

GENERAL RETIREMENT SYSTEM
and
POLICE and FIRE RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
JOINT MEETING
JUNE 19, 2019 – 8:11 a.m.
233 East Fulton

The meeting was called to order by Chairman Hawkins. Other members present: Mr. David Tryc, Mr. Martin Timkovich, Mr. Philip Balkema, Mr. William Butts, Mr. Phillip Mitchell, Ms. Donijo DeJonge, Mr. Nathaniel Moody, and Mr. Robert Veenstra. Absent: Mr. Craig VanderWall.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement Systems, Mr. Alex Ford of Wilshire Associates, Inc., and Mr. John Globensky, City Treasurer.

Mr. Balkema made the motion to excuse the absence of Mr. VanderWall. The motion was seconded by Mr. Tryc and carried.

There were no public comments regarding agenda items.

Mr. Tryc made the motion to approve the minutes of the Joint Meeting of May 15, 2019. The motion was seconded by Mr. Butts and carried.

Ms. Korzen next addressed the renewal quote for the Fiduciary Liability insurance policy for the Retirement Systems for the period 07/01/19 – 07/01/20 from Euclid Specialty. The premium for the policy, if renewed with the same terms, would remain the same at \$14,858 for the Police & Fire Retirement System and \$15,214 for the General Retirement System. Mr. Balkema made the motion on behalf of the Police & Fire Retirement System to renew the Euclid policy with non-indemnifiable public entity coverage as outlined in the proposal for the period 07/01/19 – 07/01/20 for \$14,858. The motion was seconded by Mr. Veenstra and carried. Mr. Butts made the motion on behalf of the General Retirement System to renew the Euclid policy with non-indemnifiable public entity coverage as outlined in the proposal for the period 07/01/19 – 07/01/20 for \$15,214. The motion was seconded by Mr. Timkovich and carried. Mr. Timkovich asked whether or not these policies could be combined; Ms. Korzen stated they are priced individually based on a number of factors and it is more prudent to keep them separate just in case both Systems are involved in lawsuits. Ms. Korzen commented that the Business Owner's policy is also up for renewal 07/01/19; the company issues this type of insurance as a commercial policy now. The fee has gone up approximately 63% to \$1,119.00, plus \$3 for terrorism coverage, but that is split between both Systems as the policy covers the contents of the office. She stated that the Systems' agent of record informed her that this is the only firm to offer this type of insurance through their agency. Mr. Balkema commented that it may be too late now to explore other options, but in the early part of next year, it would be prudent to seek out alternative quotes. Mr. Timkovich made the motion to approve the Business Owner's policy for the period 07/01/19 – 06/30/20. The motion was seconded by Mr. Balkema and carried.

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

Chairman Hawkins next commented on the recent due diligence visit to CenterSquare Investment Management (CS) and noted that the visit was conducted by himself, Mr. Butts, Ms. Korzen, and Mr. Ford. He stated that the visit went well. They met with many individuals with CS and they reviewed their investment process as well as their methods to enforce cyber security. Mr. Ford reminded Trustees that of the three investment firm candidates, CS was the most consistent performer and their fees were the lowest. Following Trustee discussion, Mr. Balkema made the motion on behalf of the Police & Fire Retirement System to commence contract negotiations with CenterSquare Investment Management to replace the CBRE Clarion Global REIT portfolio. The motion was seconded by Mr. Veenstra and carried. Mr. Tryc made the motion on behalf of the General Retirement System to commence contract negotiations with CenterSquare Investment Management to replace the CBRE Clarion Global REIT portfolio. The motion was seconded by Mr. Butts and carried. Chairman Hawkins also noted that they visited Harvest Fund Advisors (HFA) after the visit with CS. Ms. Korzen commented that the visit with HFA went well; she provided an overview of their meeting and stated that they reviewed HFA's process and organization as well as their cyber security methods. She noted that since Blackstone took over HFA, they are not interfering with HFA's processes and people.

The meeting adjourned at 8:24 a.m.

The next Joint Meeting of the General and Police & Fire Retirement System Boards will be held Wednesday, August 21, 2019, at 8:05 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General and Police & Fire Retirement Systems