



General Retirement System City of Detroit

Pension Perspectives

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1998 contract settlement closer to implementation

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Agreements have been reached between the City of Detroit and various bargaining units, which are retroactive to July 1, 1998. Implementation of these benefits is pending adoption of an ordinance for a new Defined Contribution Plan, which has yet to be completed after nearly two years of negotiation with the City.

The agreements provide for the following retirement changes:

Effective July 1, 1998

1. Annual Amount - Sum of (a) a basic pension of \$12 for each of the first 10 years of service, plus (b) a pension equal to the first 10 years of service multiplied by 1.6% of AFC (Average Final Compensation), plus 1.8% of AFC for each year of service greater than 10 years up to 20 years, plus 2.0% of AFC for each year of service greater than 20 years up to 25 years, plus 2.2% of AFC for each year of service greater than 25 years.

2. The AFC period shall be the highest 3 consecutive years out of the last 10 years of service.

3. Minor dependents under age 19 or permanently mentally or physically impaired dependent children who become impaired prior to age 19 of employees who die with 20 or more years of service without a surviving spouse shall receive a payment of \$9,000 per year which shall be divided

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Online Benefit Estimator now available

In the last issue of Pension Perspectives, we reported that the Online Benefit Estimator was in the final stages of development. We are happy to report that this feature is now available on our website www.rscd.org. Visit our

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Actively Speaking

Contract settlement *continued*

equally amongst all eligible dependents. The payment will cease when the last minor child attains age 19 or for permanently mentally or physically impaired children at death. The maximum amount of the Accidental Death Benefit in Chapter VI, Article VI, Part C, section 1, Paragraphs B and C of the City Charter shall be increased to \$9,000 per year.

4. In addition to in-service death pension benefits which already exist for employees with 20 or more years of service, if a bargaining unit member dies after having attained 15 or more but less than 20 years of creditable service at any age below 60, the surviving spouse will be paid a 50% joint and survivor election. Dependent children, if there is no eligible surviving spouse, are to be paid a total of \$6,000 which shall be divided equally amongst all eligible dependents until the youngest child reaches age 19, or for life if a child is permanently mentally or physically impaired.

5. Members of the bargaining unit shall have the option of belonging to the City’s current Defined Benefit/Defined Contribution Retirement Plan or a new Defined Contribution Retirement Plan in accordance with the rules the City will issue for a Defined Contribution Plan.

6. Effective **January 1, 1999**, for any person who was a member of the bargaining unit at the time of retirement with either a duty disability or a non-duty disability, the maximum annual benefits shall be \$9,000 for a duty disability pension and \$6,000, per year, for a non-duty disability pension.

7. Effective for any bargaining unit member’s retirement taking effect on or after **July 1, 1999**, in computing a retirement AFC, a member shall have the option of adding the value of 25% of unused accrued sick leave (1/2 the amount of the Unused Sick Leave on Retirement benefit) to the earnings used in computing the AFC. For any member choosing to exercise this option, the lump sum pay-

ment the member will receive will be the remaining value of 25% of unused accrued sick leave (the other 1/2 of the Unused Sick Leave on Retirement benefit).

Implementation will begin once the new Defined Contribution Plan ordinance is completed and Labor Relations presents the new retirement benefit provisions to City Council for approval. Once approved, Retirement Systems staff will begin the arduous task of implementing the benefit changes for all that have retired since July 1, 1998. It will take several months to process everyone, as over 1000 members have retired during this time, so please be patient.

If you retired after July 1, 1998, you will receive information, by mail, detailing your benefit changes. You will also be given a one-time opportunity to change the retirement option you selected when you retired.



Online benefit estimator *continued*

website in order to generate an estimate of your retirement benefits.

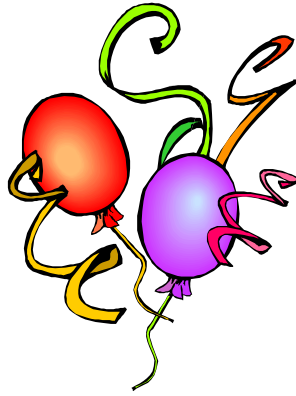
This new feature allows members to input information and generate their own estimate of benefits. You can create different estimate results by altering your service time, or average final compensation amount.

