



VRS Update

Virginia Retired Teachers Association

September 30, 2026

Presented by Patricia S. Bishop, VRS Director

Agenda

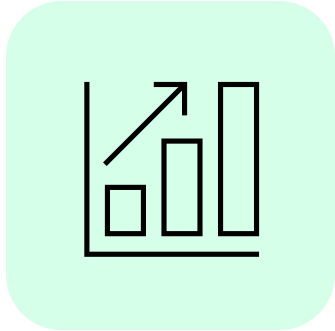
- Investments Update
- myVRS for Retirees
- Benefits and Resources
- Information Sources & Services
- Fraud Prevention & Security
- VRS By the Numbers
- Be a VRS Ambassador



A blurred image of a city street at night, featuring bokeh lights from buildings and streetlights. In the foreground, a digital display shows a line graph with orange and blue data points, suggesting financial or investment data.

Investments Update

VRS Investment Strategy Delivers 12.1% Return, Fund Reaches \$135.2 Billion for FY 2026

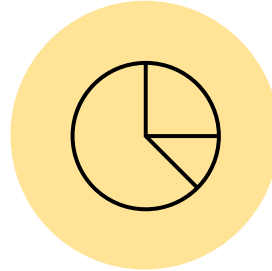


- VRS reported a 12.1% return, net of fees, for the fiscal year that ended June 30, 2026.
- The strong return surpassed the actuarially assumed return of 6.75%.
- The fund reached a record high of \$135.2 billion in market value.

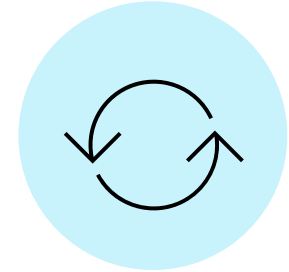
Why Do Investment Earnings Matter?



A strong investment return helps protect fund health



VRS invests for the long term and diversifies investments



Strong returns help ensure that benefits will be paid for years to come



Retiree defined benefits are based on a formula

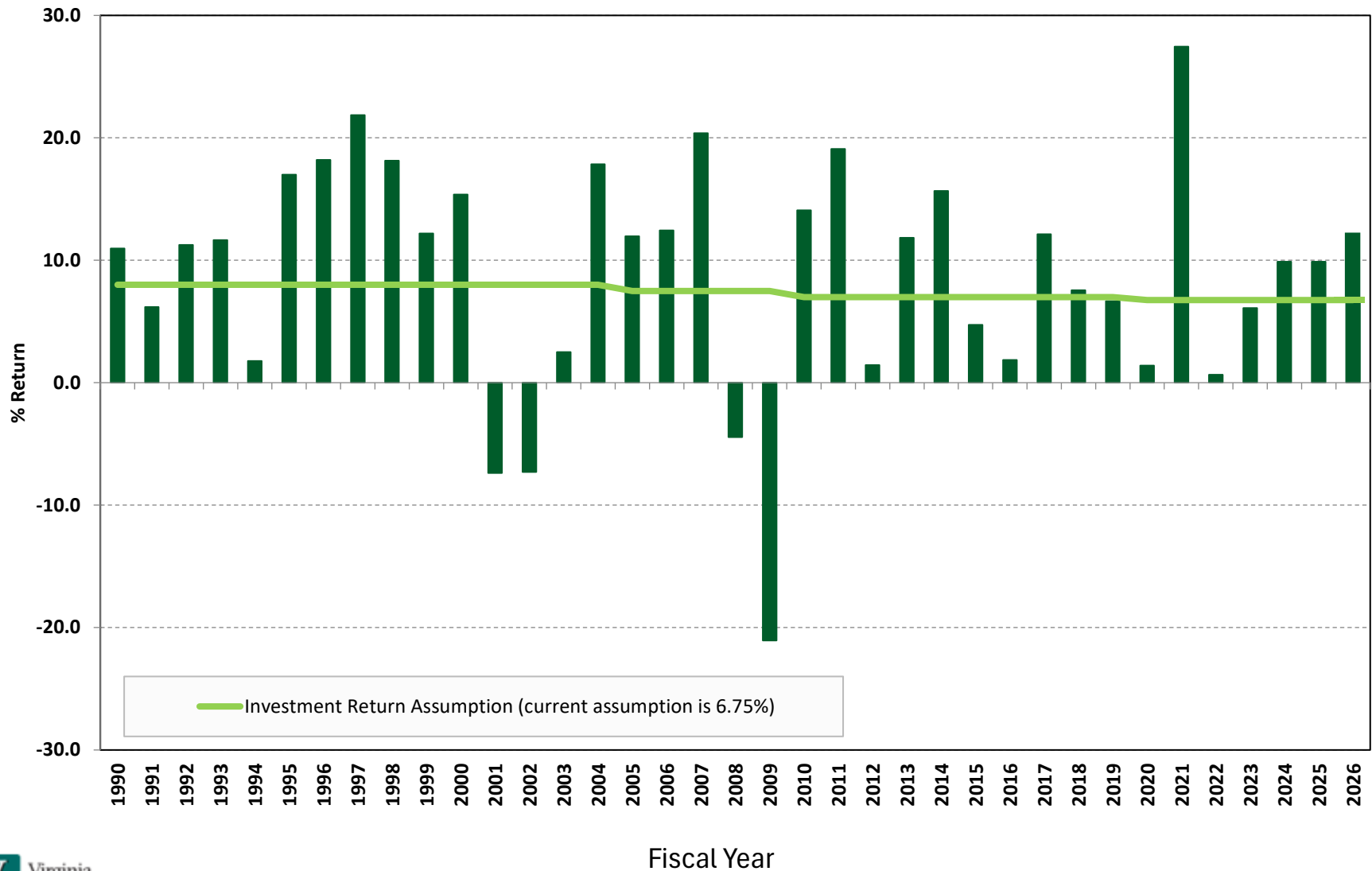


Two-thirds of your defined benefit is paid with investment earnings



VRS paid \$6.8 billion in benefits in FY 2025

VRS Returns by Fiscal Year



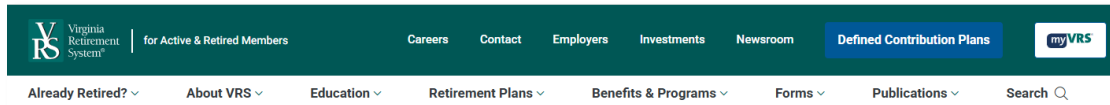
VRS Invests for the Long Term

Assumed
actuarial rate
of return
is 6.75%

VRS Return (as of June 30, 2026)	
1-year	12.1
3-year	10.6
5-year	7.6
10-year	9.2
15-year	8.4
20-year	7.4

Source: Bank of New York

VRS Investment Communications



The investment team manages the VRS Trust Fund with our members in mind. Investment earnings fund about two-thirds of pension benefit payments. Decisions made today must support current and future needs of Virginia's teachers, local government workers and state employees.

