

MINUTES OF THE RETIREMENT COMMISSION
Thursday, January 7, 2016

A meeting of the Retirement Commission was held on Thursday, January 7, 2016 at 8:30 a.m., at the Macomb County Administration Building, 9th Floor Conference Room, located at 1 South Main Street, Mount Clemens, Michigan. The following members were present:

Present:

Jerry Moffitt – Chair, Gary Cutler, Dave Flynn, Bob Hoepfner, Mark Deldin, Matthew Murphy

Excused:

Also Present:

George Brumbaugh, Stephen Smigiel, Robert Gazall, Stephanie Dobson, Tom Michaud

1. Call to Order

There being a quorum of the committee present, the meeting was called to order at 8:30 a.m. by Chair Moffitt.

2. Adoption of Agenda

A motion was made by Trustee Hoepfner to approve the agenda as presented. The motion was supported by Trustee Deldin. The motion carried.

3. Public Participation

None

4. Approval of Minutes

A motion was made by Trustee Deldin, supported by Trustee Murphy to approve the minutes of the December 17, 2015 meeting as presented. The motion carried.

5. Retirement Administrator Report

Ms. Dobson provided the monthly report showing activity in her office through November 2015. She also reported that this is a very busy time of year for her office as many DROP participants often elect to retire in January.

Ms. Dobson advised that per her contact at GRS, the 2014 valuation is expected to be completed next week. When she receives it, she will forward it to all of the Board members. She also

notified GRS that the last invoice they submitted is being held until the 2014 valuation has been received (per the Board's direction at their last meeting).

A motion was made by Trustee Hoepfner, supported by Trustee Flynn to receive and file the Retirement Administrator Report. The motion carried.

6. Beneficiary Elections of Contributions

Ms. Dobson is looking for guidance related to a situation that has come up with beneficiary elections of contributions. Unfortunately, the County has lost four employees in the last three months and reviews of two of those individuals files have led to beneficiary concerns. One of them (who was tragically killed in a car accident) had designated a parent as his beneficiary at the time of hire into the County. That individual had since been married, but the beneficiary had not been updated. Ms. Dobson requested input from both Corporation Counsel and Mr. Michaud regarding this situation.

Mr. Michaud indicated that there are two paragraphs of the Retirement Ordinance related to beneficiary elections and while this situation is unusual, there may be a need to make some revisions to the ordinance to clarify the beneficiary election. He recommended the Board refer the issue to legal counsel for further research. He also reported that he and Ms. Dobson had discussed some potential "process improvements" that could be implemented going forward to help eliminate the possibility of this occurrence happening in the future.

A motion was made by Trustee Murphy, supported by Trustee Deldin to refer this issue to legal counsel for further research and review. A memo is to be presented at the next meeting. The motion carried.

7. Employee Rep Election

Chair Moffitt inquired whether the Board wished to proceed with an election at this time. Mr. Brumbaugh indicated he had spoken to at least one employee who expressed a desire to run for the vacancy.

A motion was made by Trustee Deldin, supported by Trustee Murphy to start the process to fill the vacancy left by Ms. Darra Slanec's departure. The motion carried.

8. Other Business

Mr. Brumbaugh brought to the Board's attention an issue that was raised by some members of his Retirees' Association related to the deposit of the January 2016 pension check. He indicated he had received several emails from unhappy retirees who were concerned that the money was not available on the 1st as they were expecting. There had also been several angry posts made to a Facebook page for Macomb County Retirees as well as a letter written to the editor of the Macomb Daily and the Oakland Press.

Mr. Smigiel explained that the deposit is made on the first business day of January. The 1st was a holiday and the weekend immediately followed. He said the January pension has been paid on either the 3rd or the 4th of January in four out of the last seven years. The funds were sent to Comerica on the previous Monday (December 28th) and it seems that some of the larger institutions chose to make the funds available to their customers as of January 1st, while some of the smaller institutions did not process the deposits until January 4th. The County has no control over when the financial institutions choose to process the deposits and make the funds available to their customers.

14. Adjournment

There being no further business before the Board, a motion was made by Trustee Murphy, supported by Trustee Hoepfner to adjourn the meeting at 8:51 a.m. The motion carried.