

CITY OF YPSILANTI
FIRE AND POLICE RETIREMENT BOARD
Minutes of Meeting of June 16, 2014
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 Don Pearson called the meeting to order at 9:11 a.m. City Hall Council Chambers, One South Huron St. Ypsilanti, Michigan.

ROLL CALL

President Don Pearson	Trustee Patrick Quinn
Secretary John Roe	Trustee Deric Gress
City Treasurer Kimberly Teamer	

ALSO PRESENT - Tom Michaud, Attorney
Robert Diskin, Finance Manager
Marilou Uy, Finance Director
Rheagan Basabica, Finance Dept.
Kim Jones, Finance Dept.
Phillip Gregory Brassey-Brierley, Firefighter
Rodney Schroeder
Michael Kouba
Les Heddle
Madison
Jon Ischesco, Retired Fire Chief
Kathleen J. Campbell, Board Assistant

APPROVAL OF THE AGENDA - Approved as amended.

RES 2014-22 APPROVAL OF MINUTES OF FEBRUARY 17, 2014 MEETING;
APPROVAL OF MINUTES OF APRIL 21, 2014, INFORMATIONAL MEETING;
APPROVAL OF MINUTES OF APRIL 23, 2014 SPECIAL MEETING.

MOTION: A Motion for accept and file the above listed three sets of Minutes was offered by Trustee Quinn and supported by Trustee Gress. The Minutes of February 17, 2014 were approved as presented; the Minutes of April 21, 2014 were approved as corrected to rescind Sgt. Eberts' application for DROP program; the Minutes of April 23, 2014 Special Meeting were approved as corrected to formally rescind Sgt. Eberts' application for DROP program and to delete Mr. Diskin and Mr. Michaud from the ALSO PRESENT list.

AUDIENCE PARTICIPATION

Mr. Les Heddle asked questions about the actuarial calculations of the retirement fund. Mr. Michaud answered his questions.

Rodney Schroeder asked about the change in the date of retirement on his paperwork after he had signed it.

Mr. Kouba asked questions and Mr. Michaud replied during the Legal portion of the Agenda.

PRESIDENT'S REPORT (PEARSON) - No report.

CORRESPONDENCE (ROE) - Correspondence was distributed.

BUDGET -

MOTION: Trustee Quinn offered and Trustee Roe supported a motion to adopt the Budget for FY 2014-2015, dated 6-09-2014 11:16 AM as presented.

Approved.

CONTRACT WITH CITY, SIGN, MOTION TO ACCEPT AND APPROVE

CITY ADMINISTRATON SERVICES CONTRACT

MOTION: Patrick Quinn offered and John Roe supported a motion to accept and approve the Administrative Services Contract between the Board and the City of Ypsilanti in the amount of \$24,478.00 for fiscal year 2014-2015.

Approved.

DRAWDOWN OF PENSION FUNDS FOR FISCAL YEAR 2014-2015

MOTION: Trustee Quinn offered and Trustee Gress supported a motion to suspend current drawdown payments pending further analysis. The matter will be presented for review at the August 18, 2014 meeting.

FINANCIAL REPORT (DISKIN) - Mr. Diskin presented the Financial Report.

LEGAL REPORT (MICHAUD) - Mr. Michaud spoke about the GASB67 Funding requirements.

Mr. Michaud reported receiving a Subpoena for information concerning Jennifer Schembri vs. Anthony Joseph Schembri from The Corriveau Law Firm. The Board directed the Board Assistant to gather and provide the information, with appropriate billing, to the listed law firm.

Kouba v. Kouba: Legal Counsel responded to questions from Michael Kouba regarding the calculation of his DROP account balance. Mr. Kouba entered the DROP in April 2012. After review of the Kouba EDRO, dated April 30, 2009, Mr. Michaud stated that Mr. Kouba's full pension benefit shall be credited to his DROP account, until benefits commence upon separation of employment or pursuant to the EDRO.

Mr. Michaud presented Recent Legal Issues and Decisions, dated April 28, 2014, for the past year, as informational items for the Board and will be filed..

Preliminary Work on GASB67 Standards

MOTION: Trustee Quinn offered and City Treasurer Teamer supported a motion to Gabriel, Roeder, Smith & Company that the City of Ypsilanti Fire & Police Retirement Board approves proceeding with the preliminary work on the GASB67 standards.

