

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

MINUTES  
REGULAR MEETING  
JUNE 15, 2022 – 9:15 a.m.  
233 E. Fulton Street

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

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Mr. Thomas Michaud, Legal Advisor to the Board, Mr. Peter Woldman of Rehmann Robson.

Vice Chairman VanderWall made the motion to excuse the absences of Mr. Balkema and Mr. Ewald. The motion was seconded by Mr. Mitchell and carried.

There were no public comments regarding agenda items.

Moved by Ms. DeJonge and seconded by Mr. Mitchell, the following administrative items were approved by the Board of Trustees:

- Minutes of the regular meeting of May 18, 2022.
- Purchase of credited service by the following Police & Fire Retirement System members. All calculations have been prepared by this office and verified by the actuary.

Gregg A. Arsenault	\$76,886.44	48 months
Wendy A. Dyer	\$76,886.44	48 months
Jack B. Johnson, Jr.	\$48,687.88	24 months

- The following Resolution No. 856.

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

**Age & Service Retirement:**

David R. Schnurstein, will retire July 5, 2022 from the Police Department as a Police Captain,

Credited Service: Twenty-four years

Pension: \$6,749.34

RESOLVED, that the retirement be approved.

- KEIP participants: The Board of Trustees of the Police and Fire Retirement System received requests by the following members of the plan to exit the KEIP Program:  
**KEIP Exit**

Scott D. Gray, will exit the KEIP Program on July 26, 2022 from the Fire Department as a Fire Captain-Strategic Planning Officer,

Credited Service: Twenty-nine years and four months

Pension: \$6,089.18

Craig C. VanderWall, will exit the KEIP Program on July 24, 2022 from the Fire Department as a Fire Captain,

Credited Service: Thirty-two years

Pension: \$7,002.76

Chairman Hawkins thanked Vice Chairman VanderWall for his dedicated years of service to the City of Grand Rapids and wished him well in his future endeavors.

- Payment of administrative expenses of \$8,097.59 for the period 05/01/22 – 05/31/22.
- **Investment Manager Fees:** Listed below is a routine invoice for the quarter ending 03/31/22. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$42,193.02 – Western Asset Management (Fixed Income)

- **Custody Fees:** The attached invoice from Northern Trust divides the quarter ending 06/30/22 fees as follows:

Benefit Payments	\$5,842.86
Custody	<u>\$8,125.00</u>
Total	\$13,967.86

**The motion carried.**

Ms. Korzen next presented a report of Cash Account transfers for the period 07/01/22 – 09/30/22. The Retirement Systems Office staff projected a need for \$3,525,000 to be transferred to the cash account as follows: \$1,175,000 on July 1<sup>st</sup>, \$1,175,000 on August 1<sup>st</sup> and \$1,175,000 on September 1<sup>st</sup>. Ms. Korzen recommended, and Mr. Jake McClelland of Wilshire Associates agreed, making the transfers as follows:

July 1 <sup>st</sup>	Harvest Fund Advisors	\$1,175,000
August 1 <sup>st</sup>	To be determined	\$1,175,000
September 1 <sup>st</sup>	To be determined	<u>\$1,175,000</u>
Total		\$3,525,000

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 \$497,345,315 on April 30, 2022. 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 07/01/22 – 06/30/23 was presented to Trustees. The annual fee requested is \$37,500, in quarterly increments of \$9,375, which represents a 3.7% increase 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. Moody made the motion to approve the renewal

retainer fee request with Gabriel, Roeder, Smith and Company. The motion was seconded by Mr. Mitchell and carried.

Mr. Peter Woldman of Rehmann Robson presented Trustees with the annual audit for the fiscal year ending December 31, 2021. {Mr. Moody left the meeting at 9:19 a.m.} Mr. Woldman noted that based upon the controls presently in place, there are no issues. Mr. Woldman 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 Controls provided by Rehmann and presented some of its highlights. The report was received and filed by the Chairman.

The Executive Director next presented a request for a duty disability retirement from Fire Lieutenant Jason Druckenmiller. Chairman Hawkins suggested going in to closed session to discuss the application, as this contains information that is exempt from the Freedom of Information Act and is also medically privileged, and to include Ms. Korzen, Mr. Michaud, and Ms. Balkema. Roll call vote: yeas: 5, nays: 0. Trustees concluded their closed session and re-entered open session. Vice Chairman VanderWall made the motion to approve a disability retirement for Fire Lieutenant Jason Druckenmiller, based on the medical findings and reports that were presented. The motion was seconded by Mr. Mitchell and carried. Vice Chairman VanderWall made the motion to approve the duty disability retirement request from Fire Lieutenant Jason Druckenmiller due to the evidence provided and proximity of his illness to his on-duty shift. The motion was not seconded; the motion failed. Mr. Michaud stated that since the motion for a duty disability was not seconded, but the disability was approved, it is presumed that Mr. Druckenmiller is granted a non-duty disability retirement. He can choose to appeal if he wishes.

There were no comments on items not on the agenda.

The meeting adjourned at 9:53 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, August 17, 2022, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen  
Executive Director  
Police & Fire Retirement System