

City of Ypsilanti Fire & Police Retirement Board

Minutes of Meeting of June 15, 2015

9:00 A.M.

This meeting is being recorded for Retirement Board purposes only. The tape will be used solely for a purpose of preparing written Minutes of today's proceedings and in no way replaces the official written record. The tape will be erased upon approval of the Minutes at the next regularly scheduled meeting.

President Pearson called the meeting to order at 9:06 a.m. in the Council Chambers at City Hall, One South Huron St., Ypsilanti, Michigan.

ROLL CALL

President Don Pearson

Secretary John Roe

City Treasurer Kimberly Teamer

Trustee Patrick Quinn - absent

Trustee Deric Gress

ALSO PRESENT - Fred Williams, YFD Firefighter
Rheagan Basabica, CPA, Finance Dept.
Tom Michaud, Attorney
Robert Diskin, Finance Manager
Kathleen J. Campbell, Board Assistant

APPROVAL OF THE AGENDA - The Agenda was approved as presented. Teamer/Gress.

RES 2015-18 APPROVAL OF MINUTES OF APRIL 20, 2015 MEETING.

The Minutes of April 20, 2015 were approved as presented. Teamer/Gress.

AUDIENCE PARTICIPATION – Firefighter Fred Williams asked questions and the Attorney answered.

PRESIDENT'S REPORT (PEARSON) – Policy Statement Motion: There was discussion with the Board concerning deadlines for paperwork. Mr. Michaud recommended that he develop a check list for DROP Procedures and the Board approved that he do so.

CORRESPONDENCE (ROE) – The correspondence was distributed.

BUDGET FOR FY 2015-2016 – Review and accept

MOTION: City Treasurer offered and Trustee Gress supported a motion to review and accept the Council Approved Budget Report as of: June 30th, 2015 for the Fire and Police Retirement Fund, dated 6-08-2015 10:57 AM. Approved.

CITY ADMINISTRATIVE SERVICES CONTRACT WITH FIRE AND POLICE RETIREMENT BOARD –

MOTION: City Treasurer Teamer offered and Trustee Gress supported a motion to accept and approve the Administrative Services Contract between the Board and the City of Ypsilanti in the amount of \$25,783.63 for fiscal year 2015-2016.

President Donald Pearson and City Manager Ralph A. Lange signed the contract.

Approved.

RES 2015-19 DRAWDOWN OF PENSION FUNDS FOR FISCAL YEAR 2015-2016</

a monthly drawdown from the Retirement Board, in the amount of \$180,000.00, to cover the expenditures of the Fire and Police Pension Fund for the FY 2015-2016, and
WHEREAS, the drawdown will be reviewed by the Retirement Board prior to April 1, 2016 to make any necessary adjustments for the last quarter of FY 2015-2016.

WHEREAS the request is in order; and,

THEREFORE BE IT RESOLVED that the Board accepts the request and directs Mr. Robert Diskin of Raymond James Financial Services, Inc. to take all necessary steps to pay the requested drawdown amount of \$2,160,000.00 in monthly increments of \$180,000.00 for the 2015-2016 Fiscal Year, to be wired to the City's account on or before the 15th of each month.

Gress/Teamer.

FINANCIAL REPORT (DISKIN) – Mr. Diskin presented the Finance Report.

LEGAL REPORT (MICHAUD) – Review and Adopt: FOIA Policy

Mr. Michaud reported on the Freedom of Information Act (FOIA) policy.

MOTION: Freedom of Information Act (FOIA).

Trustee Gress offered and Secretary Roe supported a motion to approve and adopt the Freedom of Information Act (FOIA). FOIA Coordinator being Accounting Supervisor Rheagan Basabica, e-mail: rbasabica@cityofypsilanti.com.

Approved.

Check List of items to put on the City Website on August Agenda.

PAYMENT RESOLUTIONS

- A. RES 2015-20 Approved payment to Essex Investment Management Co., LLC for investment management services for the quarter of January 1, 2015 – March 31, 2015, in the amount of \$10,250.14. Gress/Roe.
- B. RES 2015-21 Approved payments to Gabriel, Roeder, Smith & Company for Invoice #414324 regular actuarial and consulting services performed for quarter ended June 30, 2015 in the amount of \$2,150.00. Gress/Roe
- C. RES 2015-22 Approved payment to Kathleen J. Campbell, Board Assistant, for services rendered for the period 4/14/2015 – 6/9/2015 in the amount of \$1,434.50. Gress/Roe.

