

the FYI newsletter

a spring and fall publication of the Richmond Retirement System

Spring / 2014 / Issue # 41

Message from the Executive Director

Executive Director Leo Griffin reported that investment performance continues to be strong this fiscal year with RRS earning 11.1% net of fees over the first eight months of the fiscal year through February 28, 2014. This is on top of an 11.8% net of fees return for the fiscal year ended June 30, 2014. Mr. Griffin stated “long term, our investment performance is top quartile compared to our peers. The Board of Trustees and Investment Advisory Committee have been diligent in growing the assets while preserving capital.” Mr. Griffin went on to say “we are currently restructuring our fixed income portfolio to guard against rising interest rates.”

page 1 **Returning to Work**
Many retirees have successful “encore careers” that do not impact their RRS benefit.

page 2 **Open Enrollment**
Eligible retirees can add, drop, or modify health and dental insurance coverage during open enrollment.

page 3 **Help Us Prevent Fraud**
Distinguishing between *public* and *private* information can help to prevent fraud.

page 4 **Cut & Save**
Please cut along the dotted line and save direct deposit information.

Understanding ‘Returning to Work’ Laws

A growing number of retirees are choosing to return to work, and many - because they are familiar with their previous place of employment - look for jobs with their former employers. If you are considering accepting a position with the City of Richmond or Richmond Behavioral Health Authority, you should know:

- Your pension benefits will stop when you accept a full-time, permanent position with a RRS participating employer, and it is your responsibility to notify the RRS of your reemployment. (If the RRS does not receive timely notification, you may receive an overpayment of benefits that you will have to repay.)
- RRS participating employers include all City of Richmond and Richmond Behavioral Health Authority departments except the Circuit Court, Office of the City Treasurer, Office of the Commonwealth’s Attorney, Office of the General Registrar, and Sheriff’s Office.

- If you are a *general employee* - not a sworn police officer, sworn firefighter, or senior executive employee - and you are eligible for RRS benefits, you will be enrolled in the *Defined Contribution 401(a) Plan* if you return to work.

The *Defined Contribution 401(a) Plan* is sometimes called the *new plan*, *money purchase plan*, *‘401k style’ plan*, or *DC Plan*, and it allows you to manage funds in a personal ICMA-RC 401(a) plan account.

- After you terminate employment, your pension benefit will resume. Additionally, if you have a *Defined Contribution 401(a) Plan*, you will be eligible to withdraw or rollover the money in your ICMA-RC 401(a) plan account.
- If you have questions, you are encouraged to call (804) 646-5958 or email retirement@richmondgov.com before accepting a position with the City of Richmond or Richmond Behavioral Health Authority.

2014 Open Enrollment Will Begin in June

The City of Richmond Department of Human Resources, the administrator of CIGNA health insurance and DeltaDental insurance plans, will hold open enrollment in June; during open enrollment, eligible retirees can add, drop, or modify plans.

“We have a goal to offer high-quality coverage at the lowest cost, and premium rates for the upcoming August 1, 2014 to July 31, 2015 plan year are expected to remain similar to current rates,” said Jean Brennan, Division Chief of Benefits and Compensation for the City of Richmond Department of Human Resources.

In early June, CIGNA and DeltaDental will mail covered retirees information and forms for 2014 Open Enrollment.

“If you are satisfied with your current plan, we encourage you to read the materials that CIGNA and DeltaDental will send to you, but no action is required to keep the plan that you have. To make changes to your current plan, you are required to mail signed forms to the RRS, and forms need to be received before the 2014 open enrollment deadline,” continued Brennan.

Retirees who make changes during open enrollment are encouraged to review their July 31, 2014 and August 29, 2014 payslips. While changes become effective August 1, 2014, DeltaDental is a pre-paid plan and August 2014 premiums will be deducted from your July 31, 2014 paycheck. Conversely, CIGNA is not a pre-paid plan, and August 2014 premiums will be deducted from your August 29, 2014 paycheck.

Similar to previous years, the RRS will issue an announcement and post information to www.richmondgov.com/retirement as it becomes available.

No COLA Recommendation for 2014

While Richmond City Council has the final say on ad hoc cost of living allowance (COLA) increases, the RRS Board of Trustees has not recommended any increase for 2014 as a measure to promote the long-term health of the system.

RAPIDS Retiree Self Service

Due to the high volume of requests that the RRS receives, it takes up to 5 business days to process *Benefit Information Request Forms*, even if forms are submitted during RRS walk-in hours.

To access information more quickly, you can use *RAPIDS Retiree Self Service* at www.richmondgov.com/retirement. To get started, click *View Video Tutorials and FAQs*.



Help Us Prevent Fraud

The AARP Foundation recently conducted a study that compared the general population to victims of fraud, and what the study found was surprising; the average age of victims was 69. This was older than the average age of the general population, and it indicates – at least in certain situations – that older Americans can be more susceptible to fraud than their younger counterparts.

To combat this threat, the RRS clearly defines *public* and *private* information. On the phone and by email, the RRS will only discuss public information, that which someone can glean by reading the *City Code* or www.richmondgov.com/retirement.

To obtain private information, such as the amount of your monthly benefit, we require that you submit a signed *Benefit Information Request Form*. This form will be put into your file as a record of your request, and we will respond in writing in 5 business days.

“The process that we have in place includes checks-and-balances to protect retirees and ensure that information is

accurate,” said Natasha Neagu, Deputy Director for the RRS. The RRS will not release your information to a family member, lender, or leasor without your express authorization:

- You can authorize the RRS to share limited information about you with an *Authorization to Release Information to a Third Party Form*.
- To share all retirement-related information and to let someone act on your behalf, you can submit a *Power of Attorney Form*.

The article below, *Naming a Power of Attorney*, outlines the pros and cons of submitting this form to the RRS.

- For your benefit, we do not accept third party forms. If a lender or leasor provides you with their own form to request information, please attach a signed *Authorization to Release Information to a Third Party Form*.

This is a best practice to help protect you and your personal financial information.



Naming a Power of Attorney

A power of attorney is a legal document that gives someone you choose the power to act on your behalf. For example, the person that you name is authorized to update your address, change your direct deposit information, or - in certain circumstances - update your beneficiary designations.

“Allowing someone to make important financial-related decisions for you can be positive or negative,” said Kristina Friar, Marketing and PR Specialist for the RRS.

The RRS offers a *Power of Attorney Form* that is durable, meaning that the document will stay in effect if you become incapacitated and are unable to handle matters on your own. The form is also limited, meaning the form should only be recognized by the RRS, not other businesses or organizations.

“Having a power of attorney form on file can spare your loved ones from having to go to court if you become unable to handle your affairs, but it can also make you more susceptible to fraud. The person that you name needs to be someone that you trust,” said Friar.

RRS

Building your financial future.

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visit us online at www.richmondgov.com/retirement

✂ Cut & Save

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RRS Wins Prestigious Award

The Public Pension Coordinating Council awarded the RRS its fourth *Public Pension Standards Award for Funding and Administration*.

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2014 Direct Deposit Schedule

Payment for the month of:	Deposited on:
April	04/30/2014, WEDNESDAY
May	05/30/2014, FRIDAY
June	06/30/2014, MONDAY
July	07/31/2014, THURSDAY
August	08/29/2014, FRIDAY
September	09/30/2014, TUESDAY
October	10/31/2014, FRIDAY
November	11/26/2014, WEDNESDAY
December	12/31/2014, WEDNESDAY