

# Retirement News Update



City of Austin Employees' Retirement System

2nd Quarter 2006 Volume 4 Issue 2

A Quarterly Newsletter for Members of the City of Austin Employees' Retirement System

## Supplemental Funding Plan

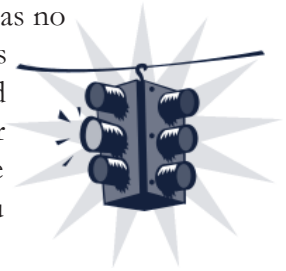
Employee and employer contribution rates are set by COA ERS' governing statute, Article 6243n. The funding objective of COA ERS' Plan is for the contribution rates to be sufficient to cover the normal cost of the Plan and to amortize any unfunded actuarial accrued liabilities over a period not to exceed 30 years. Due to continued recognition of the significant asset losses from 2000, 2001, and 2002, the Plan's contribution rate is not sufficient to amortize the System's unfunded liabilities. Therefore, the funding objective is not currently being met.

In 2005, the COA ERS Board of Trustees, in partnership with the City Manager, developed a formal strategy to address the long-term financial stability of the System. This plan, known as the "Supplemental Funding Plan" (SFP), was adopted by the City Council in May 2005 and is expected to eventually accomplish a 30-year amortization of the unfunded liability of the System. Subject to certain conditions, the SFP will increase the City contribution rate in 1% increments annually over the next several years until the rate reaches a maximum of 12%. Only the City's contribution rate will be increased at this time, not the employees' contribution rate. The City's rate will increase on October 1<sup>st</sup> of each year, therefore the City contribution rate will increase to 9% effective October 1, 2006. The increase in the City rate can be delayed by a year if the System earns 12% on its assets during the previous calendar year. The increases in the City rate are intended to stay in place until the funding period of the System is less than 30 years. Once the funding period reaches 30 years, the City has the option to reduce the additional contributions to a rate that would produce a 30-year funding period. As part of the Plan, the City Manager and City Council will become part of the process for consideration of future benefit enhancements, including cost-of-living increases.

Additional information concerning the System's funding status will be available in the Comprehensive Annual Financial Report later this year. A Financial Analysis Summary will be distributed to all Members in the upcoming months. In addition, Members can attend the October 18, 2006 Annual Members' Meeting being held at the Retirement Office starting at 5:00 p.m.

## Investment Advisor Caution

COA ERS Members have reported receiving phone and mail solicitations from private companies selling financial services. Please be advised that COA ERS does not release information about our Members or their accounts to any outside party without a Member's express written consent; this is prohibited by law. COA ERS Staff will assist Members in understanding their benefits but cannot provide advice or recommendations about the decisions our Members make. Members are strongly encouraged to obtain independent financial and/or tax advice regarding such services and otherwise when making decisions about benefits. However, COA ERS has no affiliation with any firm that provides financial products or services and provides no opinion as to whether or not any such firm is reputable. Please contact the Retirement Office if you have any questions or concerns.



## Why COA ERS Will Not Release Personal Information Over the Phone

From time to time, COA ERS Members, other financial institutions or government entities call the Retirement Office to obtain information regarding retirement accounts or names and addresses of COA ERS Members. Most of these requests for information are legitimate; however, for the protection of our Members, COA ERS Staff will not give any financial or contact information over the phone. If you request personal retirement information, Staff will mail it to your address of record. Requests for financial information from other institutions such as banks, mortgage companies, or government agencies must contain the COA ERS Member's signature and social security number. For security reasons, these requests are only accepted and responded to via fax or posted mail. We understand that this may be inconvenient at times, but we are committed to the security of the information you as COA ERS Members entrust to us.

## COA ERS Newsletter Distribution

Since the January 2005 edition, the COA ERS Retirement News Update has been distributed quarterly to current City of Austin employees via the City's electronic pay stub system. To access the newsletter, employees may click on the "View Attachments" icon on their electronic pay stub. There will be a link to the current newsletter on that page. Those employees who continue to receive a paper copy of their pay stub will continue to receive a paper copy of the COA ERS newsletter as well. If you are not receiving either an electronic or hard copy newsletter, please contact the Retirement Office at (512) 458-2551. Current and back issues of our newsletter can also be viewed on the COA ERS website at [www.coaers.org](http://www.coaers.org).

