

MINUTES OF THE RETIREMENT BOARD
Thursday, January 16, 2020

A meeting of the Retirement Board was held on Thursday, January 16, 2020 at 8:30 a.m., in the Administration Building, 9th Floor Committee Room, located at 1 South Main Street, Mount Clemens, Michigan. The following members were present:

Present:

Mark Deldin, Bryan Santo, Gary Cutler, Matthew Murphy, Michael Grix, Harold Haugh, Larry Rocca, George Brumbaugh

Excused:

Also Present:

Stephen Smigiel, Stephanie Dobson, John Schapka, Joe Biondo, Tom Michaud

1. Call to Order

There being a quorum of the Board present, the meeting was called to order at 8:30 a.m. by Trustee Deldin.

2. Election of Officers

-- Chair

Trustee Deldin called for nominations for Chair.

A motion was made by Trustee Rocca, supported by Trustee Haugh to nominate Mark Deldin as Chair. The motion carried.

There were no other nominations. Nominations were closed.

Mark Deldin accepted and was unanimously elected Chair.

-- Vice-Chair

Chair Deldin called for nominations for Vice-Chair.

A motion was made by Trustee Rocca, supported by Trustee Haugh to nominate Bryan Santo for Vice-Chair. The motion carried.

There were no other nominations. Nominations were closed.

Bryan Santo accepted and was unanimously elected Vice-Chair.

3. Adoption of Agenda

Chair Deldin noted that item #8 on the agenda (Cada v MCERS, Case # 2019-003034-PZ) would be conducted in Executive Session. An item was also added under "New Business" related to the upcoming MAPERS One-Day Seminar in March.

A motion was made by Trustee Haugh, supported by Trustee Murphy to adopt the agenda as revised. The motion carried.

4. Approval of Minutes from December 12, 2019

A motion was made by Trustee Grix, supported by Vice-Chair Santo to approve the minutes from December 12, 2019 as presented. The motion carried.

5. Approval of Invoices

A handout was distributed to the Board members listing three invoices for LS Investment Advisors to be paid for 2019.

A motion was made by Trustee Cutler, supported by Trustee Haugh to approve the invoices as presented on the handout. The motion carried.

6. Public Participation

Retiree Representative Brumbaugh asked for a moment to speak on behalf of the Retirees' Association. He thanked the Human Resources and Labor Relations Department for all of their hard work on the Retiree Holiday Luncheon. He stated that he heard no complaints about anything related to the event and that everyone seemed very pleased. He also thanked the Board for sponsoring the event.

He also provided the Board with some information about a new federal law called the "Secure Act" that was signed at the end of the year. The old law said that an individual was required to take their minimum distributions in the year in which they turned 70½. This new law says that someone who turns 70½ in 2020 can defer that until age 72. It also allows people to continue to make contributions to their IRA after the age of 70½. He plans to provide information about this on the Retirees' Association website and in their next newsletter.

Chair Deldin advised that there is an article about this very subject in today's Detroit Free Press. He also mentioned a change involving IRAs that are inherited by beneficiaries. He suggested those interested check out the newspaper article.

Chair Deldin also took a moment to present a special tribute to Ms. Carol Grant on her retirement from the Board last year. This was the first opportunity Ms. Grant had to attend a meeting. He thanked her for her service and commended her on her commitment to the Retirement Board and the members of the Retirement System. Ms. Grant thanked the Board for the tribute and stated that she enjoyed every minute of her time serving on the Retirement Board.

7. Retirement Administrator Report

Ms. Dobson provided the Activity Report with numbers through the month of November. She noted that the number of retirees, beneficiaries and DROP participants has finally crossed over the 3,000 mark.

Ms. Dobson also reported that her office is still testing the contractual changes with the pay periods/look back period and final average compensation (FAC). She is hopeful that by the time the January pensions are processed that change will have been completed. Then they will phase in the testing of the self-service site to make sure the calculations are being made correctly there.

She also reported that the new Retirement Assistant has started and is doing very well in her dual roles (currently closing out her Human Resources and Labor Relations responsibilities for her prior classification). Ms. Dobson feels she has a strong skill set and will hopefully be able to continue in the retirement office for a long time to come.

A motion was made by Vice-Chair Santo, supported by Trustee Murphy to receive and file the Retirement Administrator Report. The motion carried.

8. Cada v MCERS, Case # 2019-003034-PZ

A motion was made by Trustee Grix to enter into closed session to discuss the attorney-client privilege information provided by Corporation Counsel. The motion was supported by Trustee Murphy. A roll call vote was taken with all members responding affirmatively to enter into closed session. The motion carried.

The Board returned to open session.

A motion was made by Trustee Murphy, supported by Trustee Cutler to not challenge the Court's ruling on "membership" in this matter. The motion carried.

A motion was made by Trustee Murphy, supported by Trustee Grix to direct legal counsel to work with the Administrator to get clarification/certification of Mr. Cada's service credit with the Office of Retirement Services (ORS). The motion carried.

9. Unfinished Business

None

10. New Business

The Board was provided with the information regarding the MAPERS One Day Seminar on Friday, March 6, 2020 being held in Southfield, Michigan. Trustee Cutler stated that there are some very interesting topics to be discussed at this seminar. He will not be able to attend, but feels it would be beneficial if someone from the Board was present. Ms. Schave will reach out to each member to gauge their interest in attending this seminar and handle registration.

A motion was made by Trustee Cutler, supported by Trustee Murphy to approve Board member and staff attendance and expenses related to the MAPERS One Day Seminar on March 6, 2019. The motion carried.

11. Adjournment

There being no further business before the Board, a motion was made by Trustee Grix, supported by Vice-Chair Santo to adjourn the meeting at 9:21 a.m. The motion carried.