

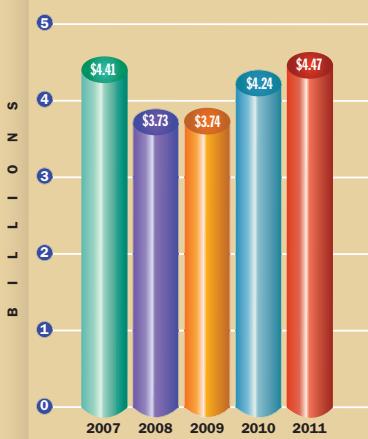


# DCRB Report

FALL 2011

The District of Columbia Retirement Board's mission is to prudently invest the assets of the Police Officers, Firefighters, and Teachers of the District of Columbia, while providing those employees with total retirement services.

## Total Fund Market Value as of September 30



## Fund and Agency Updates

Each fall, the Chairman of the Board of Trustees of the District of Columbia Retirement Board (DCRB) uses this article to give you, the participants in the Plan, an overview of DCRB's performance. I am pleased to continue that tradition and to announce that during fiscal year 2011, which ended September 30, 2011, the Fund continued to grow. Despite continued concerns about the pace of the global economic recovery and significant market volatility, the Fund's total value rose from \$4.24 billion to \$4.47 billion. The Fund's fiscal year return of 2.9% exceeded the policy benchmark and placed the Fund's performance in the top 25% of the Wilshire Associates' Trust Universe Comparison Service (TUCS), a widely accepted benchmark for the performance of pension funds and other institutional investment portfolios.

Following the Board's mission to prudently manage the Fund on behalf of participants, the Board discussed and approved a few changes to the strategic asset allocation in early 2011. The new allocation will increase the Fund's diversification through additional investments in non-U.S. public equities and fixed income. In addition, the changes will result in a significant reduction of investment management fees by decreasing the number of investment manager relationships and by shifting a larger portion of assets into index funds. These changes will ensure that the Fund continues to be well-positioned to continue to meet promised retirement payments to you.

During 2011, DCRB continued to improve customer service by completing

several projects. A new phone system was installed this summer, which allows our Member Services staff to see a queue of incoming calls and gives them basic caller information. With this system, Member Services representatives

are able to provide you with more efficient and faster customer service. On October 1, 2011, the beginning of the 2012 fiscal year, DCRB launched a new, independent financial system. This system allows greater flexibility and quicker financial transactions.

Further, I am pleased to report that the new DCRB website has been rescheduled to launch in December 2011. DCRB staff has been working with the District of Columbia Office of the Chief Technology Officer to develop the new DCRB site, which will still be located at [www.dcrb.dc.gov](http://www.dcrb.dc.gov). Through the new site, DCRB will provide more frequent updates on the value of the Fund, additional forms for members, glossaries of pension-related terms, and more. Our pension benefit calculator will have a new look, but the information needed to complete an estimate will be the same. We hope you find the changes we have made to be useful to you.

In future newsletters, DCRB will continue to share information about our progress on these projects and other improvements to our services.

## Chairman's Corner



Michael J. Warren

# Calendar Year 2011 Tax Information

**A**s we approach the end of the tax year, here are some tips to make your tax filing process easier:

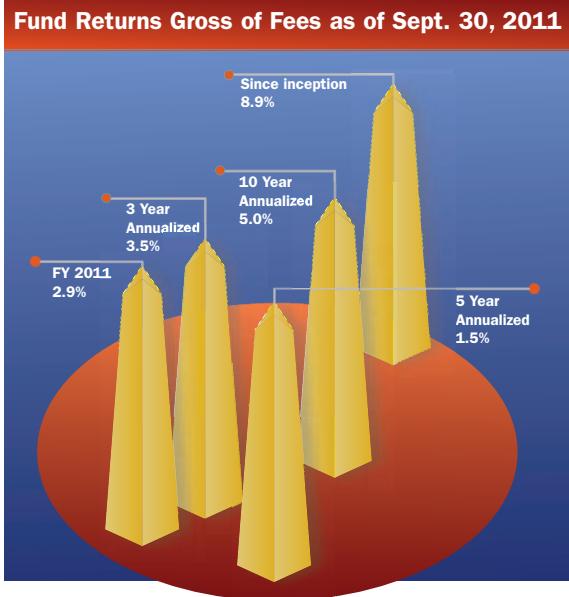
**Distribution of 1099-R Forms:** Prior to January 31, 2012, the U.S. Treasury Department's Bureau of

the Public Debt will issue 1099-R Forms for payments received by retirees, survivors, and beneficiaries from the District of Columbia Police Officers and Firefighters' Retirement Plan and the District of Columbia Teachers' Retirement

Plan during tax year 2011. The majority of annuitants will receive only one 1099-R Form. However, those who, for example, are both a retiree and the survivor of a retiree will receive more than one 1099-R. In that case, both 1099-R Forms should be filed with your 2011 tax return.