## COA Employee Addresses

All correspondence from the COA ERS to an Active COA ERS Member (e.g. Annual Member Statements, Election Ballots, Creditable Service Calculations, Retirement Calculations, etc.) is sent to the Member's address of record. These records are updated based on the address on file with the City of Austin Payroll Department. All Active Members must change their address with the Payroll Department at 974-2001. Please keep your address current to ensure you receive this important information.

### With Deepest Sympathy

We extend our condolences to the family and friends of those Members of COA ERS who were Active City of Austin employees who have passed away\*:

Antonio S. Buitron

Date of Death 03/01/2006

Austin Water Utility

Donnya A. King

Date of Death 04/20/2006

Police Department

Frankey Tubb

Date of Death 04/09/2006

Watershed Protection & Development Review

\* Please note, this list only includes those deaths of which COA ERS has been notified.

## Retirement Annuity and Creditable Service Calculations on the Web

Please visit our website at [www.coaers.org](http://www.coaers.org) to calculate the amount of your retirement annuity or Creditable Service purchase. Note: These calculations are provided as **estimates only**. Final calculations will be provided by the COA ERS Staff. Please contact the Retirement Office at 458-2551 for additional information.



## Disability Retirement

Employees who are Members of the COA ERS should be aware that disability retirement benefits are available under certain circumstances. A COA ERS Member is eligible to apply for disability retirement benefits if the individual is mentally or physically incapacitated for the performance of **any** type of employment duties, and the incapacity is likely to be permanent. Members with less than five years Creditable Service may apply for disability retirement only if the disability is a result of an on-the-job accident or injury. Members with five or more years of Creditable Service may apply for disability retirement even if the disability is not job related. Members who are already eligible to retire may not apply for disability retirement.

A Member is considered to be in the same membership category in effect on the date he or she terminated employment with the City for a period of 90 days following termination. This enables COA ERS Members to apply for disability retirement benefits for up to 90 days following their termination for inability to perform all employment duties.

Applications for disability retirement benefits are available at the Retirement Office. The Board of Trustees reviews all applications and has final authority in granting disability retirement allowances.

Individuals who have retired through this program are required to periodically provide proof of continued disability. In addition, they are required to provide income verification annually to the Board.

If you need further information about disability retirement or need an application to apply for disability retirement, please call the Retirement Office at (512) 458-2551. Application packets are also available online at [www.coaers.org](http://www.coaers.org).

## Retirement Strategies Presentations

*Presented by the City of Austin Employees' Retirement System*

### Find Out:

When can I retire?

How can I purchase service credit?

How much Permissive Time can I buy?



What is "proportionate retirement"?

Do I qualify for the DROP?

Our informal question and answer sessions will help you plan for retirement.

To request a presentation for your department, please call the Retirement Office at 458-2551.

## Active Member Q & A

**Q: Can I borrow against my COA ERS retirement funds?**

**A:** Federal law does not allow Members to withdraw portions of contributions or to receive loans from their retirement funds. Members may not transfer or assign any of their deposits or retirement benefits to anyone except pursuant to an authorized tax levy, child support obligation, or Qualified Domestic Relations Order entered by a proper court of record.

# Retired Members' News & Notes

## COA ERS Needs You!!



We are gearing up for our Retired Member Place 11 election to be held in November of 2006. This place is currently held by Janet Bartles. The term of Place 11 will be from January 2007 through December 31, 2010. More information will be available on our website and at the Retirement Office in the next few months for those wishing to run for the election.

The Retirement Office is searching for volunteers to serve on the Nominating and Election Committee to oversee this upcoming election including the development of the election ballot and determining the results. This Committee is made up of Retired City employees currently receiving an annuity from COA ERS.

