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

MINUTES
REGULAR MEETING
MAY 20, 2026 – 8:00 a.m.
233 Fulton Street East

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman Justin Ewald, Mr. William Fabiano, Ms. Holly Jackson, Ms. Peggy Korzen, and Ms. AliciaMarie Belchak. Absent: Ms. Donijo DeJonge.

Also present: Mr. Benjamin T. Dziengel, Executive Director of the Retirement System, Mr. Thomas Michaud, Legal Advisor to the Board, and Mr. Jim Anderson of Gabriel, Roeder, Smith & Company.

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

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of March 18, 2026.

- Purchase of credited service by the following Police & Fire Retirement System member. Mr. Barthel and Mr. Menzel requested to purchase their credited service by a lump sum pre-tax rollover from their qualified retirement account. Mr. Menzel requested to purchase 41 months of his credited service by pre-tax payroll deduction. All calculations have been prepared by this office and verified by the actuary.

Frank E. Barthel, Jr.	$121,520.36	48 months
Cameron L. Menzel	$13,432.67	7 months
Cameron L. Menzel	$78,682.33	41 months

- The following Resolution No. 883.

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

Deferred Retirement:

Brian E. Gard, retired April 1, 2026 from the Police Department as a Police Officer,

Credited Service: Twelve years and six months

RESOLVED, that the retirement be approved.

- KEIP participant: The Board of Trustees of the Police and Fire Retirement System has received a request from the following member of the plan to enter the KEIP:

<u>KEIP Entry</u>

<u>Aaron M. Rossin,</u>	Police Sergeant
KEIP Date:	July 2, 2026
Tentative KEIP End Date:	July 1, 2027

- Payment of administrative expenses of $2,681.55 for the period 03/01/26 – 04/30/26.

- **<u>Investment Manager Fees</u>:** Listed below are routine invoices for the quarter ending 03/31/26. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

  $44,034.37 – Baird Advisors (Fixed Income)
  $37,575.95 – CenterSquare Investment Management (Real Estate)
  $35,936.39 – Great Lakes Advisors (Fixed Income)
  $75,997.77 – Harding Loevner (ADRs)
  $60,931.61 – Harvest Fund Advisors (MLPs)
  $48,723.60 – Wellington Management Company (Small Cap Equities)

The motion carried.

Mr. Dziengel presented the Public Act 314 Asset Analyses showing a market value of $606,528,830 on February 28, 2026 and $579,692,396 on March 31, 2026. The reports were received and filed by the Chairman.

Mr. Dziengel next presented Trustees with the Quarterly Report of Account Refunds for the period 01/01/26 – 03/31/26; one non-vested member withdrew his contributions and interest of $17,440.21. Four former KEIP participants withdrew their KEIP funds totaling $1,005,091.79. The report was received and filed by the Chairman.

The Executive Director presented Trustees with the Quarterly Report of Income for the quarter ending 03/31/26. Total Securities Lending income for the period was $73,749.35. There were no Class Action Settlement receipts for the period. Chairman Hawkins received and filed the report.

Mr. Jim Anderson of Gabriel, Roeder, Smith and Company (GRS) presented the 59th Annual Actuarial Valuation, for the year ending December 31, 2025. Mr. Anderson noted that assets equaled 75.0% of computed accrued liabilities and that the City's contribution rate for the fiscal year beginning 07/01/27 will be 40.97%. Mr. Anderson provided a detailed report that included unfunded actuarial accrued liabilities of $190,837,641, a ratio of active to retired employees of 0.6 to 1, a recognized rate of return of 7.60% compared to 6.75% projected, and a computed employer rate of 50.11% of valuation payroll (40.97% of Gross-Up payroll). Mr. Anderson highlighted GRS' comments regarding the valuation and provided observations regarding the implications of contribution allocation procedures of funding policy on future expected plan contributions and funded status. He also reviewed the limitations of funded status measurements and risks associated with measuring the accrued liability and actuarially determined contribution. Mr. Anderson commented on the financing of unfunded actuarial accrued liabilities and the derivation of valuation assets over the past three years. He discussed the Low-Default-Fault Risk Obligation Measure (LDROM) that the Actuarial Standards Board revised in December 2021 (ASOP No. 4). Following the presentation Ms. Jackson made the motion to approve the actuary's recommendation to transfer $348,951 from the Benefit Reserve Fund to the Income Expense Fund and $8,582,393 from the Employer Accumulation Fund to the Income Expense Fund (ending balances in each reserve fund as of December 31, 2025 were assumed to be: Member Deposit Fund – $57,967,562; Employer Accumulation Fund – ($188,981,901); Benefit Reserve Fund – $542,759,205; Income-Expense Fund – $0). Seconded by Vice Chairman Ewald, the motion carried. The report was received and filed by the Chairman.

Mr. Jim Anderson provided Trustees with the GASB 67 & 68 Plan Report and Accounting Schedules as of December 31, 2025. Mr. Anderson noted that the actuarial valuation determines funding status and contributions, and the liabilities are to reflect the funded status and the funding policy of the plan. He reviewed the report and provided some background on the various tables contained in the report. He noted that the net pension liability as of December 31, 2025 was $167,442,156 and the net position as a percentage of total pension liability was 77.75%. The single discount rate was 6.75%, as was the long-term expected rate of return. Mr. Anderson reviewed the schedule of changes in the employer's net pension liability, the schedule of the employer's net pension liability, and schedule of contributions. He also reviewed the long-term expected return on plan assets. The report was received and filed by the Chairman.

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

Mr. Dziengel commented that at the March Board meeting, it was unclear which investment management account funds should be transferred from for Cash Account needs for May and June 2026. After recent review of the investment accounts, Mariner Institutional and the Executive Director agreed to transfer $815,000 from the Harvest Fund Advisors account to the Cash Account on May 1, 2026 and utilize $695,000 from Private Equity distributions; and $1,290,000 from the Neuberger Berman account to the Cash Account on June 1, 2026 and utilize $220,000 from Private Equity distributions.

The Executive Director next updated Trustees on the examination process of the Alvesteffer girls. Ms. Ashley Alvesteffer had her neutral independent medical evaluation on May 6, 2026. Ms. Amber Alvesteffer was scheduled to have her neutral independent medical evaluation on May 13, 2026, but the appointment was canceled by her mother. Mr. Dziengel has tried to reach out to the mother, Ms. Kimberly Alvesteffer to see about rescheduling that appointment. He will keep Trustees apprised of the process.

The meeting adjourned at 8:17 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, June 17, 2026, at 9:00 a.m., 233 Fulton Street East, Grand Rapids, Michigan.

Benjamin Dziengel
Executive Director
Police & Fire Retirement System