Approved.

PAYMENT RESOLUTIONS

- A. RES 2014-23 Approved payment to Kathleen J. Campbell, Board Assistant, for services rendered for the period 4/23/2014 – 6/10/22/2014 in the amount of \$964.25. Quinn/Teamer.
- B. RES 2014-24 Approved payment to City of Ypsilanti Administration Services FY 2013-2014 in the amount of \$25,173.00. Quinn/Teamer.
- C. RES 2014-27 Approved payment to Gabriel, Roeder, Smith & Company for Invoice #122403 regular actuarial and consulting services performed for quarter ended June 30, 2014 in the amount of \$2,100.00. Quinn/Teamer.

OLD BUSINESS

RES 2014-25 - Adjustment of Pension Benefits to Meet Poverty Thresholds for 2013.

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 of communication from the United States Department of Commerce, Bureau of the Census, which provides information regarding said thresholds, and

WHEREAS, the Board has reviewed the pension benefits of retirees and beneficiaries and has determined that the pension benefits of certain retirees do not meet the current estimated poverty threshold level, therefore be it

RESOLVED, that the current pension benefits of retirees and beneficiaries shall be adjusted effective July 1, 2014, 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 \$14,081.00 for 2013, which is an increase of \$203.00 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.

Quinn/Teamer. Approved.

NEW BUSINESS

RALPH PARKER, JR DECEASED 5/20/2014 - MOTION TO DISCONTINUE HIS PENSION
MOTION: Trustee Gress offered and City Treasurer Teamer supported a motion to terminate immediately payment of pension benefits to Ralph Parker, Jr. Police Retiree. Mr. Parker died on May 20, 2014. Approved.

RES 2004-26 - RODNEY SCHROEDER RETIREMENT

Re: Firefighter Rodney L. Schroeder – Retirement from the DROP

WHEREAS, City of Ypsilanti Firefighter Rodney L. Schroeder submitted his application requesting Retirement from the DROP program with an effective retirement date of May 16, 2014, and

WHEREAS, Mr. Schroeder entered the DROP program with twenty years of service credit on May 16, 2009, and

WHEREAS, the Board of Trustees has verified that the aforesaid participant meets all those requirements for a service retirement as established pursuant to the provisions of the Retirement System and applicable collective bargaining agreement when he entered the DROP program, and WHEREAS, the Board of Trustees has provided all necessary personal and financial data to the Board's actuary who has completed all necessary reports relating to participant and/or designated beneficiary when he entered the DROP program, and

WHEREAS, Mr. Schroeder has reviewed the actuarial calculations and elected a regular retirement pension when he entered the DROP program, and further

WHEREAS, Mr. Schroeder has requested distribution of his DROP Account under the provisions of the Retirement System and collective bargaining agreement, and

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees hereby grants Mr. Schroeder retirement from the DROP program effective May 16, 2014, and further

RESOLVED, that Mr. Schroeder shall receive a bi-weekly pension benefit in the amount of \$1,590.23 (based upon an annual regular pension of \$41,345.88), and further

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

RESOLVED, that the Board of Trustees hereby approves the request of Mr. Schroeder to be paid accumulated DROP Account payments of \$179,878.59 and further

RESOLVED, that Mr. Schroeder be credited with interest of \$20,417.01 on his accumulated DROP payments through May 31, 2014, for a total DROP payout of \$200,295.60 and further

RESOLVED, that copies of this resolution be forwarded to Mr. Schroeder, the Payroll Technician and the Finance Director.

Gress/Teamer. Approved.

Firefighter Phillip Gregory Brassey-Brierley application for Actuarial Estimates.

MOTION: City Treasurer Teamer offered and Trustee Quinn supported a motion that the request for actuarial retirement calculations for City of Ypsilanti Fire Department Firefighter Phillip Gregory Brassey-Brierley is approved. The Finance Department is directed to provide necessary information to the Actuary to make the calculations.

Approved.

Police Sgt. Thomas Eberts' - Rescind his application to the DROP Program.

MOTION: City Treasurer Teamer offered and Trustee Quinn supported a motion to rescind Police Sgt. Thomas' application to the DROP Program.

Approved.

ADJOURNMENT - President Pearson adjourned the June 16, 2014 meeting at 10:55 a.m.

Next scheduled meeting Monday, August 18, 2014, 9:00 A.M.