

CAAERS NEWS



City of Ann Arbor Employee's Retirement System

For Employees, Retirees & Beneficiaries of the City of Ann Arbor Employees' Retirement System

Retirement System Updates

COVID-19

As we navigate through this unprecedented time of uncertainty in the world due to the spread of COVID-19, the Board wants to assure you that your monthly pension benefit **will not** be impacted. The System's investment portfolio is well diversified to reduce the impact of volatility in the financial markets. The Retirement System is operating in accordance with the Governor's "Stay Home" Executive Order with staff working remotely and dedicated to providing the expected level of customer service to all employees and retirees. Please continue to check our website for updates and important notices while we continue to adapt to this ever-changing environment. Stay safe and healthy!

New Accountant

On August 19, 2019, Maria Buffone joined the Retirement System replacing Corbin Hammond. She previously worked for The City of Dearborn as a Finance Department Accountant. She is eager to meet and continue to serve our City Employees, Retirees, and Beneficiaries.

Notifications of Death

The Retirement System must be notified as soon as possible of an Active Member, Retiree or Beneficiary death. Notifications can be made by calling the Retirement Office. The person notifying the Retirement Office will be asked to identify the participant's information, provide contact information and an original death certificate. To make the proper adjustments to the participant's monthly pension benefit, an original death certificate will be required.

New Member Handbook

The Retirement System's Member Handbook has been revised! You can view the new handbook by visiting our website or you may contact the Retirement System's office to have a hard copy mailed.



ICMA-RC

Dan Stewart and Nancy Lange are your Retirement Plan Specialists and are available to both active and retired employees. They are responsible for providing retirement and investment readiness education, and an overall review of all of your options during your working years and retirement. For specific investment advice, please consult your financial advisor. If you have any questions regarding any of your ICMA-RC retirement Plans, please continue to contact Investor Services directly.

Nancy Lange:

Phone: 866-822-3638
E-mail: nlange@icmarc.org

Dan Stewart:

Phone: 866-620-6066
E-mail: dstewart@icmarc.org

Investor Services:

Phone: 800-669-7400
Website: www.icmarc.org

532 S. Maple Road
Ann Arbor, MI 48103

Phone: 734-794-6710
Fax: 734-994-9205

Email: Retirement@a2gov.org

Monday—Friday
8:00 a.m.—5:00 p.m.

Retirement Staff

Wendy Orcutt, Executive Director
WOrcutt@a2gov.org

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Pension Analyst
DGustafson@a2gov.org

Maria Buffone, Accountant
MBuffone@a2gov.org

Laura Hollabaugh, Mgmt. Assistant
LHollabaugh@a2gov.org

BOARD OF TRUSTEES

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Jordan Schreier, Citizen Trustee

jschreier@dickinson-wright.com

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2020 Educational Webinar For Retirees

Due to the COVID-19 Pandemic, the Retirement Board has decided to cancel the 2020 Retiree Luncheon. An Educational Webinar has been scheduled in place for those interested. An email invite will be sent.

**Thursday, May 28th, 2020
1:00 p.m.—2:30 p.m.**

“Medicare & Economic Update” Presented by Nancy Lange, Certified Financial Planner, ICMA-RC

You may also register by calling or emailing:

734.794.6710
Retirement@a2gov.org

HEALTHCARE BENEFITS

Have a healthcare benefit question and not sure who to contact? Please see below for your City of Ann Arbor benefit team members. *(Please call to schedule an appointment if you prefer a meeting).*

Retirees:

Jessica Hull
jhull@a2gov.org
Phone: 734.794.6126
Fax: 734.794.6136

Active Employees:

Kimberly Barry kbarry@a2gov.org Phone: 734.794.6125 Fax: 734.794.6136	Maria F. Santana msantana@a2gov.org Phone: 734.794.6127 Fax: 734.794.6136
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For a quicker response, please contact the designated benefit team member.

You can view your Blue Cross Blue Shield benefit summary list online! You will need to log into your member account at www.bcbsm.com and click on the following:



- ◆ Under the My Coverage tab:
- ◆ Medical
- ◆ Visit Summary
- ◆ What’s Covered
- ◆ Download Your Benefits

New Retirees

Since our last newsletter, the following employees have retired or have filed their final paperwork:

- Tarita Fonville, Public Services—4/1/2019*
- Ciceley Lawson, Safety Services—4/1/2019*
- Henry Estrada, Public Services—4/21/2019*
- Michael Lamsa, Public Services—4/27/2019*
- Robert Pfannes, Safety Services—5/25/2019*
- Craig Anderson, Public Services—5/25/2019*
- Terence Sullivan, Safety Services—6/1/2019*
- Matthew Horning, Finance—7/10/2019*
- Joseph Morehouse, DDA—7/25/2019*
- Geoffrey Spickard, Safety Svs.—7/26/2019*
- Patricia Staebler, 15th Dist. Court—8/10/2019*
- Ryan Doletzky, Admin/Finance—9/7/2019*
- James Ratliff, Community Services—9/9/2019*
- James Doeden, Public Services—10/12/2019*
- Karen Lancaster, Finance—10/26/2019*
- James Budd, Safety Services—11/14/2019*
- Randy Menard, Safety Services—11/29/2019*
- Michael Roberts, Safety Services—12/14/2019*
- Richard McGlenn, Public Services—12/21/2019*
- Carla Baumann, Public Services—12/22/2019*
- Scott Bowling, Fleet/Facilities—1/4/2020*
- Anthony Walker, Public Services—1/10/2020*
- Steven Shields, Public Services—1/25/2020*
- Cresson Slotten, Public Services—2/5/2020*

KEEP US UPDATED!

