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MEMBER NEWS

A Publication for VRS Members

November 2019 | Archives

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WE WANT YOUR FEEDBACK

HYBRID PLAN MEMBERS

TAKE OUR SURVEY



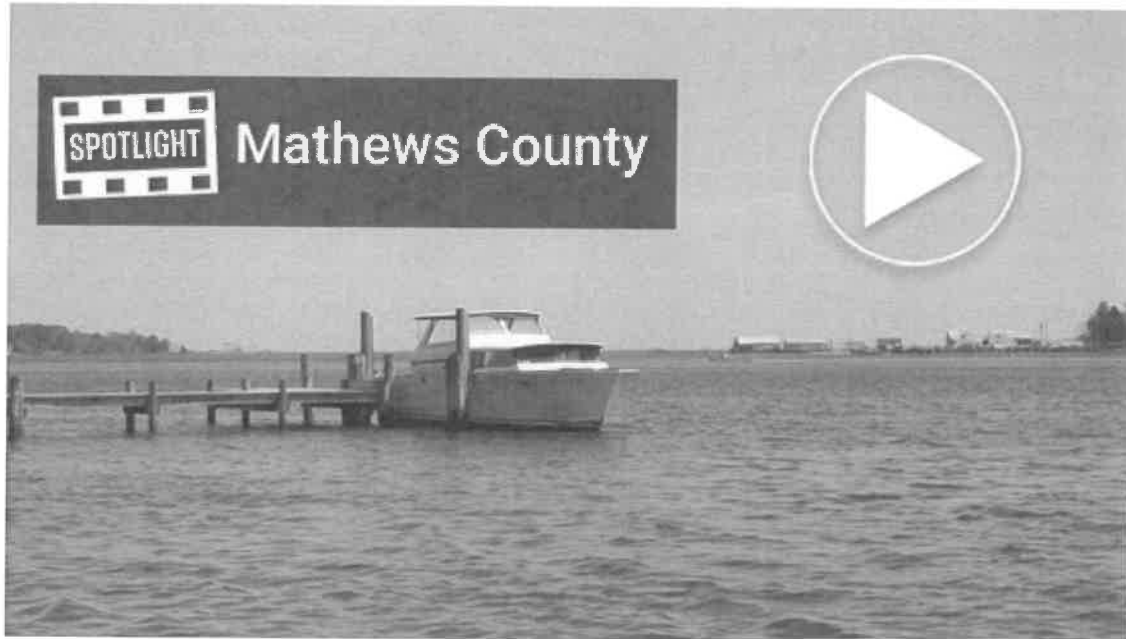
Member Education




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Have an idea for an article?



Video: Mathews County Members Prioritize Saving and Set Goals for Retirement

In this [video spotlight](#) , public employees in Mathews County share their experiences working in their community and saving for their futures. See what steps they're taking today to meet their goals for tomorrow, and gain inspiration for your own retirement targets.



Planning to Retire and Then Return to Work? Know the Rules

For many people, retirement doesn't mean they are finished working forever. For a variety of reasons, you may choose to go back into the workforce after you retire. Whether you discover a laid back part-time job in a field that interests you, or you find yourself drawn back into the hustle and bustle of full-time work, make sure you're aware of any potential impact that a new job after retirement could have on your VRS benefits.

Thinking of returning to work part-time with your current employer?

Before you retire you cannot arrange, verbally or in writing, with your current employer to return to work in a part-time position, even if that position is not covered by VRS benefits. If you return to work part-time with the employer from which you retire, you must take a break in service of at least one full calendar month from your retirement date before you can start working again. Paid or unpaid leave, summer breaks and intersession periods do not count toward this break.

Considering post-retirement work with another Virginia state agency?

Remember, all state agencies, public colleges and public universities are considered one employer: the Commonwealth of Virginia. If you are a retired state employee, the break-in-service and no-prearrangement rules still apply if you return to a part-time non-covered position with the commonwealth.

Covered Versus Non-Covered Positions

The major deciding factor on whether you can work after retirement and also continue to receive your VRS retirement benefits depends on if the position is covered or non-covered.

Covered employment is a full-time permanent salaried position with a VRS-participating employer. Some part-time permanent salaried state positions may also be covered. If you take a covered job, your benefits will stop and you return to active member status. When you retire again, your benefit will be recalculated based on your new retirement date. Be aware that cost-of-living adjustments (COLAs) you received in your initial retirement will no longer apply.

Non-covered employment is a part-time position with a VRS-participating employer. Non-covered positions do not provide eligibility for benefits. Your hours must be 80% or less of the hours required of a full-time employee in the same or a comparable covered position for you to continue receiving your retirement benefits. Some temporary full-time positions may be considered non-covered under certain conditions.

