

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
AUGUST 21, 2013 – 9:31 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. Michael Hawkins, Mr. Walter Gutowski, Mr. William Butts, and Mr. Bill Alphenaar.

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. Gregory Sundstrom, City Manager.

There were no public comments regarding agenda items.

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

- Minutes of the Regular Meeting of June 19, 2013.
- Purchase of credited service by the following General Retirement System members:

Tomy N. Almonte	\$27,780.42	24 months
Geri D. Eye	\$16,076.22	24 months
Philip P. Orcasitas	\$15,820.86	24 months

- Retirements: three Age & Service, one Deferred and one Early:

Age and Service Retirements:

Name/Option	Credited Svc.	Ret. Date	Avg. Salary	Pension
Davila, Roger Option A-Straight Life: Life of Member *Alternate payee: Ms. Norma Davila will receive \$403.06 per month payable over her lifetime beginning 09/10/2013, per the EDRO accepted by Trustees at the 09/19/12 Board meeting.	11 yrs. 0 mo.	09/10/2013	\$43,965.33	<u>\$610.36</u>
Driesens, Dan Option B-Pop-25: Life of Member Beneficiary: Mary A. Driesens, Wife Pop-up potential of \$1,940.80 if beneficiary predeceases retiree	21 yrs. 3 mo.	09/19/2013	\$41,348.67	<u>\$1,847.23</u> \$461.81 (potential to beneficiary)
Lewis, Karen M. Option B-Pop-100: Life of Member Beneficiary: Gene W. Lewis, Husband Pop-up potential of \$3,959.84 if beneficiary predeceases retiree	28 yrs. 10 mo.	10/25/2013	\$61,038.00	<u>\$3,479.31</u> \$3,479.31 (potential to beneficiary)

Deferred Retirement:

<u>Name/Option</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Morrison, David H.	10 yrs. 1mo.	08/01/2013	\$62,385.33	<u>\$1,143.44</u>
Option B-Pop-100, Life of Member				\$1,143.44
Beneficiary: Nancy F. Morrison, Wife				(potential to
Pop-up potential of \$1,310.52 if beneficiary predeceases retiree				beneficiary)

Early Retirement:

<u>Name/Option</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Wagenmaker, Linda M.	20 yrs. 8 mo.	09/18/2013	\$83,532.00	\$2,823.07
Option A-Straight Life, Life of Member				

- Payment of administrative expenses of \$7,479.55 for the period 06/01/13 – 07/31/13.
- Payment of the investment management invoices as listed below for the quarter ending 06/30/13. Fee calculations, fees applied and stated amounts under management have been verified by the Retirement Systems office as correct:

- \$27,149.61 – Baird Advisors for management of fixed income assets
- \$37,398.02 – CBRE Clarion for management of global real estate assets
- \$6,704.57 – Northern Trust Global Investments for management of equity assets
- \$69,548.97 – Wellington Management Company for management of equity assets
- \$30,054.23 – Wellington Management Company for management of commodities assets
- \$40,278.46 – Western Asset Management for management of fixed income assets
- \$48,674.22 – Ziegler Lotsoff Capital Management for management of equity assets

- Ms. Korzen noted payment of custody fees to Northern Trust for the quarter ending 06/30/13:

Benefit Payments	\$6,411.97
Custody	<u>\$7,454.54</u>
Total	\$13,866.51

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$379,356,567 on June 30, 2013 and \$391,842,026 on July 31, 2013. The reports were received and filed by the Chairman. (Analyses on page)

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the quarter ending 06/30/13 that disclosed a withdrawal of \$40,178.70 by five non-vested former members. 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 06/30/13. Total Securities Lending income for the period was \$9,017.97. There were no Class Action Settlement receipts for the period. Chairman Scripps received and filed the report. (Report found on page)

The Executive Director next presented a duty disability retirement request from Mr. John S. Bolinger based upon a claim of disability as a result of major depression. Following Trustee discussion, Mr. Gutowski made the motion to deny Mr. Bolinger's duty disability retirement request. The motion was seconded by Mr. Alphenaar and carried.

There were no comments on items not on the agenda.

Ms. Korzen commented that 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 2013. After recent review of the investment accounts, Mr. Pease agreed with the Executive Director's recommendation to transfer \$1,000,000 from the Ziegler Lotsoff account to the Cash Account on August 1, 2013, and \$600,000 from the NTGI account and \$400,000 from the Ziegler Lotsoff account to the Cash Account on September 3, 2013.

Ms. Korzen reported that The Northern Trust Company completed their annual death audit of the General Retirement System's retirees and beneficiaries. There were no retirees or beneficiaries on the list that the staff was unaware of.

The Executive Director noted that at the June 2013 Board meeting Trustees approved the retainer renewal request from Gabriel Roeder Smith and Company (GRS); part of that fee renewal included a cost to implement the GASB 67 & 68 requirements. GRS will implement these requirements effective with the June 30, 2013 actuarial valuation.

The meeting adjourned at 10:00 a.m.

The next General Retirement System Board Meeting will be held Wednesday, September 18, 2013, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System