

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
SEPTEMBER 20, 2023 – 10:30 a.m.
233 Fulton Street East

The meeting was called to order by Chairman Michael Hawkins. Other members present: Vice Chairman David Tryc, Mr. Martin Timkovich, Mr. William Butts, Mr. Phillip Mitchell, and Ms. Donijo DeJonge. Absent: Mr. Nathaniel Moody.

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

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

There were no public comments regarding agenda items. {Mr. Mitchell left at 10:31 a.m.}

Moved by Vice Chairman Tryc and seconded by Ms. DeJonge, the following administrative items were approved by the Board of Trustees:

- Minutes of the regular meeting of August 16, 2023.
- Payment of administrative expenses of \$1,783.21 for the period 08/01/23 – 08/31/23.
- **Investment Manager Fees:** Listed below is a routine invoice for the quarter ending 06/30/23. All calculations, fees applied, and stated amounts under management have been verified by the Retirement Systems Office staff as correct:

\$37,025.12 – Western Asset Management (Fixed Income)

- **Custody Fees:** The attached invoice from Northern Trust divides the quarter ending 09/30/23 fees as follows:

Benefit Payments	\$7,207.30
Custody	<u>\$8,125.00</u>
Total	\$15,332.30

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 10/01/23 – 12/31/23. The Retirement Systems Office staff projected a need for \$5,400,000 to be transferred to the cash account as follows: \$1,800,000 on October 2nd, \$1,800,000 on November 1st and \$1,800,000 on December 1st. Ms. Korzen recommended, and Mr. David Lindberg of Wilshire Associates agreed, making the transfers as follows:

October 2 nd	NTAM	\$500,000
	Wellington Mgmt. (Equities)	\$600,000
	Harvest Fund Advisors	\$700,000

November 1 st	To be determined	\$1,800,000
December 1 st	To be determined	<u>\$1,800,000</u>
Total		\$5,400,000

The report was received and filed by the Chairman.

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$443,102,085 on July 31, 2023. The report was received and filed by the Chairman.

Ms. Korzen presented the Annual Accounting for the period 07/01/22 – 06/30/23 to Trustees. She noted that a review committee should be established. Chairman Hawkins and Mr. Butts volunteered to serve. Ms. Korzen noted she will coordinate a date to review the accounting and the Trustees will report their findings to the Board at a future meeting.

Ms. Korzen next addressed the 13th Check calculations by noting that the five-year average book value rate of return was 6.82% for the General Retirement System. 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, there are not sufficient reserves to issue a 13th Check on January 31, 2024. The report was received and filed by the Chairman.

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

Ms. Korzen noted that the term of office for Mr. William Butts will be expiring the first Monday in 2024. The election process has begun and nominating petitions are due in the Retirement Systems office by this Friday. Mr. Butts has been the only person to request a nominating petition thus far. She will keep Trustees informed of the progress in the election process.

The meeting adjourned at 10:34 a.m.

The next General Retirement System Board Meeting will be held Wednesday, November 15, 2023, at 8:00 a.m., 233 Fulton Street East, Suite 216, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System