



Policemen & Firemen Retirement System City of Detroit



Pension Perspectives

AUGUST 2003

Volume 5, Issue 2

Policemen & Firemen Retirement System

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Elected Member-Fire

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Elected Member-Police
Chairman

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Elected Member-Police

Kwame Kilpatrick

Mayor

Mark Knowles

Elected Member-Fire

Jerry Oliver Sr.

Chief of Police

George Orzech

Elected Member-Fire

Derrick Royal

Elected Member-Police

Tyrone C. Scott

Fire Commissioner

Alberta Tinsley-Talabi

Councilperson

Clarence Williams

Treasurer

DROP PLAN UPDATE

The Board of Trustees is still awaiting approval from the Internal Revenue Service (IRS). An application for a favorable determination letter from the IRS was made on February 28, 2002.

There was apparently a mix-up, by the IRS, in assigning the task of reviewing the DROP Plan. Several calls made by Ronald Zajac, the Board's legal counsel, to the IRS resulted in the problem being identified and the file has been reassigned to the Austin, Texas IRS office.

Programming requirements of the Plan are ready pending any changes which may be deemed necessary by the Internal Revenue Service. Testing of the transmittal process between the Retirement System and DROP Plan provider, ICMA, will be finalized once the IRS determination is received.

Once all requirements are in place, eligible members will receive detailed information about the DROP Plan from ICMA. This information will include a "DROP ANALYZER" which is designed to compare DROP vs. staying in the Retirement System Defined Benefit Plan until actual retirement.

Trustee Elections



Derrick Royal was re-elected as a Police Trustee for the Policemen & Firemen Retirement System for a 3 year term beginning July 1, 2003 and ending June 30, 2006.

George Orzech was re-elected as a Fire Trustee for the Policemen & Firemen Retirement System for a 3 year term commencing on July 1, 2003 and ending June 30, 2006.

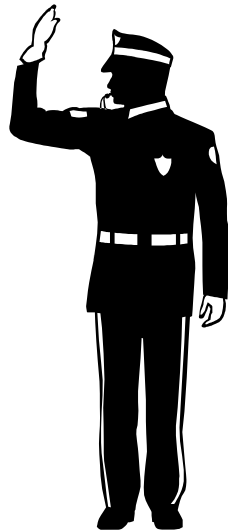
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Actively Speaking

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:

By now you should have received your new benefit cards (medical, dental or vision where applicable). If not, contact the Benefits Division at one of the numbers listed on page 4.


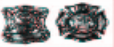
Retired Members:

Your Cost of Living increase was reflected in your August 1, 2003 check. **NOTE: Old Plan retirees will see their increase when all contracts have been settled.**

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 D - 10 - 0 - 7 Tax Code Married 1 dependent(s) Pension No 123456 Social Security No XXX-XX-6788</p>	<h3 align="center">Earnings Statement</h3> <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>																																																																																																																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Earnings</th> <th>Rate</th> <th>Adjustment</th> <th>Current</th> <th>YTD</th> <th style="text-align: left;">Deductions</th> <th>Deduction Code</th> <th>Current</th> <th>YTD</th> </tr> </thead> <tbody> <tr> <td>Pension</td> <td align="right">637.42</td> <td align="right">3005.23</td> <td align="right">3642.65</td> <td align="right">4461.94</td> <td>Federal Income Tax</td> <td></td> <td align="right">82.86</td> <td align="right">580.02</td> </tr> <tr> <td>Annuity</td> <td align="right">36.52</td> <td align="right">0.00</td> <td align="right">36.52</td> <td align="right">255.64</td> <td>Medical - Omnicare</td> <td align="right">TA220</td> <td align="right">45.69</td> <td align="right">319.63</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Dental - BC/BS Dental</td> <td align="right">50050</td> <td align="right">10.00</td> <td align="right">70.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Vision - Bankers Eye Care</td> <td align="right">40055</td> <td align="right">1.00</td> <td align="right">7.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Friend of the Court</td> <td align="right">60000</td> <td align="right">200.00</td> <td align="right">1400.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Credit Union Loan</td> <td align="right">30010</td> <td align="right">50.00</td> <td align="right">350.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Credit Union Shares</td> <td align="right">30012</td> <td align="right">100.00</td> <td align="right">700.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Bond Purchase</td> <td align="right">49010</td> <td align="right">25.00</td> <td align="right">175.00</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Life Insurance</td> <td align="right">41006</td> <td align="right">0.00</td> <td align="right">379.20</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td>Union Dues</td> <td></td> <td align="right">5.00</td> <td></td> </tr> <tr> <td colspan="3" style="border-top: 2px solid black;">Gross Pay</td> <td align="right">3679.17</td> <td align="right">4717.58</td> <td colspan="2" style="border-top: 2px solid black;">Total Deductions</td> <td align="right">519.64</td> <td align="right">3981.05</td> </tr> <tr> <td colspan="7" style="border-top: 2px solid black;">Net Pay</td> <td align="right">\$3,159.53</td> <td></td> </tr> </tbody> </table>			Earnings	Rate	Adjustment	Current	YTD	Deductions	Deduction Code	Current	YTD	Pension	637.42	3005.23	3642.65	4461.94	Federal Income Tax		82.86	580.02	Annuity	36.52	0.00	36.52	255.64	Medical - Omnicare	TA220	45.69	319.63						Dental - BC/BS Dental	50050	10.00	70.00						Vision - Bankers Eye Care	40055	1.00	7.00						Friend of the Court	60000	200.00	1400.00						Credit Union Loan	30010	50.00	350.00						Credit Union Shares	30012	100.00	700.00						Bond Purchase	49010	25.00	175.00						Life Insurance	41006	0.00	379.20						Union Dues		5.00		Gross Pay			3679.17	4717.58	Total Deductions		519.64	3981.05	Net Pay							\$3,159.53	
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Pension Perspectives