**Address Changes:** If you have moved to a new address recently, please be sure to notify DCRB of any changes to your mailing address by December 15, 2011. If

you have chosen to receive your pension payments via direct deposit, payments will continue to be sent to your bank account following a change of address. However, DCRB will not be able to send your 1099-R Form or other mailings to your new home address unless you change your address on file with us. To notify DCRB of a change in your mailing address, please visit the DCRB website at [www.dcrb.dc.gov](http://www.dcrb.dc.gov) and go to the Member Forms section. There, you will see the Change of Address Form near the top of the list of forms. Please click on the form title to open it as a PDF document, print it out, and send the completed form to DCRB's Member Services Center at the address listed on the last page of this newsletter. If you do not have access to the Internet, you may call the DCRB Member Services Center at (202) 343-3272, or toll free at 1(866) 456-3272, and one of our customer service representatives will be happy to mail a copy of the form to you.



## Report Changes in Your Life

**C**hanges in your life circumstances (e.g., bank information or personal situation) may impact DCRB's ability to contact you or to deliver your benefit. We may also have difficulties calculating the amount of or your eligibility for a benefit payment. Therefore, it is important to report certain changes to our office.

When DCRB needs to contact you, we rely on the information you have provided. If this information is out of date or invalid, you may not receive information from us including newsletters, election materials, open enrollment information, 1099-R tax documents, and other important mailings our office sends out. Furthermore, if you are enrolled in direct deposit, a change in your bank account information may result in

payments being returned to DCRB.

To make certain that you continue to receive timely communications and benefit payments, remember to notify our office of any change in your mailing address, telephone number, and/or financial account.

Additionally, it is important to report changes in your personal situation. The death of a spouse or partner, or your marriage or re-marriage, can affect the amount of your benefit or whether you remain eligible for benefits. If you receive a child survivor benefit, changes in your status as a full-time student can likewise affect your eligibility for benefits. To ensure that you receive appropriate benefits, you should notify DCRB's Member Services Center at (202) 343-3272 as soon as possible whenever these changes occur.

### Member Services Center Can Assist You!

DCRB's Member Services Center is a great resource for Plan members. Whether you need a copy of a form or would like to schedule an appointment to discuss your benefits with a Member Services Representative, the Member Services Center is ready to assist you. To allow our staff to serve you quickly and efficiently, please schedule an appointment by phone or email. By indicating your issue and providing us with your contact information, our specialists can tailor our services to your needs.

#### Member Services Center

DC Retirement Board  
900 7th Street, NW, 2nd Floor  
Washington, DC 20001  
(202) 343-3272  
(toll free) (866) 456-3272  
TTY (800) 877-8339  
Fax: (202) 566-5001

# Health Care Open Enrollment Season

The District of Columbia Human Resources Office (DCHR) and the Federal Government's Office of Personnel Management (OPM) have announced that their respective health care open enrollment periods will begin on Monday November 14. The Federal Open Enrollment period will end on Monday, December 12, and the District's Open Enrollment period will end on Friday, December 16. During these periods, members of the District of Columbia Police Officers and Firefighters' Retirement Plan and the District of Columbia Teachers' Retirement Plan who are eligible to participate in the health plans available to District and Federal employees and retirees will have an opportunity to change their health plans.

Packets containing information about the plans, including dates of health fairs scheduled to take place during the open enrollment period, were mailed to eligible members in November. More information on District of Columbia health care plans, including 2012 premiums, can be found at [www.dchr.dc.gov](http://www.dchr.dc.gov). The OPM website, [www.opm.gov/insure](http://www.opm.gov/insure), has several helpful features for eligible participants, including a feature that allows participants to select up to four health plans that interest them and provides a comparison chart of provisions, costs and premiums. Additionally, OPM's website lists premiums for 2012.

Active members should submit their changes online through their PeopleSoft Employee Self-Service account. Please contact your Human Resources office if assistance is needed. Retirees and survivors should forward their completed change forms to the DCRB Member Services Center (address on page 3 of this newsletter).

# Changes to Your District of Columbia Health Care Premiums

If you are an annuitant who is enrolled in the District of Columbia health care plans, on December 1, 2011, you noticed a change in your monthly annuity.

## Background

Prior to October 1, 2009, the District's contribution for District retiree health care coverage was 75% of the monthly health care costs (for retirees with at least 5 years of District service). However, legislation passed by the District of Columbia (DC) City Council amends the cost-sharing responsibilities for District-sponsored health plan premiums, changing the maximum District health care contribution from 75% to 72% (and 60% for covered family members). It also requires employees to have 10 years of service to be eligible and

applies a sliding scale of the percent the District will pay for retirees with less than 30 years of service (25 years for police officers and firefighters).

