



CITY OF GRAND RAPIDS  
GENERAL RETIREMENT SYSTEM  
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ISSUE A

## *The Retirement Register*

### **What is Final Average Salary?**

Final Average Salary is the average of a member's highest annual compensation rates as provided by salary ordinance during each of the 3 calendar years of employment when such compensation rates were highest, provided all such rates of salary occur before the end of the year in which 40 years of credited service is completed, or provided no such salary rates occur after the date the member reaches his/her allowance cap. For most members, "final average salary" will be the average of the highest salary rates during the last 3 years of employment. Members of the Crime Scene Technicians Unit and Emergency Communications Operator I, II and III Unit have an additional sum (gross-up) added to their final average salary, which is actuarially determined based upon the appropriate unit's average of additional compensation items.

Credited Service means the time of employment as a member of the System while permanently employed by the City, other than as a Police Officer or Firefighter, to a maximum of 40 years, or when the member has reached his/her allowance cap. Credited service is measured in years and months. Unpaid leaves of absence will be deducted from credited service. Please note that seasonal time does not count toward credited service.

### **What if a Member Leaves Before Becoming Eligible to Retire?**

Terminated employees may withdraw their accumulated contributions (i.e. their member contributions together with 3% annual interest credits, as provided by City Code). Those leaving System-covered employment after the completion of 8 years of credited service are eligible for a deferred monthly benefit if their accumulated member contributions and interest earned on deposit are not withdrawn from the Retirement System.

For payment of a deferred allowance to begin, the member may make application to the Board of Trustees once he/she attains age 62, but no later than attainment of age 75. Benefits begin on the first day of the month following application. The amount is computed the same way as an age and service benefit using credited service, final average salary and the multiplier in effect at the time City employment is terminated. Failure to make application during the above time frame will result in forfeiture of the retirement benefit. Should a deferred member die before reaching age 62, his/her designated beneficiary has the option to immediately apply to receive a Joint-100% deferred pension benefit subject to an actuarial reduction based upon the age the former member would have attained at the time of application. If, at the time City employment was terminated, the member completed 10 or more years of credited service, once he/she attains age 55, he/she will annually be afforded the opportunity to elect receiving an early allowance, by making written application to the Board, beginning on the first day of the month following the month in which employment was terminated.

### **Be Alert For Scammers**

There are a lot of people these days who are trying to scam people out of their personal information and money. They can try to call, text, or email you to try to get your personal information. Please be very careful answering any phone calls, emails, or texts that are requesting personal information from you. The Retirement Systems office will never make recommendations to contact a particular firm. If you suspect that you may have been a victim of fraud, please be sure to contact the three major credit bureaus (Equifax, Experian, and TransUnion) to monitor your credit.

## **New Retirees**

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

Pamela Ritsema*	(Parking Services)	09/01/2022	Danny Simila	(EP-WWTP)	10/4/2022
Susan Squire*	(Library)	09/01/2022	Dan Shepard	(Streets & Sanitation)	10/12/2022
Mindy Mai	(City Clerk)	09/02/2022	Monica Julien	(61st District Court)	10/14/2022
Ruddie Beal	(Water-Lake MI Filtration)	09/16/2022	Jenny Cusack	(61st District Court)	11/15/2022
Janice McHugh	(Streets & Sanitation)	10/1/2022	Raymond Brimmer	(Streets & Sanitation)	11/17/2022

\*Deferred member

## **2023 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 presentations for 2023 are scheduled for January 25, March 22, July 12, and November 8. The meetings 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 any of these sessions, please contact Lisa Balkema at (616) 365-5015 to register.**

## **In Memory of Departed Friends**

Frank Buist*	4/11/2022	Marvin Lummen	9/3/2022
Marcia Hoffman	4/26/2022	Anna Linburg	9/8/2022
Kenneth Holton	7/1/2022	Harry Brummel	9/11/2022
Theresa Wheeler*	7/1/2022	Michael Haan	9/15/2022
Morris Olivier	7/12/2022	Janet Hoek	9/18/2022
Catherine Noordyke*	8/1/2022	Robert Hopewell	9/21/2022
John Hogan	8/4/2022	Holly Dutkiewicz*	10/24/2022
Kay Zuris	8/11/2022	Richard Jewett	11/2/2022
Robert Major	8/30/2022	Jerald Willison	11/3/2022
Betty Alberts*	9/2/2022	Everett Wildie	11/16/2022

\*Beneficiary

## **Summary Report of Plan Operations/Expenses**

How much does it cost to manage the General Retirement System? For the period 07/01/21 — 06/30/22, it cost the Retirement System approximately \$2.7 million. Most of this amount (\$2,098,782) was for investment manager fees. The balance of the expenses, \$640,229, paid for asset custody, auditors, actuaries, attorneys, independent medical evaluations, office rent, staff salaries and training. The costs to run the plan are 0.63% (63 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>
\$584,677,526	\$448,353,444	76.7%