

Taylor Police & Fire Retirement Board October 8, 2015 Meeting Minutes

The regular meeting of the City of Taylor Police & Fire Retirement Board was held at the **Taylor Police Department**, 23515 Goddard Road, Taylor Michigan, on **Thursday, October 8, 2015**.

Present: Chairman and Trustee Nicolas Hill (via phone), Trustee Gerry Taylor, Trustee Jesse Kriebel, Trustee Tim Faremouth and Trustee Ed Bourassa

Also Present: Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Linda Kemp, Plan Administrator; Christopher Kuhn, of The Bogdahn Group; Kirk VanDagens, of PNC Institutional Investments; Fire retiree Ron McNamee; Sheila Gorski-Schulte, Human Resource Director

Excused:

Acting Chair Mr. Jack Timmony, called the meeting to order at 4:32 P.M.

Motion by Taylor, supported by Kriebel.

Resolved: To approve the minutes of the regular meeting of the City of Taylor Police & Fire Retirement System's Board of Trustees held September 10, 2015 and the minutes of the closed door session also held September 10, 2015.

Unanimously approved.

10.73-15

Motion by Bourassa, supported by Taylor.

Resolved: To receive and file the following financial correspondence:

1. Employee Contributions received from the City of Taylor for August 2015 in the amount of \$56,733.01 and for September 2015 in the amount of \$51,215.01.

Unanimously approved.

10.74-15

Motion by Taylor, supported by Bourassa.

Resolved: To receive and file the following correspondence:

1. The October 2015 Medicare reports. Note NO changes this reporting period.
2. Letter of retirement received September 15, 2015 from Cpl. Jeff Hansen with an effective DEFERRED retirement date of December 7, 2018

Unanimously approved.

10.75-15

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Motion by Taylor, supported by Bourassa.

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp, Plan Administrator, for periods ending September 13, 2015 through October 4, 2015 in the amount of \$2,272.50.

Unanimously approved.

10.76-15

Mr. Timmony provided the Trustees with a memorandum dated October 8, 2015 regarding Mr. Cziryak's FOIA fee appeal. The memo outlined the sequence of events relative to Mr. Cziryak's original FOIA request of April 28, 2015, his subsequent request for the same information following the amendment to Public Act 563 as of July 1, 2015 and Mr. Cziryak's FOIA appeal. The Trustees discussed this matter and were advised by Mr. Timmony amendments to Public Act 563 now allow for contracted review and redaction costs. It was further noted the fees for Mr. Cziryak's FOIA request were allowable and appropriate.

Motion by Hill, supported by Taylor.

Resolved: To deny Mr. Cziryak's FOIA appeal and to authorize Mr. Timmony's office to draft the appropriate response letter.

Unanimously approved.

10.77-15

Late arrival items:

Motion by Kriebel, supported by Bourassa.

Resolved: To receive and file the following items:

1. First Eagle form ADV Part 2A.
2. Letter dated September 25, 2015 to Chief Sciabassi from Cpl. Gerald Cole rescinding his letter of retirement.
3. Email received from Zack Cziryak appealing FOIA fees.
4. Letter dated October 2, 2015 from PNC referencing customer satisfaction survey.
5. Letter dated October 8, 2015 from Rodwan Consulting referencing Alternate Payee benefits related to Wayne County Circuit Court Co No.13-105463-DM

Unanimously approved.

10.78-15

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Motion by Taylor, supported by Kriebel.

Resolved: To approve the following payment of bills.

1. Payment to Rodwan Consulting Company for normal actuarial and consulting services rendered to the City of Taylor Police and Fire Retirement System for the quarter ended September 30, 2015, pursuant to the Actuarial Services Agreement in the amount of \$2,030.

Unanimously approved.

10.79-15

Kirk VanDagens provided an update on investments managed by PNC. Discussion included account status, discretionary assets, investment performance as of September 30, 2015, performance vs. bench marks. Discussion related to the foreign dollar also took place.

Motion by Bourassa, supported by Kriebel.

Resolved: To receive and file the PNC report.

Unanimously approved.

10.80-15

Chris Kuhn advised the Trustees the sale of S&P 500 and the purchase of S&P 400 has been completed as approved at the September meeting. The SEC investigation of First Eagle was discussed. It was noted that while The Bogdhan group is disappointed with this situation, First Eagle is cooperating fully with the SEC; therefore Mr. Kuhn suggests the Board allow him to keep a watch on First Eagle prior to taking any action regarding this matter. Trustee Taylor suggested there may be additional allegations as the investigation continues.

Mr. Kuhn mentioned he continues to work with Mr. Castle on the side letter for Bloomfield Capital regarding them registering with the SEC.

An asset/manager summary and a proposed asset allocation/manager structure were provided and discussed. It was decided since Chair Hill was participating in this meeting via phone and did not have the information to review that no decision would be made at this meeting regarding asset allocation until Chair Hill has an opportunity to review the summary.

Mr. Kuhn also provided a Global Tactical Asset Allocation Overview and Manager Evaluation report. The report provided firm comparisons, product comparisons, performance comparisons, manager summaries, firm overview, team overview, strategy description and portfolio risk controls for Black Rock Multi, PIMCO, Westwood and William Blair.

Motion by Faremouth, supported by Kriebel.

Resolved: To receive and file the Global Tactical Asset Allocation Overview and Manager Evaluation report.

Unanimously approved.

10.81-15

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Mr. Kuhn asked Ms. Gorski-Schulte, who was present at this meeting, if the city had made both of their required deposits to the Police & Fire Retirement System's fund. Ms. Gorski stated both required deposits have already been made.

Mr. Kuhn advised the Trustees there is a need to transfer funds to the administrative account to provide liquidity for payment of upcoming retirement benefits.

Motion by Taylor, supported by Bourassa.

Resolved: To authorize the liquidation of Scout and to transfer those funds to the administrative account as recommended by Investment Consultant Chris Kuhn to provide liquidity for payment of upcoming retirement benefits.

Unanimously approved.

10.82-15

Mr. Khun also noted The Bogdhan Group has hired a second investment consultant who will also work with Michigan clients.

Mr. Timmony, brought up the request made by Ms. Gorski-Schulte for a copy of the actuarial certification of Mr. Quiroz's retirement benefits. It was noted Ms. Gorski-Schulte was previously provided with the meeting minutes in which this issue was discussed. Ms. Gorski-Schulte stated the city is in a "fact finding" phase and this information is necessary to determine wages used as part of the FAC calculation. Ms. Gorski-Schulte further stated she believes the agreement between Mr. Quiroz and the city calls out specifically what earnings are allowable to be used toward FAC for the year 20005. Mr. Timmony advised the Trustees per Act 314 those records are exempt from disclosure.

Motion by Taylor, supported by Farenmouth.

Resolves: To authorize Plan Administrator to contact Mr. Quiroz in writing to advise of Ms. Gorski-Schulte's request and to provide Mr. Quiroz with an Authorization for Release of Information form for review and consideration.

Unanimously approved.

10.83-15

Motion by Bourassa, supported by Kriebel

Resolved: To adjourn the meeting at 5:45 P.M.

Unanimously approved.

10.84-15

The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held THURSDAY, November 12, 2015 at 4:30 at the Taylor Police Station.