



**CITY OF OAK PARK, MICHIGAN
EMPLOYEES' RETIREMENT SYSTEM AND
PUBLIC SAFETY RETIREMENT SYSTEM BOARD OF TRUSTEES
CONCURRENT MEETING**

**October 23, 2017
4:30 PM**

MINUTES

Chairperson Tungate called the meeting to order at 4:32 PM and asked the City Clerk to call roll.

EMPLOYEES' RETIREMENT SYSTEM:

TRUSTEES PRESENT: Trustee McClellan, Trustee Tungate, Trustee Waxenberg
Trustee Mlynczyk, Trustee Eickmeier

TRUSTEES ABSENT: None

ALSO PRESENT: City Clerk Norris, Finance Director Crawford, Human
Resources Director Brooks, City Attorney Duff

PUBLIC SAFETY RETIREMENT SYSTEM:

TRUSTEES PRESENT: Trustee Tungate, Trustee McClellan, Trustee Rich,
Trustee Batora

TRUSTEES ABSENT: Trustee Tetler

ALSO PRESENT: City Clerk Norris, Finance Director Crawford, Human
Resources Director Brooks, City Attorney Duff

(Agenda Item #3A) Approval of Minutes

**ERS-10-024-17 MINUTES FROM THE JULY 24, 2017 ERS/PSRS
REGULAR CONCURRENT MEETING
– APPROVED**

Motion by Waxenberg, seconded by McClellan, CARRIED UNANIMOUSLY,
to approve the minutes from the July 24, 2017 ERS/PSRS Regular Concurrent
Meeting.

Voice Vote:	Yes:	Tungate, McClellan, Waxenberg, Mlynczyk, Eickmeier
	No:	None
	Absent:	None

MOTION DECLARED ADOPTED

**PSRS-10-019-17 MINUTES FROM THE JULY 24, 2017 ERS/PSRS
REGULAR CONCURRENT MEETING – APPROVED**

Motion by McClellan, seconded by Batora, CARRIED UNANIMOUSLY, to approve the minutes from the July 24, 2017 ERS/PSRS Regular Concurrent Meeting.

Voice Vote:	Yes:	Tungate, McClellan, Batora, Rich
	No:	None
	Absent:	Tetler

MOTION DECLARED ADOPTED

(Agenda Item #3B) Financial Reports from April 24, 2017 (ERS)

**ERS-10-025-17 FINANCIAL REPORTS FROM THE APRIL 24, 2017
REGULAR CONCURRENT MEETING - APPROVED**

Motion by Waxenberg seconded by McClellan, CARRIED UNANIMOUSLY, to accept and approve the financial reports from the April 24, 2017 Regular Concurrent Meeting.

Voice Vote:	Yes:	Tungate, McClellan, Waxenberg, Mlynczyk, Eickmeier
	No:	None
	Absent:	None

MOTION DECLARED ADOPTED

(Agenda Item #4A) Pension Service Credit – TPOAM member John Maly (ERS)

Finance Director Crawford reviewed a letter received from attorney Frank Guido regarding Jon Maly and his request for an additional 6 months of retirement service credit. City attorney Duff and Human Resources Director Brooks provided an update on the matter and reminded the boards that 6 months of service credit was authorized for Mr. Maly at a previous meeting due to an error on the part of the City. Mr. Maly is now seeking a compromise that would allow him to buy an additional 6 months of service credit for a total of 12 months instead of 18 that he originally requested.

Ms. Brooks indicated that opportunities took place in 1995 and 1998 that allowed buy back options to eligible employees that Mr. Maly did not exercise. She indicated it would be likely that additional employees would come forward if an exception was made for Mr. Maly in this matter.

**ERS-10-026-17 ADDITIONAL 6 MONTHS SERVICE CREDIT FOR
PURCHASE BY JOHN MALY – FAILED**

Motion by Eickmeier, seconded by Waxenberg, FAILED, to approve an additional 6 months service credit for purchase by John Maly.

Voice Vote:	Yes:	Eickmeier
	No:	Tungate, McClellan, Waxenberg, Mlynczyk
	Absent:	None

MOTION FAILED

(Agenda Item #4B) Investment Manager and Actuary transition update

Finance Director Crawford reported that communication with PNC and Watkins Ross is taking place and transition documents have been signed. She reviewed a target schedule for completion of the transition by January 1, 2018 and indicated that letters to the membership will be mailed in December notifying them of the transition.

(Agenda Item #4C) Fund Evaluation Group (FEG) Agreement Consideration

City Manager Tungate indicated that Dave Wetzel from Fund Evaluation Group (FEG) is retiring and the boards may want to reconsider the need to retain FEG for consulting services. Both boards approved the hiring of FEG for an amount not to exceed a combined total of \$60,000 per year. Board members discussed how these services may now be performed by PNC and that saving the funds would be desirable. Mr. Tungate indicated that an agreement has not yet been completed with FEG. It was suggested that the boards consider using FEG on as needed project basis going forward and to make sure they are compensated for previously completed work.

**ERS-10-027-17 MOTION TO RESCIND THE ACTION FROM THE
7-10-17 SPECIAL ERS/PSRS BOARD MEETING THAT
AUTHORIZED THE HIRING OF FUND EVALUATION
GROUP, LLC FOR INVESTMENT ADVISORY
SERVICES FOR THE EMPLOYEES' RETIREMENT
SYSTEM – APPROVED**

Motion by Eickmeier, seconded by Waxenberg, CARRIED UNANIMOUSLY, to rescind the motion from the 7-10-17 ERS/PSRS Board Meeting that authorized the hiring of Fund Evaluation Group, LLC for investment advisory services for the Employees' Retirement System.

Voice Vote:	Yes:	Tungate, McClellan, Waxenberg, Mlynczyk, Eickmeier
	No:	None
	Absent:	None

MOTION DECLARED ADOPTED

**PSRS-10-020-17 MOTION TO RESCIND THE ACTION FROM THE
7-10-17 SPECIAL ERS/PSRS BOARD MEETING THAT
AUTHORIZED THE HIRING OF FUND EVALUATION
GROUP, LLC FOR INVESTMENT ADVISORY
SERVICES FOR THE PUBLIC SAFETY RETIREMENT
SYSTEM – APPROVED**

Motion by Rich, seconded by Batora, CARRIED UNANIMOUSLY, to rescind the motion from the 7-10-17 Special ERS/PSRS Board Meeting that authorized the hiring of Fund Evaluation Group, LLC for investment advisory services for the Public Safety Retirement System.

Voice Vote:	Yes:	Tungate, McClellan, Batora, Rich
	No:	None
	Absent:	Tetler

MOTION DECLARED ADOPTED

Trustee Batora reminded the board that he had requested clarification regarding contract language related to new hire vesting eligibility. Mr. Tungate reminded everyone that this is a matter regarding the negotiated contract language between the union and the City and not for the retirement board. The City Attorney along with the Labor attorney will need to provide an answer to this question.

(Agenda Item 5A) SEI Presentation

Glenn Harris from SEI presented a quarterly investment review via telephone. A copy of the report is on file with the City Clerk. He reported that the Employees' Retirement System assets as of September 30, 2017 total \$19,770,654 and the Public Safety Retirement System assets total \$41,394,490.

(Agenda Item 5A) Actuarial Valuations

Dave Reid and Scott Miller from CBIZ Savitz provided an overview of the valuations for each retirement system via telephone. The valuation reports are on file with the City Clerk.

(Agenda Item 5C) Credit Rating Status Update

Mr. Tungate indicated that the city is working on its bond rating with the hope of obtaining a double A status. The better rating would open up options to bond against the unfunded liability of the systems.

