

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, May 13, 2021.

**Present:** Chairman and Trustee Nicolas Hill, Trustee Gerry Taylor, and Trustee Michelle Tocco (Lee County, Florida).

**Also Present:** Jack Timmony (via Zoom), VanOverbeke Michaud & Timmony P.C., Legal Counsel; Chris Kuhn, FA, CAIA, AndCo, Investment Consultant; Craig Haynes, CFA, Senior VP Market Director, Institutional Asset Management; Ed Urbono, Senior Investment Advisor, PNC Capital Advisors; Gary Salzer (via Zoom), CFA, CIPM, Sr. Investment Advisor, PNC; Sheila Gorski (via Zoom), City of Taylor Human Resource Director.

**Excused:** Trustee Jason Couture

**Trustee and Chair, Nick Hill called the meeting to order at 4:05 P.M.**

**Motion by Taylor, supported by Tocco.**

Resolved: To approve the minutes of the regular meeting of the City of Taylor Police & Fire Retirement System held April 8, 2021.

*Unanimously approved.*

05.95-21

**Motion by Taylor, supported by Tocco.**

Resolved: To approve the following financial correspondence:

1. Capital call letter dated April 12, 2021, from Bloomfield Capital requesting a capital commitment in the amount of \$84,682 for Fund V, LLC – Series B.
2. Letter dated April 12, 2021, to Ms. Sara Boles of PNC Bank authorizing the facilitation of the Bloomfield Capital call.
3. Redemption Notice for U.S. Real Estate Investment Fund, LLC with a redemption date of September 30, 2021, requesting a full redemption of the City of Taylor Police & Fire Retirement System's assets as resolved at the April 8, 2021, Board meeting.
4. Redemption notice dated April 16, 2021, received from Intercontinental with a redemption date of April 21, 2021, with a redemption value in the amount of \$3,000,000.00.
5. Distribution notice dated March 1, 2021, received from Intercontinental in the amount of \$54,440.24 with a pro rata gross share of \$39,429,087.41. The Fund withheld \$23,930.98 for asset management fees for a net distribution in the amount of \$30,509.26.
6. Capital call notice dated April 20, 2021, received from Bloomfield Capital requesting a capital call commitment in the amount of \$52,112. For Fund V, LLC – Series B.
7. Letter dated April 21, 2021, to Ms. Sara Boles of PNC Bank authorizing the facilitation of the April 20<sup>th</sup> capital call request from Bloomfield Capital.

8. Distribution notice dated April 26, 2021, received from Intercontinental in the amount of \$56,294.28 with a pro rata gross share in the amount of \$62,153,865.72. The Fund withheld \$15,111.07 for asset management fees for the first quarter 2021, resulting in a net distribution in the amount of \$41,193.21.
9. Return of Capital Call Distribution Notice dated April 30, 2021, received from Bloomfield Capital Income Fund V, LLC -Series A Q1 2021. The distribution includes 1% additional target return to the investor for a total of \$43,351.28.
10. Return of Capital Call Distribution Notice dated May 6, 2021, received from Bloomfield Capital Income Fund II LLC with a return of capital in the amount of \$29,766.36.

*Unanimously approved.*  
05.96-21

**Motion by Taylor, supported by Tocco.**

Resolved: To receive and file the following correspondence:

1. April Medicare report for effective changes May 1, 2021. Note seven (7) changes this reporting period.
2. Letter of retirement dated April 14, 2021, received from Det. Melissa Toro, Police with an effective retirement date of July 30, 2021.
3. Letter of retirement dated April 14, 2021, received from Lt. Anthony Chicko, Police with an effective retirement date of May 14, 2021, and an effective date of entry to the DROP program effective May 15, 2021.
4. Correspondence received from PNC Advantage Equity Strategies announcing the addition of Todd Jones, CFA as the Managing Director and Director of Research for the Advantage Equity strategies.
5. Letter of resignation from Cpl. Anthony Pardes who is not vested.
6. Letter of resignation from Cpl. Tyler Simmons who is not vested.
7. Letter of retirement dated April 28, 2021, received from Robert Vanderlinder, Fire with an effective retirement date of July 19, 2021.
8. Letter dated May 13, 2021, received from Joel Kaczor advising he is exiting the DROP program effective July 28, 2021.

