



RETIREE LIAISON REPORT

MAY 2020 BOARD MEETING

HISTORIC TRUSTEES BOARD MEETING

The YMCA Retirement Fund's Board of Trustees held a virtual board meeting on May 14, 2020. In many ways, the meeting was historic in that it was the first such meeting in recent memory where the Trustees did not meet in person.

In today's uncertain times with COVID-19 interrupting personal and professional lives, creating havoc with the economy and travel, and stretching the nation's medical and social networks, the Fund's Trustees and senior staff made the prudent decision to meet on a Zoom platform.

The meeting addressed a number of key issues, including an update on the COVID-19 impact on Ys across the country, the CARES Act and the Fund, the interest credit decision for July-December 2020, approval of the Fund's FY 21 budget, and approval of the target allocation for FY 21 investments.

THE CARES ACT AND THE FUND

On Friday, March 27, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law, providing financial relief to those who have been impacted by the economic fallout from the COVID-19 pandemic. Fund Management reported to the Trustees about the actions underway to help those affected by the coronavirus.

For Active Participants

The Fund's systems have been enhanced to offer loan relief in 2020.

For Participants No Longer in YMCA Employment

Upon reaching age 70½, a participant must either start an annuity or begin taking an annual minimum withdrawal called the Required Minimum Distribution (RMD) (age 72 if you turn age 70 on July 1, 2019 or later). The CARES Act eliminated the 2020 RMD requirement, which the Fund has waived. In addition, the CARES Act provides some federal income tax relief for 2020 withdrawals, which Management anticipates the Fund will be prepared to implement by the middle of June.

THE INTEREST CREDIT DECISION

It is important for retirees to remember that current interest credits have no effect on monthly annuity payments. You may have heard of the Board's decision to grant 0% interest on account balances from July 1 through December 31, 2020. In combination with the 3% annualized interest granted during the first half of 2020, the average rate for the calendar year is 1.5%. That's good in this environment.

As one retiree commented to me recently, *"You know, when I was an active participant, I focused on the interest credits and how those decisions impacted the earnings on my account balance. But later in my career, interest credits, while appreciated, were less important to me. My primary goal was the preservation of my retirement savings and no risk associated with this lifelong income."*

A PERSONAL COMMENT

The many life disruptions caused by COVID-19 over the past couple of months have impacted everyone.

Activities we too often took for granted such as having dinner with friends, visiting with family, attending a wedding or a birthday, taking public transportation or pleasure travel have all been suspended.

It is important to remember that the work of the Fund continues, uninterrupted. All 100+ of the Fund's staff are working remotely from home. Because of their dedication to the work of the Fund, annuity checks and distributions made to participants continue on time. We owe the staff of the Fund a special "shout out" of thanks for their work on our behalf.

And please, follow all the safety and health guidelines that keep you safe and well.

**JOIN OR RENEW YOUR
2020 YMCA ALUMNI MEMBERSHIP**
WWW.YMCAALUMNI.ORG



Reid S. Thebault
Retiree Liaison