



CITY OF GRAND RAPIDS  
GENERAL RETIREMENT SYSTEM  
233 E. FULTON, SUITE 216  
GRAND RAPIDS, MI 49503  
PHONE: 616-456-4300

DEC. 2009  
VOL. 3  
ISSUE R

# *The Retirement Register*

## Summary Report of Plan Operations/Expenses

How much does it cost to manage the General Retirement System? Using fiscal year 2009 figures, the retirement system expended \$22,816,939. The largest portion of this amount, \$21,159,567, was used to pay pension benefits to the 961 retirees/beneficiaries of the plan. Members who left City employment withdrew \$211,298 in accrued member contributions. The remaining expenses, \$1,446,074, were administrative. Of the administrative expenses, fees to the money managers for the investment of assets were \$871,711. The balance, \$574,363, was used to pay fees for services provided by custodians, auditors, actuarial consultants, performance/investment consultants, legal advice, independent medical evaluations and for staff salary/benefits, office facilities, support operations, training and due diligence reviews. Please note administrative and investing costs represent approximately one half of one percent of the market value of the portfolio. All fees and expenses are paid in cash as the plan does not employ soft dollar arrangements.

It is not possible to provide a full range of plan activity in a newsletter, but a summary annual report is available for review. Audits, annual accountings and actuarial valuations may be reviewed at the Retirement Systems Office.

## December Earnings Statement

Please keep your December Earnings Statement from The Northern Trust Company handy as it contains valuable information for the 2009 tax year. This statement lists the following important information:

- Gross pension paid
- Net pension received
- Total taxable pension
- Total non-taxable pension
- Total taxes withheld
- Total healthcare deductions

## 2010 General Retirement System Board Meetings

The Board of Trustees meets in regular sessions. The meeting schedule for 2010 is as follows:

January 20th	February 17th	March 17th	May 19th	June 16th	August 18th
September 15th	November 17th	December 15th			

Meetings are held at 233 E. Fulton, Suite 216, Grand Rapids, MI 49503.

## Pension or Insurance Questions?

If you have questions regarding your pension, please contact the City of Grand Rapids Retirement Systems office at (616) 456-4300. Address, direct deposit, Federal Withholding or name changes **must be sent in writing** to: City of Grand Rapids Retirement Systems, 233 E. Fulton, Suite 216, Grand Rapids, MI 49503. Changes received by mid-month will be effective at the end of that month.

Insurance questions should be directed to **Insurance Services** at (616) 456-3300.

## New Retirees

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

Katherine Davis*	(Lakeland Library)	10/01/09
Ronald Stack*	(Parks & Recreation)	10/01/09
Mark Buskard	(Streets & Sanitation)	10/06/09
Patricia Mills	(Streets & Sanitation)	10/17/09
Scott Blattner	(Streets & Sanitation)	11/14/09
John Helton, Jr.	(Water)	11/17/09
Richard Kuenzel	(Neigh. Improvement)	12/01/09
Kathleen Calkins	(Streets & Sanitation)	12/09/09

\*Deferred member.

## In Memory of Departed Friends

Lucija Skuja	07/04/09
Doris Doherty*	07/07/09
Sharon Nawrocki*	09/25/09
James Adamy	10/02/09
Lloyd Stoll	10/15/09
Donald Lutz*	10/25/09
Lyman Parks	11/04/09
Mary Soltys	11/11/09
Richard Meernik	12/02/09
Karlis Spolitis	12/03/09
Wilma VanWesep*	12/06/09
Lawrence Davis*	12/12/09

\*Denotes a beneficiary



## Global Market Trends

Per the most recent Capital Market Review provided by the Retirement Systems' investment consultant, Wilshire Associates, Inc., here are some interesting global trends as of November 13, 2009:

- The unemployment rate in the U.S. increased by 0.4% in October.
- CPI increased 0.2% in September.
- 3rd Quarter GDP increased 3.5%; backed by government spending.
- U.S. retail sales increased 1.4% in October, mainly due to an increase of 7.4% in auto sales.
- Households' net worth grew by \$2 trillion in the 2nd quarter of 2009.
- The weakening dollar could hurt consumer spending as import prices rise.
- Crude oil prices were trading around \$80 per barrel.
- The National Association of Realtors is predicting a 15% increase in new homes next year.
- Growth stocks were performing better than value stocks.
- Large cap stocks were performing better than small cap stocks.
- Emerging markets were up 73.38% year-to-date.
- The Euro recently hit a 14-month high v. the U.S. dollar.
- The Fed Discount Rate remained at 0.50%.
- The 10-Year Treasury Yield was at 3.43%.
- Fed rate increases are not expected as long as unemployment remains high and wages remain stagnant.