



DCRBReport

FALL 2016

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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.

From the Chair of the Board

As the end of another calendar year approaches, I would like to reflect on the changes that 2016 has brought to the District of Columbia Retirement Board ("DCRB" or the "Board"). We have been working on several projects, large and small, with the goal of providing more useful services to you. One such project was the creation and distribution of new, Plan-specific newsletters that have included special information of interest to members of the District of Columbia Police Officers and Firefighters' Retirement Plan and the District of Columbia Teachers' Retirement Plan (the "Plans"). Police Officer and Firefighter members can expect to receive their special-edition newsletter in late winter, and Teacher members should watch their mailboxes (and inboxes) in late summer.



Joseph M. Bress

2016 Investment Returns

During the fiscal year ended September 30, 2016, the assets of the D.C. Police Officers and Firefighters' Retirement Fund and the D.C. Teachers' Retirement Fund (collectively referred to as the "Fund") grew by nearly \$650 million to a total market value of \$6.8 billion, after the payment of all benefits and administrative expenses. Fund investment performance was positively impacted by the recovery in equity and debt markets over the course of the fiscal year, particularly in U.S. and emerging markets equities and emerging markets debt. The Fund generated a gross return of 9.4% (9.3% net of fees), slightly underperforming the Interim Policy Benchmark by 0.7%. The slight underperformance was caused by several investment managers who struggled to keep pace with the changing markets during the year. However, since its inception in October 1982, the Fund has achieved an annualized gross rate of return of 8.7%, exceeding the Board's annual actuarial return target of 6.5%.

Awards

I am also pleased to tell you that the Plans continue to be fully funded. In fact, for the eighth consecutive year, DCRB has been presented with the Public Pension Coordinating Council's Recognition Award for Funding for 2016. The award is in recognition of meeting professional standards for plan funding as set forth in the Public Pension Standards. The Council is a confederation of the National Association of State Retirement Administrators (NASRA), the National Conference on Public Employee Retirement Systems (NCPERS), and the National Council on Teacher Retirement (NCTR).

Technology Projects Update

We are currently working on several technology enhancements that will allow us to better serve you. We look forward to announcing them to you as they are completed and come on

Total Market Value of the Fund as of September 30

(numbers are in billions)



Continued on page 2

Health Care Open Season

The District of Columbia Office of Human Resources (DCHR) and the Federal Government's Office of Personnel Management (OPM) have announced that their respective health care open enrollment periods will take place between Monday, November 14 and Monday, December 12, 2016. During this period, members of the Plans who are eligible to participate in the health plans available to District and Federal employees have the opportunity to change their health plan coverage.

Open Enrollment informational packets were mailed to eligible members in early November. The packets contain details about the health plans and dates of health fairs scheduled to take place during the enrollment period. For more information on District and Federal health care plans and open season enrollment, please visit our website homepage at www.dcrb.dc.gov, and review the "2017 Open Enrollment" and "Open Enrollment Fairs" announcements. There, you will find information about plans offered and premiums charged, as well as dates and locations of informational fairs.

As in past years, the OPM website has a feature that allows eligible participants to enter their Zip Codes, and health plans that have facilities close to where they live will be identified. Participants may also take advantage of a feature that allows them to select plans of interest from a list and to have a comparison chart compiled displaying the plans' provisions, costs, and premiums. The website, www.opm.gov, (under "Insurance," then "Compare Plans") also lists the premiums for 2017.

Active District employees should submit any changes online via their PeopleSoft Employee Self-Service

