

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, August 21, 2017
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 am in the Council Chambers at City Hall, located at One S. Huron Street, Ypsilanti, MI 48197.

ROLL CALL

President Don Pearson (Present)

Trustee Patrick Quinn (Present)

Secretary Deric Gress (Present)

Trustee Richard Barnabo (Present)

City Treasurer Kimberly Teamer (Present)

ALSO PRESENT:

Marilou Uy, Director of Fiscal Services

Rheagan Basabica, CPA, Finance Department

Firefighter, Edward Montalvo

APPROVAL OF THE AGENDA- Attorney Tom Michaud informed the Board that they are now in receipt of Police Detective Robert Peto's Eligible Domestic Relations Order (EDRO). Therefore, Board Assistant, Sammone Dixon, recognized this addition and added the authorization to accept Detective Peto's EDRO as Resolution 2017-45. Once this modification was made, the Board approved the agenda. **(Pearson/Quinn)**

RES 2017-32 APPROVAL OF MINUTES OF June 19, 2017 MEETING. (Barnabo/Pearson)

AUDIENCE PARTICIPATION – Firefighter Edward Montalvo raised a question concerning the City of Ypsilanti retirement process from start to receiving benefits. Attorney Tom Michaud, Rheagan Basabica and Sammone Dixon provided Firefighter Montalvo with a thorough explanation. Overall, as soon as the Board and the Fiscal Department is in receipt of paperwork (i.e. retirement application, exit information, EDRO if applicable etc.) the sooner the process can begin. The process can take up to 60 days prior to receiving retirement benefits. This timeframe is also influenced by the contract within each department. Secretary Gress supported the explanations offered by the Attorney Michaud, Rheagan and Sammone. In addition, Secretary Gress emphasized the importance of informing the department ahead of time to avoid a drastic decrease in employees.

PRESIDENT'S REPORT (PEARSON) – President Pearson discussed that in accordance with Public Act 530 2016, the Board must not only inform Ypsilanti retirees via city website of the summary annual reports, but must report to the State of Michigan Department of Treasury. Finance Director, Marilou, mentioned she met with David Hoffman from Gabriel, Roeder, Smith & Company on requirements needed to give to the State of Michigan.

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, August 21, 2017
9:00 A.M.

Page 2

President Pearson also added that there will be a letter sent to actuaries in request for information. Attorney Tom Michaud reaffirmed the Board that he will send a Request for Information to actuaries.

President Pearson raised a question involving the passage of the millage in Ypsilanti. More specifically, President Pearson's inquiry involved whether or not the millage would impact the Board and if so, how much. Finance Director, Marilou, offered the explanation that she is not sure how the council will decide on excess funds, if there will be any at all. Secretary Gress added the notion that if Washtenaw County's millage pass, it may have an influence on the City of Ypsilanti.

CORRESPONDENCE (GRESS) – No report.

FINANCIAL REPORT (DISKIN) – Robert Diskin discussed the annual report information for Fiscal Year 2016-17. In addition, Robert discussed the June 30, 2017 Calendar Year to Date and the July 31, 2017 Calendar Year to Date reports of money managers (Orleans Div., Orleans, Stonebridge, Essex and First Eagle).

LEGAL REPORT (MICHAUD) – Attorney Michaud offered to provide information as it appears on the agenda. No report.

PAYMENT RESOLUTIONS

- A. **RES 2017-33** Approved payment to *Gabriel, Roeder, Smith & Company* for regular actuarial and consulting services for the calendar quarter ended June 30, 2017, in the amount of \$2,200.00. **(Quinn/Teamer)**
- B. **RES 2017-34** Approved payment to *Stonebridge Capital Advisors, LLC* for statement of management fees for the period July 1 to September 30, 2017, in the amount of \$6,890.88. **(Quinn/Teamer)**
- C. **RES 2017-35** Approved payment to *Essex Investment Management Co., LLC* for investment management services for the quarter of April 1, 2017 – June 30, 2017, in the amount of \$7,374.46. **(Quinn/Teamer)**
- D. **RES 2017-36** Approved payment to *Orleans Capital Management* for investment management services for the period 04/01/17 to 06/30/17, in the amount of \$4,138.17. **(Quinn/Teamer)**
- E. **RES 2017-37** Approved payment to *Orleans Capital Management* for investment management services for the period 04/01/17 to 06/30/17, in the amount of \$6,987.34. **(Quinn/Teamer)**

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, August 21, 2017
9:00 A.M.

Page 3

F. **RES 2017-38** Approved payment to *VANOVERBEKE, MICHAUD & TIMMONY, P.C.* for legal services for the period 7/1/16 to 6/30/17, in the amount of \$5,547.50.

