

## **Taylor Police & Fire Retirement Board June 11, 2014 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 11, 2014**.

**Present:** Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, Trustee Tim Faremouth, Trustee Ed Bourassa

**Excused:** Trustee Portis

**Also Present:** Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Chris Kuhn, of Gray & Company, Investment Consultant; Kirk VanDagens, PNC Bank, Bank Investment Manager; Linda Kemp, Plan Administrator; Sheila Schulte-Gorski, Human Resource Director; Retiree Ron McNamee

**Chair Nicolas Hill called the meeting to order at 4:32 P.M.**

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

Resolved: To approve the minutes of the regular meeting of the P&F Retirement System Board of Trustees held May 21, 2014.

*Unanimously approved.*

06.51-14

**Motion by Taylor, supported by Faremouth:**

Resolved: To receive and file the following financial correspondence:

1. Letter dated May 22, 2014 to Ms. Barbara Citizen of PNC Bank requesting the transfer of funds as approved at the May 21, 2014 meeting of the Police and Fire Retirement System's Board of Trustees.
2. Distribution from Intercontinental dated May 19, 2014 in the amount of \$90,288.66 les pro rata gross share of an overall distribution of \$7,141,112.70 (less management fees of \$24,288.07 for first quarter 2014) for a net distribution in the amount of \$66,000.59.

*Unanimously approved.*

06.52-14

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

Resolved: To receive and file the following correspondence:

1. Letter dated May 27, 2014 sent to Mr. Eric Edmond, CFA of Thornburg.
2. Draft Actuarial Funding Policy submitted for review by the office of Vanoverbeke Michaud & Timmony P.C.

*Unanimously approved.*

06.53-14

**Motion by Taylor, supported by Bourassa.**

Resolved: To approve the following payment of bills:

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1. Payment to Linda Kemp, Pension Plan Administrator, for periods ending May 25, 2014 through June 8, 2014 in the amount of \$1,695.
2. Payment to Staples for office supplies in the amount of \$127.56.
3. Payment to Dr. Jeffrey Last in the amount of \$50 for providing medical records for current disability applicant.
4. Payment to Mauricio Gomes for annual hosting and maintenance of the Police & Fire website in the amount of \$420.
5. Payment to Gray & Company for investment consultant retainer fees as of March 31, 2014 in the amount of \$14,244.97.
6. Payment to Vanoverbeke Michaud and Timmony P.C. for legal services rendered for the period of January 1, 2014 through March 31, 2014 in the amount of \$1,159.00 (litigation) and \$9,334.70 respectively.

*Unanimously approved*

06.54-14

**Mr. Timmony**, briefly discussed item B-2, draft of Actuarial Funding Policy, suggesting the Trustees review and that the item be forwarded to Sandra Rodwan of Rodwan Consulting for review and comment.

Mr. Timmony provided the Trustees with a letter sent to Mayor Sollars on behalf of Trustee and Chairman Nick Hill regarding the fiduciary responsibility of the Police & Fire Retirement System's Trustees. The letter stated in part that the "Trustees are vested with the authority and fiduciary responsibility for the administration, operation and management of the Retirement System". Further stating "along with fiduciary responsibility comes potential personal liability for their actions and inactions", stressing the need for Trustee's to participate in annual educational seminars and not be required to use personal time.

Mr. Timmony suggested the Board may wish to consider waiving the fees associated with the FOIA requested received from Councilman Johnson.

There was a brief discussion regarding Mr. Timmony's findings of the city of Dearborn Heights DROP program as it relates to the payment of medical insurance premiums.

**Chris Kuhn** gave a brief market value review. A handout was also provided with a list of managers for consideration by the Board. A summary of each individual manager was provided and discussed. Chair Hill recommended Mr. Kuhn investigate further into the top three on the list and provide additional detail at the next meeting. The Board will review the list and the matter will be discussed in greater detail at a future meeting. Mr. Kuhn recommended the Board consider a transfer of funds to provide liquidity for upcoming payments and miscellaneous bills

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

Resolved: To transfer \$1,000,000.00 from Thornburg to the Administrative Account to provide liquidity for upcoming monthly benefit payments and bills.

*Unanimously approved.*

06.55-14

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**Kirk VanDagens** briefly discussed portfolio results through May 31, 2014 stating the reallocated portfolio is ahead of the market.

Mr. VanDagens advised the Board that PNC has a new online tool available for use for approval of various “normal” vendor payments and has offered to arrange a conference call with Chair Hill, Linda Kemp, himself and others at PNC to assist in explaining how this new system may be of benefit to the Retirement System.

**Chair Hill** brought forward the following late arrival agenda items for approval.

**Motion by Faramouth, supported by Taylor.**

Resolved: To receive and file the May 2014 employee contributions received from the City of Taylor in the amount of \$80,171.90.

*Unanimously approved.*

06.56-14

**Motion by Faramouth, supported by Taylor.**

Resolved: To receive and file the FOIA request submitted by Council Johnson dated June 10, 2014 as well as the FOIA response letter dated June 11, 2014.

*Unanimously approved.*

06.57-14

**Motion by Faramouth, supported by Taylor.**

Resolved: To receive and file correspondence received from Police Chief Sclabassi referencing the termination of Michael Calabrese.

*Unanimously approved.*

06.58-14

**Motion by Taylor, supported by Bourassa.**

Resolved: To approve payment to Mike Vela, IT Consultant for IT services for the period of August 1, 2013 through April 15, 2014 in the amount of \$300.

*Unanimously approved.*

06.59-14

**Motion by Taylor, supported by Bourassa.**

Resolved: To approve payment to Summit Psychiatric Services, PLC for medical records related to the disability application of Bradley Sepell in the amount of \$61.29.

*Unanimously approved.*

06.60-14

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Chair Hill discussed the current disability application and inquired as to the status of requested medical records. Some discussion on this matter took place and it was decided in an attempt to keep this application moving forward the scope of medical records be consolidated to those related to injuries of a neurological nature. Ms. Gorski, also present at this meeting, stated she would provide the necessary records available to her. Chair Hill requested a memo be sent to Ms. Gorski making the request for medical records.

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

Resolved: To adjourn the meeting at 5:30 P.M.

*Unanimously approved.*

06.50.-14

**The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Wednesday July 9, 2014 at 4:30 P.M.**