



Retirees *FYI*

www.richmondgov.com/retirement

Spring 2009

Requests for Benefit Information Made Easier



City Benefit information verification requests are now even easier than ever to obtain. Easy to complete electronic forms provide greater flexibility, efficiency, and can save you money and time.

The Benefit Information Request Form is easy to obtain and should be used when making requests to verify pension, health, or life insurance benefit information. Locate and complete your request on-line at www.richmondgov.com/retirement. Just print, fax, or mail-in to us for faster results.

The next time you have a need to verify your City benefit information, save yourself hassle and take the easy route by visiting our website at www.richmondgov.com/retirement.

Please be mindful that the processing of any information request can take up to five (5) business days following its receipt. ❖

What's *Inside?*

Executive Communiqué.....	2
Meet Our New Fiscal Administrator.....	3
Tips on Health Care Savings.....	3
RRS Earns 18th Consecutive GFOA Award	4

“New” 1.5 Percent COLA for Retirees

City retirees will begin receiving a 1.5 percent Cost of Living Allowance (COLA) increase in their April 2009 pension benefits retroactive to January 1, 2009. Richmond City Council approved the increase on March 23, 2009 for those retiring prior to July 1, 2007. Approval of the fiscal year 2009 COLA ends part of a budget dispute between the City Council and Former Mayor L. Douglas Wilder. Eligible retirees will begin receiving the COLA in April, with a one – time payment for the “retro” period following in May (January ‘09 – March ‘09). ❖

Economic Stimulus And Retirees

The American Recovery and Reinvestment Act of 2009, signed into law by President Barack Obama on February 17, 2009, provides \$787 billion in federal funds to stimulate the U.S. economy. The “economic stimulus package” is expected to have a wide reaching effect on the lives of older Americans and includes payroll tax credits, unemployment benefit enhancements and increases in food stamp benefits for retirees who are back in the job market. However, applicable to retirees in the stimulus package is a \$250 payment for individuals currently receiving Social Security benefits.

For seniors, the major difference between this current stimulus payment and last year’s \$152 billion tax rebate plan is that there is no need to file any extra paperwork. Even if you do not file taxes annually; every one of the nearly 51 million Americans receiving Social Security benefits will automatically receive a \$250 stimulus check. These payments are projected to be sent out in late May or early June.

Continued on page 2.



Executive Communiqué

Philip R. Langham
Executive Director

Dear Retiree,

The last six months has been filled with a barrage of daily news on the economy which has been at the forefront of radio, talk shows, and nightly news broadcasts. These are unprecedented and tough global economic times with still rising unemployment in the U.S. However, optimism by the Federal Reserve has surfaced in light of our Government's efforts to revive the economy.

At the forefront of this spring's Retiree FYI edition is our commitment to service delivery. During January 2009, we mailed Retiree IRS Form 1099Rs so that you can meet April's tax filing deadline.

In March 2009, the Government Finance Officers Association's awarded the Richmond Retirement System their prestigious Certificate of Achievement for Excellence in Financial Reporting Award for our 2008 Comprehensive Annual Financial Report. Our 18th consecutive award signals a continued commitment to you of communication, efficiency and excellence in pension plan administration.

For April 2009, we applied lower tax rates to retiree pension payments which coincide with Internal Revenue Service (IRS) guidelines. For those eligible, receiving a new 1.5% COLA increase will help "somewhat" by boosting your pension income to offset negative effects occurring in the economy.

Lastly, I encourage you to take full-advantage of technology to help meet your retirement needs. Our website is available **24 hours a day 7 days a week**. The Internet and Direct Deposit program also are intricate tools used by pension plan administrators at the Federal, State, and local levels to assist in meeting your needs. ❖

Economic Stimulus and Retirees (cont.)

In addition, retirees who are currently working will see a \$400 payroll tax credit for workers earning \$75,000 or less a year.

Retirees who are back in the job market and currently looking for their next career opportunity will benefit from increased unemployment benefits. Unemployment benefits will rise by \$25 weekly and be lengthened up to 59 weeks in areas hardest hit by the economic downturn. Along with unemployment benefits is a 19% increase in food stamp benefits.

Stimulus funds will also prop up the Medicare Program. Further, an attempt is being made to make electronic patient record data bases for viewing by doctor offices and hospitals in an attempt to bring continuity to patient care and reduce treatment errors.

