

City of Ypsilanti Fire & Police Retirement Board
Minutes of Meeting: Monday, October 16, 2017
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 Don Pearson called the meeting to order at 3:10 pm at the Eagle Crest Conference Center, 1275 S. Huron St., Ypsilanti, Michigan 48197.

ROLL CALL

President Don Pearson
Secretary Deric Gress
City Treasurer Kimberly Teamer (absent)

Trustee Patrick Quinn
Trustee Richard Barnabo

ALSO PRESENT:

Fire Chief, Max Anthouard – City of Ypsilanti Fire Department (YFD)
Accounting Supervisor, Rheagan Basabica, CPA– City of Ypsilanti Finance Department

APPROVAL OF THE AGENDA – Trustee Patrick Quinn offered and Trustee Richard Barnabo supported the motion to approve the agenda. **APPROVED (Quinn/Barnabo)**

RES 2017-46 APPROVAL OF MINUTES OF August 21, 2017 MEETING. –Trustee Richard Barnabo offered and Trustee Patrick Quinn supported the motion to approve the minutes for August 21, 2017, RES 2017-46. **APPROVED (Barnabo/Quinn)**

AUDIENCE PARTICIPATION –

YFD Fire Chief, Max Anthouard raised a question regarding his Final Average Compensation (FAC) calculation. Chief Anthouard noted that his calculations did not match the calculation formula presented in the fire department's contract. Attorney Michaud proposed that Chief Anthouard write a memorandum stating his petition. Attorney Michaud also encouraged Accounting Supervisor, Rheagan Basabica to put Chief Anthouard's calculations in writing for the next scheduled meeting for review. Both Chief Anthouard and Accounting Supervisor, Rheagan Basabica agreed to have these documents available to the Board before the next scheduled meeting on December 11, 2017.

PRESIDENT'S REPORT (PEARSON) –

Retirement System Summary Annual Reports: Board Assistant, Sammone Dixon and Accounting Supervisor, Rheagan Basabica will be working on a summary once all information is received from Gabriel, Roeder, Smith & Company.

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RFI from Actuaries: Attorney Michaud reiterated the importance of reviewing the Request for Information (RFI) from all actuaries that have responded to the board's request. President Don Pearson requested each board member to review actuary responses and summarize information for the December 11th meeting. As a result, the Board unanimously decided to have four members review at least one actuary RFI. Trustee Patrick Quinn was designated to review Nyhart, Secretary Deric Gress was designated to review Rodwan, Trustee Richard Barnabo was designated to review Boomershine and President Don Pearson was designated to review Gabriel, Roeder, Smith & Company. All four RFIs will be discussed and reviewed by the Board at the next scheduled meeting on December 11, 2017.

CORRESPONDENCE (GRESS) – Secretary Deric Gress discussed the mail correspondence received.

FINANCIAL REPORT (DISKIN) – Robert Diskin discussed the following: Fiscal and Calendar Year to Date ending September 30, 2017; Callan Periodic Table of Investment Returns; Equity Style Boxes; Interest rate risk and credit quality and the current money managers' discussion on how they have met the retirement systems' expectations. Trustee Patrick Quinn raised a question regarding First Eagle's performance. Diskin offered that Trustee Patrick Quinn's concerns be addressed during First Eagle's presentation.

LEGAL REPORT (MICHAUD) – No report.

PAYMENT RESOLUTIONS

- A. **RES 2017-47** Approved payment to *Gabriel, Roeder, Smith & Company* for Invoice #432526, EDRO calculations for participant Robert Peto and Alternate Payee Mariellen Peto, in the amount of \$1,700.00. **(Gress/Barnabo)**
The Board raised concerns regarding payment to GRS on Robert Peto's behalf. President Pearson reiterated that all additional fees are to be paid by the parties involved in the EDRO as stated in RES 2017-45. Attorney Michaud offered to provide the Board with a written statement to Robert Peto to request payment for EDRO calculations.
- B. **RES 2017-48** Approved payment to *Gabriel, Roeder, Smith & Company* for Invoice #433186, preparation of the June 30, 2017 GASB 67/68 Report, in the amount of \$4,250.00. **(Gress/Barnabo)**
- C. **RES 2017-49** Approved payment to *Gabriel, Roeder, Smith & Company* for Invoice #433187, regular actuarial and consulting services for the calendar quarter ended September 30, 2017, in the amount of \$2,250.00. **(Gress/Barnabo)**

