



FROM THE DESK OF . . . LETA LINTERN

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Highlights of RETIREMENT at the City of Billings

Retirement notice to: City of Billings Human Resources & your Supervisor

- HR requires 30 days' notice, in writing, prior to your retirement date. Your retirement date is your last WORKING day with the City. This cannot be vacation, personal day, comp, etc.
- The original retirement letter needs to be sent to HR, please also present a copy to your supervisor.
- Once received in HR, I will email or call to set up an appointment close to your retirement date. During our appointment, we will determine your city retirement elections and the processing of your final city paycheck. I will coordinate a meeting with Payroll, if needed.

Retirement notice to: MPERA - Montana Public Employees Retirement Administration

- Per state statute, you and the city have made contributions to MPERA throughout your employment and they manage your retirement benefit, not the city.
- 3 to 6 months prior to your retirement contact MPERA and request a retirement benefit estimate based on your group (PERS, MPORS, FURS). There is a "Request for Estimate" form on their website. With the estimate you will also receive the retirement application. Complete and return to MPERA as directed. Returning this paperwork will officially initiate retirement with them.
 - **MPERA:**
 - www.mpera.mt.gov
 - PO Box 200131 Helena, MT 59620
 - Ph: 1-877-275-7372
 - Email: mpera@mt.gov

(If you are a PERS member & considering applying for another PERS position, per MPERA, you are required to wait 90 days before going back to work)

Retirement Benefits available thru the City of Billings:

- **Health, Dental and/or Vision:**
 - Am I eligible for Retiree insurance benefits?
 - If you or your dependent spouse, who is currently on the insurance, is over the age of 65 and/or Medicare eligible, they will not be able to have Retiree coverage from the City.
 - For example, if the retiree is over 65 but the dependent spouse on the insurance is not, the dependent spouse can become the main retiree participant on the insurance until they turn 65 or become Medicare eligible.
 - When you turn 65 later in your retirement, you are eligible for Medicare on the 1st of your birthday month. All your elected City Health Retiree insurance coverage (doesn't include life insurance) will end on the first of that month. I will mail out notice of these changes prior to that month. If your dependent spouse is not Medicare eligible, they will become the main retiree on the city coverage.
 - In order to keep Dental and/or Vision into retirement, you must currently be enrolled in the plans at the time of Retirement.
 - Once you are off any of the retiree insurance elections, you will no longer have the option to elect any of them later in retirement.
 - If you want to cancel elections later in retirement, I need it in writing for the date going forward to cancel those elections.

- Can I make any changes to my elections when I switch from an Active status to a Retiree status?
 - When you switch to Retiree coverage, you can change your current medical elected plan (Standard or HDHP).
 - You can drop dependents off of your plan; however, this is not an IRS qualifying event to add dependents onto the plan.
- How do I pay for my Retiree insurance elections?
 - Payroll can take up to 2 months of retiree insurance premiums out of your final paycheck pre-tax, if you are electing coverage. After that, the insurance payments will need to be authorized for deduction through your monthly MPERA retirement benefit. You pay for the insurance prior to that month of coverage. For example, deductions for February charges are at the end of January.
- **Standard Life Insurance – Retiree plan:**
 - At Retirement, your City paid life insurance and any voluntary benefits (additional life and/or long term disability) will end on your final day of employment.
 - However, you will have the option to elect a Retiree Standard Life Insurance Plan of \$5K at Retirement. Currently the monthly cost of this plan is \$4.75. This benefit does have a reduction in benefit clause of the following:
 - At age 70 through 74, the benefit drops to a 65% benefit, so \$3,250.
 - At age 75 or over, the benefit drops to a 50% benefit, so \$2,500.

Final Paycheck thoughts:

Your final city paycheck, is one check and is processed during regular payrolls.

- **Vacation & Comp Earned Accruals:**
 - Per State Statute - paid out at 100%
 - Since your final check is typically large, it can bump you to a higher tax bracket; therefore, you may want to cash out any comp earned prior to your final city check.
- **Sick Accruals:**
 - Per State Statute - paid out at 25%
 - If you are Fire Union, you are required per your 2006 Fire Union agreement to put this into PEHP – Post Employee Health Plan. (Nationwide #0038006001) Only exception is if you have proof of military coverage.
- **Deferred Compensation/457 Account:**
 - You are able to roll accrual payouts into your city 457 account, up to the annual IRS limits allowed which does include the additional amount, age 50 catch-up.
 - **PLEASE NOTE:** Pre-Retirement Catch-up option, is **NOT** available.
- **Health Savings Account (HSA):**
 - If you are a HSA participant and have not maxed out your annual contribution you may be able to roll accrual payouts from your final City check into your HSA, as long as you will be on a high deductible health plan (HDHP) for the remainder of the calendar year per IRS regulations.