

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

MINUTES  
REGULAR MEETING  
DECEMBER 18, 2024 – 9:09 a.m.  
233 Fulton Street East

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman Justin Ewald, Mr. Philip Balkema, Ms. Donijo DeJonge, Mr. William Fabiano, and Mr. Drew Robbins (virtually). Absent: Ms. Holly Jackson.

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

Mr. Balkema made the motion to excuse the absence of Ms. Jackson. The motion was seconded by Mr. Fabiano and carried.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of November 20, 2024.
- Purchase of credited service by the following Police & Fire Retirement System members. All calculations have been prepared by this office and verified by the actuary.

Mason M. Klein	\$14,393.32	7 months
James H. McIntyre	\$47,655.52	24 months

- The following Resolution No. 874.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received a request for one Age & Service from the following member of the plan:

**Age & Service Retirement:**

Mason M. Klein, will retire January 7, 2025 from the Police Department as a Police Officer,

Credited Service: Thirty-one years and three months

RESOLVED, that the retirement be approved.

- Payment of administrative expenses of \$11,462.83 for the period 11/01/24 – 11/30/24.

- **Custody Fees:** The attached invoice from Northern Trust divides the quarter ending 12/31/24 fees as follows:

Benefit Payments	\$5,057.58
GASB 67-Money Weighted Return Report	\$162.50
Custody	<u>\$8,125.00</u>
Total	\$13,345.08

**The motion carried.**

Ms. Balkema next presented a report of Cash Account transfers for the period 01/01/25 – 03/31/25. The Retirement Systems Office staff projected a need for \$5,250,000 to be transferred to the cash account as follows: \$1,750,000 on January 2<sup>nd</sup>, \$1,750,000 on February 3<sup>rd</sup> and \$1,750,000 on March 3<sup>rd</sup>. Following consultation with Mariner, Ms. Korzen recommended making the transfers as follows:

January 2 <sup>nd</sup>	NTI	\$350,000
	Private Equity Distributions	\$1,400,000
February 3 <sup>rd</sup>	To be determined	\$1,750,000
March 3 <sup>rd</sup>	To be determined	<u>\$1,750,000</u>
Total		\$5,250,000

The report was received and filed by the Chairman.

Ms. Balkema presented the Public Act 314 Asset Analysis showing a market value of \$527,535,166 on October 31, 2024. The report was received and filed by the Chairman.

Ms. Balkema next provided Trustees with an annual budget proposal. The figures on the proposed document represent the dollar amounts Trustees expect to be expended for the FYE 12/31/25. Ms. Balkema stated that a formal budget approved by Trustees annually is now a requirement under P.A. 314 and once approved by Trustees, will be available on the Retirement System’s website. Following Trustee discussion, Vice Chairman Ewald made the motion to approve the budget as presented. The motion was seconded by Mr. Fabiano and carried.

Ms. Korzen next presented the topic of the Death of Member Section 1.251(3) in City Code. She reviewed this part of City Code and stated that there is currently one participant receiving benefits under this section who has two children that she states have been deemed disabled by Social Security. The two children are now in their early 30s. Ms. Korzen recommended that a policy be adopted to ensure compliance with this section of City Code so that benefits are not overpaid. She provided Trustees with a proposed policy. She noted that the next time there is an ordinance change, the word “incompetent” will be replaced with “incapacitated” per prior legal opinion. Mr. Michaud agreed that there should be a policy and process in place to address this situation. He suggested perhaps following Social Security determinations to guide this process. Ms. Korzen asked Trustees if they felt a \$0 income limit is appropriate; they suggested using Social Security limitations. Ms. Korzen will make the necessary changes to the proposed policy and bring it back to the Board for their consideration at the January 2025 Board meeting.

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

Ms. Korzen next addressed the disability retiree re-examination process for Mr. Jason Druckenmiller. She noted that Mr. Druckenmiller indicated at the August 21, 2024 Board meeting that he would like the opportunity to provide additional documentation to Dr. Meissner and have an IME with him, despite Dr. Meissner stating his opinion that Mr. Druckenmiller remains disabled. Trustees granted him 30

days to submit the additional documentation; Mr. Druckenmiller did not do so, but recently contacted Ms. Korzen and stated that he has had several tests, a physical with Dr. Little at Med One authorized by the City, and an appointment with his cardiologist. All information from those visits and tests indicate that he is able to return to work. Mr. Michaud reminded Trustees that they are only responsible to determine whether or not Mr. Druckenmiller remains disabled. Any issue of returning to work is a labor issue and not under Trustees' purview. Ms. Korzen noted that if it is determined that Mr. Druckenmiller is no longer disabled, he will cease receiving his disability pension, have all of his service restored from date of retirement through the present, and have his contributions and interest restored. Ms. Korzen stated that to her knowledge Mr. Druckenmiller has not yet spoken with Fire Department administration about potentially returning to work. Following Trustee discussion, Trustees agreed to allow Mr. Druckenmiller to submit his documentation to Ms. Korzen and have her schedule an IME with Dr. Meissner.

The meeting adjourned at 9:26 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, January 15, 2025, at 8:00 a.m., 233 Fulton Street East, Suite 216, Grand Rapids, Michigan.

Peggy Korzen  
Executive Director  
Police & Fire Retirement System