

TAYLOR POLICE & FIRE RETIREMENT BOARD

September 7, 2017

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, October 12, 2017 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; Chris Kuhn, CFA, CAIA, Senior Consultant, & Co.; Sheila Gorski-Schulte, Human Resource Director.

**Excused:** Trustee Taylor, Trustee Bourassa

**Trustee and Chair Nicolas Hill, called the meeting to order at 4:03 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 September 7, 2017.

*Unanimously approved.*

10.64.-17

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

Resolved: To receive and file the following financial correspondence:

1. Capital call notice received from Metropolitan Real Estate Partners Secondaries & Co-Investments Fund L.P. dated September 27, 2017.
2. Letter dated September 15, 2017 to Ms. Barbara Citizen of PNC Bank requesting the facilitation of the capital call notice received from Metropolitan Real Estate Partners Secondaries & Co-Investments Fund L. P.
3. Letter dated September 15, 2017 to Ms. Barbara Citizen authorizing a transfer of funds to the Administrative account.
4. Client statement from First Eagle for the period of July 1, 2017 through August 31, 2017.
5. Employee contributions received from the City of Taylor for August 2017 in the amount of \$76,895.44.

*Unanimously approved.*

10.65-17

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

Resolved: To receive and file the following correspondence:

1. October Medicare reimbursement report. Note three (3) this reporting period.
2. Letter dated September 18, 2017 from Intercontinental referencing the departure of Devin Sullivan.
3. Request received from Sgt. Troy Cox to enter the DROP program effective October 21, 2017.

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4. Correspondence dated September 17, 2017 from PNC referencing an organizational announcement.
5. PA 728 Actuarial Analysis received from the City of Taylor.
6. FOIA requested dated October 3, 2017 received from Nanette Lee of Prequin.
7. FOIA denial response letter dated October 4, 2017.
8. FOIA requested dated October 5, 2017 received from Zack Cziryak.
9. FOIA response letter dated October 10, 2017 to Mr. Zack Cziryak.
10. Email received October 9, 2017 from Michael Lynam of Fred Alger & Company.

*Unanimously approved.*

10.66-17

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

Resolved: To approve the following payment of bills:

1. Payment to Linda Kemp, Plan Administrator for the period of September 10, 2017 through October 8, 2017 in the amount of \$2,485..
2. Payment to Rodwan Consulting Company for normal actuarial and consulting services rendered to the City of Taylor Police and Fire Retirement System for quarter ended September 30, 2017, pursuant to the Actuarial Services Agreement in the amount of \$2,090.
3. Payment to AndCo. for consulting services and performance evaluation for the period of July 1, 2017 through September 30, 2017 in the amount of \$12,500.
4. Payment to Alger for management fees for the period of July 1, 2017 through September 30, 2017 in the amount of \$19,078.24.
5. Payment to Vanoverbeke Michaud & Timmony, P.C. for services rendered to the City of Taylor Police and Fire Retirement System for the period of July 1, 2017 through September 30, 2017 in the amount of \$3,290.

*Unanimously approved.*

10.67-17

**Mr. Timmony** briefly discussed the Zebra Technologies Corporation litigation.

Additionally, discussion occurred related to how the calculation of interest on funds held in DROP accounts is calculated. Ms. Gorski-Schulte understands the interest to be calculated in the same manner as outlined in the DROP Letter of Understanding page 3, section F. There is still a need to determine the actual rate of interest. It was noted at this meeting that the original Letter of Understanding between the Command Union and the City has been amended. Ms. Gorski-Schulte will provide the pension office with the amended DROP Letter of Understanding. Ms. Kemp was requested to contact Rodwan Consulting regarding the calculation of interest on DROP account funds and to courtesy copy Ms. Gorski-Schulte on any email communications regarding same. Ms. Gorski-Schulte advised a Letter of Understanding between the parties will need to be signed regarding payment for Rodwan reports.

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

Resolved: To confirm Chair Hills approval of the Zebra Technologies litigation.

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*Unanimously approved.*

10-68.17

**Chris Kuhn** provided the Board with a Large Cap Growth Equity Manager Analysis which outlined the firm overview, team overview, strategy overview, expectations, points to consider, risk factor and a recommendation summary of four potential investment companies. The firms being presented for consideration were Boston Advisors Large Cap Growth, Clear Bridge Large Cap Growth, Polen Focus Growth and Primecap Odessey Growth.

It was noted Brown Advisory's year to date numbers are good after struggling for some time as a result of selecting unfavorable stocks. Chair Hill suggests looking at Brown's numbers again next month and possibly inviting them to a future meeting to discuss their performance.

Mr. Kuhn advised the Board guests will be at the November meeting to present. The communication from Alger regarding Altaba security was discussed. The Board approved continued use of this security in their portfolio.

The letter from Intercontinental regarding the departure of Devin Sullivan was briefly discussed. Intercontinental continues with a favorable performance. Mr. Kuhn is not concerned with Mr. Sullivan's departure. Chair Hill suggested perhaps a future investment with Mr. Sullivan at his new firm may be a good option to consider.

Mr. Kuhn advised the Board there is a need to transfer funds to the administrative account to provide liquidity for upcoming benefit payments and expenses.

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

Resolved: To authorize Investment Consultant Chris Kuhn to transfer \$1M from S&P to the Administrative account to provide liquidity for upcoming benefit payments.

*Unanimously approved.*

10.69-17

**Chair Hill**, recommended changing the start time of the November meeting to 3:00 P.M. in order to accommodate the presentations.

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

Resolved: To change the start time of the November meeting to 3:00 P.M. and to post accordingly.

*Unanimously approved.*

10.70-17

Trustee Kriebel advised the Board he received a letter from the President of Local 1252 requesting clarification on how layoffs within the Fire Department will affect retirement eligibility dates as well as the FAC calculation for combining partial years. The letter will be on the November agenda for discussion and response.

**Motion by Couture, approved by Kriebel.**

Resolved: To adjourn at 5:32 P.M.

*Unanimously approved.*

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10.71-17

**The next meeting of the Board of Trustees of the City of Taylor Police and Fire Retirement System will be held Thursday, November 9, 2017 at 3:00 P.M.**