

Present: Chairperson Briggs; Members: Maxwell and Mercer

Absent: Fisher and Shock

Also Present: Village Manager, Wilson

Chairperson Briggs called the regular Retirement Board meeting to order at 6:38 p.m. in the Village of Beverly Hills municipal building at 18500 W. Thirteen Mile Road.

REVIEW AND APPROVE MINUTES OF A REGULAR RETIREMENT BOARD MEETING HELD ON FEBRUARY 25, 2014

Motion by Maxwell, second by Mercer, that the minutes of a regular Retirement Board meeting held February 25, 2014 be approved as submitted.

Motion passed.

REVIEW MERS QUARTERLY REPORTS

Manager Wilson outlined his memo of 5/23/2014 regarding 2014 First Quarter Retirement Fund and Retiree Health Care Fund results. As of March 31, 2014 the Retiree Health Care Fund had a balance of \$3,084,747.64. This fund increased by \$59,201.92 for Q1 2014, or 1.96%. There are also funds totaling \$543,358.81 for retiree health care that are not invested in MERS for a total of \$3,628,106.45. The Village has \$188,692 in contributions to make to these funds prior to the end of FYE June 30, 2014. These funds will be invested directly into the MERS Retiree Health Care Fund.

Wilson discussed the Retirement Fund Statement of Account Activity for the quarter ending 3/31/2014. The three funds that are relevant to the previous Public Safety Retirement Fund administered by the Retirement Board are the Bargaining Units ending in 102, 120, and 121. The beginning balance in these three funds as of January 1, 2014 was \$16,903,632.95. These funds increased in value by \$341,595.25 for the quarter, or 2.02%. For Q1 2014, the S&P 500 was up 1.3%, the Dow Industrial Average was down 0.8%. After benefit payments and expenses, the ending value of these three funds was \$17,037,111.75, an increase of \$133,478.80.

Fund 102 also has funds reserved for employee contributions of \$637,632.19. These funds were primarily the result of service time purchases by employees. In addition, the Village is retaining \$600,111.81 in reserve to make payments to current DROP enrollees. For liquidity purposes, these funds are not invested in MERS. MERS investment plus existing reserve funds total \$18,274,855.75 as of March 31, 2014. A question was raised regarding the investment of employee reserve funds, which the Manager will investigate.

Administrative expenses for the Public Safety related pension funds totaled \$9,807.36. These costs include the costs to administer the investments and all investment fees. At this pace, the Village will recognize significant savings in investment and management fees of previous years.

Questions and comments from Board members were addressed by Wilson. Wilson related that annual actuarial valuations will be available from MERS on June 30. It was noted that the valuation contains contribution figures that would have been useful in the budget process.

Motion by Maxwell, second by Mercer, to accept the MERS 2014 First Quarter Retirement Fund and Retiree Health Care Fund reports.

Motion passed.

PUBLIC COMMENTS

None

Motion by Mercer, second by Maxwell, to adjourn the meeting at 7:00 p.m.

Motion passed.