

POLICE & FIRE RETIREMENT SYSTEM  
BOARD OF TRUSTEES  
CITY OF GRAND RAPIDS  
MICHIGAN

MINUTES  
REGULAR MEETING  
AUGUST 16, 2017 – 10:50 a.m.  
233 East Fulton

The meeting was called to order by Chairman Michael Hawkins. Other members present: Mr. Thomas VanderPloeg, Mr. Philip Balkema, and Mr. Phillip Mitchell. Absent: Vice Chairman Craig VanderWall and Mr. Jon O'Connor.

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

Mr. VanderPloeg made the motion to excuse the absences of Vice Chairman VanderWall and Mr. O'Connor. The motion was seconded by Mr. Balkema and carried.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of June 21, 2017.
- Purchase of credited service by the following Police & Fire Retirement System members:

Joseph I. Donohoe III	\$57,757.32	48 months
Wayne R.C. Moore	\$28,889.30	21 months
Patrick H. Needham	\$58,755.44	48 months
Tony A. Rohloff	\$53,006.80	48 months

- The following Resolution No. 820.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received a request for two Age and Service and one deferred retirement from the following members of the plan:

**Age and Service Retirement:**

Wayne R.C. Moore, retired August 2, 2017 from the Police Department as a Police Sergeant,

Credited Service: Thirty-five years and nine months

Pension: \$6,535.70,

and . . .

Daniel T. Savage, retired August 5, 2017 from the Police Department as a Deputy Police Chief,

Credited Service: Thirty-four years and two months

Pension: \$9,396.50,

and . . .

**Deferred Retirement:**

Glen L. Brower, will retire September 1, 2017 from the Police Department as a Police Officer,

Credited Service: Twenty-seven years and seven months

Pension: \$4,807.41.

RESOLVED, that the retirements be approved. Mr. Balkema commented that every retiree that leaves government service leaves a legacy of hard work and dedication.

- Payment of administrative expenses of \$11,439.74 for the period 06/01/17 – 07/31/17.
- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 06/30/17. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

- \$25,395.17 – Baird Advisors (Fixed Income)
- \$34,545.81 – CBRE Clarion (Real Estate)
- \$42,699.00 – Harding Loevner (ADRs)
- \$37,169.03 – Harvest Fund Advisors (MLPs)
- \$6,952.56 – NTAM (Equities)
- \$39,924.72 – Wellington Management Company (Equities)
- \$26,067.50 – Wellington Management Company (Commodities)
- \$35,958.58 – Western Asset Management (Fixed Income)

- **Custody Fees:** The attached invoice from Northern Trust divides the quarter ending 06/30/17 fee as follows:

Benefit Payments	\$4,425.35
Custody	<u>\$7,429.75</u>
Total	\$11,855.10

**The motion carried.**

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$403,839,638 on June 30, 2017 and \$409,402,578 on July 31, 2017. The reports were received and filed by the Chairman. (Analyses found on pages )

Trustees reviewed an Eligible Domestic Relations Order (EDRO) for Mr. John Newberry. Ms. Korzen stated that an EDRO has been filed to assign a portion of Mr. Newberry’s retirement benefits to an alternate payee, Jennifer Frost, in accordance with the Eligible Domestic Relations Order Act. The EDRO has been reviewed by legal counsel and the actuary and complies with the Police & Fire Retirement System plan provisions. The EDRO will become part of Mr. Newberry’s file and will be paid according to its provisions. The order was received and filed by the Chairman.

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the period 04/01/17 – 06/30/17. No member contributions were withdrawn. The report was received and filed by the Chairman. (Report on page )

The Executive Director presented Trustees with the Quarterly Report of Income for the quarter ending 06/30/17. Total Securities Lending income for the period was \$28,593.25. Total Class Action Settlement receipts for the period were \$7,330.34. Chairman Hawkins received and filed the report. (Report found on page )

There were no public comments on items not on the agenda.

Ms. Korzen reported that The Northern Trust Company completed their annual retiree data verification of the Police & Fire Retirement System's retirees and beneficiaries. There were no deceased retirees or beneficiaries reported on the list that the office was unaware of.

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 2017. After recent review of the investment accounts, Mr. Pease and the Executive Director agreed to transfer \$500,000 from the NTAM account and \$350,000 from the Wellington Management Company (equities) account to the Cash Account on August 1, 2017 and \$550,000 from the Harding Loevner account, \$300,000 from the Neuberger Berman account to the Cash Account on September 1, 2017.

The meeting adjourned at 10:53 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, September 20, 2017, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen  
Executive Director  
Police & Fire Retirement System