



**Your** Guide to Retirement



# Planning for retirement is important!

We want to make sure you fully understand your retirement benefits and options before you retire and submit your paperwork to Minnesota State Retirement System (MSRS).

This guide provides information to help you prepare for retirement, a summary of the process to apply for benefits, the forms you need to complete, and a general overview of your pension.

The information provided in this guide does not amend or overrule any applicable statute or administrative rules. In the event of a conflict, the applicable statute or administrative rule will prevail.

MSRS communications can be made available in alternative formats upon request. Contact MSRS to obtain an alternate format.



# About MSRS

The Legislature established the Minnesota State Retirement System (MSRS) in 1929 to provide retirement benefits for state employees.

MSRS administers multiple retirement plans that provide retirement, survivor, and disability benefit coverage for Minnesota state employees, the Metropolitan Council, and many non-faculty employees at the University of Minnesota and the Minnesota State university system.

MSRS covers over 56,000 active employees and currently pays monthly benefits to over 51,000 retirees and survivors. We also administer the Minnesota Deferred Compensation Plan (MNDCCP) and the Health Care Savings Plan (HCSP).

## Sources of Benefit Information

MSRS retirement specialists are a valuable source of information and assistance regarding your benefits. They can explain plan provisions, provide you with a benefit estimate and information regarding your options. Here are some additional sources of MSRS benefit information:

- Plan handbooks and videos – available on the MSRS website
- Benefit statements – sent to you each year near your birthday
- Educational seminars and workshops – offered throughout the year
- Newsletters

MSRS retirement specialists are not registered investment advisors and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax advisor as needed.

## We're Here to Help

Questions?

Contact Us.

**Phone:** 1.800.657.5757  
or 651.296.2761

**Web:** [www.msrs.state.mn.us](http://www.msrs.state.mn.us)

**Email:** [info@msrs.us](mailto:info@msrs.us)

**Address:** 60 Empire Drive, Suite 300  
St. Paul, MN 55103-3000



## Our Mission

*We empower Minnesota public employees to build a strong foundation for retirement.*

# Preparing for Retirement

Retirement is in sight. By the time you are within 12 months from retirement, it is important that you have a realistic understanding of your retirement income needs and expenses to plan effectively. Use the timetable below to help you prepare for retirement.



<b>12 months to retirement</b>	<b>6 months to retirement</b>	<b>3 months to retirement</b>
<ul style="list-style-type: none"><li>• Contact MSRS for an audited estimate of your retirement benefit. Ask about survivor coverage options.</li><li>• Attend a free MSRS retirement seminar/webinar.</li><li>• Review MNDCP distribution options available at retirement.</li><li>• Gather information to prepare your retirement budget.</li><li>• Calculate your expected Social Security income.</li></ul>	<ul style="list-style-type: none"><li>• Discuss your benefit estimate and payment options with your family and financial advisor.</li><li>• Prepare a retirement budget. Compare your retirement expenses against your MSRS benefit, Social Security, MNDCP and any other retirement income that will be available to you.</li><li>• Contact your employer about health and life insurance options available after you retire.</li><li>• Check with your human resources department to see if you are eligible for severance pay. If so, determine if it will be deposited in the MSRS Health Care Savings Plan (HCSP) account.</li></ul>	<ul style="list-style-type: none"><li>• Ensure that purchases/transfers of prior service are complete.</li><li>• Notify your department personnel office regarding your intention to retire. Find out when you should submit a letter of resignation.</li><li>• Contact your local Social Security office to file for benefits (if age 62 or older and are eligible for benefits).</li></ul>

## **IMPORTANT!**

Review your MSRS benefit statement and contact MSRS if you find any discrepancies.

# Resources

As a Minnesota public employee, you may be eligible for benefits administered by other providers. When applying for a retirement benefit, use the list below as a guide to coordinate your benefits.

<p><b>Public Employees Retirement Association (PERA)</b> <b>Teachers Retirement Association (TRA)</b></p>	<p>If you are covered by multiple Minnesota public retirement plans, the service credit earned from all plans can be combined with your MSRS service to qualify for additional retirement benefits. This is called a Combined Service Annuity (CSA).</p>	<p> <b>PERA:</b> 651.296.7460 or 1.800.652.9026</p> <p> <b>TRA:</b> 651.296.2409 or 1.800.657.3669</p> <p> <b>PERA:</b> <a href="http://www.mnpera.org">www.mnpera.org</a> <b>TRA:</b> <a href="http://www.minnesotatra.org">www.minnesotatra.org</a></p>
<p><b>Social Security Administration</b></p>	<p>For information, estimates or to apply for your benefits, contact the Social Security Administration 90 days prior to your retirement date if you are age 62 or older at retirement.</p>	<p> <b>Social Security:</b> <a href="http://www.ssa.gov">www.ssa.gov</a></p>
<p><b>Retiree health, dental &amp; life insurance benefit information</b></p>	<p>Contact your agency/department designated insurance representative regarding health, dental, and life insurance coverage.</p>	<p> <b>State Employees-Minnesota Management &amp; Budget (MMB):</b> 651.355.0100</p> <p> <b>University of Minnesota Employee Benefits Office:</b> 612.624.8647 or 1.800.756.2363</p> <p> <b>Metropolitan Council-Benefits One Line:</b> 651.602.1601</p>
<p><b>Minnesota Deferred Compensation Plan (MNDCP)</b></p>	<p>Contact MSRS for plan information and payout options.</p>	<p> <b>MSRS Retirement Specialist:</b> 651.296.2761 or 1.800.657.5757</p>
<p><b>Health Care Savings Plan (HCSP)</b></p>	<p>Payouts and reimbursements cannot begin until after you leave employment or retire.</p>	<p> <b>MSRS Website:</b> <a href="http://www.msrs.state.mn.us">www.msrs.state.mn.us</a></p>
<p><b>University of Minnesota tax-sheltered benefit program</b></p>	<p>Plan information &amp; withdrawal options</p>	<p> <b>University of Minnesota:</b> 612.624.8647 or 1.800.756.2363</p>

