

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

MINUTES
REGULAR MEETING
NOVEMBER 20, 2019 – 10:25 a.m.
233 E. Fulton, Suite 216

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. Robert Veenstra.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System and Mr. John Globensky, City Treasurer.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of September 18, 2019.
- 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.

Matthew S. Hutter	\$13,839.64	12 months
Paul R. Mesman	\$10,698.73	8 months
Catherine A. Williams	\$33,062.87	22 months
Helen E. Wu	\$64,189.16	48 months

- 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 nine (9) days; the cost is \$271.60. He requested to purchase this service by pre-tax payroll deduction. The amounts due were calculated and verified by this office.
- The following Resolution No. 838.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received requests for five Age & Service, one Deferred, and one Duty Disability retirement from the following members of the plan:

Age & Service Retirements:

Richard S. Atha, will retire November 20, 2019 from the Police Department as a Police Sergeant,

Credited Service: Twenty-three years and eight months

Pension: \$3,504.06,

Mr. Atha has an alternate payee, Tina Atha, who receives the actuarial equivalent of \$1,770.58 per month (Ms. Atha has been receiving this benefit since March 1, 2018),

and . . .

Frank M. Collins, will retire January 4, 2020 from the Police Department as a Police Officer,

Credited Service: Twenty-nine years and six months

Pension: \$5,408.56,

and . . .

Joshua B. Cornell, retired November 15, 2019 from the Police Department as a Police Officer,

Credited Service: Thirty years

Pension: \$5,274.46,

and . . .

James B. Jorgensen, will retire January 2, 2020 from the Police Department as a Police Officer,

Credited Service: Thirty-five years

Pension: \$6,359.44,

and . . .

Michael T. Rozema, will retire January 4, 2020 from the Police Department as a Police Officer,

Credited Service: Thirty-one years and five months

Pension: \$5,264.49,

Mr. Rozema has an alternate payee, Tammie S. Rozema, who receives the actuarial equivalent of \$1,068.49 per month,

and . . .

Deferred Retirement:

Matthew M. Janiskee, will retire December 1, 2019 from the Police Department as a Police Lieutenant,

Credited Service: Twenty-five years and one month

Pension: \$5,455.56,

and . . .

Duty Disability Retirement:

Jason A. Sotke, retired September 19, 2019 from the Police Department as a Police Officer,

Credited Service: Twenty-eight years and one month

Pension: \$5,426.84.

RESOLVED, that the retirements be approved. Mr. Balkema commented that the City will be losing a number of good employees and wished them well in their retirement.

- KEIP participants: The Board of Trustees of the Police and Fire Retirement System has received a request by one member of the plan to join the KEIP Program and one member to exit the KEIP Program:

KEIP Entry

<u>Steven E. Lohman</u> ,	Fire Captain-Training
KEIP Date:	January 4, 2020
Tentative KEIP End Date:	January 3, 2022
KEIP Benefit:	\$5,540.52

KEIP Exit

Bryan A. Boone, will exit the KEIP Program on January 3, 2020 from the Police Department as a Police Officer,

Credited Service: Thirty-two years and seven months

Pension: \$5,642.00.

- Payment of administrative expenses of \$9,397.16 for the period 09/01/19 – 10/31/19.
- **Investment Manager Fees:** Listed below are routine invoices for the quarter ending 09/30/19. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

- \$28,874.30 – Baird Advisors (Fixed Income)
- \$39,554.28 – CBRE Clarion (Real Estate)
- \$46,723.00 – Harding Loevner (ADRs)
- \$37,980.92 – Harvest Fund Advisors (MLPs)
- \$2,490.54 – NTAM (Equities)
- \$27,625.10 – Wellington Management Company (Equities)
- \$35,351.25 – Wellington Management Company (Commodities)
- \$40,091.43 – Western Asset Management (Fixed Income)

The motion carried.

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$427,104,569 on August 31, 2019 and \$430,086,961 on September 30, 2019. The reports were received and filed by the Chairman. (Analyses found on pages)

Trustees reviewed an Eligible Domestic Relations Order (EDRO) for Mr. Anthony B. Hendges. Ms. Korzen stated that an EDRO has been filed to assign a portion of Mr. Hendges' retirement benefits to an alternate payee, Marjorie B. Hendges, in accordance with the Eligible Domestic Relations Order Act. The EDRO has been reviewed by legal counsel and the actuary and complies with the Police & Fire Retirement System plan provisions. The EDRO will become part of Mr. Hendges' file and will be paid according to its provisions. The order was received and filed by the Chairman.

Ms. Korzen next presented Trustees with the Quarterly Report of Account Refunds for the period 07/01/19 – 09/30/19; two non-vested members withdrew their contributions and interest totaling \$29,223.81. One KEIP member withdrew his KEIP funds totaling \$75,632.31. 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 09/30/19. Total Securities Lending income for the period was \$19,656.12. Total Class Action Settlement receipts for the period were \$1,174.07. Chairman Hawkins received and filed the report. (Report found on page)

The Executive Director next presented a request for a non-duty disability retirement by Police Officer Douglas E. Brow. Mr. Veenstra made the motion to approve the non-duty disability retirement request for Police Officer Douglas E. Brow, based on the medical findings and reports that were presented. The motion was seconded by Mr. Balkema and carried. Mr. Balkema thanked Mr. Brow for his service and wished him well in his retirement.

Public comments on items not on the agenda: Vice Chairman VanderWall commented that in the most recent contract between the City of Grand Rapids and the IAFF, it was agreed that members who purchased additional credited service and then became disabled would be permitted to receive a refund of the service purchase cost, without interest, if the purchased service did not result in an increased benefit. Mr. Laurence Jackson, who retired December 29, 2007 with a duty disability retirement, purchased two years of credited service and the purchase did not increase his monthly benefit. Following Trustee discussion, Vice Chairman VanderWall made the motion to refund the cost of Mr. Jackson's service purchase, without interest. The motion was seconded by Mr. Balkema and carried.

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 2019. After recent review of the investment accounts, Mr. Lindberg and the Executive Director agreed to transfer \$1,150,000 from the Western Asset Management account to the Cash Account on November 1, 2019 and \$1,150,000 from the NTAM account to the Cash Account on December 2, 2019.

Ms. Korzen noted that Mr. Mitchell and Mr. Veenstra recently completed a review of the Annual Accounting for the Police & Fire Retirement System for the fiscal year ending December 31, 2018. Mr. Veenstra commented that the books were reviewed extensively and noted that everything was in order.

The meeting adjourned at 10:30 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, December 18, 2019, at 8:00 a.m., 233 East Fulton, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System