[Investment Objectives](#) [Asset Allocation](#) [Returns](#) [Market Value](#) [Quarterly Reports](#)

Investment Objectives

Learn how VRS manages Investments with an eye toward long-term returns.

[Watch Now - Our Focus](#)



Step 1

VRS collects contributions from Virginia's public employees and their employers.



Step 2

VRS invests those contributions to maximize returns while managing risk.



Step 3

VRS pays a monthly benefit to retirees.



Visit varetire.org/investments

Scan for more information



Why VRS Does Not Invest or Divest for Non-Financial Considerations

- VRS invests solely to support members' retirement benefits.
- Investment decisions are based only on financial factors, not non-financial considerations.
- State and federal law require VRS to manage assets based on financial risk, expected returns and long-term stability.

 Virginia Retirement System®

Why VRS Does Not Invest or Divest for Non-Financial Reasons

The Virginia Retirement System manages retirement assets solely to support members' retirement benefits. From time to time, VRS is urged to divest from certain companies, industries or assets, or to invest in others, to advance political, social or ideological objectives. VRS does not make investment or divestment decisions based on those non-financial considerations.

Calls for divestment or targeted investment are often framed as ways to influence corporate behavior or demonstrate positions on social or political issues. By design, such proposals seek to advance public policy goals rather than improve investment performance. Although these proposals may be well-intentioned, Virginia's public pension assets must not be used for purposes unrelated to financial outcomes.

Instead, VRS has a legal and fiduciary duty to put members first financially. State and federal law* require VRS to invest solely to support members' retirement benefits and to manage the trust fund based only on financial factors, including risk, expected return and long-term stability. Using pension assets to pursue non-financial objectives would be inconsistent with that responsibility.

How VRS Operates and Makes Investment Decisions

VRS collects contributions from members and their employers and invests those funds to ensure retirement benefits can be paid both today and in the future. Investment earnings account for approximately two-thirds of all retirement benefit payments. As a result, VRS evaluates investment decisions based on financial risk, expected return and how well they support the system's long-term ability to pay benefits.

VRS investments are managed under an [Investment Policy](#) approved by the Board of Trustees, who are the highest level fiduciaries for the fund. That policy, together with the [VRS Investment Beliefs](#), establishes clear standards for how the trust fund is invested and overseen.

In fulfilling this responsibility, VRS focuses on:

- Long-term performance.
- Careful risk management.
- Diversification across asset types, including stocks, bonds and real assets, to strengthen the portfolio.

By contrast, making investment or divestment decisions for non-financial reasons would:

- Shift decision-making away from factors that affect investment performance.
- Limit available investment options, which can increase risk.
- Increase costs — both upfront and ongoing — for screening, monitoring, trading and customization.
- Require VRS to act inconsistently with its legal and fiduciary requirements.

VRS closely monitors and regularly reviews its investments to ensure compliance with applicable laws, regulations and investment policies.

04-2026 (continued)

myVRS for Retirees



myVRS for Retirees

myVRS Home My Account **Manage My Retirement** Help Fifi Lykke Logout

Hello, Fifi

Your Retirement at a Glance
Account information through 03/31/2026

Last Payment Date April 2026
Net Monthly Benefit Payment \$3,360.76

[Detailed Payment Information](#)

Note: VRS deposits your benefit payment directly to the account(s) you designate. [Change Payment Destination now.](#)

[Direct Deposit Schedule](#)

Retirement Information Summary

Retirement Date:	December 1, 2020
Plan:	Plan 1
Retirement Type:	Service
Age at Retirement:	52 years 7 months

[More Details](#)

Your Payment Destination

FIRST CITIZENS BANK & TRUST COMPANY
100 E Tyron Rd
Raleigh, NC 27603
Acct # XXXXXXXX3927

[More Details](#)

Important
VRS sends you an earnings statement only when there is a change to your net benefit amount or account, such as when you have a cost-of-living adjustment, a change to your health insurance premium or tax withholding amount, or if you change bank accounts.

I Want To...

- Update My Profile
- Print Income Verification
- View My Tax Information
- View Cost-of-Living Adjustments

Living in Retirement
Find Your Balance

Managing Your Finances
Tips for Staying Financially Fit

Staying on Track
Checklist for Retirement



What You Can Do With myVRS



Current Contact Information

Update your myVRS user profile with a **home email address** and **cell phone number**

Tax Withholding

Change tax withholding and print income verification and tax documents



Beneficiary Management

Update beneficiaries for your VRS defined benefit member account and group life insurance benefits



Payment Destination Maintenance

Set up direct deposit and notify VRS when you change financial institutions or bank accounts



Health Insurance Credit Maintenance

Claim the credit, report premium changes or make other adjustments

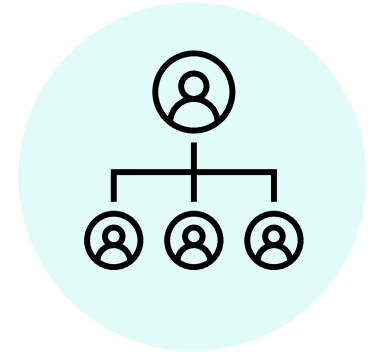
Optional Group Life Insurance

If eligible and enrolled in optional group life insurance coverage with Securian Financial, manage or cancel coverage online through myVRS



Updating Beneficiaries

- You can name any living person or an entity, such as an eligible trust or charity, as your beneficiary at any time.
- VRS is required by law to pay benefits according to the latest beneficiary designation in your record, so it's important to keep your beneficiaries updated.



Defined Benefit Plans

Register or log in to **your myVRS account** to update your beneficiaries for defined benefit member contributions and VRS Group Life and Optional Life Insurance.

Defined Contribution Plans

Register or log in to **your DCP account** to name your beneficiary if you participate in the Hybrid Retirement Plan, the COV 457 Deferred Compensation Plan or the Virginia Cash Match Plan.

Report Health Insurance Changes to VRS



Log in to your **myVRS** account to quickly report:

- Changes to your health insurance plan
- Increases or decreases in your premium
- Cancellation of your health insurance

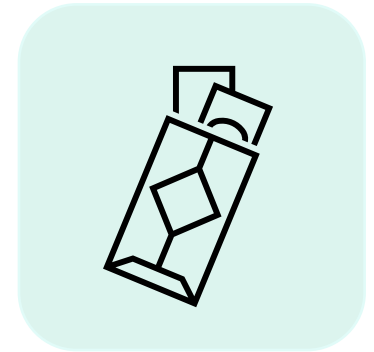
No action is needed if your health insurance premiums are deducted from your retirement benefit and your premium increases.

You can also submit a new **Request for Health Insurance Credit (VRS-45)** form.

Direct Deposit Banking Changes

Using myVRS is the fastest and most secure way to update your banking information!

- Log in or register your myVRS account to
 - set up direct deposit for your monthly defined benefit or
 - notify VRS when you change financial institutions or bank accounts and need to redirect your monthly benefit payment
- Allow at least 60 days for direct deposit changes to take effect.
- Do not close your old banking account until you get your first direct deposit in your new account.



New Option: Email Notice of Your 1099-R



Get email notification when your 1099-R is ready!

