account** (DCFSA) functions differently. If you have funds remaining, this money will be reimbursed to you if appropriate receipts are submitted. You can receive reimbursement for expenses incurred during the Plan Year if receipts are submitted within the Plan Year and before the end of the 90th day following the end of the Plan Year.

For Health and Dependent Care reimbursement, please contact FBA directly.

Health Savings Accounts (HSA)

If you have a balance remaining in your Health Savings Account, you can continue to use those funds to pay for eligible medical, dental, or vision expenses and your debit card will still be active. To view your HSA balance, login to your account at HealthEquity.com. Remember – after retirement you are no longer eligible to contribute to an HSA.

Life Insurance

Another great benefit offered by the City of Chandler at retirement is that you can continue your City paid life insurance at the City's group rate! You can keep half of your City paid insurance (maximum amount retirees can keep is \$50,000) at a very low monthly rate. Getting older will not increase the cost or reduce the coverage amount. To elect to continue this coverage notify HR at your retirement exit meeting.

Like the other benefits you can keep in retirement, the life insurance can be kept as long as you like, but once it is dropped, waived or canceled it is gone for good and you are not able to re-enroll. To keep life insurance and any other benefits with the City of Chandler as a retiree you are required to complete our annual open enrollment each year to confirm you will continue your benefit or inform us of any changes.

BENEFITS (continued)

Voluntary Life Insurance

You can also port your supplemental coverage on yourself and dependents who were enrolled while you were employed. Your life insurance will continue as a personal policy between you and the insurance company (VOYA). The forms to port your coverage will be included with your exit paperwork. To request to have your coverage ported, your form must be received by the insurance company within 31 days from the date your coverage ended. If you do not port your life insurance, coverage will end as scheduled on the last day of the month in which you are employed.

457(b) Deferred Compensation Plan

If you participated in the City's Voluntary Deferred Compensation Plan, you have options available after retirement. After retirement you may not incur fees or penalties for making withdrawals, depending if your contributions were pre or post tax (Roth), your withdrawals may be taxed. Please contact your tax or financial advisor for details on all your options.

- **Keep your money in the Plan** – Leave all your funds in the Plan until you decide to withdraw them at a later date.
- **Schedule automatic withdrawals** – You can schedule automatic payments to be paid directly to you.
- **Take a lump sum** – Lump-sum payouts are subject to federal withholdings, which is taken out before the money is paid to you. Since money is taxable in the year received, you may owe additional taxes above the amount withheld.
- **Rollover to a new plan or IRA** – You may elect to move your Deferred Compensation Plan balance to another qualified retirement account or IRA.

Until your account is entirely distributed, transferred or rolled over, it will remain active and will be subject to market related earnings or losses, you will continue to have on-line access to your account.

****NOTE – If you have a loan** – If you have an unpaid loan balance against your account, you may continue making payments directly to MissionSquare. If you do not resume your monthly payments in a timely manner, it will be treated as a taxable distribution from the Plan. It is your responsibility to contact MissionSquare to make payment arrangements.

RETIREMENT BENEFITS

Retirement System - ASRS/PSPRS/EORP

After retirement you will want to make sure to keep your information up to date with your retirement system. Going forward you'll get your W-2 from them since they are paying your pension. When you login to your account with them you can also update your direct deposit, tax withholdings and beneficiaries.

Other Benefits

If you have any of the optional coverages listed below, contact the insurance vendor to convert your benefits to a personal policy and arrange payment options other than payroll deduction.

- Liberty Mutual – Home/Auto Insurance
- LegalShield and IDShield

CONTACT INFO:

BCBS	(866) 595-5993	AZBlue.com
Delta Dental	(602) 938-3131	DeltaDentalAZ.com
VSP	(800) 877-7195	VSP.com
Flexible Benefit Administrators (FBA)	(800) 437-3539	COBRApoint.benaissance.com fba.wealthcareportal.com
Health Equity (HSA)	(866) 960-8026	HealthEquity.com
VOYA Life Insurance	(888) 238-4840	Voya.com
MissionSquare Retirement (457(b) & RHS)	(800) 669-7400	MissionSq.org/chandleraz
ASRS	(602) 240-2000	AZASRS.gov
PSPRS / EORP / CORP	(602) 255-5575	PSPRS.com
Liberty Mutual	(480) 707-0115	LibertyMutual.com/TinaKawar
Legal Shield / ID Shield	(602) 617-3209	prepaidlegal.com/info/chandleraz
Human Resources	(480) 782-2350	HREmpServ@chandleraz.gov
Payroll	(480) 782-2335	PayrollAdmin@chandleraz.gov