

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
SEPTEMBER 15, 2021 – 9:37 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 and Mr. Thomas Michaud, Legal Advisor to the Board.

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

- Minutes of the regular meeting of August 18, 2021.
- Purchase of credited service by the following General Retirement System member. All calculations have been prepared by this office and verified by the actuary.

Richard N. DeVries \$6,347.62 5 months

- Payment of administrative expenses of \$1,781.94 for the period 08/01/21 – 08/31/21.
- **Investment Manager Fees:** Listed below is a routine invoice for the quarter ending 06/30/21. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$37,616.56 – Western Asset Management (Fixed Income)

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 10/01/21 – 12/31/21. The Retirement Systems Office staff projected a need for \$3,825,000 to be transferred to the cash account as follows: \$1,275,000 on October 1st, \$1,275,000 on November 1st and \$1,275,000 on December 1st. Ms. Korzen recommended, and Wilshire Associates agreed, making the transfers as follows:

October 1 st	From rebalance	\$1,275,000
November 1 st	To be determined	\$1,275,000
December 1 st	To be determined	<u>\$1,275,000</u>

Total

\$3,825,000

Ms. Korzen noted that a rebalance between equity and fixed income accounts will also take place on October 1, 2021, per last month's board action. \$6,500,000 will be transferred from the NTAM account, \$2,500,000 will be transferred from the Wellington Management small cap equity account, \$4,750,000 will be transferred from the Neuberger Berman account and \$4,750,000 will be transferred from the Harding Loevner account. The Baird Advisors account will receive \$9,500,000 and the Western Asset Management account will receive \$7,725,000, with the residual \$1,275,000 from the transfers remaining in the Cash Account. 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 \$493,496,910 on July 31, 2021. The report was received and filed by the Chairman. (Analysis found on page)

Ms. Korzen presented the Annual Accounting for the period 07/01/20 – 06/30/21 to Trustees. She noted that it was decided by Trustees to review the Annual Accountings of both retirement systems at the same time each year, and therefore a committee should be established. Vice Chairman Tryc and Ms. DeJonge volunteered to serve. Ms. Korzen noted she will coordinate the review process and the Trustees will report their findings to the Board at a future meeting.

Ms. Korzen next addressed the 13th Check calculations by noting that the five-year average market value rate of return was 10.30% for the General 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, 2022. Ms. Korzen stated that she will inform Trustees of the amount of the 13th Check for their approval at the November 17th Board meeting.

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

Ms. Korzen reported that The Northern Trust Company completed their annual retiree data verification of the General Retirement System's retirees and beneficiaries. There were no deceased retirees or beneficiaries on the list that the office was unaware of.

Ms. Korzen noted that the term of office for Mr. Martin Timkovich will be expiring the first Monday in 2022. The election process has begun and nominating petitions are due in the Retirement Systems office by next Friday. Mr. Timkovich has indicated he will be running again. So far, no one else has picked up a nominating petition. She will keep Trustees informed of the progress in the election process.

The meeting adjourned at 9:42 a.m.

The next General Retirement System Board Meeting will be held Wednesday, November 17, 2021, at 8:00 a.m., 233 E. Fulton, Suite 216, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System

09/15/21