Rather than wait for postal mail, opt into faster email notification each January with these easy steps:

1. Under the My Account menu, select “Income Tax Information.”
2. Find “Tax Form Delivery Preference,” click the edit icon.
3. Check the box to opt out of paper delivery.
4. Click the “Update” button to confirm your selection.

myVRS Financial Wellness

- **Articles**
- **Easy access**
to courses
- **Infographics**
- **Interactive**
learning resources
- **Personalized**
content in myVRS
- **Start Here Guides**
- **Videos**
- **Webinars**



Scan for more
information



Living in Retirement

With myVRS Financial Wellness

Planning a big purchase or just want to make sure your budget holds up over time? myVRS Financial Wellness offers short courses you can work through at your own pace. Here are some examples:



Living in retirement

Strategies to help you create and maintain your ideal retirement lifestyle. *35 min.*



Protecting yourself from identity theft and scams

Guard your identity and sensitive data from online scams and threats. *20 min.*



Preparing an estate plan

Explore estate planning and its role in helping individuals prepare for the unexpected. *25 min.*

See [Living in Retirement](#) for a full list of articles and videos related to retiree living.

Scan for more
information



Action Tools in myVRS Financial Wellness

myVRS Financial Wellness offers budgeting calculators and personalized action plans.

Your Budget

Create your budget to set goals, plan for expenses and keep your finances on track



Credit Card Pay Down

Compare fast and proven credit card pay down strategies



Emergency Fund

Prepare for emergencies with an analysis of how much to save and when to start



Your Money Personality

Learn about the reasons behind your money decisions, then pursue action items geared to your Money Personality



Emotions



Outlook



Focus



Influence



Bonus



Retiree Benefits and Resources

2026 Cost-of-Living Adjustment

2.63%

Plan 1 COLA

2.32%

Plan 2 & Hybrid COLA

The increase will be included in the August 1 benefit payment of eligible retirees.

The Code of Virginia :

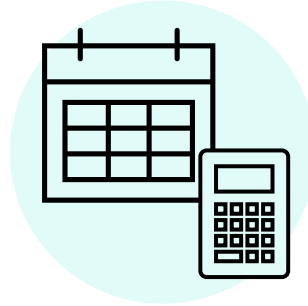
- Requires VRS to **determine the COLA** annually.
- **Sets the method** for the calculation and **caps the annual COLA** for retirees:
 - a **3% maximum** for Plan 2 and Hybrid Retirement Plan members
 - a **5% maximum** for Plan 1 members



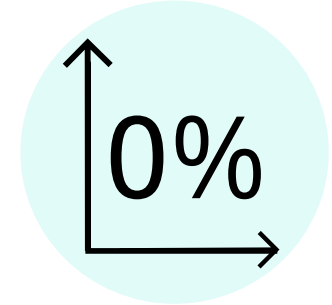
Facts About the COLA



COLA assists retirees with rising costs



COLA may not match the annual inflation rate because it is an average of the monthly rates of inflation for the past year



During years of zero inflation or deflation, no COLA is provided

Virginia is one of the few state pension systems required by statute to review the COLA annually. Most are provided on an ad hoc basis.



Health Insurance Credit



- Provides a reimbursement to assist with the cost of individual health insurance premiums.
- Dollar amount set by the General Assembly.
- Current maximum payable for teachers is \$4/year of service.

To be eligible, a member must:

- Retire from an eligible employer.
- Have 15 years of service credit.

Retirees should keep health insurance credit information up-to-date with VRS!

See more details at varetire.org



Recent infusion of \$93 million into the State Health Insurance Credit fund will lower liabilities and reinforce the program's financial footing.

