



**CITY OF ROYAL OAK RETIREMENT SYSTEM
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES**

A meeting of the Retirement Board of Trustees was conducted remotely via Zoom Video Conference, on Friday, February 19, 2021 at 8:00 a.m.

The meeting was called to order at 8:03 a.m.

Attendance / Roll Call:

PRESENT: Lee Collick, attending from Royal Oak, Michigan - Chairperson
Bret Nelson, attending from Troy, Michigan - Vice Chairperson
Kyle DuBuc, attending from Royal Oak, Michigan – Trustee
Paul Brake, attending from Royal Oak, Michigan – Trustee
Monica Hunt, attending from Royal Oak, Michigan - Trustee

ALSO PRESENT: Julie Rudd - Bd Chief Administrative Officer/ Bd Secretary/Bd Treasurer
Lisa Genord – Financial Analyst / Pension Technician
Tom Michaud – Bd Attorney with VanOverbeke, Michaud, & Timmony
Terry Gerlich – Investment Advisor with SEI

Public Comment

Members of the public were able to participate in the meeting by joining on Zoom Webinar using Meeting ID 81065183208 & password 313525. Participation could be either online or by calling in:
Online: <https://us02web.zoom.us/j/81065183208?pwd=eng3YkJuVHpPT2ZJUWWhyamxUNGZUQT09>
iPhone: 1 929 205 6099 or 1 301 715 8592
Phone: 1 929 205 6099 or 1 301 715 8592 or 1 312 626 6799 or 1 669 900 6833 or 1 253 215 8782 or 1 346 248 7799. There were no public attendees / comments.

Board approval of the agenda for the February 19, 2021 meeting

*Moved by Lee Collick to approve the agenda for the February 19, 2021 meeting.
Supported by Paul Brake.
MOTION ADOPTED UNANIMOUSLY 5/0*

Board approval of the draft minutes for the January 22, 2021 meeting

*Moved by Lee Collick to approve the draft minutes for January 22, 2021 meeting.
Supported by Bret Nelson
MOTION ADOPTED UNANIMOUSLY 5/0*

Request that the Board approve Adjustments, Applications and Benefits as follows:

Adjustments

Robert A. Barger – Domestic Relations Order (DRO) acceptance.
Moved by Lee Collick to approve the following resolution
Supported by Bret Nelson
MOTION ADOPTED UNANIMOUSLY 5/0

*WHEREAS, the Board is in receipt of a Domestic Relations Order (DRO) dated December 30, 2020, wherein Amy Barger, the Alternate Payee, is awarded certain rights to the benefits of Robert A. Barger, the Participant, and
WHEREAS, the Alternate Payee is entitled to claim a portion of the Participant’s retirement benefit from the Retirement System which is to be paid as soon as administratively feasible, and*

WHEREAS, the Board's policy is to require that the cost for the actuary's calculations are to be borne by the parties to the domestic relations proceedings, and the order provides that the Participant and the Alternate Payee shall be responsible for any and all additional costs for actuarial services, and that the Alternate Payee's share of said costs shall be in proportion to her share of the Participant's benefit award to her under the order, and

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, therefore be it,

RESOLVED, that the Board acknowledges receipt of said court order, and will pay pension benefits consistent with said order as soon as administratively feasible, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and

RESOLVED, that copies of this resolution be sent to Robert A. Barger, the Participant; Christine G. Strasser, Esq., attorney for the Participant; Amy Barger, the Alternate Payee; Ronald W. Rickard, Esq., attorney for the Alternate Payee; and the Board's actuary.

Amy Barger, alternate payee of Robert A. Barger, retired from DPS on March 9, 2019. Amy Barger's gross monthly benefit payment as the alternate payee of Robert A. Barger is \$545.35.

Moved by Lee Collick to approve the gross monthly benefit payment of \$545.35 to Amy Barger, as the alternate payee of Robert A. Barger.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Applications

Catherine M. Szydowski, of the police department, ROPOA bargaining unit, 26 years and 8 months of service credit. Requested retirement date of March 26, 2021. Eligible based on years of service/age.