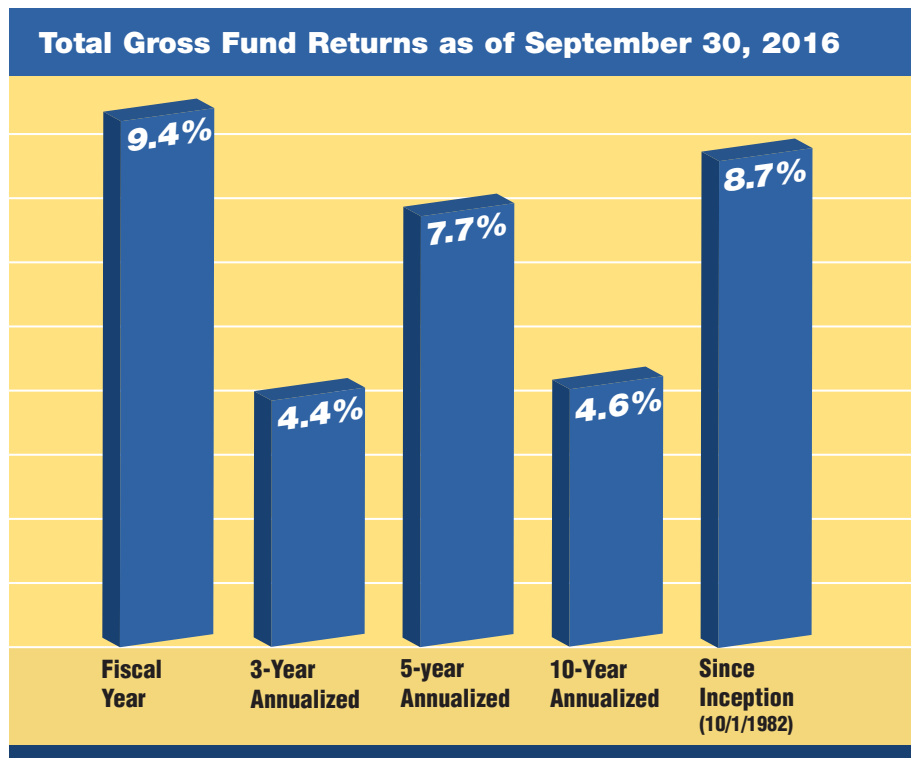
portal. Your Human Resources office can assist you with any questions.

Police/Firefighter and Teachers' Plan retiree members who have coverage through District or Federal programs may submit their materials to DCRB in a variety of ways. You may:

- email us at DCRB.benefits@dc.gov

- fax us at (202) 566-5001, or
- mail your completed change forms to the DCRB Member Services Center at the address on page 4.

Please note: all submitted materials must be dated or postmarked no later than the close of business (5:00 pm ET) on December 12, 2016.



From the Chair of the Board

Continued from page 1

line. One is a new, app-based, electronic check-in station at our front desk. If you visit our offices, you will be guided through an easy sign-in process on an iPad. As a bonus, if you make an appointment in advance of your visit, your check-in information will be saved in our system. This process will allow us to better assist you during your appointment and to keep our offices organized and secure.

Finally, we expect our greatly anticipated Pension Information Management System Project to enter the final stages with our planned release of a Request For Proposal (RFP) early next year. We are particularly excited about this project because of the benefits it will provide participants and will keep you up-to-date on its progress throughout next year.

Calendar Year 2016 Tax Information

Distribution of 1099-R Forms

All retirees and survivors who have received taxable pension income from the District of Columbia Teachers' Retirement Plan or the District of Columbia Police Officers and Firefighters' Retirement Plan (the Plans) during tax year 2016 will receive tax form 1099-R. The U.S. Treasury Department's Bureau of the Fiscal Service will distribute these forms near the end of January 2017. Most annuitants will receive only one 1099-R form. However, if you are both a retiree and a survivor, you will receive multiple forms. All 1099-R forms received should be filed with your 2016 tax return.

Check Your Tax Withholding Amounts

This time of the year is an excellent opportunity to look at your earnings statement to verify that the amount

of taxes being withheld from your benefit payments will be enough to cover your tax obligations for the 2016 tax year. It is common to receive retirement income from multiple sources. If this is true in your case, you may choose to have no Federal taxes withheld. On the other hand, if you are withholding amounts for your taxes and you find that the withholding is not sufficient, you may need to change the amount being withheld. No matter which option you choose, changing your withholding does not affect the amount of taxes you are required to pay. Retirees who want to update their withholding amount should complete a Form W-4P and mail or bring it to DCRB's Member Services Center (MSC) at the address listed on page 4. Blank forms can be requested from the MSC or found on our website at **www.dcrb.dc.gov**. Please go to the Forms for

Members section, then choose "Tax Forms." These forms are also available at the IRS website at **www.irs.gov**. Active District employees who wish to make withholding changes need to file a Form W-4 through their PeopleSoft Employee Self-Service portal.