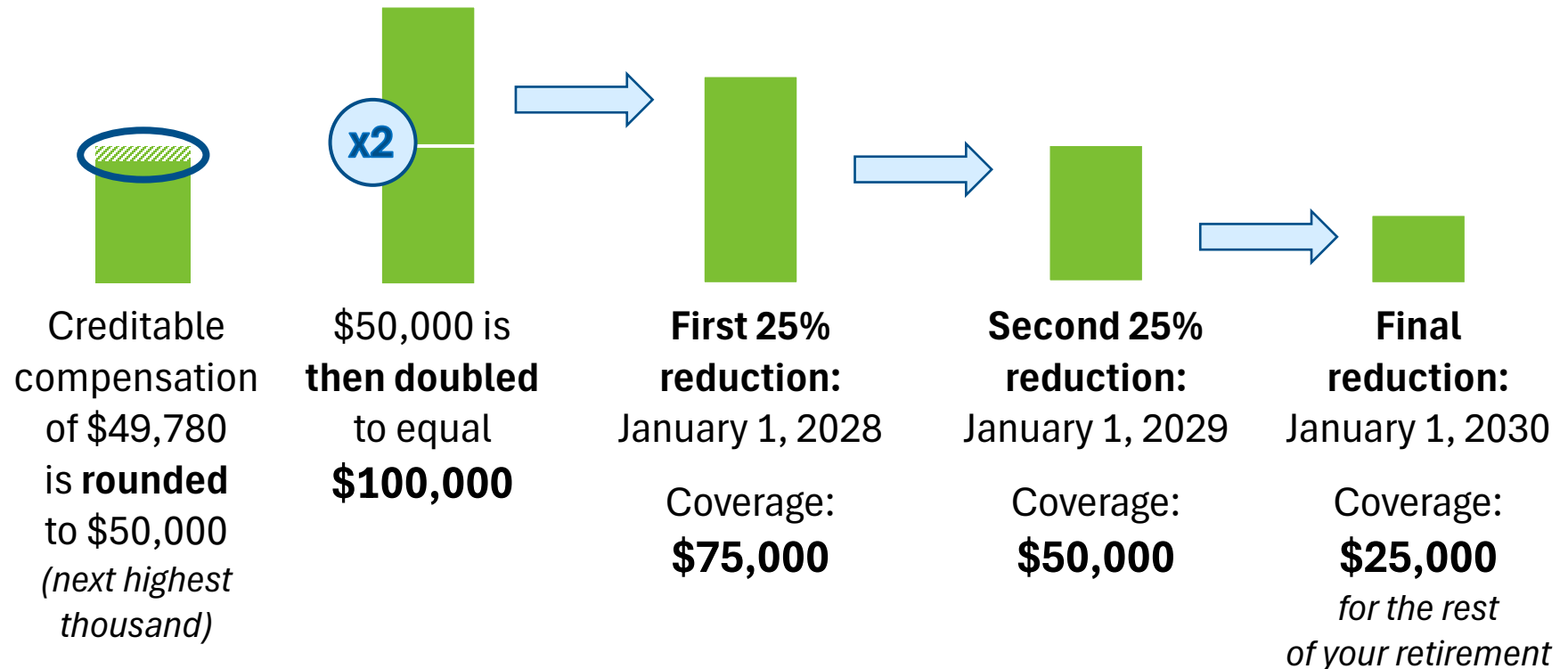
Example: Group Life Insurance

Reduction in Retirement

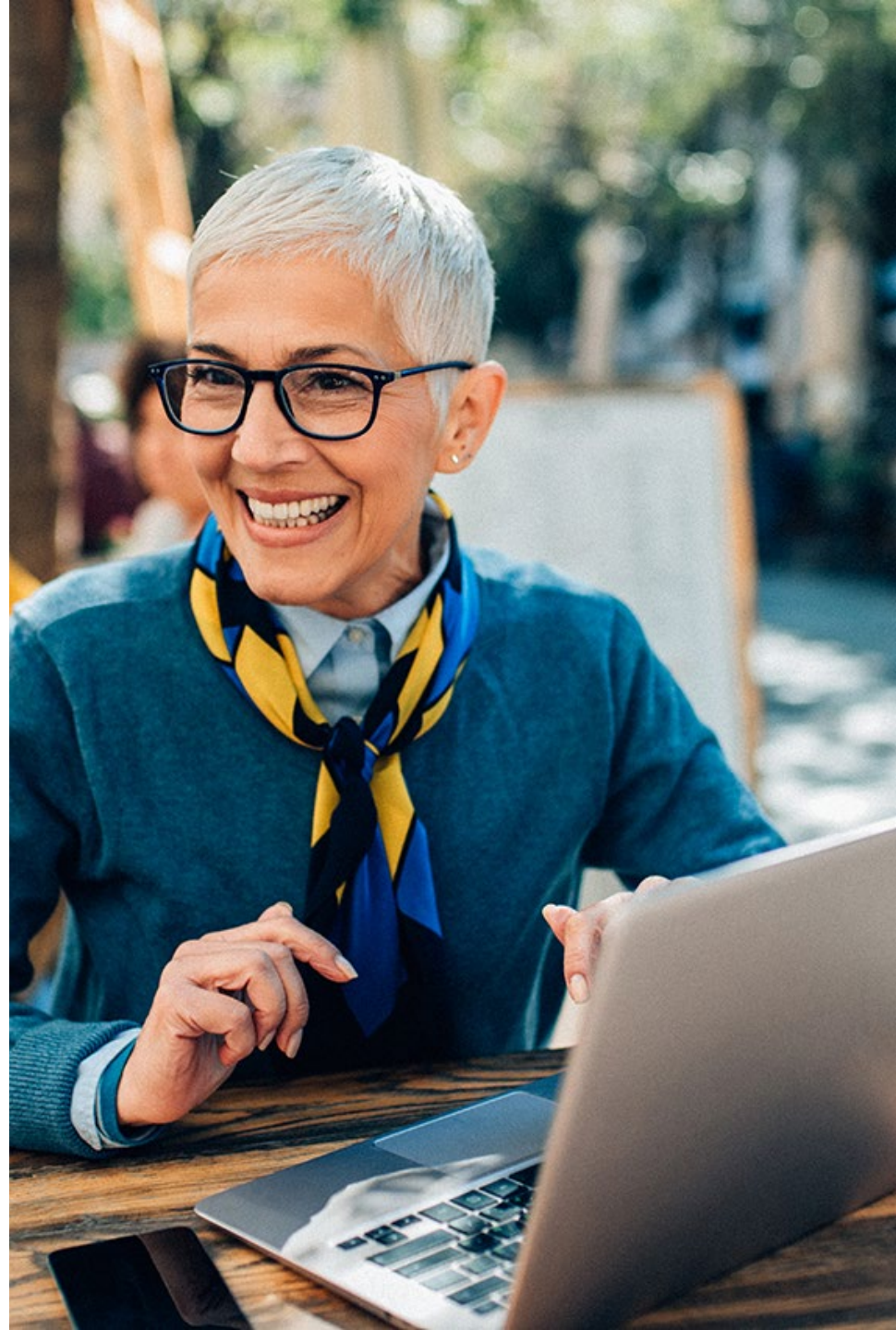
- Retirement: **March 1, 2026**
- Creditable compensation at retirement: **\$49,780**



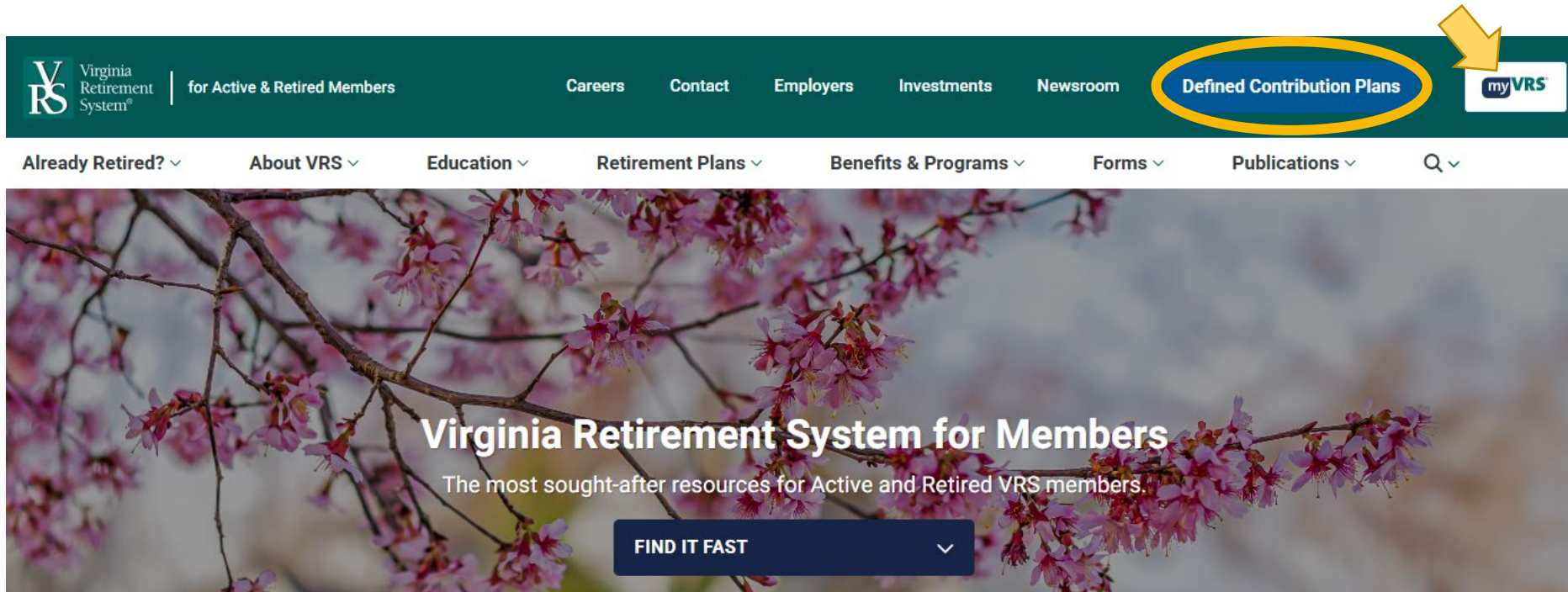
Calculation:



Information Sources & Services



VRS Website and Social Media



varetire.org



LinkedIn



YouTube



Retiree News: The Spotlight's on You!