If you have any questions or concerns or would like to participate in the Committee, please contact Jesse Ortega, Administrative Supervisor, at (512) 458-2551 ext. 109 or at [jesse.ortega@coaers.org](mailto:jesse.ortega@coaers.org).

## With Deepest Sympathy

We extend our condolences to the family and friends of those Retirees of COA ERS who have passed away\*:

Marjorie C. Bloomfield  
*Date of Death 05/07/2006*  
*Retired from Building Safety*

Pete Fabian  
*Date of Death 02/01/2006*  
*Retired from Parks & Recreation*

Odell McDonald  
*Date of Death 02/06/2006*  
*Retired from Austin Energy*

Herbert A. Breedlove  
*Date of Death 03/07/2006*  
*Retired from Austin Energy*

Melvin Garza  
*Date of Death 03/30/2006*  
*Retired from Parks & Recreation*

James E. Pollard, Sr.  
*Date of Death 04/16/2006*  
*Retired from Austin Energy*

Ignacio Castillo  
*Date of Death 02/14/2006*  
*Retired from Auditorium /*  
*Public Events*

Ouida L. Goins  
*Date of Death 05/02/2006*  
*Retired from Health &*  
*Human Services*

Joe M. Rios, Jr.  
*Date of Death 05/11/2006*  
*Retired from Parks & Recreation*

Emery Clawson  
*Date of Death 03/11/2006*  
*Retired from Watershed Protection*  
*& Development Review*

Elwood Grumbo  
*Date of Death 02/12/2006*  
*Retired from Austin Energy*

John R. L. Roberts  
*Date of Death 04/21/2006*  
*Retired from Austin Energy*

Billy J. Cole  
*Date of Death 04/12/2006*  
*Retired from Austin Water Utility*

Jeffrey L. Janosek  
*Date of Death 04/26/2006*  
*Retired from Library*

Melvin R. Sissney  
*Date of Death 02/08/2006*  
*Retired from Transportation,*  
*Planning & Sustainability*

Ronald A. Collins  
*Date of Death 03/12/2006*  
*Retired from Public Works*

Dorothy M. Knickel  
*Date of Death 05/09/2006*  
*Retired from Brackenridge*

Freddie E. Spears  
*Date of Death 03/17/2006*  
*Retired from Watershed Protection*  
*& Development Review*

Paul M. Cresswell  
*Date of Death 04/10/2006*  
*Retired from Auditorium /*  
*Public Events*

Allen Luetkenhoelter  
*Date of Death 03/03/2006*  
*Retired from Building Inspection*

Malcolm Taylor  
*Date of Death 03/28/2006*  
*Retired from Austin Energy*

A. Nathan Darby  
*Date of Death 04/19/2006*  
*Retired from Police Department*

Ruth Lynch  
*Date of Death 05/17/2006*  
*Retired from Library*

Freddie C. Verrell  
*Date of Death 04/14/2006*  
*Retired from Public Works*

James T. Estep  
*Date of Death 04/20/2006*  
*Retired from Police Department*

\* Please note, this list only includes those deaths of which COA ERS has been notified.

## 2006 Retiree Pay Dates

June 30th  
July 31st  
August 31st  
September 29th  
October 31st  
November 30th  
December 29th

Monthly annuity payments are made on the **last business day** of each month.

## Powers of Attorney

A Power of Attorney (POA) is a document that allows you to appoint a person or organization to handle your affairs while you are unavailable or unable to do so. Original or court certified copies of durable Power of Attorney orders may be accepted by the Retirement Office if they comply with the basic statutory requirements set forth in Section 490, Texas Probate Code. Durable POAs must be reviewed by the System's General Counsel and approved by the Executive Director before the designated agent is allowed to do business on your behalf. If you have any questions regarding this process, please contact Craig Finkelstein (458-2551 x 113) or Errin Garcia (458-2551 x 110).

## Austin Energy Retirees 4th Annual Get Together

### When:

Last Friday in September  
6:00 P.M. to ???

