



General Retirement System City of Detroit

Pension Perspectives

AUGUST 2003

Volume 5, Issue 2

Board of Trustees General Retirement System

Rev. Wendell Anthony

Citizen Trustee

David C. Clark

Elected Trustee

Kenneth V. Cockrel Jr.

Councilperson

Susan R. Glaser

Elected Trustee

Ronald Gracia

Elected Trustee

Chairman

John P. Kanters

Elected Retiree

Kwame M. Kilpatrick

Mayor

Thomas Kneeshaw

Elected Trustee

Sandra Studzinski

Elected Trustee

Clarence Williams

Treasurer

1998 Defined Contribution Plan Update

In a communication dated March 28, 2003 the Internal Revenue Service made its final response to the Board of Trustees' request for a Private Letter Ruling. In this communication the Internal Revenue Service stated that the following changes must be made to the 1998 Defined Contribution Plan provisions.

- The ten (10) year window of opportunity for current employees to enroll in the Plan must be reduced to two (2) years. This means that from the date the Plan is first implemented you will have two years to make your election whether to stay in the current 1973 Defined Benefit/Defined Contribution Plan or transfer into the 1998 Defined Contribution Plan.
- The election to enroll in the 1998 Defined Contribution Plan is irrevocable. The Plan's provision that would allow a member, who has enrolled in the 1998 Plan, to revert back to the 1973 Defined Benefit Plan within three years of his/her election will be removed from the Ordinance.

The task of programming the active payroll system to accommodate the needs of the 1998 Defined Contribution Plan have begun. Having determined the system requirements it is anticipated that this process will take somewhere between 12 and 18 months to complete. This timeline could be impacted by various factors such as budget cutbacks or unexpected active payroll programming issues.

Board of Trustees election results

John P. Kanters will continue as the Retiree Trustee on the Board through June 30, 2005. Mr. Kanters was unopposed in his bid for re-election to the two year retired member term.

Susan R. Glaser joined the Board as its newest elected member. Her term, which began July 1, 2003, ends June 30, 2009. Susan replaces Thomas Sheehan who has retired after serving as an elected trustee for 12 years.

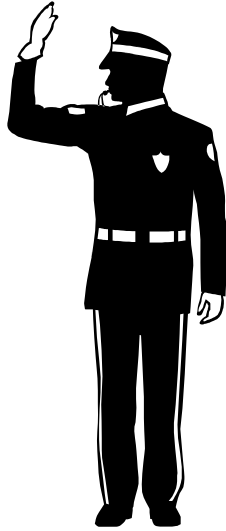
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Actively Speaking

Recruiting

The Detroit Police Department is seeking qualified candidates to join their ranks. The department lists the following as advantages or incentives for joining:

Fantastic job options (over 250 titles and classifications), exceptional opportunities for advancement and promotions, excellent medical and insurance benefits for you and your family, paid holidays and personal days, 20 paid vacation days per year.



In order to apply you must be 18 years of age, be a U.S. citizen with a valid driver's license. You must also possess a high school diploma or GED and have no felony convictions. The selection process will include M.C.O.L.E.S. pre-employment testing, a background investigation, panel interview, medical examination including a drug screen, and a pre-employment orientation.

Walk-in applications will be accepted Monday-Friday between 8 a.m. and 6 p.m. at the City of Detroit Police Department Recruiting Unit, 14655 Dexter Ave., Detroit, MI 48238, (313) 596-2660. You can also call the 24-hour recruiting hotline for more information at (313) 596-BEST (596-2378).

Retirement System staff is here to service your needs

Imagine someone calling you at least 100 times in an eight hour period. How about someone stopping by your house between 30 and 50 times a day. Now imagine hundreds of pieces of mail arriving daily. Get the feeling you would be a little busy responding to people with those types of numbers? At peak service times, those are

some of the numbers of service calls and visits the Retirement System staff handles daily.

Our automated phone system can handle at least 16 incoming calls at a time and get you to the right party by pressing a single number or 3-digit extension. The automated phone system allows more of your calls to get to our staff members.

Our front counter staff handles on average 45 office visits daily. These visits include getting information on retirement, annuity, direct deposits, military service credit, 1099's, disability earnings etc. Hundreds of pieces of mail go in and out of this office daily. This has to be sorted and delivered to the appropriated parties.

Retirement System staff services its members daily. It is our goal to effectively manage the resources of the Retirement Systems to provide essential services to all active employees and retirees. To this end, the Retirement System staff is dedicated.



Just a few friendly reminders from us to you:

Active Members:

The Fiscal year ended June 30,2003, therefore, annuity withdrawal applications were not be processed until the books re-opened the second week of August.





Retired Members:

Your Cost of Living increase was reflected in your August 1, 2003 check.

Pension Perspectives

New look to Pension check

Members can expect to see a new and improved look to their pension benefit check as early as October 2003. Pictured below is an example of how the new check will look. Improvements include more room for notes and information this office can pass to its members. There is also more room for explanation of benefit coverage's and deductions. The top two-thirds of the page will consist of your personal information, your current and year to date earnings, notes, deduction information and items of that nature. The bottom third will consist of the actual check. Again, you can expect the new version as early as October, 2003.

