



Policemen & Firemen Retirement System City of Detroit



Pension Perspectives

AUGUST, 1999

VOLUME 1, ISSUE 3

After 37 years of service, Tom Zdrodowski retires from the City

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Effective July, 1999, Thomas Zdrodowski, Executive Secretary of the Detroit Retirement Systems, retired after over 37 years of service. Mr. Zdrodowski served the City as Supervisor of Payroll, as a Trustee on the Detroit General Retirement System and for the last eleven years as the Executive Secretary of the Retirement Systems.

The Board of Trustees of both the Policemen and Firemen and General Retirement Systems have concurred in the appointment of Mr. Nicholas Degel to the Executive Secretary position. Mr. Degel has been an employee of the Retirement System for twenty-eight years. He held the title of Administrative Secretary to the Detroit Policemen and Firemen Retirement System for the last eleven years.

The Board of Trustees of the Policemen and Firemen Retirement System have appointed Mr. Walter Stampor to their Administrative Secretary position. Mr. Stampor has been an employee of the Retirement System for thirty-one years. He held the title of Administrative Assistant III for the last five years.

Trustee Election

The Police and Fire executive rank trustee election results are final. The following members have been elected to serve terms which began July 1, 1999 and will end June 30, 2002.

Laura Isom, Police Executive Trustee.

Inspector Laura Isom was elected to the Trustee position last held by Commander Broderick Williams. Inspector Isom has been a member of

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Actively Speaking

Divorce and Pensions

If you are involved in a divorce, there are certain things you should know about Michigan law, divorce and pensions.

The value of a pension accrued during a marriage is generally considered part of the marital estate and a portion may be awarded to an ex-spouse in a divorce. The controlling Michigan statute is Public Act 46 of 1991 (MCLA 38.1701, ET SEQ) regarding governmental pension plans. The Policemen and Firemen Retirement System of the City of Detroit is a governmental plan.

Usually, a judgement of divorce will award a portion of the pension rights to an ex-spouse subject to the entry of an Eligible Domestic Relation Order (EDRO) Pursuant to Public Act 46 of 1991, as amended. The EDRO statute has many requirements. Checklists are available to lawyers to ensure that each of the requirements of the EDRO statute are covered in the EDRO.

The statute refers to a "Participant" (the member of the retirement system) and an "Alternate Payee" (a spouse or former spouse, child or dependent of a participant who is named in the EDRO). A very interesting feature of the EDRO statute is that it allows, under certain circumstances, for an alternate payee to begin to receive retirement benefits even though the participant is still working (i.e., member has not yet retired).

The EDRO statute has many complex provisions and the attorneys and parties involved in a divorce action should be aware of the EDRO statute.

Although the EDRO is similar, in some respects, to a "QDRO" (Qualifying Domestic Relations Order), it should not be confused with a QDRO which applies to ERISA (private sector) plans. The QDRO

statute does not apply to governmental plans. Governmental plans are not ERISA (Employee Retirement Income Security Act) plans. ERISA and QDRO's are part of federal law. Public Act 46 of 1991 and EDRO's are part of State law.

If you are involved in a divorce, be sure to discuss with your attorney how Public Act 46 of 1991 and an EDRO may apply to you.

Benefit estimate requests

As you near the time for your retirement, requesting an estimate of your benefits makes good sense. If you want to verify the amount of service time you have credited, request a service check. However, **you do not need to request both!** When you request an estimate, a service check is performed to give you the most current, up to date information regarding your service time which your potential benefits will be based upon.

NOTE: As a general rule, requests for estimates are limited to one request every two years.

Trustee election (*continued*)

the Detroit Police Department since 1973 and is currently Vice President of the Detroit Police Command Officer's Association.

William L. Fairweather, Fire Executive Trustee

Captain William L. Fairweather was elected to the Trustee position last held by Battalion Fire Chief Sam Abdelnour. Captain Fairweather has been a member of the Detroit Fire Department since 1969.

Census 2000: How you can make it a success

Census 2000, the largest peace-time mobilization in U.S. history, is about to begin. Approximately 300,000 workers will be needed to reach an anticipated 275 million people across the United States. And you are needed to make it a success!!

Census 2000 will be the information cornerstone for the next century. Billions of dollars of federal, state and local funds will be spent on thousands of projects across our nation. How and where that money is spent depends on the census numbers. For example, decisions about education, health care, job training and business are based on information about children, the elderly, the unemployed or underemployed. Moreover, the development of public transportation systems and traffic control are based on where people work and live. Census 2000 is your chance to make sure that the new century begins with an accurate and complete picture of your community.

Your contacts, your knowledge, your concern about the community are the keys to an accurate census. Start by spreading the word about the importance of the census. Set the record straight by helping to dispel myths about the confidentiality and uses of the census. Reassure others about census confidentiality and that the information collected in the census is protected by law. Emphasize why the information collected in the census is important to your community. Write articles, speak before co-workers, post Census 2000 flyers in strategic locations or include them in mailings or newsletters. Remember that you and your organization's support can lead to a more accurate count in your community.

Be creative! For example, you can help spread the word through newsletters, your church, or volunteering to speak as part of the speaker's bureau. The Census Bureau also needs your help to recruit candidates for census taker positions in every neighborhood across the nation. Spread the word about census jobs to your family, friends and associates. It

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Year 2000 Update

Computer hardware has been upgraded to Year 2000-compliant systems. Repairs on critical computer programs, such as the Pension payroll system are complete or are nearing completion. Older programs running on obsolete equipment have been or are being replaced.

