

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 and remotely via Zoom, at 4:00 P.M. on Thursday, June 10, 2021.

Present: Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, and Trustee Jason Couture.

Also Present: Jack Timmony (via Zoom), VanOverbeke Michaud & Timmony P.C., Legal Counsel; Chris Kuhn, FA, CAIA, AndCo, Investment Consultant; Ed Urbono (via Zoom), Senior Investment Advisor, PNC Capital Advisors; Gary Salzer (via Zoom), CFA, CIPM, Sr. Investment Advisor, PNC; Sheila Gorski-Schulte, City of Taylor Human Resource Director; Daniel Kettner, Abbott Capital, Vice President, Client Relations; Meredith Rerisi, Abbott Capital, Managing Director, Investments; Patrick Gerbracht, Portfolio Advisors, Managing Director; Eric Thunem, Portfolio Advisors, Managing Director.

Excused: Trustee Michelle Tocco

Trustee and Chair, Nick Hill called the meeting to order at 4:01 P.M.

Motion by Taylor, supported by Couture.

Resolved: To approve the minutes of the regular meeting of the City of Taylor Police & Fire Retirement System held May 13, 2021.

Unanimously approved.

06.102-21

Motion by Taylor, supported by Couture.

Resolved: To receive and file the following correspondence:

1. Correspondence received from the Circuit Court of the Twentieth Judicial Circuit Court in and for Lee County Florida referencing Ernest Gayer v Antoinette Gayer Case No. 18-DR-003666.
2. TA Realty Core Property Fund Side Letter Election Form dated as of March 31, 2021.
3. Email dated June 2, 2021 received from Firefighter Dennis Marshall with a revised retirement date of June 25, 2021.
4. Final Tentative Agreement between the City of Taylor and Local 1252 dated 1/31/2021.

Unanimously approved.

06.103-21

Motion by Couture, supported by Taylor.

Resolved To approve the following payment of bills:

1. Payment to Linda Kemp for the period of May 16, 2021 through June 6, 2021 in the amount of \$1,627.50, reimbursement for monthly Zoom subscription in the amount of \$15.98 for May 2021 for a total of \$1,643.48.
2. Payment to the City of Taylor for the Taylor Police and Fire Retirement System's

portion of the annual audit performed by Plante Moran in the amount of \$4,122.
Unanimously approved.
06.104-21

Mr. Timmony was advised by Trustee Couture the city and Local 1252 have reached a tentative agreement that will allow previously hired employees, who are not currently enrolled in the Police & Fire Retirement System's benefit plan, to pay employee contributions for time served which will allow them to qualify for a retirement benefit upon retirement. It was also mentioned the city and Local 1252 have reached an agreement to allow firefighters who qualify to enter the DROP program. Trustee Couture asked if DROP funds are held in a separate account; they are not. Mr. Timmony explained that, in its simplest terms, a DROP plan is an arrangement under which an employee who would otherwise be entitled to retire and receive benefits under a defined benefit retirement plan instead continues working. However, instead of having the continued compensation and additional years of service taken into account for purposes of the defined benefit plan formula, the employee has a sum of money credited (but not held) during each year of the continued employment to a separate account under the employer's retirement plan. They receive no distribution of DROP funds until retirement and termination of employment at which time ALL benefits are paid from one DB Plan. Mr. Timmony assured the Board the method in which the DROP funds are being held is appropriate. It was noted at this meeting each DROP participant has an individual spreadsheet that tracks what is being held in escrow on their behalf.

Gary Salzer participated via Zoom. An updated on the PNC value strategy was provide noting a strong performance and value has grown nicely.

Ed Urbono also participated via Zoom. Ed provided updates on value strategy, fixe income, economic growth, inflation, and commodity prices.

Chris Kuhn provided an update on market values core fixed income; growth had a bit of a setback. Mr. Kuhn advised the Board the city made their second deposit to the retirement fund; therefore, it is not necessary to transfer funds to the cash account at this time.

Motion by Couture, supported by Taylor.

Resolved: To receive and file investment report as presented by Investment Consultant Chris Kuhn

Unanimously approved.
06.105-21

Dan Kettner and Meredith Rerisi of Abbott Capital were present at this meeting to provide a presentation that included a firm overview, one team approach, private market solutions, public pension funds, explained how their investments work, fee structure, risk, and differentiators.

Eric Thunem and Patrick Gerbracht of Portfolio Advisors were also present at this meeting to provide a presentation stating their firm is an independent firm that is employee owned with 120 employees. An executive summary was provided. Other topics discussed were fee structure, property database, strategy and performance returns, historical secondaries investment experience, market rebounds with record volume expected, track record, flexibility, longstanding relationships, buying and selling of assets.

Motion by Hill, supported by Couture.

Resolved: To make a 5M commitment to Abbott Capital and a 5M commitment to Portfolio Advisors.

Unanimously approved.

06.106-21

Chair Hill Open Business: It was noted at this meeting the pension office is still waiting for 15 outstanding and previously requested pay reports. Ms. Gorski was present at this meeting and stated she is working on them and hopes to have them available soon.

Motion by Taylor, supported by Couture.

Resolved: To adjourn at P.M.

Unanimously approved.

06.107-21

The next regular meeting of the City of Taylor Police and Fire Retirement System Board of Trustees is scheduled for Tuesday, August 12, 2021 at 4:00 P.M. Meeting will be held at the Police Station second floor conference room.