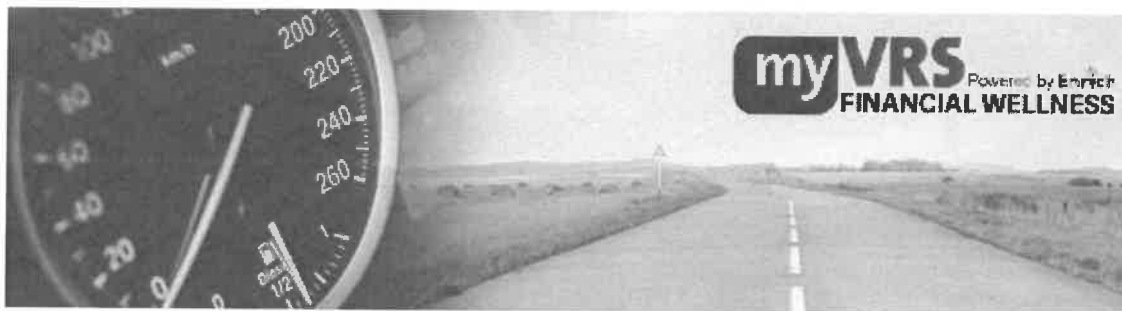
Thinking about working for an employer that does not participate in VRS?

If you're setting your sights on working after retirement for a private company or a nonprofit organization, the rules are simple for you—your VRS retirement benefits will not be impacted.

Retiring on disability and returning to work later? Consult VRS before accepting any covered, non-covered or private employer position so that you are informed on the impact to your disability benefits.

Questions? Refer to the Handbook for Members for your plan or visit the [Working After Retirement section](#) of the VRS website.

Similarly, your Social Security benefits may be impacted by going back to work—visit the [Social Security Administration](#) website or call [800-772-1213](tel:800-772-1213).



myVRS Financial Wellness: Turbocharge Your Insurance and Car Buying Knowledge

The road to a successful retirement includes more than just what you put aside each paycheck—it involves your overall financial wellness—both now and in the future. This includes everything from creating a budget, to optimizing your credit, to making good decisions when buying a home or a car.

If you need a GPS to help you navigate this financial journey, simply log into your [myVRS account](#) and select myVRS Financial Wellness. With an entire financial education library at your fingertips, you can take quick courses that give you a rundown on many of your journey's financial landmarks.

New Courses Available

Recently added are interactive courses on assessing your insurance needs and buying or leasing a car. Each course takes less than an hour to complete, and, as with all online courses through myVRS, is completely free for members.

In the assessing your insurance needs course, you will learn about:

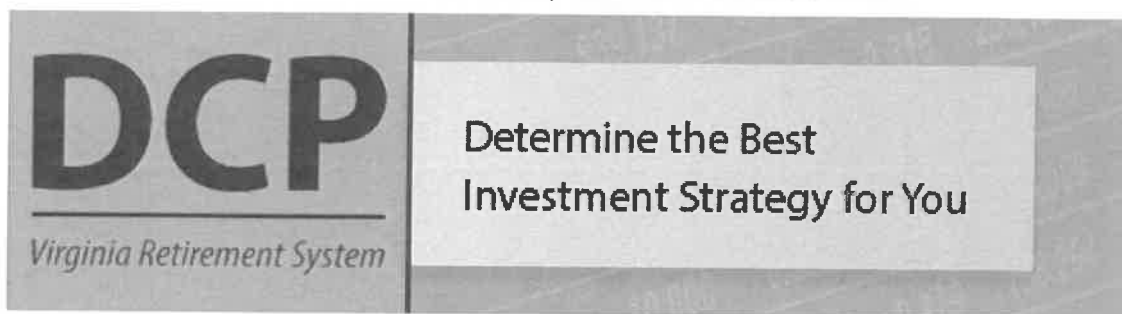
- Insurance basics and the risks associated with being uninsured.
- Common insurance types and specialty protections.
- How to assess and prioritize your insurance needs.
- How insurance safeguards your financial future.

In the buying or leasing a car course, you will gain insights on:

- The costs of car ownership, including auto insurance.
- How to assess which car you need and research different vehicles.
- Questions to ask when shopping for a car.
- The pros and cons of buying versus leasing a car.

Maximize your financial knowledge with our exclusive learning tools.




[LEARN MORE >>](#)



Choosing Your Path: Which Defined Contribution Plan Investment Strategy Is Best for You?

One size does not fit all when it comes to investing. Some people want to be super hands-on with their money, taking control of as many factors as possible. Others want an active role in their portfolios—but don't want to go it alone. And some people prefer to just sit back and let the professionals handle it.

If you participate in a [VRS defined contribution plan](#), you get to choose what you do (or don't do) with your portfolio. If you're not sure what your preferences are, a new video series can help you decide. Click on the options below to see a video explaining how each pathway would work for you.