### Where:

Manchaca Fire Hall

For more information contact:  
Wallace Gootman - (512) 352-8865

## W-4P's

If you have changed your legal name since the last time your IRS Form W-4P was completed, we encourage you to complete a new W-4P with your correct legal name. You may request a form from our office or download it from [www.irs.gov](http://www.irs.gov). Please be advised that your Social Security card must be provided showing your correct name.

## Upcoming Dates to Remember

### July

- 4th - Retirement Office closed in observance of Independence Day
- 20th - Pre-Retirement Seminar
- 25th - COA ERS Board Meeting
- 31st - Retiree Pay Day

### August

- 17th - Pre-Retirement Seminar  
- No Scheduled COA ERS Board Meeting
- 31st - Retiree Pay Day

### September

- 4th - Retirement Office closed in observance of Labor Day
- 21st - Pre-Retirement Seminar
- 26th - COA ERS Board Meeting
- 29th - Retiree Pay Day

**Please Note:** Retiree annuity payments will be made the **last business day** of each month.

### Need to Discuss Your Retirement Benefits?

COA ERS Member Services Specialists are available to answer your questions by phone, email, or in person Monday through Friday 8:00 AM to 5:00 PM. If you would like to speak with a Specialist in person, please call our office at 458-2551 to make an appointment. This will ensure you have adequate time to discuss any questions you may have regarding your retirement benefits. Our staff will continue to serve walk-in Members as scheduling allows.

### COA ERS Board of Trustees

- Reagan David, Board Chair
- Mark Monteith, Board Vice Chair
- Janet Bartles, Trustee
- Francis E. Benoit, Trustee
- Leslie Browder, Trustee
- Eyna Canales-Zarate, Trustee
- Betty Dunkerley, Trustee
- Ed Golden, Trustee
- Elizabeth S. Gonzales, Trustee
- Cathy Rodgers, Trustee
- Anthony B. Ross, Sr., Trustee

### Please keep your address up to date!!

**ACTIVE MEMBERS** - Please contact City of Austin Payroll Dept. at 974-3001 to change your address.

**RETIRED & VESTED MEMBERS** - Please submit a change of address in writing to the Retirement Office. Forms are available at [www.coaers.org](http://www.coaers.org) or by calling 458-2551.

**For your security, we will only mail financial information to the address that we have on record.**

### ¿Habla Usted español?

Representantes están disponibles para contestar sus preguntas en español por teléfono o aquí en la oficina de COAERS. Además, contamos con algunas formas en español y podemos dar presentaciones sobre el sistema y la jubilación para los miembros interesados. Favor de hablar al (512) 458-2551 o vea nuestro sitio de Internet: [www.coaers.org](http://www.coaers.org).

*Spanish Translated Forms Available*

### Free Notary Services Available

The Retirement Office offers free notary services to our Members for COA ERS business only. System notaries will not notarize non-COA ERS documents.

### Website/Newsletter Suggestions?

If you have any suggestions regarding information you would like to see on the COA ERS website or in our newsletter, please email them to [jesse.ortega@coaers.org](mailto:jesse.ortega@coaers.org).

### RETIREES:

**Contact the City of Austin Benefits Office at (512) 974-3284 for...**

**All information related to your medical and/or dental benefits:**

*Change of Address  
Claims  
Premiums*

or

**Information regarding your \$1,000 City of Austin Death Benefit.**

### COA ERS Staff

Executive Director  
*Stephen C. Edmonds*

Operations Manager  
*Rhonda Helm*

Finance Manager  
*Donna Boykin*

Administrative Supervisor  
*Jesse Ortega*

### Finance

Financial Analyst  
*Bertie Corsentino*

Accounting Technician  
*Korrie Hoskins*

### Management Services

Executive Assistant  
*Rosaree Koepsel*

### Member Services

Member Services Specialists  
*Jobne Behner  
Teresa Cantu*

*Laura L. Fugate*

### Member Services Coordinators

*Craig Finkelstein  
Errin Garcia*

### Operations

IT Coordinator  
*Melissa Adams*

Office Coordinator  
*Cheryl Nelson*

### City of Austin Employees' Retirement System

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