You have an interesting story. Share it with other retirees!

Email VRS at proffice@varetire.org with your unique retirement experiences or advice about life in retirement. You might become a featured retiree!



FEATURED

Denise Grant Chases Sunrises to Find Adventure in Great Outdoors

She mixes her love of teaching with a passion for the outdoors on her way to see every U.S. national park.



Shirl Lamanca Dives Into Retired Life, One Clay Fish at a Time

After rediscovering a passion for pottery, she uses her craft to support scholarships and bring joy to others.



FEATURED

Robin and Larry Hottle Make Firewood Fun on YouTube

Sharing videos has helped them build a community and inspire others.



Retired Teacher's Kitchen Classroom Mixes Cooking and Charity

Demonstrating simple dishes in her kitchen, Chris Oxford raises thousands for student lunch debt and local charities.



Power of Positivity Turns Cancer Journey Into Message of Hope

After facing major health challenges with strength and humor, retired teacher Wilbert Nelson Gilbert shares his insights.

Visit news.varetire.org/retiree-news for profiles, news and much more!

Scan for more information



Schedule a One-on-One Session

Home > Education and Counseling > One-on-One Counseling Appointments

One-on-One Counseling Appointments

< Back to Education Topics

PLAN TYPE

Plan 1 or Plan 2, Hybrid Retirement Plan

Meet with a VRS counselor to discuss: Retirement benefits, retirement options or how to apply for retirement. Virtual counseling appointments (video or audio) available Monday to Friday; in-person appointments are held at VRS ([view map & directions](#)) and available Tuesday and Wednesday for all active and retired members.

Counseling Appointments

[What is required for virtual appointments?](#)

Plan 1 & Plan 2

Appointment Types: **Virtual** **In-Person**

In-Person Appointments Available for Select Regions

[Book Now >](#)

Hybrid Retirement Plan

Appointment Types: **Virtual**

Virtual Appointments Available

[Book Now >](#)

Online scheduling available!

FEATURED UPCOMING LIVE WEBINARS

Your Next Steps
Sep 19, 2:30 - 3:30 p.m.

myVRS Helps You Plan at Every Stage

A secure way to manage
and update your VRS
Benefits →

myVRS Powered by Enrich
FINANCIAL WELLNESS

Tips, tools and timesavers
to increase your
knowledge →

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information



Counseling Center at Reynolds Crossing

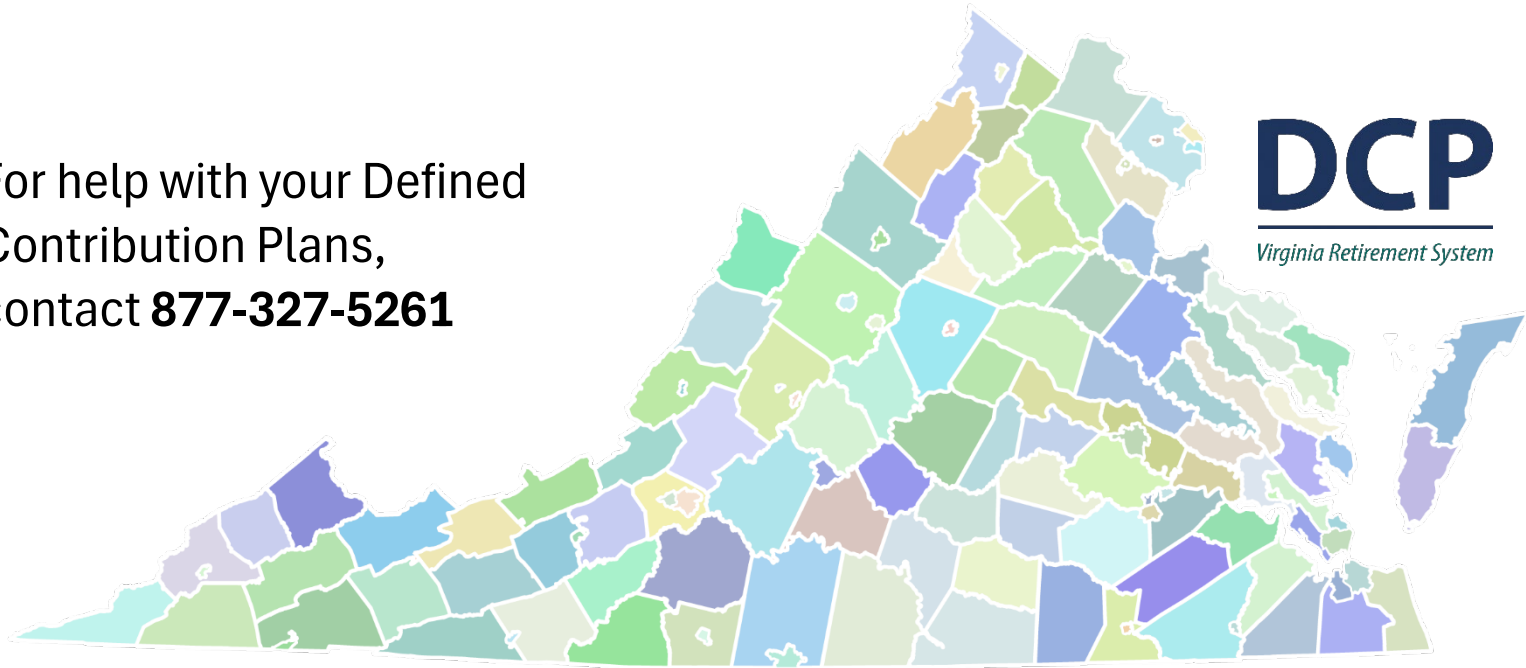
- The VRS Counseling Center is located at Reynolds Crossing, 6641 West Broad Street, in Henrico County near I-64.
- The location offers:
 - Ample, convenient free parking
 - Proximity to public transportation
 - Accessibility for those with disabilities



DCP Retirement Specialists

For help with your Defined
Contribution Plans,
contact **877-327-5261**

DCP
Virginia Retirement System



Sign up for a webinar or a one-on-one consultation with your local DC Plans Retirement Specialist at dcp.varetire.org/contact to discuss investment options, manage contributions and develop a retirement strategy.



Financial Planning



- Financial planning is available to ***all*** VRS members and retirees through Voya Financial's Be Ready team.
- Participation in a VRS Defined Contribution Plan is ***not*** required to take advantage of these services.

dcp.varetire.org/education

Individual Consultation: No cost to participant

- Focus on comprehensive financial planning needs beyond retirement savings.
- 30-minute consultation with a financial advisor via phone or video conference.