## How the Change Affects You

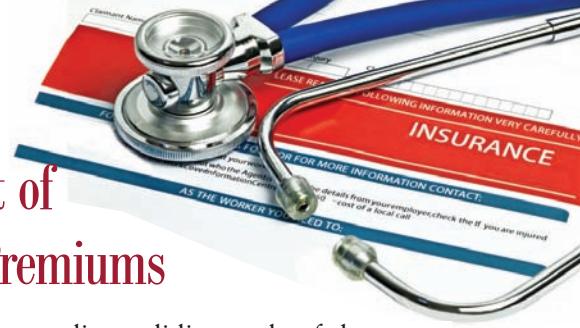
Because the total cost of your health insurance premium is split between the DC government and you, the reduction in the District's portion of the total cost means your portion will be higher. Since your share of health care premiums is deducted from your monthly annuity, your net monthly annuity will be lower. The chart below shows the changes in District contribution rates and eligibility for retiree health care coverage for District employees hired as of October 1, 1987, and who retired on or after October 1, 2009:

## Teachers

For This Group	Retired Before October 1, 2009 and 5 Years of Service	Retired On/After October 1, 2009 and With At Least 10 Years of Service
<b>The District's Contribution will be</b>	72% for you (60% for covered family members).	25% for you (20% for covered family members), plus an additional 2.5% for each year of creditable District service up to 30 years. The maximum District contribution will be 72% for you, with 60% for covered family members.

## Police and Fire

For This Group	Tier 2 retirees with at least 5 years of creditable District service	Tier 3 retirees with at least 10 years of creditable District service	Retired members injured in the line-of-duty, or covered family members of a member killed in the line-of-duty
<b>The District's Contribution will be</b>	72% for you (60% for covered family members).	30% for you (25% for covered family members), plus an additional 3% for each year of creditable District service up to 25 years. The maximum District contribution will be 72% for you, with 60% for covered family members.	72% for you and covered family members, regardless of years of creditable District service.



## Direct Deposit—Convenient and Secure

Direct Deposit, or EFT, is a safe and cost-effective way in which to automatically receive your annuity payment. If you currently receive your annuity payment through the mail and would like to take advantage of an electronic option, please visit DCRB's website at [www.dcrb.dc.gov](http://www.dcrb.dc.gov) and click on Member Forms. Then, click on the Electronic Funds Transfer (EFT) Authorization Form to download and print a copy of the form. Please note that this form has replaced the Direct Deposit form that was previously used by DCRB. Also, please note that the EFT Authorization Form must be signed in the presence of a notary public. If you require assistance finding a notary public, search by your address at [www.notarypublicdirectory.com](http://www.notarypublicdirectory.com) for locations.

You may also call the DCRB Member Services Center at (202) 343-DCRB (343-3272) and ask a customer service representative to mail a copy of the form to you. Whichever approach you choose, mail the completed form to us at the Member Services Center address listed on the second page of this newsletter. Please allow thirty to sixty days after the authorization is received by the DCRB for payments to be deposited electronically.

**Active Member Resources:** If you are an active member, please call your Human Resources office to inquire about services such as, but not limited to, changing your beneficiary information, updating your address, receiving retirement counseling, or correcting any current payroll information.

### TRUSTEES

Lyle M. Blanchard  
Treasurer  
Council Appointee  
Barbara Davis Blum  
Mayoral Appointee  
Joseph M. Bress  
Secretary  
Council Appointee  
Diana K. Bulger  
Sergeant-at-Arms  
Mayoral Appointee

Joseph W. Clark  
Mayoral Appointee  
Deborah Hensley  
Elected Active Teacher  
Judith C. Marcus  
Parliamentarian  
Elected Retired Teacher  
Derrick O. Ross  
Elected Active Police Officer  
Edward C. Smith  
Elected Active Firefighter

George R. Suter  
Elected Retired Police Officer  
Thomas N. Tippett  
Elected Retired Firefighter  
Michael J. Warren  
Chairman  
Council Appointee  
Lasana K. Mack  
Ex Officio, Non-Voting

### D.C. Retirement Board

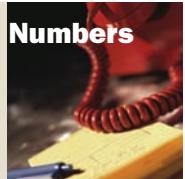
900 7th Street, NW  
Second Floor  
Washington, DC 20001  
Voice (202) 343-3200  
Fax (202) 566-5000  
[www.dcrb.dc.gov](http://www.dcrb.dc.gov)  
Eric O. Stanchfield  
Executive Director

Inside this DCRB Report:  
Health Care Open Enrollment  
and Year End Information



DC Retirement Board  
900 7th Street, NW  
Second Floor  
Washington, DC 20001  
The District of Columbia Retirement Board

**Useful Numbers**



D.C. Public Schools	<a href="#">Human Resources Office (202) 442-4090</a>
Metropolitan Police Department	<a href="#">Human Resources Office (202) 727-4286</a>
Department of Fire and Emergency Medical Services	<a href="#">Human Resources Office (202) 673-6443</a>
Police and Fire Retirement and Relief Board	<a href="#">(202) 442-9622</a>