OLD BUSINESS

RES 2015-23 Edward Montalvo - City of Ypsilanti Fire Department Firefighter – Annuity Withdrawal Distribution Under DROP Program - Corrected

WHEREAS, the Board of Trustees of the City of Ypsilanti Fire and Police Retirement System is vested with the authority for the administration, management and operation of the Retirement System, and

WHEREAS, Edward Montalvo has elected to participate in the Deferred Retirement Option Plan (DROP) effective March 15, 2015, and

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WHEREAS, Mr. Montalvo's Accumulated Contribution Account balance is currently \$153,522.74, therefore be it

RESOLVED, that Mr. Montalvo be credited with interest of \$25,834.34 on his accumulated contributions through June 2015, for a total of \$127,688.41, and further

RESOLVED, that the Board is in receipt of the option choice of Straight Life (Life Pension with 60% Surviving Spouse Benefit) and supporting documentation, the Board of Trustees authorizes the distribution of Mr. Montalvo's accumulated contribution account balance and interest as detailed above and in accordance with his elections and the DROP, and further

RESOLVED, that Mr. Montalvo shall, upon retirement, receive a bi-weekly pension benefit in the amount of \$1,663.11 (based upon an annual regular pension of \$43,240.80), and further

RESOLVED, that benefits be paid consistent with the foregoing, and further

RESOLVED, that a copy of this resolution shall be provided to Mr. Montalvo and the appropriate City representatives.

Gress/Teamer.

Michael K. Kouba – MOTION: Receive and file EDRO Calculation of 5/6/15 8:41A.M.

MOTION: City Treasurer Teamer offered and Trustee Gress supported a motion to receive and file the Eligible Domestic Relations Order (EDRO) – “Kouba vs. Kouba, court ordered 30th day of April, 2009,” and Rheagan Basabica, CPA, City of Ypsilanti Finance Department's Calculation of 5/6/15 8:41A.M.

Approved.

Thomas C. Eberts – MOTION: Request for DROP Benefit Final Calculation

MOTION: Trustee Gress offered and City Treasurer Teamer supported a motion to approve City of Ypsilanti Police Officer Thomas C. Eberts' application for the Deferred Retirement Option Plan (DROP) effective June 5, 2015. The Finance Department is directed to provide necessary information to the Actuary to make the final calculations.

Approved.

NEW BUSINESS

RES No. 2015-24 Re: Adjustment of Pension Benefits to Meet Poverty Thresholds for 2014.

WHEREAS the Board of Trustees is vested with the authority and fiduciary responsibility for the proper administration, management and operation of the Retirement System, and

WHEREAS, The Board, in accordance with its policy (Resolution No. 96-032), shall ensure that the pension benefits of certain retirees and beneficiaries are equivalent to the poverty thresholds in effect on December 31 of the previous year, and

WHEREAS, the pension benefits of retirees and beneficiaries shall meet the poverty threshold for the prior calendar year based upon a two person household 65 years of age and over, as determined by the United States Department of Commerce, Bureau of the Census, and

WHEREAS, the Board is in receipt of a copy

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RESOLVED, that the current pension benefits of retirees and beneficiaries shall be adjusted effective July 1, 2015, to meet the estimated poverty threshold based upon a two person household 65 years of age and over, which has been determined by the United States Department

of Commerce, Bureau of the Census to be \$14,309.00 for 2014, which is an increase of \$228.00 for the year, and further

RESOLVED that the adjustments to pension benefits shall not apply to those individuals or beneficiaries who are receiving benefits based upon a deferred vested retirement, and further

RESOLVED, that in the event pension benefits are being divided pursuant to a court order, the combined total of pension benefits being paid shall be used to determine poverty thresholds and any adjustments shall be apportioned between the parties in accordance with the court order, and further

RESOLVED, that a copy of this resolution shall be forwarded to the Mayor, the City Council, the Finance Director, the Human Resources, and all interested parties.

Roe/Gress.

Mr. Hobbs asked about the definition of 'year' used in calculation of benefits for DROP and Retirement applications. Mr. Michaud stated that the calculation is based on 26 pay periods per year and any changes will have to be made in negotiations between the City and Unions.

RAY WALTON, FORMER POLICE CHIEF, DECEASED –

MOTION: Secretary Roe offered and Trustee Gress supported a motion to terminate immediately payment of pension benefits to Mr. Ray Walton, retired former Police Chief. Mr. Walton died on May 10, 2015. Approved.

MARJORIE STENNING, BENEFICIARY OF WILLIAM STENNING, DECEASED –

MOTION: Secretary Roe offered and Trustee Gress supported a motion to terminate immediately payment of pension benefits to Mrs. Stenning, widow of Police Officer Stenning. Mrs. Stenning died May 17, 2015. Approved.

ADJOURNMENT

MOTION: City Treasurer Teamer offered and Trustee Gress supported a motion to adjourn the meeting of June 15, 2015 at 10:37 a.m. Approved.

Adjourned 10:37 a.m.

Next scheduled meeting Monday, August 17, 2015, 9A.M.