- The [do-it-for-me](#)  path lets you choose a target date portfolio based on when you expect to retire. These pre-mixed portfolios are professionally managed and change over time to have less risk as you get closer to your retirement.
- The [help-me-do-it](#)  path lets you build a custom portfolio from defined contribution plan investments. You can make your own adjustments over time, controlling your own level of risk.
- The [do-it-myself](#)  path lets you use a self-directed brokerage account (SDBA) through TD Ameritrade. You can select outside retail investments through your SDBA in addition to your defined contribution plan investments. You control your own level of risk and may have additional fees associated with your SDBA. This path is for knowledgeable investors who acknowledge and understand the risks and costs associated with the investments contained in the SDBA.

You Can Still Enroll in Voluntary Group Long-Term Care Coverage

Are you prepared to handle the costs associated with nursing home or at-home care if you are unable to care for yourself due to an accident or illness? Most medical plans don't cover long-term care services that assist with the activities of daily living. Enrolling in the [Commonwealth of Virginia \(COV\) Voluntary Group Long Term Care Insurance Program](#) can help protect you against these costs.

VRS has contracted with Genworth Life Insurance Co. as the insurer for this program. You are eligible for coverage if you are age 18 or over and work at least 20 hours a week for the Commonwealth of Virginia or a school division or political subdivision that participates in the program. If you are age 65 or under and apply within your first 60 days of employment, you are eligible for reduced medical underwriting.

Deferred VRS members age 75 and under who are vested, as well as retirees age 75 and under receiving a VRS-administered benefit, are also eligible.

For more information, call Genworth Life toll-free at [866-859-6060](tel:866-859-6060) or visit [Genworth's website](#).


AUTO-ESCALATION: Hybrid Plan Members



Hybrid Plan Members: See the Difference Auto-Escalation Makes

The next Hybrid Retirement Plan auto-escalation is fast approaching. If you are an eligible member not already contributing the maximum 4% in voluntary contributions to your retirement account, your contribution will increase by 0.5% in January 2020. (Members hired after September 3, 2019, will have their first auto-escalation in 2023.) The higher your voluntary contribution, the more you can save on a pre-tax basis and take advantage of both compound earnings and employer matching funds.

To visualize how this increase will impact your paycheck, check out the [Hybrid Member Paycheck Calculator](#).

You may opt out of auto-escalation until December 16 and you can change your contribution amounts quarterly. [SmartStep](#)  allows you to change your contribution amounts on a schedule you choose.

Visit the [Hybrid Plan Learning Channel](#) to see videos on how your plan works and why contributing more is beneficial to your long-term savings. For online webinars, workshops, in-person courses or counseling, visit the [Hybrid Retirement Plan Education and Counseling page](#).



Review Your 2019 Member Benefit Profile

Your 2019 Member Benefit Profile (MBP) is now available to view in your [myVRS account](#).

Based on information your employer reported to VRS as of June 30, your MBP provides your account balance information, details on when you're eligible for retirement, retirement benefit estimates and information on additional benefits available to you, such as group life insurance and the health insurance credit.

Your MBP makes it easy to see if you're on target for your desired retirement date and income. If you participate in the Commonwealth of Virginia 457 Deferred Compensation Plan, your MBP includes an analysis of your accounts with tips for closing the gap between where you are and where you want to be.

Using other tools in your myVRS account in conjunction with your MBP can help you paint a clear picture of what your future may look like. The myVRS Retirement Planner allows you to enter other income sources and see different outcomes. Similarly, the Benefit Estimator allows you to see how your benefit estimates vary based on various retirement dates and salaries. For tips and strategies on improving your overall financial well-being, visit [myVRS Financial Wellness](#).

Register Now for December Retirement Education Workshops

In addition to the many free educational resources available to VRS members online, you can register for in-person workshops and seminars held periodically throughout the commonwealth.

The next three dates are coming up soon and will feature the Nearing Retirement Workshop in the morning and the "Are You Ready to Retire?" seminar in the afternoon.

