



Policemen & Firemen Retirement System City of Detroit



Pension Perspectives

FEBRUARY 2002

VOLUME 4, ISSUE 1

Policemen & Firemen Retirement System Board of Trustees

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*George Orzech
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*Derrick Royal
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Deputy Fire
Commissioner*

*Alberta Tinsley-Talabi
Councilperson*

*Clarence Williams
Treasurer*

Bonus Distributions Completed

Retiree/Beneficiary Distributions

Retiree 13th check distributions were completed with the third distribution of \$6,520 paid on the October 1, 2001 pension check. This distribution was paid to all retirees and beneficiaries who were retired on July 1, 2001. The previous distributions were paid on the July 1, 2001 and August 1, 2001 pension checks. The July 1 distribution was \$3,573 and the August 1 distribution was \$3,735.

Active Member Distributions

Distributions have been made to all active members who were in an active duty status on July 1, 1999, July 1, 2000 and July 1, 2001. Deposits were made during October and November, 2001.

The amount of each distribution was based on total full months of pension service credit as of the credit date. The service time used was verified by the Detroit Police Officers Association, the Detroit Fire Fighters Association, the Detroit Lieutenants & Sergeants Association and the Detroit Police Command Officers Association.

The Board of Trustees determined the monthly rate for each distribution by dividing the total amount of each distribution by the total number of months of pension service credit of all members. The

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Board of Trustees welcomes new Ex-Officio Trustees

The Board of Trustees welcomes its new Ex-Officio Trustees Mayor Kwame Kilpatrick, City Council Representative Councilperson Alberta Tinsley-Talabi, City Treasurer Clarence Williams, Chief of Police Jerry Oliver Sr., and Deputy Fire Commissioner Tyrone C. Scott.

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Actively Speaking

New Lump Sum Distributions Rules

Effective January 1, 2002 the Internal Revenue Service rules concerning the rollover of distributions from the Defined Contribution Plan (Annuity) have been changed to allow for a rollover of the already taxed contributions.

The portion of a distribution from your Defined Contribution Plan (Annuity) account that is not taxable (post-tax contribution) is now eligible for rollover under certain conditions. The conditions are that the eligible retirement plan, to which you are transferring the non-taxable portion, must be a plan which accepts rollovers of non-taxable amounts and is either an Individual Retirement Account described in Internal Revenue Code Section 408 (a) or an Individual Retirement annuity described in Internal Revenue Code Section 408 (b) other than an endowment contract.

If you elect to roll the non-taxable portion of your distribution to a 408 (a) or 408 (b) account, your ability to take distributions from the account will be subject to Internal Revenue Code rules governing that type of account. Your financial advisor can assist you in determining your options.

This rollover option would be available to you if you are taking a distribution of your pre August 14, 1982 contributions or a full lump sum distribution of your entire balance.



Are You Prepared for Retirement?

You've been dreaming about that day, but are you prepared for that day? Have you considered all of the financial ramifications? Have you put enough money away to last throughout your retirement years? Whether your retirement is just around the bend, or further down the road, the right plan can make your retirement years a lot smoother.

There are several things you need to consider such as adjusting to a monthly paycheck (Retirement Systems benefits are paid on a monthly basis), lifestyle changes that may occur (are you planning to travel a lot?), do you want to remain a homeowner, rent a smaller space or will medically assisted residential living be better for your needs. Plans must be made now in order to fund some of these items.

Start your plan by:

- * defining your goals
- * prioritizing these goals
- * list expected expenses and compare that to your expected income (you can request an Estimate of Benefits from the Retirement Systems).

Speaking with a Financial Advisor is always a good start as well. Remember to think in terms of your desired retirement lifestyle. That will determine your plan of action.



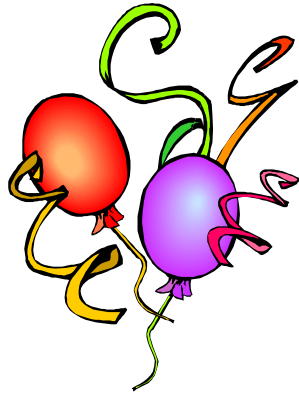
Bonus Distributions *(continued from page 1)*

result was \$32.85 per month for July 1, 1999, \$35.90 per month for July 1, 2000 and \$63.30 per month for July 1, 2001. Statements were mailed in December to all members who were still active at that time. Former members, either retired or resigned, were contacted by letter of the amount of their distribution.

If the June 30, 2001 Evaluation Report for the Retirement System shows a full funding credit in excess of \$100,000,000.00, the City and the Unions shall meet and confer in good faith as to how the funding credit in excess of that amount shall be used. Active and Retired members of the System shall share equally in any agreement reached.

Detroit's yearlong 300th birthday celebration ends with sealing of capsule

The first official event of Detroit's 300th birthday celebration was the opening of the century time capsule on December 31, 2000. Accordingly, the last event of the celebration was the sealing of the Mayor's Tricentennial Time Capsule, as it is called. This version of the time capsule will be opened in the year 2101.



More than 100 of Detroit's business and community leaders wrote letters describing Detroit as it is today. They also made predictions of Detroit accomplishment for the next century. Many residents also had an opportunity to videotape a recorded message and include it in the time capsule. Some of the individuals who wrote letters included former mayor Dennis Archer, Edsel Ford II, Governor Engler, Windsor Mayor Michael Hurst, Wayne County Executive Ed McNamara to name a few.

The sealing of the time capsule concluded a yearlong schedule of events that included the Parade of Ships, a re-enactment of the founding of Detroit by Antoine de la Mothe Cadillac, the dedication of a monument at Hart Plaza commemorating Detroit's participation in the underground railroad as well as a Homecoming concert by Stevie Wonder.

