

eCompass

EMPLOYEES' RETIREMENT SYSTEM OF
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FALL 2009

A MESSAGE FROM TREASURER CAPRIO



Dear Retirement System Participant:

I want to commend our Retirement staff for their diligent work in putting together the Retirement Age Calculators described in this newsletter. Under the new pension rules enacted by the General Assembly, each member of ERSRI who was not eligible to retire on September 30, 2009 will have a unique retirement date based on their date of birth and credited service. Your retirement planning

should include careful consideration of your new projected retirement date.

We are also making a concerted effort to collect email addresses from all of our members so that we can quickly and efficiently communicate with you regarding important news from ERSRI. Even if you are not impacted by the recent changes to the pension laws, we are encouraging all members to log into the ERSRI website and provide us with your current email information.

We strive to provide timely service to meet your needs, so please contact us with any questions, comments or suggestions.

Sincerely,

Frank T. Caprio

General Treasurer / ERSRI Board Chairman

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NEW MINIMUM RETIREMENT AGE CALCULATOR NOW AVAILABLE ON ERSRI'S WEBSITE

The ERSRI website now has minimum retirement age calculators available online to determine estimates of your minimum retirement age as a result of the changes enacted under *H 5983Aaa, Article 7 Substitute A as amended* in the 2009 session. If you were not eligible to retire as of September 30, 2009, you'll need to use one of the calculators to determine your new minimum retirement age. There are four calculators available depending on your employment.

There are two calculators for State Employees and Teachers; one for Schedule A members and one for Schedule B (i.e., members who had less than 10 years of service credit as of July 1, 2005). There are two additional calculators for Correctional Officers and Nurses at MHRH.

To use the calculators, you'll need to create an account online at our website if you have not already done so. Once in the **Member Account Home Page**, click the [Account](#) link.

While in your account, don't forget to verify and update (if necessary) your email address. Simply click the [Change Web Profile](#) link. Keeping this information up to date will ensure you receive email information from ERSRI.

MINIMUM RETIREMENT AGE CALCULATOR

Before using the calculator, there are a few items you'll need to know. For starters, an important point to remember is that if you are eligible to retire by September 30, 2009, the pension changes do not apply to you, even if you remain in active service beyond October 1, 2009. The new retirement eligibility for State Employees and Teachers establishes a minimum retirement age of 62 for all members, except those schedule B members who retire with less than 29 years of service: their retirement eligibility remains 65 years old with a minimum of 10 years of service credit. For Correctional Officers and Nurses at MHRH, the new law establishes a minimum retirement age of 55 with 25 years of service.

The new retirement eligibility provides a proportional downward adjustment of the minimum retirement age based on the years of service credited to your account as of September 30, 2009. Before trying to use the calculators to determine your new eligibility date, it is important to know whether you are a Schedule A or B member since there are separate calculators for each schedule. To differentiate between the two benefit structures, the plans are known as 'Schedule A' for those vested on or before 7/1/05 (i.e., at least 10 years of contributory service before 7/1/05), and 'Schedule B' for those vesting after 7/1/05.

Once you know your current benefit structure, you are ready to determine your retirement eligibility using one of the calculators. After you log in to your account, you'll see the following links:

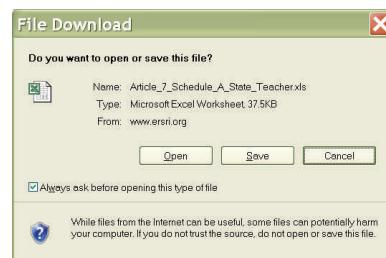
If you are a Schedule A State Employee or Teacher and want to check your retirement eligibility: [Click here](#)

If you are a Schedule B State Employee or Teacher and want to check your retirement eligibility: [Click here](#)

If you are a MHRH Nurse and want to check your retirement eligibility: [Click here](#)

If you are a Correctional Officer and want to check your retirement eligibility: [Click here](#)