Remember to report any change of address or contact information to the Retirement Office! We can also update your records with the City and Northern Trust.

To complete a change of address form:



- Call the Retirement Office and request the form to be mailed
- Print the change of address form from our website under the “Retiree” Tab
- Stop by the Retirement Office to complete the form, or
- Email the Retirement Office with your updated information

Summary Fact Sheet

Sources of Funds	June 30, 2019	June 30, 2018
Investment Income (Loss) (Net of Fees)	30,599,000	33,235,000
City Contributions	13,622,000	13,446,000
Member Contributions	<u>3,265,000</u>	<u>3,185,000</u>
Total	47,486,000	49,866,000

Key Figures (Actual-Last 2 Years)	City Contributions	Benefits Paid	Funded Ratio
FYE June 30, 2019	13,622,000	37,622,000	85.4%
FYE June 30, 2018	13,446,000	36,715,000	86.5%
Increase (Decrease)	176,000	907,000	

Key Figures (Projected-Next 2 Years)	Projected City Contributions	Projected Benefits Payable
FYE June 30, 2021	15,251,454	40,496,054
FYE June 30, 2020	14,092,066	38,879,662
Increase (Decrease)	1,159,388	1,616,392

Demographics	June 30, 2019	June 30, 2018	Increase (Decrease)
Active Membership			
General Members	513	499	14
Police Members	118	118	0
Fire Members	<u>80</u>	<u>78</u>	<u>2</u>
	711	695	16
Retirees/Beneficiaries			
General Members	695	693	2
Police Members	220	214	6
Fire Members	<u>166</u>	<u>160</u>	<u>6</u>
	1,081	1067	14

Active Employees Self-Service Website

Pension contribution account statements are available at the City of Ann Arbor Employee Self Service website:

<https://www.benefitmodeling.com/annarbor/default.aspx>

After registering , you will be able to:

- Download/print your contribution account statement and your accrued benefit from the AAERS pension plan at your convenience
- Estimate your pension benefits using various retirement dates
- Verify your current beneficiary designation (*Beneficiary Change forms can be found on our website*)

Economic Factors, Investment Returns, and Other Important Matters

The Retirement System's funding objective is to meet the City's long-term benefit commitment to retirees through contributions that meet or exceed the Actuarial Determined Contribution (ADC). On a long-term investment basis, the Retirement System is funded at 85.4%. The long-term basis uses a "smoothed asset value" when calculating the funded status of the Plan. The Retirement System's financial experience was below target during the year ended June 30, 2019. Total Plan assets increased by 1.8% on a financial basis. Investments returned 6.2% net of fees for the year ended June 30, 2019.

8.1% Annual Interest Rate for Members' Contributions

The Board of Trustees at its regular meeting on Thursday, December 19, 2019, approved an annual interest rate of 8.1% for members contributions for the 2020 calendar year. The equivalent quarterly return is 1.97%. The quarterly interest will be credited to members' accounts beginning the quarter ending March 31, 2020.

Note: Members in retirement do not receive interest on contribution accounts.

Visit us online!
www.a2gov.org

With Deepest Sympathy

We extend our condolences to the family and friends of those retirees of CAAERS who have passed away since our last publication.

John Schnur—11/7/2018	Edith Gibson—5/6/2019	Kris Trombley—9/27/2019
Betty Tedder—2/27/2019	Anna Straub—5/15/2019	Leroy Dibble—10/3/2019
Mary King—3/12/2019	Marjorie Jenks—5/17/2019	Robert Bond—10/9/2019
George Hastings—3/7/2019	Paul Scheffler—5/31/2019	Gladys Finkbeiner—11/16/2019
Margaret Frederick—3/14/2019	James Sexsmith—6/7/2019	Ronald Fulton—11/28/2019
Horace Hawkins—3/28/2019	Charlie Thompson—6/22/2019	Ronald Cummings—11/25/2019
Jerome Hall—3/29/2019	David Sebolt—7/18/2019	Kenneth Koch—12/3/2019
Gary Hubler—4/24/2019	Lula Jones—8/3/2019	Gregory Jones—12/9/2019
	Peter Janovits—8/26/2019	

City of Ann Arbor Employees' Retirement System

532 S. Maple Road
Ann Arbor, MI 48103



2020 Board Meeting Schedule

Retirement Board Meetings are held on the Third Thursday of every month.

April 16, 2020	July 16, 2020	October 15, 2020
May 21, 2020	August 20, 2020	November 19, 2020
June 18, 2020	September 17, 2020	December 17, 2020

2019/20 Retiree Ex-Officio Meeting Schedule

March 26, 2020	September 24, 2020	January 28, 2021
April 30, 2020	October 29, 2020	February 25, 2021

All meetings are held at the Retirement System's Office located at 532 South Maple Road, Ann Arbor, MI 48103, unless otherwise noted.

This Committee represents and is comprised of City retirees and beneficiaries. All City retirees and beneficiaries are invited to attend the meetings, get involved, and provide any input that they wish to express to the Board of Trustees of the City of Ann Arbor.