

## **Taylor Police & Fire Retirement Board June 12, 2013 Meeting Minutes**

The regular meeting of the Taylor Police & Fire Retirement Board was held at the Taylor Fire Department, 23345 Goddard Road, Taylor Michigan, on **Wednesday, June 8, 2013.**

**Present:** Chairman and Trustee Nicolas Hill, Trustee Dan Bzura, Trustee Russ McNamee, Trustee Gerry Taylor, Trustee Lynn Cleary via phone conference

**Also Present:** Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Chris Kuhn of Gray & Company, Investment Consultant; Kirk VanDagens, of PNC Bank; Bank Investment Manager; Linda Kemp, Plan Administrator; Sheila Gorski-Schulte, Human Resource Director for the City of Taylor; George Quoriz, Union President Local 1252; Mr. Herb Proctor, Mr. Robert Tompos

**Chair Nicolas Hill called the meeting to order at 4:37 P.M.**

**Motion by Bzura, supported by Cleary.**

Resolved: To approve the minutes of the regular meeting of the P&F Retirement System Board of Trustees held May 8, 2013.

*Unanimously approved.*

06.66-13

**Motion by Taylor, supported by McNamee.**

Resolved: To receive and file the following financial correspondence:

1. Distribution from Oaktree PPIP Private Fund, L.P. pursuant to Section 6.3(b) of the Amended and Restated Limited Partnership Agreement dated May 14, 2013 in the amount of \$244,662.
2. Distribution from Intercontinental in the amount of \$56,214.36 (pro rata gross share of an overall distribution of \$6,675,203.09 less \$11,489.47 management fees) resulting in a net distribution of \$44,724.89.
3. Employee contributions received from the City of Taylor for the Police & Fire Retirement System for April and May 2013 in the amount of \$51,943.81 and \$74,820.01 respectively.
4. Distribution from Oaktree PPIP Private Fund, L.P. pursuant to Section 6.3(b) of the Amended and Restated Limited Partnership Agreement in the amount of \$411,187.
5. Letter to Barbara Citizen dated May 31, 2013 detailing transition of funds.

*Unanimously approved.*

06.67-13

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### **Motion by Bzura, supported by McNamee.**

Resolved: To receive and file the following correspondence:

1. The May 2013 Police & Fire Retirees Medicare Reimbursement Report. Note 3 changes this reporting period.
2. Letter from Brown Advisory dated May 34, 2013
3. Letter received from James Hubbard, Secretary of Local 1252.

*Unanimously approved.*

06.68 -13

### **Motion by Taylor, supported by Cleary.**

Resolved: To approve the following correspondence:

1. Letter of retirement from Commander John Blair.

*Unanimously approved.*

06.69-13

### **Motion by Taylor, supported by McNamee.**

Resolved: To approve the following correspondence:

1. Actuarial certification and payment of monthly retirement benefit to Cpl. Jeff Patterson received from Rodwan Consulting.

*Unanimously approved.*

06.70-13

### **Motion by Taylor, supported by Bzura.**

Resolved: To pay the following bills:

1. Payment to Linda Kemp, Plan Administrator, for services during the period ending May 12, 2013 through June 9, 2013 in the amount of \$3,210.
2. Payment to Gray & Company for Investment Consultant Retainer in the amount of \$12,835.68.
3. Payment to Staples for office supplies in the amount of \$105.21
4. Payment to Mauricio Gomes for annual hosting and maintenance of Police & Fire website in the amount of \$420.

*Unanimously approved.*

06.71-13

**Mr. Jack Timmony** discussed the language used in Commander Blair's letter expressing his interest to enter into the contractually agreed upon DROP program and further suggested the letter be revised to eliminate the word "retire" as he is not severing his ties with the city and will still be employed by the Police Department. It was also noted that some discussion with Rodwan Consulting regarding the accounting function may be necessary when processing Commander Blair's request.