Based on your membership type (State or Teacher schedule A or B, Correctional Officer, Registered Nurse at MHRH) just click the appropriate link and the calculator will launch. You'll first see a box that looks like the following:



Here, you can either use the calculator right in the website or Save it to your computer (you'll need to have Microsoft Excel® on your computer if you choose to save it). If you click Open, the calculator will launch and look like the following:

Enter Years	Enter Months	Enter Working Days	Service
0	0	0	0

Enter DOB:

Current age as of 9/30/2009: 49.00

Enter Service Credit:

Your estimated eligibility date: **September 30, 2022** at which point you will be 62 Years Old 0 Months and 0 Days

DISCLAIMER

The member understands that the retirement date computed by this calculator is an estimate only. It is not binding on the Employees' Retirement System of Rhode Island and is subject to audit, adjustment and correction prior to the monthly benefit being finalized. The monthly benefit amount will be finalized after ERSRI has received and posted all contributions through the date of termination.

Instructions:

You only need to input 2 pieces of information to generate an estimated retirement eligibility date.

First: You must enter your date of birth in the following format MM/DD/YYYY for example, 06/15/1965. The calculator will use this to compute your age as of September 30, 2009 and determine your first eligibility point.

Second: You must enter your years of service credit as of September 30, 2009. You may gather this information from **Total Years of Service** amount displayed above. You should enter the value using the four decimal places as displayed for example, 21.8744. If you are using the service credit number from our website, check to be sure you only use credit as of September 30, 2009. You may need to subtract some time if our system has posted data beyond September 30, 2009. If you prefer to estimate your time as of September 30, 2009, you can use the service credit converter in the yellow box above. Simply enter the years, months and days and copy the value in the **Service** field into the "Enter Service Credit" field.

Remember, if you are eligible to retire as of September 30, 2009 under schedule A, you should **NOT** use this calculator.

The four calculators are colored differently to distinguish them from each other. Also, the top of the calculator tells you the membership type. Before explaining how to use the calculators, you should know a few things. Note the disclaimer, ERSRI can only estimate your minimum retirement age. While the calculation of your date may be accurate, adjustments to your account may alter the date. The calculator is NOT linked to the ERSRI database so you must enter data into the yellow boxes for your date of birth (DOB) and your **Service Credit** as of September 30, 2009 to determine your retirement eligibility date.

HOW TO USE THE MINIMUM RETIREMENT AGE CALCULATOR

Enter your date of birth in the Enter **DOB** field.

If you just want to estimate your service credit as of 9/30/2009, enter the Years, Months and Days here and copy the value in the **Service** field into the **Enter Service Credit Field** or use the exact amount described below.

Schedule A Retirement Eligibility Calculator for State Employees and Teachers

Enter Years 0	Enter Months 0	Enter Working Days 0	Service 0
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Enter **DOB** 9/30/1960
 Current age at 9/30/2009 49.00
 Enter **Service Credit** 0

Your estimated eligibility date **September 30, 2022** at which point you will be 62 Years Old 0 Months and 0 Days

DISCLAIMER

The member understands that the retirement date computed by this calculator is an estimate only. It is not binding on the Employees' Retirement System of Rhode Island and is subject to audit, adjustment and correction prior to the monthly benefit being finalized. The monthly benefit amount will be finalized after ERSRI has received and posted all contributions through the date of termination.

Instructions:
 You only need to input 2 pieces of information to generate an estimated retirement eligibility date.
First: You must enter your date of birth in the following format MM/DD/YYYY for example, 06/15/1965. The calculator will use this to compute your age as of September 30, 2009 and determine your first eligibility point.
Second: You must enter your years of service credit as of September 30, 2009. You may gather this information from **Total Years of Service** amount displayed above. You should enter the value using the four decimal places as displayed for example, 21.8744. If you are using the service credit number from our website, check to be sure you only use credit as of September 30, 2009. You may need to subtract some time if our system has posted data beyond September 30, 2009. If you prefer to estimate your time as of September 30, 2009, you can use the service credit converter in the yellow box above. Simply enter the years, months and days and copy the value in the **Service** field into the "Enter Service Credit" field.
 Remember, if you are eligible to retire as of September 30, 2009 under schedule A, you should **NOT** use this calculator.

