

## **Taylor Police & Fire Retirement Board January 9, 2013 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, January 9, 2013.**

**Present:** Chairman and Trustee Nicolas Hill, Trustee Dan Bzura, Trustee Lynn Cleary, Trustee Russ McNamee and Trustee Gerry Taylor

**Also Present:** Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Chris Kuhn of Gray & Company, Investment Consultant; Kirk VanDagens of PNC Bank; Custodian Bank Investment Manager; Linda Kemp, Plan Administrator; Mr. & Mrs. Herb Proctor and Sheila Gorski, Human Resource Director for the City of Taylor

**Chair Nicolas Hill called the meeting to order at 4:31 P.M.**

**Motion by Cleary, supported by Bzura.**

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

*Unanimously approved.*

01.01-13

**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 Police & Fire Retirement System for November 2012 and December 2012 in the amount of \$94,426.62 and \$56,507.61 respectively.
2. Distribution from Oaktree Capital Management, L.P. dated November 13, 2012 in the amount of \$389,392.00 Pursuant to section 6.3(b) of the Amended and Restated Limited Partnership Agreement
3. Reinvestment of distribution from Intercontinental Real Estate Corporation in the amount of \$37,181.71 (pro rata gross share of an overall distribution of \$4,318,651.81) less \$11,594.33 management fee for a total reinvestment of \$25,587.38.
4. Distribution from Oaktree Capital Management L.P. dated December 10, 2012 in the amount of \$197,635.00 pursuant to section 6.3(b) of the Amended and Restated Limited Partnership Agreement.
5. Letter dated December 14, 2012 to Barbara Citizen of PNC Bank requesting the transfer of \$250,000 cash from the Large Cap Growth Account (7506 7449 0805) and \$250,000 cash from the Large Cap Value Account (75097449 0766) to the Administrative Account (7506 7449 0759) on or before December 28, 2012.
6. Letter dated December 28, 2012 to Barbara Citizen of PNC Bank requesting the transfer of all cash in the Commingled Account (7506 7449 0821) to the Administrative Account on or before December 31, 2012.

*Unanimously approved.*

01.02-13

# **Taylor Police & Fire Retirement Board**

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

Resolved: To receive and file the following correspondence.

1. The November 2012 and December 2012 Police & Fire Retirees Medicare Reimbursement Report. Note four changes in November and one change in December.
2. Medical reports dated November 14, 2012 received from Dr. Babcock of Consulting Physicians.
3. Memo from the office of VanOverbeke Michaud & Timmony P.C. dated December 3, 2012.
4. EDRO Resolution Monroe Circuit Ct. Case No. 12-35626-DM.
5. Forms DIS. 6 and DIS. 7 received from Dr. Michaelson dated November 11, 2012.
6. Memo from the office of VanOverbeke, Michaud & Timmony P. C. dated January 9, 2013.
7. Letter received January 3, 2013 from the United States Department of Commerce U.S. Census Bureau referencing Survey of Public Pensions.

*Unanimously approved.*

01.03 -13

**It is noted at this meeting that item B-7, Annual Survey of Public Pensions, submitted by the U.S. Census Bureau will not be completed as is past practice.**

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

Resolved: To go to closed door session at 4:37 p.m. for the purpose of discussing items B-2 and B-5

*Unanimously approved.*

01.04-13

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

Resolved: To re-open the meeting at 5:10 p.m.

*Unanimously approved.*

01.05-13

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

Resolved: To table items B-2 and B-5 pending further documentation be provided.

*Unanimously approved.*

01.06-13

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

Resolved: To approve the following correspondence.

1. Letter of retirement received November 9, 2012 from Cpl. Jeff Patterson.
2. Certification by Rodwan Consulting of retirement calculations and payment of deferred monthly benefits dated November 8, 2012 for Mr. Bryan Schwesing.

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3. Certification by Rodwan Consulting of retirement calculations and payment of deferred monthly benefits dated November 1, 2012 for Mr. Joseph Aljouny.
4. Certification by Rodwan Consulting of retirement calculations and payment of monthly benefits dated December 12, 2012 for Chief Dale Tamsen.

*Unanimously approved.*

01.07-13

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

Resolved: To pay the following bills:

1. Payment to Linda Kemp, Plan Administrator, for services during the period ending November 18, 2012 through December 9, 2012 in the amount of \$2,670 and periods ending December 16, 2012 through January 6, 2013 in the amount of \$2,460.
2. Payment to Gray & Company, Investment Consultant for services rendered for the 3<sup>rd</sup> quarter 2012 in the amount of \$11,999.86.
3. Payment to Staples, invoice number 7000314738, for office supplies in the amount of \$121.81.
4. Payment to Med Source Services/Consulting Physicians for independent medical exam and reports related to Proctor disability application in the amount of \$850.
5. Payment to MAPERS for 2013 annual membership renewal in the amount of \$100.
6. Payment to BACTES Technology for fees associated with duplicating medical records for the Proctor disability application in the amount of \$15.
7. Payment to Rodwan Consulting Company in the amount of \$1,950 for normal actuarial and consulting services rendered to the City of Taylor Police and Fire Retirement System for the quarter ended December 31, 2012, pursuant to the Actuarial Services Agreement.
8. Payment to Mike Vela, IT Specialist, for services rendered in the amount of \$75.

*Unanimously approved.*

01.08-13

- **Mr. Jack Timmony** provided Board members with a brief overview of the amendments to PA 347 of 2012 (S.B. 797) and suggested the Board review the data provided and recommended a future date be arranged to discuss this new law in greater detail. The Board members were also provided a copy of a proposed resolution related to the Disability Retirement Medical Committee for review and action at the next meeting. Mr. Timmony advised the Board that a brief had been filed on the Costella litigation and that the case will be argued this calendar year.
- **Kirk VanDagens of PNC Bank** presented the Board with the final copy of the agreement between PNC and the Police & Fire Retirement System, which was reviewed and approved by legal counsel and is now ready to be fully executed by both parties.

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Mr. VanDagens advised the Board that he will provide the members with a full quarterly report at the next meeting.

- **Chris Kuhn of Gray & Company** presented Board members with an Executive Summary for periods ending November 30, 2012. Current market value allocation and updated market values were discussed.

Mr. Kuhn also advised the Board that due to the recent changes in PA 314, enacted under PA 347, he would like to work with Mr. Timmony in finding investment options to best fit the needs of the P&F Retirement System and would report his findings at the next meeting.

**Noted at this meeting the Board authorized Mr. Timmony to provide Mr. Kuhn with a copy of item B-6 so he may better serve the Board in this process.**

- Mr. Kuhn made a recommendation to transfer \$200,000 from the Small Cap Growth Account to the Administrative Account to provide liquidity for upcoming benefit payments and expenses.

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

Resolved: To transfer \$200,000 cash from the Small Cap Growth Account to the Administrative Account on or before January 31, 2013 as recommended by Chris Kuhn, Investment Consultant.

*Unanimously approved.*

01.09-13

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

Resolved: To adjourn meeting at 5:34 P.M.

*Unanimously approved.*

01.10-13

**The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Wednesday, February 13, 2013.**