

City Council Adopts Supplemental Funding Plan

The City of Austin will be providing higher City contributions to COAERS phased over the next three fiscal years according to a new Amended Supplemental Funding Plan adopted by the City Council on September 13, 2010. The City's total employer contribution increases to 14% of compensation effective October 1, 2010; 16% effective October 1, 2011; and 18% effective October 1, 2012 and thereafter.

"This is a major financial commitment to the Retirement System," said Steve Edmonds, COAERS Executive Director. "The Amended Supplemental Funding Plan is the first of two components of a plan to improve the long-term financial health of the System." City officials and COAERS Trustees have been meeting for more than a year to develop a comprehensive solution which includes both additional City contributions and different benefit levels for *future* City employees.

The City Council's original Supplemental Funding Plan was adopted on May 12, 2005 to provide an interim increase in City contributions to the System above the 8% contribution rate in effect in 2005. However, those contributions have not been sufficient to adequately fund the anticipated future benefits that the retirement system must provide. The new Amended Supplemental Funding Plan replaces the original plan and will remain in effect until modified or repealed by the City Council.

Benefit levels for *future* employees are also being reevaluated. The City Council added to their legislative agenda a proposal to change the requirements for retirement eligibility and the retirement "multiplier" for employees hired on or after January 1, 2012. After approval by the Legislature, future employees will be able to retire upon reaching the age of 65 if they have five years of service or at the age of 62 if they have 30 years of service. Future employees will also be provided an option to take a reduced benefit at age 55 if they have 10 years of service. Current City employees and retirees will not be affected by these proposals.

For more information about the Amended Supplemental Funding Plan and the plan design proposals for future employees, go to www.coaers.org.

2010 Annual Members' Meeting

The City of Austin Employees' Retirement System hosted the Annual Members' Meeting the evening of Wednesday, October 13, 2010. Members heard presentations by the System's Investment Consultant and Actuary concerning the financial and actuarial status of the System.



The System's Actuary, Mr. Lewis Ward, presents at the Annual Members' Meeting.

Also in this issue:

PAGE 2

- Contribution Refund Processing
- Flu Facts
- Service Purchase Estimate Request Process

PAGE 3

- Retired Member Board Trustee Election
- Retiree Insurance Open Enrollment

PAGE 4

- Upcoming Events
- COAERS Pre-Retirement Seminars

Active Member News and Notes

Contribution Refund Processing

Are you leaving your employment with the City? Do you have less than five years of service? If so, don't forget to contact COAERS about your retirement contributions. Go to www.coaers.org or come to the COAERS office to get a "Designation of Retirement Deposits" form. This form includes the required IRS Distribution Tax Notice which you should read and understand before making a decision on your retirement plan benefits. You should read the form and instructions carefully before deciding whether you want to refund your contributions or roll them over into another qualified plan. Please notice that the form needs to be notarized, which is a service we provide free of charge at COAERS. If you have more than five years of service, or service in a participating proportionate system, please contact COAERS before making any decisions about your retirement contributions.

The processing of your refund can take 60 to 90 days after you receive your final payroll check. It is your responsibility to ensure that your employment has been terminated from the City's payroll system and that you have received your final pay check.

Flu Facts

The Austin/Travis County Health and Human Services Department wants to help reduce your chances of getting the flu and limit the spread of this disease. Flu season generally runs from as early as October to as late as May. To stop the spread of flu germs:

- Wash your hands often. Use soap and water or an alcohol-based hand sanitizer. Be thorough and ensure you cover your entire hand.
- Cover coughs and sneezes with tissues, then immediately throw them away and wash your hands; or cough and sneeze into your sleeve.
- If you get sick, stay home and away from others.
- Store food, water, and other essentials so you are prepared to stay home if you become ill.
- Avoid close contact with those who are sick.
- Get an annual flu shot.

For more information visit www.cityofaustin.org/pandemicflu

Service Purchase Estimate Request Process

There continues to be a lot of interest in various types of service purchases. The following are the steps in this process:

1. Request an estimate: You will need to complete a "Request for Purchase Calculation Estimate" form. This request form is available on our website, www.coaers.org, or by calling the Retirement Office at 512-458-2551. The form must be filled out completely. Omissions of any data may delay completion of your request.

If you have ever been a member of a retirement system participating in the Proportionate Retirement Program, it is important that you indicate the appropriate system on this request form. Proportionate service may affect the cost of your service purchase and is subject to verification before completion of your purchase. The cost of any Creditable Service purchase may be increased later if any relevant proportionate service is used to qualify for retirement.

2. Allow time for your request to be researched and an estimate mailed to you: Please note that it may take up to 6 weeks for your request to be processed. Following verification of information and eligibility of purchase, a Member Services Specialist will mail an estimate to you. Estimates for any request received after the 25th of the month will be calculated using the next month's purchase cost. The exception to this process is for December purchases.

December Purchases - Due to end-of-year processing, December purchases must be completed by December 15, 2010 in order for the December purchase price to be honored. The documents to complete your purchase and the funds to pay for your purchase (including rollovers) must be received in the Retirement Office no later than December 15, 2010. The purchase cost for any purchase completed after December 15, 2010 will be recalculated at the January 2011 purchase cost.

3. Schedule an appointment to complete your purchase: After you receive the estimate, please call 512-458-2551 to schedule an appointment with the Member Services Specialist assigned to your specific department to discuss your plans and make arrangements to complete your service purchase. Please note that the date of your purchase must be within 3 months of the date your request form is received or the request process must start over; in such cases, you will need to complete another request form and the cost of your purchase will be recalculated. All estimates are subject to audit and correction. Note that no refunds are allowed once funds have been received for a Creditable Service purchase.

