



MASSACHUSETTS LABORERS' PENSION & ANNUITY FUNDS

Working together to give you a financially secure future

How to Prepare to Retire

The Massachusetts Laborers' Benefit Funds are committed to helping our members reach a financially secure retirement. The Funds provide you with options for when and how to receive your retirement benefits, but you should consider several things before making these important decisions.

The following are some of the most frequently asked questions members ask when preparing for retirement. In addition, the Fund Office is available to walk you through the process of retiring and answer questions you may have. Call the Fund Office at **781-272-1000, ext. 150**. Our website, mlbf.org, is also a resource for information about your Fund benefits.

Seek advice: Whether you're wondering about which Pension payment is best for you, how and when to take a distribution from your Annuity Fund balance or when to claim Social Security, consider talking to a tax professional or a financial planner. There are many types of financial advisors, so be sure to ask if yours will make decisions with your best interests in mind and how yours will make money working with you. Visit FINRA.org/investors for tips on protecting your money.

Pension Fund Frequently Asked Questions (FAQs)

When can I start collecting my pension?

- You must be vested in the Fund to receive a pension benefit when you retire. You earn a right to your pension benefit and are considered fully vested in the Fund after five years of service.
- Generally, you earn one year of vesting service—and one pension credit—for each calendar year you work at least 1,000 hours in covered employment. Your pension credits are used to calculate the amount of your pension.
- If you have 30 pension credits, you can retire at any age with no reduction in benefit.
- You are eligible for early retirement if you are age 55 or older with at least five pension credits.

What should I consider if I'm thinking of retiring early?

Assuming you meet other qualifications, you may be eligible for early retirement at age 55, a relatively young age to retire. Whether you are prepared for an early retirement depends on your financial readiness and personal goals. There are drawbacks to taking your pension early. Your pension benefit will be smaller than it would be if you wait until age 65 to begin receiving it. Also consider that you will need to purchase your own medical coverage for yourself (and eligible dependents). Medicare coverage eligibility begins when you turn age 65. Visit medicare.gov for details. You may choose to work part-time as a supplement. If so, you should be aware of the Pension Fund's suspension rules (see below).

How can I receive my pension benefit?

If you're married, the minimum benefit you can elect without spousal consent is a 50% Spousal Pension, but you may elect one of these other options instead:

For more details about the pension and annuity funds, visit MLBF.org.



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- 75% Spousal Pension
- 100% Spousal Pension
- 60 Certain Payments (with your spouse's consent)
- 120 Certain Payments (with your spouse's consent)

If you're single, your options include:

- 60 Certain Payments
- 120 Certain Payments

You can also choose to take **part** of your benefit as a one-time, lump-sum payment up to a \$5,000 maximum that will then reduce your monthly benefit payment (with your spouse's consent if you're married). Consider consulting a tax advisor to understand the tax consequences of this option.

For more information about your payment options, review the Pension Fund's Summary Plan Description on mlbf.org.

Do Pension Fund payment options provide benefits to my surviving spouse or beneficiary?

This table shows the Pension Fund payment options and how they compare in providing income for your survivor in the event of your death.

Pension Fund payment option	Survivor benefits
Spousal Pension	This benefit pays a reduced lifetime monthly benefit to you and a monthly benefit to your surviving spouse if you die before him or her. The 50% spousal pension is the minimum form of payment a married member can elect without spousal consent. If a married member dies prior to electing a pension benefit option, the spouse will receive the 100% spousal pension.
60 or 120 Certain Payments	This payment option provides a monthly benefit payable to you for your lifetime. If you die before a period you specify (60 or 120 months), the remaining payments would be paid to your beneficiary (or beneficiaries).

Can I work while receiving a pension?

If you've retired and are receiving a pension from the MLBF, but you'd like to continue working while receiving your pension, you may do so provided you follow certain eligibility rules. For a more comprehensive review of the rules and considerations, please visit the pension section of www.MLBF.org.

How do I start collecting my pension?

- First, let your employer know the date you wish to retire.

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- Then, call the Fund Office at **781-272-1000, ext. 150** to schedule an appointment to meet with a retirement specialist. The Fund Office can provide you with a copy of the pension application form, or you can download it from the documents and forms section on www.mlbf.org. Spanish and Portuguese versions of the pension application form are also available.
- You should submit your application form at least 30 days but not more than 180 days before the first month you are eligible to receive your pension benefit. In no event will your pension payments begin fewer than seven days after the Fund has notified you of your payment options.
- Submit the application by mail, email or fax, or call us if you want to drop it off in person. **Appointments are required for in-office visits.** Call or email us if you have any questions. As a reminder, your pension benefits are subject to federal and state taxes.

