



CITY OF GRAND RAPIDS
POLICE & FIRE RETIREMENT SYSTEM
233 E. FULTON, SUITE 216
GRAND RAPIDS, MI 49503
PHONE: 616-365-5015
FAX: 616-288-9509

SUMMER 2021
ISSUE R

The Retirement Register

Summary Report of Plan Operations/Expenses

How much does it cost to manage the Police & Fire Retirement System? For the period 01/01/20 — 12/31/20, it cost the Retirement System approximately \$2.4 million. Most of this amount (\$1,724,237) was for investment manager fees. The balance of the expenses, \$633,445, paid for asset custody, auditors, actuaries, attorneys, independent medical evaluations, office rent, staff salaries and training. The costs to run the plan are 0.50% (50 basis points) of the market value of assets. All fees and expenses are paid in cash, as the Plan does not employ soft dollar arrangements. Audits, annual accountings, and actuarial valuations may be reviewed at the Retirement Systems Office.

Funded Status

<u>Actuarial Accrued Liabilities</u>	<u>Applied Assets</u>	<u>% Funded</u>
\$586,064,279	\$457,697,317	78.1%

Retirement Statistics:

According to magnifymoney.com, listed below are some interesting retirement statistics:

- The average U.S. household had \$255,200 in their retirement accounts in 2019; up 5% from \$243,500 in 2016.
- The median retirement account balance in the U.S. was \$65,000 in 2019; up 2% from \$63,800 in 2016.
- The average 401(k) balance in the 3rd quarter of 2020 was \$109,600; up 4% from \$105,200 in the 3rd quarter of 2019.
- 51% of American households had a t least one type of retirement account in 2019; down 3% from 2016.
- 58% of people ages 45 – 54 and 55% of people ages 55 – 64 have retirement accounts.
- The average retirement age in the U.S. is 66 years old, though 74% of Americans say the plan to keep working after retirement.
- The average American feels they need to save \$1.9 million for retirement.
- 30% of Americans with retirement accounts reported withdrawing money from them in the 1st two months of the Coronavirus crisis. On average, those who withdrew funds took out \$6,757.
- 47% of American savers have either stopped or lowered their retirement savings contributions, citing the COVID-19 crisis.
- 10% of Americans who lost their job or were furloughed due to the Coronavirus pandemic are now expecting to retire earlier.
- 4 out of 5 Americans lack retirement planning basics on how to be finally secure.
- About 35% of employers are automatically enrolling new employees into their sponsored 401(k) accounts, unless they opt out.
- 71% of Americans 70-plus are worried their Social Security will run out.
- The average retired couple leaving the workforce in 2020 will need an estimated \$295,000, post-taxes, to pay for health care expenses-not including long-term care.
- The most popular retirement destinations for adults 65 and older are Phoenix, Tampa, and North Port, Florida.

New Retirees

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

Patricia Denhof*	Police	12/01/2020	Mark Waichum	Police	03/19/2021
James Pulsipher	Fire	01/04/2021	Wayne Hill	Police	04/19/2021
Russell Headworth	Police	01/05/2021	Steven Przybysz	Fire	05/07/2021
Christopher Moleski	Fire	01/05/2021	Valerie Carrasco	Police	05/17/2021
Mark Ostapowicz	Police	01/06/2021	Mary Woronko	Police	05/17/2021
David Kiddle	Police	01/12/2021	Kim Hartuniewicz*	Police	06/01/2021
Andrew Barker	Police	02/02/2021			

*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, tax 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. Please **do not** attempt to make changes directly on The Northern Trust Company website.

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**.

Federal and Michigan Tax Withholding:

If you need to change or update your Federal or Michigan tax withholding for your monthly pension, please note that we can only accept form W4-P (Federal) or MI-W4P (Michigan). These forms can be obtained by either visiting our website at: www.grpensions.org, or contacting our office at (616) 365-5015.

In Memory of Departed Friends

Constance Zurawski*	11/25/2020	Sharon Braate*	2/15/2021
Patricia LeClaire*	11/28/2020	Geraldine Zech*	2/26/2021
Susan Amberg*	12/5/2020	Joseph Janulis	03/13.21
Jack Christians	12/6/2020	Gerda DenBoer*	4/8/2021
Arthur Sjoerdsma	12/6/2020	Robert Sacha	4/9/2021
Robert Woronko	12/6/2020	Joseph Boehrig	4/11/2021
Shirley VanBendegom*	1/10/2021	James Doezema*	4/21/2021
Mary Jane Schaaf*	1/19/2021	Rose Nichols*	5/5/2021
Virginia Lauferski*	2/2/2021	Nancy Davis	5/6/2021
Emma Bewell*	2/3/2021		

*Denotes Beneficiary