



CITY OF GRAND RAPIDS
 POLICE & FIRE RETIREMENT SYSTEM
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SUMMER 2019
 ISSUE A

The Retirement Register

Summary Report of Plan Operations/Expenses

How much does it cost to manage the Police & Fire Retirement System? For the period 01/01/18 – 12/31/18, it cost the Retirement System approximately \$1.7 million. Most of this amount (\$1,044,193) was for investment manager fees. The balance of the expenses, \$648,480, paid for asset custody, auditors, actuaries, attorneys, independent medical evaluations, office rent, staff salaries and training. The costs to run the plan are 0.44% (44 basis points) of the market value of assets, whereas the national average is higher (0.60%, 60 basis points). 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>
\$527,629,168	\$425,207,986	80.6%

Credited Service Purchase Rates and Final Average Salary Adjustment Factor Information

Active members may elect to purchase up to forty-eight (48) months of additional credited service. The cost as of 07/01/19 for Police Officers/Sergeants, Police Command and Fire Fighters is:

<u>Group</u>	<u>Rate</u>	<u>Group</u>	<u>Rate</u>
Police Officers hired prior to 12/20/11	20.97%	Fire Fighters hired prior to 01/20/12	19.30%
Police Officers hired on or after 12/20/11, 2.6% multiplier	19.47%	Fire Fighters hired on or after 01/20/12, 2.6% multiplier	17.93%
Police Officers hired on or after 12/20/11, 2.4% multiplier	17.97%	Fire Fighters hired on or after 01/20/12, 2.4% multiplier	16.55%
Police Officers hired on or after 12/20/11, 2.2% multiplier	16.47%	Fire Fighters hired on or after 01/20/12, 2.2% multiplier	15.17%
Police Officers hired on or after 12/20/11, 2.0% multiplier	14.98%	Fire Fighters hired on or after 01/20/12, 2.0% multiplier	13.79%
Police Command hired prior to 12/20/11	20.14%		
Police Command hired on or after 12/20/11, 2.6% multiplier	18.70%		
Police Command hired on or after 12/20/11, 2.4% multiplier	17.26%		
Police Command hired on or after 12/20/11, 2.2% multiplier	15.82%		
Police Command hired on or after 12/20/11, 2.0% multiplier	14.38%		

Any permanent, full-time uniformed member of the Police & Fire Retirement System is eligible for this purchase. The purchase can be accomplished by a lump sum payment, payroll deduction (on a pre-tax or after-tax basis) for up to five years, a combination of an initial lump sum after-tax payment and payroll deduction, or a lump sum rollover from the member's deferred compensation account. Please make sure that if you purchase credited service you will not exceed your bargaining unit's credited service cap (years of service plus credited service purchased).

The Final Average Salary Adjustment Factors for retirement dates of 07/01/19–06/30/20 are as follows:

Police: 14.0% Fire: 11.7%

New Retirees

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

Pierce Walker*	(Police)	12/01/18	Thomas VanderPloeg	(Police)	04/05/19
Kevin Rice	(Police)	12/03/18	Allen Hite	(Police)	05/07/19
Marc Miller	(Police)	01/16/19	Mark Klassen	(Fire)	05/16/19
Thomas Stasiak*	(Police)	02/01/19	Bruce Veldkamp	(Fire)	05/19/19
Paul Kenny	(Police)	02/02/19	Matthew Kraus*	(Police)	06/01/19
Michael Nagel	(Police)	02/02/19	Chad Kooyer	(Police)	06/02/19
Lyle Frederickson	(Fire)	03/22/19	Kristin Dionne*	(Police)	07/01/19
Benjamin Hawkins	(Police)	03/22/19	Douglas Haisma	(Fire)	07/05/19
Kurt Hintz	(Police)	04/02/19	Timothy Orent	(Police)	07/05/19

*Deferred member

In Memory of Departed Friends

Ronald Lamb	11/20/18	Betty Hoogerheide*	02/17/19	Thomas Boss	05/06/19
Nila Doberstein*	11/21/18	Robert Blaauw	03/06/19	Lyle Playter	05/31/19
Robert Prus	11/22/18	David Hertel	03/21/19	Kenneth Ray	06/19/19
Frederick Lawrence	12/10/18	Arthur Koper	03/26/19	Marilyn Kleeves*	06/29/19
Esther Hall*	12/12/18	Paul Yeager	04/02/19		
James VanDuinen	12/24/18	Scott Bylsma	04/13/19		
Donald Herbig	06/03/19	Lawrence LeClaire	04/13/19		
Frederic LaMaire	01/07/19	Linda Nash*	04/22/19		
Gaylord Gray	01/27/19	David Fuhrmann	04/27/19		

*Denotes Beneficiary

2019 Pre-Retirement Planning Session 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 Insurance Services to speak about retiree healthcare provisions.

The remaining presentation for 2019 is scheduled for September 11. 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 365-5015.