Mail to: 1400 District Ave., Suite 200, Burlington, MA 01803

Email: Annuity@mlbf.org

Fax: 781-272-2226

Phone: 781-272-1000, ext. 150

Annuity Fund Frequently Asked Questions (FAQs)

What are the different payment options available to me for the Annuity benefit?

This table shows the Annuity Fund payment options and how they compare in providing income for your survivor in the event of your death. As you decide how to take your Annuity Fund benefit, consider whether this type of security for your family is important to you. Consider consulting a tax advisor to understand the tax consequences of your payment options.

Annuity Fund payment option	Survivor benefits
Periodic payments (from one to 15 years)	This payment option provides a monthly benefit payable to you for a period of from one to 15 years—you decide how long. If you die before receiving the specified number of monthly payments, your beneficiary (or beneficiaries) will receive the remaining payments. Married participants and their spouses can elect this option.
Lump-sum payment	N/A
Rollover or partial rollover	Your spouse will be provided with information on rollovers when applying for the benefit.
Joint and Survivor annuity	This benefit pays a lifetime monthly benefit to you and, when you die, a monthly benefit to your surviving spouse through the purchase of an annuity contract from an insurance company of your choosing

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What happens to the rest of my account balance if I take periodic payments?

Any remaining balance in your account is subject to earnings or losses from the investments as well as the administration fees. Any earnings or losses will be added monthly to your balance. At the end of a periodic payment term, a payment will be made to the member unless the balance in the account is exhausted due to negative returns and administrative fees.

What should I consider about taking the Annuity Fund benefit as a lump sum?

Depending on how you invest and use your money, it may be possible to leave some cash for your survivors if you take your benefit as a lump sum.

- Tax implications and penalties could apply if you take your benefit as a lump sum.
- You take all the investment risk, meaning that if you invest your money, you are responsible for choosing how and where to invest it, and your investments could lose value.
- Depending on how you invest and withdraw from your account, you can outlive your money, or it won't be there to supplement your other retirement income.
- Before deciding how and when to take a distribution from your Annuity Fund balance, consider talking to a tax professional or a financial planner. There are many types of financial advisors, so be sure to ask if yours will make decisions with your best interests in mind and how yours will make money working with you. Visit **FINRA.org/investors** for tips on protecting your money.

What should I consider about taking the Annuity Fund benefit as a rollover?

Other things to consider include:

A rollover is the process of moving your money from one retirement account to another without incurring taxes or penalties, such as rolling over funds from your Annuity balance to an IRA. When you move your money out of the Fund, consider:

- You take all the investment risk, meaning that if you invest your money, you are responsible for choosing how and where to invest it, and your investments could lose value.
- Depending on how you invest and withdraw from your account, you can outlive your money, or it won't be there to supplement your other retirement income.
- Select the right financial advisor for your needs. There are many types of financial advisors, so be sure to ask if yours will make decisions with your best interests in mind and how yours will make money working with you. Visit **FINRA.org/investors** for tips on protecting your money.

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Do I have a deadline for when I need to decide how to receive my Annuity Fund account balance?

No, you have no deadline for deciding what to do with your Annuity Fund account balance.

In fact, the Fund permits you to keep your account for as long as you like before or even after you retire, allowing you to continue to benefit from the Fund's institutional investments, competitive fee structure and professional oversight by the Trustees and investment consultants.

The Annuity Fund and its investments are professionally managed and monitored, but if you move your money out of the Fund, it will be up to you to manage. You may want to consider partnering with a financial or investment professional for advice.

The Fund earned an average annual return of 7.7% from its start in December 1986 through December 2023.

Federal tax law requires that you must begin taking [required minimum distributions \(RMDs\) when you reach age 72 or 73](#). Visit [irs.gov](https://www.irs.gov) for current regulations. Contact the Fund Office if you have any questions.

What do I need to do to receive my Annuity Fund benefit?

The Annuity Fund also requires you to apply for your benefit when you are ready to retire.

Call the Fund Office at **781-272-1000, ext. 150** to schedule an appointment to meet with a retirement specialist if you are considering applying for your Annuity Fund benefit. The Fund Office can provide you with a copy of the annuity application form, or you can download it from the Documents and Forms section of this website. Spanish and Portuguese versions of the annuity application form are also available.

Social Security FAQs

When can I take Social Security?

You can start receiving Social Security benefits as early as age 62, but waiting until full retirement age results in higher monthly payments. Your full Social Security retirement age depends on the year you were born and ranges from age 65 to 67. Remember that retirement planning is unique to each individual, so seek personalized advice and make informed decisions based on your circumstances.

How do I apply for Social Security benefits?

Visit the Social Security Administration website at ssa.gov to check your eligibility, get a benefit estimate and apply for your benefit. You can also call **1-800-772-1213** (available in English and other languages) to set up a phone or in-person appointment with your local Social Security office.

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