

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
AUGUST 18, 2010 – 8:00 a.m.
233 East Fulton Street

The meeting was called to order by Chairman J. Patrick Scripps. Other members present: Vice Chairman David Tryc, Mr. Martin Timkovich, Mr. James Stokes, Ms. Dianette Hight and Mr. Michael Hawkins. Absent: Mr. Walter Gutowski.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Ms. Elizabeth White, Deputy City Attorney and Legal Advisor to the Board and Mr. William Bensur of Wilshire Associates, Inc.

Vice Chairman Tryc made the motion to excuse the absence of Mr. Gutowski. The motion was seconded by Mr. Hawkins and carried.

There were no public comments regarding agenda items.

Moved by Mr. Hawkins and seconded by Vice Chairman Tryc, the following items were approved by the Board of Trustees pursuant to a consent agenda:

- Minutes of the Regular Meeting of June 16, 2010.
- Purchase of credited service by the following General Retirement System members:

Gail V. Anderson	\$10,324.33	12 months
Heather S. Atkins	\$10,555.98	24 months
Karen L. Chadwick	\$26,241.18	24 months
Jane E. DeVries	\$17,881.60	24 months
Frederick D. Hartley	\$25,457.60	24 months
Janette G. Rietema	\$14,775.24	24 months
Nancy J. Tobin	\$14,147.90	24 months
Mary Williams	\$7,128.79	12 months

- Retirements: seven age and service and one death-in-service:

Age and Service Retirements:

Name/Option	Credited Svc.	Ret. Date	Avg. Salary	Pension
LaMange, Lawrence A.	28 yrs. 1 mo.	09/03/2010	\$62,707.67	<u>\$3,382.53</u>
Option B-100: Life of Member				\$3,382.53
Beneficiary: Elizabeth J. LaMange, Wife				(potential to beneficiary)

Makarewicz, David B. Option B-Pop-50: Life of Member Beneficiary: Kathleen D. Makarewicz, Wife Pop-up potential of \$3,724.80 if beneficiary predeceases retiree	32 yrs. 0 mo.	07/28/2010	\$51,733.33	<u>\$3,455.65</u> \$1,727.83 (potential to beneficiary)
Murray, Marcia L. Option A-Straight Life: Life of Member	30 yrs. 10 mo.	09/18/2010	\$53,751.00	\$3,728.97
Payne, Peggy A. Option A-Straight Life: Life of Member	30 yrs. 0 mo.	09/24/2010	\$43,201.33	\$2,916.09
Shenoskey, Richard G. Option A-Straight Life: Life of Member	23 yrs. 2 mo.	09/22/2010	\$49,885.00	\$2,600.26
Rowley, Thomas W. Option B-50: Life of Member Beneficiary: Holly D. Rowley, Wife	32 yrs. 1 mo.	09/11/2010	\$50,060.00	<u>\$3,428.86</u> \$1,714.43 (potential to beneficiary)
Williams, Juanita J. Option B-Pop-25: Life of Member Beneficiary: Cheri J. Harris-Becker, Daughter Pop-up potential of \$4,417.34 if beneficiary predeceases retiree	30 yrs. 0 mo.	07/22/2010	\$65,442.00	<u>\$4,174.52</u> \$1,043.63 (potential to beneficiary)

Death-in-Service Retirement:

<u>Name/Option</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Toogood, Joseph F. Survivor Allowance Beneficiary: Bonnie M. Toogood, Wife	11 yrs. 0 mo.	07/14/2010	\$62,498.00	\$1,342.37

- Payment of administrative expenses of \$17,065.98 for the period 06/05/10 – 07/31/10.
- Payment of the investment management invoices as listed below for the quarter ending 06/30/10. Fee calculations, fees applied and stated amounts under management have been verified by the Retirement Systems office as correct:

- \$23,640.06 – Baird Advisors for management of fixed income assets
 - \$30,660.59 – ING Clarion for management of global real estate assets
 - \$43,791.98 – Lotsoff Capital Management for management of equity assets
 - \$71,101.36 – Neuberger Berman for management of international equity assets
 - \$6,703.69 – Northern Trust Global Investments for management of equity assets
 - \$62,814.45 – Wellington Management Company for management of equity assets
 - \$36,734.60 – Western Asset Management for management of fixed income assets

- Ms. Korzen noted payment of custody fees to Northern Trust for the quarter ending 06/30/10:

Benefit Payments:	\$6,081.64
Custody Fees:	\$7,454.63

Global Custody	\$4,566.25
Global Transactions	<u>\$4,270.00</u>
Total:	\$22,372.52

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analyses showing market values of \$300,782,947 on June 30, 2010 and \$316,584,223 on July 31, 2010. The reports were received and filed by the Chairman. (Analyses on pages)

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the quarter ending 06/30/10 that disclosed a withdrawal of \$16,908.45 by two members; one of which was vested. The report was received and filed by the Chairman. (Report found on page)

The Executive Director presented Trustees with the Quarterly Report of Income for the quarter ending 06/30/10. {Mr. Stokes arrived at 8:03 a.m.} Total Securities Lending income for the period was \$11,286.40 and total Class Action Settlement receipts for the period were \$16,919.31. Chairman Scripps received and filed the report. (Report found on page)

Ms. Korzen presented the Annual Accounting for the period 07/01/09 – 06/30/10 to Trustees. She noted that it was decided last year by Trustees to review both Annual Accountings at the same time each year, and therefore a committee should be established. Mr. Stokes and Mr. Timkovich volunteered to be part of that committee. Ms. Korzen will coordinate a time with the committee and staff to review the Annual Accountings.

The Executive Director next presented a request for a non-duty disability retirement from Ms. Bonnie S. VanFleeren. Following Trustee discussion, Vice Chairman Tryc made the motion to approve Ms. VanFleeren's non-duty disability retirement request. The motion was seconded by Mr. Timkovich and carried.

The Executive Director provided Trustees with an update on the disability re-examination process and noted that the one retiree that was selected by Trustees earlier this year to be re-examined has had his medical evaluation and we are waiting for the results of that visit. She stated that at the May Board meeting Trustees tabled the issue of whether or not to have Ms. Megan White re-examined. Ms. Hight made the motion to have Ms. Megan White re-examined. The motion was seconded by Vice Chairman Tryc and carried.

There were no comments on items not on the agenda.

Ms. Korzen commented that previously it was decided to take July Cash Account funding needs of \$1,675,000 from Wellington Management Company; however, circumstances changed and it was more prudent to take the funds from Western Asset Management. In addition, at the June Board meeting, it was unclear at that time as to which investment management account funds should be transferred from for Cash Account needs for August and September 2010. After recent review of the investment accounts, Mr. Bensur agreed with the Executive Director's recommendation to transfer \$1,675,000 from the Western Asset Management account to the Cash Account on August 2, 2010 and \$1,675,000 from the Wellington Management Company account to the Cash Account on September 1, 2010.

Ms. Korzen reported that The Northern Trust Company completed their annual death audit of the General Retirement Systems' retirees and beneficiaries. There were no retirees or beneficiaries on the list that the Retirement Systems office was not already aware of.

The meeting adjourned at 8:07 a.m.

The next General Retirement System Board Meeting will be held Wednesday, September 15, 2010, at 8:45 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System