

Taylor Police & Fire Retirement Board

April 16, 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, April 16, 2015**.

Present: Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, Trustee Tim Faremouth, Trustee Ed Bourassa and Trustee Jesse Kriebel.

Also Present: Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Linda Kemp, Plan Administrator; Christopher Kuhn, of The Bogdahn Group; Fire Fighter Dennis Marshall.

Chairman Hill, called the meeting to order at 4:03 P.M.

Motion by Taylor, supported by Bourassa.

Resolved: To approve the minutes of the regular meeting of the City of Taylor P&F Retirement System's Board of Trustees held March 12, 2015.

Unanimously approved.

04.30-15

Motion by Taylor, supported by Bourassa.

Resolved: To receive and file the following financial correspondence:

1. Payment of employee contributions received from the following fire fighters:

• Scott Barry	\$860.86
• Mark Bonadeo	\$2,752.53
• Bobby Lavender	\$375.70
• Robert Vanderlinder	\$2,474.71
• William Caruso	\$2,448.08
• William Currie	\$285.16
• Gregory Ward	\$292.59
• Miles Jarvis	\$1,989.15
• Joseph Aljouny	\$2,595.08
• Carl Dowell	\$403.14
• Ron Howard	\$1,936.58
• Dan Doran	\$403.14
• Robert Lankton	\$2,474.71
• Bryan Schwesing	\$2,474.71
• Dennis Marshall	\$2,106.80
• Jose Stachulski	\$90.55

2. Client statement received from First Eagle.

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3. Distribution from Intercontinental in the amount of \$78,079.03 (pro rata gross share of an overall distribution of \$7,906,276.12 less \$25,513.84 management fees) resulting in a net distribution in the amount of \$52,565.19.

Unanimously approved.

04.31-15

Motion by Taylor, supported by Bourassa.

Resolved: To receive and file the following correspondence:

1. Letter dated March 19, 2015 received from the United States Securities and Exchange Commission regarding examination of Thornburg Investment Management Inc.
2. Letter dated March 23, 2015 sent to Mr. Kirk VanDagens, Vice President PNC Institutional Asset Management referencing PNC Capital Advisors "Watch" notice.
3. FOIA dated April 3, 2015 received from Mr. Herman Ramik.
4. FOIA extension letter dated April 10, 2015. Herman Ramik via certified mail and via email.
5. The April 2015 Medicare Report. Note one change this reporting period.

Unanimously approved.

04.32-15

Motion by Taylor, supported by Bourassa.

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp, Plan Administrator, for periods ending March 15, 2015 through April 12, 2015 the amount of \$2,842.50
2. Payment to Rodwan Consulting Company for normal actuarial and consulting services rendered to the City of Taylor Police and Fire Retirement System for the calendar quarter ended March 31, 2015, pursuant to the Actuarial Services Agreement, in the amount of \$2,030.00.

Unanimously approved.

04.33-15

Mr. Timmony discussed the FOIA request submitted by Mr. Ramik advising the Trustees part of Mr. Ramik's request is being denied as no such data exists, part of his FOIA requires clarification, and part will be provided via the Retirement System's website. Mr. Timmony will provide the appropriate response to be placed on the Retirement System's letterhead.

Motion by Hill, supported by Taylor.

Resolved: To authorize Mr. Timmony to prepare the appropriate response to Mr. Ramik's FOIA.

Unanimously approved.

04.34-15

Laid off Fire Fighter **Dennis Marshall** was at this meeting to address the issue of the Stipulated Award as it relates to monies paid as a result of the Award as well as using sick and vacation banks

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paid due to 2011 lay off being used toward 2011 final average compensation (FAC). Mr. Timmony advised the Trustees his research on the matter included review of contract language, Article XII, section 3 which outlines what earnings are to be included in Final Average Compensation, as well as past practice. As a result of his research it was recommended the Retirement System should not deviate from past practice and the Plan Administrator should move forward with deferred pension estimates to include monies paid as a result of the Stipulated Award as well as any pay out of accumulated banks. A copy of the April approved minutes should also be placed in files of those involved in this matter.

Mr. Timmony advised the Board his office is in the process of drafting a policy to address possible overpayment/underpayment of pension benefits for the Board to review at a future meeting. It was recommended at this meeting the Board consider adopting a written policy to address the back pay issue.

Motion by Taylor, supported by Bourassa.

Resolved: To authorize legal to prepare a draft written policy for review and consideration at a future meeting.

04.35-15

Chris Kuhn advised the Board his work with Gray and Company as well as PNC has resulted in gathering approximately 90% of the financial data needed to complete the December 2014 report. A review of that report was given. A snapshot of current asset allocation was also provided. Mr. Kuhn distributed to the Trustees a copy of the Investment Performance Review as of December 2014. Brown, Herndon and Scout have been under-performers. Discussion related to that under-performance resulted in a recommendation by Mr. Kuhn to put Brown, Herndon and Scout on watch.

Motion by Taylor, supported by Bourassa.

Resolved: To place Brown Advisory, Herndon Capital and Scout on watch.

Unanimously approved.

04.36-15

Mr. Kuhn continued with his report. Intercontinental outperformed their benchmark, Bloomfield Capital called \$2 million; interest payments will be sent as payments accumulate.

An analysis of peer groups showed the Police & Fire Retirement System is in the top 5% of public funds. Other discussion included policy index, 5 year fund performance and peer group comparison. Other potential future investments were also discussed.

Mr. Kuhn advised the Trustees he is not recommending a transfer of funds to the Administrative account at this time. It was noted at this meeting the City of Taylor had made a deposit of the required employer contribution amount to the Retirement System.

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Chair Hill advised Trustees of upcoming MAPERS Conference and asked who would like to attend. Chair Hill and Trustee Kriebel will be attending. It was requested that Linda Kemp move forward with the necessary registration for both Chair Hill and Trustee Kriebel to attend the May MAPERS Conference.

Motion by Taylor, supported by Kriebel

Resolved: To adjourn the meeting at 5:03 P.M.

Unanimously approved.

04.37-15

The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held THURSDAY, May 14, 2015 at 4:30 at the POLICE STATION.