## REMEMBER

When you apply for retirement, MSRS may not be the only administrator you will need to contact.

# Application Process

## Forms to complete and documents to provide:

### 1. **Application for Retirement Benefits**

(required)

You must sign the application in the presence of a notary. If you are married, your spouse must sign the application in the presence of a notary to acknowledge the benefit option you selected.

**IMPORTANT!** MSRS will not accept your application more than 60 days in advance of your retirement date.

### 2. **Direct Deposit Agreement**

(optional, but recommended)

Monthly payments can be deposited into your bank account through direct deposit. It is the safest, fastest, and most convenient way to receive your monthly payment.

### 3. **Tax Withholding Certificates**

(default will apply if forms not submitted)

Some or all of your benefit is taxable income. A W-4P and W-4MNP tax withholding certificate provides MSRS with your desired tax withholding instructions.

### 4. **Birth records**

(required for you and your survivor)

Payments cannot begin until you provide MSRS with a copy of your birth record. In addition, if you select a survivor option, you must provide a copy of your survivor's birth record. Please write your MSRS Account ID or Social Security number on your survivor's birth record.

#### **To obtain birth records:**



If born in Minnesota: any local Registrar office or online at [www.health.state.mn.us](http://www.health.state.mn.us)



If born in another state: [www.cdc.gov/nchs/w2w.htm](http://www.cdc.gov/nchs/w2w.htm)

### 5. **Copy of your marriage certificate**

(required, if applicable)

### 6. **Certified divorce decree and/or domestic relations order**

(required, if applicable)

During a marriage dissolution proceeding, the court may decide to divide the assets of the MSRS retirement plan between the parties. If you have ever been divorced, you must provide MSRS with certified copies of divorce decrees and/or domestic relations order (DRO) for all divorces before you can collect a retirement or disability benefit, even if the assets will not be divided between the parties. For more information on how divorce may affect your benefit, please contact MSRS.

# Considerations After You Retire

## Benefit Payments

- **First benefit payment:** If you are currently working for the State of Minnesota, you will receive your first benefit payment from MSRS about **six weeks** after your benefit start date. If you are submitting your retirement application following a break in service with the State of Minnesota, your first benefit payment will be about **six weeks** after your application is received by MSRS. Please plan accordingly. The first benefit payment is typically higher because it includes retroactive payments back to your benefit start date.
- **Payment schedule:** Monthly payments will be available in your bank account the first business day of each month if you signed up for direct deposit. If you receive payment by check, add five business days for mailing time.
- **Annual benefit increase:** Each January you may be eligible to receive a benefit increase. Depending on when you retired, there could be a waiting period for your first increase and the increase may be prorated. You will receive a letter each December confirming your benefit increase amount.
- **Service with another Minnesota public employer:** If you had service with another Minnesota public pension plan (for example, TRA or PERA) and are eligible for additional benefits, you will receive a separate benefit payment from that retirement plan provider. Please contact your other retirement plan provider to learn how and when those benefit payments will be made.

## Income Tax Reporting

Some or all of your monthly benefit is subject to federal and state income taxes. Each January, MSRS will send you a Form 1099-R. This form shows the total benefit payments you received during the previous year; the amount that is taxable income; and the amount withheld for federal and Minnesota state taxes, if any.

## Re-Employment After You Retire

For many, retirement means pursuing a second career. Perhaps it is a hobby that you pursue as a paid position. Maybe it means returning to work, but working fewer hours or part-time. Your MSRS monthly benefits do not stop if you are employed by private industry, federal or local government, or a state government other than Minnesota.

If you return to a position covered by MSRS, retirement deductions will not be withheld from your salary.

You may be subject to an earnings limitation. Contact MSRS for more information.

Your **FIRST** benefit payment from MSRS arrives about **SIX WEEKS** after your benefit start date.



## Contact Us. We're here to help.



**Phone:** 1.800.657.5757 or  
651.296.2761



**Web:** [www.msrs.state.mn.us](http://www.msrs.state.mn.us)



**Email:** [info@msrs.us](mailto:info@msrs.us)



Make an appointment to speak  
with a retirement specialist.

### **Main Office - St. Paul**

60 Empire Drive, Suite 300  
St. Paul, MN 55103

Monday - Friday, 8:00 a.m. - 4:30 p.m.

### **Additional Offices**

Addresses and hours of operation available online.

- Duluth
- Mankato
- St. Cloud
- Detroit Lakes

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