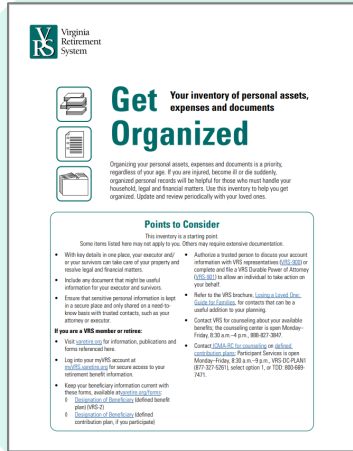
Financial Planning Webinars

- Live webinars with professionals.

Scan for more
information



Organize Your Personal Information



Get Organized

Your inventory of personal assets, expenses and documents

Organizing your personal assets, expenses and documents is a priority, regardless of your age. If you are injured, become ill or die suddenly, organized personal records will be helpful for those who must handle your household, legal and financial matters. Use this inventory to help you get organized, update and review periodically with your loved ones.

Points to Consider

This inventory is a starting point. Some items listed here may not apply to you. Others may require extensive documentation.

- With key details in one place, your executor and/or your survivors can take care of your property and receive legal and financial matters.
- Include and document the right to control information for your executor and survivors.
- Ensure that sensitive personal information is kept in a secure place and only shared as a need-to-know basis with trusted contacts, such as your attorney or executor.

If you are a VRS member or retiree:

- Visit vrs.virginia.gov for information, publications and forms referenced here.
- Log into myVRS account at myvrs.virginia.gov for secure access to your retirement benefit information.
- Keep your beneficiary information current with these forms, available vrs.virginia.gov:
 - [Designation of Beneficiary](#) (beneficiary benefits after VRS)
 - [Designation of Beneficiary](#) (beneficiary benefits after VRS)

Get Organized:
Your inventory
of personal
assets, expenses
and documents

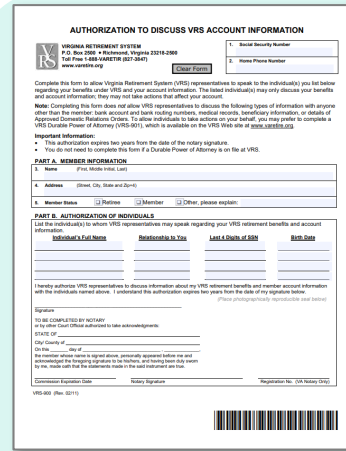


Losing a Loved One

Guide for Families

Help with your next steps to claim VRS benefits

Losing a
Loved One:
Guide
for Families



AUTHORIZATION TO DISCUSS VRS ACCOUNT INFORMATION

VIRGINIA RETIREMENT SYSTEM
P.O. Box 2088 • Richmond, VA 23161-2088
Toll Free 1-800-545-2767
www.vrs.virginia.gov

Complete this form to allow Virginia Retirement System (VRS) representatives to speak to the individual(s) you list below regarding your benefits under VRS and your account information. The listed individual(s) may only discuss your benefits and account information; they may not take action that affects your account.

Important Information:

- This authorization expires two years from the date of the notary signature.
- You do not need to complete this form if a Durable Power of Attorney is on file at VRS.

PART A. MEMBER INFORMATION

1. Name (Print, include initials, last) _____

2. Address (Street, City, State and Zip) _____

3. Member Status ☐ Retiree ☐ Member ☐ Other, please explain: _____

PART B. AUTHORIZATION OF INDIVIDUALS

List the individual(s) to whom VRS representatives may speak regarding your VRS retirement benefits and account information.

Individual's Full Name	Relationship to You	Last 4 Digits of SSN	Birth Date
_____	_____	_____	____/____/____
_____	_____	_____	____/____/____

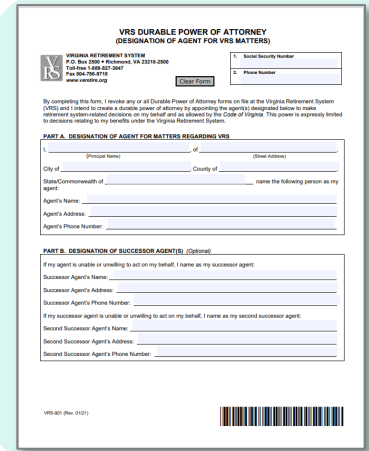
I hereby authorize VRS representatives to discuss information about my VRS retirement benefits and member account information with the individual(s) named above. I understand this authorization expires two years from the date of the signature below.

Signature _____
Date _____
City/County of _____
State _____
I have signed above knowing my legal rights, personally appeared before me and acknowledged the foregoing signature to be genuine, and being duly sworn by me, I certify that the foregoing was made in the said individual's free will.

Commission Expires Date _____ Notary Signature _____ Registration No. (VA Notary Only) _____

VRS-900 (Rev. 02/17)

VRS-900:
Authorization
to Discuss
VRS Account
Information



**VRS DURABLE POWER OF ATTORNEY
(DESIGNATION OF AGENT FOR MATTERS REGARDING VRS)**

VIRGINIA RETIREMENT SYSTEM
P.O. Box 2088 • Richmond, VA 23161-2088
Toll Free 1-800-545-2767
www.vrs.virginia.gov

By completing this form, I revoke any or all Durable Power of Attorney forms on file at the Virginia Retirement System (VRS) and I intend to create a durable power of attorney by appointing the agent(s) designated below to make retirement system-related decisions on my behalf and as allowed by the Code of Virginia. This power is expressly limited to decisions relating to my benefits under the Virginia Retirement System.

PART A. DESIGNATION OF AGENT FOR MATTERS REGARDING VRS

I, _____ of _____ County, _____ State, _____
do hereby designate _____ as my agent.
Agent's Name _____
Agent's Address _____
Agent's Phone Number _____

PART B. DESIGNATION OF SUCCESSION AGENT(S) (Optional)

If my agent is unable or unwilling to act on my behalf, I name as my successor agent:
Successor Agent's Name _____
Successor Agent's Address _____
Successor Agent's Phone Number _____

If my successor agent is unable or unwilling to act on my behalf, I name as my second successor agent:
Second Successor Agent's Name _____
Second Successor Agent's Address _____
Second Successor Agent's Phone Number _____

VRS-901 (Rev. 02/17)

