

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

MINUTES
REGULAR MEETING
JUNE 19, 2019 – 8:00 a.m.
233 East Fulton

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

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Mr. Paul Matz of Rehmann Robson, Mr. Alex Ford of Wilshire Associates, Inc. and Mr. John Globensky, City Treasurer.

Mr. Balkema made the motion to excuse the absence of Vice Chairman VanderWall. The motion was seconded by Mr. Veenstra and carried.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of May 15, 2019.
- Purchase of credited service by the following Police & Fire Retirement System members:

Douglas Brow	\$61,338.76	48 months
Wayne A. Hill	\$46,004.07	36 months
Donald A. Lake	\$61,338.76	48 months
Daniel J. Myers	\$30,669.38	24 months

- The following Resolution No. 835.

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

Age & Service Retirements:

Douglas L. Haisma, will retire July 5, 2019 from the Fire Department as a Fire Equipment Operator,

Credited Service: Twenty-nine years and two months

Pension: \$5,249.99

and . . .

Timothy J. Orent, will retire July 5, 2019 from the Police Department as a Police Officer,

Credited Service: Twenty-eight years and five months

Pension: \$5,076.80

and. . .

Duty Disability Retirement:

Mark A. Klassen, retired May 16, 2019 from the Fire Department as a Fire Fighter,

Credited Service: Three years and four months

Pension: \$3,597.46

and. . .

Deferred Retirement:

Matthew J. Kraus, retired June 1, 2019 from the Police Department as a Police Sergeant,

Credited Service: Eleven years and one month

Pension: \$1,624.74.

RESOLVED, that the retirements be approved.

- KEIP participant: The Board of Trustees of the Police and Fire Retirement System has received requests by following members of the plan to join the KEIP Program:

Entering the KEIP Program:

<u>Wayne A. Hill</u> ,	Police Officer
KEIP Date:	July 7, 2019
Tentative KEIP End Date:	July 6, 2022
KEIP Benefit:	\$4,705.34

<u>Philip J. Hunderman</u> ,	Fire Equipment Operator
KEIP Date:	June 30, 2019
Tentative KEIP End Date:	June 29, 2024
KEIP Benefit:	\$5,740.19

- Payment of administrative expenses of \$2,777.72 for the period 05/01/19 – 05/31/19.
- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 03/31/19. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:
 - \$37,403.56 – CBRE Clarion (Global REIT)
 - \$36,835.03 – Wellington Management Company (Equities)
 - \$31,461.94 – Wellington Management Company (Commodities)
 - \$6,567.71 – NTAM (Domestic Equity)
 - \$38,580.77 – Western Asset Management (Fixed Income)

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 07/01/19 – 09/30/19. The Retirement Systems Office staff projected a need for \$2,250,000 to be transferred to the cash account as follows: \$0 on July 1st, \$1,125,000 on August 1st and \$1,125,000 on September 3rd. Ms. Korzen recommended, and Mr. Alex Ford of Wilshire Associates agreed, making the transfers as follows:

August 1 st	To be determined	\$1,125,000
September 3 rd	To be determined	<u>\$1,125,000</u>
Total		\$2,250,000

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

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$425,487,932 on April 30, 2019. 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 period of 07/01/19 – 06/30/20 was presented to Trustees. The annual fee requested is \$35,080, in quarterly increments of \$8,770, which represents an increase of \$680 (2%) over last year’s fee. GRS has requested a fee (shared with the City) not to exceed \$13,000 for GASB 67/68 required reporting. Mr. Balkema made the motion to approve the renewal retainer fee request with Gabriel, Roeder, Smith and Company. The motion was seconded by Mr. Veenstra and carried.

Mr. Paul Matz of Rehmann Robson presented Trustees with the annual audit for the fiscal year ending December 31, 2018. {Mr. Mitchell arrived at 8:02 a.m.} Mr. Matz noted that based upon the controls presently in place, there are no issues. Mr. Matz highlighted some of the features of the statements; he noted that there were no issues with the Retirement Systems Office staff. He also reviewed some of the highlights from the Management’s Discussion and Analysis and the Notes to Financial Statements sections. He reviewed the Independent Auditors’ Report on Internal Control provided by Rehmann and presented some of its highlights. The report was received and filed by the Chairman.

The meeting adjourned at 8:11 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, August 21, 2019, at 9:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System