

MAKE A PLAN

Certified Financial Planning Services for Retirees

Even in retirement, you can build financial security and stay on track to meet your goals. As a VRS retiree, you now have access to Certified Financial Planning services provided through MissionSquare Retirement, (formerly ICMA-RC) the record keeper for VRS Defined Contribution Plans. Participation in a VRS Defined Contribution Plan is not required to take advantage of these services.

CFP professionals offer guidance and support to help you feel confident about your financial security and find a path forward for:

- Reducing debt.
- Budgeting.
- Protecting your loved ones.
- Optimizing Social Security benefits.
- Planning your estate.

Sign up for no-cost webinars and one-on-one 30-minute consultations with CFP professionals at varetire.org/make-a-plan. Spouses and loved ones are welcome to participate in the conversation.

Goal-specific financial plans as well as comprehensive financial plans are available at a low cost for retirees without defined contribution accounts, or whose DCP accounts are below the balance threshold. These financial plans are offered at no cost if your balance is above the DCP account balance threshold:

Goal-Specific Financial Plan – \$175 per financial plan, if DCP account balance is less than \$100,000, or you do not have a DCP account.



Comprehensive Financial Plan – \$450 per financial plan, if DCP account balance is less than \$200,000, or you do not have a DCP account.

CFP professionals do not sell products or services nor do they provide investment advice.

These financial planning services are in addition to customer support provided by DC Plans Specialists. If you have a defined contribution account, you should continue to contact your DC Plans Specialists for plan-specific questions. Find your plan at varetire.org/dcplans.

VRS DEFINED CONTRIBUTION PLAN (DCP) ACCOUNTS INCLUDE:

- Commonwealth of Virginia 457 Deferred Compensation Plan
- Virginia Cash Match Plan 401(a)
- Hybrid Retirement Plan
- ORP for Political Appointees
- ORP for School Superintendents
- ORP for Higher Education

Your 2021 COLA

The cost-of-living adjustment (COLA) eligible VRS retirees, effective July 1, will be 1.23% for Plan 1, Plan 2 and Hybrid Retirement Plan retirees. The increase will be included in the August 1 benefit payment.



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How Retirees Plan to Celebrate Summer Safely

With warm summer weather, and pandemic restrictions gradually relaxing, many people are looking to brighter days ahead after a difficult year and a half.

This spring, we asked our Facebook followers what they were most looking forward to this summer, whether it be dining at a favorite restaurant, taking a much-needed vacation or reuniting with people they haven't seen in too long. Here's what VRS retirees had to say about getting retirement life back on track.

Reuniting With Family and Friends

Many of us have had limited visits with family and friends during the pandemic, and the responses to our post reflected that, with several followers noting they are most excited about spending time with loved ones.



Dave H.

I'm going to Virginia Beach to see my family and two little buddies!

Danny J.

I'm ready for my wife and I to go to Florida and visit the kids and grandchildren!

Gloria S.

Visit the grandkids... been 15 long months!

Remaining Safe and Exercising Prudence

Even with easing restrictions on travel, dining and retail, it's important to stay smart in your activities to protect yourself and others around you. According to the Centers for Disease Control and Prevention (CDC), masks are still required on planes, trains and public transportation in the United States, and encouraged in settings where you will be around large numbers of people. Because guidelines are continuing to change, stay informed. Visit the Virginia Department of Health (vdh.virginia.gov) and see the **CDC Personal and Social Activities guide** at cdc.gov.

Returning to the Beach

Although many plans to relax on the sand were put on hold last summer, this year appears to hold more promise. We had responses from retirees with plans to stay in-state at Virginia Beach or the Eastern Shore, as well as several heading to the Outer Banks and beyond. Some people are just happy to get their toes in the sand—no matter where.



Winifred J.
Any beach!

Laura D.
OBX!

Helen H.W
Cruising to the Caribbean for my 46th wedding anniversary in November.



Charlotte M.H.
COVID won't be totally over this summer. We still need to be careful.

Enjoying Simple Pleasures

You don't have to make big travel plans to find joy and satisfaction in retirement. We heard from retirees who say they are expecting a low-key summer close to home, whether it's catching up on reading or volunteering locally. Day trips offer an opportunity to get out and about without breaking the bank or putting yourself at risk. For loads of in-state travel and activity ideas, with plenty to do for nature lovers, history lovers and lovers of art and culture, visit the official Virginia Tourism website at virginia.org.

Marie V.

Living on a fixed income, going through a pandemic, you learn a thing or two about life.



New Self-Service Features Coming to myVRS

If you've never set up your myVRS account or it's been quite a while since you logged in, now is an excellent time to claim your online account. You'll gain access to services related to your VRS benefits in retirement, with even more resources coming this summer.

