

POLICE & FIRE PENSION BOARD MEETING

DATE: April 12, 2021

Electronic Zoom Meeting

TIME: 2:00 P.M.

Present: Stan Chubinski from Battle Creek, MI; Tammy Giannunzio from City Hall in Battle Creek, MI; Ed Guzzo from Battle Creek, MI; and Jake Martin from Battle Creek, MI.

Absent: Chris Rabbitt

Also Present: Jeremy Tollas and Dori Drayton, CAPTRUST; Sarah VanWormer, IT Director; Linda Morrison, Revenue Services Director; Nancy Mullett, Labor Attorney and Kourtney Matuschka, Finance Services Manager/Police & Fire Retirement System Administrator.

Chair Chubinski asked for approval of the agenda. **Motion Martin**, seconded Giannunzio to approve the agenda. On a voice vote, motion **carried**.

Presented minutes of the regular meeting from March 15, 2021. **Motion Guzzo**, seconded Giannunzio to approve the regular meeting minutes as well as the closed session minutes from March 15, 2021. On a voice vote, motion **carried**.

Bank Summary of Assets & Expense Report:

As of 3/31/2021, the market value of the portfolio was \$180,012,478 a gain of \$2,519,310 from the 2/28/2021 balance.

As of 4/8/2021, the portfolio market value was \$182,332,893, which is a gain of \$2,320,415 since 3/31/2021.

For the month of March, the following expenses were deducted.

<u>Expense Type</u>	<u>Payee</u>	<u>Amount</u>	<u>Frequency</u>	<u>Additional Details</u>
Misc Fees (asset manager)	Misc Admin fees - non investment	1,620.40	Monthly	3/1 - 3/31/21
Total Admin. Fees		1,620.40		

Motion Giannunzio, seconded Guzzo to accept the financial report and quarterly bank summary as submitted. On a voice vote, motion **carried**.

Board Reports

Chubinski – none.

Giannunzio – none.

Guzzo – none.

Martin – none.

Matuschka

- Carl Turner exited the DROP with a retirement date effective 3/21/21. Total benefits and interest totaled \$129,040.67 less 5% of interest earned (\$127.79), less early withdrawal penalty of 10% of interest earned (\$255.58). The remaining balance of \$128,657.30 was requested to be paid out in the following manner: \$13,000.00 was payable to Mr. Turner and the remaining balance of \$115,657.30 was rolled over

payable to Vantagepoint Transfer Agents/457. Both payments were issued on 3/23/21. His regular monthly benefit payment of \$4,816.99 will begin on 5/1/21. An off-cycle payment dated 4/1/21 for \$1,709.26 reflects a pro-rated portion for March (11 days).

- Donald VanGeison, died 3/13/21 and did not have a surviving spouse. His 4/1/21 benefit payment was pulled back and replaced with a pro-rated payment for 13 days in March.
- Surviving Spouse, Delores Grumeretz, died 12/23/20. Her 1/1, 2/1 & 3/1/21 payments were pulled back and replaced with a pro-rated payment for 23 days in December.
- Surviving Spouse, Marion Mertens, died 3/31/21. Her final benefit payment was issued on 4/1/21 for the full month of March.
- Chad Francisco, Police Officer, terminated 2/2/2021. He will be eligible for a deferred retirement on 12/18/2025.
- Clay Hoggard, Police Officer, terminated 3/11/21. A letter regarding his option to withdrawal contributions will be sent in April.
- Quincy Jones, Fire Marshal, entered the DROP 4/1/21.
- Kurt Roth, Police Sergeant, retired effective 3/20/21.
- Anthony Perin, Police Sergeant, retired effective 3/21/21.
- Alan Marlow, Police Officer, retired effective 3/20/21.
- The following resolutions needs approved:

KATHLEEN CHRENENKO

WHEREAS, the Board of Trustees is in receipt of an application for retirement from Kathleen Chrenenko requesting an effective retirement date of 12/31/20, and

WHEREAS, Kathleen Chrenenko is eligible for retirement based on her service pursuant to Act 345 of the Public Acts of 1937, as amended, and retirement provisions of the union contract, and

WHEREAS, the final actuarial calculation was received and,

WHEREAS, Kathleen Chrenenko elected straight life with 60% surviving spouse benefit, therefore be it

RESOLVED, that the application of Kathleen Chrenenko for retirement is approved, and

RESOLVED, the retirement benefit for Kathleen Chrenenko shall commence as of 12/31/20, and

RESOLVED, the gross monthly benefit is \$6,124.02 subject to tax withholdings and any other elective deductions, and

RESOLVED, the gross retroactive payment of \$197.55 for 1 day in December and the full month of January was paid on 2/1/21 and the regular gross monthly benefit shall begin 3/1/21.