Moved by Lee Collick to approve the retirement application for Catherine M. Szydowski.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Christopher N. Annetta, of the police department, PCOA bargaining unit, 25 years (purchased 8.5 months contract time) of service credit. Requested retirement date of April 15, 2021. Eligible based on years of service/age. Christopher N. Annetta requests an estimated pension payment in accordance with the following policy:

Effective January 1, 2020, the board will allow for payment of an estimated pension payment for certain new retirees that make the election due to hardship, the estimated calculation will be calculated by taking 75% of the straight life calculation using average base wage only (base wage that will be utilized in the in FAC excludes roll-ins), years of service and the applicable multiplier(s). Any under/overpayments will be paid/collected. This policy will be available to those employees with a retirement date of January 1, 2020 through August 31, 2020. At the July 10, 2020 retirement board meeting, Lee Collick motioned to continue paying estimated payments from January 1st – August 31st each year, as long as the criteria is met by the applicant. The motion was adopted unanimously 5/0.

Moved by Lee Collick to approve the retirement application and estimated pension payment for Christopher N. Annetta.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Retirement Benefits

James P. Cook, of the fire department, fire bargaining unit, 34 years and 3 months of service credit.

Retirement date of October 27, 2020. Selected Option D 75% to surviving spouse - \$8,305.27 gross monthly benefit with withdrawal of contributions / interest of \$160,808.31.

Moved by Lee Collick to approve the gross monthly benefit payment of \$8,305.27 to James P. Cook and withdrawal of contributions / interest of \$160,808.31.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

INVESTMENTS

SEI investment report dated January 31, 2021 presented by Terry Gerlich

Market value/allocation of assets as of January 31, 2021 equaled \$173,877,456.

One-month performance (except core property) – total portfolio outperformed benchmark: 0.08% return vs. -0.03% index.

Three-month performance – total portfolio outperformed the benchmark: 13.51% return vs. 12.44% index.

YTD performance - total portfolio outperformed the benchmark: 0.08% return vs. -0.03% index

One-year performance – total portfolio outperformed the benchmark: 17.14% return vs. 15.24% index.

Three-year performance – total portfolio outperformed the benchmark: 8.34% return vs. 7.83% index.

Five-year performance – total portfolio outperformed the benchmark: 11.78% return vs. 11.18% index.

Inception - total portfolio outperformed the benchmark: 8.39% return vs. 7.84% index.

Terry reported that emerging-market equities had strong performance in January, while developed-market stocks were generally negative. U.S. equities underwhelmed during the month, generating a return of -0.82% (as represented by the Russell 1000 Index). Within U.S. equities, energy and healthcare companies registered strong returns. Industrials and consumer staples companies underperformed other sectors. Small-cap stocks beat large-cap stocks by a wide margin in January. Government bond yield curves generally steepened across major developed markets. U.S. Treasury rates generally increased throughout the 4th quarter, with the 10-year Treasury rate rising by more than any other maturity. Short-term U.S. Treasury rates edged downward. The Federal Open Market Committee retained its existing monetary policy stance at its late January meeting. The federal-funds rate's target range will remain between 0.0% and 0.25%. Terry also reported that interest rates are starting to climb and that the theme for this year will be reflation. Terry also reported that the city's portfolio performance was mostly flat for the month of January and that small cap stocks did well which was driven by speculation in the market.

The complete report is on file in the finance office.

Moved by Lee Collick to receive and file report.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

LEGAL

Robbins Geller Rudman & Dowd Portfolio Monitoring Report dated January 29, 2021

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Robbins Geller Rudman & Dowd International Portfolio Monitoring Report dated January 29, 2021

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Robbins Geller Rudman & Dowd Portfolio Settlement Report dated January 29, 2021

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

Robbins Geller Rudman & Dowd Q4 2020 Repose Report dated December 31, 2020

Moved by Lee Collick to receive and file

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0

OTHER

None

NEXT MEETING AND ADJOURNMENT

Next regular meeting is scheduled for 8:00 am Friday, March 19, 2021, via remote Zoom webinar.

Moved by Lee Collick to adjourn the meeting (8:19 a.m.) and confirmed the meeting for March 19, 2021 at 8:00 am.

Supported by Bret Nelson

MOTION ADOPTED UNANIMOUSLY 5/0