

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

MINUTES
REGULAR MEETING
AUGUST 21, 2019 – 9:30 a.m.
233 East Fulton

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman Craig VanderWall, Mr. Philip Balkema, Mr. Phillip Mitchell, Ms. Donijo DeJonge, Mr. Nathaniel Moody, and Mr. Robert Veenstra.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Mr. Thomas Michaud, Legal Advisor to the Board, Mr. John E. Kurkowski, and Mr. John Globensky, City Treasurer.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of June 19, 2019.
- Purchase of credited service by the following Police & Fire Retirement System members:

Kent A. Beracy	\$61,338.76	48 months
Joel W. Bowman	\$30,669.38	24 months
John H. Bylsma III	\$37,588.54	24 months
Frank M. Collins	\$61,338.76	48 months
Russell M. Headworth	\$61,338.76	48 months
Timothy D. Hoornstra	\$64,189.16	48 months
Amy E. Lowrie	\$30,669.38	24 months
James H. McIntyre	\$28,417.70	24 months
Michael C. Myers	\$20,041.22	18 months
Maureen O'Brien	\$75,177.08	48 months
Mark A. Ostapowicz	\$75,177.08	48 months
William M. Recor	\$30,669.38	24 months
Michael T. Rozema	\$61,338.76	48 months
Jason A. Sotke	\$30,669.38	24 months
Catherine A. Williams	\$34,467.56	24 months
Jonathan K. Wu	\$68,935.12	48 months
- Purchase of military leave of absence – as provided for in Chapter 7, Section 1.243 (2) of City Code, Mr. Justin Emery and Mr. Scott Klawon have requested to purchase the periods of credited service during which they were on leave of absence for active military service. The period of service to be purchased for Mr. Emery is one (1) year and four (4) days. The period of service to be purchased for Mr. Klawon is fourteen (14) days. The amounts due of \$6,050.72 for Mr. Emery and \$324.01 for Mr. Klawon were calculated and verified by the Retirement Systems Office.
- The following Resolution No. 836.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received requests for one age & service, one early, one deferred, and eight revised retirements from the following members of the plan:

Age & Service Retirement:

Patrick H. Needham, retired July 26, 2019 from the Police Department as a Police Officer,

Credited Service: Twenty-nine years and seven months

Pension: \$5,470.54,

and . . .

Early Retirement:

Timothy E. Kragt, retired August 6, 2019 from the Fire Department as a Fire Fighter,

Credited Service: Thirty years

Pension: \$5,219.25,

and . . .

Deferred Retirement:

Kristin D. Dionne, retired July 1, 2019 from the Police Department as a Police Officer,

Credited Service: Sixteen years and four months

Pension: \$2,540.24,

and . . .

Revised Retirements:

<u>Name</u>	<u>Date of Retirement</u>	<u>Original Benefit</u>	<u>Revised Benefit</u>	<u>Refer to Minutes</u>
Randall Bosch	11/20/18	\$4,828.50	\$4,871.02	11/14/18 & 01/16/19
Brian Brewer	07/02/18	\$5,289.51	\$5,336.07	06/20/18 & 01/16/19
Lyle Frederickson	03/22/19	\$4,333.87	\$4,329.95	05/15/19
Larry Hayden	10/15/18	\$4,864.78	\$4,907.62	09/19/18 & 01/16/19
James Hillman	11/17/18	\$5,164.44	\$5,209.92	09/19/18 & 01/16/19
Michael R. Lundeen	07/03/18	\$4,523.85	\$4,519.74	08/15/18
Mark Radius	08/23/18	\$5,202.22	\$5,248.03	08/15/18 & 01/16/19
Bruce Veldkamp	05/19/19	\$6,529.77	\$6,523.85	08/15/18 & 05/15/19

- KEIP participant: The Board of Trustees of the Police and Fire Retirement System has received a request by two members of the plan to exit the KEIP Program; there are also nine revised KEIP entry benefits:

KEIP Exits

Lawrence B. Poleski, exited the KEIP Program on August 13, 2019 from the Police Department as a Police Sergeant,

Credited Service: Twenty-four years and seven months

Pension: \$5,304.44,

and,

Richard L. Veldkamp, will exit the KEIP Program on September 2, 2019 from the Fire Department as a Fire Lieutenant,

Credited Service: Thirty-three years and four months

Pension: \$6,317.96.

