

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

MINUTES
REGULAR MEETING
DECEMBER 19, 2018 – 8:34 a.m.
233 East Fulton

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

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Mr. Thomas Michaud, Legal Advisor to the Board, Mr. Marc Miller, Mrs. Kimberly Miller, and friends and family of Mr. Marc Miller.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of November 14, 2018 and special meeting of December 5, 2018.
- Purchase of credited service by the following Police & Fire Retirement System members:

Matthew B. DeJong	\$61,338.76	48 months
Theodore S. Rusiecki	\$26,535.28	24 months
- Purchase of military leave of absence – as provided for in Chapter 7, Section 1.243 (2) of City Code, Mr. Matthew R. Gonzalez has requested to purchase the periods of credited service during which he was on leave of absence for active military service. The period of service to be purchased is twenty-five (25) days. The amount due of \$559.51 was calculated and verified by the Retirement Systems Office.
- The following Resolution No. 830.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received requests for one Deferred and one Revised retirement from the following members of the plan:

Deferred Retirement:

Pierce E. Walker, retired December 1, 2018 from the Police Department as a Police Officer,

Credited Service: Twenty-seven years and two months

Pension: \$4,413.11,

and . . .

Revised Retirement:

<u>Name</u>	<u>Date of Retirement</u>	<u>Original Benefit</u>	<u>Revised Benefit</u>	<u>Refer to Minutes</u>
Jeffrey Bajema	09/20/17	\$5,554.67	\$5,574.20	09/20/17

RESOLVED, that the retirements be approved.

- KEIP participant: The Board of Trustees of the Police and Fire Retirement System has received a request by the following member of the plan to enter the KEIP Program:

<u>James L. Storteboom,</u>	Fire Equipment Operator
KEIP Date:	January 3, 2019
Tentative KEIP End Date:	January 2, 2024
KEIP Benefit:	\$5,930.85

- Payment of administrative expenses of \$5,335.16 for the period 11/01/18 – 11/30/18.

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 01/01/19 – 03/31/19. The Retirement Systems Office staff projected a need for \$4,725,000 to be transferred to the cash account as follows: \$1,575,000 on January 2nd, \$1,575,000 on February 1st and \$1,575,000 on March 1st. Ms. Korzen recommended, and Mr. David Lindberg of Wilshire Associates agreed, making the transfers as follows:

January 2 nd	Wellington Management Company (Equities)	\$1,575,000
February 1 st	To be determined	\$1,575,000
March 1 st	To be determined	<u>\$1,575,000</u>
Total		\$4,725,000

Ms. Korzen commented that due to recent capital calls, it is necessary to transfer additional funds to the Cash Account for December 2018. After recent review of the investment accounts, The Executive Director requested to transfer \$500,000 from the NTAM account to the Cash account on December 28, 2018. Vice Chairman VanderWall made the motion to approve the transfer of \$500,000 from the NTAM account to the Cash account on December 28, 2018. The motion was seconded by Mr. Moody and carried. 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 \$400,577,976 on October 31, 2018 and \$402,517,237 on November 30, 2018. The reports were received and filed by the Chairman. (Analyses found on pages)

Ms. Korzen next provided Trustees with an annual budget proposal. The figures on the proposed document represent the dollar amounts Trustees expect to be expended for the FYE 12/31/19. Ms. Korzen stated that a formal budget approved by Trustees annually is now a requirement under P.A. 314 and once approved by Trustees, will be available on the Retirement System’s website. Mr. Balkema asked why the figure for the salaries and wages category did not change; Ms. Korzen stated that three staff members will be working without a new contract and therefore it is difficult to quantify that number. She did state that once the contracts are settled, the number can be revised if necessary. Mr. Balkema made the motion to approve the budget as written. The motion was seconded by Mr. VanderPloeg and carried.

Chairman Hawkins next addressed the duty disability retirement request by Police Officer Marc J. Miller that was tabled at the December 5, 2018 Special Board meeting. Mr. VanderPloeg made the motion to

go into closed session to discuss Mr. Miller's duty disability retirement request, information that is exempt from the Freedom of Information Act and is also medically privileged, and to include Mr. Marc Miller, Mrs. Kimberly Miller, Mr. Miller's friends and family, Ms. Korzen, Mr. Michaud, and Ms. Balkema. The motion was seconded by Mr. Balkema and carried. Roll call vote: yeas: 7, nays: 0. Following Trustee discussion, Mr. Michaud stated that Mr. Miller's doctor, Dr. Drescher is now retired. If Dr. Drescher is no longer able to participate as a member of the medical committee, Mr. Miller will choose another qualified provider to represent him on the medical committee; that new provider will provide a certification regarding Mr. Miller. Mr. Miller's new medical provider will then provide names of suitable candidates, from which Dr. Ager may choose, to perform a neutral independent medical evaluation. Mr. Mitchell asked if there is a specific timeline for this process; Ms. Korzen stated that she will assist Mr. Miller in expediting the process. Chairman Hawkins thanked the Millers for their patience during this process.

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

Mr. Mitchell stated that the disability retirement process is complex in nature and asked if the physician referral service could come to a future Board meeting so that Trustees can gain more insight as to their organization and processes. Ms. Korzen stated she can have a representative from Exam Works come to a future Board meeting to address this topic with Trustees. She also noted that she is currently speaking with another physician referral service to learn more about the services they offer.

The meeting adjourned at 9:39 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, January 16, 2019, at 8:00 a.m., 233 E. Fulton, Suite 216, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System