Visit myVRS.varetire.org to register or log in. Next, update your profile. Is your email address current? What about your mailing address and phone? VRS relies on this information to keep you informed of your benefits and any changes.

Take time to explore the services already available to you in myVRS:

- View and print 1099 tax forms.
- Change tax withholdings, as needed.
- Print income verification statements.
- View cost-of-living adjustments, as applicable.

In July and August, VRS will roll out these additional features:

- **Beneficiary management:** Update your beneficiaries online instead of submitting the Designation of Beneficiary (VRS-2) paper form. This includes updating beneficiaries for your VRS defined

benefit member account and group life insurance benefits. Retirees with defined contribution accounts will continue to update beneficiaries through **Account Access** at varetire.org/dcp-login.

- **Direct deposit maintenance:** Set up direct deposit or notify VRS when you change financial institutions or bank accounts and need to redirect your monthly benefit payment. The online process for payment destination will replace the Authorization for Direct Deposit of Monthly Benefit (VRS-57) paper form.
- **Health insurance credit maintenance:** Instead of filling out and mailing the Request for Health Insurance Credit (VRS-45), retirees eligible for the health insurance credit will simply go online to claim the credit, report insurance premium changes or make other adjustments.



If VRS is currently deducting your health insurance premium from your monthly benefit on your employer's behalf and the deduction exceeds the maximum credit amount, you do not need to request the credit; it will be included in your benefit payment.

- **Accessing survivor benefits:** Retirees who are receiving survivor benefits based on another VRS member's account will have access to view their survivor benefits using their personal myVRS account.

Cookie Scott: Putting Kindness Into Practice

N.H. “Cookie” Scott retired in 2018 with 46 years of service with the Commonwealth—45 of those years with the Department of Corrections. Her career began shortly after becoming the first Black graduate of Longwood University in 1972, when Scott accepted a position in acute psychiatric services at the University of Virginia Medical Center. A year later, she applied to the Department of Corrections to work as a probation officer and never looked back. Over the next four decades, Scott worked her way up to Deputy Director for the Division of Administration, the position she retired from and held for 16 years.

In retirement Scott is active on multiple fronts, serving on several boards, mentoring students at her alma mater and engaging with people through public speaking and leadership training.



Cookie Scott at the 2013 dedication of the N.H. Scott Center for Diversity and Inclusion at Longwood University. (Photo: Andrea Dailey).

What organizations are you involved with in retirement?

One of the highlights of my retirement is being on the board of United Methodist Family Services. In my career, United Methodist Family Services was one of the placements for children with family issues; I knew how valuable they are as a resource. After retirement, I committed to serving on the board and it's been a wonderful experience working with those folks and seeing those services provided to children and families.

I also serve on the board of the Virginia Public Safety Foundation. This organization provides financial assistance to families whose loved one was a first responder, who was injured or perished in the line of duty.

In 2019, I was appointed by Gov. Ralph Northam to Longwood University's Board of Visitors. Before the pandemic I spent time on campus talking to students and faculty, though this has changed as meetings have become virtual. I'm hoping that soon we'll be able to get back to in-person contact.

As the first Black graduate of Longwood University, do you hear from current students or prospective students who ask for your advice?

I have seen Longwood grow over the years, and I am very proud of being an alumna of Longwood. I started in 1968, and my roommate and I were the first Black students to attend. When she transferred, I felt isolation

being the only Black student there for a while. I was struck by the loneliness of the situation, but also made lifelong friends there. There were people who did not want to associate with me, and there were people on the other side who were very supportive, and they are responsible for ensuring my success at Longwood.

Today, Longwood has been a leader in looking at diversity and inclusion and taking a stance for people. We have grown as a university, changed over the years and done outstanding things in academia and in the community. Their diversity center is named in my honor, the N.H. Scott Center for Diversity and Inclusion, and I had the opportunity to visit there a number of times before the pandemic.

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ICMA-RC Rebrands as MissionSquare Retirement

ICMA-RC, the record keeper for VRS defined contribution plans, is becoming MissionSquare Retirement to further reflect its vision for the future and represent the growing diversity of its client base.

The brand change will become fully effective later this year. MissionSquare Retirement will continue providing the services (administrative, account management and participant education) it does today. Retirees can expect the same level of service and will notice a logo change on the website, correspondence and print materials in the coming months.

ICMA-RC is now

MissionSquare
RETIREMENT

2021 Cost-of-Living Adjustment Takes Effect July 1

Eligible Plan 1, Plan 2 and Hybrid Retirement Plan retirees will receive a 1.23% cost-of-living adjustment (COLA) to their benefit amounts. The increase takes effect July 1 and will be included in your August 1 benefit payment. Cost-of-living adjustments help your retirement benefit keep pace with inflation.

