



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

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# The Retirement Register

## B Option Reduction Factors

Many of you are aware that, at the time you sign your retirement paperwork, you can name a beneficiary to receive a portion of your pension benefits upon your death. When you name a primary beneficiary, you select what we refer to as a “B Option.” City ordinance requires that our eight B Options must all be actuarially equivalent to the straight life, or A Option, meaning that if we live as long as our actuarial life expectancy, the retirement system will pay out the same amount of money regardless of which option we select at retirement. The actuary calculates the amounts for each B Option based on the plan’s economic and demographic assumptions.

Due to recent updates in the plan’s assumptions, the actuary has recalculated the factors used to determine B Options. The new factors will be implemented for retirements on or after April 1, 2011. The new factors will result in a slightly lower benefit amount compared to the current factors. If you are considering a retirement date shortly after April 1<sup>st</sup>, it may, in some cases, result in a higher B Option benefit amount if you retire instead at the end of March. This is not true for everyone, because factors such as birthdates, sick leave conversion and other credited service also have an impact. If you are contemplating a retirement date in late March or April and you are planning to select a B Option, please contact the office at 456-4300 to request estimates to help determine the most optimal retirement date for your individual circumstances.

## General Retirement System Assets

Market values for the City of Grand Rapids General Retirement System assets as of August 31, 2010 and November 30, 2010 were as follows:

	<u>August 31, 2010</u>	<u>November 30, 2010</u>
Adams Street Partners (Private Equity)	\$236,000	\$299,788
Baird Advisors (Fixed Income)	\$45,331,539	\$45,494,397
ING Clarion (Real Estate)	\$16,680,525	\$17,063,294
Lotsoff Capital Management (Large Cap Equity)	\$47,712,920	\$54,391,109
Neuberger Berman (International Equity)	\$46,092,039	\$48,118,694
Northern Trust Global Investments (S&P 500 Index)	\$48,170,768	\$54,466,300
PIMCO StocksPlus (Enhanced Index)	\$17,051,782	\$19,398,423
Wellington Management Company (Small Cap Equity)	\$38,363,018	\$44,218,600
Western Asset Management (Fixed Income)	\$47,771,681	\$48,589,723
Cash Account	\$245,877	\$677,157
Total Assets:	\$307,656,149	\$332,717,485

## New Retirees

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

Cherilynne Pakiela	(Neigh. Improvement)	10/30/10	Brian Wierzbicki	(Water)	01/04/11
Rebecca Mayne*	(Library)	11/01/10	Benny Branch	(Streets & Sanitation)	01/05/11
Stephen Zakem*	(Treasurers)	11/01/10	Raymond Williams	(Streets & Sanitation)	01/05/11
Karl Koster*	(Engineering)	12/01/10	Ngoc Nguyen	(Facilities Management)	01/07/11
Donald Werkema	(Police)	12/09/10	Philip Pakiela	(Traffic Safety)	01/07/11
Cynthia Kersten	(Water)	01/01/11			

\*Deferred Member

## 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.**

## Social Security Tips

Monthly Social Security and Supplemental Security Income (SSI) benefits for more than 58 million Americans will not automatically increase in 2011. Since there is no COLA, the statute also prohibits a change in the maximum amount of earnings subject to the Social Security tax as well as the retirement earnings test exempt amounts. These amounts will remain unchanged in 2011.

This January marks an historic moment: our nation's first baby boomers are turning 65. Even if you have decided to wait until after you are age 65 to apply for retirement benefits, most people should start getting Medicare coverage at age 65. If you would like to begin your Medicare coverage when you first become eligible, it's important that you apply within three months of reaching age 65. You can do it online at [www.socialsecurity.gov/medicareonly](http://www.socialsecurity.gov/medicareonly) in as little as 10 minutes.

## 2011 Evening Presentations for Active Employees

The Retirement Systems Office will offer evening presentations for small groups of 5-6 active employees, and their beneficiaries, to discuss retirement issues. The presentations are geared for those employees who are contemplating retiring within the next couple of years. Information on the 457 deferred compensation plan will be distributed to participants, and there will also be a representative from Meritain Health to speak about retiree healthcare provisions.

**The presentations for 2011 are scheduled for the following Wednesday evenings: March 23, July 13, and November 2. 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.

## In Memory of Departed Friends

Rose Jamo*	10/10/10	Gordon Doherty	12/13/10
Timothy Cichon	10/29/10	William Heintzleman	12/17/10
Lorraine Wysocki*	11/03/10	Robert Nalbach	12/17/10
Mary Ann Dunnebacke	11/12/10	Howard Snodgrass	12/22/10
Ethel Robertson	12/03/10	Clifford Lenartz	12/24/10

\*Denotes a beneficiary