(Quinn/Teamer)

G. **RES 2017-39** Approved payment to *Sammone N. Dixon*, Board Assistant, for services rendered for the period of 6/19/17-8/17/17 in the amount of \$1, 115.00. **(Quinn/Teamer)**

OLD BUSINESS

Outstanding Retiree Verifications—Board Assistant, Sammone Dixon informed the Board of the outstanding number of missing verifications. The Board authorized Sammone to send out second notices to all retirees that have not returned their verification to the Board. Attorney Michaud advised the Board to give retirees 30 days to respond to the second notice and send out a third notice after the 30 days have expired. The Board ruled in favor of this suggestion and set the deadline to receive verifications by **September 15, 2017**. After September 15th, the Board will send out the third notice and Sammone will provide an update to the Board on the next scheduled meeting, October 16, 2017.

NEW BUSINESS

RES 2017-40 Board sponsorship for Board Trustees attendance at the 2017 MAPERS Fall Conference, September 17th – 19th, Shanty Creek Resort –Bellaire, MI **(Quinn/Barnabo)**

WHEREAS the Board wishes to sponsor and pay for attendance of Board Trustees at the 2017 MAPERS Fall Conference, September 17th - 19th, Shanty Creek Resort –Bellaire, MI, therefore be it

RESOLVED that the Finance Director is authorized to issue appropriate checks, as directed by the Board, to cover the expenses of the conference registration, hotel rooms, meals and such other expenses as appropriate under the Retirement Board's travel policy.

RES 2017-41 Annette Coppock, City of Ypsilanti Police Department – Annuity Withdrawal Distribution under DROP Program **(Quinn/Barnabo)**

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, Annette Coppock, a participant in the Deferred Retirement Option Plan (DROP) effective June 29, 2017, with effective retirement date no later than June 29, 2022, and

WHEREAS, Annette Coppock hereby elect full payment of Accumulated Contribution including interest paid to her, and

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, August 21, 2017
9:00 A.M.

Page 4

WHEREAS, the Board of Trustees is in receipt of a request from Mrs. Coppock to commence receipt of her Accumulated Contribution Account, and
WHEREAS, Mrs. Coppock's Accumulated Contribution Account balance as of August 14, 2017 is currently \$149,830.43, therefore be it
RESOLVED, that Mrs. Coppock be credited with interest of \$31,636.20 on her accumulated contributions through August 2017, for a total of \$181,466.63, 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 Mrs. Coppock's accumulated contribution account balance and interest as detailed above and in accordance with her elections and the DROP, and further
RESOLVED, that Mrs. Coppock shall receive a full payment distribution in the amount of \$181,466.63, and further
RESOLVED, that Mrs. Coppock shall receive an annual retirement benefit of \$54,403.76 and a bi-weekly benefit in the amount of \$2,107.83, and further
RESOLVED, that benefits be paid consistent with the foregoing, and further
RESOLVED, that a copy of this resolution shall be provided to Mrs. Coppock and the appropriate City representatives.

RES 2017-42 Lt. Deric Gress, City of Ypsilanti Police Department – Annuity Withdrawal Distribution under DROP Program (**Quinn/Barnabo**)

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, Lt. Deric Gress, a participant in the Deferred Retirement Option Plan (DROP) since June 30, 2017, with effective retirement date no later than June 30, 2022, and
WHEREAS, Lt. Deric Gress hereby elect full payment of Accumulated Contribution be paid to him and interest be rolled over to Charles Schwab & Co. Inc., and
WHEREAS, the Board of Trustees is in receipt of a request from Lt. Gress to commence receipt of his Accumulated Contribution Account, and
WHEREAS, Lt. Gress' Accumulated Contribution Account balance as of August 14, 2017 is currently \$162,166.04, therefore be it
RESOLVED, that Lt. Gress be credited with interest of \$30,827.85 on his accumulated contributions through August 2017, for a total of \$192,993.89, 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 Lt. Gress' accumulated contribution account balance and interest as detailed above and in accordance with his elections and the DROP, and further
RESOLVED, that Lt. Gress shall receive a full payment distribution in the amount of \$162,166.04, and further
RESOLVED, that Lt. Gress' interest of \$30,827.85 on his accumulated contributions through August 2017 be rolled over to Charles Schwab & Co. Inc , and further

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, August 21, 2017
9:00 A.M.

Page 5

RESOLVED, that Lt. Gress shall receive an annual retirement benefit of \$55,670.28 and a bi-weekly benefit in the amount of \$2,141.16, and further
RESOLVED, that benefits be paid consistent with the foregoing, and further
RESOLVED, that a copy of this resolution shall be provided to Lt. Gress and the appropriate City representatives.

