

TAYLOR POLICE & FIRE RETIREMENT BOARD

June 7, 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, June 7, 2018 at 4:00 p.m.**

**Present:** Chairman and Trustee Hill, Trustee Kriebel, Trustee Couture.

**Also Present:** Jack Timmony, VanOverbeke, Michaud & Timmony, P.C., Legal Counsel; Sheila Gorski-Schulte, Human Resource Director; Retiree Ron McNamee, Fire Fighter Alex Roman, Retiree Steve Schwein requested it be noted he is not present at this meeting due to a scheduling conflict.

**Excused:** Trustee Bourassa, Trustee Taylor.

**Trustee and Chair Nicolas Hill, called the meeting to order at 4:00 p.m.**

**Motion by Kriebel, supported by Couture.**

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.

*Unanimously approved.*

06.45-18

**Motion by Taylor, Couture supported by Kriebel.**

Resolved: To receive and file the following financial correspondence:

1. Letter dated May 21, 2018 to Barbara Citizen of PNC Bank authorizing the facilitation of a transfer of funds as resolved at the May meeting of the City of Taylor Police & Fire Retirement System's Board of Trustees.
2. Client statement from First Eagle for the Period of March 1, 2018 through April 30, 2018.
3. Payment in the amount of \$53.40 received from Bloomberg for payment of FOIA information.
4. Payment in the amount of \$27.75 received from Financial Investment News for payment of FOIA information.

*Unanimously approved.*

06.46-18

**Motion by Kriebel, supported by Couture.**

Resolved: To receive and file the following correspondence:

1. June 2018 Medicare report. Note zero (0) changes this reporting period.
2. Proposed DRO submitted for review and pre-approval dated May 17, 2018 for Chapman v Chapman.
3. Letter received from American Realty Advisors referencing phishing emails.
4. Letter dated May 10, 2018, received from YEO & YEO responding to the audit RFI.

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5. Letter dated May 8, 2018, received from KPMG responding to the audit RFI.
6. Proposal submitted by Sandra Rodwan of Rodwan Consulting Company in response to the actuary RFI.
7. Letter dated June 1, 2018, from Plan Administrator Lind Kemp referencing the recalculation of benefit for retiree John Mariempietri.
8. Letter dated May 25, 2018, to be sent to retiree John Mariempietri regarding the recalculation of benefit.

*Unanimously approved items B1-B6*

06.47-18

A lengthy discussion took place regarding the time in which a retiree is permitted to repay an overpayment of benefit amount. Current policy and past practice allows a retiree the same number of months to repay the Retirement System in which the overpayment was received. Mr. Timmony suggested it may be a good time to review that policy and possibly amend the policy if the Board determines it to be appropriate.

**Motion by Hill, supported by Kriebel.**

Resolved: To table items B6 and B7 until next meeting.

*Unanimously approved.*

06.48-18

**Motion by Hill, supported by Couture.**

Resolved: Chair Hill will contact Mr. Mariempietri to discuss the time frame in which over payment is to be collected.

*Unanimously approved.*

06.49-18

**Motion by Kriebel, supported by Couture.**

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp, Plan Administrator for the period of May 13, 2018 through June 3, 2018 in the amount of \$1,233.75.
2. Payment to Brown Advisory for investment services for the period of January 1, 2018 through March 31, 2018 in the amount of \$19,723.96.
3. Payment to Brandywine for management fees for the period of January 1, 2018 through March 31, 2018 in the amount of \$11,319.60.

*Unanimously approved.*

06.50-18

**Mr. Timmony** was present and advised the Board item B-2; EDRO for Chapman v Chapman has been reviewed and sent back to the divorce attorneys outlining the necessary changes in order to be in compliance with policy. When changes are made and received, the revised EDRO will be presented to the Board following review by legal counsel.

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**Chris Kuhn** was excused from this meeting, however provided an asset/manager summary for review. It was noted at this meeting that the City made one half of their required deposit to the Police & Fire Retirement System; therefore, no transfer of funds is being recommended at this time.

**Motion by Couture, supported by Kriebel.**

Resolved: To receive and file the asset/manager summary report provided by Investment Consultant Chris Kuhn.

*Unanimously approved.*

6.51-18

**Trustee Couture** provided follow up documents/reports received from Rodwan. Several scenarios were presented and taken under consideration by the Trustees relative to pension liability, rate used to measure total pension liability, city contribution, changing the assumption to reach state guidelines, amortization rate and accrued liability. Mr. Timmony stated improving funding status is consistent with the Board's fiduciary responsibility. Trustee Couture suggested a conference call with Sandra Rodwan may be in order to provide answers to the many questions from Trustee Kriebel and Trustee and Chair Hill. Mr. Timmony advised the Board of an email dated June 7, 2018 from Sandra Rodwan which relieves the Trustees from any personal liability. Chair Hill voiced his concern regarding state requirements as well a drop in percentage could be misunderstood by the public.

**Motion by Hill, supported by Couture.**

Resolved to approve a 22 year closed amortization rate, the assumption rate of 7.25% and use the RP - 2014 mortality table.

*Unanimously approved.*

6.52-18

**Chair Hill** discussed conflicts with the July meeting date. The Trustees agreed to move the July meeting to Thursday, July 19<sup>th</sup> at 4:00 p.m. and to post accordingly.

**Motion by Couture, supported by Kriebel.**

Resolved to change the July meeting date to Thursday, July 19, 2018 at 4:00 p.m. and to post the notice accordingly.

*Unanimously approved.*

6.53-18

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Chair Hill stated he would contact retiree Steve Schwein to advise there was no discussion at this meeting on his calculation issue. Chair Hill asked Ms. Gorski-Schulte if she had an update on the recalculation of retiree Pat Raboczky. She advised Chair Hill she would provide an email regarding the situation.

**Motion by Couture, supported by Kriebel.**

Resolved: To adjourn at 5:24 p.m.

*Unanimously approved.*

06.54-18

**The next regular meeting of the Retirement System Board of Trustees is scheduled for Thursday, July 19, 2018 at 4:00 p.m.**