

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
JUNE 15, 2011 – 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, Ms. Dianette Hight, Mr. Michael Hawkins, and Mr. Walter Gutowski. Absent: Mr. James Stokes.

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

Mr. Hawkins made the motion to excuse the absence of Mr. Stokes. The motion was seconded by Ms. Hight and carried.

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 May 18, 2011.
- Purchase of credited service by the following General Retirement System members:

Eric P. Jordan	\$22,382.80	24 months
Jon C. Koeze	\$24,735.92	24 months
William P. Smith	\$21,325.42	24 months
Martha E. VanDop	\$17,942.60	24 months

- Retirements: two age & service, one deferred and one revised:

Age & Service Retirements:

Name/Option	Credited Svc.	Ret. Date	Avg. Salary	Pension
Hill, William M.	35 yrs.2 mo.	06/30/2011	\$61,674.33	<u>\$4,437.77</u>
Option B-Pop-25: Life of Member				\$1,109.44
Beneficiary: Brennan Hill, Son				(potential to beneficiary)
Pop-up potential of \$4,879.99 if beneficiary predeceases retiree				
 Rietema, Janette G.	 31 yrs.10 mo.	 08/16/2011	 \$49,252.00	 <u>\$3,254.28</u>
Option B-Pop-100: Life of Member				\$3,254.28
Beneficiary: Donald M. Rietema, Husband				(potential to beneficiary)
Pop-up potential of \$3,527.67 if beneficiary predeceases retiree				

Deferred Retirement:

<u>Name/Option</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Pierce-Mellema, Madelyn Option A-Straight Life: Life of Member	9 yrs.5 mo.	06/01/2011	\$11,178.20	\$175.44

Revised Retirement:

<u>Name/Option</u>	<u>Revised Retirement Benefit</u>	<u>Refer to Minutes</u>
Cochran, Ricky A. Option B-50 Potential to beneficiary: \$753.68	\$1,507.35	09/17/2008 & 05/18/11

- Payment of administrative expenses of \$2,869.80 for the period 05/01/11 – 05/31/11.
- Payment of the investment management invoice as listed below for the quarter ending 03/31/11. Fee calculation, fee applied and stated amounts under management have been verified by the Retirement Systems office as correct:

\$82,154.41 – Neuberger Berman for management of international equity assets

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 07/01/11 – 09/30/11. The Retirement Systems Office staff projected a need for \$3,825,000 to be transferred to the cash account as follows: \$1,275,000 on July 1st, \$1,275,000 on August 1st and \$1,275,000 on September 1st. Ms. Korzen recommended, and Mr. Marlin Pease of Wilshire Associates agreed, making the transfers as follows:

July 1 st	Wellington Management Company	\$1,275,000
August 1 st	To be determined	\$1,275,000
September 1 st	To be determined	<u>\$1,275,000</u>
Total		\$3,825,000

As this account is overfunded, the transfer will serve to bring it back toward its target percentage. (Cash Account Report found on page)

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$366,059,846 on May 31, 2011. The report was received and filed by the Chairman. (Analysis found on page)

The Actuarial services retainer fee from Gabriel, Roeder, Smith and Company (GRS) for the fiscal year 07/01/11 – 06/30/12 was presented to Trustees. The annual fee requested is \$29,200, in quarterly increments of \$7,300, which represents approximately a 2.8% increase of \$800 over last year's fee. {Mr. Gutowski arrived at 8:02 a.m.} Vice Chairman Tryc made the motion to approve the renewal retainer fee request with Gabriel, Roeder, Smith and Company. The motion was seconded by Mr. Timkovich and carried.

The Executive Director next presented a request for a non-duty disability retirement from Ms. Sharon Swoboda. Following Trustee discussion, Mr. Timkovich made the motion to deny Ms. Swoboda's non-duty disability retirement request. The motion was seconded by Ms. Hight and carried.

Ms. Korzen next presented the psychiatric evaluation of Mr. Thomas M. Armock. Ms. Korzen suggested that the prudent course of action at this juncture is to provide Dr. Wolf's report to Dr. Hollander to allow him to review the report and see if he would like to provide an addendum to his original report; Trustees agreed. Ms. Korzen stated Mr. Armock would still need to be examined by a physician of his choosing. Chairman Scripps asked Ms. Korzen to consult with Ms. White and Ms. Mari Beth Jelks in Human Resources to gain an understanding of the legal and procedural issues involved with this process.

There were no comments on items not on the agenda.

The Executive Director provided Trustees with the Pre-Audit Communication from Plante & Moran for the upcoming General Retirement System audit.

The meeting adjourned at 8:10 a.m.

The next General Retirement System Board Meeting will be held Wednesday, August 17, 2011, at 8:45 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System