

CAAERS NEWS

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

Retirement System Updates

Welcome New Trustee

At the regular meetings on January 15, 2026 for the Retirement System & Retiree Health Care Benefit Plan & Trust, the Trustees welcomed K.C. Walbridge, Citizen Trustee. K.C.'s term will end December 31, 2028. She replaces Julie Lynch, who has been a trustee since August 2015. We thank Julie for her service!



Northern Trust Retiree Portal

Reminder: Don't forget to enroll in the Benefit Payment Participant Web Passport. This secure portal provides immediate and secure access to your benefit payment information 24 hours a day, 7 days a week. **ENROLL TODAY:**

- Visit northerntrust.com/bppweb and follow prompts to register (you will see the click "here" to register on the upper right-hand of the screen.)
- To complete the secure enrollment process, you will be asked to provide key data elements to create a unique identification and password.

For assistance with online enrollment, please contact 888-259-6835.



Voya Financial

Voya Financial serves as the recordkeeper for the 401(a) and 457 plans. Mike Landolt is our Retirement Plan Specialist and is available to both active and retired employees. He is responsible for providing retirement and investment readiness education, and an overall review of your options during your working years and retirement.

For specific investment advice, please consult your personal financial advisor. If you have any questions regarding any of your City of Ann Arbor retirement plans with Voya, please continue to contact Investor Services directly.

Mike Landolt:
Phone: 419-534-4413 ext. 1
E-mail: mikelandolt@voyafa.com

Investor Services:
Phone: 800-584-6001
Website: VoyaRetirementPlans.com

Voya Financial Website:
VoyaRetirementPlans.com



City of Ann Arbor Employees' Retirement System

532 S. Maple Road
Ann Arbor, MI 48103
Phone: 734-794-6710
Fax: 734-994-9205
Email: Retirement@a2gov.org

IN-PERSON APPOINTMENT ONLY

Monday—Thursday
8:00 a.m.—5:00 p.m.
STAFF HOURS
Monday—Friday
8:00 a.m.—5:00 p.m.

Retirement Staff

Wendy Orcutt, Executive Director
WORcutt@a2gov.org
Daniel Gustafson, CEBS, GBA, RPA,
Pension Analyst
DGustafson@a2gov.org
Maria Buffone, Accountant
MBuffone@a2gov.org
Michael Lieder, Office Manager
MLieder@a2gov.org

BOARD OF TRUSTEES

Jeremy Flack, Fire Trustee

-Chair

Jennifer Grimes, General Trustee

-Vice-Chair

Jordan Schreier, Citizen Trustee

-Secretary

Alexa Nerdrum, Citizen Trustee

Marti Praschan, Chief Fin. Officer

Tony DiGiovanni, Citizen Trustee

Mark Foster, Citizen Trustee

K.C. Walbridge, Citizen Trustee

Grant Toth, Police Trustee

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2026 Annual Retiree Luncheon

2026 Educational Luncheon For Retirees

Wednesday, May 20th, 2026
Weber's Ann Arbor
3050 Jackson Ave.
11:30 a.m.—2:30 p.m.
Spouses are welcome!

"Cybersecurity Clarity: Stopping Scams, Assessing AI, & Password Protections"

Presented by James Giordani

Call or email to make reservations by Friday, May 1, 2026!

