

TAYLOR POLICE & FIRE RETIREMENT BOARD

December 8, 2016

The regular meeting of the City of Taylor Police & Fire Retirement Board was held at the **Taylor Police Department**, 23515 Goddard Road (second floor conference room), Taylor, Michigan, on **Thursday, December 8, 2016 at 4:30 P.M.**

**Present:** Chairman and Trustee Hill, Trustee Faremouth, Trustee Taylor.

**Also Present:** Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Chris Kuhn, Senior Consultant, The Bogdahn Group; Kirk VanDagens, PNC; Sheila Gorski-Schulte, Human Resource Director for the City of Taylor.

**Excused:** Trustee Kriebel, Trustee Bourassa

**Trustee and Chair Nicolas Hill, called the meeting to order at 4:55 P.M.**

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

Resolved: To approve the minutes of the meeting of the City of Taylor Police & Fire Retirement System's Board of Trustees held November 10, 2016.

*Unanimously approved.*

12.66-16

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

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, 2016 through October 31, 2016.
2. Capital Call notice number 5 received from Metropolitan Real Estate Partners Secondaries & Co-Investments Fund L.P. in the amount of \$107,929.27.
3. Letter dated November 29, 2016 to Ms. Barbara Citizen of PNC bank requesting the facilitation of capital call number 5 for Metropolitan Real Estate Partners Secondaries & Co-Investments Fund L.P. in the amount of \$107,929.27.

*Unanimously approved.*

12.67-16

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

Resolved: To receive and file the following correspondence:

1. The December 2016 Medicare reports. Note 4 change this reporting period.
2. Letter dated November 15, 2016 received from Intercontinental referencing U.S Real Estate Investment Fund, LLC (the "Fund").
3. Letter of retirement dated November 2, 2016 received from Det. Steven Schwein (police) with an effective retirement date of December 16, 2016.
4. Michigan Legislative Update dated December 1, 2016 prepared by the office of Vanoverbeke, Michaud & Timmony P.C. referencing Local Unit of Government Retirement Act.
5. Letter dated November 29, 2016 received from Intercontinental referencing electronic delivery of investor reports.

*Unanimously approved.*

12.68-16

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**Motion by Taylor by supported by Faremouth.**

1. Resolved: To approve the following payment of bills: Payment to Linda Kemp, Plan Administrator for the period of November 13, 2016 through December 4, 2016 in the amount of \$1,950.

*Unanimously approved.*

12.69-16

**Late arrival item:**

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

Resolved: To approve employee contributions received for October 2016 from the City of Taylor in the amount of \$52,535.79.

*Unanimously approved.*

12.70-16

**Mr. Timmony** briefly discussed item B-4 and noted the proposed legislation is no longer viable this session, however noted he expects it to be brought up again in the next session.

**Chris Kuhn** provided a report on updated market values advising the Board the fund is up since our last meeting. It was noted PNC small cap performed amazingly well. SNP 400 did very well as did PNC large cap value. Fixed income was slightly down, American Realty slightly up and Newsouth has had a difficult year. Brown struggled in the beginning of the year, however in May they made a comeback then things slowed down again. Mr. Kuhn is not recommending any changes with Brown at this time. A letter from Brown Advisory was provided outlining their year in review. An Asset Manager Summary Review was provided and discussed. Four (4) potential managers were reviewed/discussed. It was decided at this meeting to invite two managers to the January meeting to provide presentations to the Board for consideration as potential future investment managers. An updated performance report was provided for Herndon indicating they are still well behind their benchmark for the year. Chairman Hill suggested cutting ties with Herndon. While the fund has not lost money with Herndon he feels they have underperformed for too long. A brief discussion regarding changing to electronic statements received from Intercontinental. The Board agreed to receive electronic statements. Linda Kemp will forward the first initial email so the Trustees can log in and view reports/statements. Mr. Kuhn made a recommendation to authorize a transfer of funds to provide liquidity for upcoming benefit payments.

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

Resolved: To approve the acceptance of electronic statements/reports from Intercontinental.

*Unanimously approved.*

12.71-16

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

Resolved: To authorize Investment Consultant Chris Kuhn to transfer of \$1M from Herndon to the Administrative Account to provide liquidity for upcoming benefit payments.

*Unanimously approved.*

12.72-16

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**Chair Hill** stated Linda Kemp has worked for the P&F Retirement System for five years with no increase in pay and asked the Board to consider an increase in pay at this meeting.

**Motion by Hill, supported by Taylor.**

Resolved: To approve an increase in pay for Linda Kemp effective January 1, 2017.

*Unanimously approved.*

12.73-16

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

Resolved: To adjourn the meeting at 5:58 P.M.

*Unanimously approved.*

12.74-16

**The next meeting of the Board of Trustees of the City of Taylor Police and Fire Retirement System will be held Thursday, January 12, 2017.**