

## **Taylor Police & Fire Retirement Board April 18, 2012 Meeting Minutes**

The regular meeting of the Taylor Police & Fire Retirement Board was held at the Taylor Fire Department, 23345 Goddard Road, Taylor Michigan, on **Wednesday, April 18, 2012.**

**Present:** Chairman Nicolas Hill, Trustee Gerry Taylor, Trustee Dan Bzura & Trustee Russ McNamee, City Treasurer Lynn Cleary.

**Also Present:** Legal Counsel, Jack Timmony of VanOverbeke, Michaud & Timmony, P.C., Chris Kuhn of Gray & Company, Kirk VanDagens of PNC Bank, Linda Mills Kemp, Plan Administrator and Firefighter Scott Barry.

**Chair Nicolas Hill called the meeting to order at 4:33 P.M.**

**Motion by Taylor, supported by Cleary.**

Resolved: To approve the minutes of the regular meeting of the Board held March 14, 2012.

*Unanimously approved.*

4.28-12

**Motion by Taylor, supported by McNamee.**

Resolved: To receive and file the following financial correspondence:

1. Employee contributions received from the City of Taylor for the Taylor Police & Fire Retirement System for March 2012 in the amount of \$46,590.81.
2. Contributions from the City of Taylor for one half of the required annual city contribution to the Police & Fire Retirement System in the amount of \$3,029,800.
3. Distribution from Oaktree Capital Management, L.P. dated March 29, 2012 in the amount of \$172,297.00.
4. Letter dated April 13, 2012 to Barbara Citizen of PNC Bank requesting the transfer of \$172,297.00 from the Administrative account to the Commingled Fund account on or before 4/18/12 and to wire same to Oaktree Capital for purchase of Oaktree PPIP Private Fund, LP on or before 4/18/12.

*Unanimously approved.*

4.29-12

**Motion by Bzura, supported by Taylor.**

Resolved: To receive and file the following correspondence.

1. Response letter dated March 20, 2012 to Mr. Andrew Voelkner regarding retirement request.
2. Letters dated March 13, 2012 and March 16, 2012 from Constance Lawton, President Tradewinds Global Investors, LLC regarding staffing changes.
3. Letter dated March 26, 2012 to Mr. Timmony from Sheila Gorski-Schulte regarding upgrade pay.
4. Memorandum dated April 1, 2012 from Legal Counsel, Jack Timmony regarding Circuit Court Case NO. 11-015152-AS.

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5. Letter dated March 20, 2012 from the office of VanOverbeke Michaud & Timmony, P.C. regarding Case No. 11-015152-AS.

*Unanimously approved.*

4.30-12

#### **Motion by Taylor, supported by Bzura.**

Resolved: To pay the following bills:

1. Payment to Linda Mills Kemp, Pension Plan Administrator, for periods March 12, 2012 through April 15, 2012 in the amount of \$3,082.50.
2. Reimbursement to Linda Mills Kemp for registration fees for the MAPERS Spring Conference for Chairman Hill and Ex Officio member Lynn Cleary in the amount of \$500 (\$250 per registration) and partial reimbursement for hotel accommodations (deposit only) in the amount of \$284.08 (\$142.04 per person for deposit only) for a total reimbursement of \$784.08.
3. Payment to Rodwan Consulting Company for normal actuarial and consulting services rendered to the City of Taylor Police & Fire Retirement System for the quarter ended March 31, 2012, pursuant to the Actuarial Services Agreement in the amount of \$1,920.00

*Unanimously approved.*

4.31-12

- **Mr. Timmony, legal counsel** for the Police & Fire Retirement System advised the Board he was in receipt of a response letter from Sheila Gorski-Schulte regarding upgrade pay for firefighters and that an audit by the Human Resource Department was underway on the years in question.
- A brief update on the Costella litigation was given.
- Mr. Timmony is in the process of determining if Freedom Financial qualifies under PA 314.
- A brief discussion took place relative to an overpayment of Medicare reimbursement for retiree Robert Diel. It was the decision of the Board of Trustees to collect the full amount to be returned to the pension system from Mr. Diel's June 1, 2012 benefit check.

#### **Motion by Cleary, supported by Taylor.**

Resolved: To take a one time deduction in the amount of \$960 from Mr. Diel's June 1, 2012 benefit check for an overpayment of Medicare reimbursement.

*Unanimously approved.*

4.32-12

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- **Firefighter Scott Barry** addressed the Board regarding an EDRO. It was suggested that Mr. Barry contact an attorney in this matter.
- **Kirk VanDagens of PNC Bank** presented the Board with the 1<sup>st</sup> quarter investment review, indicating great market results for this period. Mr. VanDagens also reported on equity returns, small caps, and high performers and gave a snap shot review of the portfolio.
- **Chris Kuhn of Gray & Company** discussed the staffing changes at Tradewinds and suggested the Board consider other managers in the future. Gray & Company conducted a manager search and the Board was presented with a detailed summary of several potential managers for consideration. Mr. Kuhn will extend an invitation to two potential managers to attend the May Board meeting for the purpose of providing the Board with a presentation of their firms' performance.
- A lengthy discussion took place regarding Freeport Financial.
- Mr. Kuhn recommended the Board consider rescinding their motion made at the March meeting to transfer 500,000 from Tradewinds to the Administrative account in light of the recent deposit of a portion of the city contributions.

#### **Motion by Taylor, supported by Bzura.**

Resolved: To rescind the transfer of funds as recommended by Mr. Kuhn at the March meeting.

*Unanimously approved.*

4.33-12

**Trustee Taylor** suggested the Board read the material on Freedom Financial before a decision is made.

#### **Motion by Cleary, supported by Taylor.**

Resolved: To adjourn meeting at 6:10 P.M.

*Unanimously approved.*

4.34-12