*Unanimously approved.*  
05.97-21

**Motion by Taylor, supported by Tocco.**

Resolved: To approve the following correspondence.

1. Approval of the certified benefit calculation and payment of monthly pension benefit to the following:
  - Frederick Buechel
  - Marc Gaynier
  - Jason Hall

- Joel Kaczor
- Michael Lividini
- Charles Krzcuik

*Unanimously approved.*

05.98-21

**Motion by Taylor, supported by Tocco.**

Resolved To approve the following payment of bills:

1. Payment to Linda Kemp for the period of April 11, 2021 through May 9, 2021, in the amount of \$2,2345, reimbursement for monthly Zoom subscription in the amount of \$15.98 for May for a total of \$2,360.98.
2. Payment to Alger for management fees for the period of January 1, 2021, through March 31, 2021, in the amount of \$23532.71
3. Payment to Vanoverbeke Michaud & Timmony P.C. for legal services rendered to the City of Taylor Police & Fire Retirement System for the period of January 1, 2021, through March 31, 2021, in the amount of \$4,731.10.
4. Payment to Brown Advisory for investment services for the period of January 1, 2021, through March 31, 2021, in the amount of \$23,530.27.
5. Payment to Newsouth Capital Management, Inc. for management fees for the period of January 1, 2021, through March 31, 2021, in the amount of \$31,500.
6. Payment to Brandywine Global for investment management services for the period of January 1, 2021, through March 31, 2021, in the amount of \$12,807.18.

*Unanimously approved.*

05.99-21

**Mr. Timmony** advised the Board there has been some legislative activity with the Michigan Open Meetings Act as it relates to meeting remotely but nothing has been passed to amend the OMA since December, 2020. Wayne County declared a state of emergency which allows for continued remote meetings until at least June 30, 2021.

A discussion related to the revisions to the firefighter pension calculations based on revised pay reports received from HR. It was noted at this meeting the city is responsible for providing accurate pay report data to the pension office. Linda Kemp was instructed to proceed with revisions as revised pay reports are submitted. It was also noted at this meeting the pension office is still waiting for 12 pay reports from HR. Mr. Timmony will review policy to determine the timeframe retirees who have been overpaid will be given to repay the retirement system.

**Craig Haynes** introduced Ed Urbono who is the replacement for Brad Lafferty. Ed gave a brief background of his credentials.

Mr. Haynes provided a fixed income review/update, yield curves, fixed income returns, portfolio update and review noting the one-year returns are very strong.

**Gary Salzer** provided a value strategy update/review noting style rotation from growth to equity had rising bond yields. First quarter performance was a bit disappointing. Year to date returns continue to grow. Higher quality equities have begun to perform better. The Board was advised of a change in staffing; Todd Jones will be the new portfolio manager. An introduction meeting can be arranged if the Board desires.

**Chris Kuhn** provided an investment performance review ending 3/31/2021. It was noted the S&P was up 56%, Russell 2000 was also up, and corporate bonds did fair. The fund was up 6.4% which is incredible. A review of returns for 3, 5 and 7 year was also provided. A review of individual managers was given, it was noted Brandywine and Newsouth did very well. International managers struggled a bit. Long term, WCM is doing nicely. The final redemption notice for Intercontinental has been submitted. Brown had a rough start and seemed to be struggling. The fund is light in small cap space; could add a little across the Board. Mr. Kuhn advised the Board there is no need to transfer money to the cash account at this time. A private equity search was provided with three potential managers/strategies as potential future investments. Mr. Kuhn provided the Board with a detailed description of each, pro and cons, risk, firm overview, investment team information, key firm differentiators and performance comparisons. It was decided at this meeting to invite a representative from both Abbott and PA to do a presentation at a future meeting, allowing each a 20-minute time slot. Mr. Kuhn will make those arrangements.

**Motion by Taylor, supported by Tocco.**

Resolved: To receive and file investment report as presented by Chris Kuhn  
*Unanimously approved.*  
05.100-21

**Motion by Taylor, supported by Tocco.**

Resolved: To adjourn at 6:00 P.M.  
*Unanimously approved.*  
05.101-21

**The next regular meeting of the City of Taylor Police and Fire Retirement System Board of Trustees is scheduled for Tuesday, June 10, 2021 at 4:00 P.M. Location to be determined.**