The COLA is based on the Consumer Price Index for all Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics, and is updated each July 1. During years of no inflation or deflation, the COLA will be 0%.

If you retired under the Basic Benefit or Advance Pension Option, the COLA calculation is based on your Basic Benefit amount. If you retired under the Basic Benefit with the Partial Lump-Sum Option Payment (PLOP), Survivor Option or Survivor Option with the PLOP, the COLA calculation is based on your reduced benefit amount. See the retiree handbook for your plan at varetire.org/publications for eligibility details.



Hazardous Duty Supplement Increases

The hazardous duty supplement will increase to \$1,222 per month (\$14,664 annually) for eligible retirees, effective July 1. The benefit payment issued August 1 will reflect the new amount.

The hazardous duty supplement is a dollar amount added to the monthly retirement benefit for eligible members. The supplement begins at retirement and continues until normal retirement age under Social Security, or until age 65 for eligible Virginia Law Officers' Retirement System members.

You qualify for the supplement once you are credited with at least 20 years of eligible hazardous duty service. However, you are not eligible for the supplement if you retired from a VaLORS position with the 2% multiplier.

The *Code of Virginia* requires the supplement to be reviewed every two years and increased by any applicable cost of living adjustments published by the Social Security Administration since the last applicable increase.

Health Insurance Credit Available for Eligible Non-Teacher School Division Retirees July 1

Legislation passed during the 2020 General Assembly session expands access to the health insurance credit to non-teacher school division retirees starting July 1.

Current and future retirees with at least 15 years of VRS service credit will receive a monthly credit of \$1.50 per year of service, or \$2.50 if your former employer elects an additional \$1 enhancement. The legislation also removes the \$45 monthly cap on the credit for non-teacher school division retirees.

The health insurance credit is a tax-free benefit that assists with health insurance premiums you pay for single coverage, excluding any portion of the premiums covering a spouse or dependents. To receive the credit, you must provide supporting documentation if VRS is not deducting your health insurance premiums or if you have additional premiums to report. The health insurance credit is included with your retirement benefit payment and ends upon your death.

Retired and newly eligible for the credit?

In late June, VRS will mail eligible non-teacher school division retirees a letter explaining their new eligibility. The letter will include instructions on steps to take to begin receiving the benefit.

Retired and already receive the credit?

If you are a retired non-teacher school division employee who already receives the health insurance credit, your benefit may increase. The legislation removes



2021 LEGISLATIVE SUMMARY

The General Assembly concluded its 2021 regular session. For an overview of new laws related to VRS, see the Legislative Summary at varetire.org/legislation.

Quarterly Investments Report Provides Latest Fund Insights

Check out VRS' quarterly **Investments Report**, which has an updated design and features a new column from Chief Investment Officer Ronald Schmitz. The report highlights quarterly fund performance while the column provides context to the data, as well as additional insights into VRS' investment strategy. Find quarterly reports at varetire.org/investments.



HEALTH INSURANCE CREDIT continued from page 5

the \$45 per month cap on the credit. If eligible, you will automatically receive the appropriate higher credit amount beginning with your August 1 monthly benefit, provided VRS is deducting your health insurance premiums on your employer's behalf or you are already reporting premium amounts to VRS to substantiate the increase. You will receive a letter in August noting the change in health insurance credit.

If you are eligible for a higher credit but have not reported health insurance premiums to document your eligibility

for the credit, you may report those premiums by submitting a VRS-45 or logging into your myVRS account later this summer.

Keep VRS updated on premium changes after you retire

Keeping your information current ensures you receive the proper credit amount and are not at risk for receiving an overpayment, which would require you to reimburse VRS. Report a premium change or cancellation through your myVRS account or by submitting the VRS-45.

VRS Wins Two First-Place Eddy Awards

VRS came away with a pair of first-place wins at the annual Eddy Awards sponsored by *Pensions & Investments* magazine at its annual East Coast Defined Contribution Conference in March.

The **myVRS Financial Wellness** platform took first place in the financial wellness category among public plans with more than 5,000 participants. The winning entry was a joint effort of VRS and iGrad, featuring the ongoing campaign to engage members in reducing financial stress by improving money-management skills and financial knowledge.

VRS' communications campaign supporting 2020 updates to the Optional Retirement Plan for Higher Education (ORPHE) took first place in the conversions/403(b) consolidations category for public plans with 1,000 to 5,000 participants. VRS and TIAA submitted a joint entry for the ORPHE 2020 campaign, which focused on increasing value for plan participants by making provider and investment choices more consistent.



