



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

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The Retirement Register

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, 2020. 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 5.11% 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, 2020. 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.

Which benefit am I eligible to receive?

<u>Bargaining Unit</u>	<u>Retirement Date</u>	<u>13th Check</u>	<u>Escalator</u>
APAGR (main unit & 61st D.C.)	Before 10/21/2008	X	
APAGR (main unit & 61st D.C.)	On/after 10/21/2008		X
GREIU (main unit & 61st D.C.)	Before 03/24/2009	X	
GREIU (main unit & 61st D.C.)	On/after 03/24/2009		X
Crime Scene Technicians	Before 05/12/2009	X	
Crime Scene Technicians	On/after 05/12/2009		X
GREIU - Library Units	Before 07/09/2009	X	
GREIU - Library Units	On/after 07/09/2009		X
Emergency Communication Supv.	Before 09/13/2011	X	
Emergency Communication Supv.	On/after 09/13/2011		X
Non-represented (management)	Before 07/01/2014	X	
Non-represented (management)	On/after 07/01/2014		X
Emergency Communications Op.	Any	X	

* Retirees NEVER receive both benefits.

* If you have received a 13th Check in the past, then you will be eligible for a 13th Check any year in which a 13th Check is issued.

* City ordinance requires that the recipient be alive on January 31 of the distribution year.

* 13th Checks are issued on the business day prior to the day normal pension checks are issued.

* 13th Check amounts will not be disclosed prior to issuance, under any circumstances and are not the same amount as your regular pension check.

* Escalators are paid as increases to the retiree's monthly check.

December Earnings Statement

Please keep your December Earnings Statement from The Northern Trust Company handy as it contains valuable information for the 2019 tax year. **Please note that we cannot reproduce this statement in the office.** This statement lists the following important information:

- Gross pension paid
- Total taxable pension
- Total taxes withheld
- Net pension received
- Total non-taxable pension (if applicable)
- Total healthcare deductions

New Retirees

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

Douglas Gillean	(Water-Field Ops)	08/07/19	Jack Maskell	(EP-WWTP)	09/04/19
David DeVries*	(Parking Svcs.)	09/01/19	Mark Pranger	(EP-WWTP)	09/17/19
Donald Klinge	(Engineering)	09/04/19	Dennis Bochniak*	(Assessor)	11/01/19

*Deferred Member

Summary Report of Plan Operations/Expenses

How much does it cost to manage the General Retirement System? For the period 07/01/18 — 06/30/19, it cost the Retirement System a little more than \$1.6 million. Most of this amount (\$1,026,719) was for investment manager fees. The balance of the expenses, \$596,090, 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>
\$539,265,786	\$429,105,052	80%

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 or online at www.grpensions.org.

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.

In Memory of Departed Friends

Peter Balodis	07/05/19	Michael Grygorzyk	08/06/19	Donald Palasek*	10/09/19
John Carrel	07/16/19	Sterling Zimmerman, Jr.	09/08/19	Anthony Kuzma	10/12/19
Roger Cole*	07/16/19	Warren Johnson	09/19/19	Thomas Mettler	10/15/19
Elizabeth Joswick*	07/16/19	Roberta Geiger	09/20/19	William Beattie	10/16/19
Percy Smith	07/16/19	Kay Sterken	09/22/19	Eleanor Brummel*	10/26/19
Janet Gilbert*	08/01/19	Wayne VanderWal	09/30/19		

*Denotes Beneficiary