



Seattle City Employees' Retirement System

Overview of Retirement Options

Choosing a benefit option means deciding how your retirement money will be paid out to a beneficiary. All options provide a monthly benefit to the retiree for life. Members choose an option based on individual circumstances. There are no right or wrong choices.

Unmodified (also known as “straight”): Provides the maximum monthly benefit you can receive. This benefit does not provide for a beneficiary. After your death, all payments stop.

Options A through E provide a modified monthly benefit to provide for a beneficiary.

Option A: After your death, your beneficiary receives a lump sum of the remainder of your accumulated contributions with interest (ACWI). If you outlive your ACWI payments, you continue to receive a monthly benefit, but there is no benefit for a beneficiary.

Option B: Like Option A, but the beneficiary receives monthly payments rather than a lump sum until the remainder of your ACWI is paid out.

Option C: You select a term period of five, ten, fifteen or twenty years starting from your retirement date. If you die before the term is complete, your beneficiary receives a monthly benefit until the term is complete. If you live longer than the term, you continue to receive a monthly benefit.

For Options D or E, the beneficiary is your spouse or domestic partner at the time of retirement. If you divorce, your spouse or domestic partner remains the beneficiary. If you remarry, your new spouse or domestic partner is not eligible.

Option D: After your death, your spouse or domestic partner receives half of your benefit each month for life.

Option E: Like Option D, but your spouse or domestic partner receives the same monthly allowance for life that you were receiving.

Option F or G must be taken with the unmodified benefit or Option A, B, C, D or E.

Option F: Provides an inflated monthly benefit combining your pension and projected full social security benefit. Once you reach full social security retirement age, your pension benefit is reduced. This occurs regardless of when you start collecting social security benefits. If your social security benefit is greater than your pension, your benefit will end at full social security retirement age.

Option G: Allows you to withdraw a lump sum payment at retirement equivalent to your total ACWI or one-half of this amount. Your monthly benefit is reduced based on the amount withdrawn. The City portion of your benefit cannot be withdrawn and is paid out under the option you specify.

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