

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

MINUTES
REGULAR MEETING
NOVEMBER 15, 2017 – 10:48 a.m.
300 Monroe Avenue NW

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman Craig VanderWall, Mr. Thomas VanderPloeg, Mr. Philip Balkema, and Mr. Jon O'Connor. Absent: Mr. Phillip Mitchell.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, and Ms. Sara VanderWerff, City Comptroller.

Mr. Balkema made the motion to excuse the absence of Mr. Mitchell. The motion was seconded by Mr. O'Connor and carried.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of September 20, 2017.
- Purchase of credited service by the following Police & Fire Retirement System members:

Andrew C. Bingel, Sr.	\$44,271.54	36 months
Todd E. Butler	\$59,028.72	48 months
Daniel D. Nelson	\$26,503.40	24 months
- Purchase of military leave of absence – as provided for in Chapter 7, Section 1.243 (2) of City Code, Mr. Scott D. Klawon has requested to purchase the period of credited service during which he was on leave of absence for active military service. The period of service to be purchased is two (2) days. The amount due of \$69.06 was calculated and verified by the Retirement Systems Office.
- The following Resolution No. 822.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received requests for four Age and Service retirements from the following members of the plan:

Age and Service Retirement:

Steven F. Chicklon, will retire January 18, 2018 from the Fire Department as an Assistant Fleet Maintenance Supervisor,

Credited Service: Eighteen years and one month

Pension: \$3,127.70,

and . . .

Joseph I. Donohoe III, will retire November 28, 2017 from the Fire Department as a Fire Lieutenant,

Credited Service: Twenty-eight years and six months

Pension: \$5,266.03,

and . . .

Lee A. Finlayson, will retire November 29, 2017 from the Fire Department as a Fire Chief-Training,

Credited Service: Twenty-one years and two months

Pension: \$3,596.89,

and . . .

Daniel D. Nelson, retired October 24, 2017 from the Fire Department as a Fire Equipment Operator,

Credited Service: Twenty-eight years and eight months

Pension: \$4,885.56.

RESOLVED, that the retirements be approved.

- KEIP participants: The Board of Trustees of the Police and Fire Retirement System has received a request by one member of the plan to join the KEIP Program and one member to exit the KEIP Program:

Entering the KEIP Program:

Todd E. Butler, Police Officer

KEIP Date:	January 3, 2018
Tentative KEIP End Date:	January 2, 2023
KEIP Benefit:	\$6,326.85

Exiting the KEIP Program:

Richard R. Prince, will exit the KEIP Program on January 2, 2018 from the Police Department as a Police Officer,

Credited Service: Thirty-four years and four months

Pension: \$5,899.33.

- Payment of administrative expenses of \$8,254.58 for the period 09/01/17 – 10/31/17.

- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 09/30/17. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$25,614.23 – Baird Advisors (Fixed Income)
 \$35,982.33 – CBRE Clarion (Real Estate)
 \$44,131.00 – Harding Loevner (ADRs)
 \$36,078.02 – Harvest Fund Advisors (MLPs)
 \$6,965.37 – NTAM (Equities)
 \$41,124.80 – Wellington Management Company (Equities)
 \$27,178.51 – Wellington Management Company (Commodities)
 \$36,661.44 – Western Asset Management (Fixed Income)

- **Custody Fees:** The attached invoice from Northern Trust divides the quarter ending 09/30/17 fee as follows:

Benefit Payments	\$4,042.56
Custody	\$7,428.46
Total	\$11,471.02

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$413,528,475 on September 30, 2017. The report was received and filed by the Chairman. (Analysis found on page)

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the period 07/01/17 – 09/30/17. No member contributions were withdrawn. 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 09/30/17. Total Securities Lending income for the period was \$24,401.30. Total Class Action Settlement receipts for the period were \$120.09. Chairman Hawkins received and filed the report. (Report found on page)

The Executive Director next presented a request for a non-duty disability retirement by Police Officer Scott D. Bylsma. Mr. VanderPloeg made the motion to approve the non-duty disability retirement request for Police Officer Scott D. Bylsma, based on the medical findings and documents presented. The motion was seconded by Vice Chairman VanderWall and carried. Mr. Balkema commented that he would like to thank Officer Bylsma for his service and wished him well.

Ms. Korzen next addressed the 13th Check calculations by noting that the five-year average market value rate of return was 8.67% for the Police & Fire Retirement System; the calculations were reviewed by the actuary. Per City Code, in order for a 13th Check to be issued, the five-year average market value rate of return must exceed 8.0%. Therefore, a 13th Check will be issued on January 31, 2018. Vice Chairman VanderWall made the motion to approve the issuance of the January 31, 2018 13th Check as outlined in the report by the Executive Director. The motion was seconded by Mr. O'Connor and carried. The report was received and filed by the Chairman.

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

Ms. Korzen commented that at the September Board meeting, it was unclear at that time as to which investment management account funds should be transferred from for Cash Account needs for November and December 2017. After recent review of the investment accounts, Mr. Lindberg and the Executive Director agreed to transfer \$700,000 from the NTAM account to the Cash Account on November 1, 2017 and \$700,000 from the NTAM account to the Cash Account on December 1, 2017.

The Executive Director commented that Mr. Thomas VanderPloeg submitted the only nominating petition for the Police Member Trustee election; therefore, Mr. VanderPloeg is presumed elected and will serve a four-year term ending the first Monday in January 2022.

The meeting adjourned at 10:51 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, December 20, 2017, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System