Employees' Retirement System of Rhode Island
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Office of the General Treasurer
James A Diossa, General Treasurer
Chairman, ERSRI Board

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Employees' Retirement System of Rhode Island

COMPASS

EMPLOYEES' RETIREMENT SYSTEM OF RHODE ISLAND

SEPTEMBER 2024

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A message from

GENERAL TREASURER JAMES A. DIOSSA

Dear ERSRI Member,

As Treasurer, ensuring that ERSRI members are kept well informed of changes to the pension system is a top priority. That's why I was pleased to host five town hall meetings alongside ERSRI Director Frank Karpinski in communities throughout the state, as well as one online town hall meeting.

Hundreds of ERSRI members participated, and we were able to answer questions and provide valuable information. I was pleased to see the turnout at these meetings, and hope that we can continue to engage our members in ways that are helpful to you. If you were unable to attend any of the meetings, I invite you to watch the recording of the complete virtual meeting, including questions and answers, at: youtube.com/@RIGeneralTreasurer.

The ERSRI team is always available to answer any questions you may have. You can reach them at 401-462-7600 or by visiting ERSRI.org. You can also reach out to me directly by emailing me at gentreas@treasury.ri.gov.

Thank you for your service to the people of Rhode Island.

Sincerely,
Treasurer Diossa

Treasurer James A. Diossa, together with ERSRI Executive Director Frank Karpinski, hosted five in-person town halls throughout the state and one virtual town hall to update retired Rhode Island state employees on recent changes. You can view the virtual town hall and access the presentation by scanning this QR code.

ERSRI & TIAA Retirement Plan Overview for Active Members
Thursday, October 10th at 6 PM
South Kingstown High School Auditorium
215 Columbia St., Wakefield, RI 02879

This 1-hour in-person presentation is open to all active members of ERS/MERS — no registration is needed. Future quarterly presentations will be held in other regions throughout the state.

News From TIAA

CHOOSING A BENEFICIARY AND FIVE ESTATE PLANNING QUESTIONS TO ASK

We all hope to leave something behind after we're gone. For some people, that takes the form of leaving an inheritance for family, money for a grandchild's college education, a legacy for a favorite cause, or even some sentimental items for friends. For others, it's simply trying to minimize the challenges—financial and emotional—facing those loved ones. One of the biggest benefits of having an estate plan is knowing you've done what you can to make things easier for them.

Pondering your incapacity or mortality, and what might happen to your loved ones when you are no longer with them, can be tough to face. It's what keeps most people from starting the estate planning process. Taking this step now—and regularly reviewing your estate planning documents after you've crafted them—can provide confidence for you and your loved ones that your wishes will be carried out.

Here are five estate planning questions to help you get going:

1. Who makes decisions if I can't?

If you become incapacitated and can't make decisions for yourself, who will make them for you? Who will manage your assets? It's hard to imagine putting that burden on your loved ones' shoulders in such a challenging situation, which is why you should spell out your thoughts in a durable power of attorney, a healthcare proxy, and a living will. If you don't have these documents, your loved ones would have to petition the courts for guardianship or conservatorship, and that would be on top of worrying about your health.

2. Who gets my savings and possessions?

Think about the things you have to share—whether it's money you've saved, your home, or heirlooms you've collected. Estate planning provides a way to make sure your possessions are shared the way you intend. Keeping all of your estate planning documents updated—including your will, beneficiary designations, and titles of large assets—and having a plan to control, manage and protect your assets are important steps to take to make sure that the people you want to receive benefits actually do.

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3. What's the best way to leave instructions about who gets what?

Dividing up family heirlooms can strain even the most harmonious families. To try to avoid any future conflict, it's a good idea to spell out your wishes. When writing a will, we tend to focus on financial assets. It's easy to forget about the jewelry, furniture, and other personal belongings that may also make up your estate. Try creating a list of all of your non-titled property, saying in clear terms where you want each of your assets to go.

4. Do I really need a trust or insurance?

You may want to consider using a trust as part of your estate plan. Trusts can control how assets pass to your heirs. A trust can also be used to help your loved ones avoid probate, which can often be a costly and time-consuming process. There are several different types of trusts, one of the most common being a revocable living trust. Having a trust can also help minimize estate taxes that your loved ones could face.

