

NEWPORT NEWS EMPLOYEES' RETIREMENT FUND (NNERF)

Newport News Public Schools

Non-VRS Members

(Child Nutrition, Custodial, Plant Services, Transportation employees)



Agenda

- Retirement eligibility and calculation
- What to do if you are thinking about retirement
- What happens after retirement
- How to contact the NNERF Retirement Division



What is NNERF and who is eligible?

- NNERF is a defined benefit plan for City of Newport News and Newport News Public Schools employees
- Full-time NNPS employees hired before July 1, 2009 are members of NNERF
 - Members who are not enrolled in VRS (generally Child Nutrition, Custodial, Plant Services & Transportation employees) receive a full retirement from NNERF
 - Members who are also enrolled in VRS receive a supplement from NNERF*

*See VRS supplement presentation for plan provisions



When can I retire?

- 30 years credited service
- 5 years service and age 60
- Reduced retirement with 25 years service (prior to age 60)
- Penalty of ½% per month for each month away from 60 or 30 years service
- On or after March 1, 2010, only actual service will be used in calculating credited service for determining early retirement eligibility. However, all credited service obtained or earned prior to March 1, 2010, will be included in such calculation



How much will I get?

- AFC (Average Final Compensation)
Highest 36 consecutive months of pay
- Multiplier
 - 2.00% before 3/1/2010
 - 1.85% 3/1/2010 thru 12/31/2012
 - 1.65% after 1/1/2013
- Length of Service



Average Final Compensation

- The highest 36 consecutive months of pay, including up to \$3,000 in annual overtime
- Includes certain special pays such as key driver, transportation trainer, and evening pay
- Does NOT include reimbursements or summer school pay



Sample Retirement Calculation

Determine highest consecutive 36 months of pay and calculate Average Final Compensation (AFC):

Period	Salary
January 1, 2015 to December 31, 2015	\$48,000
January 1, 2016 to December 31, 2016	\$50,000
January 1, 2017 to December 31, 2017	\$52,000
Total (Highest 36 Consecutive Months)	\$150,000
	÷ 3 years
Average Final Compensation (AFC)	\$50,000

Determine years of credited service for each period and calculate annual benefit:

Period	AFC	x Number of Years of Credited Service	x Multiplier (Schools Non-VRS)	= Annual Benefit
Prior to March 1, 2010	\$50,000	23 years	2%	\$23,000.00
From March 1, 2010 to December 31, 2012	\$50,000	2 years, 10 months (2 + 10/12 = 2.833 years)	1.85%	\$2,620.53
After January 1, 2013	\$50,000	5 years	1.65%	\$4,125.00
			Total Annual Benefit	\$29,745.53
			Monthly Benefit	\$2,478.79



Death Benefit & Spousal Annuity

- Upon the death of a retiree, a death benefit of \$3,300 is paid directly from NNERF to spouse or beneficiary
- Spouse is eligible to receive an annuity equal to one-half of the deceased retiree's annuity, until death or remarriage
- The spousal annuity benefit is automatic and does not require a special election



Thinking about retiring

- School employees should contact NNPS Human Resources to schedule an appointment for retirement
- NNPS Benefits Staff will provide an estimate of NNERF benefits and assist with completing retirement paperwork
- Your application and records will be forwarded to NNERF for processing



After Retirement

- The first pension deposit will occur within 90 days of application / retirement date
- Retirees are paid once a month on the last business day of the month.
- Update your mailing address if you move
- Keep beneficiaries updated



What happens if I leave before retirement eligibility?

- Vested retirement eligible based on age
 - 60 years old for NNPS employees
- Must apply for retirement benefits through City of Newport News
- Retirement will be effective the first day of the month following receipt of a completed application
- Death benefit is effective once you begin receiving annuity payments



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