

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

MINUTES
REGULAR MEETING
SEPTEMBER 20, 2023 – 8:00 a.m.
233 Fulton Street East

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

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

Mr. Fabiano made the motion to excuse the absences of Vice Chairman Ewald and Mr. Moody. The motion was seconded by Mr. Balkema and carried.

There were no public comments regarding agenda items.

Moved by Ms. DeJonge and seconded by Mr. Fabiano, the following administrative items were approved by the Board of Trustees:

- Minutes of the regular meeting of August 16, 2023.
- 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 requested to purchase seven (7) days; the cost is \$444.27. The amounts due were calculated and verified by this office.
- The following Resolution No. 866.

WHEREAS, the Board of Trustees of the Police and Fire Retirement System has received a request for one Age & Service retirement from the following member of the plan:

Age & Service Retirement:

Frederick L. White, will retire October 4, 2023 from the Fire Department as a Fire Captain-Fleet Maintenance,

Credited Service: Thirty-one years

Pension: \$7,944.09.

RESOLVED, that the retirement be approved.

- KEIP participants: The Board of Trustees of the Police and Fire Retirement System has received requests by the following members of the plan to exit the KEIP Program:

KEIP Exit

Mark A. Konynenbelt, will exit the KEIP Program and retire on October 10, 2023 from the Police Department as a Police Sergeant,

Credited Service: Thirty-two years

Pension: \$6,507.77

James L. Storteboom, will exit the KEIP Program and retire on December 1, 2023 from the Fire Department as a Fire Equipment Operator,

Credited Service: Thirty-two years

Pension: \$5,925.47

John C. Wittkowski, will exit the KEIP Program and retire on October 7, 2023 from the Police Department as a Police Sergeant,

Credited Service: Thirty years and eight months

Pension: \$5,427.52

Mr. Wittkowski has an EDRO; Michele M. James will receive \$1,382.37/mo.

- Payment of administrative expenses of \$1,783.22 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:

\$39,869.19 – 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	\$4,593.13
Custody	<u>\$8,125.00</u>
Total	\$12,718.13

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 \$4,125,000 to be transferred to the cash account as follows: \$1,375,000 on October 2nd, \$1,375,000 on November 1st and \$1,375,000 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
	Harvest Fund Advisors	\$875,000
November 1 st	To be determined	\$1,375,000
December 1 st	To be determined	<u>\$1,375,000</u>
Total		\$4,125,000

The report was received and filed by the Chairman.

Ms. Korzen presented the Public Act 314 Asset Analysis showing a market value of \$486,142,630 on July 31, 2023. The report was received and filed by the Chairman.

Ms. Korzen next addressed the 13th Check calculations by noting that the five-year average book value rate of return was 6.80% for the Police & Fire 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 Annual Accounting for the General Retirement System for the period 07/01/22 – 06/30/23 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. Chairman Hawkins and Mr. Fabiano volunteered to serve. Chairman Hawkins noted that Ms. Korzen will coordinate a date to review the accountings and the Trustees will report their findings to the Board at a future Board meeting.

Ms. Korzen provided an update to Trustees on the IME-PC case stating that Mr. Michaud has been corresponding with IME-PC's attorneys regarding this issue. Mr. Michaud has settled the case with IME-PC's attorney and the General Retirement System will be remitting a check to IME-PC to finalize this case within the next few weeks. Checks for the two outstanding reports for the Police & Fire Retirement System members will also be mailed to IME-PC's attorney.

The meeting adjourned at 8:05 a.m.

The next Police & Fire Retirement System Board Meeting will be held Wednesday, November 15, 2023, at 9:25 a.m., 233 Fulton Street East, Suite 216, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
Police & Fire Retirement System