

**CITY OF PONTIAC
POLICE AND FIRE RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING MINUTES
January 31, 2019**

A regular meeting of the Board of Trustees was held on Thursday, January 31, 2019 at BeneSys, Inc., Third Floor Conference Room, Troy, Michigan.

Trustees Present

Craig Storum, Chairman (via phone)
Lon Britton, Vice-Chairman (via phone)
Matt Nye
Deirdre Waterman, Mayor (arrived @ 10:53am)

Others Present

Jessica Schuhrke, Sullivan, Ward, Asher & Patton
Duane Menter, BeneSys, Inc.
Violet Gjorgjevski, BeneSys, Inc.

Chairman Storum declared that a quorum was present and called the meeting to order at 10:17 a.m.

AGENDA CHANGES

CONSENT AGENDA

- A. Minutes of Regular Meeting - December 31, 2018
- B. Financial Reports
 - 1. Financial Reports - October & November 2018
 - 2. Bills for Ratification - December 2018 - January 2019
- C. Pension Report
 - 1. Upcoming Retirees:
 - a. Bowie, Charles, PPOA 06/01/2019
 - b. Werner, Shawn, PPOA 09/01/2019
 - c. Giolitti, Christopher, PPSA 11/01/2019
 - d. Smith, Robert, PPOA 12/01/2019

RESOLUTION 18-30 By Britton, Supported by Nye
Resolved, That the items on the Consent Agenda for January 31, 2019, be approved.

Yeas: 3 - Nays: 0

CONSULTANTS

REPORTS

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

ATTORNEY'S REPORT

Chubb Insurance Company - Reimbursement for fee in Jeff Hawkins v. City of Pontiac Police & Fire Retirement System - (Exhibit A)

Attorney Schuhrke addressed this issue for the Board in the Attorney Report and noted that this matter is now closed.

Duty Disability Retirees Conversion to Normal Retirement - Mark Hillborn - (Exhibit B)

Attorney Schuhrke addressed this issue for the Board in the Attorney Report.

Jaclyn Wilton Request for Determination of Eligibility as Deferred Vested Member

Attorney Schuhrke addressed this issue for the Board in the Attorney Report.

PFFU Surviving Spouse Remarriage Provision

Attorney Schuhrke addressed this issue for the Board in the Attorney Report.

PA 314 Political Contribution and Fee Disclosure Statements (Exhibit C)

Attorney Schuhrke advised the Board that he will provide the Summary Annual Report for 2017 and the next meeting.

FOIA Requests and Responses (Exhibit D & E)

Attorney Schuhrke addressed this issue for the Board in the Attorney Report. Attorney Schuhrke reported that Attorney Henzi has fully responded to the FOIA Request.

2017 PFRS Actuarial Report; Follow-up Correspondence with Auditor and Actuary (Exhibit F)

Attorney Schuhrke addressed this issue for the Board in the Attorney Report.

Legislative Items of Interest

Attorney Schuhrke addressed this issue for the Board in the Attorney Report.

UNFINISHED BUSINESS

A. Mark Hilborn

Documentation was provided by BeneSys to be reviewed by the Board for discussion on next steps for Mr. Hilborn. The Board advised that he should have been converted at the time he turned 55 regardless of not returning the documentation requested. BeneSys reduced his benefit effective November 1, 2018 to recoup the overpayment, however, has now been instructed to freeze the benefit at the converted amount and the Board will forgive the balance of the overpayment pending a legal opinion on the propriety of terminating recoupment efforts.

The discussion continued regarding future Disability Retirement conversions. The Board advised BeneSys that any member who is on a Disability Retirement should automatically be converted to a Service Retirement at the age of 55 regardless if the documentation requested has not been returned.

RESOLUTION 18-31 by Nye, Supported by Britton

Further Resolved, That BeneSys is directed to stop reducing Mr. Hilborn's pension benefit and terminate efforts to recoup an overpayment made to Mr. Hilborn subject to an opinion from legal counsel that such action is appropriate. The system will not return any amounts withheld, to date,

from Mr. Hilborn. If legal counsel opines that such action is appropriate, the Board will forgive the balance that Mr. Hilborn was to reimburse the system due to overpayment.

Yeas: 3 - Nays: 0

NEW BUSINESS

CORRESPONDENCE

- A. Asset Recovery - BeneSys received a notification of unclaimed funds to recover. The notice was sent to Legal for review.
- B. Chubb Insurance Company Refund - Correspondence and a check was received for a reimbursement requested for Legal fees incurred by the City of Pontiac Police & Fire Retirement System for work performed in the Jeffrey Hawkins matter.
- C. Worldcom, Inc. Securities Litigation - A check that represents proceeds received as a result of a claim filed by BNY Mellon in the Worldcom, Inc. Securities Litigation class action settlement for.
- D. Loomis/Sayles 4QTR 2018 Trading Review - Loomis/Sayles provided data for the Board review of the 2018 4th Quarter Trading.

NEXT MEETING DATE: March 28, 2019

ADJOURNMENT

RESOLUTION 18-32 by Mayor Waterman, Supported by Britton
Further Resolved, That the meeting be adjourned at 11:00 a.m.

Yeas: 4 – 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 January 31, 2019.

As recorded by BeneSys