

## **Taylor Police & Fire Retirement Board November 12, 2014 Meeting Minutes**

The regular meeting of the Taylor Police & Fire Retirement Board was held at the Taylor Police Department, 23515 Goddard Road, Taylor Michigan, on **Wednesday, October 15 2014**.

**Present:** Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, Trustee Ed Bourassa, Trustee Steve Portis and Trustee Tim Faremouth

**Also Present:** Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Kirk VanDagens, of PNC; Craig Haynes, of PNC; Linda Kemp, Plan Administrator; Sheila Gorski-Schulte, Human Resource Director

**Chairman Hill, called the meeting to order at 4:33 P.M.**

**Motion by Hill, supported by Bourassa.**

Resolved: To approve the minutes of the regular meeting of the P&F Retirement System's Board of Trustees held October 15, 2014.

*Unanimously approved.*

11.93-14

**Motion by Taylor, supported by Bourassa.**

Resolved: To receive and file the following financial correspondence:

1. Employee contributions received from the City of Taylor for October 2014 in the amount of \$91,965.75.

*Unanimously approved.*

11.94-14

**Motion by Taylor, supported by Bourassa.**

Resolved: To receive and file the following correspondence:

1. The November Medicare report. Note for (4) changes this reporting period.
2. Letter dated October 22, 2014 received from the office of Vanoverbeke Michaud & Timmony P.C. referencing Bloomfield Capital.
3. Letter dated October 23, 2014 from the office of Vanoverbeke Michaud & Timmony P.C. referencing Wayne County Circuit Court Case No. 14-10085-DO.
4. Letter dated October 20, 2014 from the office of Vanoverbeke Michaud & Timmony P.C. referencing Supreme Court # 147810 with attachments.
5. The report of the actuarial information for GASB Statement 6 for the Police and Fire Retirement System as of June 30, 2014.
6. Receive and file the following responses to the recent RFP for an Investment Consultant:
  - a. The Bogdahn Group
  - b. The Holycross Group
  - c. SEI
  - d. Morgan Stanley
  - e. Dahab Associates
  - f. Meketa Investment Group

## **Taylor Police & Fire Retirement Board November 12, 2014 Meeting Minutes**

- g. IPC
- h. Asset Strategies
- i. Investment Performing Services
- j. Asset Consulting Group

*Unanimously approved.*

11.95-14

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

Resolved to approve the following correspondence:

1. Actuarial certification of **deferred** retiree benefits for Michael Calabrese.
2. Actuarial certification of regular retirement benefits for John Blair and Vern Marcum.

*Unanimously approved.*

11.96-14

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

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp, Plan Administrator, for periods ending October 19, 2014 through November 9, 2014 in the amount of \$2,902.50.
2. Payment to Herndon Capital for management fees for the period of July 1, 2014 through September 30, 2014 in the amount of \$20,832.97.
3. Payment to Newsouth Capital Management, Inc. for management fees for the period of July 1, 2014 through September 30, 2014 in the amount of \$15,166.
4. Payment to PNC Institutional Investments for asset based fees in the amount of \$24,789.53.
5. Payment to Staples for office supplies in the amount of \$68.66.

*Unanimously approved.*

11.97-14

### **Late arrival items:**

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

Resolved: To approve the following payment of bills:

1. Payment to Vanoverbeke Michaud & Timmony P.C. for legal services rendered to the Retirement System for the period of July 1, 2014 through September 30, 2014 in the amount of \$2,240.
2. Payment to Gray & Company for 3<sup>rd</sup> quarter investment consultant retainer fee in the amount of \$14,296.55.
3. Payment to MAPERS for annual membership dues in the amount of \$100.

*Unanimously approved.*

11.98-14

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

Resolved: To receive and file the following correspondence:

1. Letter dated November 7, 2014 received from Mrs. Barb Hall referencing alternate payee benefits.
2. Response correspondence received from Mr. Timmony regarding Mrs. Barb Hall.
3. Disability Retirement Resolution for Bradley Sepell.

