

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
JUNE 17, 2015 – 10:02 a.m.
233 East Fulton Street

The meeting was called to order by Chairman Michael Hawkins. Other members present: Mr. J. Patrick Scripps, Vice Chairman David Tryc, Mr. Martin Timkovich, Mr. William Butts, Ms. Jane Hofmeyer, and Mr. Elias Lumpkins, Jr.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Mr. Thomas Michaud, Legal Advisor to the Board, and Ms. Sara VanderWerff.

There were no public comments regarding agenda items.

Moved by Mr. Scripps and seconded by Mr. Timkovich, the following administrative items were approved by the Board of Trustees:

- Minutes of the regular meeting of May 20, 2015.
- Purchase of credited service by the following General Retirement System members:

Elizabeth A. Berry	\$6,605.08	12 months
Robert J. Reusch	\$7,588.56	24 months
- Retirements: seven age and service.

Age and Service Retirements:

<u>Name</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Boucher, Harold J.	37 yrs. 1 mo.	08/01/2015	\$61,893.00	\$4,612.69
Cywinski, David H.	20 yrs. 3 mo.	08/01/2015	\$48,581.67	\$1,894.00
Hoekstra, Michael	24 yrs. 9 mo.	06/12/2015	\$51,980.33	\$2,512.45
Hoorn, Gail M.	33 yrs. 2 mo.	07/07/2015	\$62,164.33	\$4,639.02
Kragt, Mark A.	31 yrs. 2 mo.	07/08/2015	\$52,458.33	\$3,277.48
Orcasitas, Philip P.	32 yrs. 0 mo.	06/18/2015	\$52,068.00	\$3,347.54
Youngman, Sara J.	25 yrs. 2 mo.	08/25/2015	\$41,948.00	\$2,375.31

- Payment of administrative expenses of \$17,915.86 for the period 05/01/15 – 05/31/15.

The motion carried. Mr. Scripps thanked Chairman Hawkins, Ms. Korzen and Mr. Michaud for their work on grouping the administrative items in a concise manner for approval.

Ms. Korzen next presented a report of Cash Account transfers for the period 07/01/15 – 09/30/15. The Retirement Systems Office staff projected a need for \$4,050,000 to be transferred to the cash account as follows: \$1,350,000 on July 1st, \$1,350,000 on August 3rd and \$1,350,000 on September 1st. Ms. Korzen recommended, and Mr. Nick Sefchok of Wilshire Associates agreed, making the transfers as follows:

July 1 st	NTAM	\$1,050,000
	PIMCO	\$300,000
August 3 rd	To be determined	\$1,350,000
September 1 st	To be determined	<u>\$1,350,000</u>
Total		<u>\$4,050,000</u>

The report was received and filed by the Chairman. (Cash Account Report found on page)

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$423,779,285 on April 30, 2015 and \$422,927,200 on May 31, 2015. The reports were received and filed by the Chairman. (Analyses found on pages)

Trustees reviewed a Domestic Relations Order (DRO) for Mr. Michael Edmondson. Ms. Korzen stated that a DRO has been filed to assign a portion of Mr. Edmondson’s retirement benefits to an alternate payee, Doris M. Edmondson, in accordance with the Domestic Relations Order Act. The DRO has been reviewed by legal counsel and it was noted that it complies with the General Retirement System plan provisions. The DRO will become part of Mr. Edmondson’s file and will be paid according to its provisions. The order was received and filed by the Chairman.

The actuarial services retainer fee from Gabriel, Roeder, Smith and Company (GRS) for the fiscal year 07/01/15 – 06/30/16 was presented to Trustees. The annual fee requested is \$31,600, in quarterly increments of \$8,100, which represents an \$800 increase (approximately 2.5%) over last year’s fee. GRS has requested a fee not to exceed \$10,000 for GASB 67 required reporting. Ms. Korzen recommended approval of the retainer request by GRS. Mr. Timkovich made the motion to approve the renewal retainer fee request with Gabriel, Roeder, Smith and Company. The motion was seconded by Vice Chairman Tryc and carried

Ms. Korzen next presented an update on the disability retiree re-examination process and noted that Dr. Shlomo Mandel conducted a medical records review for Mr. Dennis Siegel and stated his opinion that Mr. Siegel is not physically and mentally able and capable of resuming his duty as a Building Maintenance Mechanic II and the incapacity is likely to be permanent; therefore, he should continue to be retired as disabled.

Ms. Korzen next provided Trustees with an annual budget proposal. The numbers on the proposed document represent the dollar amounts Trustees expect to be expended for the FYE 06/30/16. Ms. Korzen stated that a formal budget that is approved by Trustees annually is now a requirement under P.A. 314 and once approved by Trustees, the information will be available on the Retirement Systems’ website. Chairman Hawkins asked if this proposed budget incorporated the IT changes and potential changes to the fiduciary liability insurance; Ms. Korzen stated it did not, but it will be adjusted as necessary. Vice Chairman Tryc made the motion to approve the budget as presented. The motion was seconded by Mr. Timkovich and carried.

Public comments on items not on the agenda: Ms. VanderWerff introduced Mr. Kerby Wallick, CFA, Chief Investment Strategist of StreamSong Advisors.

The meeting adjourned at 10:08 a.m.

The next General Retirement System Board Meeting will be held Wednesday, July 15, 2015, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System