

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

MINUTES
REGULAR MEETING
JANUARY 20, 2016 – 10:56 a.m.
233 East Fulton

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman Craig VanderWall, Mr. Philip Balkema, and Mr. Jon O'Connor. Absent: Mr. J. Patrick Scripps, Mr. Thomas VanderPloeg, and Ms. Jane Hofmeyer.

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

Vice Chairman VanderWall made the motion to excuse the absences of Mr. Scripps, Mr. VanderPloeg, and Ms. Hofmeyer. The motion was seconded by Mr. Balkema and carried.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of December 16, 2015.
- Purchase of credited service by the following Police & Fire Retirement System members:

Brian A. Brewer	\$22,703.72	24 months
Kara L. Johnson	\$21,001.92	24 months
Paul M. Kenny	\$30,566.80	24 months
Laura L. Knapp	\$16,619.84	10 months

- The following Resolution No. 808.

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:

Laura L. Knapp, retired January 9, 2016 from the Fire Department as Fire Chief,

Credited Service: Thirty-three years

Pension: \$9,854.51.

RESOLVED, that the retirement be approved.

- Payment of administrative expenses of \$2,326.56 for the period 12/01/15 – 12/31/15.
- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 12/31/15. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$37,161.00 – Harding Loevner (ADRs)

\$6,668.95 – Northern Trust Asset Management (Equity)

- **Custody Fees:** The attached invoice from Northern Trust divides the quarter ending 12/31/15 fee as follows:

Benefit Payments	\$4,970.04
Money-Weighted Return Report	650.00
Custody	<u>\$7,458.11</u>
Total	\$13,078.15

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$374,835,228 on December 31, 2015. 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 10/01/15 – 12/31/15. 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 12/31/15. Total Securities Lending income for the period was \$15,131.41. Total Class Action Settlement receipts for the period were \$63,022.10. 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 December Board meeting, it was unclear at that time as to which investment management account funds should be transferred from for the 2016 13th Check and for Cash Account needs for February 2016. After recent review of the investment accounts, Mr. Sefchok agreed with the Executive Director's recommendation to transfer \$2,200,000 from Brown Brothers Harriman, \$2,000,000 from Western Asset Management and \$1,450,000 from Baird Advisors to the Cash Account on January 27, 2016 and \$750,000 from Baird Advisors and \$500,000 from Wellington Management Company (Equities) to the Cash Account on February 1, 2016.

Vice Chairman VanderWall made the motion to nominate Mr. Michael Hawkins to serve as Chairman of the Board of Trustees for the year 2016. The motion was seconded by Mr. Balkema and carried. Mr. Balkema made the motion to nominate Mr. Craig VanderWall to serve as Vice Chairman of the Board of Trustees for the year 2016. The motion was seconded by Mr. O'Connor and carried.

The meeting adjourned at 11:00 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, February 17, 2016, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System