

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

MINUTES
REGULAR MEETING
NOVEMBER 14, 2018 – 8:00 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, Ms. Donijo DeJonge, and Mr. Nathaniel Moody. Absent: Mr. Phillip Mitchell.

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

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

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of September 19, 2018.
- Purchase of credited service by the following Police & Fire Retirement System members:

William M. Nowicki	\$18,794.27	12 months
Kevin S. Rice	\$16,612.07	13 months
John R. Zinn	\$30,476.68	24 months
- The following Resolution No. 829.

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

Age & Service Retirement:

Randall S. Bosch, will retire November 20, 2018 from the Fire Department as a Fire Equipment Operator,

Credited Service: Twenty-seven years

Pension: \$4,828.50,

and . . .

Kevin S. Rice, will retire December 3, 2018 from the Police Department as a Police Officer,

Credited Service: Thirty-one years

Pension: \$5,516.79,

and . . .

Deferred Retirement:

Charles C. Ware, retired October 1, 2018 from the Police Department as a Police Sergeant,

Credited Service: Thirty-three years

Pension: \$6,762.79.

RESOLVED, that the retirements be approved.

- KEIP participant: 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:

James S. Gonzales, Fire Lieutenant

KEIP Date:	November 5, 2018
Tentative KEIP End Date:	November 4, 2023
KEIP Benefit:	\$5,703.12

- Payment of administrative expenses of \$8,488.04 for the period 09/01/18 – 10/31/18.
- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 09/30/18. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

- \$27,046.93 – Baird Advisors (Fixed Income)
- \$37,414.42 – CBRE Clarion (Real Estate)
- \$44,492.00 – Harding Loevner (ADRs)
- \$41,699.21 – Harvest Fund Advisors (MLPs)
- \$7,129.02 – NTAM (Equities)
- \$41,578.85 – Wellington Management Company (Equities)
- \$32,473.96 – Wellington Management Company (Commodities)
- \$37,873.84 – Western Asset Management (Fixed Income)

- **Custody Fees:** The attached invoice from Northern Trust divides the quarter ending 09/30/18 fee as follows:

Benefit Payments	\$4,383.22
Custody	<u>\$7,412.10</u>
Total	\$11,795.32

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$425,605,520 on September 30, 2018. Ms. Korzen noted that the asset analyses for July and August 2018 needed to be revised due to updated reports from Neuberger Berman. The revised market value on July 31, 2018 was

\$425,378,873 and the revised market value on August 31, 2018 was \$427,792,741. The reports were received and filed by the Chairman. (Analyses found on pages)

Trustees reviewed a Domestic Relations Order (DRO) for Mr. Rodney J. Feguer. Ms. Korzen stated that a DRO has been filed to assign a portion of Mr. Feguer's retirement benefits to an alternate payee, Shari L. Mojzuk-Feguer, in accordance with the Eligible Domestic Relations Order Act. The DRO has been reviewed by legal counsel and complies with the Police & Fire Retirement System plan provisions. The DRO will become part of Mr. Feguer's file and will be paid according to its provisions. The order was received and filed by the Chairman.

Trustees reviewed an Eligible Domestic Relations Order (EDRO) for Mr. Anthony J. Leonard. Ms. Korzen stated that an EDRO has been filed to assign a portion of Mr. Leonard's retirement benefits to an alternate payee, Kara Leonard, in accordance with the Eligible Domestic Relations Order Act. The EDRO has been reviewed by legal counsel and the actuary and complies with the Police & Fire Retirement System plan provisions. The EDRO will become part of Mr. Leonard's file and will be paid according to its provisions. The order was received and filed by the Chairman.

Trustees reviewed an Eligible Domestic Relations Order (EDRO) for Mr. Edward P. Walker. Ms. Korzen stated that an EDRO has been filed to assign a portion of Mr. Walker's retirement benefits to an alternate payee, Cynthia Cipriana Walker, in accordance with the Eligible Domestic Relations Order Act. The EDRO has been reviewed by legal counsel and the actuary and complies with the Police & Fire Retirement System plan provisions. The EDRO will become part of Mr. Walker's file and will be paid according to its provisions. The order was received and filed by the Chairman.

Trustees reviewed a stipulated order rescinding an Eligible Domestic Relations Order (EDRO) for Mr. David D. Gillem. Ms. Korzen stated that a stipulated order rescinding the previously approved EDRO has been approved in Kent County Circuit Court. The vacated EDRO has been reviewed by legal counsel and it is appropriate to receive and file the stipulated order rescinding the original EDRO. The vacated EDRO will become part of Mr. Gillem's file. The order was received and filed by the Chairman.

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the period 07/01/18 – 09/30/18; no member contributions were withdrawn. Two KEIP members withdrew their KEIP funds totaling \$117,154.54. 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 09/30/18. Total Securities Lending income for the period was \$20,304,.84. Total Class Action Settlement receipts for the period were \$869.60. Chairman Hawkins received and filed the report. (Report found on page)

Chairman Hawkins next presented the duty disability retirement request for Police Officer Marc J. Miller that was tabled at the September 19, 2018 Board meeting. Mr. VanderPloeg suggested going into closed session to discuss the issues surrounding this case. Mr. Balkema 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 J. Miller, Mrs. Kimberly Miller, Ms. Korzen, Mr. Michaud, and Ms. Balkema. The motion was seconded by Mr. VanderPloeg and carried. Roll call vote: yeas: 6, nays: 0. Following Trustee discussion, Mr. VanderPloeg made the motion to exclude Dr. Miller from the medical committee based on information that indicated Dr. Miller may have a bias toward Police Officers. The motion was seconded by Vice Chairman VanderWall and carried. Mr. VanderPloeg made the motion to table the duty disability retirement request for Police Officer Marc Miller so that Mr. Miller can provide additional information surrounding the

medical committee, to be shared with Trustees for their review. The motion was seconded by Vice Chairman VanderWall and carried.

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 2018. After recent review of the investment accounts, Mr. Ford and the Executive Director agreed to transfer \$1,500,000 from the NTAM account to the Cash Account on November 1, 2018 and \$1,000,000 from the NTAM account and \$500,000 from the PIMCO account to the Cash Account on December 3, 2018.

The meeting adjourned at 9:18 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, December 19, 2018, at 8:10 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System