



CITY OF GRAND RAPIDS
GENERAL RETIREMENT SYSTEM
233 E. FULTON, SUITE 216
GRAND RAPIDS, MI 49503
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WINTER 2016
ISSUE R

The Retirement Register

Summary Report of Plan Operations/Expenses

How much does it cost to manage the General Retirement System? For the period 07/01/15 – 06/30/16, it cost the Retirement System a little more than \$1.5 million. Most of this amount (\$961,903) was for investment manager fees. The balance of the expenses, \$568,895, paid for asset custody, auditors, actuaries, attorneys, independent medical evaluations, office rent, staff salaries and training. The costs to run the plan are 0.39% (39 basis points) of the market value of assets, compared to the national average of 60 basis points. All fees and expenses are paid in cash, as the Plan does not employ soft dollar arrangements.

Funded Status

<u>Actuarial Accrued Liabilities</u>	<u>Applied Assets</u>	<u>% Funded</u>
\$510,324,266	\$404,096,873	79%

The Retirement System continues to be in solid financial condition in accordance with its objective of level dollar, closed funding. While it is not possible to provide a full range of Plan activity in a newsletter, a summary annual report is available for review. Audits, annual accountings, and actuarial valuations may be reviewed at the Retirement Systems Office.

Announcement Regarding the 13th Check

We regret to inform our retirees that there will not be a 13th Check Pension Supplement issued on January 31, 2017. The 13th Check is issued annually, if funds are available, by the City of Grand Rapids General Retirement System to eligible retirees and beneficiaries. This check, a negotiated part of your retirement benefit, can only occur when the average annual market value rates of return for the investment of retirement system assets have experienced sufficient gains during the last five years to allow for the distribution of excess reserve funds. The five-year average market value rate of return was 7.08% for the General Retirement System. Per City Code, in order for a 13th Check to be issued, the five-year average market value rate of return must exceed 8.0%. Therefore, there are not sufficient reserves to issue a 13th Check on January 31, 2017. Although it is our hope that a distribution will always occur, the economy, volatility of financial markets, and other considerations may not make it possible to do so every year.

2017 Board Meeting Dates

January 18	March 15	June 21	September 20	December 20
February 15	May 17	August 16	November 15*	

Unless otherwise announced, the meetings will be held in the Retirement Systems Office located at 233 E. Fulton, Suite 216.

*Meeting will be held at City Hall, 300 Monroe Avenue, NW.

New Retirees

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

Charles Coughlan*	(Water)	08/01/16	Franklin McClelland	(Traffic Safety)	09/2016
Millard Whitfield*	(EP-SS Maint.)	09/01/16	Jacqueline Hunt *	(Streets & San.)	10/01/16
Peter Bonczyk	(EP-WWTP)	09/02/16	Alexander Thomas, Jr.	(Human Resources)	10/15/16
Margo Lawrence	(Traffic Safety)	09/03/16	Stacy DuBose*	(Comm. Development)	11/01/16
Cheryl Gray	(Water)	09/07/16	Dale Olmstead	(EP-WWTP)	11/02/16
William Birdsall, Jr.	(EP-SS Maint.)	09/10/16	Kim Takus-Vanderwood	(Neigh. Improvement)	11/29/16
Elaine Bosch	(Library)	09/10/16			

*Deferred Member

Pension or Insurance Questions

If you have questions regarding your pension, please contact the City of Grand Rapids Retirement Systems Office at (616) 365-5015. All address, direct deposit, federal withholding, or name changes **must be sent in writing** to: **City of Grand Rapids Retirement Systems, 233 E. Fulton Street, Suite 216, Grand Rapids, MI 49503**. Changes received by mid-month will be effective at the end of that month. Please note that any of the aforementioned changes **must be signed by the retiree**, unless he/she has a valid Power of Attorney document on file with the Retirement Systems Office.

City health insurance questions should be directed to Insurance Services at (616) 456-3300. Seniors Choice insurance questions should be directed to (888) 228-3002.

December Earnings Statement

Please keep your December Earnings Statement from The Northern Trust Company handy as it contains valuable information for the 2016 tax year. This statement lists the following important information:

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

In Memory of Departed Friends

James Charles	07/13/16	Michael Hoekstra	09/23/16
Marsha Ball*	07/27/16	George Weible	10/13/16
Henry Rolf	08/04/16	Jeane Cooley	10/15/16
Bernadette Sruba	08/05/16	Roma Boersma*	10/19/16
Clifford Rowe	08/08/16	Jacqueline Polega*	10/20/16
John Romero*	08/11/16	Ellen DeVries*	10/21/16
Timothy Tobin*	09/09/16	Jean Ettesvold*	10/28/16
Ruth Waters*	09/15/16	John Benson	11/07/16
Gertrude DeBruyn*	09/13/16	Buford Cooper	11/10/16

*Denotes Beneficiary