

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

MINUTES
 REGULAR MEETING
 DECEMBER 21, 2022 – 10:05 a.m.
 233 East Fulton

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman Craig VanderWall, Mr. Philip Balkema, Mr. Phillip Mitchell, Ms. Donijo DeJonge, Mr. Nathaniel Moody, and Mr. Justin Ewald.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Mr. Thomas Michaud, Legal Advisor to the Board, Mr. Jason VanSpronsen, and Mr. William Fabiano.

There were no public comments regarding agenda items.

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

- Minutes of the regular meetings of September 21, 2022 and November 16, 2022.
- 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.

	<u>Purchase Amount</u>	<u>Time Purchased</u>	
William P. DeBack	\$63,764.60	40 months	
Timothy J. DeVries	\$22,361.42	12 months	
	<u>Revised</u>	<u>Time</u>	<u>Refer to</u>
	<u>Purchase Amount</u>	<u>Purchased</u>	<u>Minutes</u>
Kurt D. Honderd	\$23,511.70	14 months	08/17/22
William F. Race	\$49,641.48	24 months	09/21/22

- As provided for in Chapter 7, Section 1.243(2) of City Code, Mr. Matthew R. Gonzalez has requested to purchase the periods of credited service during which he was on a leave of absence for active military service. Mr. Gonzalez has requested to purchase six (6) days; the cost is \$381.01. Mr. Danny A. Roque has requested to purchase the periods of credited service during which he was on a leave of absence for active military service. Mr. Roque has requested to purchase seven (7) days; the cost is \$300.17. The amounts due were calculated and verified by this office.
- The following Resolution No. 859.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received a request for six Age & Service, one Deferred, and three revised retirements from the following members of the plan. Due to the recent retroactive wage increase for Fire members, it was necessary to revise the following Non-Duty Disability retirement:

Age & Service Retirements:

William P. DeBack, will retire January 17, 2023 from the Fire Department as a Fire Fighter,

Credited Service: Thirty-two years and two months

Pension: \$6,250.04,

and . . .

Timothy J. DeVries, will retire January 3, 2023 from the Police Department as a Police Officer,

Credited Service: Twenty-nine years and five months

Pension: \$6,092.24,

and . . .

Brian O. Grooms, will retire January 13, 2023 from the Police Department as a Police Officer,

Credited Service: Thirty years

Pension: \$6,373.74,

and . . .

Jason L. Horrigan, will retire January 10, 2023 from the Police Department as a Police Officer,

Credited Service: Twenty-seven years

Pension: \$5,764.21,

and . . .

Sean D. Murray, will retire January 2, 2023 from the Fire Department as a Fire Lieutenant,

Credited Service: Thirty-three years and nine months

Pension: \$7,546.62,

and . . .

Scott M. Rifenberg, will retire January 10, 2023 from the Police Department as a Deputy Police Chief,

Credited Service: Twenty-eight years

Pension: \$9,741.11,

and . . .

Deferred Retirement:

Michelle N. Dyke, will retire January 1, 2023 from the Police Department as a Police Officer,

Credited Service: Eleven years and two months

Pension: \$1,627.03,

and . . .

Revised Retirements:

<u>Name</u>	<u>Retirement Date</u>	<u>Revised Pension</u>	<u>Refer to Minutes</u>
Daniel H. Caillouet	06/29/2013	\$1,751.03	06/19/2013
Wesley L. Kelley	06/02/2020	\$3,121.56	06/17/2020
John N. Kessner	07/17/2014	\$3,170.59	06/18/2014

Non-Duty Disability Revised Retirement:

<u>Name</u>	<u>Retirement Date</u>	<u>Revised Pension</u>	<u>Refer to Minutes</u>
Jason A. Druckenmiller	07/05/2022	\$6,013.22	08/17/2022

RESOLVED, that the retirements be approved. Mr. Balkema thanked all of the retirees for their service and dedication to the City of Grand Rapids and its citizens.

- KEIP participants: The Board of Trustees of the Police and Fire Retirement System has received a request by one member of the plan to enter the KEIP Program, three members of the plan to exit the KEIP Program, and three revised KEIP entries:

KEIP Entry

Casey J. Spielmaker, Fire Lieutenant
KEIP Date: November 30, 2022
Tentative KEIP End Date: November 29, 2024
KEIP Benefit: \$5,718.99

KEIP Exit

Brian G. DeForest, will exit the KEIP Program on November 5, 2022 from the Fire Department as a Fire Captain,

Credited Service: Thirty-one years and eight months

Pension: \$7,078.42.

Philip J. Hunderman, will exit the KEIP Program on November 29, 2022 from the Fire Department as a Fire Equipment Operator,

Credited Service: Thirty years

Pension: \$5,740.19.

Scott R. Ranburger, will exit the KEIP Program on January 2, 2023 from the Police Department as a Police Officer,

Credited Service: Twenty-five years and two months

Pension: \$4,362.67.

Revised KEIP Entry

<u>Name</u>	<u>KEIP Entry Date</u>	<u>Revised KEIP Benefit</u>	<u>Refer to Minutes</u>
William F. Race	09/15/2022	\$7,362.95	09/21/2022
Terrence Timmer	08/15/2022	\$6,302.50	08/17/2022
John C. Wittkowski	01/04/2022	\$6,611.45	01/19/2022

- Payment of administrative expenses of \$12,674.10 for the period 09/01/22 – 10/31/22 and \$8,433.94 for the period 11/01/22 – 11/30/22.

- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 09/30/22. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$29,009.26 – Baird Advisors (Fixed Income)
\$6,743.00 – BlackRock (Global Low Volatility)
\$28,777.40 – CenterSquare Investment Management (Real Estate)
\$42,128.00 – Harding Loevner (ADRs)
\$51,626.23 – Harvest Fund Advisors (MLPs)
\$2,513.93 – NTAM (Equities)
\$16,921.64 – Wellington Management Company (Equities)
\$39,490.82 – Wellington Management Company (Commodities)
\$39,801.85 – Western Asset Management (Fixed Income)

- Payment of Legal Services fees of \$5,182.60 to VanOverbeke, Michaud & Timmony, P.C. for the period 01/01/22 – 06/30/22

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 01/01/23 – 03/31/23. The Retirement Systems Office staff projected a need for \$4,125,000 to be transferred to the cash account as follows: \$1,375,000 on January 3rd, \$1,375,000 on February 1st and \$1,375,000 on March 1st. Ms. Korzen recommended, and Wilshire Associates agreed, making the transfers as follows:

January 3 rd	Harvest Fund Advisors	\$875,000
	Wellington Management Company (Commodities)	\$500,000
February 1 st	To be determined	\$1,375,000
March 1 st	To be determined	<u>\$1,375,000</u>
Total		\$4,125,000

The report was received and filed by the Chairman. (Cash Account Report found on page)

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$471,618,139 on August 31, 2022, \$437,861,030 on September 30, 2022, and \$449,559,656 on October 31, 2022. The reports were received and filed by the Chairman. (Analyses found on pages)

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the period 07/01/22 – 09/30/22; one non-vested member withdrew his contributions and interest for a total of \$20,141.32. Three KEIP members withdrew their KEIP funds totaling \$253,657.28. One disability retiree was refunded his credited service purchase for a total of \$8,239.00. The report was received and filed by the Chairman. (Report on page)

The Executive Director presented Trustees with the Quarterly Report of Income for the quarter ending 09/30/22. Total Securities Lending income for the period was \$27,420.61. There were no Class Action Settlement receipts for the period. Chairman Hawkins received and filed the report. (Report found on page)

Ms. Korzen 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 12/31/23. Ms. Korzen 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. Ms. DeJonge made the motion to approve the budget as written. The motion was seconded by Vice Chairman VanderWall and carried.

The Executive Director next presented a request for a duty disability retirement from Police Officer Jason VanSpronsen. Mr. Ewald made the motion to approve the duty disability retirement for Police Officer Jason VanSpronsen, based on the medical findings and reports that were presented. The motion was seconded by Vice Chairman VanderWall and carried. Trustees thanked Mr. VanSpronsen for his service and wished him well.

The Executive Director next discussed the appeal of the denial of the duty disability retirement request from Fire Lieutenant Jason A. Druckenmiller that was tabled at the September 21, 2022 Board meeting. Ms. Korzen noted at that time Mr. Druckenmiller asked for 3 additional weeks to submit information supporting his appeal; it was granted. The November 2022 Board meeting was canceled. Mr. Druckenmiller asked for an extension to assemble his documentation; Mr. Michaud and Chairman Hawkins agreed that would be reasonable. However, to date, Ms. Korzen has not received any information from Mr. Druckenmiller and proposed giving him a deadline date to submit his materials. Trustees agreed and stipulated that Mr. Druckenmiller will need to submit any substantiating documentation for his appeal by no later than January 6, 2023. Ms. Korzen will send Mr. Druckenmiller a letter outlining this information.

Ms. Korzen next presented an update on the disability retiree re-examination process for Fire Equipment Operator John Kurkowski. Ms. Korzen noted that Dr. Campbell, who conducted a medical records review for Mr. John Kurkowski, has not responded to the Retirement Systems' medical evaluation company or to Ms. Balkema's request to conduct an IME. Ms. Korzen therefore requested to contact the medical evaluation company to have a different doctor to conduct a medical records review, and conduct an IME if necessary, for Mr. Kurkowski. Following Trustee discussion, Vice Chairman VanderWall made the motion to contact the Retirement Systems' medical evaluation company to secure a different doctor to conduct a medical records review (and IME if necessary) for Mr. John Kurkowski. He also asked to have Dr. Campbell removed from any further consideration of any medical records reviews and IMEs. The motion was seconded by Mr. Ewald and carried.

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

Ms. Korzen commented that at the September Board meeting, it was unclear which investment management account funds should be transferred from for Cash Account needs for November and December 2022. After recent review of the investment accounts, Mr. DiGirolamo and the Executive Director agreed to utilize \$750,000 received from distributions from the Private Equity and Private Credit accounts, and transfer \$550,000 from the Harvest Fund Advisors account to the Cash Account on November 1, 2022 and \$1,300,000 from the Harvest Fund Advisors account to the Cash Account on December 1, 2022.

Ms. Korzen noted that an election was recently held to name a replacement for Vice Chairman VanderWall, who will be resigning his position as Fire Member Trustee on December 31, 2022. Only one petition was received, therefore, it is presumed that Mr. William Fabiano is elected. He will take over Vice Chairman VanderWall's position as Fire Member Trustee beginning January 1, 2023 and will serve the rest of Vice Chairman VanderWall's term, which will expire the first Monday in January 2025. Trustees welcomed Mr. Fabiano to the Board and stated that they look forward to working with him.

Chairman Hawkins noted his sincerest appreciation for Vice Chairman VanderWall's 22 years of service as Fire Member Trustee. Trustees thanked him for his service. Chairman Hawkins noted that Vice Chairman VanderWall will be receiving a plaque for his dedicated service from the Board.

The meeting adjourned at 10:15 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, January 18, 2023, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System