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### **Motion by Taylor, supported by Cleary.**

Resolved: To receive and file Commander Blair's application to elect to enter into the DROP program pending a follow up letter from Commander Blair.

*Unanimously approved.*

06.72-13

Mr. Timmony advised the Board with the assistance of the Investment Consultant the three new Investment Agreements have been negotiated to his satisfaction and are fully executed and in the process of being funded.

Clarification on the exact retirement date for Mr. Proctor was discussed and a revised resolution was brought forward by Mr. Timmony for action.

It was noted at this meeting by Ms. Gorski-Schulte that her office is unable to provide pay records without the correct effective date of retirement.

### **Motion by Taylor, supported by McNamee.**

Resolved: To adopt the revised Service Disability Retirement Resolution for Mr. Proctor with an effective retirement date of March 14, 2013.

*Unanimously approved.*

06.73-13

Discussion took place regarding Workers Compensation payments received by Mr. Proctor. It was noted at this meeting that Ms. Gorski-Schulte has provided the office of VanOverbeke Michaud & Timmony P.C. with the requested Workers Compensation pay records. Mr. Timmony's office will forward to the pension office.

Mr. Proctor expressed his concern over not having yet received his monthly disability retirement benefit. Mr. Timmony explained in great detail the process required by the Board of Trustees and assured Mr. Proctor that we are very close to receiving all of the necessary data in order to provide an accurate benefit calculation.

Medical insurance premiums for retired fire fighters were discussed. Ms. Gorski advised the members of the Board she would send an email to clarify the current misunderstanding on this matter.

Ms. Gorski was requested to provide any accumulated service credit time as outlined in former Fire Chief Tompos Personal Service Agreement to assist in processing a final benefit calculation.

**Kirk VanDagens of PNC Bank** advised Trustees that all new accounts have been set up and that the PNC Investment Management Agreements have been finalized and are ready to be executed following this meeting.

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**Chris Kuhn of Gray & Company** provided the Board report on market values from PNC as of June 11, 2013. Some discussion related to the transition of the portfolios took place; the Board members were advised the process is moving forward.

Mr. Kuhn recommended all funds from the commingled account be transferred to the Administrative account to provide liquidity for upcoming benefit payments.

### **Motion by Taylor, supported by McNamee.**

Resolved: To transfer all funds in the commingled account to the Administrative account to provide liquidity for upcoming benefit payments.

*Unanimously approved.*

06.74-13

Some discussion took place regarding potential managers. Mr. Kuhn provided the Board with handouts for two potential managers and discussed each one in detail.

Discussion related to speakers at the MAPERS conference also took place; specifically the subject of “shorting”.

Mr. Kuhn discussed some very minor changes to the Investment Policy Statement, advised the Board those changes will be finalized and ready for approval at the next meeting.

**Chair Hill**, advised Board members the office printer needs a new drum at a cost of approximately \$100. A brief discussion took place on whether to replace the drum or to purchase a new printer. It was decided by the members to replace the printer with the model suggested by IT Specialist Mike Vela.

### **Motion by Bzura, supported by McNamee.**

Resolved: To authorize Linda Kemp to purchase a new printer for the pension office as recommended by IT Specialist Mike Vela.

*Unanimously approved.*

06.75-13

A discussion took place regarding the possibility of Trustee Taylor managing the focused equity portion of the portfolio. Mr. Taylor shared his strategy and discussed his years of experience as well as his credentials. Mr. Kuhn advised the Board he provided Trustee Taylor with a questionnaire to complete and return which will then be reviewed and evaluated by the team at Gray & Company. Mr. Timmony discussed various portions of the Act and advised the Trustees he will review the Act at greater length and will offer an opinion at the next meeting.

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**Motion by McNamee supported by Bzura.**

Resolved: To adjourn meeting at 5:56 P.M.

*Unanimously approved.*

06.76-13

**The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Wednesday July 10, 2013.**