

Taylor Police & Fire Retirement Board July 10, 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, July 10, 2013.**

Present: Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, Trustee Lynn Cleary via phone conference

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; Craig Haynes, of PNC Bank; CFA Director, Vice President; Linda Kemp, Plan Administrator; Retiree Ron McNamee

Excused: Trustee Dan Bzura and Trustee Russ McNamee

Chair Nicolas Hill called the meeting to order at 4:34 P.M.

Motion by Cleary, supported by Taylor.

Resolved: To approve the minutes of the regular meeting of the P&F Retirement System Board of Trustees held June 12, 2013.

Unanimously approved.

07.77-13

Motion by Taylor, supported by Cleary.

Resolved: To receive and file the following financial correspondence:

1. Distribution from Oaktree PPIP Private Fund, L.P. pursuant to Section 6.4 of the Amended and Restated Limited Partnership Agreement dated June 5, 2013 in the amount of \$261,034.11.
2. Distribution from Oaktree PPIP Private Fund, L.P. pursuant to Section 6.4 of the Amended and Restated Limited Partnership Agreement dated June 24, 2013 in the amount of \$89,102.25.
3. Employee contributions received from the City of Taylor for the Police & Fire Retirement System for June 2013 in the amount of \$57,726.57.
4. Letter to Barbara Citizen of PNC Bank requesting the transfer of funds from the Commingled Account to the Administrative Account on or before June 28, 2013.

Unanimously approved.

07.78-13

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Motion by Cleary, supported by Taylor.

Resolved: To receive and file the following correspondence:

1. The June 2013 Police & Fire Retirees Medicare Reimbursement Report. Note 2 changes this reporting period.
2. Legislative Update received from the office of VanOverbeke Michaud & Timmony P.C. dated July 10, 2013.

Unanimously approved.

07.79 -13

Motion by Taylor, supported by Cleary.

Resolved: To approve the following correspondence:

1. Letter from Commander John Blair dated June 17, 2013 regarding the DROP Program.
2. Letter of retirement received from Police Cpl. Vern Marcum dated July 8, 2013.

Unanimously approved.

07.80-13

Motion by Cleary, supported by Taylor.

Resolved: To pay the following bills:

1. Payment to Linda Kemp, Plan Administrator, for services during the period ending June 16, 2013 through July 7, 2013 in the amount of \$2,235.
2. Payment to VanOverbek Michaud & Timmony P.C. for legal services rendered for Costella Litigation as well as legal services rendered to the Board of Trustees for the period January 1, 2013 through May 31, 2013 in the amount of \$1,615.00 and \$7,017.50 respectively.
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 June 30, 2013, pursuant to the Actuarial Services Agreement in the amount of \$1,950.
4. Payment to Fred Alger Management, Inc. for investment advisory fees for the period June 17, 2013 through June 30, 2013 in the amount of \$1,901.36.

Unanimously approved.

07.81-13

Mr. Jack Timmony advised the Board there is a hearing scheduled for later this month regarding the Costella litigation. A brief discussion took place regarding a member of the Board of Trustees ability to serve as a financial consultant. Mr. Timmony provided members with an opinion on the subject from the office of the Attorney General dated August 24, 1989 to be reviewed and discussed at a future meeting. Survivor benefits for a non-duty death of an active police officer were discussed; Mr. Timmony will continue to research this matter. Chair Hill brought up a question presented to him by an active Police Officer regarding an EDRO. Mr. Timmony advised Chair Hill to have the Officer submit the EDRO to the pension office to be forwarded to legal for review and approval as is policy.

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Chris Kuhn of Gray & Company gave Board members a Market Value Report, discussed Oaktree, Herndon and Alger portions of the portfolio. The Board was advised the City made a deposit to the Retirement Fund. Mr. Kuhn advised the Board no transfer of funds is necessary at this time. An amended Investment Policy Statement was presented for adoption.

Motion by Cleary, supported by Taylor.

Resolved: To adopt the Investment Policy Statement as amended July 2013.

Unanimously approved.

7.82-13

Craig Haynes of PNC Bank provided the Board with a quick overview of the quarterly economic report. Consumer savings rates have fallen, housing market is increasing, new home construction has stalled during the second quarter, rising equity market and higher home prices have boosted household net worth, unemployment rate is 7.6%, fixed income markets off to a good start, large cap and small cap performed nicely.

Kirk VanDagens of PNC Bank advised the Board all transactions transfers have been completed with no commission charges to the fund.

Chair Hill, advised Board members the pension office is awaiting pay records for Commander Blair and Cpl. Mike Rich and that Mr. Proctor and Mr. Tompos calculations are now with the actuary for certification. The Board was advised of the upcoming MAPERS Fall Conference and asked to contact Linda if they wish to attend.

Motion by Cleary supported by Taylor.

Resolved: To adjourn meeting at 5:09 P.M.

Unanimously approved.

07.83-13

The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Wednesday August 14, 2013.