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- D. **RES 2017-50** Approved payment to *Essex Investment Management Co., LLC* for investment management services for the quarter of July 1, 2017 – September 30, 2017, in the amount of \$7,710.92. **(Gress/Barnabo)**
- E. **RES 2017-51** Approved payment to *Orleans Capital Management* for investment management services for the period 07/01/17 to 09/30/17, in the amount of \$4,176.44. **(Gress/Barnabo)**
- F. **RES 2017-52** Approved payment to *Orleans Capital Management* for investment management services for the period 07/01/17 to 09/30/17, in the amount of \$7,039.87. **(Gress/Barnabo)**
- G. **RES 2017-53** Approved payment to *Stonebridge Capital Advisors LLC* for statement of management fees for the period October 1 to December 31, 2017, in the amount of \$7,055.63. **(Gress/Barnabo)**
- H. **RES 2017-54** Approved payment to *Sammone N. Dixon*, Board Assistant, for services rendered for the period of 8/18/17-10/12/17 in the amount of \$1,310.00. **(Barnabo/Gress)**

Accounting Supervisor, Rheagan Basabica and Board Assistant, Sammone Dixon reported that the City of Ypsilanti have received information to request withdrawals. Attorney Michaud and President Pearson both reiterated that parties requesting withdrawals must have all required documents to the Board prior to receiving withdrawal funds.

OLD BUSINESS

RES 2017-27 Detective Robert Peto—Ypsilanti Police Department, Service Retirement
APPROVED-(Quinn/Barnabo)

WHEREAS, City of Ypsilanti Police Department Detective Robert Peto submitted his application for DROP effective June 30, 2017 however, Detective Peto decided to submit a service retirement application to the Board of Trustees requesting an effective retirement date of June 29, 2017, and WHEREAS, Detective Peto's date of birth is October 23, 1965, date of hire is April 28, 1997 and he has been credited with twenty years, 2 months and 1 day of service credit, 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, 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, and WHEREAS, Detective Peto has reviewed the actuarial calculations and has elected a Regular retirement pension, and

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WHEREAS, Detective Peto has requested annuity withdrawal under the provisions of the Retirement System and collective bargaining agreement, therefore be it
RESOLVED, that the Board of Trustees hereby grants Detective Peto a service retirement effective June 29, 2017, and further
RESOLVED, that Detective Peto shall receive a bi-weekly pension benefit in the amount of \$ 1,599.39 (based upon an annual regular pension of \$41,584.32), and further
RESOLVED, that benefits be paid consistent with the foregoing, and further
RESOLVED, that the Board of Trustees hereby approves the request of Detective Peto to refund his accumulated contributions of \$123,911.97, and further
RESOLVED, that Detective Peto be credited with interest of \$27,568.93 (rollover into Mass Mutual) on his accumulated contributions through June 29, 2017, and further
RESOLVED, that payment in the total amount of \$151,480.90 be made to Detective Peto consistent with Retirement System provisions and this resolution, and further
RESOLVED, that copies of this resolution be forwarded to Detective Peto, the Personnel Administrator and the Finance Director.

RES 2017-43 Michael Johnson – Refund of Accumulated Contributions—Amendment
APPROVED-(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 \$13,627.54 with interest of \$293.19, and further
RESOLVED, that payment in the total amount of \$13,920.73 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—Annuity Withdrawal Distribution—Amendment
APPROVED-(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

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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, for a total of \$174,949.91, and further

RESOLVED, *that payment in the total amount of \$27,347.76 be made to Mass Mutual, \$50,000 of his after-tax contributions into FCCS and the remaining \$97,602.15 to be rolled over into Allianz 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

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.

Outstanding Retiree Verifications: Trustee Patrick Quinn offered and Secretary Deric Gress supported a motion to suspend pension payments to retirees that have not complied with pension requirements i.e. return of completed verification forms.

NEW BUSINESS

FUND MANAGERS' PRESENTATIONS

4:50 pm *Orleans Capital*—Phyllis Kyle and Farrell Crane Jr. Fixed Income Investment Management and Strategic Dividend Investment Management

5:37 pm *ESSEX*—Nancy Prial CFA, Co-Chief Executive Officer, Senior Portfolio Manager

6:11 pm *Stonebridge*—David A. Eckenrode, Portfolio Manager

6:30 pm *First Eagle* –Brian Patterson, Upper Lakes Sales Director

ADJOURNMENT

Secretary Deric Gress offered and Trustee Richard Barnabo supported the motion to adjourn.

(Gress/Barnabo)

Meeting adjourned at 7:04 pm.

Next Meeting Scheduled:
Monday, December 11, 2017 @ 9:00 a.m.
City of Ypsilanti: City Hall
1 S. Huron, Ypsilanti, MI 48197
9:00 am