

Taylor Police & Fire Retirement Board January 8, 2014 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 8, 2014**.

Present: Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, Trustee Ed Bourassa

Also Present: Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Chris Kuhn, of Gray & Company, Investment Consultant; Kirk VanDagens, of PNC Bank, Bank Investment Manager; Linda Kemp, Plan Administrator, Retiree Ron McNamee

Excused: Trustee McNamee, Trustee Faremouth

Chair Nicolas Hill called the meeting to order at 4:42 P.M.

Motion by Taylor, supported by Bourassa.

Resolved: To approve the minutes of the regular meeting and the closed door session of the P&F Retirement System Board of Trustees held December 11, 2013.

Unanimously approved.

01.01-14

Motion by Taylor, supported by Bourassa.

Resolved: To receive and file the following financial correspondence:

1. Distribution notice from Oaktree in the amount of \$1,953.06 pursuant to Section 6.4 of the Amended and Restated Limited Partnership Agreement.

Unanimously approved.

01.02-14

Motion by Taylor, supported by Bourassa.

Resolved: To receive and file the following correspondence:

1. The December 2013 Police & Fire Retirees Medicare Reimbursement Report. Note one change this reporting period.
2. EDRO approval dated December 10, 2013 from the office of VanOverbeke Michaud & Timmony P.C. referencing Wayne County Circuit Court Case No. 10-110819-DO.
3. Resolution prepared by the office of VanOverbeke Michaud & Timmony P.C. referencing Wayne County Circuit Court Case NO. 10-110819-DO.

Unanimously approved.

01.03-14

Motion by Taylor, supported by Bourassa.

Resolved: To pay the following bills:

1. Payment to Linda Kemp, Plan Administrator, for services during the periods ending December 15, 2013, through January 5, 2014 in the amount of \$1,980.

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2. Payment to Rodwan Consulting for normal actuarial and consulting services rendered to the City of Taylor Police & Fire Retirement System for the quarter ended December 31, 2013, pursuant to the Actuarial Services Agreement in the amount of \$1,990.
3. Payment to Fred Alger Management, Inc. for investment advisory fees from October 1, 2013 through December 31, 2013 in the amount of \$15,175.73.

Unanimously approved.

01.04-14

Mr. Timmony provided the Board members with a written communication updating the members on Wayne County Circuit Court Case NO. 11-015152-AS. As requested by the Board Mr. Timmony's office filed an Application for Leave to Appeal with the Michigan Supreme Court on October 7, 2013. The Supreme Court has not yet issued a ruling regarding that application. The Board was further advised a stay of further proceedings was requested and granted by Judge John Murphy in the Wayne County Circuit Court pending resolution of the appellate process by the Michigan Supreme Court.

On November 1, 2013, the Court's taxation clerk approved costs in favor of the plaintiff in the amount of \$535.75. Mr. Timmony advised the Board the Retirement System is required to make payment to opposing counsel and advised a check be provided as soon as administratively feasible. Mr. Timmony will keep the Board apprised of any updates regarding the Application for Leave to Appeal to the Michigan Supreme Court.

Motion by Taylor, Supported by Bourassa.

Resolved: To authorize Plan Administrator to process payment to Kevin Chudler in the amount of \$535.75 as soon as administratively feasible.

Unanimously approved.

01.05-14

Mr. Chris Kuhn gave a market value report, briefly discussed asset allocation as well as large cap funds. A recommendation was made that 1M be transferred from small cap to the administrative account. Discussion among Trustees followed and it was decided the transfer will come from fixed income rather than small cap.

Motion by Taylor, supported by Bourassa.

Resolved: To transfer \$1million dollars from fixed income to the administrative account to provide liquidity for the upcoming monthly benefit payments.

Unanimously approved.

01.06-14

Kirk VanDagens advised the Board he had provided the City of Taylor Budget and Finance Department with the requested GAP letter. A copy of that letter was provided to the members. Mr.

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VanDagens advised the Board that all three of the portfolios had done well the past quarter and that all three portfolios had exceeded their bench marks. Recent quarter also looks good.

Chair Hill Lead the discussion regarding the recent responses to the RFI stating the responses received are not exactly what the Retirement System is looking for and none seem to be a good fit at this time. A decision was made to extend the search until such time an Investment Consultant better suited for the Retirement System can be found. During this ongoing search Gray & Company will continue to serve as Investment Consultant. Should any further non disclosed events come forward regarding Gray and Company the Board will move forward without a consultant until one is found.

The Trustees requested Mr. Kuhn invite Graham and Millennium to the February meeting to give presentations.

Due to scheduling conflicts the February meeting needs to be changed.

Motion by Taylor, supported by Bourassa.

Resolved: To schedule the next meeting of the Police & Fire Board of Trustees to be held **Wednesday, February 19th at 4:30.**

Unanimously approved.

01.07-14

Motion by Taylor, supported by Bourassa.

Resolved: To adjourn meeting at 5:23 P.M.

Unanimously approved.

01.08-14

The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Wednesday February, 19 2014.