



CITY OF GRAND RAPIDS
 POLICE & FIRE RETIREMENT SYSTEM
 233 FULTON STREET E., SUITE 216
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WINTER 2024
 ISSUE R

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, 2025. The 13th Check may be issued annually, if funds are available, by the City of Grand Rapids Police & Fire 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 7.84% for the Police & Fire 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, 2025. Although it is our hope that an annual distribution will occur, the economy, volatility of financial markets, and other considerations may not make it possible to do so.

Which benefit am I eligible to receive?

<u>Bargaining Unit</u>	<u>Retirement Date</u>	<u>13th Check</u>	<u>Escalator</u>
Fire Fighters	Before 07/01/2007	X	
Fire Fighters	On/after 07/01/2007		X
Fire Chief	Before 01/01/2016	X	
Fire Chief	On/after 01/01/2016		X
Deputy Fire Chief	Before 10/06/2016	X	
Deputy Fire Chief	On/after 10/06/2016		X
Police Officers/Sergeants	Before 12/17/2008	X	
Police Officers/Sergeants	On/after 12/17/2008		X
Police Command	Before 02/19/2010	X	
Police Command	On/after 02/19/2010		X
Police Chief or Deputy Police Chief	Before 01/01/2016	X	
Police Chief or Deputy Police Chief	On/after 01/01/2016		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 31st of the distribution year.

* 13th Checks are payable on January 31.

* 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 2023 tax year. **Please note that we cannot reproduce this statement in the office.** This statement lists the following important information:

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

Pension Protection Act 2006 – Public Safety Insurance Premium Exclusion

In anticipation of the upcoming tax season, the Board of Trustees wishes to bring to your attention the ability of eligible retired public safety officers to exclude up to \$3,000 of their retirement benefits from income provided the funds were used for the payment of retiree health insurance premiums or long-term care insurance premiums. This change was established by the Pension Protection Act of 2006 (PPA) and amended by the SECURE Act 2.0. Unlike other distributions made from the Retirement System, the amounts deducted and paid for qualified premiums will not be reported on the Form 1099-R issued to retirees. Please refer to your **December Earnings Statement from Northern Trust** for the total amount of health insurance deductions for the year. For any additional questions, please consult the applicable instructions or tax regulations. Given the complexities of the tax laws and other withholding and distribution rules, the Board of Trustees does not provide tax advice and cannot address specific tax questions. Therefore, the Board strongly recommends that any questions regarding the tax implications of the Pension Protection Act of 2006, the SECURE Act 2.0, or other tax issues be directed to your tax professional or financial advisor. It is your responsibility to ultimately determine whether you qualify to claim the deduction. This notice is intended to be informational only and should not be considered the rendering of legal, accounting, or other professional advice.

New Retirees

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

Aaron Draper*	(Fire)	8/1/2024	David Noorman	(Fire)	9/4/2024
Matthew Veldman*	(Police)	8/1/2024	Curtis Satterthwaite	(Police)	9/5/2024
Kelli Braate	(Police)	8/3/2024	Chad Preston	(Police)	9/22/2024
Timothy Johnston	(Police)	8/3/2024	Amanda Linklater*	(Police)	10/1/2024
Nathan Fynewever	(Police)	8/21/2024	Kristen Rogers	(Police)	10/5/2024
Harvey Barker III	(Police)	8/30/2024	Casey Spielmaker	(Fire)	11/30/2024

*Deferred member

Need to Make Changes to Your Address, Direct Deposit or Withholding?

If you need to make changes to your address, direct deposit, or Federal or State withholding, please note that we require these changes in writing, with your original signature (no computer generated signatures). Any of the aforementioned changes **must be signed by the person receiving the pension benefits**, unless a valid Power of Attorney document is on file with the Retirement Systems Office. If you spend the winter months elsewhere, you must notify us in writing when you leave and again when you return to avoid your pension correspondence being returned. Generally, our cutoff with Northern Trust for inputting changes on their system is around the middle of each month for the pension check that is generated at the end of that month. Listed below are our cutoff dates for the remainder of 2024 and early 2025:

November 15 December 17 January 17 February 14 March 18 April 17

Please note these changes need to be submitted to: **City of Grand Rapids Retirement Systems Office, 233 Fulton Street E., Suite 216, Grand Rapids, MI 49503 by no later than 4:00 p.m. on the above listed dates for changes that month.**

In Memory of Departed Friends

Esther VanHammen*	6/25/2024	Dennis Dykhouse	8/4/2024
Bonnie Myers*	6/26/2024	Dorothy Knapp*	9/6/2024
Kathleen Haagsma*	6/29/2024	Peter Kemme**	9/21/2024
Donald Leshner	7/3/2024	Bernard Clemens, Jr.	9/18/2024
William Brzozowski	7/4/2024	Danny Noorman	10/23/2024
Mary Ann Johnson*	7/21/2024	Mary Schuur*	11/1/2024
Barbara Sweetland*	8/2/2024		

*Beneficiary

**Deferred member