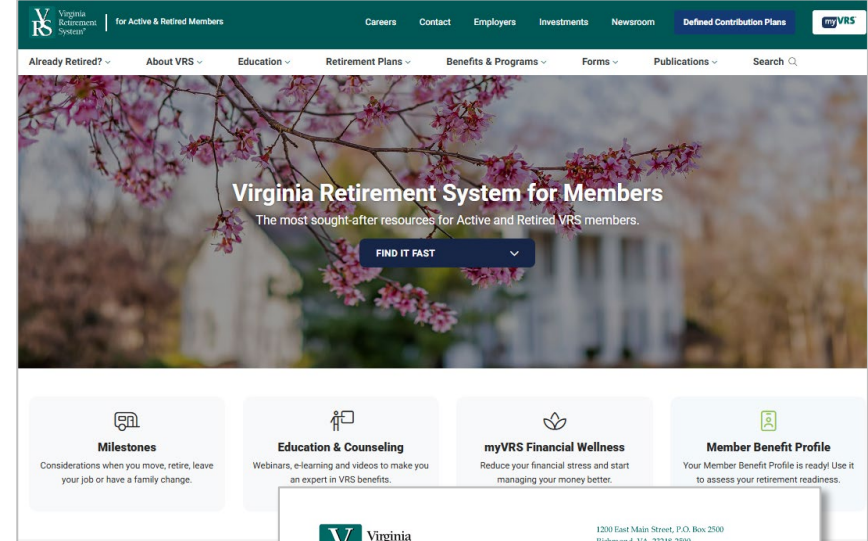
VRS-901:
VRS Durable
Power of
Attorney

Scan for more
information



How to Verify VRS Communications

- VRS does not use unsolicited calls to contact members to offer services
- VRS does not sell services; all benefit counseling is free to members and retirees
- VRS staff do not come to members' homes to discuss benefits
- Correspondence from VRS will arrive by U.S. mail on official letterhead
- Emails from VRS will be sent from a "varetire.org" address and include the VRS logo and registered trademark



varetire.org

888-827-3847

VRS Fraud Prevention: Protecting a Lifetime Investment

John Buzzard
VRS Risk and Fraud
Prevention Manager



Understanding Identity Fraud



\$27.3 billion (USD) losses

18 million adult victims



Adults are financial targets

Cash, retirement and securities and real estate



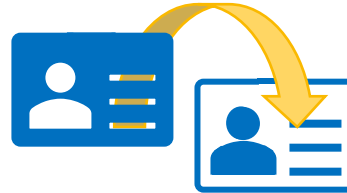
Scams!

\$11 billion (USD) stolen via scams in 2026



Stealing information

Email and text messages, phone calls such as tech support schemes



The takeover

Changing mailing addresses, email and mobile numbers prevent the true account owner from receiving fraud alerts



Emotional manipulation

Loved ones in distress, romance schemes and IRS or tax themes

VRS Account Security Tips



Have a security question?

