

TAYLOR POLICE & FIRE RETIREMENT BOARD  
FEBRUARY 16, 2017

The regular meeting of the City of Taylor Police & Fire Retirement Board was held at the **Taylor Police Department**, 23515 Goddard Road (second floor conference room), Taylor Michigan, on **Thursday, February 16, 2017 at 4:00 P.M.**

**Present:** Chairman and Trustee Hill, Trustee Kriebel, Trustee Taylor, Trustee Bourassa

**Also Present:** Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Chris Kuhn, CFA, CAIA, Senior Consultant, of & Co.; Craig Haynes, PNC Capital Advisors, CFA Director, Vice President; Kirk VanDagens, PNC Institutional Investments Senior Client Advisor Vice President

**Trustee and Chair Nicolas Hill, called the meeting to order at 4:03 P.M.**

**Motion by Kriebel, supported by Taylor.**

Resolved: To approve the minutes of the meeting of the City of Taylor Police & Fire Retirement System's Board of Trustees held January 12, 2017.

*Unanimously approved.*

02.09-17

**Motion by Bourassa, supported by Taylor.**

Resolved: To receive and file the following financial correspondence:

1. Client statement from First Eagle Global Value Fund, LP for the period of November 30, 2016 through December 31, 2016.
2. Capital call notice dated January 13, 2017 received from Metropolitan Real Estate in the amount of \$206,046.80.
3. Letter dated January 19, 2017 to Ms. Barb Citizen of PNC Bank requesting the transfer of funds to the administrative account as resolved at the January 12, 2017 meeting of the City of Taylor Police & Fire Retirement System's Board of Trustees as well as facilitate Metropolitan Real Estate Partners Secondaries & Co-Investments Fund, L.P. capital call #7.

*Unanimously approved.*

02.10-17

**Motion by Bourassa, supported by Kriebel.**

Resolved: To receive and file the following correspondence:

1. The February 2017 and March 2017 Medicare reports. Note 12 changes for February and 2 for March.
2. Letter dated January 19, 2017 prepared by the office of Vanoverbek Michaud & Timmony, P.C. to Ms. Sheila Gorski-Schulte, Director of Human Resources for the City of Taylor referencing Quiroz calculation of final pension benefit.
3. Correspondence received from Laura Strzalkowski of Siporin & Associates, Inc. referencing legal guardian and conservator to retiree Robert Kerr.
4. FOIA request received from Zack Cziryak February 1, 2017.
5. FOIA request received from Michelle Hall of the Taylor City Council office on behalf of Councilman Charlie Johnson dated January 31, 2016.
6. FOIA extension letter dated February 7, 2017 to Mr. Zack Cziryak.

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7. FOIA extension letter dated February 7, 2017 to Ms. Michelle Hall responding to FOIA request from Councilman Charlie Johnson.
8. FOIA response letter dated February 13, 2017 to Mr. Zack Cziryak advising FOIA has been granted with accompanying fee summary

*Unanimously approved.*  
02.11-17

**Motion by Bourassa, supported by Kriebel.**

Resolved: To approve the following correspondence.

1. Actuarial certification and monthly pension benefit payment to retiree William Brinker. Material to be provided at meeting.
2. Legal opinion dated February 3, 2017 from the office of Vanoverbek Michaud & Timmony, P.C. referencing Letter of Guardianship for retiree Robert Kerr.

*Unanimously approved.*  
02.12-17

**Motion by supported by.**

Resolved: To approve the following payment of bills with the date change to item D-1 from January 8<sup>th</sup> to January 15<sup>th</sup>.

1. Payment to Linda Kemp, Plan Administrator for the period of January 8, 2017 through February 12, 2017 in the amount of \$3,211.25
2. Payment to Brown Advisory for investment services for the period of October 1, 2016 through December 31, 2016 in the amount of \$17,518.93.
3. Payment to Vanoverbek Michaud & Timmony, P.C. for legal services rendered to the City of Taylor Police & Fire Retirement System for the period of October 1, 2016 through December 31, 2016 in the amount of \$2,887.
4. Payment to NewSouth Capital Management, Inc. for management fees for the period of October 1, 2016 through December 31, 2016 in the amount of \$22,572.
5. Payment to Herndon Capital Management for management fees for the period of October 1, 2016 through December 31, 2016 in the amount of \$15,630.42.
6. Payment to PNC Institutional Asset Management for asset based fees for the period of October 1, 2016 through December 31, 2016 in the amount of \$25,380.22.

*Unanimously approved.*  
02.13-17

**Mr. Timmony** briefly discussed Items B-4 and B-5; FOIA requests. Both requests have been granted. Councilman Johnson's request was redacted to eliminate information which is protected, i.e. social security numbers and home addresses, however the Board was advised names of members are not protected. Also discussed was item C-2; guardianship/conservatorship of retiree Robert Kerr. Mr. Timmony advised the Board the Brandywine contract had been reviewed by his office and documents are being executed. It was noted at this meeting the Board has not yet received a response from the city regarding their request for a recalculation of benefit for Mr. Quiroz.

**Chris Kuhn** provided the fourth quarter performance report which included discussion on pre-election and post-election returns. The election seemed to provide a big boost in performance.

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Update on Domestic equity review and asset allocation. Mr. Kuhn was pleased to report our performance was outstanding and out performed bench mark; best quarter returns of all public funds. Allocations are good causing out performance; Brown will be cutting fees as a concession for underperformance. All underperformers are being watched closely, therefore there is no recommendation at this time for a change in allocation. First Eagle underperformed which was expected, Intercontinental did outstanding, Graham had an incredible quarter, Bloomfield also did well. A supplemental handout was provided to be passed on to City Council. Mr. Kuhn advised the Board there is a need to transfer funds to the administrative account to provide liquidity for upcoming benefit payments. There was a brief discussion on the real estate allocation; something to consider in the next few months.

**Motion by Taylor, supported by Bourassa.**

Resolved: To authorize Investment Consultant Chris Kuhn to initiate a transfer of 1M from Brown to the administrative account to provide liquidity for upcoming benefit payments. .

*Unanimously approved.*

02.14-17

**Craig Haynes** provided a portfolio update, market value review, small cap review, and a fixed income review stating overall the strategy worked well and although it has been a challenging year he believes returns will come back.

**Chair Hill** noted that Barb Citizen of PNC bank requested his approval for online banking access for Linda Kemp.

**Motion by Taylor, supported by Kriebel.**

Resolved: To authorize Chair Hill to sign up for online banking access for Linda Kemp.

*Unanimously approved.*

02.15-17

**Motion by Kriebel, supported by Taylor.**

Resolved: To adjourn at 4:57 P.M.

*Unanimously approved.*

02.16-17

**The next meeting of the Board of Trustees of the City of Taylor Police and Fire Retirement System will be held Thursday, March 9, 2017, at 4:30 p.m.**