

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
MAY 15, 2019 – 8:00 a.m.
233 East Fulton Street

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman David Tryc, Mr. Martin Timkovich, Ms. Donijo DeJonge, and Mr. Nathaniel Moody. Absent: Mr. William Butts and Mr. Phillip Mitchell.

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

Vice Chairman Tryc made the motion to excuse the absences of Mr. Butts and Mr. Mitchell. The motion was seconded by Mr. Timkovich and carried.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of March 20, 2019.
- Purchase of credited service by the following General Retirement System members. All calculations have been prepared by this office and verified by the actuary.

Timothy C. Mudrak	\$13,884.38	24 months
Mitchell R. Schutter	\$25,688.78	24 months

- Retirements: three age & service and two early.

Age & Service Retirements:

<u>Name</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Curtiss, Karen A.	31 yrs. 7 mo.	07/24/2019	\$65,052.67	\$5,071.21
Glaz, Ann M.	32 yrs. 9 mo.	05/04/2019	\$48,695.33	\$3,588.24
Soper, James L.	32 yrs. 2 mo.	06/04/2019	\$66,864.67	\$4,307.93

Early Retirements:

<u>Name</u>	<u>Credited Svc.</u>	<u>Ret. Date</u>	<u>Avg. Salary</u>	<u>Pension</u>
Gilleylen, Eskcar	18 yrs. 6 mo.	06/01/2019	\$50,617.67	\$1,230.68

Lunn, Michael J. 22 yrs. 8 mo. 06/15/2019 \$126,310.33 \$5,467.19

- Payment of administrative expenses of \$6,281.89 for the period 03/01/19 – 04/30/19.
- **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:
 - \$27,179.27 – Baird Advisors (Fixed Income)
 - \$39,758.00 – Harding Loevner (ADRs)
 - \$36,395.44 – Harvest Fund Advisors (MLPs)

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$406,373,039 on February 28, 2019 and \$410,951,612 on March 31, 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 01/01/19 – 03/31/19 that disclosed a withdrawal of \$41,616.30 by one vested former member. The report was received and filed by the Chairman. (Report on page)

Ms. Korzen presented Trustees with the Quarterly Report of Income for the quarter ending 03/31/19. Total Securities Lending income for the period was \$18,344.67. Total Class Action Settlement receipts for the period were \$10,685.79. Chairman Hawkins received and filed the report. (Report found on page)

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

Ms. Korzen commented that at the March Board meeting, it was unclear at that time as to which investment management account funds should be transferred from for Cash Account needs for May and June 2019. After recent review of the investment accounts, Mr. Ford and the Executive Director agreed to transfer \$2,150,000 from the NTAM account to the Cash Account on May 1, 2019 and \$2,150,000 from the Wellington Management (Equities) account to the Cash Account on June 3, 2019.

The Executive Director commented that the annual gross-up figures that were calculated by the actuary for the Crime Scene Technicians and Emergency Communications Operators I, II, and III (ECO) groups were revised due to the City erroneously including new hires that are in the D.C. plan and not the pension plan. The revision encompassed the period 07/01/17 – 06/30/19; no one from either group had left the General Retirement System during that timeframe. The revisions resulted in lower rates. She noted that members from the ECO group are challenging this revision and she will keep the Trustees apprised.

The meeting adjourned at 8:03 a.m.

The next General Retirement System Board Meeting will be held Wednesday, June 19, 2019, at 8:15 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System