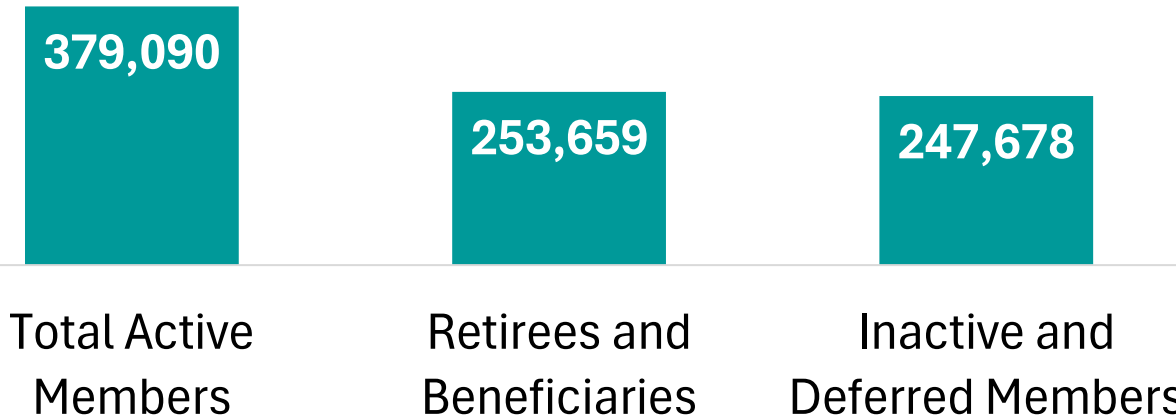
John Buzzard
jbuzzard@varetire.org





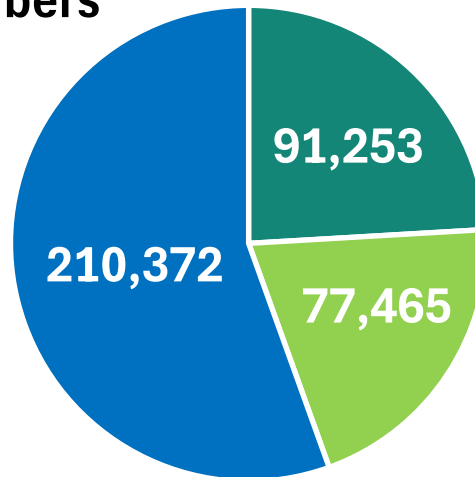
VRS by the Numbers

VRS Total Population^{*} as of June 30, 2026



**VRS Total
Population**
880,427

Active Members by Plan



■ Plan 1** ■ Plan 2** ■ Hybrid

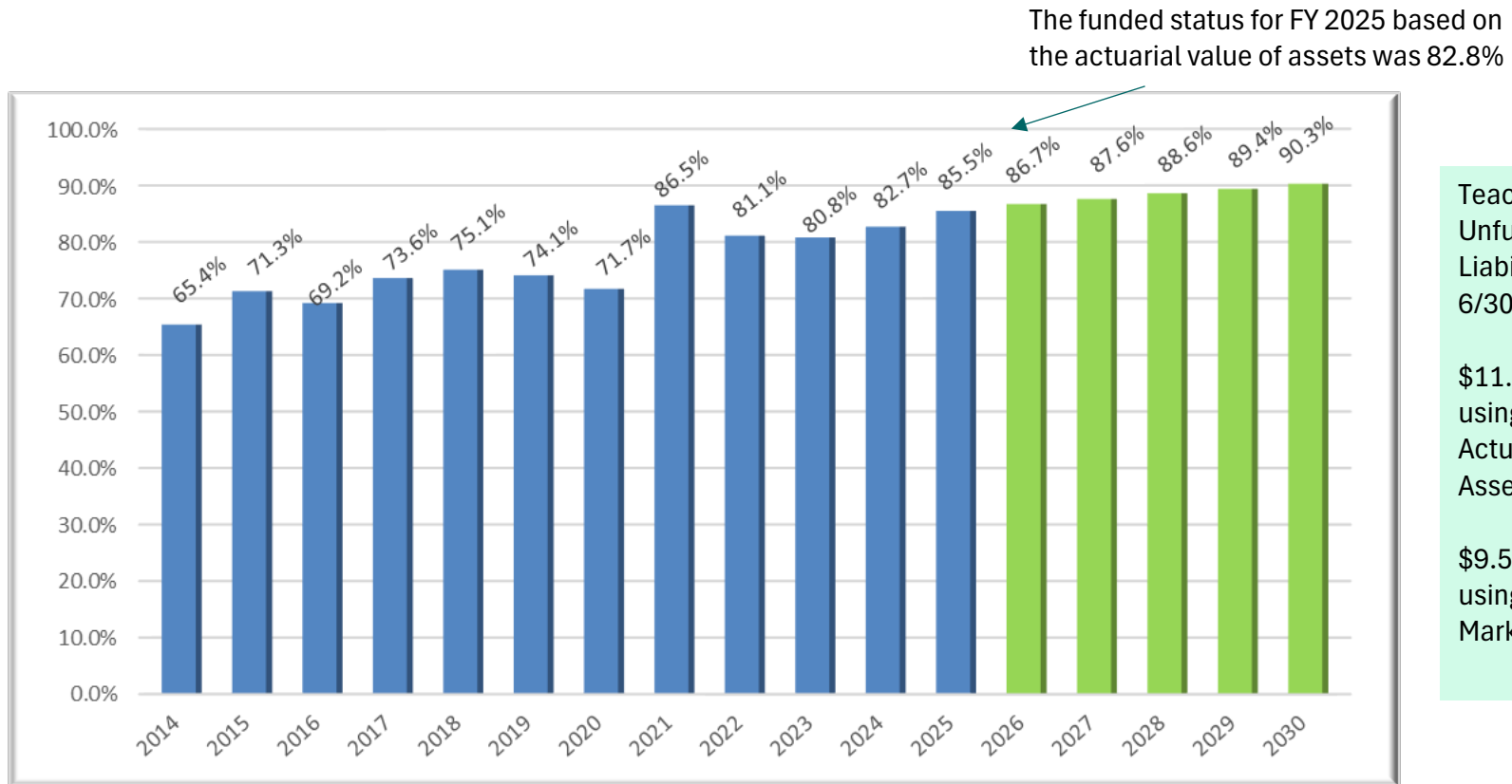
14th

largest public or private
pension system in the **U.S.**

36th

largest public or private
pension system in the **world**

Funded Status: Teacher Plan



Teacher Plan
Unfunded
Liability as of
6/30/2025

\$11.2 Billion
using
Actuarial
Assets

\$9.5 Billion
using
Market Assets

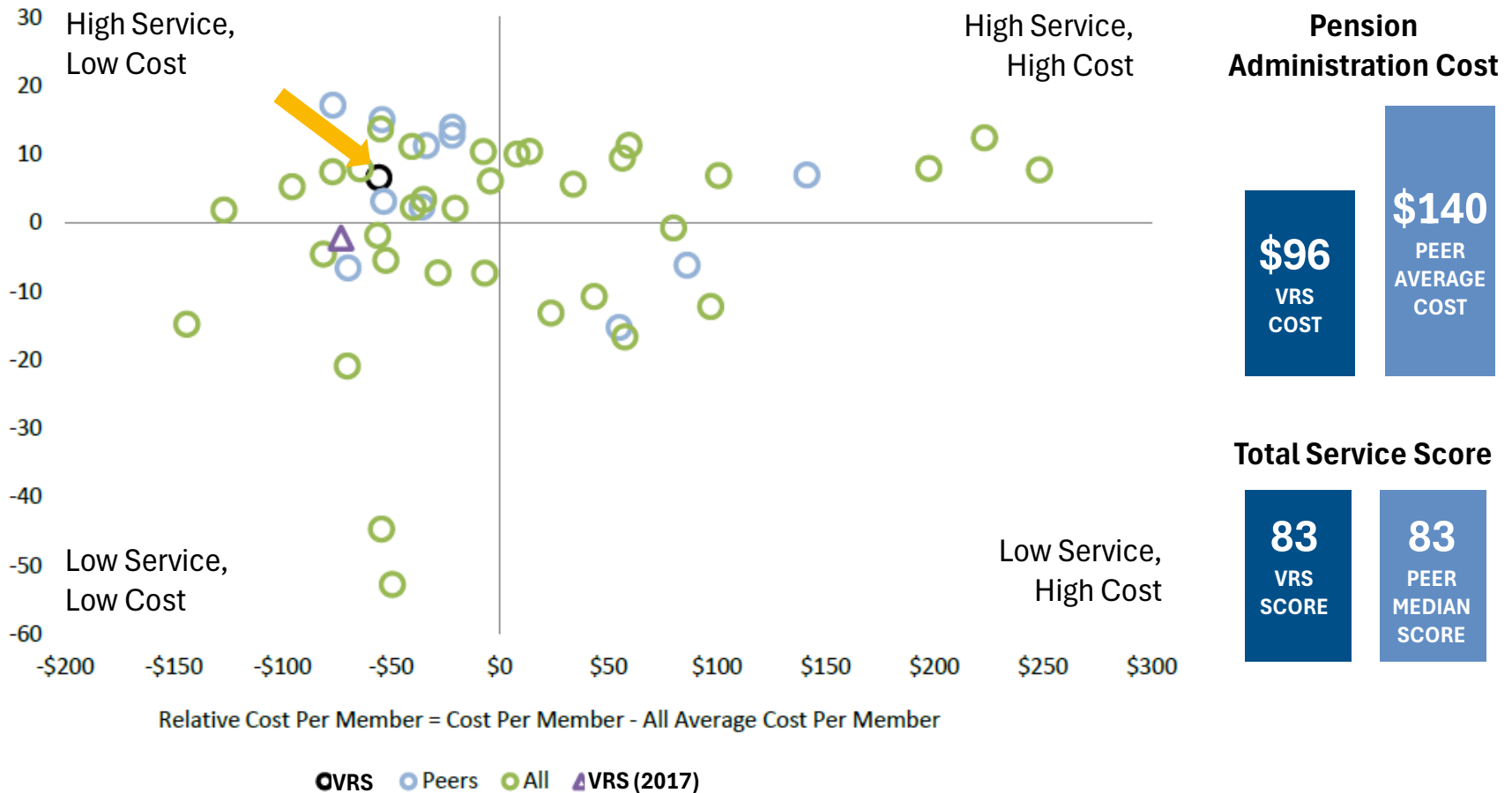
■ Historical Funded Status using Market Value of Assets ■ Projected Funded Status using Market Value of Assets

Notes:

- Projected funded status based on assumed investment returns of 6.75% and inflation of 2.5%.
- GASB Accounting rules reflect funded status using Market Value of Assets.

CEM Benchmarking: VRS Administration

Relationship between VRS service and pension administration cost



Your Next Steps

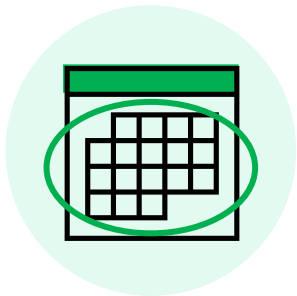
This Week

- Log in and review your myVRS account
- Update your beneficiaries
- Explore myVRS Financial Wellness resources



This Month

- Update your health insurance information
- Complete VRS-900 and VRS-901 forms
- Book a virtual or in-person counseling appointment



This Year

- Enroll in a VRS webinar
- Consider a financial plan
- Organize your personal documents



Spread the Word!

Forward **VRS** information
to others

Share articles
from **Retiree News**

Boost financial skills with **myVRS**
Financial Wellness articles and tools

Recommend
Already Retired?
on varetire.org

Remind fellow retirees
to claim and use their
myVRS accounts

Share information on **organizing**
personal matters and documents

We provide a helpful handout for you!

Share Your Story!

- What does retirement look like for you?
- What advice would you give teachers still in the classroom?

**Visit our Interview Corner
for a quick video conversation!**

We'd love to hear your experiences
and insights for future retirees!





Two Last Questions

Serving those who serve others