This feature is a great retirement planning tool. We hope that you will find it helpful to use. Please email webmaster@rscd.org for questions or comments regarding the online benefit estimator.

Note: The estimate you generate is based on information that you input. It does not reflect an actual amount you will receive from the Retirement System. No benefits will be paid based on an online estimate.

Detroit Celebrates its 300th Birthday All Year Long

2001 promises to be a very special year for the City of Detroit. It's not every year that a city can celebrate turning 300, but that is exactly what Detroit will do all year long.



Founded in 1701 by Antoine de la Mothe Cadillac, Detroit was originally established as a French fur trading outpost. The Tricentennial celebration will encompass many events, throughout the year, to highlight Detroit's rich history.

The year long celebration got under way on December 31, 2000 when the Detroit Century Box was opened. The box was originally sealed in 1901 by then Mayor William C. Maybury. The box contained letters from prominent citizens of Detroit in 1901 that spoke of different aspects of Detroit society including business, labor, medicine law, journalism and art.

The box also contained a letter from Maybury in which he expressed great pride in the achievements made during the 19th century such as the ability to travel from Detroit to Chicago by railroad and steam power in less than eight hours, and to New York City in less than 20 hours, also the ability to communicate by telegraph and telephone over distances that at the opening of the 19th century were insurmountable.

Organizers of the events expect thousands of individuals and hundreds of businesses, museums, schools performing arts organizations to participate in the celebrations.

Among the highlights of upcoming events:

- July 13-29 — Detroit 300 Festival begins with the Concert of Colors at Chene Park (July 13-15)

- July 19-21 — Sail Detroit at Hart Plaza, Schooners, brigs and other classic sailing vessels grace the skylines of Detroit

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Identity theft, a harmful problem in America

Identity theft occurs when an individual uses another person's personal information to take on that person's identity. If the personal information that is stolen is one's Social Security Number, that information can be used to obtain a driver's license and credit cards. To help victims, the Social Security Administration provides:

- hotline numbers,
 - SSA's Fraud Hotline-1-800-269-0271,
 - Federal Trade Commission (FTC) ID Theft Hotline-1-877-IDTHEFT (438-4338)
- information about steps you can take to work with credit bureaus and law enforcement agencies to reclaim your identity;
- a replacement card if your Social Security card was stolen;
- a new Social Security number in certain circumstances.

The Social Security Administration says steps are being taken to ensure that Social Security numbers are less accessible. They are strengthening processes for issuing new Social Security numbers as well as replacement Social Security cards.

According to the Social Security Administration, anyone who intentionally uses the Social Security number of another person to establish a new identity or defraud the government will be prosecuted to the fullest extent of the law.

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
Thomas Berriman Ext. 202
Terry Sobczak Ext. 209
Rick Huddleston Ext. 201

Administration Support

JoAnn Harrison Ext. 217
Kenneth Howard Ext. 256
Terrie Lawrence Ext. 258
Janet Lenear Ext. 255
Juanita Waller Ext. 257

Interviewers

Shirley Hill Ext. 218
Betty Lowe Ext. 219

Computations

Deborah Wilkerson Ext. 235
Cheneta Campbell Ext. 236

Re-Exams

Joanne Williams Ext. 238

Pension Payroll

Myron Terrell Ext. 240
Tasha Cowan Death Notices Ext. 239
Glorencia Russell Estimates Ext. 237
Veronica Thomas Direct Deposit Ext. 221
Debra Tyler Tax Changes/Due City Ext. 227

Annuity

Cynthia Thomas Ext. 244
David Cetlinski Ext. 242
Latisha Moon Ext. 243
Tenecia Stockton Ext. 241

Accounting

Marilyn Roc Berdijo Ext. 230
Beverly Scruggs Ext. 225
Angela Keeler Ext. 223
Eddie Park Ext. 228
Elaine Poznanski Ext. 231
Rena Presbitero Ext. 229
Tek-Sin The Ext. 232
Denise Miller 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 Preferred Plan
(313) 225-0843

