



CITY OF GRAND RAPIDS
POLICE & FIRE RETIREMENT SYSTEM
233 E. FULTON, SUITE 216
GRAND RAPIDS, MI 49503
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SUMMER 2016
ISSUE R

The Retirement Register

Summary Report of Plan Operations/Expenses

How much does it cost to manage the Police & Fire Retirement System? For the period 01/01/15 – 12/31/15, it cost the Retirement System a little more than \$1.5 million. Most of this amount (\$959,770) was for investment manager fees. The balance of the expenses, \$618,973, paid for asset custody, auditors, actuaries, attorneys, independent medical evaluations, office rent, staff salaries and training. The costs to run the plan are 0.42% (42 basis points) of the market value of assets, whereas the national average is higher. All fees and expenses are paid in cash, as the Plan does not employ soft dollar arrangements. Audits, annual accountings, and actuarial valuations may be reviewed at the Retirement Systems Office.

Funded Status

<u>Actuarial Accrued Liabilities</u>	<u>Applied Assets</u>	<u>% Funded</u>
\$461,091,743	\$386,363,384	83.8%

Police & Fire Retirement System Investments and Allocations

Market values for the City of Grand Rapids Police & Fire Retirement System assets as of June 30, 2016 were as follows:

	<u>June 30, 2016</u>	<u>Target Allocation by Asset Class</u>
Aberdeen Asset Management (Private Equity)	\$3,479,396	Equities 22.5%
Adams Street Partners (Private Equity)	\$6,282,671	Non-U.S. Equities 22.5%
Baird Advisors (Fixed Income)	\$47,246,915	Fixed Income 25.0%
Brown Brothers Harriman (TIPS)	\$38,098,224	Real Estate 5.0%
CBRE Clarion (Real Estate)	\$19,386,205	MLPs 5.0%
Harding Loevner (ADR)	\$27,755,083	TIPS 10.0%
Harvest Fund Advisors (MLP)	\$21,339,018	Private Equity 5.0%
Neuberger Berman (International Equity)	\$54,813,476	Commodities 5.0%
Northern Trust Asset Management (S&P 500 Index)	\$61,290,434	
PIMCO StocksPlus (Enhanced Index)	\$10,818,133	
Wellington Management Company (Small Cap Equity)	\$23,810,598	
Wellington Management Company (Commodities)	\$14,144,160	
Western Asset Management (Fixed Income)	\$47,821,210	
Cash Account	\$1,129,607	
Total Assets:	\$377,415,130	

Bielsko-Biala Sister City Committee

The Bielsko-Biala Sister City Committee is offering a tour of cultural Hamtramck and the Detroit Institute of Arts with the Polish Heritage Society on 10/15/16. Cost is \$75 per person and reservations are due 09/19/16. For more information, please email: grandrapidsistercities@gmail.com or call: (616) 242-0244.

New Retirees

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

Jeffrey Madura	(Fire)	01/04/16	Brent Robinson*	(Police)	06/01/16
Timmy Szotko	(Fire)	01/04/16	Joseph Garcia*	(Police)	07/01/16
Denis Hatt	(Fire)	01/06/16	Scott DeVoll	(Fire)	07/05/16
Laura Knapp	(Fire)	01/09/16	Roger Singleton	(Police)	07/07/16
Kevin Sehlmeier	(Fire)	01/12/16	Joseph Worthy	(Police)	07/15/16
Daniel Overbeek	(Fire)	02/29/16	Paul Johnson	(Police)	07/17/16
Paul Beckett, Jr.*	(Police)	04/01/16	Stanley Burns	(Fire)	07/22/16

*Deferred Member

Board of Trustees

The City of Grand Rapids Police & Fire Retirement System has two new Trustees: Commissioner Jon O'Connor, and Mr. Phillip Mitchell. The Board of Trustees for the City of Grand Rapids Police & Fire Retirement System is as follows:

Michael Hawkins—Chairman, Citizen Trustee	Jane Hofmeyer—Citizen Trustee
Craig VanderWall—Vice Chairman, Fire Member Trustee	Commissioner Jon O'Connor – Employer Trustee
Thomas VanderPloeg—Police Member Trustee	Phillip Mitchell – Citizen Trustee
Philip Balkema—Citizen Trustee	

Pension or Insurance Questions

If you have questions regarding your pension, please contact the City of Grand Rapids Retirement Systems Office at (616) 365-5015. All address, direct deposit, federal withholding, or name changes **must be sent in writing** to: **City of Grand Rapids Retirement Systems, 233 E. Fulton Street, Suite 216, Grand Rapids, MI 49503**. Changes received by mid-month will be effective at the end of that month. Please note that any of the aforementioned changes **must be signed by the retiree**, unless he/she has a valid Power of Attorney document on file with the Retirement Systems Office. Please **do not** attempt to make changes directly on The Northern Trust Company website.

City health insurance questions should be directed to Insurance Services at (616) 456-3300. **Seniors Choice insurance** questions should be directed to (888) 228-3002.

Retirement Statistics

According to www.statisticbrain.com, Americans older than 50 account for:

Percent of all financial assets	77%	All over-the-counter drugs	61%
Percent of total consumer demand	54%	Auto sales	47%
Prescription drug purchases	77%	All luxury travel purchases	80%

In Memory of Departed Friends

Larry Borgman	12/20/15	Peter DeMeester	02/05/16	Richard Scanlon	06/06/16
Burton Kleeves	12/29/15	Vincent Vicarie	05/24/16	Irene Sanok*	06/19/16
Raymond Russell, Jr.	01/13/16	Dennis Parks	04/01/16	Virginia DeRyke*	06/26/16
Maxine Keizer*	01/15/16	Kay Rybicki*	05/09/16	Arnold DePung	07/12/16

*Denotes Beneficiary