

The regular meeting of the City of Taylor Police & Fire Retirement System Board was held at Taylor Police Station located at 23515 Goddard Road, Taylor, MI at 8:30 A.M. on Thursday, February 9, 2023.

Present: Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, Trustee Michelle Tocco, and Trustee Al Young.

Also Present: Aaron Castle, VanOverbeke Michaud & Timmony P.C., Legal Counsel; Chris Kuhn, CAIA, Senior Investment Consultant, AndCo.

Excused: Trustee Jason Couture.

Trustee and Chair Nicolas Hill called the meeting to order at 8:36A.M.

Motion by , supported by .

Resolved: To approve the minutes of the regular meeting of the City of Taylor Police & Fire Retirement System held January 12, 2023

Unanimously approved.

02.08-23

Motion by Taylor, supported by Tocco.

Resolved: To approve the following financial correspondence.

1. Employee contributions for December 2022 in the amount of \$67,421.17.
2. Redemption notice dated January 23, 2023 from TA Realty with a redemption in the amount of \$717,975.93.
3. End of month transfer from the commingled account to the administrative account in the amount of \$1,411.75. Approved by Tocco.
4. Distribution notice dated February 7, 2023 received from TA Realty with a total gross distribution in the amount of \$115,950.06.

Unanimously approved.

02.09-23

Motion by Taylor, supported by Tocco.

Resolved: To receive and file the following correspondence:

1. Medicare report for February 2023. Note fifty (50) changes this reporting period.
2. Letter dated January 11, 2023 received from Alger referencing Investment Advisory Fee reduction.
3. Legislative update received from the office of Vanoverbeke Michaud & Timmony P.C. referencing Secure 2.0 Act.
4. Correspondence dated January 25, 2023 received from Newsouth Capital Management, Inc. referencing compliance investment guidelines.
5. FOIA request dated January 30, 2023 received from Maria Toroy of With Intelligence.

6. FOIA response dated January 31, 2023 to Maria Toroy of With Intelligence with accompanying fee schedule.
7. Correspondence received from Portfolio Advisors dated February 1, 2023 referencing merging with FS Investments.
8. FOIA request dated February 1, 2023 received from PitchBook Data.

Unanimously approved.

02.10-23

Motion by Taylor, supported by Young.

Resolved: To approve the following actuarial certifications.

1. Actuarial certification and monthly benefit payment for James Hubbard, Fire retiree.
2. Actuarial certification and monthly benefit payment for Russ McNamee, Fire DROP participant.

Unanimously approved.

02.11-23

Motion by Taylor, supported by Tocco .

Resolved: To approve the following payment of bills.

1. Payment to Linda Kemp for the period of January 15, 2023 through February 5, 2023 in the amount of \$2,320 and \$15.98 for monthly Zoom Subscription for the month of December for a total of \$2,335.98.
2. Payment to Brown Advisory for investment services for the period of October 1, 2022 through December 31, 2022 in the amount of \$14,437.76.
3. Payment to Foster & Foster for quarterly retainer in the amount of \$2,311, payment for preparation of the June 30, 2022 PA 202 report in the amount of \$1,450 and benefit calculations fees for Marshall, Lankton, Yobak and McNamee in the amount of \$750 for a total payment of \$4,511.
4. Payment to Staples for office supplies (paper) in the amount of \$62.53.
5. Payment to Newsouth Capital Management, Inc. for management fees for the period of October 1, 2022 through December 31, 2022 in the amount of \$19,166.
6. Payment to Vanoverbeke Michaud & Timmony P.C. for legal services rendered to the City of Taylor Police & Fire Retirement System for the period of October 1, 2022 through December 31, 2022 in the amount of \$4,212.
7. Reimbursement to Linda Kemp for annual Microsoft 365 subscription in the amount of \$99.99.

Unanimously approved.

02.12-23

Mr. Castle discussed the new actuarial services contract with Foster & Foster. The new contract was approved by the Board in September. The contract states ten benefit calculations per year are included as part of the annual retainer; any calculations beyond ten will be calculated at a cost of

\$150 per calculation. This contract mirrors the previous contract with Rodwan. A draft resolution was provided to the Board regarding a DRO for Blanchard Wayne County Circuit Ct. Case No. 2021-109953-DO. Mr. Castle advised that the Board must reject the DRO as submitted as it would require the Plan to pay benefits that aren't otherwise provided under Act 345. He will advise the parties' attorneys so it can be sent back to the court for appropriate revisions.

Motion by Taylor, supported by Young.

Resolved: To adopt the resolution presented by legal regarding the Blanchard DRO.

Unanimously approved.

02.13-23

It was noted at this meeting that the previously approved federal legislation (SECURE Act 2.0) has been condensed by VMT as it applies to governmental retirement plans.

Chair Hill mentioned the \$200 increase in retiree benefits due to tax laws. Linda will provide Mr. Castle with the response from PNC relating to tax withholding.

Mr. Chris Kuhn provided the Investment Performance Review for the period ending December 31, 2022. It was noted that three new partners were named at AndCo this year. An updated organizational chart was provided. The 4th quarter was fairly good particularly on the equity side. Mid-caps were the best performers. International markets did even better. Positive results in fixed income. The economy seems to be doing better. One-year numbers are not good. Brief performance review was discussed. Alger was a little behind, however Brown was up as were PNC and Champlain and Federated. Chair Hill asked if the Board should consider letting go of Alger. Mr. Kuhn is hesitant to do so at this time, however suggested that the Board might consider trimming back on both Alger and Brown. Mr. Kuhn will provide a large growth report at the next meeting before any decisions are made. International managers did ok, however, WCM is still behind its benchmarks. PNC fixed income a little bit ahead. Real Estate is showing negative numbers. Mr. Kuhn provided an Asset/Manager summary as of February 2023. Updated market values were up from last month. It was noted we had a capital call from Sturbridge late last year. There is no need to transfer cash to the administrative account at this time.

Motion by Young, supported by Tocco.

Resolved to: Receive and file report as presented by Investment Consultant Chris Kuhn.

Unanimously approved.

02.14-23

Chair Hill Open Business: Linda will be out of town for the month of March, however, will be working. It was noted we have received several pay reports from HR and are still waiting for 9 individual pay reports.

TAYLOR POLICE & FIRE RETIREMENT BOARD
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Trustee Young asked questions related to the DROP program. Mr. Castle advised the DROP is strictly a function of collective bargaining between the union and the city. It was noted that the interest rate for DROP accounts was previously established at 2.5%.

Motion by Young, supported by Tocco.

Resolved: To adjourn at 9:20 A.M.

Unanimously approved.

02.0-23

The next regular meeting of the City of Taylor Police and Fire Retirement System Board of Trustees is scheduled for Thursday, March 9, 2023 at 8:30 A.M. Meeting will be held at the Police Station second floor conference room.