

Taylor Police & Fire Retirement Board December 9, 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 **Wednesday, December 9, 2015**.

Present: Chairman and Trustee Nicolas Hill, 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; Sheila Gorski-Schulte, Human Resource Director

Guests: Jet Taylor, Managing Director of Metropolitan Real Estate; Margaret McKnight, of Metropolitan Real Estate, Todd Fowler, Director, Marketing and Client Services, American Realty Advisors;

Excused: Trustee Taylor

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

Motion by Kriebel, supported by Bourassa.

Resolved: To approve the minutes of the regular meeting of the City of Taylor Police & Fire Retirement System's Board of Trustees held November 12, 2015.

Unanimously approved.

12.92-15

Motion by Bourassa, supported by Kriebel.

Resolved: To receive and file the following financial correspondence:

1. Client Statement from First Eagle Global Value Fund, LP for the period of September 30 2015 through October 31, 2015.
2. Employee contributions received from the City of Taylor for October 2015 in the amount of \$82,815.37.
3. Bloomfield Capital Income Fund III, LLC Capital Call Notice dated November 19, 2015.
4. Letter dated November 20, 2015 to Mr. Anthony Pinkston of Herndon Capital requesting a partial rebalancing of assets for the City of Taylor Police and Fire Retirement System on or about November 27, 2015.
5. Letter dated November 19, 2015 to Ms. Christine Burns Patti of Newsouth Capital Management requesting a partial rebalancing of assets for the City of Taylor Police and Fire Retirement System on or about November 27, 2015.
6. Letter dated November 19, 2015 to Ms. Barbara Citizen of PNC Bank requesting the coordination of transferring necessary funds to Bloomfield Capital to comply with the capital call notice.

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7. Distribution from Intercontinental in the amount of \$135,920.44 (pro rata gross share of an overall distribution of \$19,690,771.10, less management fees of \$26,230.95) resulting in a net distribution in the amount of \$109,689.49.

Unanimously approved.

12.93- 15

Motion by Bourassa, supported by Kriebel.

Resolved: To receive and file the following correspondence:

1. December 2015 Medicare report. Note one change this reporting period.
2. Letter dated November 16, 2015 to Mayor Sollars, Taylor City Council and Ms. Sheila Gorski-Schulte referencing payroll records.
3. Email dated December 4, 2015 received from retiree Bradley Sepell referencing a workers compensation settlement.

Unanimously approved.

12.94-15

Motion by Bourassa, supported by Kriebel.

Resolved: To approve the following correspondence:

1. GASB Statement as of June30, 2015 prepared by Rodwan Consulting.
2. Actuarial certification and payment of retirement benefits to Ed Shalda.
3. Actuarial certification and payment of Alternate Payee benefits to Margaret Shalda.
4. Actuarial certification and payment of retirement benefits to Maureen Brinker.

Unanimously approved.

12.95-15

Motion by Bourassa, supported by Kriebel.

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp, plan administrator for the period of November 15, 2015 through December 6, 2015 in the amount of \$1,867.50.
2. Payment to MAPERS for annual membership dues in the amount of \$100.
3. Payment to Rodwan Consulting Company for additional actuarial services rendered to the City of Taylor Police & Fire Retirement System in connection with information for reporting purposes pursuant to GASB Statement 67 and 68 as of June 30, 2015 in the amount of \$4,900.

Unanimously approved.

12-96.15

Mr. Timmony spoke briefly about item C-3. After further review of the item Chair Hill requested the Plan Administrator contact Denise Jones of Rodwan for clarification on the final calculation. Mr. Sepell's request related to a workers compensation claim was also discussed. Mr. Timmony recommended Mr. Sepell be provided with an additional copy of the duty disability resolution adopted on November 12, 2014.

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Mr. Timmony reviewed policy resolutions regarding requests by members for estimated benefits and repayment of retirement benefit overpayments. Copies were provided for discussion purposes. Mr. Timmony also provided a draft policy resolution regarding payment of estimated benefits for consideration by the Trustees. Discussion related to payment of estimated benefit payments followed. It was suggested the resolution brought forward by Mr. Timmony be adopted. The Trustees were advised by Mr. Timmony that Bloomfield Capital had agreed to waive the no jury trial language in their agreement and the Bloomfield III investment documents have been fully executed.

Motion by Faremouth, supported by Kriebel.

Resolved: To adopt the Policy Resolution regarding Payment of Estimated Benefits as prepared by the office of Vanoverbek Michaud & Timmony P.C.

Unanimously approved.

12-97.15

Chris Kuhn provided a market value summary stating things were down slightly; fixed income is also down. It was noted at this meeting there is a need to transfer funds to the Administrative account to provide liquidity for upcoming retirement benefit payments.

Motion by Hill, supported by Faremouth.

Resolved: To authorize Investment Consultant Chris Kuhn to arrange the transfer of 1M from Alger to the Administrative account to provide liquidity for upcoming benefit payments.

Unanimously approved.

12-98.15

Mr. Kuhn also provided the Trustees with a report indicating Herndon is struggling and has actually been down since inception. A marked up version of the Investment Policy was provided for review. Mr. Kuhn touched briefly on a few of the changes and suggested the Trustees review the policy for discussion at a future meeting.

Mr. Todd Fowler of American Realty Advisors was present at this meeting to provide the Trustees an in depth view of American Realty Advisors. His presentation included an overview of risk management and client focus, investment solutions; core, enhanced core, value added and opportunistic. Fundamental principles, valued added philosophy, investment process, value added real estate strategy, fund snapshot, limited partners' performance history, investment activity, competitive advantages, investment minimum and fee structure were also part of his presentation.

Mr. Jet Taylor and Ms. Margaret McKnight of Metropolitan Real Estate were also at this meeting to provide an overview of Metropolitan Real Estate. Their presentation included an explanation of secondaries and co-investment funds, investment opportunities, experience of senior investment

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team, track record, value investment philosophy, growth in real estate secondaries market, targeted approach, market trends, investment summary, focus on quality assets, manager selection is consistent with philosophy, investment summary, snap shot of portfolio, competitive advantage, minimum investment waived for P&F Retirement System and fee structure.

Following the presentations Mr. Kuhn provided the Trustees with a recap of both firms. The Trustees discussed a potential investment with both firms; amount of investment as well as where the funds would be taken from.

Motion by Faremouth, supported by Bourassa.

Resolved: To invest 2M with Metropolitan Real Estate and 2M with American Realty Advisors, subject to review by legal counsel. Reallocation of funds will be determined at time of investment with the recommendation of Investment Consultant.

Unanimously approved.

12.99-15

Motion by Kriebel, supported by Bourassa.

Resolved: To authorize Plan Administrator to purchase a new audio recorder for the purpose of recording meeting minutes at a cost not to exceed \$100.

Unanimously approved.

12.100-15

Motion by Faremouth, supported by Bourassa.

Resolved: To adjourn the meeting at 7:07 P.M.

Unanimously approved.

12.101-15

The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Thursday, January 7, 2016 at 4:30 at the Taylor Police Station.