The sealing of the time capsule event took place at the Detroit Science Center. The copper time capsule was made by J&S Sheet Metal of Detroit. It measures 18-inches wide, 10-inches high, and 18-inches long and will be housed in the city treasurer's vault until December 31, 2101.

Keep Beneficiary Information Current

Death is inevitable. Even though you don't want to think about it, you are faced with it every day.

Retirement System employees have seen many instances where the *wrong* person is still named as the beneficiary on employee records. If you want to reduce confusion for your beneficiaries, it is imperative that you keep your Retirement System records updated.

If you have a change in your circumstance (i.e. marriage, death, or birth), contact your Human Resources Office or the Retirement System to update your beneficiary information. If you are unsure about who you have listed, contact the Retirement System. (This information cannot be given out over the telephone, but can be mailed or obtained in person.)



Friendly Reminders:

Please remember to include your Social Security Number and full name on all correspondence sent to this office.

Late or missing check?

Contact the Check Disbursement Unit of the Treasury Department at (313) 224-3571.

Many of the Retirement System forms are available online at our website www.rscd.org. For those individuals without internet access, please call the Retirement System office at (313) 224-3362 or (800) 339-8344 to request forms.



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
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

Tasha Cowan Death Notices Ext. 240
Glorencia Russell Estimates Ext. 237
Tenecia Stockton Estimates Ext. 246
Veronica Thomas Direct Deposit Ext. 221
Debra Tyler Tax Changes/Due City Ext. 227

Annuity

David Cetlinski Ext. 244
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
Denise Miller 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
(800) 225-9674

Han Optical Care
(800) 445-2363

Co-Op Optical
(800) 368-5160

Heritage Eye Care
(800) 252-2053

Cops Trust (A.B.S.)
(800) 826-4336

Social Security Administration
(800) 772-1213

Policemen & Firemen
Retired Association
(810) 795-1734

*** 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's Corner

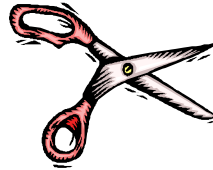
Additional Staff Added to Benefits Division to Handle Retiree Questions

The Benefits Division of the City of Detroit has added additional staff to handle retiree health care questions. For questions regarding your Blue Cross Blue Shield Medical And Dental coverages, contact Carol Williams-James at (313) 224-4809 or (888) 288-2684. For Bankers Life/Cops Trust, contact Pat Merchant at (313) 224-4813. For all other medical and dental coverages, contact Labertha Miles at (313) 224-3320.

Please make a note of these changes so you can direct your question to the proper person.

The Check is in the mail...

Here is a year 2002 schedule of the dates your monthly retirement benefits will be mailed to you. You may want to clip this schedule and keep it in a handy location.



Year 2002 Pension Check Mailing Dates		
Jan	Thursday	Jan 31
Feb	Thursday	Feb 28
Mar	Friday	Mar 29
Apr	Tuesday	Apr 30
May	Friday	May 31
Jun	Friday	Jun 28
Jul	Wednesday	Jul 31
Aug	Friday	Aug 30
Sep	Monday	Sep 30
Oct	Thursday	Oct 31
Nov	Friday	Nov 29
Dec	Monday	Dec 30

Are you withholding enough taxes?

In order to escape penalty under the Tax Reform Act of 1986, your withholding and / or estimated tax payments must approximate 90 percent of your federal income tax liability. If sufficient federal income tax is not withheld from your pension, you may be required to pay quarterly estimated taxes or pay a penalty imposed by the Internal Revenue Service. Generally, if you have a major increase or decrease in your income, or a change occurs in the number of dependents you carry, you should file a new form W4P for Federal Income Tax Withholding. This form is available for download at our website at www.rscd.org. It is also available at the Internal Revenue website www.irs.gov. You can also contact our office at (313)224-3362 ext 227 to request a form or write a letter to this office indicating how much money you wish to have withheld from your monthly benefit. The letter must include your social security number and you must sign and date the letter.

If you have your retirement check direct deposited to your bank account it is important that you keep the Retirement System informed of any change in your correspondence (mailing) address.

The correspondence address is used to mail your monthly check stub, annual tax statement, this newsletter and any other mailing from the Retirement

System or the City Benefits Division. Changes to your correspondence address must be submitted in writing including your social security number and **must clearly state that the requested change is for your correspondence address only.**

Year 2002 Pension Direct Deposit Dates		
Jan	Friday	Feb 1
Feb	Friday	Mar 1
Mar	Monday	Apr 1
Apr	Wednesday	May 1
May	Monday	Jun 3
Jun	Monday	Jul 1
Jul	Thursday	Aug 1
Aug	Tuesday	Sep 3
Sep	Tuesday	Oct 1
Oct	Friday	Nov 1
Nov	Monday	Dec 2
Dec	Thursday	Jan 2, 2003

Pension Perspectives

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Detroit, MI 48226-3413

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PENSION PERSPECTIVES

TIPS FOR WEB SITE USAGE

To Get Information On:



Answers to frequently asked questions about Retirement Eligibility, Retirement Options (etc.)	PFRS FAQ's button on the top of the PFRS Home Page
Viewing or printing Retirement Forms, old issues of Pension Perspectives (newsletter)	PFRS Downloads button on the top of the PFRS Home Page
Request an Estimate from the Retirement Systems or to generate an Online Estimate	Benefit Estimate button on the top of the PFRS Home Page
To send an email to one of the staff of the Retirement Systems	Administration & Staff button located on the left column of almost every page. Just click on the staff members email address to send an email to that person.

NOTE:

You will need Adobe Acrobat Reader software installed on your computer to review and print forms. Click on the Adobe Reader button on the PFRS Download page in order to get the Free version of the Adobe Reader software.