

Taylor Police & Fire Retirement Board October 10, 2012 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, October 10, 2012.**

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

Also Present: Jack Timmony, of VanOverbeke, Michaud & Timmony, P.C., legal counsel; Chris Kuhn of Gray & Company, investment consultant; Kirk VanDagens of PNC Bank; custodian bank investment manager; Linda Kemp, Plan Administrator; Herb Proctor and Sheila Gorski, Human Resource Director for the City of Taylor

Chair Nicolas Hill called the meeting to order at 4:25 P.M.

Motion by Taylor, supported by Cleary.

Resolved: To approve the minutes of the regular meeting of the Board held August 28, 2012.

Unanimously approved.

10.78-12

Motion by Taylor, supported by Bzura.

Resolved: To receive and file the following financial correspondence:

1. Employee contributions received from the City of Taylor for the Police & Fire Retirement System for August 2012 in the amount of \$46,262.84.
2. Distribution from Oaktree Capital Management, L.P. dated September 12, 2012 in the amount of \$105,963.

Unanimously approved.

10.79-12

Motion by Taylor, supported by Bzura.

Resolved: To receive and file the following correspondence.

1. The September 2012 Police & Fire Retirees Medicare Reimbursement Report. Note one change this reporting period.
2. Letter dated September 17, 2012 from Herb Proctor with attachments.
3. Letter dated September 27, 2012 from Ronald French, Attorney at Law.

Unanimously approved.

10.80 -12

Discussion regarding process/procedure for Medical Retirement took place. Mr. Timmony provided the Board with detailed information on this process and instructed Mr. Proctor on the necessary steps.

Taylor Police & Fire Retirement Board October 10, 2012 Meeting Minutes

Motion by Taylor, supported by Bzura.

Resolved: To instruct Mr. Proctor to name a doctor of his choosing to sit on the Medical Committee and to provide any/all medical records regarding his on the job injury to the Medical Director and to authorize Mr. Timmony to begin the process of establishing a Medical Committee.

Unanimously approved.

10.81-12

Motion by Cleary, supported by Bzura.

Resolved: To authorize Linda Kemp, Plan Administrator to request any/all incident, medical, and other relevant reports from the City of Taylor Fire Department and City of Taylor Human Resource Department upon obtaining signed authorization forms from Mr. Proctor.

Unanimously approved.

10.82-12

Motion by Taylor, supported by Bzura.

Resolved: To approve the following correspondence.

1. Computer Maintenance Agreement between the Board of Trustees of the City of Taylor Police & Fire Retirement System and Mike Vela, IT Specialist.
2. Email dated September 10, 2012 from Zoe Metro requesting transfer of employee contributions.
3. Letter of retirement dated September 26, 2012 from Chief Dale Tamsen.
4. Letter of retirement dated September 21, 2012 from Fire Fighter Joseph Ajlouny.
5. Letter of retirement dated October 1, 2012 from Fire Fighter Bryan Schwesing.

Unanimously approved.

10.83-12

Motion by Taylor, supported by Bzura,

Resolved: To table items D1- D4.

Unanimously approved.

10.84-12

Motion by Taylor, supported by Bzura,

Resolved: To authorize Chair Hill to spend up to \$1,000 on a new computer for the pension office.

Unanimously approved.

10.85-12

Taylor Police & Fire Retirement Board October 10, 2012 Meeting Minutes

Motion by Bzura, supported by Taylor.

Resolved: To pay the following bills:

1. Payment to Linda Kemp, Plan Administrator, for services during the period ending September 2, 2012 through October 7, 2012 in the amount of \$3,930.
2. Reimbursement to Chairman Hill in the amount of \$720.79 for the purchase of a new Dell computer for the Pension office.
3. Reimbursement to Linda Kemp in the amount of \$107.99 for the purchase of Microsoft Office 2010.
4. Payment to Mike Vela, IT Specialist for services rendered in the amount of \$90.

Unanimously approved.

10.86-12

- **Mr. Jack Timmony**, legal counsel for the Police & Fire Retirement System, advised the Board that SB 797 was presented to the Governor for signature; however the bill remains unsigned at this time. The effective date of this bill is the issue. Discussion took place regarding PNC's appointment as an investment manager and some issues related to the contract between PNC and The P&F Retirement System. Mr. Timmony strongly recommends the Board enter into a new contract with PNC under the correct name and that the Board insist upon the contract which legal counsel has prepared and provided.

Motion by Cleary, supported by Taylor.

Resolved: To authorize legal counsel to continue negotiations with PNC related to the contract.

Unanimously approved.

10.87-12

- **Chris Kuhn of Gray & Company** gave an update on current market value and allocation. Discussion and review of the Investment Policy Statement took place. A request was made that section V4 of the Investment Policy Statement be changed to state a minimum of 3 managers will be provided as candidates.
- Mr. Kuhn recommended the Board transfer \$350,000 from the Large Cap Growth Account and \$350,000 from the Large Cap Value Account to the Administrative Account.

Motion by Cleary, supported by Bzura.

Resolved: To change section V4 of the Investment Policy Statement to state a minimum of 3 managers will be provided as candidates.

Unanimously approved.

10.88-12

Taylor Police & Fire Retirement Board October 10, 2012 Meeting Minutes

Motion by Taylor, supported by McNamee.

Resolved: To transfer \$350,000 from the Large Cap Growth Account and \$350,000 from the Large Cap Value Account to the Administrative Account.

Unanimously approved.

10.89-12

- **Kirk VanDagens of PNC Bank** provided a snap shot of account status and performance ending 9/30/2012. A brief review of the new portfolio as of 10/9/2012 was also discussed.
- **Chairman Nicolas Hill** brought up concerns related to back pay for fire firefighters, upgrade pay for fire fighters and length of service for fire fighters who were laid off and recalled in September. Ms. Gorski, Human Resource Director for the City of Taylor was present at this meeting and agreed to provide the Board with the Arbitrators ruling on this matter.

Chair Hill advised the Board of a newly formed group/association formed by some of the retirees.

Forms being requested by the Pension office related to FAC calculations are to be requested in PDF format by Plan Administrator.

Chair Hill presented the Board with a letter submitted by Officer McDermott requesting the purchase of Cadet service time.

Motion by Taylor, supported by McNamee.

Resolved: To approve letter dated 10/3/2012 from Patrolman McDermott requesting the purchase of three years Cadet service time.

Unanimously approved.

10.90-12

Motion by Cleary, supported by Bzura,

Resolved: To hold a Special meeting on Monday, October 15, 2012 at 4:30 at the Taylor Fire Station located at 23345 Goddard, Taylor MI 48180 for the purpose of consideration and appointment of a Medical Director and to post same.

Unanimously approved.

10.91-12

Retiree Ron McNamee spoke briefly regarding FAC calculations and inquired about an amount being posted to retiree check stubs for the non-taxable portion of pension benefits.

**Taylor Police & Fire Retirement Board
October 10, 2012 Meeting Minutes**

Motion by Cleary, supported by McNamee.

Resolved: To adjourn meeting at 6:21 P.M.

Unanimously approved.

10.92-12

The next meeting of the Board of Trustees of the Police & Fire Retirement System will be held Wednesday, November 14, 2012.