

TAYLOR POLICE & FIRE RETIREMENT BOARD  
JUNE 9, 2010

The regular meeting of the Taylor Police & Fire Retirement Board was held at the Taylor Fire Department, 23345 Goddard Road, Taylor, Michigan, on Wednesday June 9, 2010.

Present: Avery, Haydon, Hill, McNamee, Taylor

Also Present: Jack Timmony of VanOverbeke, Michaud & Timmony, legal counsel; Chris Kuhn of Gray & Company; Kirk VanDagens of PNC Bank; Fire retiree Kenneth Costella; William Asimakis, Jr. of Clark Hill PLC; Gustaf Andreasen of Howard & Howard

Meeting called to order at 4:30 P.M. by Chairman McNamee.

Motion by Avery, supported by Taylor.

Resolved: To approve the minutes of the meeting held May 12, 2010.

Unanimously approved.

6.43-10

Motion by Taylor, supported by Haydon.

Resolved: To receive and file the following:

1. Employee contributions for the Police & Fire Pension System in the amount of \$58,869.93 for month of April 2010 received from the City of Taylor and submitted by wire transfer to the bank.

Unanimously approved.

6.44-10

Motion by Taylor, supported by Avery.

Resolved: To receive and file the following correspondence:

1. Notice to PNC Bank to stop pension payments to Robert Squiers, Sr. who passed away on May 11, 2010.
2. Letter to PNC Bank dated May 17, 2010 advising their Large Cap Growth strategy has been put on watch due to poor relative performance.
3. Letter to PNC Bank dated May 17, 2010 to redeem \$1 million from the Small Cap Core Fund to the Administrative Account.
4. Letter from legal counsel to Patrick McDonald, Esq. reference the arbitration of Kenneth Costella v. City of Taylor.
5. Letter to PNC Institutional Investments dated June 3, 2010 reference purchase of Oaktree PIP Private Fund in the amount of \$120,000.

Unanimously approved.

6.45-10

Motion by Taylor, supported by Avery.

Resolved: To approve the following:

1. Letter of retirement from Lt. Brian Raboczky, Police Department, effective June 30, 2010.
2. Letter of retirement from Cpl. Joseph Trigg, Police Department, effective June 30, 2010.
3. Letter of retirement from Sgt. Tim Culp, Police Department, effective June 30, 2010.

Unanimously approved.

6.46-10

Motion by Taylor, supported by Haydon.

Resolved: To approve payment of the following:

1. Statement from VanOverbeke Michaud & Timmony for legal services for the period of January 1, 2010 through March 31, 2010 in the amount of \$8,050.00.
2. Payment to Donna Terry, Plan Administrator, for pay periods ending May 16, 2010 through June 6, 2010, total of 57 hours in the amount of \$1,995.00.
3. Invoice from Mauricio Gomes for pension website yearly hosting and maintenance in the amount of \$420.00.
4. Statement from Patrick McDonald, Arbitrator, reference Kenneth Costella v. City of Taylor for \$525.00.

Unanimously approved.

6.47-10

Motion by Avery, supported by Taylor.

Resolved: To approve retirement of Cpl. Duane Tufts, Police Department, effective June 28, 2010.

Unanimously approved.

6.48-10

Motion by Avery, supported by Taylor.

Resolved: To receive and file actuarial report received from Human Resources Department reference impact of early retirement proposal under consideration for COAM and Fire members.

Unanimously approved.

6.49-10

William Asimakis, Jr. of Clark Hill, PLC, attorney for Kenneth Costella, addressed the Board of Trustees that he wanted to convince the Board that Kenneth Costella is entitled to this severance pay in the calculation of Final Average Compensation. He stated the arbitrator has no jurisdiction on this case, that the parties never agreed to arbitrate the issue, and that the personal services contract contemplates the inclusion of the pay in FAC. Mr. Asimakis continued his discussion.

Legal counsel discussed the issues involved in Mr. Costella's request to have his arbitration-awarded severance pay included in his final average compensation calculation. Discussed also were the positions of the attorneys for Mr. Costella and the City of Taylor. Further discussed was the Arbitrator's clarification ruling.

The Board waived the attorney-client privilege as to the February, 2010 opinion letter of legal counsel, and authorized legal counsel to provide a copy of the same to Mr. Costella's attorney (together with a copy of the City's March, 2010 opinion letter).

Chris Kuhn of Gray & Company presented report showing market values as of 6-8-10 and PNC large cap growth ending March 31, 2010 and 12-31-09.

Motion by Taylor, supported by Avery.

Resolved: To move \$500,000 cash from the Fixed Income Account to the Administrative Account.

Unanimously approved.

6.50-10

Motion by Taylor, supported by Avery.

Resolved: To go into closed session to review matters concerning attorney client privilege.

Unanimously approved.

6.51-10

Motion by Avery, supported by Taylor.

Resolved: To go back into open session.

Unanimously approved.

6.52-10

Motion by Avery, supported by Taylor.

Resolved: To authorize attorney to provide a copy of his February opinion letter and the City's March response letter to William Asimakis, attorney for Kenneth Costella and March minutes.

Unanimously approved.

6.53-10

Motion by Taylor, supported by Avery.

Resolved: To rescind his February motion to process benefits to Kenneth Costella based on the fact that the 26 weeks severance is base pay and severance pay is not included in final average compensation. If the parties of the contract wanted to include severance pay then his contract would have specified it was to be included.

Unanimously approved.

6.54-10

Motion by Taylor, supported by Avery.

Resolved: To allow Kenneth Costella sixty days to appeal the decision of this board. The Board based its decision not on the arbitrator's ruling but on contract language.

Unanimously approved.

6.54-10

Motion by Taylor, supported by Hill.

Resolved: To receive and file letter from legal counsel and attachments.

Motion by Taylor, supported by Haydon.

Resolved: To receive and file letter from Marge Maladecki asking the Board to consider her as a stand-in secretary if the need arises.

Unanimously approved.

6.55-10

Motion by Haydon, supported by Taylor.

Resolved: To adjourn meeting.

Unanimously approved.

6.56-10