

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
JANUARY 18, 2012 – 9:00 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. Michael Hawkins and Mr. William Butts. Absent: Mr. Walter Gutowski.

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

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

Chairman Scripps welcomed Mr. Butts to the Board as Member Trustee.

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 December 21, 2011.
- Purchase of credited service by the following General Retirement System member.

Kay M. Moul \$3,670.91 4 months

- Retirements: three age and service and two deferred.

Age and Service Retirements:

<u>Name/Option</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Krenz, Michael R. Option B-Pop-75: Life of Member Beneficiary: Kathy B. Krenz, Wife Pop-up potential of \$6,370.67 if beneficiary predeceases retiree	29 yrs. 3 mo.	04/10/2012	\$65,054.00	<u>\$5,873.57</u> \$4,405.18 (potential to beneficiary)
Moul, Kay M. Option A-Straight Life: Life of Member	21 yrs. 0 mo.	02/03/2012	\$72,837.33	\$3,441.56
Wheeler, David A. Option B-100: Life of Member Beneficiary: Theresa M. Wheeler, Wife	17 yrs. 1 mo.	03/01/2012	\$54,812.00	<u>\$1,764.95</u> \$1,764.95 (potential to beneficiary)

Deferred Retirements:

<u>Name/Option</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Bewell, James A. Option B-Pop-100: Life of Member Beneficiary: Maria T. Garrett, Wife Pop-up potential of \$512.22 if beneficiary predeceases retiree	9 yrs. 4 mo.	02/01/2012	\$27,440.67	<u>\$393.13</u> \$393.13 (potential to beneficiary)
Sturges, M. Hollister Option A-Straight Life: Life of Member	19 yrs. 4 mo.	02/01/2012	\$65,967.33	\$2,657.01

- Payment of administrative expenses of \$2,986.05 for the period 12/01/11 – 12/31/11.
- Payment of the investment management invoices as listed below for the quarter ending 12/31/11. Fee calculations, fees applied and stated amounts under management have been verified by the Retirement Systems office as correct:

\$33,752.62 – ING Clarion for management of global real estate assets (07/01/11-09/30/11)

\$6,240.09 – Northern Trust Global Investments for management of equity assets

- Ms. Korzen noted payment of custody fees to Northern Trust for the quarter ending 12/31/11:

Benefit Payments:	\$5,731.29
Custody Fees:	<u>\$7,501.00</u>
Total:	\$13,232.29

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$332,788,513 on December 31, 2011. The report was received and filed by the Chairman. (Analysis on page)

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the period 10/01/11 – 12/31/11 that disclosed a withdrawal of \$180,637.79 by nine former members, five of which were vested. Two of the vested members died in employer service, resulting in payment of a termination bonus. The report was received and filed by the Chairman. (Report on page)

The Executive Director next presented the Non-Duty Disability retirement request from Mr. Jason D. Thompson that was tabled at the November 16, 2011 Board meeting in order to have Mr. Thompson evaluated by a neutral physician. Following Trustee discussion, Mr. Timkovich made the motion to approve the non-duty disability retirement request from Mr. Jason D. Thompson. The motion was seconded by Vice Chairman Tryc and carried.

There were no comments on items not on the agenda.

Ms. Korzen commented that at the December Board meeting, it would be necessary to transfer additional funds to the cash account due to capital calls from Adams Street Partners; on December 29, 2011, \$40,000 was transferred from NTGI to the cash account. Due to additional capital calls in January, it is necessary to transfer \$360,000 from NTGI to the cash account on January 30, 2012. At the December Board meeting, it was unclear at that time as to which investment management account funds should be transferred from for Cash Account needs for February 2012. After review of the investment accounts, Mr. Pease agreed

with the Executive Director's recommendation to transfer \$525,000 from PIMCO, \$500,000 from Ziegler Lotsoff Capital Management and \$500,000 from NTGI to the Cash Account on February 1, 2012.

Mr. Timkovich made the motion to nominate Mr. J. Patrick Scripps to serve as Chairman of the Board of Trustees for the year 2012. The motion was seconded by Mr. Hawkins and carried. Mr. Timkovich made the motion to nominate Mr. David Tryc to serve as Vice Chairman of the Board of Trustees for the year 2012. The motion was seconded by Mr. Hawkins and carried.

The Executive Director noted that due to the discussion with the auditor at the November 16, 2011 Board meeting, the financial statements for the General Retirement System will be reissued to clarify the securities lending investment issue.

The meeting adjourned at 9:07 a.m.

The next General Retirement System Board Meeting will be held Wednesday, February 15, 2012, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System