

The regular meeting of the City of Taylor Police & Fire Retirement System Board was held at Taylor Police Station located at 23515 Goddard Road, Taylor, MI, at 4:15 P.M. on Thursday, January 13, 2022.

**Present:** Chairman and Trustee Nicolas Hill, Trustee Jason Couture, and Trustee Al Young. Trustee Michelle Tocco was present by telephone (but not counted for quorum purposes).

**Also Present:** Jack Timmony, VanOverbeke Michaud & Timmony P.C., Legal Counsel; Chris Kuhn, CAIA, Senior Investment Consultant, AndCo; former Firefighter James Hubbard; and Sheila Gorski-Schulte, City of Taylor Human Resource Director.

**Excused: Trustee Gerry Taylor**

**Trustee and Chair, Nick Hill called the meeting to order at 4:20 P.M.**

**Motion by Young, supported by Couture.**

Resolved: To approve the minutes of the regular meeting of the City of Taylor Police & Fire Retirement System held December 9, 2021.

*Unanimously approved.*

01.01-22

**Motion by Couture, supported by Young.**

Resolved: To approve the following financial correspondence.

1. Capital call notice dated December 17, 2021 from Portfolio Advisors with a call date of December 27, 2021 in the amount of \$247,940.00.
2. Letter dated December 21, 2021 to Ms. Sara Boles of PNC Bank requesting the facilitation of Portfolio Advisors capital call.
3. Transfer of funds in the amount of \$6,000,000.00 from the Administrative account to the Commingled account.
4. Transfer from the Commingled account to WCM for previously approved additional investment in the amount of \$6,000,000.00.
5. Letter dated January 3, 2022 outlining instructions for funding the WCM additional investment in the amount of \$6,000,000.00.

*Unanimously approved*

01.01-22

**Motion by Young, supported by Couture.**

Resolved: To receive and file the following correspondence:

1. Medicare report for January 2022 and February 2022. Note two (2) changes in January and thirty-five (35) for February.
2. Letter dated December 17, 2021 to Ms. Gorski-Schulte requesting a copy of the arbitration decision in the matter of firefighter James Hubbard.
3. Correspondence dated December 28, 2021 received from attorney John Clark of the

office of Giarmaro, Mullins & Horton, P.C. regarding the arbitration decision for firefighter James Hubbard including arbitration decision documents.

4. Annual verification letter to be sent to all retirees, beneficiaries, and alternate payees.

*Unanimously approved.*

01.03-22

**Motion by Couture, supported by Young.**

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp for the period of December 12, 2021 through January 9, 2022 in the amount of \$2,091.25, reimbursement for monthly Zoom subscription in the amount of \$15.98 December for a total of \$2,107.25.
2. Payment to Foster & Foster Actuaries and Consultants for preparation of the 6/30/21 Public Act 202 report in the amount of \$1,450.00 and quarterly fixed retainer fee for the quarter ending December 31, 2021 in the amount of \$2,311.00 for a total of \$3761.00.
3. Payment to AndCo for consulting and performance evaluation services for the period of October 1, 2021 through December 31, 2021 in the amount of \$14,500.00.

*Unanimously approved.*

01.04-22

**Mr. Jack Timmony** was present at the meeting and discussed the current provisions of the Open Meetings Act. The amendments to the Act that allowed public bodies such as this Pension Board to meet remotely during this almost two years long pandemic period expired December 31, 2021. Unless absent due to military duty, Trustees now must be physically present at a meeting. Other Trustees may attend by telephone, for example, but those who do will not be counted toward a quorum, cannot deliberate, and cannot vote on any matter. Trustees attending by telephone or other mode of communication may, of course, provide comments under the public participation portion of the meeting. There is continued monitoring of legislative activity concerning this matter and Legal Counsel will report further developments if any.

Mr. Timmony also discussed Mr. Hubbard's retirement eligibility. Mr. Hubbard's service with the city of Taylor ended effective July 20, 2020; he also was eligible to retire on that date. Mr. Hubbard was involved in a grievance and arbitration proceeding with the employer City at the time and thus did not submit an application for retirement. The arbitrator denied Mr. Hubbard's grievance in an opinion and award dated November 22, 2021. Mr. Hubbard then submitted his written application for retirement.

The issue concerns the effective retirement date: whether it is July 20, 2020 when Mr. Hubbard's service terminated and he was eligible to retire, or whether it is effective 30 days following the November 2021, submission of the actual retirement application. Discussion followed. Mr.

Timmony noted that the plan provision in Act 345 indicates a member may retire upon submission of a written application, no less than 30 days and no more than 90 days prior to the desired effective retirement date. There is no dispute about Mr. Hubbard's eligibility to retire on July 20, 2020, but as noted, Mr. Hubbard and the city of Taylor were involved in a grievance and arbitration proceeding at that time, so no retirement application was pending; Mr. Hubbard submitted his retirement application in November, 2021.

The Board resolved to refrain from determining this issue while the parties to the labor agreement, the employer City, and the Union and Mr. Hubbard, work to clarify the matter in accordance with the parties' contract and the arbitrator's opinion and award.

**Gary Salzer and Ed Urbono** were not present at the meeting.

**Chris Kuhn** was present and discussed the following. First, Mr. Kuhn provided a brief market update as of December 31, 2021, and reviewed market activity with the Trustees along with his information provided in his handout material. Chris also reviewed investment performance with the Board, then addressed his written rebalance recommendation: Mr. Kuhn asked the Board to approve reducing the PNC Large Cap Value portfolio by \$1,000,000.00 and adding that amount to the Cash Account. Finally, Mr. Kuhn briefly discussed alternative investments, and more particularly real estate investment funds. Discussion followed. The Board agreed with the Investment Consultant to invite representatives from Terra Cap to make a presentation at the February regular meeting.

**Motion by Young, Supported by Couture.**

Resolved: To reduce the PNC Large Cap Value portfolio by \$1,000,000.00 and add that amount to the Cash Account upon the written recommendation of the Investment Consultant.

*Unanimously approved*

01.05-22

**Chair Hill Open Business:** - none.

**Motion by Young, supported by Couture.**

Resolved: To adjourn at 5:00 P.M.

*Unanimously approved.*

01.06-22

**The next regular meeting of the City of Taylor Police and Fire Retirement System Board of Trustees is scheduled for Thursday, February 10, 2022 at 4:15 P.M. Meeting will be held at the Police Station second floor conference room.**