

GENERAL RETIREMENT SYSTEM
BOARD OF TRUSTEES
CITY OF GRAND RAPIDS
MICHIGAN

MINUTES
REGULAR MEETING
DECEMBER 19, 2018 – 8:00 a.m.
233 East Fulton Street

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, Ms. Donijo DeJonge, and Mr. Nathaniel Moody.

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

There were no public comments regarding agenda items.

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

- Minutes of the regular meeting of November 14, 2018.
- Retirements: two age & service, two deferred, and one early.

Age & Service Retirements:

Name	Credited Svc.	Ret. Date	Avg. Salary	Pension
Hueter, Martin P.	17 yrs. 4 mo.	01/23/2019	\$62,567.67	\$2,032.70
Wichterman, Susan K.	17 yrs. 9 mo.	02/08/2019	\$71,025.67	\$2,495.38

Deferred Retirements:

Name	Credited Svc.	Ret. Date	Avg. Salary	Pension
DeBok, Douglas L.	21 yrs. 8 mo.	12/01/2018	\$31,493.00	\$1,242.46
Zabielski, Jean M.	9 yrs. 7 mo.	12/01/2018	\$13,703.00	\$240.75

Early Retirement:

Name	Credited Svc.	Ret. Date	Avg. Salary	Pension
Harwood, Mark L.	27 yrs. 5 mo.	01/05/2019	\$67,191.00	\$2,795.70

- Payment of administrative expenses of \$6,015.44 for the period 11/01/18 – 11/30/18.

The motion carried.

Ms. Korzen next presented a report of Cash Account transfers for the period 01/01/19 – 03/31/19. The Retirement Systems Office staff projected a need for \$6,900,000 to be transferred to the cash account as follows: \$2,300,000 on January 2nd, \$2,300,000 on February 1st and \$2,300,000 on March 1st. Ms. Korzen recommended, and Mr. David Lindberg of Wilshire Associates agreed, making the transfers as follows:

January 2 nd	Wellington Management Company (Equities)	\$2,300,000
February 1 st	To be determined	\$2,300,000
March 1 st	To be determined	<u>\$2,300,000</u>
Total		\$6,900,000

Ms. Korzen commented that due to recent capital calls, it is necessary to transfer additional funds to the Cash Account for December 2018. After recent review of the investment accounts, The Executive Director requested to transfer \$500,000 from the NTAM account to the Cash account on December 28, 2018. Vice Chairman Tryc made the motion to approve the transfer of \$500,000 from the NTAM account to the Cash account on December 28, 2018. The motion was seconded by Mr. Timkovich and carried. The report was received and filed by the Chairman. (Cash Account Report found on page)

Ms. Korzen presented the Public Act 314 Asset Analyses showing a market value of \$396,814,419 on October 31, 2018 and \$397,992,588 on November 30, 2018. The reports were received and filed by the Chairman. (Analyses found on pages)

Mr. Paul Matz of Rehmann Robson presented Trustees with the annual audit for the fiscal year ending June 30, 2018. Mr. Matz provided Trustees with highlights from the audit, related statements, and required supplementary information. Some of the highlights included Rehmann’s responsibilities, a report on internal controls, significant audit findings, any difficulties encountered in the audit and any disagreements with management. Mr. Matz noted that the plan is being run efficiently, no unusual items were noted during their testing and there are no issues with the System’s internal controls. Mr. Matz also reviewed the *Independent Auditors’ Communication with Those Charged with Governance* report that was provided to Trustees. Mr. Timkovich asked what level of inquiry is performed on level 2 and 3 assets; Mr. Matz stated that the majority of their focus with their testing is on level 1 assets; however, Rehmann has a financial group that does provide additional research and testing on level 2 and 3 assets. They could be consulted if Trustees wish; there would be a nominal additional fee for this testing. The reports were received and filed by the Chairman.

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

The meeting adjourned at 8:17 a.m.

The next General Retirement System Board Meeting will be held Wednesday, January 16, 2019, at 8:10 a.m., 233 E. Fulton, Suite 216, Grand Rapids, Michigan.

Peggy Korzen
Executive Director
General Retirement System