**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
Glorecia 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

Han Optical Care
(800) 445-2363

US Health Plan Traditional
(800) 225-9674

Co-Op Optical
(800) 368-5160

Heritage Eye Care
(800) 252-2053

Policemen & Firemen
Retired Association
(586) 795-1734

Social Security Administration
(800) 772-1213

*** All fringe benefit questions should now be referred to the Benefits Division of the Human

Pension Perspectives

Retiree's Corner

New Hospitalization Rates

2003-2004 DPOA / DPCOA & Exec's Pre 5/1/95 Retiree (AND ALLIED DFFA) Retiree Monthly Contributions

Retiree Monthly Contribution					
Coverage Type and Date of Retirement	Blue Cross Semi-Private Traditional	C.O.P.S Trust US Health Plan PPO	Health Alliance Plan HMO	Blue Care Network HMO	OmniCare Health Plan HMO (same for DPOA/LSA)
100 Single, No Medicare					
Retired Before 5/1/95	\$6.55	\$18.70	\$0.00	\$0.00	\$0.00
Retired On or After 5/1/95	\$0.00	\$18.70	\$0.00	\$0.00	\$0.00
120 Single, With Medicare					
Retired Before 5/1/95	\$0.00	\$13.46	\$0.00	\$0.00	\$0.00
Retired On or After 5/1/95	\$35.16	\$13.46	\$3.10	\$9.88	\$0.00
200 Two Persons, No Medicare					
Retired Before 5/1/95	\$13.74	\$41.87	\$0.00	\$0.00	\$0.00
Retired On or After 5/1/95	\$0.00	\$41.87	\$0.00	\$0.00	\$0.00
220 Two Persons, Both With Medicare A & B					
Retired Before 5/1/95	\$0.00	\$26.67	\$0.00	\$0.00	\$0.00
Retired On or After 5/1/95	\$77.60	\$26.67	\$13.73	\$27.27	\$0.00
121/170 Retiree with Medicare A & B, Spouse Without Medicare or Vice Versa					
Retired Before 5/1/95	\$6.55	\$31.86	\$0.00	\$0.00	\$0.00
Retired On or After 5/1/95	\$0.00	\$31.86	\$0.00	\$0.00	\$0.00
300 Family Coverage					
Retired Before 5/1/95	\$128.94	\$93.40	\$0.00	\$0.00	\$0.00
Retired On or After 5/1/95	\$0.00	\$93.40	\$0.00	\$0.00	\$0.00

2003-2004 LSA / DPCOA & Exec's Retired On or After 5/1/95 (AND ALLIED DFFA) Retiree Monthly Contributions

Retiree Monthly Contribution						
Coverage Type and Date of Retirement	Blue Cross Semi-Private Traditional	Blue Cross CMM Plan	Blue Cross Community Blue PPO Plan	C.O.P.S Trust US Health Plan PPO	Health Alliance Plan HMO	Blue Care Network HMO
100 Single, No Medicare						
Retired Before 5/1/95	\$6.55	\$0.00	\$0.00	\$212.37	\$0.00	\$0.00
Retired On or After 5/1/95	\$49.09	\$0.00	\$0.00	\$254.90	\$0.00	\$0.00
120 Single, With Medicare						
Retired Before 5/1/95	\$0.00	\$0.00	\$0.00	\$58.41	\$0.00	\$0.00
Retired On or After 5/1/95	\$28.48	\$0.00	\$0.00	\$86.89	\$0.00	\$3.20
200 Two Persons, No Medicare						
Retired Before 5/1/95	\$13.74	\$0.00	\$0.00	\$538.49	\$0.00	\$0.00
Retired On or After 5/1/95	\$99.92	\$0.00	\$0.00	\$624.67	\$0.00	\$0.00
220 Two Persons, Both With Medicare A & B						
Retired Before 5/1/95	\$0.00	\$0.00	\$0.00	\$107.70	\$0.00	\$0.00
Retired On or After 5/1/95	\$56.74	\$0.00	\$0.00	\$164.44	\$0.00	\$6.40
121/170 Retiree with Medicare A & B, Spouse Without Medicare or Vice Versa						
Retired Before 5/1/95	\$6.55	\$0.00	\$0.00	\$260.00	\$0.00	\$0.00
Retired On or After 5/1/95	\$77.58	\$0.00	\$0.00	\$331.03	\$0.00	\$0.00
300 Family Coverage						
Retired Before 5/1/95	\$128.94	\$17.13	\$0.00	\$600.34	\$0.00	\$0.00
Retired On or After 5/1/95	\$215.12	\$103.31	\$59.47	\$686.52	\$2.45	\$34.48

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.