JEFFREY D. SLAYTON

WHEREAS, the Board of Trustees is in receipt of an application for retirement from Jeffrey D. Slayton requesting an effective retirement date of 01/03/21, and

WHEREAS, Jeffrey D. Slayton is eligible for deferred retirement based on his service pursuant to Act 345 of the Public Acts of 1937, as amended, and retirement provisions of the union contract, and

WHEREAS, the final actuarial calculation was received and,

WHEREAS, Jeffrey D. Slayton elected straight life with 60% surviving spouse benefit, therefore be it

RESOLVED, that the application of Jeffrey D. Slayton for retirement is approved, and

RESOLVED, the retirement benefit for Jeffrey D. Slayton shall commence as of 1/3/21, and

RESOLVED, the gross monthly benefit is \$2,153.16 subject to tax withholdings and any other elective deductions, and

RESOLVED, the gross retroactive payment of \$2,014.25 for 29 days in January was paid on 3/25/21 and the regular gross monthly benefit shall begin 2/1/21.

STEPHEN T. BUSH

WHEREAS, the Board of Trustees is in receipt of an application for participation in the Deferred Retirement Option Plan (DROP) from Stephen T. Bush requesting an effective retirement date of 11/7/20, and

WHEREAS, Stephen T. Bush is eligible for retirement based on his service credit pursuant to Act 345 of the Public Acts of 1937, as amended, and retirement provisions of the union contract, and

WHEREAS, the final actuarial calculation was received, and

WHEREAS, Stephen T. Bush elected straight life with 60% surviving spouse benefit, therefore be it

RESOLVED, that the application of Stephen T. Bush for participation in the DROP is approved, and

RESOLVED, the DROP benefit for Stephen T. Bush shall commence as of 11/7/20, and

RESOLVED, the gross monthly retirement benefit is \$7,429.73 and shall be Stephen T. Bush's DROP benefit credited monthly to his DROP account and

RESOLVED, Stephen T. Bush's participation in the DROP shall terminate on 11/6/25.

KEVIN P. STANSBERRY

WHEREAS, the Board of Trustees is in receipt of an application for retirement from Kevin P. Stansberry requesting an effective retirement date of 1/8/21, and

WHEREAS, Kevin P. Stansberry is eligible for retirement based on his service pursuant to Act 345 of the Public Acts of 1937, as amended, and retirement provisions of the union contract, and

WHEREAS, the final actuarial calculation was received and,

WHEREAS, Kevin P. Stansberry elected straight life with 60% surviving spouse benefit, therefore be it

RESOLVED, that the application of Kevin P. Stansberry for retirement is approved, and **RESOLVED**, the retirement benefit for Kevin P. Stansberry shall commence as of 1/8/21, and

RESOLVED, the gross monthly benefit is \$9,489.07 subject to tax withholdings and any other elective deductions, and

RESOLVED, the gross retroactive payment of \$7,346.38 for 24 days in January was paid on 2/1/21 and the regular gross monthly benefit shall begin 3/1/21.

Motion Martin, seconded Giannunzio to accept the retirement resolutions for Kathleen Chrenenko, Jeffrey D. Slayton and Kevin P. Stansberry and DROP resolution for Stephen T. Bush. On a voice vote, motion **carried**.

New Business

CAPTRUST – Asset Manager Portfolio Update: Drayton provided a review of the economy and market overview through 3/31/21.

- Year to date returns through 3/31/21: US Stocks 6.2%, International Stocks 3.6% and US Bonds -3.4%.
- 10 year Treasury Yield is 1.74% that led to total bond return of -7.04%.
- Economy has increased inflation fears but increased vaccination rates are promising.

Tollas provided a portfolio updated through 3/31/21.

- Ending balance of the portfolio at 3/31/21 was \$180,012,478.
- Variance between target allocations and actual allocations closely aligned due to the transfers that happened in late March.
- Overall fixed income returns -2.3% due to increased interest rates.
- Stocks are up 8.21% primarily due to small cap, which is up 19% at 3/31/21.
- Total portfolio returns as of 3/31/21 were 2.79% vs. benchmark of 2.23%.

Public Comment – none.

Next regular meeting: Monday, May 24, 2021 at 1:30 p.m.

Meeting adjourned at 2:32 p.m.

Respectfully submitted,
Kourtney Matuschka, Recording Secretary

Board Member signature

Board Member signature