RES 2017-43 Michael Johnson – Refund of Accumulated Contributions (Quinn/Barnabo)

WHEREAS, the Board of Trustees is in receipt of a request from Michael Johnson requesting refund of his accumulated contributions to the City of Ypsilanti Fire and Police Retirement System; and

WHEREAS terminated service with the Ypsilanti Fire Department effective August 12, 2017 at which time he had 3 years and 1 day of service credit from his hire date of August 11, 2014.

WHEREAS, the Board has discussed this matter, therefore be it

RESOLVED, that the Board of Trustees hereby approves the request of Mr. Johnson to refund accumulated contributions of \$13,306.68 with interest of \$260.97, and further

RESOLVED, that payment in the total amount of \$13,567.65 be made to Mr. Johnson consistent with Retirement System provisions and this resolution, and further

RESOLVED, that payment is subject to verification of correct contribution and interest amounts and prior to withdrawals, if any, and further

RESOLVED, that a copy of this resolution shall be forwarded to Mr. Johnson.

RES 2017-44 LT. Dennis Szymankiewicz, City of Ypsilanti Police Department – Annuity Withdrawal Distribution (Quinn/Barnabo)

WHEREAS, the Board of Trustees is in receipt of a request from Lt. Szymankiewicz requesting refund of his accumulated contributions to the City of Ypsilanti Fire and Police Retirement System; and

WHEREAS, Lt. Szymankiewicz retired with the Ypsilanti Police Department effective June 30, 2017 at which time he had 19 years, 8 months, 1 week and 6 days of service credit from his hire date of October 20, 1997.

WHEREAS, the Board has discussed this matter, therefore be it

RESOLVED, that the Board of Trustees hereby approves the request of Lt. Szymankiewicz to refund accumulated contributions of \$147,602.15 with interest of \$27,347.76, and further

RESOLVED, that payment in the total amount of \$174,949.91 be made to Mass Mutual consistent with Retirement System provisions and this resolution, and further

RESOLVED, that Lt. Szymankiewicz shall receive an annual retirement benefit of \$51,064.20 and a bi-weekly benefit in the amount of \$1,964.00, and further

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, August 21, 2017
9:00 A.M.

Page 6

RESOLVED, that payment is subject to verification of correct contribution and interest amounts and prior to withdrawals, if any, and further

RESOLVED, that a copy of this resolution shall be forwarded to Lt. Szymankiewicz.

RES 2017-45 Robert L. Peto v. Mariellen Peto Washtenaw County Circuit Court Case
No. 03-000859-DM (**Quinn/Teamer**)

WHEREAS, the Board is in receipt of a Eligible Domestic Relations Order dated August 16, 2017, wherein Mariellen Peto, the Alternate Payee, is awarded certain rights to the benefits of Robert L. Peto, the Participant, and

WHEREAS, the Alternate Payee is entitled to claim a portion of the Participant's retirement benefit from the Defined Benefit Plan which is subject to the Alternate Payee filing an application for same, and

WHEREAS, the Alternate Payee is also entitled to receive a distribution from the Participant's contributions to the Defined Contribution Plan which is subject to the Alternate Payee filing an application for same, and

WHEREAS, the payments from the Defined Benefit Plan to the Alternate Payee shall begin when the Participant commences benefits from the Retirement System, unless the Alternate Payee elects to receive benefits at any time after the Participant reaches his earliest retirement date, and

WHEREAS, distribution from the Defined Contribution Plan to the Alternate Payee shall occur when the Participant commences benefits from the Retirement System, unless the Alternate Payee elects to receive benefits at any time after the Participant reaches his earliest retirement date, and

WHEREAS, the Board's policy is to require that the cost for the actuary's calculations are to be borne by the parties to the domestic relations proceedings, and the order provides that the Participant shall be solely responsible for any and all additional costs for actuarial services, and

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law including Public Act 46 of 1991 (MCLA 38.1701) as amended, therefore be it RESOLVED, that the Board acknowledges receipt of said court order, will pay pension benefits consistent with said order subject to an application being filed by the Participant or the Alternate Payee seeking payment, and further

RESOLVED, that upon application of either the Alternate Payee or the Participant this file be forwarded to the Board's actuary for calculation of the benefits, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and

RESOLVED, that copies of this resolution be sent to David S. Hammond, Esq., attorney for the Participant; Robert L. Peto, the Participant; Mariellen Peto, the Alternate Payee; and the Board's actuary.

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, August 21, 2017
9:00 A.M.

Page 7

ADJOURNMENT

MOTION: Trustee Patrick Quinn offered and City Treasurer supported a motion to adjourn the meeting at 10:11 am.

Adjourned 10:11 am.

Next Scheduled Meeting:
Monday, October 16, 2017 @ 3:00pm
Eagle Crest Conference Center
1275 S. Huron St.
Ypsilanti, Michigan 48197