



Policemen & Firemen Retirement System City of Detroit



Pension Perspectives

FEBRUARY, 1999

VOLUME 1, ISSUE 2

Straight Life/Option 1 spouses to receive hospitalization

*Policemen & Firemen
Retirement System*

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Widows or widowers of Policemen and Firemen who retired between July 1, 1985 - June 30, 1987 and prior to July 1, 1980 and chose Straight Life or Option 1 (which results in no pension to the spouse) will receive hospitalization benefits as a result of the Circuit Court refusing the City of Detroit a stay of proceedings in the lawsuit "Hannan vs. Detroit City Council". This issue is currently being appealed by the City of Detroit to the Court of Appeals.

The Retirement System is currently working with the Retired Detroit Policemen and Firemen Employees Association to identify eligible spouses. Only spouses of employees at the time of their retirement are eligible for this coverage.

If you feel that you are covered by this award and do not receive a letter during the month of February offering coverage, contact the Retirement System at (313) 224-3362 ext. 209 or Toll Free at (800) 339-8344 ext. 209.

Trustee Election

Broderick T. Williams was elected as a Police Trustee for the Policemen and Firemen Retirement System replacing John A. Clark who was promoted to Deputy Chief. Commander Williams will complete the trustee term which expires on June 30, 1999. Deputy Chief Clark was appointed by Chief Napoleon as his alternate to the Board of Trustees.

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Actively Speaking

Keep Beneficiary Information Current

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

The benefits that are payable upon your death are: John Hancock life insurance, a death benefit, (currently \$4,900) and your annuity. Retirees are only entitled to a Death Benefit (\$1,200 + \$60 for each year beyond 10 years). As Retirement System employees, we 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.)

Grand Traverse Resort

The General Retirement System has sold the Grand Traverse Resort and discounted room rates are no longer available to employees and retirees. Attempts to negotiate a new program of discounts have not been successful. However, we will continue to try to obtain a new program for everyone.

Important Dates

Hospitalization Re-Enrollment - April, 1999

New Hospitalization Rates - Effective July 1, 1999

Life Insurance Re-Enrollment - Continuous

Things to do when considering retiring

Is the end of your working career in sight and you're wondering what to do? Don't grab your golf clubs just yet; instead follow these basic steps before you apply for retirement:

1. Request an Estimate of Monthly Benefits (should be within 2 years of your proposed retirement date). A benefit estimate will tell you:
 - Approximately how much service time you will have upon retirement.
 - Approximately how much you will receive each month upon retirement.
 - Approximately how much you will receive if you choose to leave a beneficiary a pension.
 - If you are vested, when you can expect to receive retirement benefits
2. When you are ready to retire, visit your Human Resources representative to get an effective date of retirement. If you are a police officer, we also need a retirement letter approved by the Chief.
3. Call the Retirement System to set up an appointment (interview) for retirement.

NOTE: If you have had breaks in your service due to lay-off or resignation, you should also request a Service Check to determine your total service credit.

The questions most asked are:

Q: When can I expect my Annuity refund after I have submitted a "Request for Annuity Withdrawal"?

A: The withdrawal process normally takes from six to eight weeks after application is made and eligibility is verified. Unusual circumstances may cause the refund to take additional time.

Q: Who gets my annuity if I die?

A: Your named beneficiary is entitled to your Annuity Fund and will be required to complete an annuity refund application (check to make sure that your beneficiary information is current)

Retirement System Internet Site

The Retirement System Data Processing staff is working diligently to complete our Internet Site. When completed, it may be viewed at *www.rscd.org*. Completion is scheduled for March, 1999. When completed, the Internet site will make available Trustee information, benefit information, staff contacts, financial information and retirement estimate information. You will be able to download copies of our newsletters, annual reports, actuarial reports and various retirement forms. A calendar of coming events will be posted and updated. Links will also be available to various government offices (Federal and State), senior citizen organizations and all hospitalization carriers. Watch your check stubs for our opening notification.



Heart Disease; prevention is the key

More than 2,600 Americans die on a daily basis from heart related diseases. Even though this is a large number, the death rate from heart disease in the U.S. has declined due, in large, to Americans taking better care of themselves. More and more Americans are taking steps to reduce their chances of heart problems. These include the following steps:

- ⇒ quit smoking.
- ⇒ eating foods low in fat.
- ⇒ maintaining proper weight.
- ⇒ regular blood pressure checks.
- ⇒ physically activities (daily exercise, walking etc.).
- ⇒ regular medical check-ups.

Just taking these simple steps can reduce your chances of heart related problems. Remember,

(Heart Disease continued)

before starting any type of physical activity, consult a physician. For more information on heart related disease and prevention, contact your nearest American Heart Association or call 1-800-242-8721.

Year 2000 Update

Efforts to analyze and repair the so-called “Millennium bug” are on schedule. Non-compliant computer hardware has been upgraded to Year 2000-compliant systems. Computer programs essential to the Retirement System mission, such as the **pension payroll system** and the program that calculates retirement benefits have been analyzed for date problems. Corrections are underway on many of these programs. In some cases, older programs that are running on obsolete equipment have been updated or are being replaced.

In addition to our repair efforts, the Retirement System staff is developing a contingency plan for the millennium changeover. Although we are putting forth our best efforts to find and correct all date errors, problems may still occur either in our programs, in the programs of other companies or City of Detroit departments with whom the Retirement System interacts. Thus, the development of a contingency plan is a must and will enable the Retirement System to continue issuing retirement checks and processing new retirees in the event of an unforeseen problem.