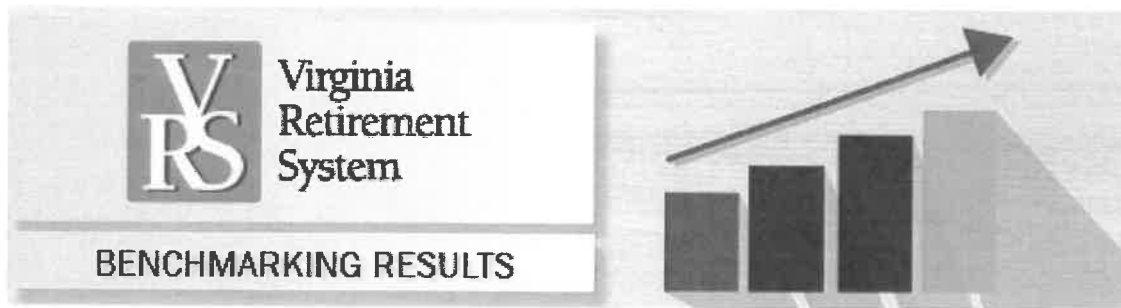
- **Nearing Retirement Workshop:** This half-day workshop features industry professionals who will provide resources to help prepare you for the transition into retirement. If you are a Plan 1, Plan 2 or Hybrid Retirement Plan member planning to retire within the next five years, [register for this workshop](#).
- **Are You Ready to Retire?** This presentation for Plan 1 and Plan 2 members within five years of retirement will guide you through important decisions, such as when to retire and which benefit payout option may work best for you. [Register for an on-site workshop or watch the webinar](#).

Workshop	Date/Time	Region	Location
Nearing Retirement Workshop	December 5 8 a.m. to 12:30 p.m.	Tidewater	Tidewater Community College (Virginia Beach Campus)
	2 p.m. to 3:30 p.m.		
Are You Ready to			

Retire?			
<p>Nearing Retirement Workshop</p> <p>Are You Ready to Retire?</p>	<p>December 10</p> <p>8 a.m. to 12:30 p.m.</p> <p>2 p.m. to 3:30 p.m.</p>	<p>Central</p>	<p>John Tyler Community College (Chester Campus)</p>
<p>Nearing Retirement Workshop</p> <p>Are You Ready to Retire?</p>	<p>December 12</p> <p>8 a.m. to 12:30 p.m.</p> <p>2 p.m. to 3:30 p.m.</p>	<p>Southwest</p>	<p>Mountain Empire Community College</p>

To register for additional VRS courses and seminars, including recorded webinars on benefit topics such as the health insurance credit, visit the VRS Member Education page for your plan:

- [Plan 1 and Plan 2 Member Education](#)
- [Hybrid Plan Member Education](#)



How We Measure Up: See VRS Benchmark Results

Once a year, Cost Effectiveness Management (CEM), a benchmarking company, conducts a study comparing retirement systems in the U.S. and around the world, focusing on service and cost to their customers. How does VRS compare?

VRS' total service score was 83. This was above the peer median of 81.

According to CEM, VRS delivers better customer service at a lower cost, compared to a group of 64 leading retirement systems in the U.S., Canada and other countries, and to a peer group of 12 state retirement systems in the U.S.

VRS has outperformed its peer group in every benchmarking comparison of service scores since 2008.

The agency has improved its service score (from 80 to 83) over the past three years by adding more online self-service tools and reducing the total wait time members experience when they call VRS.

VRS' total pension administration cost of \$78 per member was \$18 below the peer average of \$97*.

CEM attributed VRS' low administrative cost to lower transaction volumes per member, higher productivity and lower costs in office support, technology and project expenses as compared to other retirement systems.

VRS participates in the benchmarking comparison each year to identify opportunities to further improve service and reduce costs for members and retirees.

** Numbers have been rounded.*

FAQ: I Received an Email Offering VRS Retirement Services, How Do I Know if It's Really From VRS?

If you are unsure of an email's authenticity, there are two ways to confirm an email is from VRS. The main way is to confirm that the email is sent from a "varetire.org" address. Second, be cautious if you do not see a VRS logo or VRS copyright information in the email.

Companies not affiliated with VRS may try to offer you unsolicited retirement counseling services or insurance products. VRS will never try to sell you services. All benefit counseling is free to members and retirees. Also keep in mind:

- VRS does not use unsolicited calls to contact members to offer services.
- VRS staff do not come to members' homes to discuss benefits.
- Any mail correspondence from VRS will come by U.S. mail on official letterhead.

Use caution responding to any unsolicited offers of retirement planning or advice. If you're unsure if a communication originated with VRS, call [888-827-3847](tel:888-827-3847).

VRS offers free counseling services by phone or in person at the Counseling Center in Richmond, as well as free [retirement planning and benefit education sessions](#) in a variety of formats.

Your [myVRS account](#) is also a powerful free tool for reviewing your benefits, assessing your retirement readiness and estimating your monthly benefit. For additional information on managing your money and planning for retirement, you can take advantage of free articles, videos and mini-courses available through [myVRS Financial Wellness](#).



Member Education

Classroom and webinar courses are posted on the VRS website as they are scheduled. Register from our [Education and Counseling pages](#).

Retirement Planning

- Are You on Track?
- Are You Ready to Retire?
- myVRS Financial Wellness
- Hybrid Retirement Plan Member Education

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