



CITY OF GRAND RAPIDS
POLICE & FIRE RETIREMENT SYSTEM
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The Retirement Register

Summary Report of Plan Operations/Expenses

How much does it cost to manage the Police & Fire Retirement System? For the period 01/01/13 — 12/31/13, it cost the Retirement System a little more than \$1.5 million. Most of this amount (\$981,476) was for money manager fees. The balance of the expenses, \$529,423, paid for asset custody, auditors, actuaries, attorneys, independent medical evaluations, office rent, staff salaries and training. The costs to run the plan are 0.39% (39 basis points) of the market value of assets, compared to the national average of 57 basis points. All fees and expenses are paid in cash, as the Plan does not employ soft dollar arrangements.

Funded Status

• Actuarial Accrued Liabilities	\$385,860,392
• Applied Assets	\$354,769,666
• % Funded	92%

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.

Credited Service Purchase & Final Average Salary Adjustment Factor Information

Active members may elect to purchase up to forty-eight (48) months of additional credited service. The present cost for Firefighters is 16.01% of annual salary rate, longevity, and education allowance per year purchased, 20.12% for Police Officers and 19.51% 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 (years of service plus credited service purchased).

The Final Average Salary Adjustment Factors for **07/01/14—06/30/15** are as follows:

Police:	11.2%
Fire:	7.8%

2015 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 presentations for 2015 are scheduled for May 27 and September 9. The meetings will be held from 5:30 – 7:00 p.m. in the Retirement Systems Office, 233 E. Fulton, Suite 216. If you are interested in attending either of these sessions, please contact Lisa Balkema at 456-4300.

Police & Fire Retirement System Asset Comparison

Market values for the City of Grand Rapids Police & Fire Retirement System assets as of July 31, 2014 and August 31, 2014 were as follows:

	<u>July 31, 2014</u>	<u>August 31, 2014</u>
Adams Street Partners (Private Equity)	\$3,513,692	\$3,621,692
Baird Advisors (Fixed Income)	\$58,398,659	\$59,048,686
CBRE Clarion (Real Estate)	\$21,607,149	\$20,538,589
FLAG Capital (Private Equity)	\$1,488,436	\$1,688,436
Neuberger Berman (International Equity)	\$58,609,527	\$59,026,666
Northern Trust Asset Management (S&P 500 Index)	\$94,547,415	\$97,394,593
PIMCO StocksPlus (Enhanced Index)	\$37,263,886	\$38,766,153
Wellington Management Company (Small Cap Equity)	\$42,109,384	\$44,463,246
Wellington Management Company (Commodities)	\$20,307,658	\$20,172,504
Western Asset Management (Fixed Income)	\$58,338,354	\$59,113,071
Ziegler Lotsoff Capital Management (Large Cap Equity)	\$523,896	\$26,547
Cash Account	\$2,270,863	\$2,128,962
Total Assets:	\$398,978,919	\$405,989,145

In Memory of Departed Friends

George Holwerda	12/17/13	Louis Kaupa	03/25/14	Jean Tilma*	08/03/14
Ruth Derteen*	01/01/14	Maureen Stoffer*	05/16/14	Larry Tuttle	08/14/14
Theodore Rensland	01/05/14	Harold Kruithoff	05/17/14	Henry Avink	08/19/14
Ronald Bekker	01/16/14	Kathleen Sweedyk	06/01/14	Joan Fennema*	09/07/14
Chester Romanowski	01/30/14	Lewis VanderMeer	06/15/14	Charles Tigchon	09/20/14
Charlotte Ekkens*	02/17/14	Richard Steele	07/22/14	Richard Ostrowski	09/23/14
William Freeman	03/01/14	Lois McDonald*	07/31/14		

*Denotes beneficiary

New Retirees

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

Malcolm Kitchen	(Fire)	01/04/14	Scott Snyder	(Police)	03/29/14	John Kessner	(Police)	07/17/14
James Potter	(Police)	01/05/14	David Pyle	(Fire)	05/24/14	Paul Lehman	(Police)	07/17/14
James Baumgart	(Police)	01/11/14	Patrick Douglas	(Police)	05/30/14	Debra Neerken	(Police)	07/18/14
Gary Velthouse	(Fire)	01/16/14	Tim Eggerding	(Fire)	06/01/14	Anthony Beurkens III	(Fire)	08/19/14
John Hanes	(Fire)	01/31/14	Roy Harvey	(Fire)	06/05/14	Mark Smalla	(Police)	08/19/14
Kevin Belk	(Police)	02/07/14	David Velzen	(Fire)	06/15/14	Daniel Gazdecki	(Fire)	08/26/14
Jamie Chianfoni	(Police)	02/19/14	Frank Behrens	(Fire)	06/30/14	Kurt Burns	(Police)	08/30/14
David Alward**	(Police)	03/01/14	William Cook	(Fire)	07/06/14	Paul French	(Fire)	09/09/14
Frank Verburg	(Fire)	03/06/14	Mark Groen	(Police)	07/07/14	David Schultz	(Police)	09/25/14
Craig Holtrop	(Fire)	03/14/14	Dennis Jessee	(Police)	07/08/14	David Lanting	(Fire)	10/17/14

**Deferred