734.794.6710
Retirement@a2gov.org

New Retirees

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


Leslie Herter, Safety Services—2/8/2025
Douglas Egeler, Public Services—2/15/2025
Roger Bouck, Public Services—3/11/2025
Venita Harrison, Public Services—3/27/2025
*Thomas Crawford, City Admin.—4/1/2025
*David Van Eck, City Admin.—5/1/2025
*Jon Von Eck, Community Svs.—5/1/2025
Nancy Jerome, Safety Services—5/3/2025
Scott Larmee, City Admin.—5/17/2025
Kenneth Ashenfelter, 15th D.C.—7/4/2025
Danielle Dubey, Safety Services—7/4/2025
Matthew Kowalski, Comm Svs.—7/12/2025
*Joseph Champagne, Comm Svs.—8/1/2025
Christopher Briney, Safety Svs.—8/13/2025
Benjamin Zahn, Safety Services—9/12/2025
Michael Switzenberg, Public Svs.—9/16/2025
William Duff, City Admin.—9/30/2025
Lisa Wondrash, City Admin.—10/10/2025
Evelyn Algarin-Jackson, HR—10/18/2025
Joseph Cabrera, City Admin.—11/15/2025
*Rebecca Evans, City Attorneys—12/1/2025
*Leandra Zander, Public Services—1/1/2026
Collette Luckhardt, City Admin.—1/3/2026
Allison Heatley, Public Services—1/10/2026
Michael Scherba, Safety Svs.—1/25/2026
Douglas Kelly, Community Svs.—1/25/2026
Patrick Maguire, Safety Svs.—1/25/2026
James Clare, City Admin.—1/28/2026
Michael Koski, City Admin.—1/31/2026
Robert Deering, City Admin.—2/25/2026
Elizabeth Yaroch, Comm. Svs.—3/1/2026
Lori Long, Housing—3/1/2026
Kevin Marion, Public Services—3/14/2026
William Simpkins, Public Svs.—3/21/2026
Cynthia Schultz, Finance—3/28/2026

*Deferred Retirement

HEALTHCARE BENEFITS

Medical and prescription drug coverage is offered through Blue Cross Blue Shield of Michigan (BCBSM). Your benefit summary can be accessed online through www.bcbsm.com under the 'My Coverage' tab.

For additional questions regarding coverage please contact BCBSM directly.

BCBSM Contact Information:	
Smartphone App:	
Website:	www.bcbsm.com
Customer Service:	877-790-2583
Mail Order Pharmacy for Maintenance Rx: (OptumRx)	855-811-2223
Mail Order Pharmacy for Specialty Rx: (Walgreens)	866-515-1355

Should you need additional assistance after speaking with BCBSM, please contact the City of Ann Arbor benefit team members listed below.

For Retirees:

Kimberly Barry
kbarry@a2gov.org
Phone: 734.794.6125
Fax: 734.794.6136

For Active Employees:

Gwen Burrell
gburrell@a2gov.org
Phone: 734.794.6131
Fax: 734.794.6136

Shannon Stearns
sstearns@a2gov.org
Phone: 734.794.6127
Fax: 734.794.6136

RETIREMENT ACCOUNT UPDATES

Banking & Tax Updates:

Northern Trust
Phone: 312-557-9700

Contact & Address Updates:

Retirement System Office
Phone: 734-794-6710
Email: Retirement@a2gov.org

Please note: To ensure account security, System staff cannot update contact and address info within Northern Trust on your behalf. You will need to update the back of your monthly statement and mail it to Northern Trust or use the retiree portal.

Summary Fact Sheet

Sources of Funds	June 30, 2025	June 30, 2024
Investment Income (Loss) (Net of Fees)	58,593,000	60,865,000
City Contributions	18,621,000	15,938,000
Member Contributions	<u>3,484,000</u>	<u>3,418,000</u>
Total	80,698,000	80,221,000

Key Figures (Actual-Last 2 Years)	City Contributions	Benefits Paid
FYE June 30, 2025	18,621,000	47,846,000
FYE June 30, 2024	15,938,000	45,649,000
Increase (Decrease)	2,683,000	2,197,000

Key Figures (Projected-Next 2 Years)	Projected City Contributions	Projected Benefits Payable
FYE June 30, 2027	21,540,000	48,882,000
FYE June 30, 2026	18,986,000	47,929,000
Increase (Decrease)	2,554,000	953,000

Demographics	June 30, 2025	June 30, 2024
Active Membership		
General Members	596	577
Police Members	92	91
Fire Members	<u>81</u>	<u>78</u>
Total	769	746
Retirees/Beneficiaries		
General Members	769	753
Police Members	257	256
Fire Members	<u>179</u>	<u>182</u>
Total	1205	1191

MI RETIREMENT TAX CHANGES

The Lowering MI Costs Plan (Public Act 4 of 2023) for tax year 2026 allows all retirees, regardless of their birth year, to deduct 100% of the 2026 maximum. Maximum amounts are adjusted annually by the percentage increase in the United States Consumer Price Index.

