

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

MINUTES
REGULAR MEETING
SEPTEMBER 15, 2021 – 8:00 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, Ms. Donijo DeJonge, Mr. Nathaniel Moody, and Mr. Robert Veenstra. Absent: Mr. Phillip Mitchell.

Also present: Ms. Peggy Korzen, Executive Director of the Retirement System, Mr. Thomas Michaud, Legal Advisor to the Board, and Police Officer Justin Ewald.

Mr. Veenstra made the motion to excuse the absence of Mr. Mitchell. The motion was seconded by Vice Chairman VanderWall and carried.

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of August 18, 2021.
- The following Resolution No. 852.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received requests for two Age & Service retirements from the following members of the plan:

Age & Service Retirements:

Richard A. Lewis, will retire October 5, 2021 from the Police Department as a Police Officer,

Credited Service: Thirty years and five months

Pension: \$6,297.95,

and . . .

Ruth A. Walters, will retire October 20, 2021 from the Police Department as a Police Officer,

Credited Service: Twenty-nine years and ten months

Pension: \$6,375.45.

RESOLVED, that the retirements be approved.

- Payment of administrative expenses of \$1,753.99 for the period 08/01/21 – 08/31/21.

- **Investment Manager Fees:** Listed below is a routine invoice for the quarter ending 06/30/21. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$39,292.39 – Western Asset Management (Fixed Income)

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 10/01/21 – 12/31/21. The Retirement Systems Office staff projected a need for \$2,550,000 to be transferred to the cash account as follows: \$850,000 on October 1st, \$850,000 on November 1st and \$850,000 on December 1st. Ms. Korzen recommended, and Wilshire Associates agreed, making the transfers as follows:

October 1 st	From rebalance	\$850,000
November 1 st	To be determined	\$850,000
December 1 st	To be determined	\$850,000
Total		\$2,550,000

Ms. Korzen noted that a rebalance between equity and fixed income accounts will also take place on October 1, 2021, per last month’s board action. \$7,000,000 will be transferred from the NTAM account, \$3,000,000 will be transferred from the Wellington Management small cap equity account, \$5,000,000 will be transferred from the Neuberger Berman account and \$5,850,000 will be transferred from the Harding Loevner account. The Baird Advisors and Western Asset Management accounts will each receive \$10,000,000, with the residual \$850,000 from the transfers remaining in the Cash Account. The report was received and filed by the Chairman. (Cash Account Report found on page)

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$524,645,952 on July 31, 2021. The report was received and filed by the Chairman. (Analysis found on page)

Ms. Korzen next addressed the 13th Check calculations by noting that the five-year average market value rate of return was 10.28% for the Police & Fire Retirement System; the calculations were reviewed by the actuary. Per City Code, in order for a 13th Check to be issued, the five-year average market value rate of return must exceed 8.0%. Therefore, a 13th Check will be issued on January 31, 2022. Ms. Korzen stated that she will inform Trustees of the amount of the 13th Check for their approval at the November 17th Board meeting.

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

Ms. Korzen reported that The Northern Trust Company completed their annual retiree data verification of the Police & Fire Retirement System’s retirees and beneficiaries. There were no deceased retirees or beneficiaries on the list that the office was unaware of.

Ms. Korzen noted that the term of office for Mr. Robert Veenstra will be expiring the first Monday in 2022. The election process has begun and nominating petitions are due in the Retirement Systems office by next Friday. Mr. Veenstra will not be seeking re-election. He introduced Police Officer Justin Ewald and commented that Officer Ewald has strong finance and pension experience and will be running for Police Member Trustee. Mr. Veenstra noted that it has been an honor to serve on the Board. So far, Office Ewald has been the only person to submit a nominating petition. Ms. Korzen will keep Trustees informed of the progress in the election process.

Ms. Korzen noted that the Annual Accounting for the General Retirement System for the period 07/01/20 – 06/30/21 was ready to be reviewed. She noted that it was decided by Trustees to review the Annual Accountings of both retirement systems at the same time each year, and therefore a committee should be established to review the Police & Fire annual accounting from 12/31/20. Mr. Balkema and Ms. DeJonge

volunteered to serve. Chairman Hawkins noted that Ms. Korzen will coordinate the review process and the Trustees will report their findings to the Board at a future Board meeting.

The meeting adjourned at 8:04 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, November 17, 2021, at 9:35 a.m., 233 E. Fulton, Suite 216, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System