

TAYLOR POLICE & FIRE RETIREMENT BOARD

July 19, 2018

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, July 19, 2018 at 4:00 p.m.**

Present: Chairman and Trustee Hill, Trustee Couture, Trustee Taylor.

Also Present: Aaron Castle, VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Sheila Gorski-Schulte, Human Resource Director; Retiree Ron McNamee, Retiree Steve Schwein.

Excused: Trustee Bourassa, Trustee Kriebel.

Trustee and Chair Nicolas Hill, called the meeting to order at 3:56 p.m.

Motion by Couture, supported by Taylor.

Resolved: To approve the minutes of the meeting of the City of Taylor Police & Fire Retirement System's Board of Trustees held June 7, 2018 with changes requested by Trustee Couture.

Unanimously approved.

07.55-18

Motion by Taylor, supported by Couture.

Resolved: To receive and file the following financial correspondence:

1. Letter dated June 14, 2018 from American Realty Advisors regarding capital call.
2. Letter dated June 19, 2018 to Ms. Barbara Citizen of PNC Bank authorizing the facilitation of the American Realty Advisors capital call.
3. Letter dated June 20, 2018 to Ms. Kristin Phalen of Intercontinental Real Estate Corporation requesting a partial re-balancing of assets.
4. Client statement from First Eagle for the period of April 1, 2018 through May 31, 2018.
5. Employee contributions received from the City of Taylor for May 2018 in the amount of \$49,565.70.

Unanimously approved.

07.56-18

Motion by Taylor, supported by Couture.

Resolved: To receive and file the following correspondence:

1. Letter dated July 9, 2018 from Plan Administrator Linda Kemp referencing the recalculation of benefit for John Mariempietri.
2. Letter dated July 9, 2018 to be sent to Mr. John Mariepietri regarding recalculation of benefit.
3. Audit RFI response submitted by Plante Moran.

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4. July 2018 and August 2018 Medicare reports. Note two (2) changes for July; One (1) for August.
5. 2018 retiree medical change report.
6. Memo dated July 10, 2018 from the office of VanOverbeke Michaud & Timmony P.C. Referencing Unum Group-Securities Action.

Unanimously approved.

07.57-18

Motion by Couture, supported by Taylor.

Resolved: To approve the following correspondence.

1. Approval of the recalculation and payment of benefit for retiree John Mariempietri.
2. Letter dated May 10, 2018 received from Ptm. Nick Stellitti requesting approval to purchase cadet service time.
3. Amendment to the amended and restated agreement of limited partnership of Metropolitan Real Estate Partnership Secondaries & Co-Investment Fund, L.P.
4. Amendment to the amended and restated agreement of exempted limited partnership of MREP SCIF Flowers, L.P.

Unanimously approved.

07.58-18

Motion by Taylor, supported by Couture.

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp, Plan Administrator for the period of June 10, 2018 through July 15, 2018 in the amount of \$1,680.
2. Payment to Andco for consulting services and performance evaluation for the period of April 1, 2018 through June 30, 2018 in the amount of \$13,833.33.
3. Payment to Newsouth Capital Management, Inc. for management fees for the period of January 1, 2018 through March 31, 2018 in the amount of \$21,876.
4. Payment to PNC Institutional Investments for asset based fees for the period of January 1, 2018 through March 31, 2018 in the amount of \$4,474.64
5. Payment to Rodwan Consulting Company for actuarial and consulting services rendered in connection with 2 supplemental reports concerning 2 alternate packages of assumptions and projected contributions based on closed and open amortization, as requested. Report dates May 9th and May 10th 2018 in the amount of \$1,600.
6. Payment to Rodwan For actuarial services in connection with calculation for an estimated Total Pension Liability as of June 30, 2018 in the amount of \$1,900.
7. Payment to Alger for management fees for the period of April 1, 2018 through June 30, 2018 in the amount of \$20,810.83.
8. Payment to Rodwan Consulting Company for normal actuarial and consulting services rendered to the City of Taylor Police & Fire Retirement System for

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quarter ended June 30, 2018 pursuant to the Actuarial Services Agreement in the amount of \$2,030.

Unanimously approved.

07.59-18

Mr. Castle was present and briefly discussed item B-6; Umun Group-Securities Action. Mr. Castle requested authorization from the Board to represent the Retirement System in this matter.

Motion by Taylor, supported by Couture.

Resolved: To authorize legal to represent the Police & Fire Retirement system in the Unum matter.

Unanimously approved.

07.60-18

Chair Hill inquired as to the period in which is a retirement calculation can be corrected. Mr. Castle advised the Trustees it is their fiduciary responsibility to administer accurate benefit; therefore when/if an error is discovered a correction is required.

Chair Hill suggested moving forward each retiring member make an appointment with the Plan Administrator to review and sign off on actuarial certified calculation of benefit. Trustee Couture suggested hiring a third party; CPA to review calculations.

Chair Hill asked Mr. Castle if item D-5 should in fact be paid by the Police & Fire Retirement System or by the City as the reports were provided to Trustee Couture. Mr. Castle agreed the payment should come from the Police & Fire Retirement System as the reports were provided to the Board.

Chris Kuhn was present at this meeting and provide a market value summary update. The Board was advised the WCM documents have been submitted with a request for additional information which was provided by Mr. Timmony's office. Mr. Kuhn will follow up with WCM's investment team to discuss delay and report back at the August meeting.

Motion by Couture, supported by Taylor

Resolved: To receive and file the asset manager report as submitted by Investment Consultant.

Unanimously approved.

07.61-18

Retiree Steve Schwein was present at this meeting to inquire as to the status of his issue related to the manner in which his retirement benefit was calculated; specifically his partial year 2010 earnings. This matter was previously directed to Human Resource Director Sheila Gorski for a resolution. Ms. Gorski, who was also at this meeting had no new information for Mr. Schwein. Mr. Schwein indicated he had no knowledge on how his benefit would be calculated prior to his

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retirement with regards to the splitting of years. Mr. Schwein requested a legal opinion on this matter. Mr. Castle indicated that an opinion would only be provided at the Board's request.

Trustee Couture suggested to the Board the audit RFI's be reviewed and a decision be made prior to audit season. After a brief discussion on this matter it was agreed Trustee Couture will get an "engagement" letter from Plante Moran for the Police & Fire portion of the annual audit. Trustee Couture also advised the Trustees the city was notified by the state the fund is underfunded. There is a time frame of 180 days in which to submit a course of action.

Motion by Couture, supported by Taylor.

Resolved: To adjourn at 4:45 p.m.

Unanimously approved.

07.62-18

The next regular meeting of the Retirement System Board of Trustees is scheduled for Thursday, August 9, 2018 at 4:00 p.m.