



CITY OF GRAND RAPIDS  
GENERAL RETIREMENT SYSTEM  
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# *The Retirement Register*

## Credited Service Purchase

Active members may elect to purchase up to twenty-four (24) months of additional credited service. The present cost is 14.70% of annual salary rate and longevity per year purchased.

As of July 1, 2008, the rate will increase to 14.79%.

Any permanent, full-time non-uniformed member of the General Retirement System is eligible for this purchase. The purchase can be accomplished via a lump sum payment, payroll deduction (on a pre-tax or after-tax basis) up to a five-year period, a combination of an initial lump sum after-tax payment and payroll deduction, or a lump sum rollover from the member's deferred compensation account.

Please make sure that if you purchase credited service you will not exceed your bargaining unit's credited service cap (years of service plus credited service purchased).

Contact the Retirement Systems office for more information.

## Retirement Reality Check

According to the 2008 Retirement Confidence Survey conducted by the Employee Benefit Research Institute, Americans are having doubts about how to pay for their golden years. Here are some of the highlights from the survey:

- Only 18% of workers polled were very confident about saving enough money for a comfortable retirement. This is the steepest decline in the survey's 18-year history and down sharply from 27% from last year.
- Younger workers (ages 25-34) and lower income (under \$35,000 annually) workers were the most dispirited about their ability to save for a comfortable retirement.
- More than half of workers who retired earlier than planned did so because of health problems or disability.
- Nearly half of the retirees polled said their health care costs were higher than they expected and more than half said they are more worried about their financial future now than they were right after entering retirement.
- Only 34% of workers expect to collect employer-paid health insurance after they stop working, down from 42% last year, as more employers eliminate health care for future retirees.
- Overall, the amount of money that workers are socking away for retirement is modest at best.
- Nearly half of all workers have less than \$25,000 set aside and 22% of workers and 28% of retirees said they have no savings of any kind.
- As a general rule, retirement savings—including Social Security benefits and pension—should be large enough to provide about 80% of pre-retirement income.
- 58% of workers think they will spend less money in retirement than they do while working.
- Only 46% of retirees said that was the case and 54% said they were more concerned about money now than they were at the beginning of their retirement.
- Completing a retirement savings calculation is one of the best ways to encourage good savings habits.

Adapted from article on 04/09/08 on [CNNMoney.com](http://CNNMoney.com), by Ben Rooney, staff writer.

## [Need to Update Your Beneficiary Information?](#)

Have you updated your designated beneficiary in the Retirement Systems office? Updating beneficiary information protects your wishes by keeping our records current. Please stop by or call 456-4300 for more information. **Note: Updating your designated beneficiary for your Death Benefit with the City does not update your designated beneficiary for your pension benefit. Retirees are not permitted to change beneficiaries.**

## [Evening Presentations for Active Employees](#)

The Retirement Systems office will offer evening presentations for small groups of active employees (5-6) and their beneficiaries to discuss retirement issues. The presentations are geared for those employees that will be contemplating retiring within the next few years.

Information on the 457 deferred compensation plan will be distributed to participants and there will also be a representative from BenefitSource to speak about retiree healthcare provisions. The remaining meetings for 2008 are **July 23rd** and **November 12th**. The meetings will be held from 5:30 – 7:00 p.m. in the Retirement Systems office, 233 E. Fulton, Suite 216. If you are interested in attending one of these sessions, please contact Lisa Balkema at 456-4300.

## [New Retirees](#)

Trustees and staff of the General Retirement System are pleased to congratulate the following new retirees:

|                      |                 |          |                  |                  |          |
|----------------------|-----------------|----------|------------------|------------------|----------|
| Philip Balkema       | (Attorney)      | 01/08/08 | Donna VanderPlow | (Neigh. Imp.)    | 03/11/08 |
| Wilhelm Klunder      | (EP-WWTP)       | 01/20/08 | Lane Crocker     | (Water)          | 03/15/08 |
| Paula DeYoung        | (Police)        | 01/30/08 | Cynthia Sweeter* | (Public Hsg.)    | 04/01/08 |
| Daniel Oegema        | (Economic Dev.) | 01/31/08 | Benita Woods     | (Police)         | 04/01/08 |
| David Engle          | (Police)        | 02/01/08 | Donald Barnes    | (Fac. Mgmt.)     | 04/05/08 |
| Thomas Armock        | (EP-WWTP)       | 02/20/08 | James Russell    | (Traffic Safety) | 04/08/08 |
| Mary (Terri) Hegarty | (Clerk)         | 02/26/08 | William Wolz     | (Police)         | 04/15/08 |

\*Denotes deferred member.

## [In Memory of Departed Friends](#)

|                         |          |                    |          |
|-------------------------|----------|--------------------|----------|
| Eileen Strong*          | 12/08/07 | Joseph Brinkman    | 02/11/08 |
| Joseph Sypniewski       | 12/17/07 | Robert O'Neill     | 02/12/08 |
| Malvina Ponemeckis*     | 12/20/07 | Richard Smith      | 02/12/08 |
| Patricia VanRingelsteyn | 01/05/08 | Raymond Wierzbicki | 02/16/08 |
| Gloria Curte            | 02/04/08 | Philip Dykema      | 02/19/08 |
| Pearl Postmus           | 02/06/08 | Richard VanLewen   | 03/25/08 |

\*Denotes a beneficiary.

## [Final Average Salary Adjustment Factor Update](#)

The Final Average Salary Adjustment Factors for 07/01/08—06/30/09 are as follows:

|                                     |       |
|-------------------------------------|-------|
| Crime Scene Technicians:            | 6.6%  |
| Emergency Communications Operators: | 32.9% |