With Deepest Sympathy

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

Jimmy Vega
Date of Death 9/4/10
Convention Center

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

Please keep your address up to date!!

ACTIVE MEMBERS - Please contact the City of Austin Payroll Dept. at 512-974-3001 to change your address.

Retired Member News and Notes

Cast Your Ballot!!

Retired Member Board Trustee Election



We are conducting an election for Retired Member Place 11 this year. This place is currently held by Janet Bartles. The new four-year term of office will be from January 2011 through December 2014.

Ballots for this election will be mailed to the home addresses of Retired Members this October. *Please note:* It is very important that you contact the COAERS office to ensure your address is up-to-date. Ballots must be returned to the Retirement Office before 5:00 p.m. or postmarked no later than Wednesday, December 1, 2010. All current Retired Members will be eligible to vote in this election. If you have any questions, please contact Jo Anne Norton at 512-458-2551 x 130, or email, joanne.norton@coaers.org.

Retirees: Please contact the **City of Austin Benefits Office** at 512-974-3284 for all information related to your **medical, dental, and/or vision benefits**, such as *change of address, claims, premiums, or information regarding your City of Austin Death Benefit.*

Retiree Insurance Open Enrollment

Retiree Insurance Open Enrollment begins October 18th and runs through November 19th this year. Look for your Open Enrollment materials in the mail after October 4th.

The City will continue to offer free flu shots for retirees at Open Enrollment presentations on October 29th and November 5th. Shots will be given from 7:45 a.m. to 10 a.m. at the Learning Resource Center at 2800 Spirit of Texas Drive in Austin. Free vision screening will also be available. Look for more information in your Retiree Open Enrollment packet.

Remember these key dates:

- **Open Enrollment Packets mailed to Retirees Oct. 4th**
- **Open Enrollment Begins Oct. 18th**
- **Open Enrollment Ends Nov. 19th**
- **Benefits changes effective Jan. 1, 2011**

For more information about Retiree insurance or Open Enrollment, call 512-974-3284.

With Deepest Sympathy

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

Melda Avalos

Date of Death 09/20/2010
Retired from Brackenridge

Jean Bennett

Date of Death 07/15/2010
Retired from Brackenridge

Elizabeth Bertinot

Date of Death 08/09/2010
Retired from Health & Human Svcs.

Mary Cooper

Date of Death 07/09/2010
Retired from Austin Public Library

Helen Enders

Date of Death 08/23/2010
Retired from Financial Services

Barbara Farmer

Date of Death 08/22/2010
Retired from Brackenridge

Robert Fishbeck

Date of Death 06/28/2010
Retired from Parks and Recreation

John Franks

Date of Death 08/20/2010
Retired from Public Works

Alfred Hamann, Jr.

Date of Death 09/01/2010
Retired from CTM

George Harlan, Sr.

Date of Death 08/05/2010
Retired from Public Works

Steven Harsch

Date of Death 07/27/2010
Retired from Austin Water Utility

Robert Jacobson

Date of Death 09/14/2010
Retired from Brackenridge

Brigid Kelly

Date of Death 07/13/2010
Retired from Law Department

Wenceslao Matias

Date of Death 10/08/2010
Retired from Parks & Recreation

Thomas Ray

Date of Death 09/02/2010
Retired from Austin Energy

Maclovio Reyna

Date of Death 09/25/2010
Retired from Public Works

Franklin Richards

Date of Death 07/18/2010
Retired from Austin Energy

Ray Robinson

Date of Death 09/12/2010
Retired from Austin Water Utility

Anna Seekatz

Date of Death 07/07/2010
Retired from Austin Energy

Margaret Townsend

Date of Death 08/22/2010
Retired from Human Resources

Diana Waters

Date of Death 09/11/2010
Retired from Austin Energy

Corra Wray

Date of Death 09/12/2010
Retired from Police

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



City of Austin Employees' Retirement System

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Website Suggestions

If you have any suggestions regarding information you would like to see on the COAERS website or in our newsletter, please email them to *joanne.norton@coaers.org* for consideration.

COAERS Pre-Retirement Seminars

If you are thinking about retiring from the City of Austin within the next two years, you may want to attend a Pre-Retirement Seminar. Representatives from COAERS, the City of Austin Benefits Department (Retiree Healthcare), and Deferred Compensation present valuable information for planning your retirement. The seminar is generally offered the third Thursday at 2:00 p.m. at the Retirement Office, 418 E. Highland Mall Blvd.

If you have any questions concerning the seminar or want to sign up for an upcoming seminar, please call the Retirement Office at 512-458-2551.

¿ 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.

Spanish Translated Forms Available

Upcoming Events

NOVEMBER

- 11** Retirement Office closed in observance of Veterans Day
- 18** Pre-Retirement Seminar
- 23** COA ERS Board Meeting
- 25 & 26** Retirement Office closed in observance of Thanksgiving
- 30** Retiree Pay Day

DECEMBER

- 1** Retiree Election Ballot Return Deadline
- 16** Pre-Retirement Seminar
- 17** COA ERS Board Meeting
- 23 & 24** Retirement Office closed in observance of Christmas
- 31** Retiree Pay Day

Retirement News Update is a publication of the City of Austin Employees' Retirement System and is distributed for the information of COAERS Active, Vested, and Retired Members, and their beneficiaries.