Contributions	
Pre-tax Contributions:	\$50,000.00
After-tax Contributions:	\$0.00
Total Contributions:	\$50,000.00

Service Credit	
Contributing Service:	15.0833
Non-Contributing Service:	0.0000
Total Years of Service:	15.0833
Amount of service that was purchased:	0.0000

To view your account details by individual years and transactions: [Account Details](#)

You can enter your exact service credit as of 9/30/2009 from the website using your account information located above the calculator.

If you want to use your exact service credit, you'll need to go to the **Account Details** tab and check the service credit posted as of 9/30/2009. Remember that the service credit information posted on the website is current, i.e., cumulative as of the date you view it. Consequently, depending on when you view the service credit, you may need to subtract pay periods from the data posted on the web site (as of the view date) to 9/30/09.

MINIMUM RETIREMENT AGE CALCULATOR CONSIDERATIONS

Here are a few final points to understand when using the calculators:

- ☑ If you currently have an installment agreement in process that does not make you pension eligible by September 30, 2009, it will be used to reduce your pension eligibility age. You will not need to "pay it off" by September 30th provided you complete the entire installment agreement even if it is after September 30, 2009. If you use the website service credit amount in the calculator, the website may not reflect the service credit. Purchased service credit through an installment is ONLY posted to your account after final payment. Consequently, you may need to add the amount of service credit from the purchase into the amount on the website to get an accurate calculation of your eligibility date.
- ☑ The calculators will only provide you the minimum age you can retire provided you used the correct calculator. If you plan to retire on or around this date, you should contact ERSRI to schedule an appointment to verify the information in your account and the eligibility date.
- ☑ If you have trouble using any of the calculators, you can reach an ERSRI customer service representative via email by clicking on the 'Contact Us' link on our web site, www.ersri.org, or by phone: 401.457.3900



LEGAL CORNER

Beneficiary Nomination Forms



By law, ERSRI must pay the person that the member has nominated on the Beneficiary Nomination Form (BNF). The member is required to sign the form and file it with ERSRI.

The BNF contains important information with respect to who gets paid in the event of the death of a member, whether currently working or retired. The form should specify the primary and contingent beneficiaries, their contact information, optional annuity protection (if vested) and designations for the death benefit and/or refund of contributions.

It is very important that you update this form as changes take place in your life to assure that ERSRI pays the beneficiary of your choice at the time of your death. If you should die, and your beneficiary listed on the BNF predeceased you, ERSRI would by law be required to pay any remaining funds to your Estate. This poses problems since in some instances there is no Estate. In such cases, your loved ones will be required to open a Small Estate in the city or town of your residence and be appointed Administrator or Executor of the Small Estate. This requirement will delay payment of your death benefits. Also, it is important that we notify the person named by you on the BNF, so it is important that you update their contact information.

You should keep a copy of your most recent BNF in a safe place. You should also know that ERSRI is prohibited from disclosing the names of beneficiaries to anyone else but you. If you call to inquire about your beneficiaries, ERSRI will disclose the information only after verifying the caller is actually you. You can access this information by logging in to your ERSRI account. If you do not have an account, go to www.ersri.org and create one.



COUNSELOR'S CORNER

Coming soon as a regular feature, ERSRI will include a "Counselor's Corner" section that will present issues our counseling staff finds educational and helpful for our members. They will include features such as frequently asked questions, different ways a member can apply for retirement (i.e., via the web, in person or through the mail). Got a question you'd like to ask or something you'd like to see? Contact us with your suggestions via our website link or by phone.