Revised KEIP Benefit:

Eric Dokter, Fire Marshall
KEIP Date: July 7, 2018
Tentative KEIP End Date: July 6, 2023
Revised KEIP Benefit: \$3,882.07

James S. Gonzales, Fire Lieutenant
KEIP Date: November 5, 2018
Tentative KEIP End Date: November 4, 2023
Revised KEIP Benefit: \$5,758.52
Refer to Minutes: 11/14/18 & 05/15/19

Wayne A. Hill, Police Officer
KEIP Date: July 7, 2019
Tentative KEIP End Date: July 6, 2022
Revised KEIP Benefit: \$4,752.40
Refer to Minutes: 06/19/19

Steven Przybysz, Fire Equipment Operator
KEIP Date: July 6, 2018
Tentative KEIP End Date: July 5, 2023
Revised KEIP Benefit: \$4,719.97
Refer to Minutes: 05/09/18

James Pulsipher, Fire Captain
KEIP Date: March 4, 2019
Tentative KEIP End Date: March 3, 2022
Revised KEIP Benefit: \$6,501.56
Refer to Minutes: 02/20/19

Tony A. Rohloff, Fire Equipment Operator
KEIP Date: July 2, 2018
Tentative KEIP End Date: July 1, 2023
Revised KEIP Benefit: \$5,897.03

Refer to Minutes: 06/20/18 & 05/15/19

James Storteboom Fire Equipment Operator
KEIP Date: January 3, 2019
Tentative KEIP End Date: January 2, 2024
Revised KEIP Benefit: \$5,925.47
Refer to Minutes: 12/19/18

Ronald Tennant, Deputy Fire Chief
KEIP Date: May 17, 2019
Tentative KEIP End Date: May 16, 2022
Revised KEIP Benefit: \$8,596.65
Refer to Minutes: 05/15/19

Richard Veldkamp, Fire Lieutenant
KEIP Date: July 6, 2018
Tentative KEIP End Date: July 5, 2020
Revised KEIP Benefit: \$6,317.96
Refer to Minutes: 06/20/18 & 05/15/19

- Payment of administrative expenses of \$17,932.23 for the period 06/01/19 – 07/31/19.
- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 06/30/19. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$28,354.96 – Baird Advisors (Fixed Income)
\$39,636.11 – CBRE Clarion (Real Estate)
\$45,025.00 – Harding Loevner (ADRs)
\$38,552.47 – Harvest Fund Advisors (MLPs)
\$6,899.44 – NTAM (Equities)
\$34,393.69 – Wellington Management Company (Equities)
\$32,850.43 – Wellington Management Company (Commodities)
\$39,342.65 – Western Asset Management (Fixed Income)

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$413,879,512 on May 31, 2019 and \$428,620,494 on June 30, 2019. The reports were received and filed by the Chairman. (Analyses found on pages)

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the period 04/01/19 – 06/30/19. No member contributions were withdrawn. One KEIP member withdrew his KEIP funds totaling \$45,217.77 from the Police & Fire Retirement System. 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 06/30/19. Total Securities Lending income for the period was \$22,482.43. Total Class Action Settlement receipts for the period were \$16,292.76. Chairman Hawkins received and filed the report. (Report found on page)

The Executive Director next presented a request for a duty disability retirement by Police Officer Todd P. Allen. Mr. Balkema made the motion to approve the duty disability retirement request for Police Officer

Todd P. Allen, based on the medical findings and reports that were presented. The motion was seconded by Mr. Moody and carried.

The Executive Director next presented a request for a duty disability retirement by Fire Equipment Operator John E. Kurkowski. Vice Chairman VanderWall made the motion to approve the duty disability retirement request for Fire Equipment Operator John E. Kurkowski, based on the medical findings and reports that were presented. The motion was seconded by Mr. Balkema and carried. Trustees thanked Mr. Kurkowski for his service.

The Executive Director next presented a request for a duty disability retirement by Police Officer Jason A. Sotke. Mr. Veenstra made the motion to approve the duty disability retirement request for Police Officer Jason A. Sotke, based on the medical findings and reports that were presented. The motion was seconded by Vice Chairman VanderWall and carried.

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 2019. After recent review of the investment accounts, Mr. Lindberg and the Executive Director agreed to transfer \$1,125,000 from the NTAM account to the cash account on August 1, 2019 and \$300,000 from the Baird Advisors account and \$825,000 from the Western Asset Management account to the cash account on September 3, 2019.

Vice Chairman VanderWall commented that there were some discrepancies in the IME report from the Board's physician, Dr. Shlomo Mandel, who conducted the I.M.E. of Mr. Kurkowski. Mr. Kurkowski addressed the Board and noted that some of the things Dr. Mandel listed in his report were inaccurate as Dr. Mandel did not examine Mr. Kurkowski nor did he use a stethoscope to conduct the tests that were described in the report. Chairman Hawkins asked Ms. Korzen to speak with Exam Works regarding this issue; she agreed and also noted that she has been in contact with another I.M.E. service from Traverse City and offered to have one of their representatives speak to the Board at a future Board meeting regarding their services.

The meeting adjourned at 9:39 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, September 18, 2019, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System