Another area that may be affected by the Year 2000 bug is banking. Although most large financial institutions are addressing the Year 2000 problem, some smaller banks or credit unions may be lagging behind. Retirees who have direct deposit of their retirement checks or have their funds wired to their account should check with their financial institution to confirm that it will be ready to handle electronic transactions in the year 2000.

PENSION PERSPECTIVES

Retirement Systems Directory

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

Administration

Tom Zdrodowski Ext. 204
 Nick Degel Ext. 206
 Joe Glanton Ext. 203
 Thomas Berriman Ext. 202
 Walter Stampor Ext. 209
 Rick Huddleston Ext. 201

Administration Support

JoAnn Harrison Ext. 217
 Kenneth Howard Ext. 257
 Janet Lenear Ext. 255
 Lori Przybylski Ext. 256
 Debra Tyler Ext. 258

Interviewers

Shirley Hill Ext. 218
 Betty Lowe Ext. 219

Computations

Deborah Wilkerson Ext. 235
 Cheneta Tillmon 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
 Juanita Waller Direct Deposit Ext. 221

Annuity

Terry Sobczak Ext. 244
 David Cetlinski Ext. 242
 Tawana Dickerson Ext. 241
 Latish Moon Ext. 243

Accounting

Marilyn Roc Berdijo Ext. 230
 Cynthia Abrams Ext. 225
 Angela Keeler Ext. 223
 Eddie Park Ext. 228
 Elaine Poznanski Ext. 231
 Rena Presbitero Ext. 229
 Beverly Scruggs Ext. 224
 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

Social Security Administration
(800) 772-1213

Han Dental Care
(313) 961-3990

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

Policemen & Firemen
Retired Association
(810) 795-1734

*** 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

PLEASE NOTE:

There was some confusion with the first issue of the *Pension Perspective's* *Actively Speaking* page. The Retirement System "Question & Answer" booklet currently covers active employees only, not retirees. Information contained on the *Actively Speaking* page pertains to ACTIVE EMPLOYEES ONLY... We apologize for any misunderstanding that may have occurred. We hope in the future to issue a retiree "Questions & Answers" booklet. Watch for our announcement.

Michigan leads the way in P & F retired workers choice of residence

State	# of P & F Retirees Residing in State
Michigan	6,198
Florida	814
Arizona	195
Nevada	97
California	96
Tennessee	80
Georgia	48
North Carolina	34
Texas	31
Kentucky	29

Important Dates

New Hospitalization Rates - Effective July 1, 1999
 Cost-of-Living Adjustment - Effective July 1, 1999
 Hospitalization Re-Enrollment - Oct. 1 - Nov. 15, 1999

Medicare Notification

Retirees must notify the Retirement System when they or their spouse become eligible for Medicare. Ordinance No. 494-G requires that your hospitalization coverage be coordinated with Medicare. With over 7,000 retirees and not always accurate age information, the Retirement System depends on your notification to us. Contact the Benefits Division at (313)876-0991 or Toll Free at (888) 288-2684 to report eligibility for Medicare..



Friendly Reminders:

It is very important that you include your Social Security Number on all correspondence with the Retirement System.

Late or missing check? Call the Check Disbursement Unit of the Treasury Division at (313)224-3571.

Attention Direct Depositors:

You must notify the Retirement System, in writing, when you move. Your check stubs, hospitalization information, and other important items are mailed to the correspondence address on file in the Retirement System.

If you change banking institutions, notify the Retirement System immediately to prevent direct deposit problems. If your banking institution notifies you that they have changed your account number or routing number, notify us immediately. Call the Retirement System at (313) 224-3362 ext. 221 or Toll Free at (800) 339-8344 ext. 221.

Pension Perspectives

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2 Woodward Ave. Room 908
Detroit, MI 48226-3413

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PENSION PERSPECTIVES

As a Police or Fire retiree, do I receive a yearly benefit increase?

This is one of the most frequently asked questions by Police and Fire retirees, and the answer is a resounding YES! There is, however, a slight difference in when and how much of a benefit increase you receive. This is determined by which retirement plan you belong to, the Old Plan or the New Plan.

Old Plan retirees receive benefit increases based on what is contractually negotiated between the City of Detroit and their respective Police and Fire unions. The amount of the benefit increase is approximately the same percentage that is awarded to the active ranks. Traditionally, these benefit increases become effective on July 1st of each year, however, in the past few years, due to extended contract negotiations, it has deviated slightly. **This means that until a contract is accepted and ratified by the active ranks, Old Plan retirees do not receive any benefit increases!**

New Plan retirees receive a 2.25% benefit increase based upon their original pension amount, effective on July 1st of each year.

Life Insurance Continuance

There is currently no life insurance program available to retirees on the retirement payroll (only retirees who retired on a duty-disability retirement retain the current life insurance program). However, all employees are **entitled** to continue their life insurance when they retire with the City's current carrier, John Hancock Life Insurance Company. You cannot be denied coverage. Premiums are based upon your age and your individual health status, but you cannot be denied coverage!!

To continue your life insurance at retirement, you must contact the City of Detroit's "Agent of Record" for John Hancock - Mr. Donald Whelan. Mr. Whelan's office is located in the Millendar Center - or he may be contacted by phone at (313) 963-4004.