

CITY OF PONTIAC
POLICE AND FIRE RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING MINUTES
July 25, 2019

A regular meeting of the Board of Trustees was held on Thursday, July 25, 2019 at BeneSys, Inc., Third Floor Conference Room, Troy, Michigan.

Trustees Present

Lon Britton (via phone)
Craig Storum
Matt Nye, Chairman (via phone)

Others Present

Matt Henzi, Sullivan, Ward, Asher & Patton
Chris Kuhn, AndCo. (via phone)
Duane Menter, BeneSys, Inc.
Violet Gjorgjevski, BeneSys, Inc.
Dean Carlson, BeneSys, Inc.
Hughey Newsome, City of Pontiac

Trustees Absent

Deirdre Waterman, Mayor

Chairman Storum declared that a quorum was present and called the meeting to order at 11:45 a.m.

AGENDA CHANGES

The Board reminded Mr. Newsome that it welcomed his attendance and comments, but that he could not vote on any matter since it was not clear that he was a duly appointed Finance Director/Trustee member.

CONSENT AGENDA

- A. Minutes of Regular Meeting - May 30, 2019
- B. Financial Reports
 - 1. Financial Reports - April & May 2019
 - 2. Bills for Ratification
- C. Pension Report
 - 1. New Retirees
 - a. Bowie, Charles PPOA 06/01/2019
 - 2. Upcoming Retirees:
 - a. Werner, Shawn PPOA 09/01/2019
 - b. Giolitti, Christopher, PPSA 11/01/2019
 - c. Smith, Robert, PPOA 12/01/2019
 - 3. New Beneficiaries
 - a. Soucie, Faith PFFU 06/01/2019
 - b. Thomas, Susan PFFU 06/01/2019

RESOLUTION 19-38 By Nye, Supported by Britton

Resolved, That the items on the Consent Agenda for July 25, 2019, be approved.

Yeas: 3 - Nays: 0

CONSULTANTS

- A. AndCo.

Christopher Kuhn of AndCo. provided a Market Update as of June 30, 2019. Mr. Kuhn was instructed to invite the Cash Manager to the 2019 Manager Meeting in September. He advised the Board that he does not have any recommendations at this time.

Mr. Kuhn continued and discussed the Asset/Manager Summary as of July 17, 2019.

REPORTS

- A. Chairman
- B. Secretary
- C. Trustees Committees
- D. Legal, Attorney's Report, Sullivan, Ward, Asher & Patton, P.C., Matthew Henzi
- E. Members / Retirees

ATTORNEY'S REPORT

Duty Disability Retiree Conversion to Normal Retirement - Mark Hillborn - (Exhibit A)
Attorney Henzi addressed this with the Board in the Attorney Report.

PA 314 Political Contribution and Fee Disclosure Statements - (Exhibit D)
Attorney Henzi addressed this issue for the Board in the Attorney Report.

FOIA Requests and Responses - (Exhibit E, F & G)
Attorney Henzi addressed this issue for the Board in the Attorney Report.

Claim for Michigan Unclaimed Property - (Exhibit H)
Attorney Henzi addressed this issue for the Board in the Attorney Report.

BLB&G Portfolio Monitoring - Agreement to Access Portfolio Data Through Northern Trust - (Exhibit J)
Attorney Henzi addressed this issue for the Board in the Attorney Report.

RESOLUTION 19-39 By Nye, Supported by Britton
Resolved, that WealthTech, a service provider to legal counsel, may have access to Portfolio Data through Northern Trust, be approved.

Yeas: 3 - Nays: 0

Legislative Items of Interest - (Exhibit G)
Attorney Henzi addressed this issue for the Board in the Attorney Report.

Fiduciary Liability Insurance Renewal - (Exhibit H)
Attorney Henzi addressed this issue for the Board in the Attorney Report.

Ambassador Contract
Attorney Henzi addressed this issue for the Board in the Attorney Report.

Robbins Geller May 29 and June 2019 Portfolio Monitoring Reports - (Exhibit J)
Attorney Henzi addressed this matter for the Board in the Attorney Report.

MotleyRice Second Quarter 2019 Monitoring Report - (Exhibit K)
Attorney Henzi addressed this matter for the Board in the Attorney Report.

UNFINISHED BUSINESS

A. Vital Form – Draft

BeneSys provided a draft of the Vital Form, the form is to collect the most current demographic information. The Board requested some updates to the form. BeneSys is to update the form and resend for approval.

B. Direct Deposit vs. Live Checks

The Board requested BeneSys research how many live checks are still being mailed out. BeneSys advised that as of July 18, 2019 there were 419 direct deposits and 16 live checks processed.

C. Chubb Policy 06/01/2019 - 06/01/2020

A copy of the policy was provided for the Boards records.

NEW BUSINESS

A. Officer Elections

The floor was opened for nominations, and the following Trustees were nominated as officers for the next year:

VEBA

Chairperson: Craig Storum

Vice Chairperson: Lon Britton

RESOLUTION 19-40 by Trustee Britton, Supported by Nye

Resolved, That the nominated trustee officers will be Craig Storum as Chairperson and Lon Britton as Vice Chairperson on the City of Pontiac Police and Fire Retirement System Board.

Yeas: 3 - Nays: 0

B. City of Pontiac Contribution Check - 2018

A check received from the City for 2018 Pension Contribution was presented.

C. Nyhart Valuation Report - Draft

D. Nyhart GASB 67/68 Report

BeneSys was directed to contact Nyhart to schedule a Special Meeting to review and discuss the Valuation Report and GASB 67/68 Report.

RESOLUTION 19-41 by Trustee Britton, Supported by Nye

Resolved, That the Board directs legal counsel to reconcile with the City, BeneSys, and the actuary the correct annual contribution amounts since 2014 through the present and advise the Board.

Yeas: 3 - Nays: 0

RESOLUTION 19-42 by Trustee Britton, Supported by Nye
Resolved, That the Board authorizes and directs Nyhart to complete a supplemental actuarial analysis, as requested by and paid for by the City, to determine the actuarial impact of extending the \$400 monthly pension benefit for pre-1996 members.

Yeas: 3 - Nays: 0

E. December 31, 2018 Audit

Ms. Gjorgjevski discussed that the Audit for 2018 is not yet completed. BeneSys has provided all information requested and has followed up with Plante Moran and was told that it is currently going through the Plante Moran Peer review.

RESOLUTION 19-43 by Trustee Britton, Supported by Nye
Resolved, That Duane Menter of BeneSys is authorized to sign the business associate agreement supplied by Plante Moran, on behalf of the PFRS.

Yeas: 3 - Nays: 0

F. 2019 Manager Review Meetings – September 5-6, 2019.

a. 2019 Manager Review Agenda Draft

Ms. Gjorgjevski provided a copy of the draft agenda prepared by Mr. Kuhn for the 2019 Manager Review Meetings.

RESOLUTION 19-44 by Trustee Britton, Supported by Nye
Resolved, That the Board appoints Craig Storum as the 5th Trustee, in accordance with the PFRS Ordinance, with a term to expire July 30, 2022.

Yeas: 3 - Nays: 0

CORRESPONDENCE

NEXT MEETING DATE: September 4, 2019 at 5:00 p.m. at the Inn at St. Johns in Plymouth, MI

ADJOURNMENT

RESOLUTION 18-45 by Storum, Supported by Britton
Further Resolved, That the meeting be adjourned at 12:23 p.m.
Yeas: 3 – Nays: 0

I certify that the foregoing are the true and correct minutes of the meeting of the Police and Fire Retirement System held on July 25, 2019.

As recorded by BeneSys