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
(810) 573-8118

Social Security
Administration
(800) 772-1213

Detroit Retired City Employees
Association
(313) 927-0491

** 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 Eye Care Program for Retirees

Retirees residing in the Detroit Tri-County (Wayne, Oakland, Macomb) Area must receive service from a Heritage Optical Facility (3 locations) or a Tri-County Affiliate Provider (8 locations). Retirees residing in Michigan outside the Tri-County Area may utilize a Heritage Facility or a Heritage Affiliate Facility or a SEE-COM Affiliate Provider. Retirees residing outside the State of Michigan can receive benefits by using a Heritage Affiliate Provider through DAVIS VISION NETWORK.

To determine your eligibility for eye care benefits (once every two years) and to obtain the name of the affiliate provider nearest to you, call Heritage Optical Centers at 1-800-252-2053. FOLLOW THIS PROCEDURE TO INSURE THAT YOU ARE ELIGIBLE FOR BENEFITS.

The Service and reimbursement schedule is as follows:

	Heritage Optical and Affiliates, including SeeCom and Davis Vision	Non-Affiliate and out-of-area payment schedule
Complete Eye Exam	Covered	25.00
Frames	65.00	30.00
Single Vision Lenses	Covered	30.00
BiFocal Lenses up to D-35	Covered	48.75
Tri-Focal Lenses up to 7 x 28	Covered	56.25
Lenticular Lenses	Covered	67.50
Cosmetic Contact	129.00	60.00
Therapeutic Contacts	129.00	82.50
Rose Tint (10% or 20%)	Covered	Not Covered

Qualifying retirees living outside the Tri-County Area who chose to obtain eye care service from a non-affiliated provider must still contact Heritage Optical to verify coverage and must submit an itemized receipt for services, including the social security number and current address of the retiree, to receive a check for reimbursement.



Apply for Social Security Online



The Social Security Administration has made it possible for certain individuals to apply for benefits online at their

website www.ssa.gov. Applicants can utilize the site to fill out the online application and send that information electronically to the agency. The completed application must be printed out, signed and returned to the Social Security Administration either by mail or in person at a local Social Security Administration office. Along with the signed application, applicants must have other verification documents such as a birth certificate to establish eligibility. These items can either be mailed in or brought in to a local Social Security office. The electronic application is stored in a database and is automatically retrieved when Social Security receives the signed application.

NOTE: In order to apply online, an individual must be at least 61 years and 9 months or older and plan to start receiving retirement benefits within four months.

Pension Perspectives

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

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PENSION PERSPECTIVES

Returning to City of Detroit Employment after Retirement?

Are you considering returning to work in a civilian position with the City of Detroit? If you are, you must be aware that the manner that you are classified as an employee may affect receipt of your monthly retirement check.

If you are returned in a contractual classification you will continue to receive your monthly retirement check and benefits.

If you are returned in a full time **civil service** (non-contractual) position normally governed by membership in the Retirement System your monthly retirement check and benefits will be suspended upon reemployment. Cost of living adjustments will continue to accrue (but will not be paid) until you again separate from service. When you again terminate employment your monthly check and benefits will be reinstated with the addition of any cost of living benefits which have accrued during your reemployment.

You will be entitled to receive a second pension benefit based upon the new service earned in accordance with the rules in effect at the time of final separation.

Detroit's year long celebration *continued*

- July 20-22 — Sounds of Detroit at Hart Plaza, spotlight on artists who began their careers in Detroit
- July 21 — Celebrity Homecoming Concert at Hart Plaza
- July 22 — Parade of Historic Ships
- July 24 — Cadillac's Landing Re-enactment, commemorating the founding of Detroit by Antoine de la Mothe Cadillac at Hart Plaza
- December 31 — Sealing of the Tricentennial Time Capsule, to be opened in 2101.

In July, details of a public contest for what should be put in the Tricentennial Time Capsule will be announced.

If you would like more information on the events planned for the Tri-Centennial celebration, contact the Detroit 300 organization at (313) 871-1303 or toll free at 877-338-2001. There is also a website at www.detroit300.org.