

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
JANUARY 16, 2013 – 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. 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. Scott Buhrer, Chief Financial Officer for the City of Grand Rapids.

There were no public comments regarding agenda items.

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

- Minutes of the Regular Meeting of December 19, 2012.
- Payment of administrative expenses of \$1,498.12 for the period 12/01/12 – 12/31/12.
- Payment of the investment management invoice as listed below for the quarter ending 12/31/12. Fee calculations, fees applied and stated amounts under management have been verified by the Retirement Systems office as correct:

\$7,319.58 – Northern Trust Global Investments for management of equity assets

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

Benefit Payments:	\$5,876.37
Custody Fees:	<u>\$7,393.04</u>
Total:	\$13,269.41

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$366,780,134 on December 31, 2012. {Mr. Gutowski arrived at 8:02 a.m.} 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 10/01/12 – 12/31/12 that disclosed a withdrawal of \$57,098.00 by seven former members, two of which were vested. {Mr. Timkovich arrived at 8:03 a.m.} The report was received and filed by the Chairman. (Report on page)

The Executive Director next presented a Duty Disability retirement request from Mr. John S. Bolinger. Mr. Hawkins made the motion to go into Executive Session for the purpose of discussing Mr. Bolinger's Duty

Disability retirement request and to include Ms. Korzen, Ms. White and Ms. Balkema. The motion was seconded by Mr. Gutowski and carried.

Executive Session began at 8:04 a.m.

Executive Session ended at 8:11 a.m.

Following Trustee discussion, Mr. Gutowski made the motion to deny the duty disability retirement request from Mr. John S. Bolinger. The motion was seconded by Mr. Butts and carried.

Ms. Korzen noted that Mr. David Hoffman of Gabriel Roeder Smith and Company was scheduled to present funding considerations for Trustees at this meeting; however, per the City Ordinance, the amortization method is not listed in the ordinance as a Board duty and thus it is the City Commission's decision. Mr. Buhrer concurred and stated that the City Commission is aware of the issue and will work with the actuary to maintain the General Retirement System in a sound financial position to meet its obligations. Chairman Scripps commented that Trustees will try to keep open communications with the City regarding the Retirement System; Mr. Buhrer welcomed that idea and expressed his desire to assist in that endeavor.

There were no comments on items not on the agenda.

Mr. Timkovich made the motion to nominate Mr. J. Patrick Scripps to serve as Chairman of the Board of Trustees for the year 2013. 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 2013. The motion was seconded by Mr. Hawkins and carried.

Ms. Korzen commented that 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 2013. After review of the investment accounts, Mr. Bensur agreed with the Executive Director's recommendation to transfer \$1,225,000 from the Wellington Management Company account to the Cash Account on February 1, 2013.

The meeting adjourned at 8:15 a.m.

The next General Retirement System Board Meeting will be held Wednesday, February 20, 2013, at 8:15 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System