The remaining challenge for the Year 2000 effort is testing the changes. This is where most of our efforts are currently focused. This phase involves not only testing the individual changes in our computer code but also testing the numerous personal desktop hardware and software applications in place in our offices. In addition, we must test our interactions with external systems such as the City of Detroit's computer systems as well as the various institutions with which Retirement Systems participates in financial transactions. Due to continual changes and upgrades in computer hardware and software, both in our system and the external systems we interact with, we plan to continue testing into and beyond the critical January 1, 2000 date.

In addition to our repair efforts, the Retirement Systems staff has developed a contingency plan for the millennium changeover. This contingency plan for the Year 2000 is part of our normal disaster recovery and risk management contingency planning. Although we are putting forth our best efforts to find and repair all date problems, unanticipated errors may still occur either in our programs or in the programs of other companies or City of Detroit departments with whom the Retirement Systems interacts. The materials and services necessary to implement the contingency plan are being allocated in advance so that, even in the event of an unexpected failure, the Retirement Systems will be able to continue issuing retirement checks and processing new retirees beyond the Year 2000.

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

Joe Ann Smith Ext. 238

Pension Payroll

Myron Terrell Ext. 240
 Tasha Cowan Death Notices Ext. 239
 Rita Cox Estimates Ext. 237
 Veronica Thomas Direct Deposit Ext. 221

Annuity

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

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

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

Bankers Life
 (313) 961-3990

Han Optical Care
 (800) 445-2363

Co-Op Optical
 (800) 368-5160

Heritage Eye Care
 (800) 252-2053

Han Dental Care
 (313) 961-3990

Social Security Administration
 (800) 772-1213

Policemen & Firemen
 Retired Association
 (810) 795-1734

Cops Trust (A.B.S.)
 (810) 826-4336

*** All fringe benefit questions should now be referred to the Benefits Division of the Human Resources Department. **(313) 876-0991 or Toll Free (888) 288-2684** ***

Retiree's Corner

Social Security Withholding

A law enacted in 1994 allowing Federal Taxes to be deducted from social security wages has finally been implemented by the Internal Revenue Service. Retirees who have to pay Federal tax on their social security income can now complete an IRS Form (W-4V "Voluntary Withholding Request") if they wish to have automatic deductions.

IRS Form W-4V can be obtained from the IRS by calling 1-800-829-3676 or visiting the IRS or Social Security Administration's websites at *www.irs.ustreas.gov* or *www.ssa.gov* respectively. Only specific percentages of the monthly checks can be withheld: 7 percent, 15 percent, 28 percent or 31 percent. It is not possible to specify dollar amounts. One of the four percentages must be indicated on the form. Once the form is completed it is to be returned to your local Social Security office.

The Social Security Administration stresses that withholding is totally voluntary. Taxes can continue to be paid quarterly without making any changes if the taxpayer wishes to do so.

For the convenience of all City of Detroit retirees, IRS Form W-4V may also be obtained from the Retirement Systems' website at *www.rscd.org*.

Important Dates

New Hospitalization Rates - Effective July 1, 1999

Cost-of-Living Adjustment - Effective July 1, 1999
(Paid August 1, 1999)

Hospitalization & dental Re-Enrollment -
Oct. 1 - Nov. 15, 1999 (Effective Jan. 1, 2000)

Retired prior to 7/1/86?

This is a reminder for those members who retired prior to July 1, 1986 with an Option II or Option III allowance. If your Option II or Option III beneficiary has pre-deceased you, you can request that your pension be converted to a Straight Life Retirement allowance.

Upon written request by the member to the Board of Trustees, the retirement allowance would be changed to a Straight Life allowance. This change would become effective the first day of the month following the date the member applied.

New name for the City County Building

The City County Building has been officially renamed in honor of the late Coleman A. Young. The new name is The Coleman A. Young Municipal Center.

Friendly Reminders:

The Retirement Systems office will be closed the following Holidays:

Monday, September 6th – Labor Day

Thursday, November 11th – Veteran's Day

Thursday & Friday, November 25th & 26th
Thanksgiving Holiday

Friday & Monday, December 24th and 27th
Christmas Holiday

Friday & Monday, December 31st & January
3rd – New Year's Holiday

Pension Perspectives

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

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PENSION PERSPECTIVES

Increase in the Death Benefit

The death benefit has increased for both active and retired police and fire employees effective July 1, 1999.

For Police LSA members and equivalent DFFA members, the death benefit has increased to \$10,000. Police DPOA members and equivalent DFFA members continue to be eligible for \$4,900.

Police and Fire retirees will also be increased to \$1,680, for those individuals with less than ten years of service, plus \$84 dollars for each year of service over ten years.

The death benefit has also increased for active and retired general city employees. The death benefit for active employees is now \$10,000.

For retired general city employees, the amount is \$1,680 for those individuals with less than ten years of service. The base amount of \$1,680 increases by \$84 dollars for each year of service over ten years.

Census 2000 (continued)

takes over 4,000 workers to do the census in Detroit. The Census Bureau is committed to hiring as many Detroiters as possible to work in the City. Field positions pay a minimum of \$11.50 per hour (plus mileage) and the office positions pay a minimum of \$9.25 per hour. Also, some of these workers will need to be conversant with the many languages spoken in Detroit.

Think of other new and exciting ways to get the word out about Census 2000, the opportunities are limitless. Thank you for your help -- from promoting the census to providing space or volunteers -whatever you can do to make the Census 2000 picture complete. If you would like to volunteer resources to the Census or for further information about how you can help the Detroit community by making Census 2000 the best census ever, contact Glenn Oliver in the Mayor's Office at (313) 224-1774 or Melvin Walker at the Census Bureau's Detroit Office at (313) 226-5228.