Additional information concerning the Government's stimulus plans can be found online at www.whitehouse.gov and www.aarp.org. ❖

2009		Benefit Payment Schedule
Month	Date	
April	30th	
May	29th	
June	30th	
July	31st	
August	31st	
September	30th	

Pension payments are made on the City's last working day of each month.

System Welcomes New Fiscal Administrator



Kathleen Kessinger started her journey with us in March 2009.

A native of the Richmond area, Kathleen is a Certified Public Accountant with more than 15 years of accounting experience. She comes to us from LandAmerica Financial Group, Inc. where she was the Financial Reporting and Investment Accounting Manager. Kathleen has held other accounting positions throughout the area including a few in Petersburg, VA. She now looks towards improving the efficiency and service delivery of the Fiscal Unit at the Retirement System. She welcomes the opportunity to serve you with your pension and health administrative needs. ❖

Save Money on Your Health Care

Five Tips for Savings on Retiree's Number One Expense

Health care costs can eat up a large chunk of your retirement funds. According to the Wall Street Journal's online affiliate Market Watch, health care costs will account for 34% of all expenses in retirement making it the largest expense for retirees. To make matters worse, experts predict that health care could increase at double digit numbers in the future. Obviously these facts are troublesome to retirees, who often find themselves on fixed incomes, but there are some steps that can be taken to help lessen the cost of health care.

1. Eat Better & Exercise Regularly

Reducing your weight can significantly reduce your risk of diabetes and heart disease. Even if you are at healthy weight, regular exercise can keep muscles and joints healthy that would otherwise deteriorate with age. Also, a healthy diet full of nutrient rich foods like fruits and vegetables can offer benefits such as a longer and better quality of life.

2. Stick With Treatments and Medication

Though they can sometimes seem bothersome or difficult, the physician prescribed treatments and medications are a critical part of recovery from illness or injury. Skipping medicine doses can lessen the effectiveness of drugs and make you susceptible to future illness; while not following through on treatment may lengthen recovery times

and may even cause permanent injury.

3. Go Generic & Shop Cheaper

It is not always possible, but switching to generic drugs can mean huge cost savings. Next time you see your physician ask about cheaper generic alternatives to your current medications. Also, look for a less expensive provider of medications. There are now many reputable online outlets and several retailers like Wal-Mart and Kroger, that offer low cost prescriptions, and discounts on bulk purchases.

4. Fight Claim Denials

Experts say that 70% of health insurance claim appeals are successful. There are several online resources like the Patient Advocate Foundation, www.patientadvocate.org that can help connect you with people who can work to file your claim appeals.

5. Bargain Down Costs

Both doctors and hospitals will actually negotiate, and sometimes adjust their bills based on a patient needs, ability to pay cash and other factors. You can even take steps beforehand to negotiate costs and shrink your total bill.

For more information on health care savings visit www.health.com the online site for Health Magazine. ❖

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www.richmondgov.com/retirement

Richmond Retirement System
900 East Broad Street, Room 400
Richmond, VA 23219

New Federal Tax Rate Tables

Most members of the Richmond Retirement System should notice a slight change in their April payment. On April 1, 2009; a change to the 2009 tax rate tables resulted from passage of the "2009 Economic Stimulus Package". The result was an increase in the amount of take home pay. The specific amount of change in your benefit payment will depend on your tax bracket, which may be found at www.irs.gov.

Changes in the Federal tax rate tables may

necessitate that you review your tax withholding and make any necessary changes as needed. To assist you, we have placed both the Federal tax withholding form and the Virginia tax withholding form in the "Forms" section on the System's website at

www.richmondgov.com/retirement. These forms can be completed and printed directly from your home or the Library's computer using the Internet. Then print, mail, or fax the completed form to the Richmond Retirement System. ❖

RRS Earns 18th GFOA Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Richmond Retirement System the Certificate of Achievement for Excellence in Financial Reporting for its Fiscal Year 2008 Comprehensive Annual Financial Report (CAFR) on March 18, 2009. The Certificate of

Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. Its attainment represents a significant accomplishment by the Richmond Retirement System and its management. This year marks the 18th consecutive year the System has earned the award. ❖