



CITY OF GRAND RAPIDS
GENERAL RETIREMENT SYSTEM
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The Retirement Register

Summary Report of Plan Operations/Expenses

How much does it cost to manage the General Retirement System? Using fiscal year 2011 figures, the retirement system expended \$27,377,653. The largest portion of this amount, \$25,545,583, was used to pay pension benefits to the 1,049 retirees/beneficiaries of the plan. Members who left City employment withdrew \$138,415 in accrued member contributions. The remaining expenses, \$1,693,655, were administrative. Of the administrative expenses, fees to the money managers for the investment of assets were \$1,107,268. The balance, \$586,387, 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.

The June 30, 2011 actuarial valuation showed the Plan to be at an 81% funded ratio, meaning it has more liabilities than assets. The Retirement System continues to be in good financial condition in accordance with its objective of level percent-of-payroll funding. 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.

Beneficiary Designations and Benefits

As an active employee and member of the City of Grand Rapids General Retirement System, you need to designate a primary beneficiary to receive any pension benefit that may become payable on your behalf. It is important to note that ***only one person*** can be designated as a primary beneficiary. The reason for this is when a pension benefit is calculated, it can only be actuarially calculated based upon the lifetime of two people; the member and one person.

You are also permitted to list a contingent beneficiary. A contingent beneficiary would only be able to receive a refund of your contributions and interest if you and your primary beneficiary die and there is no pension benefit payable on your behalf. You may designate one or more contingent beneficiaries as the refund would be split equally among those named.

Per City Code, Sections 1.210 and 1.211(1), if a member dies while in employer service, and before becoming eligible to receive retirement benefits, a Termination Bonus shall be paid on behalf of the member, to his/her designated beneficiary in addition to the refund of his/her contributions and interest.

If a member dies while in employer service, before retiring, but has become eligible to retire with a pension benefit, and the person he/she designated as his/her primary beneficiary is one person within the second-degree relationship (parent, child, brother/sister, aunt/uncle, niece/nephew, or grandparent), it will be presumed that the member retired effective the date of his/her death and elected a B-100 benefit. In addition, if the designated primary beneficiary is the surviving spouse, and the member was either : 1) not represented by any collective bargaining unit, 2) a member of the APAGR, 3) a member of the GREIU, or 4) a member of the 61st District Court Employee's Association, then the B-100 benefit amount will not be subject to an early retirement reduction.

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.**

New Retirees

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

Dennis Fricke	(EP-WWTP)	09/25/11	James Bewell*	(Police)	02/01/12
Margaret Elmore	(Treasurer)	10/01/11	M. Hollister Sturges	(Public Housing)	02/01/12
Dixie Harden	(Water)	10/07/11	Kay Moul	(Planning)	02/03/12
Charles Fox	(Str. & Sanitation)	10/13/11	Julien Fowler, Jr.	(DDA)	02/21/12
Karen Bessey	(Parking Services)	10/26/11	David Wheeler	(EP-WWTP)	03/01/12
Bradley Allard	(Str. & Sanitation)	10/29/11	Steven Wilson	(EP-WWTP)	03/01/12
Sharon Canales*	(Parking Services)	11/01/11	David Dickerson	(Motor Equipment)	03/06/12
Bernard Schaefer	(Attorney)	11/01/11	Denise Toogood	(EP-WWTP)	03/31/12
Carmen Rojas	(Library)	11/12/11	Linda Wright	(Treasurer)	03/31/12
Karl Goodspeed	(Motor Equipment)	01/06/12	Michael Krenz	(Police)	04/10/12
Percy Smith	(Parking Services)	01/07/12	Martha Borrello*	(Engineering)	05/01/12
Carolyn Dombroske	(Engineering)	01/11/12	Paul Emelander	(Police)	05/03/12
Diana VanderLaan	(Engineering)	01/11/12	J. Craig Lewis	(EP-WWTP)	05/17/12
Victoria Morren	(61st District Court)	01/14/12	Joe William Brown	(EP-San. Sewer Maint.)	06/19/12
Jason Thompson	(Water)	01/18/12	Charles Henderson	(Engineering)	06/30/12
Darrell VanderKooi	(Str. & Sanitation)	01/21/12	Michael Lampani	(Str. & Sanitation)	06/30/12

*Deferred Member

2012 Evening Presentations for Active Members

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 remaining presentation for 2012 is scheduled for the Wednesday, November 14. The meeting 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 this session, please contact Lisa Balkema at 456-4300.

Social Security Tip

The Social Security Administration is pleased to announce that a new online Social Security Statement is now available at www.socialsecurity.gov/mystatement. Workers can access their Social Security benefit and earnings information in a convenient and secure manner.

The online statement provides estimates for disability and survivors benefits and also allows workers to determine whether their earnings are accurately posted to their Social Security records. The worker can print or save the personalized statement for financial planning discussions with family or a financial planner.

In Memory of Departed Friends

Helen Johnson	09/09/11	Floyd Wiersma	12/19/11	Thomas Proos	02/29/12
Laura Frankforter*	10/21/11	Ronald Baird	12/20/11	Leo Chapman	03/16/12
Linda Sweigart	10/20/11	Robert Nawrocki	12/27/11	Marvin Corner	03/25/12
Edgar Irvine*	11/04/11	Barbara Foss	12/28/11	Janis Ponemeckis	04/04/12
Dorothy Knapp	09/19/11	H. Virginia Wilcox*	01/02/12	Helen VandenEngel	04/22/12
George Johnson	11/08/11	Jon Ferrier*	01/06/12	Gladys Erhart*	05/11/12
Martha VanderEyck*	11/15/11	Frank Burt	01/13/12	Mary Jane Chapman*	05/18/12
Dolores Dubiel*	11/21/11	Kathleen Viveen	01/23/12	Kimberly Roden**	05/19/12
Karen Stager**	11/23/11	James Sproul	01/31/12	Cynthia Gillham	06/07/12
Charles Obenchain	12/14/11	William Czerney	02/12/12		

*Denotes a beneficiary

**Active Employee