

**CITY OF PONTIAC MICHIGAN
REESTABLISHED GENERAL EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING**

A regular meeting of the Board of Trustees was held on Wednesday, October 25, 2023, at City of Pontiac Reestablished General Employees' Retirement System, 2201 Auburn Rd, Suite B, Auburn Hills, MI 48326. The meeting was called to order at 9:05 A.M.

TRUSTEES PRESENT

Sheldon Albritton, Chairman (*arrived at 9:08 am*)
Robert Giddings, Vice-Chair
Tim Greimel, Mayor
Timothy Sadowski, Finance Director
William Parker Jr., City Council (*arrived at 9:09 am*)
Billie Swazer
James Miriani
Lisa King
John White

TRUSTEES ABSENT

Patrice Waterman - *excused*
James Walker - *excused*

OTHERS

Darlene Clark Williams, Citizen
Cynthia Billings-Dunn, AsherKelly
David Lee, Dahab Associates
Steven Roth, Dahab Associates
A. Michael L. Gallagher, Wellington Management
Tina Turner, Executive Director
Xiaotian Xue, Executive Assistant

AGENDA CHANGES

RE: Add Motion to reschedule November Board Meeting.

RESOLUTION 23-084 By Swazer, Supported by Greimel
Resolved, That the Board approves the agenda changes.

Yeas: 7 – Nays: 0

RE: Remove from New Business: (1) Forensic Audit, (2) Personal Time Off Policy - Revision, (3) Ethics Policy Review: Annual Attestations Policy - Revision, (4) Review/Revise Vacation Policy

RESOLUTION 23-085 By Swazer, Supported by White
Resolved, That the Board approves the agenda changes.

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Yeas: 7 – Nays: 0

CONSENT AGENDA

A. Approval of the Minutes of the Regular Board Meeting held on September 27, 2023.

B. Ratification of Retiree Payroll & Staff Payroll

Retiree Pay Date October 25, 2023 N/A
Staff Pay Dates October 05 & 19, 2023 \$ 23,148.51

C. Communications

- None

D. Financial Reports

- Accounts Receivable: September 2023 \$ 13,157.70
- Accounts Payable: October 2023 \$ 158,532.15
- Attucks Manager-of-Managers Summary: September 30, 2023

E. Private Equity Capital Calls & Distributions:

- Distribution in September 2023:
Mesirow IV – September 27, 2023 \$ 45,008.28
- Distribution in October 2023:
Wellington – October 03, 2023 \$ 13,068.08

F. Retirement Benefits

1. New Retirements

RETNO	NAME	Effective Date

Bold type entry indicates Reciprocal service credit.

2. Terminated Retirements

RETNO	NAME	Date of Death
701197	Sallie Gell	9/29/2023
2085	Freddie Garland	9/30/2023
1622	Helen Fehlberg	9/16/2023
702100	Rosemarie Kudron	9/24/2023
2565	Brenda Bolden	10/16/2023

3. J&S Continued Retirements

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RETNO	Retiree's Name	Survivor's Name	Date of Death
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4. Re-calculated Retirements

RETNO	NAME	Reason for Change	Effective Date
702085	Linda Garland	Pop Up/EDRO	10/01/2023
2925	Bryan Flye	Final	12/01/2021
2940	Renee Greer-Alvrez	Retirement Date	09/01/2023
2926	David Hills	Final	1/1/2022
2929	Dawn Konitsney	Final	6/1/2022
2932	Gordon Foster	Final	7/1/2022
2935	Blair Rosenhan	Final	1/1/2023

Pop-Up Benefit: When beneficiary dies before retirant, monthly benefit "pops-up" to what would have been the monthly Regular benefit amount (plus applicable COLA).

5. Disability Medical Re-Exams/Benefit Continuation

RETNO	NAME	Effective Date
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6. Refunds of Employee Contributions

RETNO	NAME	Effective Date
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RESOLUTION 23-086 By Swazer, Supported by King

Resolved, That the Board approves and ratifies actions described in the Consent Agenda for October 25, 2023.

Yeas: 7 – Nays: 0

Chairman Albritton arrived at 9:08 am.

Trustee Parker arrived at 9:09 am.

CONSULTANTS

A. Wellington Management

Mr. Gallagher presented an update on Wellington Emerging Markets Research Equity. He reported on the investment strategy, historical performance, scholarship and intern initiatives Wellington engages in.

B. TerraCap – Fund VI

Mr. Roth explained that TerraCap will be present at a future Board Meeting.

C. Preliminary Performance and Monthly Asset Level: September 30, 2023

Mr. Roth reviewed the August 2023 Preliminary Performance Report. He reported that the portfolio was

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valued at \$431M as of September 30, 2023.

Trustee White asked if the investment manager underperformed, when should we start being concerned? Mr. Lee responded that the portfolio should be revisited if there is a huge underperformance on a 3-year back-to-back basis.

