

Nearing retirement

City of Seattle Voluntary Deferred Compensation Plan



Things to consider 3-5 years from retiring:

Last 3 years catch-up: Available only the 3 years before your declared retirement year. Your retirement year can be no earlier than the date in which you are eligible for a full, unreduced pension. Documentation from Seattle City Employees' Retirement System (SCERS) or Washington State Department of Retirement Systems (DRS) for Law Enforcement Officers' and Fire Fighters (LEOFF) Plan 1 or 2 is required. Contact your Deferred Compensation Plan staff members at DeferredCompQuestions@seattle.gov if you wish to participate.

Investment diversity and appropriate level of risks: Is your account allocation invested as you like? Are you comfortable with the level of risk?

Beneficiary designation: Review your beneficiary information on file with Nationwide. Make sure it remains current and reach out to Nationwide to update if necessary.

My Income & Retirement PlannerSM: Track your progress as you save for retirement. The tool includes a Lifetime Income Projection chart that shows how you may cover expenses throughout retirement. You can compare your sources of income with expenses and highlights any gaps.

Outstanding loans: Make sure you understand the consequences of not paying off a plan loan by your retirement date. If you have taken a loan and fail to repay the balance, there are costs associated with the loan default. Please contact Nationwide at 1-855-550-1757 with any loan questions or to submit loan payments after you separate from service.

Leave conversion: Many employees can convert sick leave at 35% rather than the 25% that is available if you just cash out. Converting vacation and other accrued leaves may help you defer a larger-than-usual portion of your final year compensation into the plan. This may save you money on taxes. Plan ahead to maximize your ability to do this.

Service credit purchase: Check with SCERS and DRS for any service credit that may need to be made up. An in-service withdrawal can be taken from the plan to purchase this missing time.

Ongoing education: Attend the semimonthly "Lunch and Learn" sessions and other educational sessions offered by Nationwide and the Deferred Compensation Office. These opportunities can help you learn more about Social Security, retiree health care costs, investment basics and other helpful topics.

Returning to work: Your ability to take a withdrawal from the Plan may be affected if you return to work for the City. It is important you coordinate with Nationwide and Plan staff members if you intend to start taking withdrawals and return to work.



Contact your Voluntary Deferred Compensation Education Consultant by calling **206-447-1924**, or set up a personal meeting at **seattledcp.com**.

Investing involves risk, including possible loss of principal. Qualified retirement plans, deferred compensation plans and individual retirement accounts are all different, including fees and when you can access funds. Assets withdrawn from your account(s) may be subject to surrender charges, other fees and/or a 10% excise tax if withdrawn before age 59½.

Asset allocation does not assure a profit or protect against loss in a down market.

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