5. Who should I name as my trustee?

To create and implement a trust effectively, you need to name a trustee you can count on to carry out your intentions. Your trustee should be responsible, reliable, and also have the required experience and expertise. They should also be able to communicate with beneficiaries. You may choose a trusted family member or friend to serve in that role if you think they are qualified and have the time to do it. Or, you may want to consider a corporate trustee if your other candidates could wind up feeling overwhelmed by the responsibilities, don't have sufficient resources to meet all of the trustee's duties, or simply would appreciate having some professional help.

It's a lot to consider, but you don't have to go through the estate planning process alone. A financial advisor and an estate planning attorney can be trusted resources to help make sure you have the proper team in place to execute your wishes. That way, you can feel confident that those wishes will be fulfilled and that you'll be making life a little easier for your loved ones.

Important Note: Members must designate their beneficiaries with TIAA and ERSRI independently. To designate or update your TIAA beneficiary online, login to your TIAA account at www.tiaa.org and navigate to Accounts >> View All Actions >> Beneficiaries, or request a form by calling TIAA at (800) 842-2252.

To designate or update your ERSRI beneficiary, download and submit a Beneficiary Designation Form, available at www.ersri.org under the ERSRI Forms heading on the menu bar.

WHAT IS THE DIFFERENCE BETWEE

Rhode Island public employees have two types of retirement plans work
(DC) benefit plans. Read below to learn how the two combine to give yo

Plan	Benefit Structure	Monthly Benefit	Investing Opportunity	Vesting	Withdrawals and Loans
ERSRI Defined Benefit Plan	CONSTANT. Your ERSRI Defined Benefit is a set amount, determined at the time of your retirement. As a retiree, you will receive a monthly benefit payment for your lifetime.	Your benefit amount is determined by your schedule, your years of service credit, and your final average salary. You may receive Cost of Living Adjustments (COLA) when eligible.	NONE. The State Investment Commission (SIC) manages the pension investments for all the ERSRI trusts.	FIVE YEARS. Once you are vested, you will be eligible to receive a monthly pension benefit when you reach the age and service requirements for your schedule. You become fully vested after earning five years of contributing service.	NO. Your ERSRI contributions are not available to withdraw or borrow against. When you leave covered employment you may withdraw your contributions but you will forfeit your benefit, if eligible, upon withdrawal.
401(a) Defined Contribution Plan (TIAA)	FLEXIBLE. Your Defined Contribution benefits have the potential to grow over your lifetime. They can fluctuate depending on the amount in your account and how your investments perform. You control the amount of your distributions.	Your benefit is based on your contributions, any employer contributions when vested, and any investment gains or losses.	YES. You'll be able to structure investments to best suit your needs. You'll have management access and ultimately control its disbursement.	THREE YEARS. While you are vested for any of your personal contributions right from the beginning, you must complete three years of service to be vested for your employer's contributions.	NO. Your TIAA 401(a) Defined Contribution plan does not allow for withdrawals and loans. You may only withdraw your funds upon separation from covered employment. *(Note: If you have a separate 457(b) Deferred Compensation account through the State, different plan provisions will apply to those funds.)*

EN MY DB AND DC PLANS?

king for them: defined benefit (DB) and defined contribution
u every advantage for a secure retirement.

Portability	Death Benefits	Disability Benefits	Fees & Expenses
NO.	YES. ERSRI provides pre and postretirement death benefits. In addition to the one-time death benefit payment, beneficiaries may be eligible to receive monthly payments, or a lump sum return of contributions. For one-time benefits, beneficiaries may be eligible to roll over funds to qualified retirement plans.	YES. ERSRI provides disability benefits if you meet certain qualifications.	All plan fees and expenses are paid out of the ERSRI trust.
YES. If you leave covered employment, you can roll over your vested contributions to another qualified retirement plan.	NO. Your account balance* will be paid to your designated beneficiary(ies)** upon your passing. **including the employer contributions, if vested.* ***ERSRI and TIAA have separate beneficiary designations. Be sure to designate your beneficiary for each plan.*	NO. The defined contribution plan does not provide disability benefits.	Members pay $28 per year ($7 per quarter), which is deducted from your TIAA account. For members earning less than $42,585 (indexed annually), there are no fees.