## **Taylor Police & Fire Retirement Board November 12, 2014 Meeting Minutes**

*Unanimously approved.*

11.99-14

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

Resolved: To confirm upon advice of legal counsel no alternate payee benefit is owed to Ms. Barbara Hall.

*Unanimously approved.*

11.100-14

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

Resolved: To adopt the Disability Retirement Resolution for Bradley Sepell.

*Unanimously approved.*

11.101-14

### **Motion by Bourassa, supported by Portis.**

Resolved: To receive and file the following financial correspondence.

1. Letter dated November 12, 2014 to Ms. Barbara Citizen of PNC Bank requesting a transfer of funds from S&P 500 in the amount of \$1,000,000 and \$1,000,000 from Small Cap Core for a total of \$2,000,000 to be wired to Bloomfield Capital as approved at the meeting held October 15, 2014.
2. Capital call notice dated November 7, 2014 from Bloomfield Capital.

*Unanimously approved.*

11.102-14

Mr. Timmony provided the Board with a summary of those investment consultants that responded to the RFP to assist the Board when reviewing the various proposals. Mr. Timmony reminded the Board that while his firm is familiar with and has clients in common with many of the respondents, his office does not endorse any investment consultant. Chair Hill suggested the Trustees take the next month to review each of the proposals and to be prepared at the December meeting to discuss and potentially invite firms that best fit the needs of the Retirement System to the January meeting.

### **Motion by Bourassa, supported by Portis.**

Resolved: To receive and file the summary prepared and presented by Mr. Timmony.

*Unanimously approved.*

11.103-14

**Craig Hayne** gave a report highlighting the overall market value. Discussion included a slowdown in global growth, returns, year to date yield curves, account status update, portfolio discussion and update of investment performance.

**Kirk VanDagens** provided a brief market value report indicating slightly overweight in equities as well as an account allocation review. The Board was advised that the Administrative account is

## **Taylor Police & Fire Retirement Board November 12, 2014 Meeting Minutes**

well funded for the December benefit payments and Mr. VanDagens is not recommending a transfer of funds at this time

**Sheila Gorski-Schulte** was present at this meeting to advise the Board that Fire Fighters Local 1252 believes there is a discrepancy in the figures previously presented to the Board on the matter of back pay for fire fighters involved in an arbitration award. Revised number will be provided to the Board of Trustees at the December meeting.

### **Motion by Faremouth, supported by Bourassa.**

Resolved: To change the time of the December 10<sup>th</sup> meeting to **2:30**.

*Unanimously approved.*

11.104-14

A brief discussion took place on the possibility of changing the meeting location for future meetings of the Police & Fire Retirement System's Board of Trustee to the Police Station. Chair Hill will follow up with Chief Sclabassi and report back.

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

Resolved: To enter into closed door session for attorney client privilege discussion and pending litigation and settlement strategy regarding L-3 Communications Holding Inc., St. Jude Medical and Western Union.

*Unanimously approved.*

11.105-14

### **Roll Call:**

Chair Hill	Yes
Trustee Bourassa	Yes
Trustee Portis	Yes
Trustee Faremouth	Yes
Trustee Taylor	Yes

### **Motion by Bourassa, supported by Faremouth.**

Resolved: To return to regular session.

*Unanimously approved.*

11.106-14

## **Taylor Police & Fire Retirement Board November 12, 2014 Meeting Minutes**

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

Resolved: To receive and file L-3 Communications Holding Inc. securities litigation, St. Jude litigation and Western Union litigation.

*Unanimously approved.*

11.107-14

**Trustee Portis** brought up the issue of back pay for fire fighters involved in the arbitration award stating he has had communication with many of those individuals regarding the payout they received in 2014. It was noted those individuals wish to use those funds as part of their FAC for the year 2011. Some discussion followed and it was agreed again by this body that this is a matter to be resolved between the union and the City Administration.

### **Motion by Bourassa, supported by Faremouth.**

Resolved: To adjourn the meeting at 5:44P.M.

*Unanimously approved.*

11.108-14

**The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Wednesday, December 10, 2014 at 2:30 P.M.**