COOKIE SCOTT continued from page 4

One of the things I enjoy in retirement is having the opportunity to impact a diverse group of students. I'll have students, including high school students, call, text, asking me questions. It's not anything pre-planned—people who know me will tell their students to call and we'll have that conversation. It's also true with mentoring managers, leadership training and talking through work experiences. People are looking for someone with a sympathetic ear and I enjoy being that person.

You sound very busy in retirement! What do you do to relax?

Responsibilities are part of my enjoyment! I also read quite a lot, and

my "to read" list has grown by leaps and bounds. I enjoy reading Black history, and when I read fiction, I want the good guys to win in the end. There is great learning in reading about the political fabric of our country, but I also like lighter reading, like murder mysteries.

In your public speaking and leadership training, you speak a lot on the "skill of kindness." How can people practice kindness more frequently?

I was raised by a single mother, she taught me that kindness costs you nothing. She told me, "Say hello to people. If they don't respond, it doesn't cost you anything." People learn more when you

treat them well. People hear you if they know you care about them.

We all have an obligation to kindness. It isn't pie in the sky for me—if I do what I can do in my community and encourage other people to do the same thing, we can have that impact globally. I can do things now that I didn't have the time to do, or did differently, when I was working. I'm growing differently in retirement, and differently as I volunteer my service rather than as a manager when working.

Find that opportunity to do something with and for someone else, to show people you care about them, that you're interested in making this country and world a better place to live.

Jim Hines: Research and Restoration

After 44 years in academia and now 11 years into retirement, former Christopher Newport University music professor Jim Hines is still researching, writing and publishing. He has risen to the top of his current field of study—the history of figure skating—becoming one of the world’s foremost experts on the subject, authoring multiple books on a sport that until now lacked a definitive published history.

Though he spent his career in musicology, teaching music and building the music program at CNU, Hines says figure skating has long been one of his top interests. As a teenager in Norfolk, Hines roller-skated competitively—a parallel sport to figure skating—because the area lacked an ice rink. In the late 1990s, Hines says he was surprised to discover that there had only been one book on the history of figure skating ever written.

“I decided that void needed to be filled and I could do that,” Hines says.

His first book, “Figure Skating: A History” was published in 2005, with

Do You Have a Story to Share?

Contact VRS at proffice@varetire.org with your unique retirement experiences or advice about life in retirement.

three more books on specialized figure skating topics coming out since then. Hines is currently finishing up a fifth book, set to release this year in conjunction with the 100th anniversary of U.S. Figure Skating, the national governing body for the sport.

“Because there are no other figure skating historians out there, I have by default become the go-to person on figure skating history,” Hines says.



Jim Hines with his 1928 Ford Model A at a car show in Michigan.

“I get frequent calls and emails asking questions from people around the world.”

Now splitting his time between Florida and a self-built cottage on Lake Michigan in the summer, retirement has afforded Hines the opportunity to pursue another one of his lifelong passions: automobiles.

“I knew that when I retired, I wanted to play with antique cars,” Hines says. “I’ve always worked on my own cars from the time I was a teenager. The only way to drive them was to keep them running.”

As a retirement gift to himself, Hines purchased a 1928 Ford Model A Roadster, which he keeps and works on in a garage across from his Michigan home. Parked alongside the Model A Roadster, though not quite as old, is a fully restored 1992 Ford F-150 truck,

which Hines describes as being in perfect condition. Meanwhile in sunny Florida he catches rays with the top down in his classic British convertible, a 1951 MG TD.

Car restoration has the advantage of being a hobby that one can both enjoy on an individual level and socially. Some may prefer tinkering away in the garage on their own, while others live for the car shows, driving tours with other enthusiasts or working on cars with friends.

“You can be as involved as you want to be,” Hines says. “Some people play golf, some people play tennis, some people restore cars.”

Beyond cars and figure skating, Rotary International has played a large part in Hines’ retired life. He’s traveled to Nicaragua, Ukraine and Guyana for Rotary projects, and he maintains 36 years of perfect attendance at Rotary weekly meetings.

A driving force behind Hines’ energy and output is his belief that time in retirement is too precious to waste.

“You thought about it, you planned for it, and now you’re doing it,” he says. “I retired at 72—you have a limited number of years left, so it’s important to use them wisely.”

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WHAT DO YOU MEAN BY THAT?

VRS Terms Explained

VRS may seem to have its own language when it comes to benefits, eligibility and retirement plans. In each issue of *Retiree News*, we explain often-used terms.

Diversification The practice of investing in multiple asset classes and securities with different risk characteristics to reduce the risk of owning any single investment.

Asset Class A group of securities that typically behaves similarly in the marketplace when compared to other groups of securities. Three common asset classes are equities, fixed income and cash equivalents.

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