Terminating District Employment

As a member of the Plans, you may request a refund of your member contributions if you:

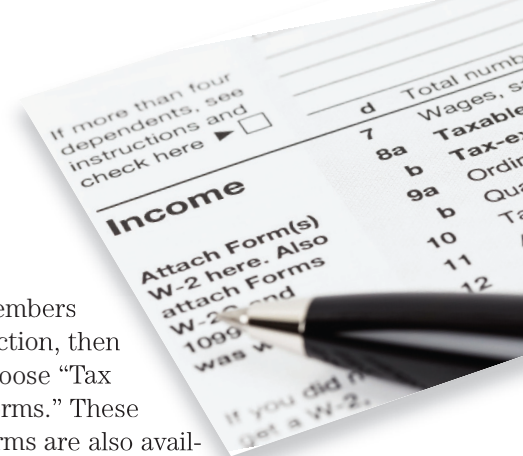
- 1) Terminate your employment with DCPS, MPD, or FEMS before you are eligible to retire, or you
- 2) Transfer to a position that is not covered under the Plan.

In either case, you may request a refund after you have terminated and are no longer on the payroll of your respective agency for at least 31 days. If you terminate employment before becoming vested (with fewer than five years of service), the Plans require that you receive a refund of your member contributions. However, if you terminate employment with at least five years of service, rather than taking a refund, you may choose to leave your contributions in the Plan and to request a deferred retirement annuity, beginning at age 62 (for Teachers) or age 55 (for Police Officers and Firefighters). We have more detailed information on this topic on our website, including links to brochures and forms necessary for submission to DCRB. Please visit **www.dcrb.dc.gov**, and select "Terminating District Employment" under the "Retirement" tab.

Three Trustee Elections Taking Place This Year

The terms of the Board's Active Firefighter representative, Active Teacher representative, and Retired Police Officer representative will end on January 27, 2017. Consequently, elections are in progress to fill those seats. The winning candidates in each of the three elections will be certified by the Board at its December 15, 2016 meeting, and the Trustees' terms will begin on January 28, 2017. DCRB will announce the winners on its website at **www.dcrb.dc.gov** under the News Release section following the December Board meeting, and they will be published in the DC Register.

For more information on DCRB's Board of Trustees, including election information, Board election rules, current Trustee biographies, and Board meeting minutes, please visit DCRB's website at **www.dcrb.dc.gov**.



DC Retirement Board

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Inside this DCRB Report

**District and Federal Health Care Open
Season Enrollment, Trustee Elections,
Year End Information, and more**

Our Member Services Center Can Help You

- **Electronic Funds Transfer (EFT):** New annuitants must use EFT to receive annuity payments. For an enrollment for Electronic Funds Transfer Authorization, please visit the DCRB website at www.dcrb.dc.gov. You may also contact the Member Services Center to request an enrollment form or ask any questions you may have.
- **Beneficiary Updates:** It is important that you ensure that your beneficiary information is current, especially if you have divorced. To update your beneficiary information related to your pension benefits, you can print out forms from the DCRB website (address indicated above) or you may contact the Member Services Center.
- **Life Events Changes:** Changes in your status may have an effect on your pension benefits or those of your family members. If you get married, divorced, become widowed, or if there is a change in your child's student status, you should report such events to DCRB.

Information on our website can also answer many of your questions. Visit us at www.dcrb.dc.gov and click on the "Retirement" tab to view and print useful forms, view the Summary Plan Descriptions (SPDs), and read helpful brochures regarding special topics. Also, for your information and convenience, there is a retirement calculator and a glossary of benefits terms.

DCRB Member Services Center

900 7th Street, NW, Second Floor, Washington, DC 20001 • (202) 343-3272
Toll free: (866) 456-3272 • TTY (800) 877-8339 • Fax: (202) 566-5001 •
Email: dcrb.benefits@dc.gov

Useful

Contacts



Metropolitan Police Department
Human Resources Office
(202) 727-4261

Department of Fire and Emergency
Medical Services Human
Resources Office **(202) 673-7580**

Police and Fire Retirement and
Relief Board **(202) 442-9622**

D.C. Public Schools Employee
Services Division **(202) 442-4090**
dcps.hranswers@dc.gov

Office of Personnel Management
(OPM) **(202) 606-1800**
Toll Free (724) 794-2005*
<http://www.opm.gov>

Social Security Administration
(800) 772-1213
<http://www.ssa.gov>

**for health and life insurance issues*

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Council Appointee*

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*Elected Retired
Teacher*

Nathan A. Saunders
*Elected Active
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Barbara Davis Blum
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Council Appointee*

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*Elected Active
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*Ex Officio,
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