D. Rebalance

RESOLUTION 23-087 By King, Supported by Swazer

Resolved, That the Board approves the Consultant's recommendation to rebalance the portfolio by transferring \$4M from Sawgrass, \$4M from Loomis, Sayles, and \$2M from First Eagle to the cash manager to pay for retiree benefits and expenses.

Yeas: 9 – Nays: 0

E. Kennedy Capital Management

Mr. Lee reported on the Kennedy Small Cap Growth fund's performance from long term perspective as requested at the September Board Meeting. Kennedy Small Cap Growth fund outperformed in both 3-year and 5-year periods.

RESOLUTION 23-088 By White, Supported by Miriani

Resolved, That the Board approves to transfer \$5M from the Northern Trust Index Fund to the Kennedy Small Cap Growth fund.

Yeas: 9 – Nays: 0

F. Attucks Manager-of-Managers Summary: September 30, 2023

This is for Trustees' information.

REPORTS

Trustees Report

Trustee Greimel stated that the \$400 monthly stipend negotiation between CPREA and the City has reached a broad agreement however, they are still in discussion.

Committee Report

Ms. Turner reported that both Committees reviewed the Monthly Disability Report, CPA Hiring Update, and Pension Technology Group. Personnel Committee reviewed the Deceased Members Report, Employee Leave Balances, and. Finance Committee reviewed Preliminary Performance and Monthly Asset Level, rebalancing, Kennedy Small Cap Growth, Distribution, Michigan Tax Withholding December 2021 Update, 2023 COLA process, Forensic Audit update, 2022 Actuarial Valuation Report, Accounts Payable and Accounts Receivable.

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EXECUTIVE DIRECTOR REPORT:

Ms. Turner reported that the job description of the CPA/Accountant position that the System plans to hire will be submitted at the November Board Meeting. For the outstanding Michigan Tax Withholding Q4 2021, there is no extra cost that the System needs to pay, the issue was due to the misunderstanding of the tax ID of GERS and REGERS between Michigan State and ADP. Going forward, we requested ADP to send us confirmation upon tax payment. We are also in discussion with Pension Technologies Group regarding ways to streamline the existing processes of the office to make it better and easier for all.

Trustee White suggested taking maintenance cost into consideration when communicating with external payroll companies.

UNFINISHED BUSINESS: NONE

NEW BUSINESS

A. 2022 Actuarial Valuation Report

RESOLUTION 23-089 By King, Supported by White

Resolved, That the Board approves the finalization and distribution of the 2022 Actuarial Valuation Report.

Yeas: 9 – Nays: 0

B. November Board Meeting Rescheduling

RESOLUTION 23-090 By White Supported by Swazer

Resolved, That the Board approves the rescheduling of the next Regular Board Meeting to November 29, 2023.

Yeas: 9 – Nays: 0

C. Legal Report

1. Report from Legal Counsel

Durable Power of Attorney – Patricia Fleming

This is for Trustees' information.

Freedom of Information Requests/Responses

This is for Trustees' information.

Labaton Sucharow 3rd QTR Portfolio Monitoring Report

This is for Trustees' information.

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Robbins Geller September 2023 Portfolio Monitoring Report

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PUBLIC COMMENT

Darlene Clark Williams made public comments.

RE: Resolution to Go into Closed Session

RESOLUTION 23-091 By Swazer, Supported by King

Resolved, That the Board approves to go into the Closed Session to discuss Hawaiian Electric Industries, Reckitt Benckiser Group Securities Litigation and Onyx matters.

Yeas: 9 – Nays: 0

ROLL CALL:

Albritton – Yes	Miriani – Yes
Giddings – Yes	King – Yes
Greimel – Yes	Walker – Yes
Sadowski – Yes	White – Yes
Swazer – Yes	

The Board went into closed session at 10:51 A.M.

The Board returned from closed session at 10:56 A.M.

RESOLUTION 23-092 By White, Supported by Swazer

Resolved, That the Board ratified Chairman's signature on the retainer and certification as lead plaintiff with Robbins Geller regarding Hawaiian Electric Industries litigation on October 23, 2023.

Yeas: 9 – Nays: 0

RESOLUTION 23-093 By Swazer, Supported by White

Resolved, That the Board approves the Closed Session meeting minutes held on September 27, 2023.

Yeas: 9 – Nays: 0

SCHEDULING OF NEXT MEETING/ADJOURNMENT

Regular Meeting: Wednesday, November 29, 2023, 9:00 A.M.

A. ADJOURNMENT

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RESOLUTION 23-094 By Swazer, Supported by White

Resolved, That the meeting of the Board of Trustees of the Pontiac Reestablished General Employees' Retirement System be adjourned at 10:59 A.M.

Yeas: 9 – Nays: 0

I certify that the forgoing are the true and correct minutes of the meeting of the Reestablished General Employees' Retirement System held on October 25, 2023.

As recorded by Xiaotian Xue, reviewed, and edited by Executive Director and Legal Counsel