

**CITY OF YPSILANTI
FIRE AND POLICE RETIREMENT BOARD
Minutes of Meeting of October 20, 2014
3:00 P.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 3:07 p.m. at Eagle Crest Conference Center, Ypsilanti, Michigan.

ROLL CALL

President Don Pearson

Trustee Patrick Quinn

Secretary John Roe - absent

Trustee Deric Gress

City Treasurer Kimberly Teamer

ALSO PRESENT - Tom Michaud, Attorney
Robert Diskin, Finance Manager
David Hoffman, Actuary, Gabriel Roeder Smith & Company
Ken Hobbs, Firefighter
Edward Montalvo, Firefighter
Kathleen J. Campbell, Board Assistant

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

RES 2014-37 APPROVAL OF MINUTES OF AUGUST 18, 2014 MEETING. The Minutes of August 18, 2014 were approved as presented. Teamer/Gress.

AUDIENCE PARTICIPATION - Firefighter Edward Montalvo was present because he has requested an estimate to be approved at this meeting. Firefighter Hobbs was observing the meeting.

PRESIDENT'S REPORT (PEARSON) - President Pearson spoke about making sure that the Members' Handbook in the white 3-ring binder is not used because it is outdated. There was discussion about confirming that the members receiving pensions are alive with the Verification process.

CORRESPONDENCE (ROE) - The correspondence was distributed.

DAVID HOFFMAN, GABRIEL ROEDER SMITH & CO. - Mr. Hoffman gave a presentation on the 59th Actuarial Valuation Report, June 30, 2014.

MOTION: Trustee Quinn offered and Trustee Gress supported a Motion informing the Actuary to calculate the 59th Actuarial Valuation Report June 30, 2014, assuming a closed 30 year amortization period. Approved.

FINANCIAL REPORT (DISKIN) - Review of Investment Policy Statement including compliance with new investment limitations of Act 314.

Mr. Diskin presented the financial report. He also reported that Mr. Michaud and he have reviewed the Investment Policy Statement.

MOTION: Trustee Gress offered and Treasurer Teamer supported a motion to accept the revised Statement of Investment Policy, Objectives and Guidelines. The revision is on page 9,

under V. INVESTMENT OBJECTIVES, A. General Objectives, 2. ‘...The current Actuarial Assumption as utilized by the Board’s Actuary is ~~8.0%~~ 7.5%.’ The report was Adopted October 20, 2014. Approved.

LEGAL REPORT (MICHAUD) - The following policies will be on the December 15, 2014 Agenda:
GASB67 Funding Policy
FOIA Policy, Review and Readopt
Travel Policy

PAYMENT RESOLUTIONS

- A. RES 2014-38 Approved payment to Gabriel, Roeder, Smith & Company for Invoice #123029 regular actuarial and consulting services performed for quarter ended September 30, 2014 in the amount of \$2,150.00. Gress/Quinn
- B. RES 2014-39 Approved payment to Gabriel, Roeder, Smith & Company for Invoice #122826 regular actuarial and consulting services performed for quarter ended March 31, 2014 in the amount of \$2,100.00. Gress/Quinn
- C. RES 2014-40 Approved payment to Kathleen J. Campbell, Board Assistant, for services rendered for the period 8/6/2014 – 10/13/2014 in the amount of \$1,577.00. Gress/Quinn
- D. RES 2014-43 Approved payment to Stonebridge Capital Advisors LLC for statement of management fees for the period October 1 to December 31, 2014, in the amount of \$6,771.15. Gress/Quinn
- E. RES 2014-44 Approved payment to Orleans Capital Management for investment management services for the period 7/1/14 to 9/30/14, in the amount of \$4,487.58. Gress/Quinn
- F. RES 2014-45 Approved payment to Orleans Capital Management for investment management services for the period 7/1/14 to 9/30/14, in the amount of \$4,487.58. Gress/Quinn
- G. RES 2014-46 Approved payment to Essex Investment Management Co., LLC for investment management services for the quarter of July 1, 2014 – September 30, 2014, in the amount of \$9,328.38. Gress/Quinn

OLD BUSINESS - There was no old business.

ANNUAL REPORT TO MEMBERS - President Pearson presented the Annual Report to the Board. It will be put on the City of Ypsilanti Webpage under the Board’s section.

NEW BUSINESS

Firefighter Edward Montalvo - Request for Estimate.

MOTION: Trustee Gress offered and Trustee Teamer supported a motion that the request for actuarial retirement calculations for City of Ypsilanti Fire Department Firefighter

Edward Montalvo is approved. The Finance Department is directed to provide necessary information to the Actuary to make the calculations.

Approved.

RES 2014-42 Michelle L. Stanbury, Retiree, Election of DROP Account Distributions

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, Retiree Michelle Stanbury has elected to participate in the Deferred Retirement Option Plan (DROP) effective June 27, 2009, and

WHEREAS, Retiree Michelle Stanbury elected not to withdraw the funds being held in her accumulated DROP account at the time of her retirement, October 26, 2012, and

WHEREAS, the Board of Trustees is in receipt of a request from Retiree Stanbury to commence receipt of her Accumulated Contribution DROP Account, and

WHEREAS, Retiree Stanbury's Accumulated DROP Account balance is currently \$173,643.64, therefore be it

RESOLVED, that Retiree Stanbury be credited with interest of \$23,970.58 on her accumulated DROP pension payments through October 2014, for a total of \$149,673.06 and further

RESOLVED, that the Board is in receipt of the option choice of Regular Option and supporting documentation, the Board of Trustees authorizes the distribution of Retiree Stanbury's accumulated DROP account balance and interest as detailed above and in accordance with her elections and the DROP, and further

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

Gress/Quinn.

President Pearson recessed the meeting at 4:46 p.m. and reconvened the meeting at 4:54 p.m.

FUND MANAGERS' PRESENTATIONS - At Eagle Crest Conference Center

1. Orleans Capital and Orleans Strategic Dividend - Phyllis Kyle, Fixed Income Investment Management and Ken Zschappel, Strategic Dividend Investment Management.
2. Essex Investment - Nancy Prial, CFA, Managing Principal & Portfolio Manager.
3. Stonebridge Capital - David Eckenrode, Director of Equity Management, Portfolio Manager..

ADJOURNMENT

President Pearson adjourned the October 20, 2014 meeting at 6:38 p.m.

Next scheduled meeting Monday, December 15, 2014, 9A.M.