	<p>City of Detroit Finance Department Treasury Division 2 Woodward Ave Rm 120 Detroit, MI 48226-3472</p> <p>Retirement Code E - 10 - 0 - 6 Tax Code Married 1 dependent Pension No 123456 Social Security No XXX-XX-6788</p>	<p align="center">Earnings Statement</p> <p align="right">Page 001 of 001</p> <p>Pay Period: 07/01/2003 to 07/31/2003 Check Date: 08/01/2003 Check Number: 2067599 Batch Number: 10000756</p> <p>JANE SMITH 123 Any Street Anytown, US 98765</p>																																																																																																																						
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Pension Perspectives

Retirement Systems Directory

**Main Number:
(313)224-3362
Toll Free 800 339-8344**

Administration

Nick Degel Ext. 204
Walter Stampor Ext. 206
Joe Glanton Ext. 203
Myron Terrell Ext. 202
Cynthia Thomas Ext. 209
Rick Huddleston Ext. 201

Administration Support

JoAnn Harrison Ext. 217
Kenneth Howard Ext. 256
Terrie Lawrence Ext. 258
Janet Lenear Ext. 255
Joanne Williams Ext. 257

Interviewers

Rita Cox Ext. 218
Betty Lowe Ext. 219

Computations

Deborah Wilkerson Ext. 235
Cheneta Campbell Ext. 236

Re-Exams

Juanita Waller Ext. 238

Pension Payroll

Tasha Cowan Payroll Supervisor Ext. 240
Jermaine Brown Death Notices Ext. 239
Glorencia Russell Estimates Ext. 237
Tenecia Stockton Estimates Ext. 246
Merlene Tatum Direct Deposit Ext. 221
Debra Tyler Tax Changes/Due City Ext. 227

Annuity

David Cetlinski Ext. 244
Aaron Bird Ext. 242
Latisha Moon Ext. 243
Danielle Westbrook Ext. 241

Accounting

Marilyn Roc Berdijo Ext. 230
Beverly Scruggs Ext. 225
Angela Keeler Ext. 223
Eddie Park Ext. 228
Rena Presbitero Ext. 231
Mary Fladger Ext. 229
Tek-Sin The Ext. 232
Lenora Plater Ext. 224

Editor: Pension Perspectives

Bridgett Hardy Ext. 213

Important Numbers:

Blue Cross/Blue Shield Traditional
(800) 951-BLUE

Blue Care Network
(800) 662-6667

Blue Cross Community Blue
(800) 470-9633

Health Alliance Plan
(800) 422-4641

Omni Care
(800) 925-4550

The Wellness Plan
(800) 875-WELL

Total Health Care
(313) 871-7812

Co-Op Optical
(800) 368-5160

Heritage Eye Care
(800) 252-2053

Golden Dental Plan
(586) 573-8118

Social Security
Administration
(800) 772-1213

Detroit Retired City Employees
Association
(313) 927-0491

DENCAP
(313) 972-1400

**** All fringe benefit questions should now be referred to the Benefits Division of the Human Resources Department. Toll Free (888) 288-2684 or (313) 224-4809 ****

Retiree Corner

New hospitalization rates

Listed in the charts below are the new co-payment amounts for hospitalization coverage. These new rates were effective July 1, 2003, so you should have seen these changes with your July 1 pension check.

FOR PERSONS WHO RETIRED BETWEEN JANUARY 1, 1984 AND JULY 1, 1992

Category	BC-BS Traditional	Health Alliance Plan	Blue Care Network	OmniCare
Single, no Medicare	\$ 90.05	\$ 33.79	\$ 40.08	9.12
Single with Medicare	80.30	64.40	67.78	15.60
Retiree & Spouse, no Medicare	182.07	80.99	103.65	22.54
Retiree & Spouse with Medicare	150.98	119.33	126.10	46.77
Retiree with Medicare & Spouse without or vice-versa	160.81	88.64	98.32	40.21

FOR PERSONS WHO RETIRED AFTER JULY 1, 1992

Category	BC-BS Traditional	Health Alliance Plan	Blue Care Network	OmniCare
Single, no Medicare	\$ 180.10	\$ 67.58	\$ 80.16	\$ 18.23
Single with Medicare	160.60	128.80	135.57	31.19
Retiree & Spouse, no Medicare	364.14	161.99	207.31	45.09
Retiree & Spouse with Medicare	301.95	238.66	252.20	93.54
Retiree with Medicare & Spouse without or vice-versa	321.63	177.29	196.63	80.42

Pension Perspectives

Retirement Systems City of Detroit
2 Woodward Ave. Room 908
Detroit, MI 48226-3413

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Pension Perspectives

Improved Processing for Retiree Direct Deposits

If you have requested direct deposit for your monthly pension benefit or if you are currently on pension payroll with direct deposit and have made changes to your direct deposit information, the amount of time it takes to receive your first deposited check has been dramatically reduced. System modifications have improved the process so that now you may receive your deposited check the next month after a change submission or new request if the submission deadline is met. Submission must be by the end of the first full week of each month. For example, if you want direct deposit for September 1 you must submit your request by the end of the first full week of August.

Prior to running payroll for the month, a special "pre-note" of direct deposit information is sent to bank disbursement center that handles all direct deposits. If the direct deposit information is validated, the depositor will receive their pension benefit via direct deposit when payroll is run for the month. If however errors occur for direct deposit information, a paper check will be issued when payroll is run for the month. The member would then be notified that their bank information

is incorrect and corrected information must be submitted in order for the direct deposit to take effect.

In the past, new direct deposits or changes to direct deposit information could take two months to take effect. For example, if you received direct deposits and you made changes to your bank information in June, you would receive a paper check for the month of July and the direct deposit would not be available until August at the earliest. The improved system can now deliver that direct deposit with the July check given the same circumstances and if there are no errors with the direct deposit information. Errors generally occur when the bank routing number or the bank account number information is incorrect or the account is closed.

NOTE: Direct deposit of your monthly benefit is highly recommended. It eliminates the worry of lost or stolen checks. Your monthly benefit will be available the first business day of each month. There is no waiting in a long bank line to cash your check. This makes direct deposit the best approach for members.