For more information, please visit the webpage below:

<https://www.michigan.gov/ors/faqs-for-public-act-4-of-2023---retirement-state-tax-changes>

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 94.1%. By comparison, the median Michigan public retirement system is funded at 75.3%. The long-term basis uses a "smoothed asset value" when calculating the funded status of the Plan. The Retirement System's financial experience during the fiscal year exceeded the target return. Investments returned 9.35% net of fees for the year increasing assets by 5.0% on a financial basis. As of June 30, 2025 assets were \$672 Million.

7.9% Annual Interest Rate for Members' Contributions

The Board of Trustees at its regular meeting on Thursday, December 18, 2025, approved an annual interest rate of 7.9% for members contributions for the 2026 calendar year. The equivalent quarterly return is 1.92%. The quarterly interest will be credited to members' accounts beginning the quarter ending March 31, 2026.

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

Assumed Rate of Investment Return (Discount Rate)

Based on the Board's annual review and vote, the fund assumed a 6.7% investment return for the fiscal year end 2025.

Investment Consultant Change

In February 2026, Graystone Consulting, a business unit of Morgan Stanley, was hired to replace Meketa Investment Group as the Consultant for the Employees' Retirement System and the Retiree Health Care Benefit Plan & Trust. Graystone has \$614 billion in assets under management with over 50 offices nationwide including a local office in Troy, MI.

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.

Chris Vartinian—5/28/2024	Robert Murphy—3/9/2025	Thomas Kicab—7/30/2025	Norman Wanty—11/22/2025
Phyllis Newberry—10/9/2024	Nancy Trotter—3/20/2025	Gerard Miller—9/4/2025	Michael Hicks—12/12/2025
Alroy Vanderpool—1/10/2025	Janine Hutchinson—3/20/2025	Gerald Clark—9/27/2025	Frances Zahn—12/14/2025
Robert Scott—1/11/2025	James Lyke—4/1/2025	Mary Bennett—10/3/2025	Marian Dann—12/19/2025
Billie Bedwell—1/14/2025	Wesley Prater—4/7/2025	Joanne Jenkins—10/5/2025	Evelyn Algarin-Jackson— 12/20/2025
Gary Gifford—1/29/2025	Kenneth Logerquist—4/10/2025	Michael Laraway—10/5/2025	Esther Pieske—12/31/2025
Brent Kostanko—1/29/2025	Jacob Armstrong—4/28/2025	Paul Viergever—10/6/2025	Rose Nordman—12/31/2025
Marie Conn—2/22/2025	Richard Lowe—5/5/2025	Jane Ellison—10/15/2025	Kent Neigebauer—1/7/2026
Michael Vogel—2/24/2025	Janine Ross—5/15/2025	Nancy Thompson—10/16/2025	Gregory Stewart—1/15/2026
Randolph Gould—2/24/2025	Roger Losey—6/10/2025	Robert Hoeft—11/6/2025	Sheila Schnur—2/15/2026
Adam Bolgos—3/2/2025	Joy Beil—6/26/2025	Anne Cuendet—11/22/2025	

City of Ann Arbor Employees' Retirement System

532 S. Maple Road
Ann Arbor, MI 48103



City of Ann Arbor Employees' Retirement System

2026 Board Meeting Schedule

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

April 16, 2026	July 16, 2026	October 15, 2026
May 21, 2026	August 20, 2026	November 19, 2026
June 18, 2026	September 17, 2026	December 17, 2026

2026/27 Retiree Ex-Officio Meeting Schedule

March 26, 2026	September 24, 2026	January 28, 2027
April 23, 2026	October 22, 2026	February 25, 2027

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

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 Employees' Retirement System.