



CITY OF GRAND RAPIDS
 POLICE & FIRE RETIREMENT SYSTEM
 233 E. FULTON, SUITE 216
 GRAND RAPIDS, MI 49503
 PHONE: 616-456-4300

JUNE 2013
 VOL. 1
 ISSUE A

The Retirement Register

Summary Report of Plan Operations/Expenses

How much does it cost to manage the Police & Fire Retirement System? For the period 01/01/12 — 12/31/12, the Retirement System expended \$20,530,455. The largest portion of this amount, \$19,155,745, was used to pay pension benefits to the 623 retirees/beneficiaries of the Plan. Members who left City employment withdrew \$52,043 in accrued member contributions. The remaining expenses, \$1,322,667, were administrative. Of the administrative expenses, fees to the money managers for the investment of assets were \$822,709. The balance, \$499,958, was used to pay fees for services provided by custodians, auditors, actuarial consultants, performance/investment consultants, legal advice, securities lending program, independent medical evaluations and for staff salary/benefits, office facilities, support operations, training and due diligence reviews. Administrative and investing costs represented less than one half of one percent of the market value of the portfolio. All fees and expenses are paid in cash, as the Plan does not employ soft dollar arrangements.

Funded Status

- Actuarial Accrued Liabilities \$375,797,800
- Applied Assets \$321,323,888
- % Funded 86.00%

The Retirement System continues to be in solid financial condition in accordance with its objective of level percent-of-payroll funding.

While it is not possible to provide a full range of Plan activity in a newsletter, a summary annual report is available for review. Audits, annual accountings, and actuarial valuations may be reviewed at the Retirement Systems Office.

Police & Fire Retirement System Asset Comparison

Market values for the City of Grand Rapids Police & Fire Retirement System assets as of March 31, 2013 and April 30, 2013 were as follows:

	<u>March 31, 2013</u>	<u>April 30, 2013</u>
Adams Street Partners (Private Equity)	\$1,667,586	\$1,745,836
Baird Advisors (Fixed Income)	\$46,920,634	\$47,544,623
CBRE Clarion (Real Estate)	\$19,416,444	\$20,834,343
FLAG Capital (Private Equity)	\$769,428	\$849,055
Neuberger Berman (International Equity)	\$51,861,745	\$52,835,026
Northern Trust Global Investments (S&P 500 Index)	\$50,806,828	\$51,785,485
PIMCO StocksPlus (Enhanced Index)	\$20,375,810	\$20,835,068
Wellington Management Company (Small Cap Equity)	\$44,589,345	\$43,592,723
Wellington Management Company (Commodities)	\$16,083,075	\$15,337,887
Western Asset Management (Fixed Income)	\$51,568,483	\$52,223,769
Ziegler Lotsoff Capital Management (Large Cap Equity)	\$50,135,654	\$50,734,924
Cash Account	\$3,709,249	\$3,718,292
 Total Assets:	 \$357,904,281	 \$362,037,031

2013 Evening Presentations for Active Employees

The Retirement Systems Office will offer evening presentations for small groups of 5-6 active employees, and their beneficiaries, to discuss retirement issues. The presentations are geared for those employees who are contemplating retiring within the next couple of years. Information on the 457 deferred compensation plan will be distributed to participants, and there will also be a representative from Meritain Health to speak about retiree healthcare provisions.

The remaining presentation for 2013 is scheduled for: September 11, from 5:30 – 7:00 p.m. in the Retirement Systems Office, 233 E. Fulton, Suite 216. If you are interested in attending, please contact Lisa Balkema at 456-4300.

2013 Board Meetings

The Board of Trustees meets in regular sessions. The remaining meetings for 2013 are as follows:

August 21st September 18th November 20th December 18th

Meetings are held at 233 E. Fulton, Suite 216, Grand Rapids, MI 49503.

Additional Credited Service Purchase

Per the most recent negotiated contracts, active Police Officer, Police Command and Fire Fighter employees may now purchase up to forty-eight (48) months of additional credited service.

The present cost for Firefighters is 16.15% of annual salary rate, longevity, and education allowance per year purchased, 20.40% for Police Officers and 19.51% for Police Command members. Effective July 1, 2013, the cost for Firefighters will be 15.80%, 20.22% for Police Officers and 19.45% for Police Command members

Any permanent, full-time uniformed member of the Police & Fire Retirement System is eligible for this purchase. The purchase can be accomplished by a lump sum payment, payroll deduction (on a pre-tax or after-tax basis) for up to five years, a combination of an initial lump sum after-tax payment and payroll deduction, or a lump sum rollover from the member's deferred compensation account. Please make sure that if you purchase credited service you will not exceed your bargaining unit's credited service cap.

In Memory of Departed Friends

Clarence Hill*	06/23/12
Melvin Faber	07/10/12
Robert Dunn	07/12/12
Phyllis DeBok*	08/24/12
Lyle Lett	10/06/12
Irene Carlson*	10/08/12
Donald Gunneson	10/30/12
May Root*	11/01/12
Jane Roys*	11/18/12
Frank Siemion	11/22/12
Victor Hanson, Jr.	01/07/13
James Joldersma, Sr.	01/11/13
Richard Heiny	02/07/13
Stefanie Hearing*	02/17/13
David Paul Vago	02/19/13
Michael VenRoy	02/25/13
Arthur Fuller	03/11/13
Dorothy Ray*	03/30/13
Ella McGuire*	04/13/13
James Veneklasen	04/16/13
Samuel Johnston	04/17/13
Cora Cochran*	04/20/13
Robert Ensing	04/24/13
Warren Bender	05/02/13
Clarence Oldham	05/18/13

*Denotes a beneficiary **Deferred Member

New Retirees

The Trustees and staff of the Police & Fire Retirement System are pleased to congratulate the following new retirees:

Gary Szotko	(Fire)	07/03/12
Gary Nugent	(Fire)	07/05/12
Robert Cervantes	(Police)	07/18/12
Julian Arizola	(Fire)	08/22/12
Donald Lukaart, Jr.	(Fire)	09/29/12
Charlotte Mason	(Police)	10/11/12
Bert Webster, Jr.	(Police)	10/23/12
Kristin Walters**	(Police)	11/01/12
Robert Gannon**	(Police)	11/01/12
Bruce Davis	(Fire)	11/19/12
Sandra Yeager	(Fire)	01/12/13
Robert Marks	(Fire)	02/14/13
Gerard Salatka	(Fire)	02/14/13
Thomas VandeWater	(Fire)	02/14/13
Douglas DeVries	(Police)	02/20/13
Gene Tobin	(Police)	02/20/13
Mary Skrycki**	(Fire)	03/01/13
Scott Stormer	(Police)	03/17/13
Cathleen Postmus	(Police)	04/19/13
Donald Serba	(Fire)	04/23/13
Richard Morningstar	(Fire)	05/18/13
Richard Nawrocki, Jr.	(Police)	05/25/13
Annette Swathwood	(Fire)	06/08/13
Darryl Taylor	(Fire)	06/27/13
Daniel Caillouet	(Fire)	06/29/13